



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 979 212 658
Organisasjonsform: Aksjeselskap
Foretaksnavn: TIDEWATER REDERI AS
Forretningsadresse: Strandgata 5
4307 SANDNES

Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

Konsern

Morselskap i konsern: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Erik Utne Eikehaugen
Dato for fastsettelse av årsregnskapet: 01.09.2021

Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

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, 07.12.2022



Resultatregnskap

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	8, 10	375 057 724	257 225 097
Sum inntekter		375 057 724	257 225 097
Kostnader			
Avskrivning på varige driftsmidler og immaterielle eiendeler	2	45 933 101	43 340 289
Nedskrivning av varige driftsmidler og immaterielle eiendeler	2	-51 247 445	5 236 942
Annen driftskostnad	9, 10	340 436 088	197 641 862
Sum kostnader		335 121 744	246 219 093
Driftsresultat		39 935 980	11 006 004
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern	10, 11	1 666 561	6 876 560
Annen renteinntekt	11	46 857	104 368
Annen finansinntekt	11	12 389 107	6 849 564
Sum finansinntekter		14 102 525	13 830 492
Rentekostnad til foretak i samme konsern	10, 11	6 394 008	20 889 254
Annen rentekostnad	11	12 532	28 164
Annen finanskostnad	11	0	17 138 953
Sum finanskostnader		6 406 540	38 056 371
Netto finans		7 695 985	-24 225 879
Ordinært resultat før skattekostnad		47 631 965	-13 219 875
Skattekostnad på ordinært resultat	8	288 889	39 420
Ordinært resultat etter skattekostnad		47 343 076	-13 259 295
Årsresultat		47 343 076	-13 259 295
Overføringer og disponeringer			
Avsatt til annen egenkapital	6	47 343 076	0
Overført fra annen egenkapital	6	0	-13 259 296
Sum overføringer og disponeringer		47 343 076	-13 259 296



Resultatregnskap

Beløp i: NOK	Note	2020	2019
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Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Skip	2	677 125 993	653 657 327
Aktiverte dokkingkostnader	2	11 994 668	9 689 400
Anlegg under utførelse	2	0	12 939 963
Andre driftsmidler	2	1 602 689	1 169 367
Sum varige driftsmidler		690 723 350	677 456 057
Finansielle anleggsmidler			
Langsiktig fordring på selskap i samme konsern	4	6 951 516	129 739 299
Sum finansielle anleggsmidler		6 951 516	129 739 299
Sum anleggsmidler		697 674 866	807 195 356
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer	3	25 730 625	47 465 858
Kortsiktig fordring på selskap i samme konsern	4	98 521 155	53 490 026
Andre kortsiktige fordringer		18 604 334	26 084 878
Sum fordringer		142 856 114	127 040 762
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	5	28 162 490	20 072 246
Sum bankinnskudd, kontanter og lignende		28 162 490	20 072 246
Sum omløpsmidler		171 018 604	147 113 008
SUM EIENDELER		868 693 470	954 308 364

BALANSE - EGENKAPITAL OG GJELD



Balanse

Beløp i: NOK	Note	2020	2019
Egenkapital			
Innskutt egenkapital			
Grunnkapital	6	883 001 040	883 001 040
Sum innskutt egenkapital		883 001 040	883 001 040
Opptjent egenkapital			
Annen egenkapital	6	-705 485 077	-752 828 152
Sum opptjent egenkapital		-705 485 077	-752 828 152
Sum egenkapital		177 515 963	130 172 888
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til selskap i samme konsern	3, 4	586 003 554	765 801 258
Sum annen langsiktig gjeld		586 003 554	765 801 258
Sum langsiktig gjeld		586 003 554	765 801 258
Kortsiktig gjeld			
Leverandørgjeld		5 716 403	11 301 215
Betalbar skatt	7	288 889	39 420
Kortsiktig gjeld til selskap i samme konsern	4	89 149 471	33 326 513
Annen kortsiktig gjeld		10 019 191	13 667 069
Sum kortsiktig gjeld		105 173 954	58 334 217
Sum gjeld		691 177 508	824 135 475
SUM EGENKAPITAL OG GJELD		868 693 471	954 308 363



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To the General Meeting of Tidewater Rederi AS

Independent auditor's report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Tidewater Rederi AS showing a profit of NOK 47 343 076. The financial statements comprise the balance sheet as at 31 December 2020, the income statement and cash flow 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 2020, and its financial performance and its cash flows 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.

Other Matters

The company's financial statements have been submitted after the expiry of the statutory time limit for preparation of financial statements.

Other information

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

KPMG AS, a Norwegian limited liability company and member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Offices in:

Oslo	Elverum	Mo i Rana	Stord
Alta	Finnsnes	Mokle	Straume
Arendal	Hamar	Skien	Tromsø
Bergen	Haugesund	Sandefjord	Trondheim
Bodo	Knarvik	Sandnessjøen	Tynset
Drammen	Kristiansand	Stavanger	Ålesund

Pennco Dokument nr: NTZJE-EEMIH-MW7QA-AZYBY-CGET4-ET8PS



Tidewater Rederi AS

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (management) are responsible for the preparation in accordance with law and regulations, including a true and fair view 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 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 a true and fair view.

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.



Tidewater Rederi AS

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements and the going concern assumption is consistent with the financial statements and complies with the law and regulations.

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.

Stavanger, 01 October 2021
KPMG AS

Kurt Ove Østrem
State Authorised Public Accountant
(This document is signed electronically)

Note: This translation from Norwegian has been prepared for information purposes only.

Pennco Dokumentnøkkel: NTZJE-EEMIH-MW7QA-AZY3Y-CGET4-ET8PS



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Kurt Ove Østrem

Statsautorisert revisor

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Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 22.12.2016	Vår dato 04.01.2017
Telefon 22078139	Deres referanse Paul Asle Våge	Vår referanse 2016/1242895

SPAREBANK 1 REGNSKAPSHUSET SR AS
Saudagata 2
4012 STAVANGER

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

Vi viser til deres brev av 22. desember 2016 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper:

Gulfmark Norge AS	org. nr. 979 278 799
Gulfmark AS	org. nr. 930 395 404
Gulfmark Rederi AS	org. nr. 979 212 658

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de ovennevnte selskapene 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.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Selskapene er alle datterselskaper av Gulfmark Offshore Inc. hjemmhørende i USA og er notert på New York Stock Exchange. Gulfmark er et globalt energi offshore skipstjeneste selskap. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan

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foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “*informative regnskaper for ulike grupper av regnskapsbrukere*”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapene inngår i et utenlandsk konsern. Eierkretsen er begrenset. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer



Tidewater Rederi AS
Financial Statements 2020



Tidewater Rederi AS

Financial Statements 2020

Profit & loss statement

	Note	2020	2019
Operating revenue and expenses			
Revenue	8, 10	375 057 724	257 225 097
Total operating revenue		375 057 724	257 225 097
Depreciation and amortization of fixed assets	2	45 933 101	43 340 289
Impairment of fixed assets	2	-51 247 445	5 236 942
Other operating expenses	9, 10	340 436 088	197 641 862
Total operating expenses		335 121 744	246 219 093
Operating profit / loss (-)		39 935 980	11 006 004
Financial income and expenses			
Interest income from intercompany	10, 11	1 666 561	6 876 560
Other interest income	11	46 857	104 368
Other finance income	11	12 389 107	6 849 564
Interest expense to intercompany	10, 11	6 394 008	20 889 254
Other interest expense	11	12 532	28 164
Other finance expense	11	0	17 138 953
Net financial income / expense (-)		7 695 985	-24 225 880
Profit / loss (-) before tax		47 631 965	-13 219 876
Tax expense	8	288 889	39 420
Net income		47 343 076	-13 259 296
Allocation of net income			
To accumulated loss	6	47 343 076	0
Loss brought forward	6	0	-13 259 296
Total		47 343 076	-13 259 296



Tidewater Rederi AS

Financial Statements 2020

Balance sheet

	Note	31 Dec 2020	31 Dec 2019
ASSETS			
Fixed assets			
Intangible assets			
Deferred tax asset	7	0	0
Total intangible assets		0	0
Tangible assets			
Vessels	2	677 125 993	653 657 327
Capitalized dry dock	2	11 994 668	9 689 400
Construction in progress	2	0	12 939 963
Other fixed assets	2	1 602 689	1 169 367
Total tangible assets		690 723 350	677 456 056
Financial fixed assets			
Long term intercompany receivables	4	6 951 516	129 739 299
Total financial fixed assets		6 951 516	129 739 299
Total fixed assets		697 674 866	807 195 355
Short term assets			
Short term receivables			
Trade receivables	3	25 730 625	47 465 858
Short term intercompany receivables	4	98 521 155	53 490 026
Other short term receivables		18 604 334	26 084 878
Total short term receivables		142 856 114	127 040 762
Cash and cash equivalents	5	28 162 490	20 072 246
Total short term assets		171 018 604	147 113 007
Total assets		868 693 470	954 308 362



Tidewater Røderi AS
Financial Statements 2020

Balance sheet

	Note	31 Dec 2020	31 Dec 2019
EQUITY AND LIABILITIES			
Equity			
Paid-in capital			
Share capital	6	883 001 040	883 001 040
Total paid-in capital		883 001 040	883 001 040
Other equity			
Accumulated loss	6	-705 485 077	-752 828 152
Total other equity		-705 485 077	-752 828 152
Total equity		177 515 963	130 172 888
Liabilities			
Long term liabilities			
Long term intercompany payables	3, 4	586 003 554	785 801 258
Total long term liabilities		586 003 554	785 801 258
Short term liabilities			
Trade payables		5 716 403	11 301 215
Short term intercompany payables	4	89 149 471	33 326 513
Tax payable	7	288 889	39 420
Other short term liabilities		10 018 191	13 667 069
Total short term liabilities		105 173 954	58 334 217
Total liabilities		691 177 507	824 135 475
Total equity and liabilities		868 693 470	954 308 362

Sandnes, 1 September 2021

Quintin V. Kneen
Chairman of the Board

Ewan M. Geddes
Board Member

Erik Uine Eikehaugen
Board Member / General Manager



Tidewater Rederi AS Financial Statements 2020

Cash flow statement

	2020	2019
Cash flow from operational activities		
Profit / loss (-) before tax	47 631 964	-13 298 716
Net taxes paid	-39 420	39 499
Depreciation and amortization of fixed assets	45 933 101	43 340 289
Impairment of fixed assets	-51 247 445	5 236 942
Change in trade receivables	21 735 233	-25 032 496
Change in trade payables	-5 584 812	8 556 846
Change in short term intercompany receivables and payables	63 303 502	18 378 197
Change in other accruals	-43 965 772	-6 507 216
Net cash flow from operational activities	77 766 350	30 713 345
Cash flow from investing activities		
Sale of fixed assets	12 074 400	0
Purchase of fixed assets incl. capitalization of dry dock expenses	-24 740 584	-26 759 234
Net cash flow from investing activities	-12 666 184	-26 759 234
Cash flow from financing activities		
Change in long term loan to credit institutions	0	0
Change in long term intercompany receivables and payables	-57 009 921	-7 743 645
Net cash flow from financing activities	-57 009 921	-7 743 645
Net change in cash and cash equivalents	8 090 244	-3 789 534
Cash and cash equivalents at 1 Jan 2020	20 072 246	23 861 780
Cash and cash equivalents at 31 Dec 2020	28 162 490	20 072 246



Tidewater Rederi AS Financial Statements 2020

Notes

Note 1 - Accounting principles

The annual accounts have been prepared in compliance with the Accounting Act and accounting principles generally accepted in Norway.

Use of estimates

The preparation of financial statements in compliance with the Accounting Act requires the use of estimates. The application of the company's accounting principles also requires management to apply assessments. Areas which to a great extent contain such assessments, a high degree of complexity, or areas in which assumptions and estimates are significant for the financial statements, are described in the notes.

Functional and presentation currency

The financial statements are presented in NOK. This is also the company's functional currency.

Revenue recognition

Revenue from charters for offshore marine services is recognized as performed based on contractual charter rates.

Gain or loss from sale of vessels are recognized in the profit and loss once delivery to the new owner has taken place. Interest income is recorded as interest incur.

Classification of balance sheet items

Assets intended for long term ownership or use have been classified as fixed assets. Other receivables are classified as short term assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's instalment on long term liabilities and long term receivables are, however, not classified as short term liabilities and short term assets.

Fixed assets

The book value of vessels are decomposed in vessels and capitalized dry dock. Vessels and capitalized dry dock are included in the balance sheet at their acquisition cost after deduction of accumulated depreciation and impairment.

Vessels

The acquisition cost of vessels include the cost price for the vessels and other direct costs related to the purchase, such as inspection costs during the construction. Interest are not capitalized.

The vessels are depreciated linearly over the defined period of useful life of 25 years. If changes in the depreciation plan occur, the effect is allocated over the remaining depreciation period. Direct maintenance of an asset is expensed as operating expenses when incurred.

Capitalized dry dock

Ordinary repairs and maintenance are recognized as expense as they incur. The cost of dry docking and periodic maintenance of the vessels are capitalized. Capitalized dry dock costs are depreciated on a straight-line basis over the period until the next planned dry docking, normally 30 to 36 months.

Vessels under construction

Instalments paid for new builds are capitalized as vessels under construction. Other related costs during construction are capitalized. Interests are not capitalized. Vessels under construction are not depreciated until the vessel is put into service.



Tidewater Rederi AS Financial Statements 2020

Notes

Impairment of vessels

The book value of vessels, including capitalized dry dock, and vessels under construction are reviewed for impairment when events or changes in circumstances indicate the book value may not be recoverable. If such indicators exist and the book value exceeds the estimated recoverable amount, the assets are impaired to their recoverable amount, which for fixed assets is the greater of the net selling price and value in use.

Broker value estimates from independent shipbrokers are obtained and used as an approximation to find the net selling price for the vessels. The broker's estimate assume the vessels are without any charter contracts, available for immediate sale and there being a willing seller and buyer. Value in use is calculated by discounting future cash flows to the present value at December 31. Each vessel are considered a separate cash generating unit (CGU) in the value in use calculation. The company has placed greater emphasis on the value in use calculation than on the broker estimates as the estimates are not considered reliable to reflect market values in the current market situation due to increased uncertainty about the value of vessels in the current market.

Receivables

Trade receivables are recognised in the balance sheet at nominal value less provision for bad debts. The provision is made on basis of an individual assessment. Significant financial problems at the customers, the likelihood that the customer will become bankrupt and experience financial restructuring and postponements and insufficient payments, are considered indicators that a provision should be made.

Other receivables, both short and long term, are recognised at the lower of nominal and net realisable value. Net realisable value is the present value of estimated future payments.

Liabilities

Liabilities are recognised in the balance sheet at nominal amount.

Taxes

The company operates under the Norwegian tonnage tax regime. The company is subject to a tonnage tax based on the net tonnage of the company's vessels. Shipping revenues are exempt for taxation and net financial income is subject to 22% tax.

Deferred tax is calculated using relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any losses brought forward for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been offset. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and losses brought forward, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net. Deferred tax is reflected at nominal value.

Government grants

Government grants are recorded as deductions to the cost that the grants are meant to cover.

Foreign currencies

Receivables and liabilities in foreign currencies are recognized at the exchange rate on the balance sheet date. Exchange gains and losses relating to sales and purchases in foreign currencies are recognised as operating income and cost of goods sold.

Cash flow statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash and bank deposits.



Tidewater Rederi AS Financial Statements 2020

Notes

Note 2 - Vessels, vessels under construction and capitalized dry dock costs

	Vessels	Capitalized dry dock
Cost price 1 Jan 2020	1 704 538 403	12 649 904
Additions	7 910 418	16 396 844
Disposals	-147 757 557	-5 749 904
Cost price 31 Dec 2020	1 564 691 264	23 296 844
Acc. depr. and impairment 1 Jan 2020	1 037 941 112	2 960 504
Current year depreciation	36 673 874	9 259 227
Current year impairment / reversal (-)	-51 247 445	0
Disposals	-135 802 271	-917 555
Acc. depr. and impairment 31 Dec 2020	887 565 270	11 302 175
Book value 31 Dec 2020	677 125 993	11 994 669
Useful lifetime	25 years	30-36 months
Method of depreciation	Straight-line	Straight-line

	Construction in progress	Other fixed assets	Total
Cost price 1 Jan 2020	12 939 963	1 169 367	1 718 357 673
Additions	0	433 322	24 740 584
Disposals	-12 939 963	0	-166 447 424
Cost price 31 Dec 2020	0	1 602 689	1 589 590 797
Acc. depr. and impairment 1 Jan 2020	0	0	1 040 901 616
Disposals	0	0	0
Current year depreciation	0	0	45 933 101
Current year impairment / reversal (-)	0	0	-51 247 445
Disposals	0	0	-136 719 826
Acc. depr. and impairment 31 Dec 2020	0	0	898 867 445
Book value 31 Dec 2020	0	1 602 689	690 723 350
Method of depreciation	No depreciation	No depreciation	

Sale of vessel

The vessel North Stream was sold in March 2020. The sale price was reflected in the book value as per 31.12.2019. As such, only a small loss from the sale of the vessel due to FX has been recognized in the statement for profit and loss per 31.12.2020. The loss is included in Other operating expenses due to the size of the amount.

Disposal of vessel after the balance sheet date

The vessel North Mariner was sold in August 2021.



Tidewater Rederi AS Financial Statements 2020

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Impairment of vessels

Due to the current market conditions and uncertainty relating to the vessels future earnings, the company has performed individual impairment tests of all vessels in accordance with NGAAP (NRS (F) Nedskrivning av anleggsmidler).

The recoverable amount for each vessel is based on a value in use calculation from cash flow before financial items. The cash flow calculations have been discounted with a weighted cost of capital after tax (WACC) of 12.0%. The cash flow per vessel has been calculated until the vessels reach an age of 25 years. Vessels that are considered to be disposed have been valued based on the net sales value method. The vessel North Mariner was sold in August 2021 and the net sales value method has been applied for this vessel.

It is assumed that the market will recover from the recent downturn by 2022. Day rates are assumed to increase by 2.5% to 5.0% from 2022 and onwards with cyclical 5 yearly downturn of 10% decrease in day rates starting 2024. Historical levels of operating and dry docking expenses have been used in the forecast.

Value in use calculations are based on the above assumptions. The company has performed a sensitivity analysis by amending key assumptions (discount rate, day rate and useful lifetime of vessels).

Assumption	Change in assumption	Increase / decrease (-) in value in use
Discount rate	+ 1.0%	-44 300 000
Discount rate	+ 0.5%	-22 700 000
Discount rate	- 0.5%	24 000 000
Discount rate	- 1.0%	49 200 000
Day rate	- NOK 5,000	-48 100 000
Day rate	- NOK 2,500	-24 100 000
Day rate	+ NOK 2,500	24 100 000
Day rate	+ NOK 5,000	48 100 000
Useful lifetime of vessels	- 5.0 years	-99 700 000
Useful lifetime of vessels	- 2.5 years	-49 300 000
Useful lifetime of vessels	+ 2.5 years	22 900 000
Useful lifetime of vessels	+ 5.0 years	49 900 000

Note 3 - Receivables and liabilities

Specification of trade receivables

	31 Dec 20	31 Dec 19
Trade receivable at nominal value	25 730 625	47 465 858
Provision for bad debt	0	0
Total	25 730 625	47 465 858

Receivables due more than one year after the balance sheet date

Long term intercompany receivables	6 951 516	129 739 299
Total	6 951 516	129 739 299

The company does not have any long term liabilities due more than 5 years after the balance sheet date.



Tidewater Rederi AS Financial Statements 2020

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Note 4 - Receivables and liabilities to group companies

Receivables and payables to group companies which are of long term characteristics are classified as long term receivables and liabilities. Long term receivables and liabilities of the same characteristics against the same counterparty are presented net. The same principle is applied for short term receivables and liabilities.

Long term receivables	31 Dec 20	31 Dec 19
Other group companies	6 951 516	129 739 299
Total	6 951 516	129 739 299

Short term receivables

Tidewater Norge AS	56 010 736	40 413 008
Tidewater Marine AS	0	0
Other group companies	42 510 419	13 077 018
Total	98 521 155	53 490 026

Long term payables

Tidewater Norge AS	9 020 274	8 883 568
Tidewater Marine AS	25 523 470	24 459 936
Other group companies	551 459 810	732 457 754
Total	586 003 554	765 801 258

Short term payables

Tidewater Marine AS	21 667 115	4 970 767
Other group companies	67 482 356	28 355 746
Total	89 149 471	33 326 513

Revolving credit facility

The company has a revolving credit facility with Tidewater Marine International Inc. The principal amount of the facility is USD 125,000,000 (approx. NOK 1,061,000,000). Outstanding amount as at 31 December 2020 is USD 59,828,000 (approx. NOK 512,100,000). The revolving balance is included as long term payables to group companies in the balance sheet.

Note 5 - Restricted funds

The company does not have any restricted funds as at 31 December 2020.

Note 6 - Equity, share capital, shareholders, etc.

	Share capital	Share premium	Accumulated loss	Total
Equity 1 January	883 001 040	0	-752 828 152	130 172 888
Current year net income	0	0	47 343 076	47 343 076
Equity 31 December	883 001 040	0	-705 485 077	177 515 963

The share capital of NOK 883,001,040 consists of 2 shares with nominal value of NOK 441,500,520 each. All shares are owned by Tidewater Norge AS. All shares have equal voting rights.



Tidewater Rederi AS Financial Statements 2020

Notes

Note 7 - Taxes

The company operates under the Norwegian tonnage tax regime.

Specification of tax expense	2020	2019
Tax payable on net financial income	255 949	0
Change in deferred tax	0	0
Tonnage tax payable	32 940	39 420
Total tax expense	288 889	39 420

Specification of tax payable	31 Dec 20	31 Dec 19
Tax payable on net financial income	255 949	0
Tonnage tax payable	32 940	39 420
Total tax payable	288 889	39 420

Specification of tax payable on net financial income	2020	2019
Interest income from group companies	1 666 561	6 876 560
Other interest income	46 857	104 447
Taxable foreign exchange gains / losses (-)	13 261 543	-801 104
Deductible interest expenses	-1 598 373	-5 459 304
Taxable income - high equity	0	0
Net financial income	13 376 588	720 598

Utilization of losses brought forward	-11 863 731	-720 598	
Non deductible interest expenses	-349 453	0	
Basis for tax payable	1 163 404	0	
Tax payable on financial income	22% / 22%	255 949	0

Specification of deferred tax	31 Dec 20	31 Dec 19
Accumulated loss brought forward	0	-11 863 731
Accumulated non deductible interest expenses brought forward	-81 099 802	-81 449 255
Temporary differences	-81 099 802	-93 312 987

Temporary differences not recognized in the balance sheet	81 099 802	93 312 987
Basis deferred tax	0	0

Deferred tax liability / asset (-)	22 %	0	0
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The deferred tax asset has not been recognized in the balance sheet due to uncertainty related to the company's ability to offset the deferred tax asset in the foreseeable future.

Specification of tonnage tax payable	31 Dec 20	31 Dec 19
North Barents	9 882	9 855
North Cruys	9 882	9 855
North Pomor	9 882	9 855
North Purpose	3 294	3 285
North Mariner	0	3 285
North Stream	0	3 285
Tonnage tax payable	32 940	39 420



Tidewater Rederi AS Financial Statements 2020

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Note 8 - Revenues

Revenue by business area	2020	2019
Charterhire revenue	375 057 724	257 225 097
Total	375 057 724	257 225 097

Revenue by geographical location

Norway	347 798 232	233 531 160
United Kingdom	27 259 492	23 693 937
Netherlands	0	0
Finland	0	0
Ireland	0	0
Total	375 057 724	257 225 097

Note 9 - Employees, remunerations, etc.

Employees

The company has no employees. The crew operating the vessels owned by the company are employed by Tidewater Marine AS.

Pension

The company is not required to have an occupational pension scheme in accordance with the Norwegian law on required occupational pension ("lov om obligatorisk tjenestepensjon") as the company has no employees.

Government grants

The vessel management company, Tidewater Marine AS, has in 2020 received NOK 48.3 million in refund from the Norwegian Department of Commerce relating to the net wage arrangement. In addition, Tidewater Marine AS has received NOK 1.8 million in education grants from Stiftelsen Norsk Maritim Kompetanse (SMNK) and Norsk Maritimt Opplæringskontor. The grants are recognized in Tidewater Rederi AS, as the payroll expenses related to vessel crewing are charged Tidewater Rederi AS.

Remuneration to General Manager and the Board of Directors

The company has not paid remuneration to the General Manager in 2020. The General Manager is employed by the parent company, Tidewater Norge AS. The company has not paid any remuneration to the Board of Directors in 2020.

The company has no contractual agreements of bonus and severance pay to the General Manager or the Chairman of the Board.

Auditor's remuneration

	2020
Audit fee	350 000
Preparation of financial statements and tax return	85 000
Other assurance services	0
Other services	0
Total	435 000



Tidewater Rederi AS

Financial Statements 2020

Notes

Note 10 - Transactions with group companies

Income from group companies	2020	2019
Time charter revenue	0	0
Pool equalization revenue / expense (-)	-2 387 045	-2 915 879
Interest income	1 666 561	6 876 560
Total	-720 484	3 960 681

Expenses to group companies

Crew expenses	198 042 644	180 738 530
Crew expenses recharged to other group companies	0	-38 910 782
Bareboat charter	87 840 000	21 844 800
Operating expenses	0	8 627 133
Vessel management fees	25 260 085	18 696 057
Management fees	0	0
Interest expenses	6 394 008	20 889 254
Total	317 536 737	211 884 992

Note 11 - Financial items

Financial income	2020	2019
Interest income from intercompany	1 666 561	6 876 560
Interest income	46 857	104 368
Foreign exchange gains	12 389 107	6 849 564
Total	14 102 525	13 830 492

Financial expenses

Interest expense to intercompany	6 394 008	20 889 254
Interest expense incl. cancellation fee and make whole premium	12 532	28 164
Derecognition of capitalized debt issue cost and agent fees	0	0
Foreign exchange losses	0	17 138 953
Total	6 406 540	38 056 372

Note 12 - Going concern

The company have access to funding, if required, from the ultimate parent. The ultimate parent, Tidewater Inc., have declared that the parent company and the group, if necessary, will provide liquidity and solidity to the company.



TIDEWATER REDERI AS ANNUAL REPORT 2020

Introduction

Tidewater Rederi AS, a Norwegian limited company (the "Company"), is a wholly-owned subsidiary of Tidewater Norge AS with offices at Strandgata 5 in Sandnes, Norway. The Company's business is the leasing of ships mainly to oil and gas-related companies in the North Sea sector.

As of 31st December 2020, the Company owned the following supply vessels :

MS "North Mariner"	PSV	MS "North Purpose"	PSV
MS "North Pomor"	PSV	MS "North Cruys"	PSV
MS "North Barents"	PSV		

Also, since approximately mid-2019, the Company has been involved in the operations of the following vessels which are all owned by Troms Offshore Supply AS, an affiliate of the Company:

MS "Troms Arcturus"	PSV	MS "Troms Castor"	PSV
MS "Troms Sirius"	PSV	MS "Troms Pollux"	PSV

All vessels have operated in the North Sea working out of Norwegian and UK ports.

Business Review

2020 was expected to be a period of solid growth in both offshore activity and associated vessel day rates. The first quarter of 2020 started promisingly but, with the event of the COVID-19 pandemic and associated oil price crash, our business was affected.

Fortunately, most of our vessels were engaged on term contracts which gave some protection from the volatile market. Our spot market exposure at the time was limited to "North Purpose" and "Troms Sirius". It was decided to lay both of these vessels up in May – further work was secured for Sirius but Purpose remains laid up. This action obviously had an adverse effect on revenue but allowed us to make a saving on associated vessel operating costs.

Throughout the remainder of 2020 revenue was stable until the decision was taken to lay up "North Pomor" in August due to its contract ending and there still being very limited spot market opportunities. An improvement was seen at the end of 2020 which allowed the vessel to be reactivated for work in November.

The directors intend to seek and obtain new contracts in the North Sea sector and elsewhere for its existing fleet and also to continue to evaluate investment opportunities in both domestic and overseas markets as they arise.

All of the vessels listed above worked during 2020. As mentioned above, "North Purpose" was laid up in May and remains in Sandnes due to a combination of lack of work opportunities and the cost of reactivation.

The laid up vessel, "North Stream" was sold in March 2020.

The profit for the year (after taxation) amounted to NOK 47,343,076 (2019 loss – NOK 13,259,296).



Going Concern

In accordance with section 3-3 of the Norwegian Accounting Act, it is confirmed that the assumption of going concern is present and used as basis for the preparation of the accounts. The Board believes that the financial statements give a true and fair view of the Tidewater Rederi AS assets, liabilities, financial position and results.

For the year ending December 2020, the Company made a profit of NOK 47,343,076. If this position were to change through the fiscal year 2021, the Company will have access to funding, if required, from the ultimate parent, Tidewater Inc.

Working Environment and Staff

Health, safety and environment are central to the business and are integrated into the Company's quality assurance system.

It should be noted that Tidewater Rederi AS has no employees – all vessel crew are employed by Tidewater Marine AS.

The current Board of Directors comprises three (male) members.

Environmental Reporting

The Company's business has a limited impact on the external environment, but the operation of the Company's vessels results in limited emissions to air and sea, as well as residual waste. The Company actively minimizes emissions by using cleaning systems, good maintenance and collection of residual waste delivered to landfills. Emphasis is placed on a high operational technical standard on all vessels. The Company's quality assurance system has instructions and procedures to prevent pollution and limit accidental accidents. In addition to what follows from normal operation, in 2020, the Company's vessels have not been involved in events that have polluted the external environment.

Annual Accounts and Financial Risk

The accounts have been prepared with a profit after tax of NOK 47,343,076. The Board of Directors do not propose the payment of a dividend for the current financial year.

The Company is exposed to interest rate risk, foreign currency risk, liquidity risk and market risk in its ordinary business operations and manages to accept acceptable risk in these areas.

All new customers will be credit checked before entering into contracts. Transactions with companies in foreign currency has currency risk in line with fluctuations in exchange rates. The Company is also exposed to foreign currency risk through its long term intercompany receivables and liabilities due to the fact that these loans are denominated in foreign currencies including USD & GBP.

The equity as at 31 December 2020 was NOK 177,515,963 and the equity ratio was 20.4 %. The Board of Directors acknowledge that, due to asset impairment and cost of restructuring, the equity of the Company has been reduced over recent years to a less than ideal level. As required by the Companies Act, the Board will seek to take measures to address this situation by assessing various options such as:

- New investment;
- Offsetting of intercompany debt; and



- Review the current structure to identify possible tax efficiencies.

Future Development

The market was still affected by the pandemic in the beginning of 2021. The Norwegian government decided last year on an improved package to the offshore industry which is intended to boost liquidity to allow the operators to continue with planned projects. We slowly start to see some effect of this and there is lot of optimism for the coming season in 2022. There was increased activity in the first half of the year which caused the spot market to be very strong and in May rates of more than NOK 200,000 were achieved. The strong market was expected to last through the summer. However, a combination of owners taking vessels out of layup, reflagging to NOR flag and sublets of vessel from Charterers and delayed start-up of rig programs caused a dramatic drop in rates from end June and through the summer. We have seen rates from well above NOK 200,000 in May to NOK 50,000 level in July/August which only shows the volatility in the market and the thin balance of demand/supply.

We were able to renew the term contract for Troms Pollux to Equinor whilst Troms Castor was not extended but she has basically been trading spot with Equinor since she came off contract back in April.

The North Mariner was laid up in January after the long-term contract with CNOOC was completed. The vessel has later been sold to foreign buyers.

At the moment, we have all our vessels trading, except for North Purpose. We are working on various tenders suitable for the vessel and we are hopeful to be able to secure term work for her.

The remainder part of the year (and winter season 2022) is expected to be challenging and our main focus will be to keep a high degree of utilisation and be prepared for an expected stronger market in Q2 2022 onwards. However, as Norway most likely will get a new Government in September and with an expected stronger focus on climate and anti oil and gas industry attitude from several of the smaller Parties that is supporting the new Government we have to be aware of likely risk of stronger regulations of our industry that could cause lower activity long-term for the Norwegian sector.

The expectation is that the market will continue to drive the rates up from current levels as vessel owners continue to require revenues to be more than simply covering vessel operating costs. This will give a larger contribution to Owner's administration costs, debt and interest payments.

There is a lack of new build vessels either under construction or on the market and this situation is expected to continue over the next 2-5 years. This is expected to further stimulate the market as older tonnage becomes less attractive to potential charterers.

The Board is of the opinion that the long-term outlook for the Company is positive.

However, as much as the Board believe that any forward looking statements are reasonable when made, there can be no assurance that future developments affecting the Company will be as anticipated. Forward looking statements involve significant risks and uncertainties (many of which are beyond our control) and assumptions that could cause actual results to differ materially from our historical experience and our present expectations or projections. Important factors that could cause actual results to differ materially from those in the forward looking statements include, but are not limited to : risks of insufficient access to sources of liquidity; operational risk; the price of oil and gas and its effect on offshore drilling, vessel




utilisation and day rates; industry volatility; fluctuations in the size of the offshore marine vessel fleet in areas where we operate; changes in competitive factors.


Events after the balance sheet date

The sale of stacked vessel, "North Mariner" was concluded on 6th August 2021.

Sandnes, 2nd September, 2021



Quintin V. Kneen *vt*



Ewan M. Geddes



Erik Eikehaugen



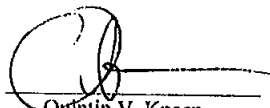
Tidewater Rederi AS


Minutes of a Meeting of the Board of Directors

Attending: Quintin V. Kneen, Chairman (by telephone conference call)
Ewan M. Geddes (by telephone conference call)
Erik Utne Eikehaugen (by telephone conference call)

A meeting of the Board of Directors of Tidewater Rederi AS, a Norwegian limited company, Incorporation Number 979 212 658 (the "Company"), was held on the 2nd day of September 2021, during which the following resolution was adopted:

- 1. Annual Report 2020 for the Company and the group.**
The Directors Report and the Annual Accounts for the Company for the year ending 31st December 2020 were reviewed, read, approved and signed.
- 2. Any Other Business**
There being no further business, the meeting was adjourned.


Quintin V. Kneen
Chairman


Ewan M. Geddes


Erik Utne Eikehaugen