



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2019 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 915 143 407
Organisasjonsform: Aksjeselskap
Foretaksnavn: ISLAND NAVIGATOR HOLDING AS
Forretningsadresse: Stålhaugen 9
6065 ULSTEINVIK

Regnskapsår

Årsregnskapets periode: 01.01.2019 - 31.12.2019

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: Asbjørn Hasund
Dato for fastsettelse av årsregnskapet: 22.06.2020

Grunnlag for avgivelse

År 2019: Årsregnskapet er elektronisk innlevert
År 2018: Tall er hentet fra elektronisk innlevert årsregnskap fra 2019

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, 01.10.2021



Resultatregnskap

Beløp i: NOK	Note	2019	2018
RESULTATREKNESKAP			
Inntekter			
Sum inntekter		0	0
Kostnader			
Annan driftskostnad		1 200	2 881
Sum kostnader		1 200	2 881
Driftsresultat		-1 200	-2 881
Finansinntekter og finanskostnader			
Inntekt på investering i dotterselskap og i tilknytt selskap		-351 029	3 132 065
Anna renteinntekt		245	137
Anna finansinntekt		54	484
Sum finansinntekter		-350 730	3 132 685
Rentekostnad til føretak i same konsern		69 045	52 401
Annan rentekostnad		3 816	
Annan finanskostnad		117	484
Sum finanskostnader		72 978	52 884
Netto finans		-423 708	3 079 801
Ordinært resultat før skattekostnad		-424 908	3 076 921
Skattekostnad på ordinært resultat			668 735
Ordinært resultat etter skattekostnad		-424 908	2 408 186
Årsresultat		-424 908	2 408 186
Totalresultat		-424 908	2 408 186
Overføringer og disponeringar			
Utbytte		0	0
Udekt tap		-424 908	2 408 186
Sum overføringer og disponeringar		-424 908	2 408 186



Balanse

Beløp i: NOK	Note	2019	2018
BALANSE - EIGEDELAR			
Anleggsmiddel			
Immaterielle egedelar			
Sum immaterielle egedelar		0	0
Varige driftsmiddel			
Sum varige driftsmiddel		0	0
Finansielle anleggsmiddel			
Investeringar i tilknytt selskap		1 496 327	1 847 356
Sum finansielle anleggsmiddel		1 496 327	1 847 356
Sum anleggsmiddel		1 496 327	1 847 356
Omløpsmiddel			
Varer			
Sum varer		0	0
Krav			
Andre krav		3 918 186	3 905 374
Sum krav		3 918 186	3 905 374
Investeringar			
Sum investeringar		0	0
Bankinnskot, kontantar og liknande			
Bankinnskot, kontantar og liknande		23 487	41 539
Sum bankinnskot, kontantar og liknande		23 487	41 539
Sum omløpsmiddel		3 941 673	3 946 913
SUM EIGEDELAR		5 438 000	5 794 269

BALANSE - EIGENKAPITAL OG GJELD



Balanse

Beløp i: NOK	Note	2019	2018
Eigenkapital			
Innskoten egenkapital			
Selskapskapital		200 000	200 000
Annan innskoten egenkapital		0	0
Sum innskoten egenkapital		200 000	200 000
Opptent egenkapital			
Annan egenkapital		1 939 537	2 364 446
Sum opptent egenkapital		1 939 537	2 364 446
Sum egenkapital		2 139 537	2 564 446
Gjeld			
Langsiktig gjeld			
Sum avsetjingar for plikter		0	0
Anna langsiktig gjeld			
Øvrig langsiktig gjeld		3 224 952	2 500 000
Sum anna langsiktig gjeld		3 224 952	2 500 000
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Betalbar skatt			668 735
Anna kortsiktig gjeld		73 512	61 089
Sum kortsiktig gjeld		73 512	729 824
Sum gjeld		3 298 463	3 229 824
SUM EIGENKAPITAL OG GJELD		5 438 000	5 794 270



Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 16.02.2016	Vår dato 23.02.2016
Telefon 22078139	Deres referanse Mai-Britt Myklebust	Vår referanse 2013/779184

ISLAND OFFSHORE MANAGEMENT AS
Postboks 370
6067 ULSTEINVIK

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

Det vises til deres brev av 16. februar 2016, der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper;

Island Offshore International Shipping AS	org.nr. 914 405 025
Island Navigator Holding AS	org.nr. 915 143 407
Island Navigator Holding KS	org.nr. 915 143 415
Island Navigator I AS	org.nr. 815 143 442
Island Navigator I KS	org.nr. 915 143 466
Island Navigator Shipping AS	org.nr. 915 143 512

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.

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 norske private aksjeselskaper og kommandittselskaper. Alle selskapene er majoritets eid direkte eller indirekte av en utenlandsk aksjonær Island Offshore Shipholding, L.P. som er et Cayman Island selskap med NUF registrering 990 035 903 i Norge. Island Offshore Shipholding, L.P. kontrolleres ultimat 50 % av en utenlandsk familie (Gary Chouest m/familie) og ultimat 50 % av en norsk familie (Morten Ulstein m/familie). Skattedirektoratet har tidligere gitt tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for flere sammenlignbare selskaper i deres portefølje. Selskapenes forretningspråk er engelsk, som også er arbeidsspråket i styrene. Leverandørene er i hovedsak internasjonale og norske virksomheter med leveranser til offshore industrien, mens kreditorene er finansinstitusjoner med internasjonal virksomhet. 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."

Postadresse Postboks 9200 Grønland 0134 Oslo	Besøksadresse: Se www.skatteetaten.no Org.nr: 996250318 E-post: skatteetaten.no/sendepost	Sentraltbord 800 80 000 Telefaks 22 17 08 60
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I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., 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 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 særlig vekt på at selskapene er eiet av et utenlandsk selskap. Eierkretsen er begrenset. Selskapenes forretningspråk er engelsk. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Inger Helene Iversen
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer



**Financial Statements
2019**

Island Navigator Holding AS



ISLAND OFFSHORE



Income statement

Island Navigator Holding AS

	Note	2019	2018
Other operating expenses		1 200	2 881
Total operating expenses		1 200	2 881
Operating profit		-1 200	-2 881
Income on investments in associated companies	4	-351 029	3 132 065
Interest income		245	137
Other financial income		54	484
Interest expenses, intercompany		69 045	52 401
Interest expenses		3 816	0
Other financial expenses		117	484
Total financial income & expenses		-423 708	3 079 801
Ordinary result before tax		-424 908	3 076 921
Tax on ordinary result	6	0	668 735
Net profit for the year		-424 908	2 408 186
Allocated as follows			
Transfer to other equity		-424 908	2 408 186
Total transfers	7	-424 908	2 408 186



Balance sheet

Island Navigator Holding AS

	Note	2019	2018
Assets			
Fixed assets			
Intangible fixed assets			
Financial fixed assets			
Investments in subsidiaries	4	1 496 327	1 847 356
Total financial fixed assets		1 496 327	1 847 356
Total fixed assets		1 496 327	1 847 356
Current assets			
Other receivables	5	3 918 186	3 905 374
Total debtors		3 918 186	3 905 374
Cash and bank deposits		23 487	41 539
Total current assets		3 941 673	3 946 913
Total assets		5 438 000	5 794 269

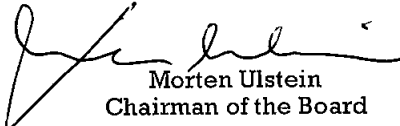


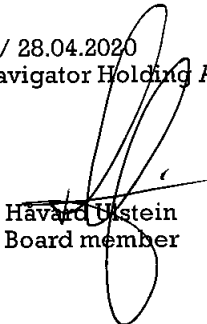
Balance sheet

Island Navigator Holding AS

	Note	2019	2018
Liabilities and equity			
Equity			
Paid in equity			
Share capital	8	200 000	200 000
Total paid in equity		200 000	200 000
Retained earnings			
Other equity		1 939 537	2 364 446
Total retained earnings		1 939 537	2 364 446
Profit not allocated		0	-1
Total equity	7	2 139 537	2 564 445
Liabilities			
Provision for liabilities			
Other long term debt	5	3 224 952	2 500 000
Other longterm debt		3 224 952	2 500 000
Current liabilities			
Tax payable		0	668 735
Other short term liabilities		73 512	61 089
Total current liabilities		73 512	729 824
Total liabilities		3 298 463	3 229 824
Total equity and liabilities		5 438 000	5 794 269

ULSTEINVIK, 31.12.2019 / 28.04.2020
The Board of Directors Island Navigator Holding AS


Morten Ulstein
Chairman of the Board


Håvard Ulstein
Board member



Notes to the financial statements 2019

Island Navigator Holding AS

NOTE 1 ACCOUNTING PRINCIPLES

Island Navigator Holding AS is included in the consolidated financial statement for Island Offshore Shipholding, L.P. , c/o Island Offshore Shipping AS, Stålhaugen 12, 6065 Ulsteinvik, Norway.

Island Navigator Holding AS (the Company) is the General Partner in the partnership Island Navigator Holding KS..

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 significant principles are described below.

Revenue and expense recognition

Revenue is recognized at the time of the earned income principle and expenditure should be expensed in the same period as the corresponding income. Other costs are expensed when incurred.

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. Same principles are assumed for liabilities. Value of investment in associated companies are recognized by use of equity method.

Valuation of current assets

Current assets are recorded net of expected future losses and at the lowest value of cost price and market value.

Bunkers and lube oil balances are accrued in the balance sheet based upon consumption and purchase price.

Receivables

Account Receivables and other Receivables are recorded in the balance sheet at face value after deduction of expected loss. Loss on debtors are accounted for on basis of individual assessment of the receivables.

Currency

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

Taxes

Deferred tax/tax asset is calculated on the basis of all differences between accounting and tax values for assets and liabilities. Deferred tax is estimated with 22% rate based on the temporary differences between tax and accounting values, as well as deferred tax loss carried forward at the end of the accounting year. Deferred tax asset is based on taxable loss to be utilized in future taxable profit.



Notes to the financial statements 2019

Island Navigator Holding AS

NOTE 2 THE COMPANY BUSINESS

The Company's main purpose is to be general partner in Island Navigator Holding KS, a limited partnership. The Partnership's main purpose was to be owner of Island Navigator I KS, the ship-owner of Island Navigator a UT777 Top-hole Drilling vessel. The partnership had a contract with Kawasaki Heavy Industries to build the vessel and planned delivery was in January 2019. In January 2018, the parties agreed a termination agreement whereby the shipbuilding contract was terminated. The Partnership received a compensation for the cancelled contract by way of repayment of instalment paid, annulment of seller financing and the receipt of project specific equipment purchased by the builder.

NOTE 3 PAYROLL, EMPLOYEES

The company has no employees and has no obligation to have pension funds. No fees or remuneration has been paid to the Board of Directors. Administrative expenses and audit fees are paid by the partnership.

NOTE 4 INVESTMENT IN ISLAND NAVIGATOR HOLDING KS

	<u>Island Navigator Holding KS</u>
Total committed capital	2 000 000
Committed capital not paid in	400 000
Ownership	<u>10 %</u>
Share financial assets	-
Share of current assets	5 409 693
Share of liabilities	<u>-3 913 366</u>
Share of book value equity KS	<u>1 496 327</u>
Income from investments in associated companies	<u>-351 029</u>
Share of tax profit / loss	<u>-351 029</u>

As the General Partner of Island Navigator Holding KS the Company is responsible for total liabilities of NOK 39.133 658 owed by the Partnership. Of this, NOK 3,9 mill is towards the General Partner and the majority of the rest is loan from related parties.



Notes to the financial statements 2019

Island Navigator Holding AS

NOTE 5 RELATED PARTIES

Transactions with related parties:	2019	2018
Short term receivable towards Island Navigator Holding KS	3 918 186	3 905 374
Other long term liabilities from Island Offshore Shipholding, L.P.	-3 224 952	-2 500 000
Short term loan from Island Investment LLC	-4 467	-8 689

Short term receivable relates to the liquidation settlement regarding Island Navigator I KS as 10% of the settlement belongs to the general partner.

NOTE 6 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.

Deferred tax/tax asset has been calculated as follows:

	2019	2018
Total temporary differences Partnership shares	0	0
Tax loss carried forward	-424 908	0
Basis for deferred tax	-424 908	0
Deferred tax asset	0	0
Deferred tax rate	22%	22%

Calculation of this year's tax expense:

	2019	2018
Profit before tax	-424 908	3 076 921
Use of tax losses carried forward	0	-121 153
Annual tax basis	-424 908	2 955 768
Reversed accounting loss on partnership	351 029	-3 132 065
Taxable loss on partnership	-351 029	3 083 841
Basis for tax payable	-424 908	2 907 544
Tax percentage	22 %	23 %
Tax payable on this year's result	2019	2018
Payable taxes	-	668 735
Change in deferred taxes	-	-
Tax expense	-	668 735

It was decided not to record deferred tax asset in the balance sheet of the Company as per 31.12.19.

**Notes to the financial statements 2019**

Island Navigator Holding AS

NOTE 7 EQUITY

	Paid in Capital	Other Equity	Total
Equity as per 01.01	200 000	2 364 445	2 564 445
<i>This year change in equity:</i>			
Loss for the year	-	-424 908	-424 908
Equity as per 31.12	200 000	1 939 537	2 139 537

NOTE 8 OWNERSHIP

The share capital of NOK 200.000 consist of 200 shares a NOK 1.000.

Owners at 31.12:

Shareholders	Number of shares	Ownershare
Island Offshore Shipholding, L.P.	200	100 %
Total number of shares	200	100 %

NOTE 9 GOING CONCERN

Due to the continued state of the market and the implications for earnings and cash flow, the Island Offshore Group, including the parent company Island Offshore Shipholding, L.P., concluded a restructuring agreement with secured and unsecured lenders effective April 12th 2018. The term of the restructuring agreement is until end of 2020 and includes modified amortization schedules for each vessel, in addition to lifting of certain financial covenants. Negotiations with stakeholders for agreements effective post 2020 are expected to start in Q2-20.

Due to the COVID-19 pandemic in conjunction with the collapse of oil price and that the cash covenant as of 31.03.2020 is not met in one sub-group, in which a cross default will result that the Group will not be in compliance with covenants as of 31.03.2020. The Group is in dialogue with the lenders on receiving a waiver for the covenant until new terms is agreed in the above mentioned new restructuring agreement.

The high market volatility caused by the COVID-19 pandemic in conjunction with the collapse of the oil price, increases the risk regarding the going concern assumption for most companies, and this is also the case for the Company. The assessment is that the Island Offshore Group has the resources, organization, competence, assets and customer base to continue being a going concern.



Notes to the financial statements 2019

Island Navigator Holding AS

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 and the Parent at 31.12.2019, and the condition that a new restructuring agreement is agreed and made effective with secured and unsecured lenders before 31.12.2020.

Due to the COVID-19 pandemic, the collapse of the oil price and breach of the cash covenant for one sub-group there is uncertainty for the Company to continue as a going concern over the next 12 months.

NOTE 10 SUBSEQUENT EVENTS

The COVID-19 pandemic is causing operational disruptions to vessel activity and increases the overall risk of activity deferrals and cancellations following a significant decline in oil demand. As a result, the oil price has dropped significantly in April 2020 causing uncertainty with regards to future activity in the oil & gas sector. Accordingly, the demand for OSV vessels has also declined across markets and there is increased risk of negative future financial implications for the Company. This could impact the long-term market outlook and future assessments of recoverable amounts of Island Offshore Group's assets.

The Board of Directors continues to monitor the financial situation.



Statsautoriserte revisorer
Ernst & Young AS

Thormøhlens gate 53 D, NO-5006 Bergen
Postboks 6163, NO-5892 Bergen

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00

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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Island Navigator Holding AS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Island Navigator Holding AS, which comprise the balance sheet as at 31 December 2019, 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 have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company as at 31 December 2019 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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in Norway, and we have fulfilled our ethical responsibilities as required by law and regulations. We have also complied with our other ethical obligations 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.

Material uncertainty related to going concern

We draw attention to note 9 and note 10 in the financial statements, which describes that the Company and Group is dependent on an agreement with its creditors for an acceptable and sustainable restructuring to continue as going concern. These events or conditions, along with other matters as set forth in note 9 and note 10, indicate that a material uncertainty exists that may cast significant doubt on the Company's and Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

The financial statements do not reflect impairment charges or provisions that might be required if the Company or Group was liquidated or the assets sold in a distressed situation.

Responsibilities of management for the financial statements

The Board of Directors (management) 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 laws, regulations, and auditing standards and practices generally

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accepted in Norway, including International Standards on Auditing (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 law, regulations and generally accepted auditing principles 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, 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 those charged with governance 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.

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 ensure that the Company's accounting information is properly recorded and documented as required by law and bookkeeping standards and practices accepted in Norway.

Bergen, 30 April 2020
ERNST & YOUNG AS

The auditor's report is signed electronically

Jørn Knutsen
State Authorised Public Accountant (Norway)

Independent auditor's report - Island Navigator Holding AS

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PENNEO

Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo"[™] - sikker digital signatur".
De signerende parter sin identitet er registrert, og er listet nedenfor.

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

Jørn Knutsen

Statsautorisert revisor

På vegne av: Ernst & Young AS

Serienummer: 9578-5992-4-3012515

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