



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2017 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 996 210 065
Organisasjonsform: Aksjeselskap
Foretaksnavn: GEARBULK BERGEN AS
Forretningsadresse: Damsgårdsveien 165
5160 LAKSEVÅG

Regnskapsår

Årsregnskapets periode: 01.01.2017 - 31.12.2017

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Ja
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Marius Kaland Olsen
Dato for fastsettelse av årsregnskapet: 15.06.2018

Grunnlag for avgivelse

År 2017: Årsregnskapet er elektronisk innlevert
År 2016: Tall er hentet fra elektronisk innlevert årsregnskap fra 2017

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 05.11.2020



Resultatregnskap

Beløp i: NOK	Note	2017	2016
RESULTATREGNSKAP			
Inntekter			
Sales revenue	2	-142 978	940 055
Sum inntekter		-142 978	940 055
Kostnader			
Payroll expenses	3,4	-242 621	689 248
Other operating expenses	3	50 016	60 628
Sum kostnader		-192 605	749 876
Driftsresultat		49 627	190 179
Finansinntekter og finanskostnader			
Other financial income		956	1 018
Sum finansinntekter		956	1 018
Other financial expenses		1 200	1 236
Sum finanskostnader		1 200	1 236
Netto finans		-244	-218
Ordinært resultat før skattekostnad		49 383	189 961
Tax	6	11 852	46 392
Ordinært resultat etter skattekostnad		37 531	143 569
Årsresultat		37 531	143 569



Balanse

Beløp i: NOK	Note	2017	2016
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Sum anleggsmidler		0	0
Omløpsmidler			
Varer			
Fordringer			
Other receivables	7	0	165 288
Sum fordringer		0	165 288
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	5	784 415	651 876
Sum bankinnskudd, kontanter og lignende		784 415	651 876
Sum omløpsmidler		784 415	817 164
SUM EIENDELER		784 415	817 164
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	8,9	100 000	100 000
Sum innskutt egenkapital		100 000	100 000
Opptjent egenkapital			
Retained earnings	8	619 637	582 106
Sum opptjent egenkapital		619 637	582 106
Sum egenkapital		719 637	682 106
Gjeld			



Balanse

Beløp i: NOK	Note	2017	2016
Langsiktig gjeld			
Utsatt skatt	6	0	35 426
Sum avsetninger for forpliktelser		0	35 426
Annen langsiktig gjeld			
Sum langsiktig gjeld		0	35 426
Kortsiktig gjeld			
Leverandørgjeld		0	249
Tax payable	6	47 278	50 739
Public duties payable		-2 500	3 429
Other short-term liabilities	7	20 000	45 215
Sum kortsiktig gjeld		64 778	99 632
Sum gjeld		64 778	135 058
SUM EGENKAPITAL OG GJELD		784 415	817 164



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2017 - GENERELL INFORMASJON

Journalnummer: 2018 828974

Enheten

Organisasjonsnummer: 996 210 065
Organisasjonsform: Aksjeselskap
Foretaksnavn: GEARBULK BERGEN AS
Forretningsadresse: Damsgårdsveien 165
5160 LAKSEVÅG

Regnskapsår

Årsregnskapets periode: 01.01.2017 - 31.12.2017

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Ja
Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Marius Kaland Olsen
Dato for fastsettelse av årsregnskapet: 15.06.2018

Grunnlag for avgivelse

År 2017: Årsregnskap er elektronisk innlevert.
År 2016: Tall er hentet fra elektronisk innlevert årsregnskap fra 2017.

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 31.07.2018

Brønnøysundregistrene

Postadresse: Postboks 900, 8910 Brønnøysund
Telefoner: Opplysningstelefonen 75 00 75 00 Administrasjonen 75 00 75 09 Telefaks 75 00 75 05
E-post: firmapost@brreg.no Internett: www.brreg.no
Organisasjonsnummer: 974 760 673



Organisasjonsnr: 996 210 065
GEARBULK BERGEN AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2017	2016
RESULTATREGNSKAP			
Inntekter			
Sales revenue	2	-142 978	940 055
Sum inntekter		-142 978	940 055
Kostnader			
Payroll expenses	3,4	-242 621	689 248
Other operating expenses	3	50 016	60 628
Sum kostnader		-192 605	749 876
Driftsresultat		49 627	190 179
Finansinntekter og finanskostnader			
Other financial income		956	1 018
Sum finansinntekter		956	1 018
Other financial expenses		1 200	1 236
Sum finanskostnader		1 200	1 236
Netto finans		-244	-218
Ordinært resultat før skattekostnad			
Tax	6	11 852	46 392
Ordinært resultat etter skattekostnad		37 531	143 569
Årsresultat		37 531	143 569



Organisasjonsnr: 996 210 065
GEARBULK BERGEN AS

BALANSE

Beløp i: NOK Note 2017 2016

BALANSE - EIENDELER

Anleggsmidler
Immaterielle eiendeler

Sum anleggsmidler 0 0

Omløpsmidler
Varer

Fordringer
Other receivables 7 0 165 288
Sum fordringer 0 165 288

Bankinnskudd, kontanter
og lignende
Cash and cash equivalents 5 784 415 651 876
Sum bankinnskudd,
kontanter og lignende 784 415 651 876

Sum omløpsmidler 784 415 817 164

SUM EIENDELER 784 415 817 164

BALANSE - EGENKAPITAL OG GJELD

Egenkapital
Innskutt egenkapital
Share capital 8,9 100 000 100 000
Sum innskutt egenkapital 100 000 100 000

Opptjent egenkapital
Retained earnings 8 619 637 582 106
Sum opptjent egenkapital 619 637 582 106

Sum egenkapital 719 637 682 106

Gjeld
Langsiktig gjeld
Utsatt skatt 6 0 35 426
Sum avsetninger for
forpliktelsler 0 35 426
Annen langsiktig gjeld

Sum langsiktig gjeld 0 35 426

Kortsiktig gjeld
Leverandørgjeld 0 249



Tax payable	6	47 278	50 739
Public duties payable		-2 500	3 429
Other short-term liabilities	7	20 000	45 215
Sum korttidsiktig gjeld		64 778	99 632
Sum gjeld		64 778	135 058
SUM EGENKAPITAL OG GJELD		784 415	817 164



Organisasjonnr: 996 210 065
GEARBULK BERGEN AS

NOTEOPPLYSNINGER - SELSKAP

- alle poster oppgitt i hele tall

Regnskapsprinsipper

The Financial Statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles for small companies. Sales revenue Sales revenues are recognized upon delivery. Revenue from services is recognized upon performance. Share of revenue relating to future delivery are recorded in the balance sheet and recorded as sales revenue in pace with delivery. Balance sheet classification Current assets and liabilities are comprised of items receivable/due within one year and items related to the inventory cycle. Other assets and liabilities are classified as long-term liabilities and fixed assets. Current assets are valued at the lower of acquisition cost and fair value. Liabilities are recognized at nominal value. Fixed assets are valued at cost. Fixed assets are recorded in the balance sheet and depreciated over the estimated useful economic life. Fixed assets are written down to recoverable amount when decreases in value are expected to be permanent. Trade and other receivables Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of individual assessments. In addition, for the remainder of accounts receivables outstanding balances, a general provision is carried out based on expected loss. Pensions Pension costs and pension liabilities are estimated on the basis of linear earnings and future salary. The calculation is based on assumptions of discount rate, future wage adjustments, pension and other payments from the national insurance fund, future return on pension funds and actuarial assumptions for deaths, voluntary resignation etc. Pension funds are valued at fair value and deducted from net pension liabilities in the balance sheet. Changes in the pension obligations due to changes in pension plans are recognized over the estimated average remaining service period. Income tax Tax expenses in the profit and loss account comprise both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated on all differences between the book value and the tax value of assets and liabilities at the year end. Deferred tax is calculated as 23 % of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet to the extent it is more likely than not that the tax assets will be utilized. To what extent group contribution not is registered in the profit and loss, the tax effect of group contribution is posted directly against the investment in the balance. Use of estimates The management has used estimates and assumptions in the preparation of the financial statements that have effect on the reported amounts in the profit and loss statement, the measurement of assets and liabilities and the disclosure of contingent assets and liabilities on the balance sheet date in accordance with the generally accepted accounting principles in Norway. Contingent losses that are probable and quantifiable are expensed as occurred.

Antall aksjer og aksjeeiere

<u>Aksjeklasse</u>	<u>Ant. aksjer</u>	<u>Pålydende</u>	<u>Bokført verdi</u>
--------------------	--------------------	------------------	----------------------



Ordinære aksjer	1000.00	100.00	100000.00
<u>Aksjeeiere - fritekst</u>	<u>Antall</u>	<u>Eierandel</u>	<u>Aksjeklasse</u>
Gearbulk Norway AS	1000.00	100.00%	Ordinære aksjer
<u>Sum</u>	<u>Sum antall</u>	<u>Sum eierandel</u>	
	1000.00	100.00%	

Tilleggsopplysninger om aksjer og aksjeeiere

Lønn og ytelser

<u>Lønnskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
		493380.00
<u>Arbeidsgiveravgift</u>	<u>Årets</u>	<u>Fjorårets</u>
		75259.00
<u>Pensjonskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
		79543.00
<u>Andre ytelser</u>	<u>Årets</u>	<u>Fjorårets</u>
	-242621.00	41066.00
<u>Sum lønnskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	-242621.00	689248.00

Tilleggsopplysninger om lønn

In 2017 Gearbulk Bergen AS received a refund from the health insurance company

Ytelser til ledende personer

Er det gitt ytelser til ledende person: Nei

Ledende person

Ytelser til revisjon

<u>Revisjon</u>	<u>Årets</u>	<u>Fjorårets</u>
	49000.00	28500.00
<u>Andre tjenester</u>	<u>Årets</u>	<u>Fjorårets</u>
	0.00	0.00
<u>Sum godtgjørelse til revisor</u>	<u>Årets</u>	<u>Fjorårets</u>
	49000.00	28500.00

Tilleggsopplysninger om ytelser til ledende personer

Antall årsverk og obligatorisk tjenestepensjon

0.00

Tilleggsopplysninger om årsverk og obligatorisk tjenestepensjon



Lån og sikkerhetsstillelse til ledende personer og aksjeeiere

Er det gitt lån eller sikkerhetsstillelse til ledende personer: Nei

Tilleggsopplysninger om lån og sikkerhetsstillelse

Konsern, tilknyttet selskap og datterselskap

Tilknyttet selskap/datterselskap

Tilleggsopplysninger om tilknyttet selskap/datterselskap

Gearbulk Norway AS - eier

Konsernregnskapet inngår i konsolideringen til morselskap: Ja

<u>Navn</u>	<u>Forretningskontor</u>
Gearbulk Norway AS	Damsgårdsveien 165 , 5160 Bergen , Norway

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Spesifisering av resultatregnskapet

Ekstraordinære inntekter og kostnader

Anleggsmidler

Virkelig verdi av finansielle instrumenter

Fordringer, gjeld, garantiforpliktelser

Ytterligere noteopplysninger



CIRCULAR RESOLUTION OF THE BOARD OF DIRECTORS OF

GEARBULK BERGEN AS

with registered address at:

Damsgårdsveien 165, 5160 Laksevåg, Norway
(the **Company**)

The Directors of the Company herewith confirm and agree, with reference to the Company's Articles of Association and clause 6.19 of the Norwegian Limited Liability Companies Act (1997-06-13-45), that the resolutions contained herein can be adopted by way of written Circular Resolution.

ANNUAL STATUTORY FINANCIAL STATEMENTS - 2017

It is hereby **RESOLVED** as follows:

- (i) that the Directors Report as contained within the Financial Statements 2017 is approved;
- (ii) that the Financial Statements 2017, as attached hereto as Appendix A, are approved, and
- (iii) that the net result for the period 1 January 2017 to 31 December 2017 be allocated to retained earnings.

This circular resolution was taken on **15th June 2018**.

SIGNATURE SECTION:



SJUR GJERDE, Chairman



KETIL ANDREASSEN, Director



Gearbulk Bergen AS

Annual report 2017

Annual accounts

- Income statement**
- Balance sheet**
- Notes**

Auditors' report



Gearbulk Bergen AS

Income statement

	Note	2017	2016
Revenue			
Sales revenue	2	<u>-142 978</u>	<u>940 055</u>
Operating expenses			
Payroll expenses	3, 4	-242 621	689 248
Other operating expenses	3	<u>50 016</u>	<u>60 628</u>
Total operating expenses		<u>-192 605</u>	<u>749 876</u>
Operating result		<u>49 627</u>	<u>190 179</u>
Financial income and expenses			
Other financial income		956	1 018
Other financial expenses		<u>1 200</u>	<u>1 237</u>
Net financial items		<u>-244</u>	<u>-218</u>
Ordinary result before tax		<u>49 383</u>	<u>189 961</u>
Tax on ordinary result	6	<u>11 852</u>	<u>46 392</u>
Net profit or loss for the year		<u>37 531</u>	<u>143 569</u>
Allocated as follows			
Transferred to other equity	8	<u>37 531</u>	<u>143 569</u>



Gearbulk Bergen AS

Balance sheet as of December 31

	Note	2017	2016
Current assets			
<i>Receivables</i>			
Other receivables	7	0	165 288
Total accounts receivable		<u>0</u>	<u>165 288</u>
Cash and cash equivalents	5	<u>784 415</u>	<u>651 876</u>
Total current assets		<u>784 415</u>	<u>817 164</u>
Total assets		<u>784 415</u>	<u>817 164</u>

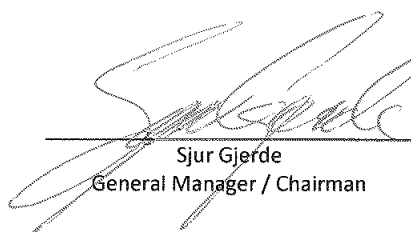


Gearbulk Bergen AS

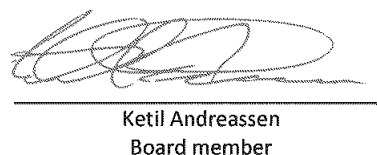
Balance sheet as of December 31

	Note	2017	2016
Equity			
<i>Paid-in capital</i>			
Share capital	8, 9	100 000	100 000
Total paid-in capital		100 000	100 000
<i>Retained earnings</i>			
Other equity	8	619 637	582 106
Total retained earnings		619 637	582 106
Total equity		719 637	682 106
Liabilities			
<i>Provisions</i>			
Deferred tax liability	6	0	35 426
Total provisions		0	35 426
<i>Current liabilities</i>			
Trade creditors		0	249
Tax payable	6	47 278	50 739
Public duties payable		-2 500	3 429
Other short-term liabilities	7	20 000	45 215
Total current liabilities		64 778	99 632
Total liabilities		64 778	135 058
Total equity and liabilities		784 415	817 164

December 31, 2017
Bergen, June 15, 2018



Sjur Gjerde
General Manager / Chairman



Ketil Andreassen
Board member



Gearbulk Bergen AS

Notes to the accounts for 2017

Note - 1 Accounting Principles

The Financial Statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles for small companies.

Sales revenue

Sales revenues are recognized upon delivery. Revenue from services is recognized upon performance. Share of revenue relating to future delivery are recorded in the balance sheet and recorded as sales revenue in pace with delivery.

Balance sheet classification

Current assets and liabilities are comprised of items receivable/due within one year and items related to the inventory cycle. Other assets and liabilities are classified as long-term liabilities and fixed assets.

Current assets are valued at the lower of acquisition cost and fair value. Liabilities are recognized at nominal value. Fixed assets are valued at cost. Fixed assets are recorded in the balance sheet and depreciated over the estimated useful economic life. Fixed assets are written down to recoverable amount when decreases in value are expected to be permanent.

Trade and other receivables

Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of individual assessments. In addition, for the remainder of accounts receivables outstanding balances, a general provision is carried out based on expected loss.

Pensions

Pension costs and pension liabilities are estimated on the basis of linear earnings and future salary. The calculation is based on assumptions of discount rate, future wage adjustments, pension and other payments from the national insurance fund, future return on pension funds and actuarial assumptions for deaths, voluntary resignation etc. Pension funds are valued at fair value and deducted from net pension liabilities in the balance sheet. Changes in the pension obligations due to changes in pension plans are recognized over the estimated average remaining service period.

Income tax

Tax expenses in the profit and loss account comprise both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated on all differences between the book value and the tax value of assets and liabilities at the year end. Deferred tax is calculated as 23 % of temporary differences and the tax effect of tax losses carried forward.

Deferred tax assets are recorded in the balance sheet to the extent it is more likely than not that the tax assets will be utilized.

To what extent group contribution not is registered in the profit and loss, the tax effect of group contribution is posted directly against the investment in the balance.

Use of estimates

The management has used estimates and assumptions in the preparation of the financial statements that have effect on the reported amounts in the profit and loss statement, the measurement of assets and liabilities and the disclosure of contingent assets and liabilities on the balance sheet date in accordance with the generally accepted accounting principles in Norway.

Contingent losses that are probable and quantifiable are expensed as occurred.



Gearbulk Bergen AS

Notes to the accounts for 2017

Note 2 - Sales revenue

Sales revenue derives from rental of Norwegian Sea-going personnel to ships operated by Gearbulk Group. The negative sales figure is due the credit note to the Gearbulk Shipowning Ltd (the settlements for the previous year services).

Note 3 - Wage costs, number of employees, remuneration, loans to employees, and the auditor's fee

<i>Wage costs</i>	2017	2016
Salaries	0	493 380
Payroll tax	0	75 259
Pension costs	0	79 543
Other payments	-242 621	41 066
Total	<u>-242 621</u>	<u>689 248</u>

In December 2017 the Company has received a refund from the health insurance company.

The average number of employees during the year: 0 .

Management remuneration

There has not been any remuneration to leading employees. No loans or guarantees have been given to the Managing Director, members of the Board of Directors or their related parties.

<i>Auditor fee has been divided as follows</i>	2017	2016
Audit fee	49 000	28 500

VAT is not included into the figures of the auditor's fee.

Note 4 - Pensions

The Company has been obliged to have employees' pension scheme that meets the requirements in the pension act as long as there have been employees in the Company. The company's pension scheme has fulfilled the requirements of this Act.

In 2016, the Company's collective defined benefit scheme for its Norwegian sailors was settled for the current and former employees. As of December 31st, 2016 the Company has no sea-going personnel. The settlement amounts from the insurance company were received in 2017.

Sea-going personnel pension

The company established a separate pension scheme for sea-going personnel as required in the pension scheme act for sea-going personnel. Yearly contribution was 3 % of gross income.

Note 5 - Bank deposit

As of 31.12.2017 the Company has no restricted cash related to employee tax.



Gearbulk Bergen AS

Notes to the accounts for 2017

Note 6 - Income taxes

<i>Income tax expenses</i>	2017	2016
Tax payable	47 278	50 739
Change in deferred tax	-35 426	-4 347
Total income tax expense	<u>11 852</u>	<u>46 392</u>
<i>Tax base estimation</i>	2017	2016
Net result before tax	49 383	189 961
Change in temporary differences	147 607	12 996
Tax base	<u>196 990</u>	<u>202 957</u>
Tax payable	47 278	50 739
<i>Temporary differences outlined</i>	2017	2016
Receivables	0	147 607
Net temporary differences as of 31.12	<u>0</u>	<u>147 607</u>
Deferred income tax liability (23% this year, 24% last year)	0	35 426
<i>Effective tax rate</i>	2017	
Expected income taxes, statutory tax rate 24%	<u>11 852</u>	
Income tax expense	<u>11 852</u>	

Note 7 - Intercompany balance

<i>Receivables</i>	2017	2016
Gearbulk Shipowning Ltd	0	17 103
<i>Payables</i>	2017	2016
Gearbulk Norway AS	0	15 215

Note 8 - Owners equity

	Share capital	Retained earnings	Total
Owners' equity 01.01.	100 000	582 106	682 106
Profit for the year	0	37 531	37 531
Owners' equity 31.12.	<u>100 000</u>	<u>619 637</u>	<u>719 637</u>



Gearbulk Bergen AS

Notes to the accounts for 2017

Note 9 - Share capital and shareholder information

Share capital:

	Number of shares	Face value	Book value
Ordinary shares	1 000	100 kr	100 000

All shares are owned by Gearbulk Norway AS.

Group Financial statement of Gearbulk Norway AS is available at the main office in Bergen.



To the General Meeting of Gearbulk Bergen AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Gearbulk Bergen AS showing a profit of NOK 37 531. The financial statements comprise the balance sheet as at 31 December 2017, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 December 2017, and its financial performance for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by laws and regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors (management) is responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it

PricewaterhouseCoopers AS, Sandviksbodene 2A, Postboks 3984 - Sandviken, NO-5835 Bergen
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Independent Auditor's Report - Gearbulk Bergen AS

exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

(2)



Independent Auditor's Report - Gearbulk Bergen AS



Report on Other Legal and Regulatory Requirements

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Bergen, 15 June 2018

PricewaterhouseCoopers


Marius Kaland Olsen
State Authorised Public Accountant



Norwegian Directorate of Taxes

Inquiries to
Torstein Kinden Helleland

Your date
24.08.2015

Our date
16.09.2015

Telephone
22078139

Your reference
Anders Hagen

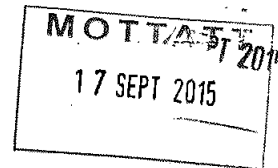
Our reference
2015/839383

GEARBULK POOL LTD
Postboks 1925 Damsgård
5828 BERGEN

Permission to prepare the annual accounts and directors' report in English language

With reference to your letter of 28 August 2015, you apply for permission to keep annual accounts and directors' report in English language. The application in question concerns the following companies;

Gearbulk Bergen AS	org. nr. 996 210 065
Gearbulk Ltd	org. nr. 929 784 308
Gearbulk Management Ltd	org. nr. 914 961 939
Gearbulk Norway AS	org. nr. 996 101 061
Gearbulk Pool Ltd	org. nr. 914 961 858
Gearbulk Shipping AS	org. nr. 961 999 960
Skipsaksjeselskapet Gearbulk AS	org. nr. 989 761 617



Conclusion

Based on a total evaluation, the view of The Directorate of Taxes is that the companies mentioned above may make the directors' report and annual accounts in English language according to the Norwegian Accounting Act § 3-4 third paragraph. The exemption requires that the information that the decision is based on, does not change significantly.

A copy of this letter must be sent to the Register of Company Accounts in Brønnøysund together with the financial statements. It is incumbent on the company to document by this letter that the permit is granted.

Background

The companies in the Gearbulk Holding Group are owned by Gearbulk Holding Ltd, Bermuda. The Gearbulk Holding Group is an international group of companies which owns and operates a modern fleet of open hatch vessels. The Group is highly international in the sense that it operates throughout the world. The Group uses English as working language. The annual report and financial statements are required to be prepared each year in the Norwegian language only in order to satisfy the requirements of the Norwegian Accounting Act.

Postal address
Postboks 9200 Grønland
0134 Oslo

Visiting address: Telephone
See www.skatteetaten.no 800 80 000
Org.nr: 996250318 Telefax
E-mail: skatteetaten.no/sendepost 22 17 08 80



Permission to make the annual accounts and the directors' report in Norway in English language

According to the Norwegian Accounting Act § 3-4, third paragraph shall *"the directors' report and annual accounts ... be in Norwegian. The Ministry can in an individual decision decide that the directors' report and/or annual accounts may be in another language"*.

Ot. prp. nr. 42 (1997-1998) About Act about annual accounts etc., says the following about the purpose of the Accounting Act, refer section 1.1:

"The aim of the Government with respect to the Accounting Act is that it shall contribute towards providing informative accounts for different users of accounts. The users of accounts include investors and creditors which provide capital for the companies. Other groups include those who have an interest in knowing how the companies are operated, for example employees and the local community. The information to the capital market is an important basis for the correct pricing of financial instruments. The correct pricing of stocks is an important factor in securing the best possible allocation of resources in the economy. High quality accounts will also make it more difficult for market participants to obtain speculative gains as a result of non-publicly available information."

Hence, one of the main aims of the Accounting Act is to contribute to "informative accounts for different users of accounts". The users of the accounts will include investors, creditors, employees and the local community.

Hence, it is the view of the Ministry that it is crucial that the question of dispensation from the general rule that the annual accounts and/or directors' report should be prepared in Norwegian, not in any significant way deviate from the consideration of users of the accounts.

As mentioned above it is particularly the consideration of the users of the account information which has to be taken into consideration when considering the application for permission. In this assessment, the Directorate of Taxes has emphasized that the companies are owned by a foreign company. The working language is English, and English is the preferred language for internal and external communication. Further, the companies operate in an international branch.

Please state "our reference" (see above) in all written communication with The Norwegian Tax Authorities.

Best regards

Rune Tystad
Senior Adviser
Rettsavdelingen, foretaksskatt
Norwegian Directorate of Taxes

Torstein Kinden Helleland

This document has been electronically approved and contains therefore no handwritten signatures