



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 888 271 392
Organisasjonsform: Aksjeselskap
Foretaksnavn: ISLAND OFFSHORE XII AS
Forretningsadresse: Stålhaugen 9
6065 ULSTEINVIK

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: 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: Asbjørn Hasund
Dato for fastsettelse av årsregnskapet: 09.06.2022

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

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, 30.07.2023



Resultatregnskap

| Beløp i: NOK | Note | 2021 | 2020 |
|--|------|-------------------|-------------------|
| RESULTATREGNSKAP | | | |
| Inntekter | | | |
| Sum inntekter | | 0 | 0 |
| Kostnader | | | |
| Sum kostnader | | 0 | 0 |
| Driftsresultat | | 0 | 0 |
| Finansinntekter og finanskostnader | | | |
| Annen renteinntekt | | 3 | 131 |
| Annen finansinntekt | 4 | 41 858 749 | 66 491 363 |
| Sum finansinntekter | | 0 | 0 |
| Annen rentekostnad | | | 8 |
| Annen finanskostnad | | | 126 |
| Sum finanskostnader | | 0 | 0 |
| Netto finans | | 41 858 752 | 66 491 360 |
| Ordinært resultat før skattekostnad | | 41 858 752 | 66 491 360 |
| Ordinært resultat etter skattekostnad | | 0 | 0 |
| Årsresultat | | 41 858 752 | 66 491 360 |
| Totalresultat | | 41 858 752 | 66 491 360 |
| Overføringer og disponeringer | | | |
| Overføringer til/fra annen egenkapital | | 41 858 752 | 66 491 360 |
| Sum overføringer og disponeringer | 6 | 41 858 752 | 66 491 360 |



Balanse

| Beløp i: NOK | Note | 2021 | 2020 |
|--|------|--------------------|--------------------|
| BALANSE - EIENDELER | | | |
| Anleggsmidler | | | |
| Immaterielle eiendeler | | | |
| Sum immaterielle eiendeler | | 0 | 0 |
| Varige driftsmidler | | | |
| Sum varige driftsmidler | | 0 | 0 |
| Finansielle anleggsmidler | | | |
| Investering i datterselskap | 4 | 325 707 470 | 283 848 721 |
| Sum finansielle anleggsmidler | | 325 707 470 | 283 848 721 |
| Sum anleggsmidler | | 325 707 470 | 283 848 721 |
| Omløpsmidler | | | |
| Varer | | | |
| Sum varer | | 0 | 0 |
| Fordringer | | | |
| Sum fordringer | | 0 | 0 |
| Investeringer | | | |
| Sum investeringer | | 0 | 0 |
| Bankinnskudd, kontanter og lignende | | | |
| Bankinnskudd, kontanter og lignende | | 53 842 | 53 839 |
| Sum bankinnskudd, kontanter og lignende | | 53 842 | 53 839 |
| Sum omløpsmidler | | 53 842 | 53 839 |
| SUM EIENDELER | | 325 761 312 | 283 902 560 |

BALANSE - EGENKAPITAL OG GJELD

Egenkapital



Balanse

| Beløp i: NOK | Note | 2021 | 2020 |
|--|-------------|--------------------|--------------------|
| Innskutt egenkapital | | | |
| Selskapskapital | 7 | 260 000 000 | 260 000 000 |
| Annen innskutt egenkapital | | 0 | 0 |
| Sum innskutt egenkapital | | 260 000 000 | 260 000 000 |
| Opptjent egenkapital | | | |
| Annen egenkapital | | 64 024 847 | 22 166 095 |
| Sum opptjent egenkapital | | 64 024 847 | 22 166 095 |
| Sum egenkapital | 6 | 324 024 847 | 282 166 095 |
| Gjeld | | | |
| Langsiktig gjeld | | | |
| Sum avsetninger for forpliktelser | | 0 | 0 |
| Annen langsiktig gjeld | | | |
| Øvrig langsiktig gjeld | 8 | 1 732 115 | 1 732 115 |
| Sum annen langsiktig gjeld | | 1 732 115 | 1 732 115 |
| Sum langsiktig gjeld | | 0 | 0 |
| Kortsiktig gjeld | | | |
| Annen kortsiktig gjeld | 8 | 4 349 | 4 349 |
| Sum kortsiktig gjeld | | 4 349 | 4 349 |
| Sum gjeld | | 1 736 464 | 1 736 464 |
| SUM EGENKAPITAL OG GJELD | | 325 761 312 | 283 902 560 |



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Journalnummer: 2022 733466

Enheten

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Organisasjonsform: Aksjeselskap
Foretaksnavn: ISLAND OFFSHORE XII AS
Forretningsadresse: Stålhaugen 9
6065 ULSTEINVIK

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: 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: Asbjørn Hasund
Dato for fastsettelse av årsregnskapet: 09.06.2022

Revisjon

Årsregnskapet er utarbeidet av ekstern
autorisert regnskapsfører: Ja
Ekstern autorisert regnskapsfører har i
løpet av regnskapsåret bistått ved den
løpende regnskapsføringen eller utført
andre tjenester for selskapet enn å
utarbeide årsregnskapet: Ja

Grunnlag for avgivelse

År 2021: Årsregnskap er elektronisk innlevert.
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021.

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, 30.07.2022

Brønnøysundregistrene
Postadresse: Postboks 900, 8910 Brønnøysund
Telefon: 75 00 75 00
E-post: firmapost@brreg.no Internett: www.brreg.no
Organisasjonsnummer: 974 760 673



Organisasjonsnr: 888 271 392
ISLAND OFFSHORE XII AS

RESULTATREGNSKAP

| Beløp i: NOK | Note | 2021 | 2020 |
|---|-------------|-------------|-------------|
| RESULTATREGNSKAP | | | |
| Inntekter | | | |
| Sum inntekter | | 0 | 0 |
| Kostnader | | | |
| Sum kostnader | | 0 | 0 |
| Driftsresultat | | 0 | 0 |
| Finansinntekter og finanskostnader | | | |
| Annen renteinntekt | | 3 | 131 |
| Annen finansinntekt | 4 | 41 858 749 | 66 491 363 |
| Sum finansinntekter | | 0 | 0 |
| Annen rentekostnad | | | 8 |
| Annen finanskostnad | | | 126 |
| Sum finanskostnader | | 0 | 0 |
| Netto finans | | 41 858 752 | 66 491 360 |
| Ordinært resultat før skattekostnad | | 41 858 752 | 66 491 360 |
| Ordinært resultat etter skattekostnad | | 0 | 0 |
| Årsresultat | | 41 858 752 | 66 491 360 |
| Totalresultat | | 41 858 752 | 66 491 360 |
| Overføringer og disponeringer | | | |
| Overføringer til/fra annen egenkapital | | 41 858 752 | 66 491 360 |
| Sum overføringer og disponeringer | 6 | 41 858 752 | 66 491 360 |



Organisasjonsnr: 888 271 392
ISLAND OFFSHORE XII AS

BALANSE

| Beløp i: NOK | Note | 2021 | 2020 |
|--|------|--------------------|--------------------|
| BALANSE - EIENDELER | | | |
| Anleggsmidler | | | |
| Immaterielle eiendeler | | | |
| Sum immaterielle eiendeler | | 0 | 0 |
| Varige driftsmidler | | | |
| Sum varige driftsmidler | | 0 | 0 |
| Finansielle anleggsmidler | | | |
| Investering i datterselskap 4 | | 325 707 470 | 283 848 721 |
| Sum finansielle anleggsmidler | | 325 707 470 | 283 848 721 |
| Sum anleggsmidler | | 325 707 470 | 283 848 721 |
| Omløpsmidler | | | |
| Varer | | | |
| Sum varer | | 0 | 0 |
| Fordringer | | | |
| Sum fordringer | | 0 | 0 |
| Investeringer | | | |
| Sum investeringer | | 0 | 0 |
| Bankinnskudd, kontanter og lignende | | | |
| Bankinnskudd, kontanter og lignende | | 53 842 | 53 839 |
| Sum bankinnskudd, kontanter og lignende | | 53 842 | 53 839 |
| Sum omløpsmidler | | 53 842 | 53 839 |
| SUM EIENDELER | | 325 761 312 | 283 902 560 |
| BALANSE - EGENKAPITAL OG GJELD | | | |
| Egenkapital | | | |
| Innskutt egenkapital | | | |
| Selskapskapital | 7 | 260 000 000 | 260 000 000 |
| Annen innskutt egenkapital | | 0 | 0 |
| Sum innskutt egenkapital | | 260 000 000 | 260 000 000 |
| Opptjent egenkapital | | | |
| Annen egenkapital | | 64 024 847 | 22 166 095 |
| Sum opptjent egenkapital | | 64 024 847 | 22 166 095 |



| | | | |
|-----------------------------------|---|--------------------|--------------------|
| Sum egenkapital | 6 | 324 024 847 | 282 166 095 |
| Gjeld | | | |
| Langsiktig gjeld | | | |
| Sum avsetninger for forpliktelses | | 0 | 0 |
| Annen langsiktig gjeld | | | |
| Øvrig langsiktig gjeld | 8 | 1 732 115 | 1 732 115 |
| Sum annen langsiktig gjeld | | 1 732 115 | 1 732 115 |
| Sum langsiktig gjeld | | 0 | 0 |
| Kortsiktig gjeld | | | |
| Annen kortsiktig gjeld | 8 | 4 349 | 4 349 |
| Sum kortsiktig gjeld | | 4 349 | 4 349 |
| Sum gjeld | | 1 736 464 | 1 736 464 |
| SUM EGENKAPITAL OG GJELD | | 325 761 312 | 283 902 560 |



Organisasjonsnr: 888 271 392
ISLAND OFFSHORE XII AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
2

Regnskapsprinsipper

The financial statements are prepared in accordance with the Norwegian Accounting Act and Generally Accepted Accounting Principles for small businesses (NRS 8) in Norway. Classification criteria Assets to be owned or utilized permanently, and receivables falling due later than one year from the end of the accounting year, are classified as fixed assets. Other assets are classified as current assets. Liabilities due later than one year from the end of the accounting year are classified as long term liabilities. Other debts and liabilities are classified as short term, with the exception of the first installment on secured debt which is serviced by the cash flow from fixed assets. Presentation of subsidiaries and associated companies Associated companies are accounted for by the equity method. Valuation of current assets Receivables are recorded net of expected future losses. Currency Transactions in foreign currency are recorded at the exchange rate at the transaction date. Current assets and liabilities are recorded at the exchange rate at the balance sheet date. Taxes The tax expense in the income statement includes both taxes payable and change in deferred tax. Deferred tax is calculated as 22% of the temporary differences between tax and accounting values, and eventual tax losses carried forward at the end of the accounting year. Tax reducing and tax increasing differences are offset if reversible. Any net deferred tax asset is recorded in the balance sheet if expected future profitability makes utilization probable.

Note
2

Er det usikkerhet om fortsatt drift?: Nei

Note

Antall årsverk i regnskapsåret
0.00

Sum Beløp

Balanseført verdi 31.12. Varige driftsmidler Immaterielle eiend.

Konsernregnskap

Morselskapet sitt navn



Financial Statements 2021

Island Offshore XII AS



ISLAND OFFSHORE



Income statement

Island Offshore XII AS

| | Note | 2021 | 2020 |
|--|------|-------------------|-------------------|
| Interest income | | 3 | 131 |
| Other financial income | 4 | 41 858 749 | 66 491 363 |
| Interest expenses | | 0 | 8 |
| Other financial expenses | | 0 | 126 |
| Total financial income & expenses | | 41 858 752 | 66 491 360 |
| Ordinary result before tax | | 41 858 752 | 66 491 360 |
| | | | |
| Net profit for the year | | 41 858 752 | 66 491 360 |
| | | | |
| Allocated as follows | | | |
| Transfer to other equity | | 41 858 752 | 66 491 360 |
| Total transfers | 6 | 41 858 752 | 66 491 360 |



Balance sheet

Island Offshore XII AS

| | Note | 2021 | 2020 |
|-------------------------------------|------|--------------------|--------------------|
| Assets | | | |
| Fixed assets | | | |
| Intangible fixed assets | | | |
| Financial fixed assets | | | |
| Investments in subsidiaries | 4 | 325 707 470 | 283 848 721 |
| Total financial fixed assets | | 325 707 470 | 283 848 721 |
| Total fixed assets | | 325 707 470 | 283 848 721 |
| Current assets | | | |
| Cash and bank deposits | | 53 842 | 53 839 |
| Total current assets | | 53 842 | 53 839 |
| Total assets | | 325 761 312 | 283 902 560 |

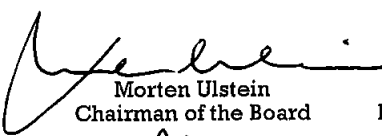



Balance sheet


Island Offshore XII AS

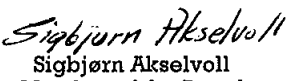
| | Note | 2021 | 2020 |
|-------------------------------------|------|--------------------|--------------------|
| Liabilities and equity | | | |
| Equity | | | |
| Paid in equity | | | |
| Share capital | 7 | 260 000 000 | 260 000 000 |
| Total paid in equity | | 260 000 000 | 260 000 000 |
| Retained earnings | | | |
| Other equity | | 64 024 847 | 22 166 095 |
| Total retained earnings | | 64 024 847 | 22 166 095 |
| Total equity | 6 | 324 024 847 | 282 166 095 |
| Liabilities | | | |
| Provision for liabilities | | | |
| Other long term debt | 8 | 1 732 115 | 1 732 115 |
| Other longterm debt | | 1 732 115 | 1 732 115 |
| Current liabilities | | | |
| Other short term liabilities | 8 | 4 349 | 4 349 |
| Total current liabilities | | 4 349 | 4 349 |
| Total liabilities | | 1 736 464 | 1 736 464 |
| Total equity and liabilities | | 325 761 312 | 283 902 560 |

Ulsteinvik,, 31.12.2021 / 28.04.2022
The Board of Directors Island Offshore XII AS


Morten Ulstein
Chairman of the Board


Gary J Chouest
Member of the Board


Dino David Chouest
Member of the Board


Sigbjørn Akselvoll
Member of the Board

Island Offshore XII AS Org.nr. 888271392



Notes to the Financial Statements 2021

Island Offshore XII AS

NOTE 1 GENERAL

Island Offshore XII AS is included in the consolidated financial statements for Island Offshore Shipholding LP, c/o Borgstein AS. P.O. Box 370, N-6067 Ulsteinvik.

NOTE 2 ACCOUNTING PRINCIPLES

The financial statements are prepared in accordance with the Norwegian Accounting Act and Generally Accepted Accounting Principles for small businesses (NRS 8) in Norway.

The Company has shareholdings in one ship-owning company. The business is operated from Ulsteinvik. The investments are accounted for by the cost method.

Classification criteria

Assets to be owned or utilized permanently, and receivables falling due later than one year from the end of the accounting year, are classified as fixed assets. Other assets are classified as current assets.

Liabilities due later than one year from the end of the accounting year are classified as long term liabilities. Other debts and liabilities are classified as short term, with the exception of the first installment on secured debt which is serviced by the cash flow from fixed assets.

Presentation of subsidiaries and associated companies

Associated companies are accounted for by the cost method.

Valuation of current assets

Receivables are recorded net of expected future losses.

Currency

Transactions in foreign currency are recorded at the exchange rate at the transaction date. Current assets and liabilities are recorded at the exchange rate at the balance sheet date.

Taxes

The tax expense in the income statement includes both taxes payable and change in deferred tax. Deferred tax is calculated as 22% of the temporary differences between tax and accounting values, and eventual tax losses carried forward at the end of the accounting year. Tax reducing and tax increasing differences are offset if reversible. Any net deferred tax asset is recorded in the balance sheet if expected future profitability makes utilization probable.

NOTE 3 PAYROLL, EMPLOYEES

The company has no employees, and no fees or remuneration has been paid to the Board of Directors. Administrative expenses and audit fees are paid by the partnership.

Auditor

Audit expenses are 0 in 2021.



Notes to the Financial Statements 2021

Island Offshore XII AS

NOTE 4 INVESTMENT IN SHARES

As part of the investment-, sale- and shareholders agreement between Island Offshore XII AS, Island Offshore XII Ship AS and Vard Group AS, Vard Group AS invited Island Offshore XII AS as shareholder in Island Discoverer AS after the delivery of the vessel Island Discoverer in May 2021. Settlement for the shares was for Island Offshore XII AS to sell to Vard Group AS a total of 45.459 shares in Island Offshore XII Ship AS, thus Vard Group AS increased its ownership from 35.65% to 46.91% in Island Offshore XII Ship AS.

The shares are recorded at cost price adjusted for repayment of capital.

Summary of investment:

| Company name | Island Offshore XII Ship AS | Island Discoverer AS | TOTAL |
|---------------------------------|-----------------------------|----------------------|--------------------|
| Business office | Ulstein | Ulstein | |
| Time of acquisition | 2009 and 2020 | 2021 | |
| Acquisition cost 1.1 | 283.848.721 | 0 | 283.848.721 |
| Sale 31.05.21 at net book value | 69.307.721 | 0 | 69.307.721 |
| Purchase 31.05.21 | 0 | 111.166.470 | 111.166.470 |
| Net book value | 214.541.000 | 111.166.470 | 325.707.470 |
| Number of shares 31.12 | 214.541 | 212.366 | 426.907 |
| Gain sale of shares | 41.858.749 | 0 | 41.858.749 |
| Ownership | 53.09% | 53.09% | |
| Net result 2021 (100%) | 24.602.848 | -3.517.161 | |
| Equity 31.12.2021 (100%) | 996.596.246 | 205.011.438 | |

NOTE 5 TAXES

Deferred tax is calculated on the basis of temporary differences between accounting and tax values existing at the end of the accounting period.

Negative temporary differences and positive temporary differences that are reversible in the same period are offset and recorded net.



Notes to the Financial Statements 2021

Island Offshore XII AS

A specification of the differences between accounting profit before tax and taxable profit is presented below:

| Temporary differences | 2021 | 2020 |
|---|--------------------|--------------------|
| Deferred tax losses | - 7 542 683 | - 7 542 686 |
| Basis for deferred tax | - 7 542 683 | - 7 542 686 |
| Deferred tax asset | - 1 659 390 | - 1 659 391 |
| Tax rate | 22 % | 22 % |
| Taxes in Profit and Loss Accounts | 2021 | 2020 |
| Profit before tax | 41 858 752 | 66 491 360 |
| Dividend received | 0 | -66 491 237 |
| Gain by sale of shares (tax exemption method) | -41 858 749 | 0 |
| Tax basis | 3 | 123 |
| Use of deverred tax losses previous years | -3 | -123 |
| Payable tax basis | 0 | 0 |

On 31 January 2020, Island Offshore XII Ship AS distributed NOK 66.4 mill as dividend whereby the receivable towards its parent company was repaid of paid in capital (share premium) on the shares, hence no taxation on dividend received. On 31 May 2021, Island Offshore XII AS sold shares in the Norwegian company Island Offshore XII Ship AS with gain NOK 41.9 mill. In accordance with tax exemption method, gain by sale of shares are not taxable in Norway.

Deferred tax assets has not been capitalized in balance sheet, hence no taxes accrued in profit and loss accounts.

NOTE 6 EQUITY

| | Share capital | Other equity | Total |
|---------------------|--------------------|-------------------|--------------------|
| Equity 1.1 | 260 000 000 | 22 166 095 | 282 166 095 |
| Share issue | - | - | - |
| Net result | - | 41 858 752 | 41 858 752 |
| Equity 31.12 | 260 000 000 | 64 024 847 | 324 024 847 |



Notes to the Financial Statements 2021

Island Offshore XII AS

NOTE 7 SHARE CAPITAL AND SHAREHOLDERS

The share capital consist of 2.600.000 Shares at NOK 100.

Ownership

Shareholders at 31.12. :

| | Number of shares | Percentage shareholding |
|-----------------------------------|-------------------------|------------------------------------|
| Island Offshore Shipholding, L.P. | 1 603 000 | 61,65 % |
| Island Offshore Invest AS | 64 000 | 2,46 % |
| Sneingen AS | 254 400 | 9,78 % |
| Dino Chouest | 130 000 | 5,00 % |
| Axel AS | 117 000 | 4,50 % |
| Steinshamn Formjølffabrikk AS | 104 000 | 4,00 % |
| Torino AS | 260 000 | 10,00 % |
| Beeline AS | 38 000 | 1,46 % |
| Lojal AS | 6 000 | 0,23 % |
| Ingus AS | 22 000 | 0,85 % |
| Vikerud Verdi AS | 1 600 | 0,06 % |
| Total | 2 600 000 | 100,00 % |

NOTE 8 RELATED PARTIES

Transactions with related parties:

| | 2021 | 2020 |
|---|-------------|-------------|
| Long term loan from Island Offshore XII Ship AS | 1 732 115 | 1 732 115 |



Notes to the Financial Statements 2021

Island Offshore XII AS

NOTE 9 GOING CONCERN

The financial results of the Company are dependent on the investment in Island Offshore XII Ship AS and Island Discoverer AS.

Island Offshore XII Ship AS agreed with secured lenders in June 2021 to extend the loans until 30 June 2022 at amended terms. Despite the short runway for the maturity date for the loan, the Board is confident that there will be an agreement in place with the financial institutions regarding a sustainable solution for the Company to continue its business also after 30 June 2022. Island Offshore XII Ship AS has serviced its debt according to amortization plan and agreed terms. In addition, the market is showing signs of improvement. The assessment is that the Island Offshore Group has the resources, organization, competence, assets and customer base to continue being a going concern. However, no assurances can be given as to when a conclusion is attainable involving all companies and stakeholders.

Island Discoverer AS acquired its vessel as contribution in kind i.e. the Company has no long term debt from financial institution. In order to improve working capital, the Company was successful early 2022 with securing a bank overdraft facility with a limit of NOK 10 mill.

In accordance with the Norwegian Accounting Act § 3-3a the Board of Directors thus confirms that the financial statements are prepared on the basis of a going concern assumption. The basis for this assumption is the financial position of the Company at 31.12.2021, and the condition that a new restructuring agreement for its subsidiary is agreed and made effective with secured lenders involving going concern after the loan maturity date on 30 June 2022.

NOTE 10 COVID-19

The COVID-19 pandemic is causing operational disruptions to vessel activity and increases the overall risk of activity deferrals and cancellations.

The Board of Directors continue to monitor the financial situation of the Company closely.



Statsautoriserte revisorer
Ernst & Young AS
Thormøhlens gate 53 D, 5006 Bergen
Postboks 6163, 5892 Bergen

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00
www.ey.no
Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Island Offshore XII AS

Opinion

We have audited the financial statements of Island Offshore XII AS (the Company), which comprise the balance sheet as at 31 December 2021, 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 financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2021 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 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 in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), 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 management for the financial statements

Management (the board of directors) is responsible for the preparation and 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 and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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 ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the 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 ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

A member firm of Ernst & Young Global Limited

Penneo Dokumentnøkkel: E4QFY-1Q31WX-G3M5C-EU5KX-B8ZL-H75K



Building a better
working world

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, 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.

Bergen, 5 May 2022
ERNST & YOUNG AS

The auditor's report is signed electronically

Jørn Knutsen
State Authorised Public Accountant (Norway)

Penneo Dokumentnøkkel: E4QFV:103WX-G3M5C-EU5KX-88ZZL-H75K



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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Jørn Knutsen

Statsautorisert revisor

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Skattedirektoratet

Saksbehandler
Geir Johannessen

Deres dato
11.10.2013

Vår dato
29.10.2013

Telefon
22 66 11 14

Deres referanse
Tommy Walaunet

Vår referanse
2013/779184

ISLAND OFFSHORE MANAGEMENT AS
Postboks 370
6067 ULSTEINVIK

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk

Det vises til deres brev av 11. oktober 2013, samt telefonsamtale i sakens anledning, der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper;

| | |
|-------------------------------|--------------------|
| Island Offshore Management AS | org nr 984 285 310 |
| Island Offshore Crewing AS | org nr 995 955 881 |
| Island Offshore XI AS | org nr 987 845 325 |
| Island Offshore III KS | org nr 982 411 408 |
| Island Offshore VIII AS | org nr 987 156 783 |
| Island Offshore VIII KS | org nr 987 156 805 |
| Island Offshore X AS | org nr 887 254 982 |
| Island Offshore X KS | org nr 987 255 188 |
| Island Offshore LNG AS | org nr 996 393 844 |
| Island Offshore LNG KS | org nr 996 393 739 |
| Island Offshore LNG Invest AS | org nr 996 357 813 |
| Island Offshore LNG Invest KS | org nr 996 357 848 |
| Island Offshore XII AS | org nr 888 271 392 |
| Island Offshore XII Ship AS | org nr 994 289 764 |
| Island Pioneer AS | org nr 992 611 634 |
| Istand Pioneer KS | org nr 992 611 588 |

For Island Offshore Management AS omfatter søknaden også konsernregnskapet, der Island Offshore Crewing inngår med 100 %.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de ovennevnte selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

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0134 Oslo
skatteetaten.no/sendepost

Besøksadresse:
Se www.skatteetaten.no
Org.nr: 996250318

Sentralbord
800 80 000
Telefaks
22 17 08 60



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Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapene har klar overvekt av utenlandske eierinteresser og for øvrig en begrenset eierkrets. Selskapenes forretningspråk er engelsk. Videre er det vektlagt at selskapene driver virksomhet i en bransje der aktørene forutsettes å beherske engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad

Seniorrådgiver

Rettsavdelingen, foretaksskatt
Skattedirektoratet

Geir Johannessen