



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer:	910 411 616
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	NORWEGIAN CAR CARRIERS AS
Forretningsadresse:	Drammensveien 167 0277 OSLO

### Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023
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### Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

### Regnskapsregler

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

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	DELOITTE AS
Dato for fastsettelse av årsregnskapet:	30.04.2024

### Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

*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, 16.06.2025



### Resultatregnskap

Beløp i: USD	Note	2023	2022
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Operating income		725 887	1 428 223
Other operating income		126 874	156 450
<b>Sum inntekter</b>		<b>852 760</b>	<b>1 584 672</b>
<b>Kostnader</b>			
Salaries and other personnel expenses	2	2 476 002	1 379 029
Depreciation	3	7 052	14 250
Other operating expenses		695 827	455 418
<b>Sum kostnader</b>		<b>3 178 881</b>	<b>1 848 697</b>
<b>Driftsresultat</b>		<b>-2 326 120</b>	<b>-264 024</b>
<b>Finansinntekter og finanskostnader</b>			
Income from group companies	4	385 350	525 173
Renteinntekt fra foretak i samme konsern	4	998 082	967 442
Annen renteinntekt		88 844	6 735
Other financial income		98	2
Net gain/(loss) on foreign exchange		-14 429	129 025
<b>Sum finansinntekter</b>		<b>1 457 945</b>	<b>1 628 377</b>
Reversal of previously recognised impairment	5		-45 846 853
Annen rentekostnad		80	
Other financial expenses		1	787
<b>Sum finanskostnader</b>		<b>81</b>	<b>-45 846 066</b>
<b>Netto finans</b>		<b>1 457 864</b>	<b>47 474 443</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-868 256</b>	<b>47 210 419</b>
Taxes	9		
<b>Ordinært resultat etter skattekostnad</b>		<b>-868 256</b>	<b>47 210 419</b>
<b>Årsresultat</b>	8	<b>-868 256</b>	<b>47 210 419</b>
<b>Årsresultat etter minoritetsinteresser</b>		<b>-868 256</b>	<b>47 210 419</b>



## Resultatregnskap

<b>Beløp i: USD</b>	<b>Note</b>	<b>2023</b>	<b>2022</b>
<b>Totalresultat</b>		<b>-868 256</b>	<b>47 210 419</b>
<b>Overføringer og disponeringer</b>			
Transferred from other equity		-868 256	47 210 419
<b>Sum overføringer og disponeringer</b>		<b>-868 256</b>	<b>47 210 419</b>



## Balanse

Beløp i: USD	Note	2023	2022
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	9		
<b>Varige driftsmidler</b>			
Other assets		16 103	23 155
<b>Sum varige driftsmidler</b>		<b>16 103</b>	<b>23 155</b>
<b>Finansielle anleggsmidler</b>			
Investering i annet foretak i samme konsern	5	26 149 525	43 758 271
Lån til foretak i samme konsern	4	8 040 813	8 040 813
Investments in shares			183
<b>Sum finansielle anleggsmidler</b>		<b>34 190 338</b>	<b>51 799 267</b>
<b>Sum anleggsmidler</b>		<b>34 206 441</b>	<b>51 822 423</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Accounts receivables	6	42 007	35 962
Other receivables	6	128 260	70 970
Konsernfordringer	4	13 102 605	32 608 204
<b>Sum fordringer</b>		<b>13 272 873</b>	<b>32 715 136</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and cash equivalents	7	1 186 614	755 035
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>1 186 614</b>	<b>755 035</b>
<b>Sum omløpsmidler</b>		<b>14 459 487</b>	<b>33 470 171</b>
<b>SUM EIENDELER</b>		<b>48 665 928</b>	<b>85 292 594</b>

## BALANSE - EGENKAPITAL OG GJELD



### Balanse

Beløp i: USD	Note	2023	2022
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital	8	46 272 444	45 860 460
Overkurs	8	32 979 270	18 000 000
Annen innskutt egenkapital	8	1 518 231	1 518 231
<b>Sum innskutt egenkapital</b>		<b>80 769 945</b>	<b>65 378 691</b>
<b>Opptjent egenkapital</b>			
Other equity	8	-32 841 698	1 026 558
<b>Sum opptjent egenkapital</b>		<b>-32 841 698</b>	<b>1 026 558</b>
<b>Sum egenkapital</b>		<b>47 928 247</b>	<b>66 405 249</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Pensjonsforpliktelser		157 139	141 184
Utsatt skatt	9		
<b>Sum avsetninger for forpliktelser</b>		<b>157 139</b>	<b>141 184</b>
<b>Annen langsiktig gjeld</b>			
<b>Sum langsiktig gjeld</b>		<b>157 139</b>	<b>141 184</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		23 634	
Tax payable	9		
Public duties payable		79 015	432 237
Utbytte	4		18 000 000
Other current liabilities		477 894	313 923
<b>Sum kortsiktig gjeld</b>		<b>580 543</b>	<b>18 746 160</b>
<b>Sum gjeld</b>		<b>737 681</b>	<b>18 887 344</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>48 665 928</b>	<b>85 292 594</b>



## Konsernets resultatregnskap

Beløp i: USD	Note	2023	2022
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Charter revenues	3, 4	39 818 870	34 625 870
Other operating revenue	3	29 732	107 517
Gain on sale of vessel	9		31 859 291
<b>Sum inntekter</b>		<b>39 848 602</b>	<b>66 592 678</b>
<b>Kostnader</b>			
Operating expenses vessels	5	5 103 405	5 030 385
Other operating expenses/administrative costs	5	3 145 281	2 007 296
Ordinary depreciation	9	6 863 831	7 331 417
Nedskrivning av varige driftsmidler og immaterielle eiendeler	9		-5 511 417
<b>Sum kostnader</b>		<b>15 112 517</b>	<b>8 857 681</b>
<b>Driftsresultat</b>		<b>24 736 085</b>	<b>57 734 997</b>
<b>Finansinntekter og finanskostnader</b>			
Other financial income	6	2 012 160	1 512 527
Unrealised gain/(loss) on financial instruments	6, 11	-459 616	2 485 392
<b>Sum finansinntekter</b>		<b>1 552 544</b>	<b>3 997 920</b>
Rentekostnad til foretak i samme konsern			-113
Annen rentekostnad	6	7 355 111	5 392 560
Net gain/(loss) on exchange	6	27 891	-151 591
<b>Sum finanskostnader</b>		<b>7 383 001</b>	<b>5 240 856</b>
<b>Netto finans</b>		<b>-5 830 457</b>	<b>-1 242 937</b>
<b>Ordinært resultat før skattekostnad</b>		<b>18 905 627</b>	<b>56 492 060</b>
Taxes	15		
<b>Ordinært resultat etter skattekostnad</b>		<b>18 905 627</b>	<b>56 492 060</b>
<b>Årsresultat</b>		<b>18 905 627</b>	<b>56 492 060</b>
Minoritetsinteresser			2 994 784
<b>Årsresultat etter minoritetsinteresser</b>		<b>18 905 627</b>	<b>53 497 276</b>



## Konsernets resultatregnskap

<b>Beløp i: USD</b>	<b>Note</b>	<b>2023</b>	<b>2022</b>
<b>Totalresultat</b>		<b>18 905 627</b>	<b>53 497 276</b>
<b>Overføringer og disponeringer</b>			
Profit/-(Loss) after tax		-18 905 627	-56 492 060
<b>Sum overføringer og disponeringer</b>		<b>-18 905 627</b>	<b>-56 492 060</b>



### Konsernets balanse

Beløp i: USD	Note	2023	2022
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	15		
<b>Varige driftsmidler</b>			
Right of use assets - lease	8, 9	48 130	106 787
Vessels	9	139 726 962	146 571 703
Other assets	9	16 103	13 243
<b>Sum varige driftsmidler</b>		<b>139 791 195</b>	<b>146 691 734</b>
<b>Finansielle anleggsmidler</b>			
Investments in associated and other companies			183
Long term derivatives	11	376 201	2 368 814
<b>Sum finansielle anleggsmidler</b>		<b>376 201</b>	<b>2 368 997</b>
<b>Sum anleggsmidler</b>		<b>140 167 396</b>	<b>149 060 730</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Accounts receivables and other current assets	12	2 387 395	20 736 455
Other short-term receivables		45 229	
<b>Sum fordringer</b>		<b>2 432 624</b>	<b>20 736 455</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and cash equivalents	13	52 259 244	10 524 577
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>52 259 244</b>	<b>10 524 577</b>
<b>Sum omløpsmidler</b>		<b>54 691 868</b>	<b>31 261 031</b>
<b>SUM EIENDELER</b>		<b>194 859 265</b>	<b>180 321 762</b>

### BALANSE - EGENKAPITAL OG GJELD



### Konsernets balanse

Beløp i: USD	Note	2023	2022
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital	14	46 272 444	45 860 460
Overkurs		32 979 270	18 000 000
Annen innskutt egenkapital		1 518 231	1 518 231
<b>Sum innskutt egenkapital</b>		<b>80 769 945</b>	<b>65 378 691</b>
<b>Opptjent egenkapital</b>			
Retained earnings		-1 336 985	15 825 260
Minoritetsinteresser			12 210 030
<b>Sum opptjent egenkapital</b>		<b>-1 336 985</b>	<b>28 035 290</b>
<b>Sum egenkapital</b>		<b>79 432 960</b>	<b>93 413 981</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Pensjonsforpliktelser	7	157 139	141 184
Utsatt skatt	15	10 985	13 358
<b>Sum avsetninger for forpliktelser</b>		<b>168 124</b>	<b>154 542</b>
<b>Annen langsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	16	100 417 082	53 878 347
Lease obligation	16	62 888	125 101
<b>Sum annen langsiktig gjeld</b>		<b>100 479 970</b>	<b>54 003 448</b>
<b>Sum langsiktig gjeld</b>		<b>100 648 094</b>	<b>54 157 990</b>
<b>Kortsiktig gjeld</b>			
Current portion of long term debt	16	11 600 000	10 560 000
Tax payable		36 030	41 506
Tax payable	15		
Public duties payable		79 015	391 523
Utbytte			18 000 000
Other current liabilities	17	3 063 166	3 756 761
Derivatives	11		
<b>Sum kortsiktig gjeld</b>		<b>14 778 211</b>	<b>32 749 791</b>
<b>Sum gjeld</b>		<b>115 426 304</b>	<b>86 907 780</b>



## Konsernets balanse

<b>Beløp i: USD</b>	<b>Note</b>	<b>2023</b>	<b>2022</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>194 859 266</b>	<b>180 321 762</b>



# Deloitte.

Deloitte AS  
Dronning Eufemias gate 14  
Postboks 221  
NO-0103 Oslo  
Norway

+47 23 27 90 00  
www.deloitte.no

To the General Meeting of Norwegian Car Carriers AS

## INDEPENDENT AUDITOR'S REPORT

### *Opinion*

We have audited the financial statements of Norwegian Car Carriers AS, which comprise:

- The financial statements of the parent company Norwegian Car Carriers AS (the Company), which comprise the balance sheet as at 31 December 2023, the revenue statement, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.
- The consolidated financial statements of Norwegian Car Carriers AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2023, income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, 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, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

### *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 and the Group as required by 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.

### *Other Information*

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

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Medlemmer av Den norske Revisorforening  
Organisasjonsnummer: 980 211 282

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## Deloitte.

Independent auditor's report  
Norwegian Car Carriers AS

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible 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 and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group 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 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:

- 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 and the Group'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 and the Group'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 and the Group 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.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



**Deloitte.**

Independent auditor's report  
Norwegian Car Carriers AS

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.

Oslo, 30. april 2024  
Deloitte AS

**Reidar Ludvigsen**  
State Authorised Public Accountant



## Independent auditor's report

Name	Date
Ludvigsen, Reidar	2024-04-30

Identification

 bankID<sup>™</sup> Ludvigsen, Reidar



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## Annual Report 2023



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## 2023 BOARD OF DIRECTORS' REPORT

Global car sales continued to recover in 2023 reaching pre-covid 2019 level of about 90 million sold cars. Sales were fueled by pent up demand after covid- and micro-chip shortage the last years and growing exports from China.

The PCTC market strengthened further through 2023 following several years with very few deliveries of new vessels, growing demand and growth in ton-miles from the increasing exports of EVs from China to the world. The 12 months' time charter rates for a Panamax vessel leveled out at USD 110,000 per day through the year with a further hike to USD 115,000 per day at the end of the year (source: Clarksons).

Also in 2023 car manufacturers experienced lower than forecasted production due to shortage of parts and supply chain disruptions, but during the year auto manufacturing improved output, and together with increased EV volumes and growing Chinese auto exports demand for transportation capacity continued to outperform available PCTC capacity. Notable observations were that a fair share of the exports from China was moved in containers and in bulk carriers in lack of PCTC capacity.

Ordering of newbuildings which gained momentum in 2022 continued in 2023; at the end of the year the orderbook counted about 172 vessels, mostly ordered with dual fuel LNG engines, but also including orders with ammonia ready notations and methanol alternatives reflecting the uncertainty of what will be the future fuel for deep sea shipping.

NOCC was well positioned with all vessels on long term employment, and at the end of the year the company contracted two 7000 CEU capacity dual fuel (LNG) PCTC from CIMC Raffles in China for delivery at the end of 2025 and beginning of 2026

The market is expected to remain tight through 2024 although the global macro picture is uncertain.

### BUSINESS SUMMARY

Norwegian Car Carriers AS ("NOCC" or the "Company") owns and operates a fleet of three pure car and truck carriers ("PCTC") specially designed for the transportation of cars and other rolling cargo. Commercial management is handled from the Company's office in Oslo, Norway while the technical management, including crewing of the vessels, is outsourced to third party managers.

The NOCC fleet traded on period contracts without any interruptions in 2023 (no dry-dockings).

NOCC vessels were employed on profitable charters. Thereby a strong positive cash flow has been secured for a period forward.

In March 2023 the Company changed ownership: Global Meridian Holdings (GMH), a wholly owned subsidiary of a broad transportation strategy advised by J.P. Morgan Asset Management's Global Transportation Group, acquired 100 % of the shares in Norwegian Car Carriers AS (NOCC AS, from Car Carriers International AS, a holding company owned by Klaveness Marine (50%) and Global Maritime Transportation Fund (50%)). GMH acquired NOCC AS adding PCTC to its portfolio of shipping and transportation assets with more than 80 vessels across the Car Carrier, Tanker, Dry Bulk, Containership, Wind, LPG and LNG sectors.

In conjunction with the change of ownership NOCC Atlantic was acquired 100% on 31 March 2023 by acquisition of the 46.25% minority share against a payment of USD 15.2m (initially provided as a loan and then converted into equity during Q2 2023).



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In the second half of 2023 the Company's debt facilities were re-financed at competitive terms with one bank, SEB replacing the corporate facility with a new USD 112m loan drawn on 9 November 2023.

On 31 October 2023 the Company contracted two new PCTCs from Chinese yard group CIMC Raffles. The vessels will be multifuel / dual fuel (LNG) propelled with capacity to carry 7000 car equivalent units with flexible deck configuration to cater for high and heavy cargos. The dual fuel (LNG) solution supplied with flexibility for utilizing Low Sulphur fuel and Marine Gas Oil represents the state of the art low emission transition technology, and has been added with class notation for "Ammonia Ready" design. This marks the beginning of transition of the Company to reduce emissions. The new vessels are scheduled for delivery in 4<sup>th</sup> quarter 2025 and 1<sup>st</sup> quarter 2026 respectively.

With contribution from positive operational results the Company returned capital to shareholders in 2023.

The Company continued to be managed by a core Management of two (CEO and CFO), a hired technical consultant (Fleet Manager) and outsourcing of accounting and technical fleet management. Under the new ownership the Company can draw on resources in the GMH structure, including the GMH portfolio company Oceonix with technical and operational capacities. Oceonix will support the Company's newbuilding program and represents a considerable buying power on various services.

At the end of the year the Company has maintained solidity through long-term charters at sustainable rates.

NOCC posted a consolidated net gain after tax of USD 18.8 million for 2023 compared to a net profit of USD 56 million for 2022 (which included a vessel sale).

As per 31 December 2023, NOCC had total assets of USD 194 million and a book equity ratio of 59 % down from 68 % the previous year.

## **ANNUAL ACCOUNTS**

The annual accounts have been prepared on a going concern basis and, in the opinion of the Board, the accounts provide an accurate representation of the Company's business. The Board confirms that the going concern assumption has been met. The Company has obtained an exemption from the Norwegian Accounting Act (§ 3-4), and will only issue its annual report in English. Numbers in parenthesis refer to the previous year (2022).

### **NOCC – GROUP**

#### **Income statement**

For the full year 2023 NOCC's charter income was USD 39.8 million, up from USD 34.6 million the previous year due to charter income at higher rates from the start of the year.

The vessel operating expenses amounted to USD 5.1 million, at the same level as USD 5.0 million the previous year. The change reflects increased costs of materials and lub oil.

Administration costs for the year was USD 3.1 million, up from USD 2.0 million the previous year due to one-off remuneration costs in relation to the transaction of the shares in the Company.

Gain on sale of vessel was zero against USD 31.9 million the previous year.

EBITDA for the year was USD 31.6 million, compared to USD 59.6 million the previous year.



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Ordinary depreciation was USD 6.9 million, compared to USD 7.3 million the previous year.

There was no impairment in 2023 compared to a reversal of previously recognized impairment of USD 5.5 million on the fleet in 2022. Market valuations rose throughout the year.

Net financial items amounted to minus USD -5.8 million (USD -1.2 million the previous year) of which net unrealized loss from financial instruments was USD -0.5 million against a gain of USD 2.5 million the previous year, due to mark-to-market adjustments of interest rate derivatives. Interest expenses during the year were USD -7.3 million (USD -5.4 million).

Result after tax was USD 18.9 million compared to USD 56.5 million in 2022.

### **Statement of financial position at 31 December 2023**

Total assets at the end of the year were USD 195 million up from USD 180 million the previous year. Book value of the vessels was USD 139.8 million (USD 146.7 million), the decrease reflects ordinary depreciation of USD 6.9 million.

Cash and equivalents were USD 52.3 million compared to USD 10.5 million at the end of 2022.

Total long-term liabilities at the end of the year were USD 100.7 million (USD 54.2 million).

The NOCC loan facility was re-negotiated and maturity extended with 5 years in November 2023.

Current liabilities amounted to USD 14.8 million reflecting the maturity date for the NOCC Corporate facility (USD 32.7 million).

The consolidated book equity as of 31 December 2023 was USD 79.4 million (USD 93.4 million).

### **Cash flow**

Cash flow from operations during the year was USD 48.9 million compared to USD 9.1 million for 2022.

Interest paid during the year was USD 3.1 million compared to USD 5.7 million in 2022.

Net cash flow from investment activities was USD -15.2 million, compared to USD 82.5 million in 2022 (ship sold in 2022).

Net cash flow from financing activities was USD 11.1 million compared to USD -94.3 million in 2022. In 2023 NOCC re-financed and executed a new debt facility. USD 50.1 million were paid in to the Company under the loan facility after repayment of previous loans, compared to USD -16.1 million in 2022.

The net change in cash was USD -41.8 million (USD -8.5 million), and cash at year end amounted to USD 52.3 million (USD 10.5 million).

### **Parent Company – Norwegian Car Carriers AS**

Total operating income for the parent company, Norwegian Car Carriers AS, was in 2023 USD 0.9 million (USD 1.6 million). Total operating expenses were USD 3.2 million (USD 1.8 million) with a corresponding operating result of USD -2.3 million (USD -0.3 million). Net financial items were USD 1.5 million (USD 47.5 million), while interest income from group companies was USD 1 million (USD 1 million). The result after tax for 2023 was USD -868 256 (USD 47.2 million).



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It is proposed that the result for 2023 of USD -868 256 is added to other equity. As per 31 December 2023, the parent company had Other Equity of USD 32.8 million.

## MARKET 2023

The PCTC market leveled out at a high level through 2023 driven by volume recovery post Covid, strong "high and heavy" market and reduced fleet productivity due to continued inefficiencies in logistical chains and ports. Lack of parts influenced car production in reduced degree in 2023. New car sales increased to about 90 million in 2023 which brought production back to 2019 level, and 25% was transported seaborne to markets. The increase in exports from China continued to accelerate, especially of electrical vehicles, added "ton-miles" and demand for capacity.

The PCTC fleet was fully utilized through the year and parts of the growing exports from China had to utilize alternative transportation modes in containers on container vessel and in racks in bulk carriers. Vessels coming open were fixed earlier than usually, and new orders were added to the orderbook.

The charter rates for Panamax size vessels based on a 12 Month period were quoted by brokers in the USD 110,000 to 115,000 range through the year. By the end of the Year, brokers estimated the 12-months' time charter rate at USD 115,000 per day for Panamax.

During the year 11 newbuildings were delivered and 2 vessels exited the PCTC world fleet. The net world fleet capacity (measured in terms of CEU) increased by 1.4% and the fleet stood at 756 vessels by the end of 2023 (basis PCTC vessels size >3.000ceu capacity) (Source: Fearnleys)

The newbuilding activity in 2023 added further to the orderbook which stood at 172 vessels on order at the end of 2023 (Source: Fearnleys). The orderbook was 31.3% by capacity and 22.8% by numbers.

## EMPLOYMENT OF VESSELS

Norwegian Car Carriers (NOCC) is a tonnage provider which owns and manages a fleet of three vessels for the transportation of cars and other rolling cargo. The vessels are employed under charterer contracts with car carrier operators for various lengths. During 2023 two of the vessels were chartered out on time charter while one was chartered out on bare boat charter.

The fleet operated with a total of 0 commercial off-hire days in 2023 (0 in 2022).

## OPERATION OF THE FLEET

The technical management including crewing of the fleet has been outsourced to third party managers. Wallem Ship Management (Hong Kong) is handling the technical management of NOCC Oceanic and NOCC Atlantic. Liberty Passion is chartered out on bareboat contract, and thus NOCC is not handling the daily technical operation of the vessels.

The technical condition and performance of the fleet is closely monitored, and the technical performance was satisfactory during 2023 with one minor technical incidents during the year (anchor stuck and winch damage). No vessels were dry-docked in 2023.

Total technical off-hire days in 2023 was 5.8 days (off which 0 days was related to dry docking) compared to 46,3 days in 2022 (of which 44 days was related to dry docking).

Two vessels have been equipped with automated monitoring and collection of performance data in cooperation with RaaLabs as a step towards digitalization of vessel performance monitoring.



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Further actions were taken in 2023 to improve vessel performance including:

- Decision to install engine optimization systems to reduce emissions specifically at lower loads
- Decision to upgrade the antifouling for upcoming dockings to reduce emissions.

The CII rating for the fleet average for 2023 is forecasted to be C

All operated vessels have been enrolled to BOSS Performance software to further strengthen the emission monitoring and improvement.

## FINANCING

NOCC has one debt facility, the NOCC term Loan Facility with SEB which was set up in 2023.

SEB replaced the previous corporate facility with a new USD 112m loan drawn on 9 November 2023 by repaying loans with NIBC (USD 13.4m) and DNB/SEB/SR-Bank (USD 48.3m) transferring the balance (about USD 50m) to NOCC Shipowning AS to facilitate contracting of new vessels. The loan has maturity in 2028 and include provisions for adjustment of margins against improved sustainability performance (to be measured in CII).

The Company was in compliance with all its financial covenants as per 31 December 2023.

## RISK FACTORS

NOCC is exposed to several risk factors that can affect the Company's results. The risk factors can be divided into the following main components: market risk, operational risk and financial risk. Such risks are normally related to volatility in charter income, charter defaults, unforeseen operational events, operating expenses and unforeseen capital expenditure requirements, fluctuations in interest- and foreign exchange rates, as well as financing risk related to new capital expenditure requirements and refinancing of existing credit facilities.

### Market Risk

Market risk relates to supply of PCTC vessels and the demand seaborne transportation of light vehicles. Historically, the car carrier segment has proven less volatile than certain conventional shipping segments, but this has changed over the last years. The market risk for NOCC is primarily related to utilization and rates obtained relating to the chartering of the vessels. The Company is striving to mitigate market risk by employing the vessels on long-term charters when satisfactory employment contracts are obtainable.

During prolonged periods of reduced demand for car carrier tonnage, there is a risk that the Company will be unable to employ the vessels without incurring idle time between charters and that the rates obtained are unsustainable.

### Operational risk

The Company is focused on delivering strong operational performance for the fleet and is striving towards operational excellence. Despite the Company's high degree of pre-emptive maintenance, there is a risk for equipment failure. Even though the Company obtains loss of hire insurance for contracts over a certain length, a technical breakdown will affect the earnings for a period of at least 14 days (deductible).

### Risk related to changes in laws and regulation



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The Company's operation and vessels are subject to international environmental laws and regulations, and new regulations are expected to be phased in the coming years in particular related to environmental performance and emissions. Although the Company is doing its utmost to comply, changes in laws and regulations may expose the Company.

### **Financial risk**

New investments are typically financed from equity proceeds injected by the shareholder as well as debt obtained primarily from Norwegian and international banks. The Company is exposed to financing risk related to potential new investments and refinancing of existing debt. As of the end of the year, the Company had established a new debt facility replacing the two former loans. There is no guarantee that future debt financing can be raised at attractive terms, but at the end of the year lenders committed to continuing to support the Company.

### **Interest rate risk**

The Company's bank loans are generally subject to floating interest rates. For 2024 38% of the interest rate exposure has been fixed through interest rate swaps under which floating interest payment obligations have been converted into fixed rate or a floor/ceiling corridor. For the total loan period 2024-2028, 18% of the interest rate exposure is fixed rate or has floor/ceiling corridor.

### **Currency risk**

Revenues, operating expenses, assets and liabilities are denominated in USD and the only foreign exchange risk is related to administrative expenses, which are primarily in NOK. A 10% fluctuation in the USD/NOK exchange rate has approx. 1.5% impact on the projected EBITDA of the Company for 2023.

### **Counterparty risk**

NOCC generally has solid counterparties and the counterparty risk is considered manageable. The focus on credit and counterparty risk is increasing during times of weaker market conditions. All of the Company's charterers are current on their payments under the charter contracts.

### **Liquidity risk**

The shipping market is capital intensive. Insufficient liquidity will severely impact the ability to operate. The Company's approach to manage liquidity risk is to ensure, as far as possible that it will have sufficient liquidity at all times to meet its obligations. The Company evaluates its capital structure and explores various options to safeguard liquidity. The Company has a minimum liquidity covenant in its credit facility. The Company has a strong financial position and liquidity and enters 2024 with a low debt to value of 45%.

## **ORGANIZATION**

The Company's administration is located in Oslo. The Company employed two full time staff in 2023. The sick leave during 2022 amounted to 0 days (0 days) or 0 % (0%) of the total working days. The Company has not been affected by serious work-related accidents during the year.

Due to the reduction of the fleet the Company has taken steps to reduce the staff and outsourced accounting functions from January 2022. One technical resource (Fleet Manager) was hired as consultant on part time through the year. As per 31 December 2023 the Company employed two full time staff (no women).



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In the start of 2024 the Company employed two full time staff. In addition, technical fleet management is hired on part time to provide technical resources. Accounting and technical management is outsourced. The working environment is regarded as good. The organization is well-qualified, staffed at a minimum and cost-effective level to perform the tasks within its remit.

As per 31 December 2023, the Board of directors consisted of three members (no women). The Company has a Directors- and Officers Liability Insurance with liability up to NOK 50.000.000.

## **ENVIRONMENT, SOCIAL AND GOVERNANCE REPORTING (ESG)**

The Board and Management at NOCC is committed to operate the Company in a responsible and sustainable manner. The aim is to manage the Company in a way which generates long-term profitability in combination with minimum effect on the environment, and care for the people involved in our business as well as the society at large.

The maritime industry is subject to comprehensive global regulations governed by IMO, ISO, regional (e.g. EU) and National bodies and Port States. Increased attention is observed from the larger community including finance through "Poseidon Principles" and EU with "Taksonomi" (sustainable economic activity). IMO is also in the process of enhancing requirements for transportation at sea to contribute its share towards climate control.

NOCC follows developments through its membership in the Norwegian Shipowners Association (with its "zero emissions vision") and in cooperation with classification societies. NOCC is responsible through its ownership of a fleet of vessels (PCTCs), but have in effect delegated much responsibility to third party Technical Managers who are responsible for crew and maintenance of the vessels.

NOCC is evaluating the governance policy of Technical Managers during the selection process and as part of our continuous evaluation of our Technical Managers.

The NOCC vessels are chartered out to operators and thus NOCC does not control the vessels movements, loading conditions and operation, however, NOCC aims to charter the vessels out to reputable charterers with a commitment to environmental sustainability and social responsibility.

In 2023 the Company was subject to reporting in accordance with the Norwegian Transparency Act which entered into force on 1 July 2022. The purpose of the Act is to promote enterprises responsibility for fundamental human rights and decent working conditions relating to production of goods and the provision of services within the company and their supply chains.

In accordance with the Transparency Act, NOCC are obliged to:

- Carrying out a due diligence process in accordance with the OECD Guidelines for Multinational Enterprises.
- Account of its human rights due diligence process
- Respond to information requests from the public regarding on how NOCC addresses actual and potential adverse impacts on human rights identified in the due diligence process.

The Company's reporting on human rights due diligence was per regulations displayed on it's web page.

When ordering new vessels in 2023 the Company included its Suppliers Code of Conduct in the Shipbuilding Contracts.

## **CLIMATE AND ENVIRONMENTAL RESPONSIBILITY**



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## Emission and energy reduction

Deep sea, oceangoing freight is a significant contributor to greenhouse gas emissions globally: primarily CO<sub>2</sub>, NO<sub>x</sub> and SO<sub>x</sub>. The main source of CO<sub>2</sub> emissions is bunker fuel. Although this is a major source of emissions, seaborne transportation is in most cases far more fuel efficient per unit transported than other transport sectors.

The shipping industry has been subject to global regulations such as Marpol, SOLAS and IMO since the 1970s.

As a "tonnage provider", NOCC does not have direct control of the operation of the vessel (amount of cargo on board, fuel purchase, ordered speed, weather routing etc). These factors influence the emissions pr. transported unit to a large extent, but are beyond the control of NOCC. As such, NOCC are focusing on the factors where we can make a difference.

NOCC is actively evaluating how to improve the fuel efficiency of its vessels. One vessel has earlier been subject to vessel conversion to improve energy efficiency. NOCC has also installed a trim and speed optimization tool on one vessel to enable the crew to optimize the trim of the vessel with a view to optimize its fuel consumption and to allow for a corresponding reduction in CO<sub>2</sub> emissions. When ordering new vessels, the fuel efficiency of the various vessel designs is among the important and decisive factors. In 2016, a vessel performance monitoring system was implemented, and data collection has started with a view to build a database on which valuable information on the operations of the vessels may be retrieved to improve operational efficiency and reduce fuel consumption. In 2019 a satellite transmission system was installed on one vessel and testing of data transmissions commenced. This has been followed with upgrading one vessel with full data streaming capabilities, and cooperation has been established with a reputable supplier for developing the digitalization capabilities for monitoring and data collection. The goal is to use the data streaming to improve the efficiency of the vessel operation and thus improve the environmental footprint of the vessel. In 2022 a data collection (from 80 sensors onboard) and monitoring system (RaaLabs/Edge) was fully commissioned including continuous transmission to shore, and one charterer commenced analyzing and utilizing the performance data in a performance and weather routing system (DeepSea) on a large-scale fleet wide basis.

In connection with the IMO 2020 regulations NOCC evaluated the options in order to comply with the new regulations, and resolved to burn compliant fuel rather than install scrubbers onboard the vessels. The usage of compliant fuel has substantially reduced the SO<sub>x</sub> emissions compare to the bunker burned prior to the implementation of IMO 2020 regulations.

The technical managers are committed through their own policies to work towards a reduced environmental footprint and to conserve the environment through compliance with requirements. The technical manager reports performance, emission and consumption in to the EU MRV reporting system.

NOCC will continue to strive to reduce its environmental footprint going forward and prepare for new and stricter emissions requirements going forward.

As a part of the Company's sustainability goals NOCC have, through its technical managers, introduced various KPI's in order to better monitor and improve towards a more efficient and sustainable operation of its vessels.



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## KPI development

Average Vessel (MT)	2018	2019	2020	2021	2022	2023**
HFO	9855	9903	6961*	9700*	10388*	10351*
MDO	1214	1336	571	1633	822	1029
CO2	33822	42843	23588	35440	33713	35680
Sox	470	616	70	89	90	92
Nox	1023	1264	475	756	741	787

\* Compliant fuel (low sulphur)

\*\* Estimate. Not verified by flag state.

## IMO GHG regulations becomes effective from 2023 (EEXI and CII)

IMO (UN's International Maritime Organization) is committed to reducing Green House Gas (GHG) emissions from international shipping, and from 2023 regulations for Energy Efficiency Existing Ship Index (EEXI) became effective. For NOCC vessels compliance with EEXI entail reduction of power output which was implemented in 2023 in accordance with regulations. Reduced power output results in reduced maximum speed for the vessels, but with limited operational effect while PCTCs are generally already operating with reduced speed compared to what they are designed for.

The Carbon Intensity Indicator (CII) is a measure of how efficiently a ship transports goods or passengers and is given in grams of CO<sub>2</sub> emitted per cargo-carrying capacity and nautical mile. The ship is then given an annual rating ranging from A to E, whereby the rating thresholds will become increasingly stringent towards 2030. NOCC is implemented reporting and evaluating means to ascertain compliance with CII from 2023 in cooperation with charterers as the operation of the vessels under the charter is directly affecting the CII.

## Biodiversity and marine pollution

All vessels have ballast water to manage stability and trim of the vessel. The transfer of invasive species in ballast water is a source of environmental contamination through transportation of organism from one eco system to another. As a result, international and national regulations have been implemented to limit the risk of containment. NOCC fully complies with all regulations. Ballast water treatment system has been installed on all vessels (at their renewal of their IOPP-certificate).

There are strict international maritime laws regulating on board waste management to prevent disposal of garbage at sea. This is regulated through MARPOL Annex V. NOCC, through their technical managers have continuous effort towards improving on board waste management with the aim to reduce the total environmental impact of the vessels. Each vessel has its own Garbage Record Book tracking waste treatment ensuring that waste is safely treated and to secure high level of recycling. Furthermore, technical managers are taking actions to actively manage and encourage suppliers to focus on reducing the usage of plastic wrapping.

NOCC, through its technical managers, is fully committed to comply with all applicable regulations related to waste management and has introduced KPI's related to waste management to track the development to steadily improve its environmental footprint. However, comparison between two years may not be a reliable performance indicator as a lot of the waste is driven by specific operational or cargo needs and should not be reduced to zero. The average amount of waste produced per vessel should track downward over an extended period. NOCC believes that waste management is important to reduce the environmental impact for the vessels, furthermore that the Company and its technical managers should strive to improve and strengthen the effort towards this going forward.



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## KPI development

Environment	2018	2019	2020	2021	2022	2023
Garbage landed cbm*	75	77	55	41	44	59
BWTS Installed	0	1	1	0	1	0

\* Average per vessel

## Accidental spills and emergency preparedness

The technical managers of the vessels are responsible for the emergency preparedness of the vessels. This is conducted through an emergency preparedness plan which includes focus on drills, ensuring regular emergency, fire and lifeboat drills as well as verifying that adequate supplies of effective tools and materials are maintained onboard each vessel to respond to oil spills or other emergencies.

If an environmental emergency does occur, the technical managers Emergency Response Plan is effectuated enabling a quick respond enabling efficient focus on the human capital as well as minimizing environmental impact.

All the NOCC vessels are enrolled in DNVGL Emergency Response Service with 24/7 direct access to experienced experts who are ready to give support with correct decision making.

## Ship Recycling

The recycling of vessels is a potential source of contamination of the environment. NOCC is aware of the environmental aspects relating to the recycling of vessels and therefore takes necessary precautions when selling vessels for recycling. The Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009 (the "Hong Kong Convention") has been ratified by Norway, and NOCC is committed to following the standards set out therein and the guidelines established by the Norwegian Shipowners Association.

## SOCIAL RESPONSIBILITY

The on-shore staff and crew onboard the vessels are key resources for the Company. The safety, health and well-being of the staff and crew employed by the Company are key factors for the Company's success and highly prioritized to attract highly-qualified and motivated employees.

The technical management, including crewing of the vessels, has been outsourced to third party managers. The managers are reputable, highly-qualified and experienced with the management of PCTCs and are accredited with ISO certifications and Green Awards. Furthermore, the technical managers have their own social responsibility policy committing to provide a safe, secure, healthy and environmental responsible workplace, as well as support to seafarer's families wellness and welfare.

NOCC was an early mover in giving the crew on our vessels access to Internet. In this way they can keep closer and more frequent contact with their family and friends ashore while they are serving on board our vessels. This has been perceived as a very positive initiative

## Health and safety

Compliance procedures are followed and monitored by our in-house technical department and ship managers according to internal and external rules and regulations. NOCC has a 'zero vision' approach when it comes to accidents regarding the operation of the fleet. The attention to and performance of the safety management of the crew and other employees are part of the KPIs which have been implemented for NOCC's management.



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Furthermore, the technical managers have introduced "Stop Work" authority to ensure safe operation.

#### KPI development

HSEQ	2018	2019	2020	2021	2022	2023
Fatal Accidents	0	0	0	0	0	0
LTI*	0	0	0	0	0	0

\* Lost Time Injury

#### Labor rights

The crew onboard the vessels are sourced primarily from the Philippines, Ukraine and India. International and local legislation is adhered to by the Company and its technical managers, including the Maritime Labor Convention (2006) which sets out the rights of the seafarers when it comes to, for example, general working conditions, payment of wages, working hours and rest, right to medical care and annual leave. Furthermore, each vessel has its own safety and work environment committee monthly to check proper personal protective equipment (PPE), to discuss safety and work environment agenda as well as concluding debriefing related to crew disembarking and tracking crew retention and satisfaction.

#### Diversity and equal opportunity

NOCC believes in equal opportunity, but following the reduction of staff in 2022 no female employees remained with the Company. The Company employ two full time staff in office in Oslo of which none are female. As per 31 December, the Board of Directors consisted of four members, none female. The Company is aware of the imbalance and will work towards improving the ratio in the future.

#### Security of assets and People

Shipping routes in high-risk areas (e.g. risk of piracy) require a greater focus on security practices. The PCTC vessels have an advantage due to its high speed as well as high freeboard which makes it difficult to capture /enter a vessel at sea. However, when a vessel is scheduled to enter a defined high-risk area, the procedures of the latest version of "Best Management Practice" is strictly followed.

Furthermore, NOCC emphasize the obligation to participate in rescue operations at sea when life is at risk, but no search and rescue operations involving NOCC vessels took place in 2022.

#### GOVERNANCE

##### Anti-corruption

As an industry, shipping is exposed to corruption and the demand of facilitation payments. NOCC has developed and implemented a Code of Conduct, which applies to all employees. The Code of Conduct states that: "all employees of NOCC shall be opposed to and will contribute to counteract all forms of corruption. Accepting or offering bribes of any nature by any NOCC employee is prohibited". The Code of Conduct specifically states that it is prohibited by any NOCC employee to pay to obtain something we do not have a legal entitlement to, even in cultures where such payments are commonplace.

The Technical Managers have their own Anti Bribery Policy committing them to a zero-tolerance approach to bribery as well as strict actions to report demand for bribe.



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## STRATEGY

The main strategy for NOCC is to create shareholder value through efficient, high quality and customer oriented service to the major global car carrier operators. The Company will continue to evaluate opportunities with focus on creating sustainable value for its shareholders. In 2023 the Company ordered two new vessels with dual fuel LNG propulsion as part of a growth strategy and demonstrating transition of technology with reduced emissions.

## OUTLOOK

Main drivers for the PCTC market comprises economic development, car manufacturing and sourcing, capex in commodity segments and supply of new capacity. The demand for car carrier tonnage depend on the volumes of cars and other rolling cargo transported by sea and where it flows to the market. The supply of transportation capacity comprises the current fleet and the potential for recycling and new additions.

The PCTC market has displayed high utilization rate for the global PCTC fleet which is expected to continue through 2024. Outlooks for 2024 are good regarding time charter rates and vessel values.

The tonnage market continued developing positively through 2023 on the back of operational (logistics) inefficiencies in ports and terminals and growing exports from China. Transported volumes are estimated by analysts (e.g. Clarksons Platou) to continue growing with about 3% per year the next few years.

At the start of 2024 the newbuilding orderbook contained 172 vessels (about 31% capacity compared to the current fleet, according to Fearnleys) with 52 deliveries scheduled in 2024, 60 in 2025 and 37 in 2026. Most of orders include provisions for dual fuel (LNG) propulsion which will contribute to reducing CO2 emissions to some extent (estimates indicate around 25% reduction of climate gas emission), but recent orders have also provisions for other fuels such as ammonia or methanol. Some capacity reductions are expected from CII considerations (reduced speed and older vessels becoming technically obsolete, and finally part of the fleet is due for recycling).

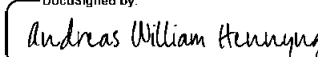
At the beginning of 2024 the global economic macro outlooks were less gloomy than a year earlier, but regional unrest, such as in Ukraine (Black Sea) and the Middle East (Red Sea and Strait of Hormuz), creates uncertainty. The attacks on ships in the Red Sea continuing into 2024 impacts the car carrier industry with an estimated 6.4% increase in car miles (Source: Clarksons) putting further pressure on car carrier capacity availability.

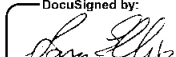
NOCC has chartered out 100% of vessel days in 2024 at sustainable rates. The Company is well positioned to support its customers and generate positive results with new vessels on order.

Oslo, 30 April 2024

Board of Directors, Norwegian Car Carriers AS

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Eirik Ubøe sign.  
Chairman

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Andreas William Hennying sign.  
Board member

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Samuel Michael Howard Ellis sign.  
Board member



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## Revenue statement NOCC Group: Consolidated Income statement 2023

OPERATING INCOME AND OPERATING EXPENSES	NOTE	2023	2022
Charter revenues	3, 4	39 818 870	34 625 870
Other operating revenue	3	29 732	107 517
<b>Total operating revenues</b>		<b>39 848 602</b>	<b>34 733 387</b>
Gain on sale of vessel	9	0	31 859 291
Ordinary depreciation	9	-6 863 831	-7 331 417
Operating expenses vessels	5	-5 103 405	-5 030 385
Other operating expenses/administrative costs	5	-3 145 281	-2 007 296
Reversal of previous year's recognized impairment	9	0	5 511 417
<b>Total operating expenses</b>		<b>-15 112 517</b>	<b>-8 857 681</b>
<b>Operating result</b>		<b>24 736 085</b>	<b>57 734 997</b>
<b>FINANCIAL INCOME AND EXPENSES</b>			
Other financial income	6	2 012 160	1 512 527
NET IC guarantee fee		0	-113
Net gain/(loss) on exchange	6	-27 891	151 591
Unrealised gain/(loss) on financial instruments	6, 11	-459 616	2 485 392
Interest and other financial expenses	6	-7 355 111	-5 392 560
<b>Net financial items</b>		<b>-5 830 457</b>	<b>-1 242 937</b>
<b>Profit/-(loss) before tax</b>		<b>18 905 627</b>	<b>56 492 060</b>
Taxes	15	0	0
<b>Profit/-(loss) after tax</b>		<b>18 905 627</b>	<b>56 492 060</b>
Consolidated statement of comprehensive income			
<b>Profit/-(Loss) after tax</b>		<b>18 905 627</b>	<b>56 492 060</b>
Items that will not be classified to profit or loss			
Remeasurement of pension plan		-43 631	90 493
<b>Total comprehensive income/ (loss) for the year</b>		<b>18 861 996</b>	<b>56 582 553</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE FOR</b>			
Shareholders of the parent company		18 861 996	53 587 769
Non-controlling interest		0	2 994 784
<b>Total comprehensive income/(loss) for the year</b>		<b>18 861 996</b>	<b>56 582 553</b>



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## Balance sheet

### NOCC Group: Consolidation Statement of financial position as at 31 December 2023

	NOTE	2023	2022
<b>LONG-TERM ASSETS</b>			
Right of use assets - lease	8, 9	48 130	106 787
Other assets	9	16 103	13 243
Vessels	9	139 726 962	146 571 703
<b>Total long-term operating assets</b>		<b>139 791 195</b>	<b>146 691 734</b>
Investments in associated and other companies		0	183
Long term derivatives	11	376 201	2 368 814
<b>Total financial fixed assets</b>		<b>376 201</b>	<b>2 368 997</b>
<b>Total fixed assets</b>		<b>140 167 396</b>	<b>149 060 730</b>
<b>CURRENT ASSETS</b>			
Accounts receivables and other current assets	12	2 387 395	20 736 455
Other short-term receivables		45 229	0
Cash and cash equivalents	13	52 259 244	10 524 577
<b>Total current assets</b>		<b>54 691 868</b>	<b>31 261 031</b>
<b>Total assets</b>		<b>194 859 265</b>	<b>180 321 762</b>



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## Balance sheet

### NOCC Group: Consolidation Statement of financial position as at 31 December 2023

EQUITY AND LIABILITIES	NOTE	2023	2022
Equity			
Share capital	14	46 272 444	45 860 460
Share premium reserve		32 979 270	18 000 000
Other paid-in capital		1 518 231	1 518 231
<b>Total paid-up equity</b>		<b>80 769 945</b>	<b>65 378 691</b>
Retained earnings		-1 336 985	15 825 260
Non-controlling interests		0	12 210 030
<b>Total equity</b>		<b>79 432 960</b>	<b>93 413 981</b>
Long-term liabilities			
Deferred tax	15	10 985	13 358
Pension liabilities	7	157 139	141 184
Secured debt on vessels	16	100 417 082	53 878 347
Lease obligation	16	62 888	125 101
<b>Total long term liabilities</b>		<b>100 648 094</b>	<b>54 157 990</b>
Current liabilities			
Current portion of long term debt	16	11 600 000	10 560 000
Other current liabilities	17	3 063 166	3 756 761
Tax payable		36 030	41 506
Public duties payable		79 015	391 523
Dividends		0	18 000 000
<b>Total current liabilities</b>		<b>14 778 211</b>	<b>32 749 791</b>
<b>Total liabilities</b>		<b>115 426 304</b>	<b>86 907 780</b>
<b>Total equity and liabilities</b>		<b>194 859 266</b>	<b>180 321 762</b>

The board of Norwegian Car Carriers AS

DocuSigned by:

*Eirik Ubøe*

CAB6FD704BA24B2...  
Eirik Ubøe

chairman of the board

DocuSigned by:

*Andreas William Hennings*

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Andreas William Hennings

member of the board

DocuSigned by:

*Samuel Michael Howard Ellis*

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Samuel Michael Howard Ellis

Samuel Michael Howard Ellis

member of the board



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## Consolidated statements of cash flows Norwegian Car Carriers AS

	NOTE	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash flow from operations		48 864 676	9 086 624
Interest and other financial expenses received/ paid		-3 071 093	-5 787 425
<b>Cash flows from operating activities</b>		<b>45 793 583</b>	<b>3 299 199</b>
<b>CASH FLOWS FROM INVESTMENT ACTIVITIES</b>			
Purchases of fixed assets		0	-2 499 750
Sales of fixed assets		0	85 000 000
Purchase of shares NOCC Atlantic DIS		-15 178 751	0
<b>Net cash flows from investment activities</b>		<b>-15 178 751</b>	<b>82 500 250</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Capital increase		15 391 254	0
New loans borrowed		112 000 000	95 600 000
Payment/Repayment lease liabilities - net		-27 146	-30 348
Repayment of loans		-65 000 000	-120 900 362
Capital paid to/in from non-controlling interests		-231 250	-3 931 250
Payment of dividend		51 000 000	65 000 000
<b>Net cash flows from financing activities</b>		<b>11 132 858</b>	<b>-94 261 960</b>
Currency gains/losses on cash, cash equivalents and drawing facilities utilised		-13 023	7 336
Net change in cash and cash equivalents		41 734 667	-8 455 176
Cash and cash equivalents at the start of the period		10 524 577	18 979 753
<b>Cash and cash equivalents at the end of the period</b>		<b>52 259 244</b>	<b>10 524 577</b>
<b>CASH FLOW FROM OPERATIONS</b>			
Profit /(loss) before income tax		18 905 627	56 492 060
Adjusted for			
Depreciation		6 863 831	7 331 417
Reversal of previous year's recognized impairment		0	-5 511 417
Increase/decrease in pension funds		-27 492	-89 282
Profit/loss on sales of fixed assets		0	-31 859 291
Interest and other financial expenses		7 355 111	5 392 560
Other financial postings		-2 012 160	-1 512 527
Currency gain/loss		27 891	-151 591
Unrealised value change financial instruments		459 616	-2 485 392
Change in working capital			
Customer receivables and other receivables		18 303 831	-18 408 686
Due to suppliers and other short term debt		-1 011 579	-111 228
<b>Cash flow from operations</b>		<b>48 864 676</b>	<b>9 086 624</b>
Restricted cash deposit included in cash holdings		124 652	1 297 205

Norwegian Car Carriers AS

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## Consolidated statement of changes in equity

(USD 1 000)

Equity belonging to shareholders of the Company

	Share capital	Share premium	Other paid in capital	Retained earnings	Total	Non-controlling interests	Total
<b>Equity 31 Dec 2021</b>	<b>135 005</b>	<b>39 179</b>	<b>27 339</b>	<b>190 729</b>	<b>110 795</b>	<b>13 147</b>	<b>123 941</b>
<b>2022</b>							
Profit/-(loss) after tax				53 497	53 497	2 995	56 492
<b>Other comprehensive income</b>							
Remeasurement of defined benefit plan				90	90		90
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>53 588</b>	<b>53 588</b>	<b>2 995</b>	<b>56 583</b>
Capital reduction	(51 835)			51 835	0		0
Capital reduction not registered	(37 310)			37 310	0		0
Fusion NOCC Finance AS				(180)	(180)		(180)
Dividend		(21 179)	(25 821)	(18 000)	(65 000)		(65 000)
Dividend				(18 000)	(18 000)		(18 000)
Capital to/from non-controlling interests						(3 931)	-3 931
Issue of shares					0		0
<b>Total transactions with shareholders</b>	<b>(89 145)</b>	<b>(21 179)</b>	<b>(25 821)</b>	<b>52 965</b>	<b>-83 180</b>	<b>-3 931</b>	<b>-87 112</b>
<b>Equity 31 Dec 2022</b>	<b>45 860</b>	<b>18 000</b>	<b>1 518</b>	<b>15 823</b>	<b>81 203</b>	<b>12 210</b>	<b>93 413</b>
<b>2023</b>							
Profit/-(loss) after tax				18 906	18 906		18 906
<b>Other comprehensive income</b>							
Remeasurement of defined benefit plan				(44)	(44)		(44)
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>18 862</b>	<b>18 862</b>	<b>0</b>	<b>18 862</b>
<b>Transactions with shareholders and non-controlling interests:</b>							
Capital increase	412	14 979		(15 391)	15 391		15 391
Purchase 46,25 shares of NOCC ATL DIS				12 210		(12 210)	(12 210)
Purchase 46,25 shares of NOCC ATL DIS				2 968			(2 968)
Merger NOCC Finance AS				125			125
Remeasurement pension plan				44			44
Dividend				(33 000)	(33 000)		(33 000)
Capital to/from non-controlling interests						(231)	(231)
<b>Total transactions with shareholders</b>	<b>412</b>	<b>14 979</b>	<b>0</b>	<b>-17 609</b>	<b>-17 609</b>	<b>-12 210</b>	<b>-32 849</b>
<b>Equity 31 Dec 2023</b>	<b>46 272</b>	<b>32 979</b>	<b>1 518</b>			<b>(0,0000)</b>	<b>79 433</b>



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## Note 1 Accounting principles

The office of Norwegian Car Carriers AS is located at Drammensveien 167, Oslo.

### PREPARATION OF THE FINANCIAL STATEMENTS

The consolidated financial statements of Norwegian Car Carriers (the "Parent Company") and all the subsidiaries (the "Group") have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU.

The consolidated financial statements have been prepared at historical cost except for financial instruments, which are measured at fair value, and financial assets and -liabilities which are measured at amortized cost. The consolidated financial statements are presented in USD, rounded to the nearest thousand unless otherwise stated.

The income statement is specified according to the nature of the individual income and cost items.

### SIGNIFICANT ACCOUNTING JUDGMENT, ESTIMATES AND ASSUMPTIONS

Preparation of the financial statements in accordance with IFRS requires management to make assessments, estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. The estimates and assessments are based on previous experience and other factors that are considered to be reasonable and prudent under the circumstances. The assessments form the basis for evaluating the book value of assets and liabilities which is not possible using other available sources. Actual results may differ from the estimates. The main areas of estimate uncertainty on the balance sheet date, and which involve a risk of material change in the financial statements in the carrying value of assets and liabilities in the subsequent financial year, are discussed below.

#### Depreciation of vessels

Depreciation is based on management's estimates of the useful lives of the vessels and the residual value of the vessels less the costs associated with scrapping. The estimates may change due to changes in scrap values, technological developments, competition, as well as environmental and statutory requirements. Management reviews annually the future useful lives of the vessels taking into consideration the factors referred to above. In case of change in useful life and/or residual value, the depreciation of the vessels is adjusted prospectively.

#### Impairment testing of fixed assets

The Group assesses whether there is any need to adjust the value of its assets at each reporting date. Fixed assets are evaluated for any impairment where there are indications that future earnings or fair value may not justify the assets' balance sheet value. The value in use is compared with fair value less cost to sell.

On each reporting date, management assesses whether there are any indications of value impairments related to non-financial assets. Whether there is a requirement to write down the book value of the vessels is assessed based on a) vessel value appraisals obtained from two independent ship brokers, b) the discounted estimated cash flows from the vessels, based on the net result before financial items over the useful lives of the vessels and their expected residual value after 30 years in operation. The cash flows are based on existing contracts as well as estimated future cash flows from new contracts. MSI forecasts for future TC rates, and a Weighted Average Cost of Capital (WACC) of 11.2 % has been applied to calculate the present value of the cash flows.

### CONSOLIDATION PRINCIPLES

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries at the balance sheet date.

#### Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. The Group also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. De-facto control may arise in circumstances where the size of the Group's voting rights relative to the size and dispersion of holdings of other shareholders give the Group the power to govern the financial and operating policies etc.

An entity is consolidated in the consolidated financial statements from the date the Group acquires control over the entity. Correspondingly, the entity is removed from the consolidated financial statements when control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

Intercompany transactions, intra-group accounts and unrealised Group gains are eliminated in the consolidated financial statements. Unrealised losses are also eliminated unless the transaction clearly shows that the asset transferred has a reduced value. Accounting principles used by subsidiaries have been changed where this has been necessary to ensure uniform accounting practice in the Group.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.



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## INCOME RECOGNITION

Income is recognized when an agreement has been signed, the service has been delivered, the income has been determined and is possible to quantify, claims are undisputed and when other obligations have been fulfilled.

### Charter income

The type of contracts the Group has with its customers are either a time charter contract or a bareboat charter contract. Both types of contracts have a lease element and this type of revenue is accounted for as leases under IFRS 16. A time charter contract will also include a service component which can include operation and maintenance of the vessel. The service component will be within the scope of IFRS 15. The volume of services provided are usually stable throughout the leasing period, and revenue will therefore be recognised on a linear basis over the lease term

Expenses incurred between the end of a charter party contract and the start up of the next charter party contract are expensed if the expenses are not directly related to the new charter party contract.

## SEGMENT REPORTING

The Group has one business area: international shipping within the car carrier and ro-ro segment. The Group's internal reporting does not distinguish between different segments.

## RELATED PARTIES

Parties are regarded as being related if one party has the opportunity to directly or indirectly exercise control over the other party or has material influence over the other party's financial or operational decisions. Parties are also related if they are subject to common control or subject to common material influence. All transactions are based on the arm's-length principle (estimated market value).

## SHARES AND SHARE PREMIUMS

Ordinary shares are classified as equity. Expenses that are directly related to the issue of new shares or options, less tax, are entered as a reduction in the consideration received under equity capital.

## FOREIGN EXCHANGE TRANSACTIONS

Functional currency and presentation currency

The Group's presentation currency is USD. This is also the parent company's functional currency. Accounting transactions that are undertaken by the respective Group companies are registered in the currency that is normally used in the financial environment in which the entities operate (functional currency).

### Transactions and balance sheet items in foreign currencies

Foreign currency transactions are converted to the functional currency at the rate on the transaction date. Realised currency gains or losses on settlement and conversion of monetary items in foreign currencies to the rate of the balance sheet date, are posted to the income statement under "Net gain/(loss) on foreign exchange".

### Group companies

The results and the financial position of a subsidiary or associated company using a functional currency different from the Group's presentation currency is converted using the following procedure:

(a) assets and liabilities in each balance sheet presented (including comparable figures) are converted at the closing rate on the relevant balance sheet date,

(b) income and expenses in each income statement (including comparable figures) are converted at the exchange rate on the dates of the transactions. The average exchange rate may in some circumstances be used if it does not deviate significantly from the exchange rate at the transaction date, and

(c) translation differences are posted against the comprehensive revenue and specified under equity as a separate item.

On the sale of all or parts of a foreign business, the associated translation differences are reclassified from the comprehensive income as part of the gain or loss on sale and presented as part of gain/(-loss) under operating income.

## PROVISIONS

Provisions are accounted for when the Group has a liability, whether legal or constructive, that follows from past events, and it is likely that there will be a financial settlement as a result of the event, and the liability can be reliably estimated.

## CLASSIFICATION OF ITEMS IN THE BALANCE SHEET

Current assets and current liabilities include items that fall due for payment within one year after the balance sheet date. The current portion of long-term debt is classified as short-term debt. Financially motivated share investments are classified as current assets, while strategic investments are classified as fixed assets.

## CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash holdings, bank deposits, other short-term and especially on-going investments that will be redeemed within three months from the original time of placement. Cash and cash equivalents are entered at nominal value in the balance sheet. Restricted funds are included. Bank overdrafts are shown under borrowings in current liabilities on the balance sheet.

## CURRENT ASSETS

Short-term customer receivables are posted at par value less provisions for lifetime expected credit losses.

Stocks of luboil and bunkers are recognized in the balance sheet at cost, using the first-in/first-out method (FIFO).



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## **FIXED ASSETS – VESSELS AND EQUIPMENT**

Fixed assets are recognized in the statement of financial position at historical cost less accumulated depreciation and write-downs. The historical cost of an asset in the Group is kept in the functional currency associated with the asset and all accounting entries related to the asset take place in the functional currency before conversion to the presentation currency described above. In the case of rebuilding contracts, the cost price includes all costs incurred in the development and construction process, including construction supervision costs and other technical costs. In the case of vessels acquired, the cost price includes costs directly related to the purchase of the vessel. Depreciation is calculated on a linear basis after taking into account the asset's scrap value and costs related to scrapping. Estimates related to the lifetime and scrap value are reviewed at each reporting date. Vessels and equipment have an expected economic life of 10-30 years.

Ordinary repair and maintenance costs are posted to the financial statements when incurred. In accordance with IAS 16, docking costs are capitalized. Capitalization takes place when the docking has been completed and is depreciated over the period until the next expected inspection. Any remaining capitalized amount from previous inspections is expensed.

### **Write-down of assets**

Fixed assets are assessed for indications of impairment on each reporting date and always when events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. When assessing the need for a write-down, the assets are grouped at the lowest level where there exist identifiable and independent cash flows. The write-down is calculated as the difference between the carrying value and the amount that is considered to be recoverable. The recoverable amount is the higher of the asset's net sale price and the value in use for the company. The value in use is calculated based on discounting the future cash flows that are expected to be generated from the asset. When it is estimated that the fair value is lower than the carrying value, the assets is written down to the recoverable amount. Write-downs posted in earlier periods are reversed only if there are changes in the estimates that are used to calculate the recoverable amount. However, the reversal amount may only be of such a size that the carrying value after the reversal as a maximum corresponds to the value the asset would have been carried at if the write-down had not been made. Such reversals are to be posted to the income statement.

## **LEASES**

As a lessee, the Group leases office spaces and other equipment from external parties. Under IFRS 16, the Group recognises right-of use assets and lease liabilities for all leases, except those with less than 12 months of lease term and other low value assets.

As a lessor: The Group leases vessels on time charter contracts or bare boat contracts to external parties. The Group classifies these leases as operating or finance leases based on its assessment of whether the Group transferred substantially all the risks and rewards incidental to ownership of the leased assets to the lessees. The accounting policies applicable to the Group as a lessor are not significantly different from those under IAS 17. The Group has assessed that there are no adjustments on transition to IFRS 16 for lease arrangements in which it acts as a lessor.

## **INVESTMENTS AND FINANCIAL ASSETS**

The Group classifies financial assets based on the business model in which they are managed and their contractual cash flows. The Group has financial assets measured at fair-value through profit or loss (FVTPL) and at amortized cost.

1. Financial assets at fair value over profit or loss: Financial assets at fair value over profit or loss are financial assets held for trading purposes. A financial asset is classified in this category if it is primarily acquired with a view to providing a gain from short-term price fluctuations. Derivatives are classified as held for trading. Hedge accounting has not been applied. Assets in this category are classified as current assets if they are expected to be settled within 12 months, otherwise they are classified as non-current.

2. Financial assets and liabilities measured at amortized cost: Financial assets classified in this category are customer receivables and other receivables, held to maturity in a business model whose objective is to collect contractual cash-flows and with cash-flow characteristics being solely payment of principal and interest. Financial liabilities are in general measured at amortized cost. The financial assets and - liabilities are classified as current unless they fall due more than 12 months after the balance sheet date.

### **Accounting and measurement:**

Normal purchases and sales of investments are entered at the date of the agreement, which is the date the Group undertakes to buy or sell the asset. All financial assets that are not accounted for at fair value over profit or loss are carried initially at fair value with the addition of transaction costs. Financial assets that are carried at fair value over profit or loss are entered on acquisition at fair value and the transaction costs are posted to the result. Investments are removed from the balance sheet when the rights to receive cash flows from the investments cease or when these rights have been transferred and the Group has substantially transferred all risks and all gain potential from ownership. Financial assets and liabilities measured at amortized cost are measured using the effective interest rate method.

### **Business combinations**

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquirer's net assets. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such re-measurement are recognized in profit and loss. Any contingent consideration to be transferred by the Group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized in accordance with IFRS 9, either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

### **Accounting for derivatives**



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All derivatives are according to IFRS 9 deemed to be held for trading and are measured at fair value through profit or loss (FVTPL). Subsequently the item is re-valued through the profit and loss on each reporting date.

As at 31 December 2023, the Group had seven USD interest hedges (SOFR-rate) that qualified for hedge accounting under IFRS 9. A change in value of derivative transactions is thus posted immediately in the income statement.

#### **LOANS**

Borrowings are initially recognized net of transaction costs incurred, and are subsequently accounted for at amortised cost using a simplified effective interest rate method. The difference between the proceeds and the redemption value is recognized in the income statement over the term of the loan as part of the effective interest rate.

Premiums or discounts and transaction costs are taken into account in calculating the amortised cost when using the effective interest rate method.

#### **BORROWING COSTS**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

#### **DIVIDENDS**

Dividends proposed by the board are recognized as a liability in the financial statements when approved by shareholders in the general meeting.

#### **PENSION LIABILITY**

The Group has a defined benefit-based pension scheme. A benefit-based pension scheme defines the employee's right to agreed future pension benefits normally dependent on factors such as age, number of years of service and salary.

The liability is carried as the present value of pension liabilities on the balance sheet date less the fair value of pension funds allocated for payment of benefits together with corrections for non-recorded estimate differences and costs related to previous periods' pension accrual. The pension liability is calculated annually by independent actuaries based on a linear earnings model. The present value of the defined benefit obligation is determined by discounting the estimated future cash out flows using the market yield on government bonds, on the balance sheet date as there is no market for similar, high-quality corporate bonds in Norway that have terms of maturity approximating the terms of the related pension liability.

Actuarial gains and losses arising from new information and changes in actuarial assumptions are posted to other comprehensive income in the period in which they arise.

The Group has a defined contribution plan for some of its employees. The contributions are recognized as employee benefit expenses when they are due.

#### **TAX**

The tax charges in the income statement consist of tax payable and change in deferred tax. The annual tonnage tax is classified as other administration expenses in the financial statement.

Deferred income tax is calculated with 22%, using the liability method, on all temporary differences between the tax base of financial items, their carrying value for financial reporting purposes, their carrying value for financial reporting purposes as well as any financial tax losses carried forward.

Deferred tax/deferred tax asset is calculated on all differences between accounting and tax values of assets and liabilities except for: temporary differences related to investments in subsidiaries, associated companies or jointly controlled businesses when the temporary differences will be reversed and this is not expected to happen in the foreseeable future.

Tax payable and deferred tax is accounted for directly against equity to the extent that the tax items relate to equity transactions.

Deferred tax on underlying temporary differences related to participatory companies within the Norwegian tax area is included in the tax calculation. If a participatory company is to be sold, this will not give rise to a tax effect.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available, and that the temporary differences can be deducted from this profit. Deferred tax is presented net in the balance sheet.

#### **POST-BALANCE SHEET EVENTS**

New information after the balance sheet date about the Group's financial position on the balance sheet date is included in the annual financial statements. See note 21 for detailed information. Events after the balance sheet date that do not affect the Group's financial position at the balance sheet date, but which will affect the Group's financial position in the future, are stated if these are material.

#### **CHANGES TO ACCOUNTING POLICIES, NEW ACCOUNTING STANDARDS AND INTERPRETATIONS**

These consolidated financial statements have been prepared in accordance with all mandatory standards issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC).



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There are no IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact.



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## Note 2 Significant accounting estimates and judgements

The Group makes certain estimates, judgements and assumptions related to forecast. There is a significant risk that the actual condition will deviate from the estimated assumptions. Estimates and forecasts that will represent a significant risk of material changes to the balance sheet values of fixed assets during the next financial year are discussed below.

### (a) Estimated useful life of vessels

The group applies a 30 years useful life for the vessels which is the basis for the depreciation profile. In cases where vessels are used for longer periods than their estimated useful lives these are subsequently entered in the balance sheet at the estimated residual value plus any periodic docking.

### (b) Estimated residual value of vessels

The vessels are depreciated to an estimated residual value. The residual value is calculated using the price of steel on 1 January in the financial year less estimated demolition costs. The steel price is obtained from ship brokers based on recent recycling transactions involving similar vessels.

The residual value is calculated based on the lightweight of the vessels. The lightweight of the vessels is multiplied by the steel price to derive the total scrap value. The below estimates of steel price have been applied in the Group's depreciation tables during the period 2016-2023:

	2023*	2022	2021	2020	2019	2018	2017	2016
USD/ton	530	629	472	400	425	450	250	250

\*Average

The table below shows the Group sensitivity to fluctuations in steel price – other factors remaining constant:

		Increase/reduction in steel price
2023	+/- 10 %	152/(152)
2022	+/- 10 %	145/(145)

### (c) Impairment tests

Management assesses whether there are any indicators of impairment at each reporting date. The vessels book value are compared to vessel value appraisals obtained from two independent ship brokers to assess if these support the book value. In 2023 all the book values were supported by the value appraisals.

As the market value was determined to be the vessels recoverable amount there is no sensitivity from fluctuations in WACC and OPEX:

	Effect on impairment in USD 1 000	
	Increase 1 %	Decrease 1 %
WACC	+/- 1.0 %	+0
OPEX	+/- 1.0 %	+0

(Positive amount indicates lower amount to be written down)

Except for art in the office (not significant), the Group did not hold any intangible assets as of 31 December 2023



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## Note 3 Operating segments

The Group's business is organised into one reporting segment. Operating income is categorized according to the domicile of the contractual counterparty. In 2023 three customers each represented more than ten per cent of the operating income, and total turnover for these customers was USD 39,9 million compared to USD 34,7 million in 2022.

The operating income can be related to the following countries:

(USD 1 000)

	2023	2022
Korea	11 105	10 357
USA	16 229	12 596
Norway	30	107
Israel	12 484	11 676
<b>Total operating income</b>	<b>39 849</b>	<b>34 737</b>

The Group's vessels are flagged in the following countries:

(USD 1 000)

Book value vessels	2023	2022
Norway	86 505	91 391
USA	53 221	55 180
<b>Total book value vessels</b>	<b>139 726</b>	<b>146 571</b>



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## Note 4 Net Charter Revenue

<b>Operating revenues</b>	<b>31.12.23</b>	<b>31.12.22</b>
TC hire 01.01-31.12.22 (including off-hire)	0	35 490 485
TC hire 01.01-31.12.23 (including off-hire)	40 511 681	
Bunkers consumption	-32 431	-256 613
<b>Total</b>	<b>40 479 250</b>	<b>35 233 872</b>
Commissions, 01.01 - 31.12.23	-660 380	-608 002
<b>Total</b>	<b>-660 380</b>	<b>-608 002</b>

<b>Total operating revenues</b>	<b>39 818 870</b>	<b>34 625 870</b>
---------------------------------	-------------------	-------------------

## Note 5 Other operating- and administrative expenses

(USD 1 000)	2023	2022
Operating expenses vessels		
Crew expenses vessel	-2 298	-2 369
Insurance	-612	-574
Other operating expenses	-2 193	-2 088
<b>Total</b>	<b>-5 103</b>	<b>-5 030</b>

Administrative expenses		
Salaries/holiday pay	-2 078	-956
Employment tax	-388	-337
Legal fees	-16	-34
Other professional fees	-373	-312
Other operating expenses	-256	-330
Tonnage tax	-33	-38
<b>Total</b>	<b>-3 145</b>	<b>-2 007</b>

Pension cost		
Defined benefit plan	-90	-90
Defined contribution plan	44	90
<b>Total administrative expenses</b>	<b>-3 191</b>	<b>-2 007</b>

Specification of auditor fees	2023	2022
Audit fee	-38	-59
Other attestation services	-16	-24
Tax consultancy services	-90	-33
Other services	0	0
<b>Total</b>	<b>-144</b>	<b>-116</b>

Reference is made to note 18 for detailed information of the remuneration to the CEO. The average number of employees during the year was 2.

All amounts are excluding V.A.T.



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## Note 6 Financial items

(USD 1 000)	2023	2022
Other financial income		
Interest income	2 012	1 513
Total interest and other financial income	2 012	1 513
Net gain/(loss) on foreign exchange	-28	152
Unrealized gain/(loss) on financial instruments		
Unrealized value increase/(decrease) interest rate swap agreements	-460	2 485
Total unrealized gain/(loss) on financial instruments	-460	2 485
Interest and other financial expenses		
Interest expenses mortgage debt	-6 639	-4 530
Other financial expenses	-716	-863
Total interest and other financial expenses	-7 355	-5 393
Net financial items	-5 830	-1 243

## Note 7 Pension

The Group has two pension plans, one defined benefit plan and one defined contribution plan. Both plans provide benefits to members in the form of a pension payable for a defined period when reaching the retirement age. The level of benefits provided depends on length of service of each member, their salary in the final years and the amount of benefits from the social security system leading up to retirement. The liability is covered through Storebrand Livsforsikring AS. The defined benefit plan was closed on 30 October 2012 and employees hired after this date will benefit from a defined contribution plan. The Company's pension scheme meets the requirements of the law on compulsory occupational pension. All former pensioners were bought out of the contract as per 31 March 2016. On the same date it was also undertaken a reorganization of the disability pension of the contract, and this resulted in a release of liability and reserves. The disability pension will in the future not be part of the actuarial calculation and is now a pure risk coverage that should not be capitalized.

Economic assumptions used as a basis for the calculation:

(USD 1 000)	2023	2022
Discount rate	3,10%	3,00%
Expected rate of compensation increase	3,50%	3,50%
Expected rate of pension increase	1,80%	1,50%
Increase of social security base amount	3,25%	3,25%

The actuarial assumptions relating to demographic factors are based on assumptions generally applied to insurance (Table K2013BE for 2023 and Table K2013BE for 2022)

Exchange NOK/USD NOK 9,8573 31.12.22, 10,1724 31.12.23

Average remaining service period	12,00	12,00
Payroll tax/ social security tax	14,10%	14,10%
Actives total	1	1
Pensioners total	0	0
	<b>2023</b>	<b>2022</b>
Service cost	35	86
Interest cost on accrued pension liabilities	4	4
Net pension costs in period	39	90
Net liability (assets) at beginning of period	135	206
Net Periodic Pension Cost	39	90
Employer contributions	(61)	(66)
Employer benefits paid	0	0
Remeasurements loss/(gain)	44	(90)
Other movements in the balance sheet	0	0
Net liability/(assets) at the end of period	157	140
Fair value of assets at beginning of period	668	1085
Interest income	18	18
Settlement	0	0
Acquisition (disposal)	0	0
Employer contribution incl. payroll tax	61	66
Payroll tax of employer contribution, assets	(7)	(8)



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Benefits paid	(25)	(13)
Remeasurement (loss) gain	(33)	(459)
Fair value of assets at end of period	681	690
<b>Net amount recognised in the BS</b>		
Funded status (underfunded)	(157)	(140)
Net assets/(liability) recognised in the Balance Sheet	(157)	(140)

## Note 8 Leases and commitments

The Group has identified two lease contracts where the Group is the lessee and IFRS 16 introduces new or amended requirements with respect to lease accounting:

### Office

The Group administration is situated in rented premises in Drammensveien 167 in Oslo, Norway.

In December 2021 the Group renewed the contract for office lease in Drammensveien 167 in Oslo for another 5 years. This 5 years renewal period begins January 2023 and expires January 2028. The Group administration only occupy about ¼ of the office space leased and about ¼ of the office space was in 2023 subleased to various tenants on a pass-through of rental costs basis.

### Office machine

The Group is renting an office machine. The contract expired in Q3 2022.

On transition to IFRS 16, the Group recognised Right-of-use Assets and Lease obligations for these leases. When measuring the Lease obligations, the Group discounted lease payments using the applicable incremental borrowing rate (5.63%).

All the Group's vessels are chartered out on either time charter contracts or bareboat contracts. These contracts are leases where the Group is the lessor and retains substantially all risks and rewards incidental to ownership, and the accounting will remain unchanged according to IFRS 16.

### 2022

(USD 1 000)	Carrying amount 01.01.2022	Additions	Depreciation ROA	Payment in Lease obligation	Income in Lease obligation	Interest expense on Lease obligation	Currency effect	Carrying amount 31.12.2022
Right of use Assets	757	-626	-22					107
Lease obligations	-793	626		142	-114	-7	17	-125

### 2023

(USD 1 000)	Carrying amount 01.01.2023	Additions	Depreciation ROA	Payment in Lease obligation	Income in Lease obligation	Interest expense on Lease obligation	Currency effect	Carrying amount 31.12.2023
Right of use Assets	107	-47	-12					48
Lease obligations	-125	47		145	-117	-4	-7	-63



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## Note 9 Fixed assets

(USD 1 000)

1 January 2023	Right of use assets	Other assets	Vessels	Docking	Total vessels	Vessels held for sale incl docking	Total
Acquisition cost	757	21	198 292	2203	206 006	0	206 784
Acquisition cost -non depreciable	(627)	0	0	0	0	0	(627)
Acc depreciation and write downs	(21)	(8)	(52 929)	(493)	(59 435)	0	(59 610)
<b>Adjusted book value 1 January 2023</b>	<b>109</b>	<b>13</b>	<b>144 863</b>	<b>1 710</b>	<b>146 571</b>	<b>0</b>	<b>146 695</b>

### Accounting year 2023

Book value 1 Jan	109	13	144 863	1 710	146 571	0	146 695
Reclassification	0	0	0	0	0	0	0
Lesser value	0	0	0	0	0	0	0
Additions	(47)	9	0	0	0	0	(38)
Sale of vessel	0	0	0	0	0	0	0
Depreciation	(12)	(7)	(6 045)	(799)	(6 844)	0	(6 863)
Impairments	0	0	0	0	0	0	0
<b>Book value 31 December 2023</b>	<b>48</b>	<b>16</b>	<b>138 817</b>	<b>910</b>	<b>139 727</b>	<b>0</b>	<b>139 791</b>

### 31 December 2023

Acquisition cost	109	13	144 863	1 710	146 571	0	146 695
Acquisition cost - non depreciable	(47)	9	0	0	0	0	(38)
Acc depreciation and write downs	(12)	(7)	(6 045)	(799)	(6 844)	0	(6 863)
<b>Book value 31 December 2023</b>	<b>48</b>	<b>16</b>	<b>138 817</b>	<b>910</b>	<b>139 727</b>	<b>0</b>	<b>139 791</b>

Useful life                      4-9 years    3-5 years    30 years    2,5-5 years

### Write-down fixed assets

There has been no write downs during 2023

### Current year's addition-vessels

There has not been any vessels addition in 2023.

### Current year's docking addition

There has been no docking addition in 2023

### Mortgages

All vessels owned by the Group have been mortgaged as security for bank loans. Please refer to Note 16



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1 January 2022	Right of use assets	Other assets	Vessels	Docking	Total vessels	Vessels held for sale incl docking	Total
Acquisition cost	885	225	357 561	9 810	367 370	0	368 480
Acquisition cost -non depreciable	0	5	0	0	0	0	5
Acc depreciation and write downs	(128)	(207)	(159 769)	(9 606)	(169 375)	0	(169 710)
<b>Adjusted book value 1 January 2022</b>	<b>757</b>	<b>23</b>	<b>197 792</b>	<b>204</b>	<b>197 995</b>	<b>0</b>	<b>198 775</b>

#### Accounting year 2022

<b>Book value 1 Jan</b>	<b>757</b>	<b>23</b>	<b>197 792</b>	<b>204</b>	<b>197 995</b>	<b>0</b>	<b>198 775</b>
Reclassification	0	0	0	0	0	0	0
Lesser value	0	0	0	0	0	0	0
Additions/disposals	(627)	0	501	1 999	2 500	0	1 873
Sale of vessel	0	0	(52 141)	0	(52 141)	0	(52 141)
Depreciation	(21)	(153)	(6 801)	(493)	(7 294)	0	(7 469)
Impairments	0	0	5 511	0	5 511	0	5 511
<b>Book value 31 December 2022</b>	<b>109</b>	<b>(130)</b>	<b>144 863</b>	<b>1 710</b>	<b>146 571</b>	<b>0</b>	<b>146 549</b>

#### 31 December 2022

Acquisition cost	757	167	198 292	2 203	206 006	0	206 159
Acquisition cost -non depreciable	(627)	0	0	0	0	0	(627)
Acc depreciation and write downs	(21)	(153)	(52 949)	(493)	(59 435)	0	(59 610)
<b>Book value 31 December 2022</b>	<b>109</b>	<b>(130)</b>	<b>144 863</b>	<b>1 710</b>	<b>146 571</b>	<b>0</b>	<b>146 549</b>

Useful life                      4-9 years    3-5 years    30 years    2,5-5 years

The vessel NOCC Baltic was sold 27.09.22. Gain on sale was USD 31 859 291

#### Write-down fixed assets

Current year's reversal of prior year's impairment of USD 5,5 million relates to the vessels NOCC Arctic and NOCC Atlantic

#### Current year's addition-vessels

There has not been any vessels addition in 2022. Vessel addition represented BWTS (Ballastwater System) for the vessel NOCC Oceanic and NOCC Atlantic

#### Current year's docking addition

There has been docking addition in 2022, that is USD 1345T for NOCC Oceanic and 654TUSD for NOCC Atlantic

#### Mortgages

All vessels owned by the Group have been mortgaged as security for bank loans. Please refer to Note 16



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## Note 10 Financial risk management

### Risk management overview

The Group is exposed to financial risks such as market risk, credit risk and liquidity risk. Market risk comprise three types of risk: interest rate risk, foreign currency risk, and price risk.

In order to reduce and mitigate these risks, the management periodically reviews and evaluates the most important financial market risks. When a risk factor is identified, measures may be taken to reduce the specified risk. When deemed appropriate, the financial market risks are mitigated by applying derivative products for hedging purposes. If derivative transactions are entered into, only recognized ordinary derivative instruments are applied. It is the policy of the management to execute financial derivative transactions with recognised financial institutions only. None of the derivative transactions entered into by the Group are designated as accounting hedges, and hedge accounting is not applied.

### Interest rate risks

The Group has applied derivatives only for the purpose of managing risks related to fluctuations in interest rates. The treatment of financial derivatives for accounting purposes is further discussed in note 15 for the Group.

### Foreign exchange risks

The functional currency of the Group is in USD as most of the revenues, expenses, assets and liabilities are denominated in USD. The foreign exchange exposure is primarily related general and administrative expenses which is in NOK. The available liquidity is primarily held in USD and, to a lesser extent in NOK. As per 31 December 2023 the Group has not entered into any foreign exchange rate derivatives.

### Price risk

The Group will normally have very limited exposure to risks associated with bunkers price fluctuations since the supply of fuel is for charterers account when the vessel is on contract. The Group has not entered into any bunker derivatives.

Net foreign exchange gains and losses recognized in the profit and loss account:

(USD 1 000)	2023	2022
Net gain/(loss) on foreign exchange (note 6)	-28	152
Total	-28	152

### Interest rate risk

The Group is exposed to interest rate fluctuations primarily related to the Group's long-term debt obligations. In order to reduce the interest rate risk, the Group has adopted a strategy to hedge a portion of the interest rate exposure associated with the long-term debt by entering into interest rate swaps.

Depending on developments in interest rates and certain internal guidelines, the Group enters into hedging transactions with a view to fix 50-70% of the interest rate exposure. The interest rate risk is assessed using a dynamic model which takes into account different scenarios based on refinancing, alternative financing and hedging.

As per 31 December 2023, the Group had entered into interest rate swap agreements for a total nominal value of USD 52,5 million for the period 2023-2027, under which the Group received a floating interest rate and paid a fixed rate, or has capped the interest rate with a floor/ceiling.

As per 31 December 2023, the proportion of fixed rate debt represented 11 % of the interest-bearing debt. The variable proportion of the interest-bearing debt have 3 months rollover/repricing dates.

The following table illustrates the sensitivity in the Group's profit before tax from given fluctuations in interest rates (interest swap included), all other factors held constant.

(USD 1 000)	Increase/reduction in loan interest	Effect on result before tax
2023	+/-1%	+/-789
2022	+/-1%	+/-398

During 2023 and 2022 the Group's borrowings at a variable rate were denominated in USD. The impact on the Group's equity is immaterial. See detailed information of borrowings in Note 12 - Debt.

### Credit risk

Credit risk occurs in transactions with financial instruments, cash deposited with banks and financial institutions in addition to risks related to customer receivables and other short-term receivables. The Group deals primarily with recognized and creditworthy third parties. There have been very few disputes, if any, with customers regarding payment and fulfilment of contractual terms. Customer receivables are monitored continuously and the Group's risk of loss on receivables is considered low. There is also credit risk related to loans to associated companies. The maximum exposure is limited to the book value of the financial assets including derivatives. The maximum exposure related to customer receivables is deemed to be equal to be the book value of customer receivables; see Note 10 - Other long-term receivables, account receivables and other current assets.

The liquidity reserve of the Group is primarily deposited with major banks like DNB Bank ASA.

These banks have following long-term credit ratings:

DNB Bank ASA	AA-	(Standard & Poors)
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## Liquidity risk

The Group monitors the risk of shortage of available capital by carefully following up maturity dates for financial investments, financial assets, and projected cash flows from operations. Careful management of liquidity risk involves maintaining a sufficient holding of cash and tradable securities in order to maintain sufficient liquidity to honour running obligations. The management monitors the liquidity reserve through rolling forecasts based on expected cash flows.

The table below provides details of financial liabilities classified according to the repayment structure. The amounts are undiscounted cash flows, and the classification has been done according contractual maturity.

(USD 1 000)

31 December 2023	2024	2025	2026	2027	2028	Later	Total
Long-term interest bearing debt	11 600	11 600	11 600	11 600	0	0	112 000
Lease obligation	37	37	8	0	0		125
Other short-term debt	3 178						
Total	14 815	11 637	11 608	11 600	0	0	112 125
Interest during the period 1)	2 209	1 954	1 698	1 443	1 188		

1) Only including fixed part of interest (2,2 %)

## Fair value of interest-bearing debt

Some of the Group's bank loans are subject to interest margins that are currently deemed to be below market levels. The difference between book-value and actual value of interest bearing debt is immaterial.

## Capital management

The Group's management has an objective to ensure that the Group maintains a certain solidity in order to support the business and maximise shareholder value. The Group manages its capital structure and makes necessary changes on an ongoing basis according to an assessment of the economic factors, under which the business is operated in the short- to medium term.

Management of the capital structure is carried out through adjusting dividends or issuing new shares. There has been no change to the guideline within this area during 2023.

The Group's policy is to maintain an equity ratio of at least 30 per cent. As per 31 December 2023, the book equity ratio was 40,7% (51,80 % as per 31 December 2022).

The book equity ratio is calculated as book equity divided by total assets:

(USD 1 000)

31 December:	2023	2022
Total equity	79 433	93 414
Assets	194 859	180 322
Equity ratio	40,7%	51,8%

## Note 11 Financial instruments

### Measurement of fair value

The fair value of unquoted financial assets has been estimated using valuation techniques based on assumptions that are not supported by observable market prices.

The fair value of foreign exchange contracts is set by using the forward rate on the balance sheet date and is set by calculating the present value of future cash flows. In the case of all the above-mentioned derivatives, the fair value is confirmed by the financial institution that the Company has entered into the agreement with. The Group did not have any foreign exchange contracts 31 December 2023.

The following of the company's financial instruments are not valued at fair value: cash and cash equivalents, customer receivables, other receivables and long-term debt.

The book value of cash and cash equivalents is virtually the same as fair value due to the fact that these instruments have short maturity dates. Receivables are recognised at amortised cost less expected credit losses.

The Group classifies fair value measurements by using a fair value hierarchy that reflects the significance of the input that is used in preparing the measurements. The fair value hierarchy has the following levels:

Level 1: the input is quoted prices (unadjusted) in an active market for identical assets or liabilities.

Level 2: the input is prices, other than quoted prices included in level 1, that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. calculated from prices).

Level 3: the input to the asset or liability is not based on observable market data (non-observable input).

The following table presents the Group's financial assets and liabilities measured at fair value as per 31 December 2023:



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(USD 1 000)			
2023	Level 1	Level 2	Level 3
<b>Assets</b>			
Financial assets at fair value over profit or loss			
'- Derivatives held for trading purposes		376	
<b>Total assets</b>		<b>376</b>	
<b>Liabilities</b>			
Financial liabilities at fair value over profit or loss			
'- Derivatives held for trading purposes		0	
<b>Total liabilities</b>		<b>0</b>	

During the reporting period, there were no changes in the fair value measurement that involved transfers between level 1 and level 2. Financial assets and liabilities in level 2 are entered in the balance sheet at market value.

The following table presents the Group's financial assets and liabilities measured at fair value as per 31 December 2022:

(USD 1 000)			
2022	Level 1	Level 2	Level 3
<b>Financial assets at fair value over profit or loss</b>			
'- Derivatives held for trading purposes			
<b>Total assets</b>			
<b>Assets</b>			
Financial assets at fair value over profit or loss			
'- Derivatives held for trading purposes		2 369	
<b>Total assets</b>		<b>2 369</b>	

Derivatives					
		2022		2023	
(USD 1 000)	Assets	Liabilities	Assets	Liabilities	
<b>Total assets</b>	2 369		376		
<b>Total book values</b>	2 369		376		

(USD 1 000)						
Currency	Notional amount USD	Start date	Maturity date	Fixed rate	Floor rate	Cap
USD	12 500	23.03.2022	15.03.2027	2,192 %		
USD	40 000	09.02.2024	10.02.2025			5,29 %
USD	40 000	10.02.2025	09.02.2026			4,30 %
USD	40 000	09.02.2024	09.08.2024		4,25 %	
USD	40 000	09.08.2024	10.02.2025		4,00 %	
USD	40 000	10.02.2025	10.08.2025		3,25 %	
USD	40 000	09.08.2025	09.02.2023		3,00 %	

Financial instruments by category

(USD 1 000)			
As at 31 December 2023	At fair value over profit/loss	At amortized cost	Total
<b>Assets</b>			
Customer receivables and other receivables (excl. prepayments)			
Derivatives	376	0	376
Cash and cash equivalents	0	52 259	52 259
<b>Total Assets</b>	<b>376</b>	<b>52 259</b>	<b>52 635</b>
<b>Liabilities</b>			
Loans		112 000	112 000
Derivatives			
Lease obligation		63	63
Due to suppliers and other debt		3 217	3 217
<b>Total Liabilities</b>		<b>115 279</b>	<b>115 279</b>



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As at 31 December 2022	At fair value over profit/loss	At amortized cost	Total
(USD 1 000)			
<b>Assets</b>			
Customer receivables and other receivables (excl. prepayments)	2 369	0	2 369
Derivatives	0	0	0
Cash and cash equivalents	0	10 525	10 525
<b>Total Assets</b>	<b>2 369</b>	<b>10 525</b>	<b>12 894</b>
<b>Liabilities</b>			
Loans	0	83 036	83 036
Derivatives	0	0	0
Lease obligation	0	125	125
Due to suppliers and other debt	0	3 915	3 915
<b>Total Liabilities</b>	<b>0</b>	<b>87 076</b>	<b>87 076</b>

## Note 12 Accounts receivables and other current assets

(USD 1 000)

Account receivables and other current assets	2023	2022
Prepaid costs	1 226	794
Prepaid insurance premiums	198	171
Stocks of luboil, bunkers 1)	299	296
Other current receivables 2)	664	19 477
<b>Total</b>	<b>2 387</b>	<b>20 739</b>

1) Stocks of luboil and bunkers are recognized in the balance sheet at cost, using the first-in/first-out method (FIFO).

2) At year-end 2023 the expected credit losses on trade receivables calculated under the simplified expected credit loss model is based on the average historical loss rate for the latest five years of 0.0%, following the fact that NOCC the latest five years has not realised any credit losses on trade receivables. All outstanding trade receivables were not due as per 31 December 2023.

Book value of the Group's Other long-term and current receivables by currency*:	2023	2022
USD	1 778	20 441
<b>Total</b>	<b>1 778</b>	<b>20 441</b>

\* Excluding stocks of luboil and bunkers

## Note 13 Cash and cash equivalents

(USD 1 000)

Bank deposits with restrictions (included in cash and cash equivalents)	2023	2022
Tax withholding funds	26	313
Restricted accounts	99	984
<b>Total bank deposits with restrictions</b>	<b>125</b>	<b>1 297</b>

In the cash flow statement, cash and cash equivalents consist of the following:

(USD 1 000)

Cash and cash equivalents (including restricted amounts)	52 259	10 525
<b>Total</b>	<b>52 259</b>	<b>10 525</b>

Amounts held on restricted accounts relate to office lease guarantees, cash held by NOCC Atlantic DIS on a debt service retention account and minimum liquidity.



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## Note 14 Share capital and shareholder information

	2023	2022
Total number of shares 1 January	29 585 405	516 071 891
Share reduction	0	-486 486 486
Total number of shares 31 December	29 585 405	29 585 405

The share capital consists of:

	Number of shares	Par Value NOK	Share capital USD
Ordinary shares, share capital	29 585 405	2,00	46 272 444

2023: During 2023 the capital has been increased by NOK 165 791 509,8372 (NOK 161 353 699, 0872 is premium). The capital increase was proposed and decided 12.06.2023, and registered in the Norwegian Company Register 06.07.2023. The share capital is increased from NOK 54 732 999,25 (USD 45 860 459,79) with NOK 4 437 810,75 (USD 411 984,14) to NOK 59 170 810 (USD 46 272 443,93) by increasing the par value on the 29 585 405 shares in the company from NOK 1,85 per share with NOK 0,15 per share to NOK 2 per share.

As per 31 December 2023 the Company had one shareholder. All shares give the same rights in the Company.

List of shareholders with more than 1% interest:

	Total shares	Interest
Autotrans Holding LTD	29 585 405	100 ,00%



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## Note 15 Tax

With effect from 2012 all subsidiaries owning qualifying assets entered the Norwegian tonnage tax regime according to tax code §8-10, where there is a final tax exemption for shipping income. The tax exemption includes operating profit and gain on income. Net financial income will be taxed at the ordinary tax rate of 22%.

In order to qualify for the Norwegian tonnage tax regime, tonnage taxed companies can principally not engage in any business other than charter and operation of owned or chartered vessels.

Norwegian tonnage taxed companies are obliged to pay an annual moderate tonnage tax, based on the net registered tonnage. Tonnage tax is presented as operating cost. See note 4.

Income at entry USD 1 327 893 (NOK 7 391 581) was booked against gain/loss account, and minimum 20% is taxable income per year. Current tax liability of USD 13 731,60 (NOK 139 683,37) was recognised as deferred tax in the financial statement. Current years financial result is calculated according to tax code § 8-10 to 8-20.

The applicable tax rate for calculating deferred tax/(deferred tax benefits) was 22% for 2022 and 22% for 2023.

(USD 1 000)

<b>Tax on income as a result of entering the Norwegian tonnage tax regime</b>	<b>2023</b>	<b>2022</b>
Gain account opening balance	74	93
Taxable part of income (20%) at exchange rate USD/NOK year end	15	19
<b>Gain account balance 31 December at USD/NOK exchange rate year end</b>	<b>59</b>	<b>74</b>

Deferred tax on gain account balance	13	16
Tax payable on taxable part at USD/NOK exchange rate year end	3	4
<b>Total deferred tax liabilities and payable tax 31 December</b>	<b>16</b>	<b>20</b>

<b>Basis for other deferred tax / tax benefits</b>	<b>2023</b>	<b>2022</b>
Loss carried forward	-31 071	-23 999

Deferred tax benefits	6 836	5 280
-----------------------	-------	-------

Deferred tax benefit has not been recognized in the balance sheet.

<b>Taxes in the Profit &amp; Loss statement</b>	<b>2023</b>	<b>2022</b>
Tax payable	3	4
Changes in deferred tax (tax benefits)	-3	-4
<b>Total tax (tax income)</b>	<b>0</b>	<b>0</b>

Taxable net financial profit/(loss)	-7 156	803
Tonnage tax	-33	-38

Deferred tax and deferred tax benefits - ordinary taxed companies	Deferred tax benefit	Change	Deferred tax benefit
	OB 2023	2023	CB 2023
Deferred tax asset/(liability)			
Operating assets	3	-1	2
Receivables and liabilities	-675	-34	-709
Gains and losses account	-14	3	-11
Pensions	31	4	35
Other differences	0	0	0
Loss carried forward	665	-278	387
<b>Net deferred tax asset benefit/(liability)</b>	<b>10</b>	<b>-306</b>	<b>-296</b>
Of which not recognised	10	-306	-296
Deferred tax asset / (liability) in the balance sheet	0	0	0

Deferred tax and deferred tax benefits - ordinary taxed companies	Deferred tax benefit	Change	Deferred tax benefit
	OB 2022	2022	CB 2022
Deferred tax asset/(liability)			
Operating assets	6	-3	3
Receivables and liabilities	-544	-130	-675
Gains and losses account	-19	5	-14
Pensions	51	-20	31
Other differences	82	-82	0
Loss carried forward	972	-307	665
<b>Net deferred tax asset benefit/(liability)</b>	<b>547</b>	<b>-536</b>	<b>10</b>
Of which not recognised	547		10



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<b>Deferred tax asset / (liability) in the balance sheet</b>	<b>0</b>	<b>0</b>	<b>0</b>
(USD 1 000)			
<b>Reconciliation of effective tax rate</b>	<b>2023</b>		<b>2022</b>
Profit/(loss) before tax	18 904		56 492
Tax income calculated on the result before tax	-4 159		-12 428
Tax effects of:			
- Adjusted tax - tonnage taxed companies	4 349		12 104
- Effect of change in tax rate	0		0
- Change in deferred tax benefit, not recognised	306		537
- Permanent differences	0		0
- Other differences	-496		-213
<b>Tax income (expense) in the profit and loss statement</b>	<b>0</b>		<b>0</b>

## Note 16 Debt

2023

### Specification of secured debt

(USD 1 000)

Company	Vessel	Currency	Long-term debt (>1 year)	Short-term debt (< 1 year)	Nominal interest 31 dec 2023	Fixed/floating interest	Maturity
NOCC Shipowning AS	Fleet financing	USD	100 400	11 600	7,58 %	partly fixed	Q4 2028
<b>Total</b>			<b>100 400</b>	<b>11 600</b>			

As per 31 December 2023, the proportion of fixed rate debt represented 11 % of the interest-bearing debt. The variable proportion of the interestbearing debt have 3 months rollover/repricing dates.

The bank debt facilities contain financial covenants including minimum value clause, adjusted equity, minimum asset coverage and minimum cash and positive working capital. The borrowers were in compliance with all financial covenants in the respective loan agreements on the balance sheet date.

The difference between book-value and actual value of interest bearing debt is immaterial. The debt is measured to be in level 2. See note 15 for description of the level.

### Reconciliation debt to Cash-flow statement

(USD 1 000)

Company	Bank	Currency	Initial amount - BOY	Non-cash changes	Reimbursed principal during the year	Outstanding at year- end
NOCC Shipowning AS	SEB	USD	47 724			112 000
Norwegian Car Carriers AS	Lease obligation	NOK	125	82	-144	63
<b>Total</b>						<b>112 063</b>

2022

### Specification of secured debt

(USD 1 000)

Company	Vessel	Currency	Long-term debt (>1 year)	short-tSrm debt (< 1 year)	Nominal interest 31 dec 2022	Fixed/floating interest	Maturity
NOCC Shipowning AS	Fleet financing	USD	41 564	6 160	6,58 %	partly fixed	Q1 2027
NOCC Atlantic DIS	NOCC Atlantic AS	USD	12 315	4 400	6,76 %	floating	Q1 2027
<b>Total</b>			<b>53 879</b>	<b>10 560</b>			

As per 31 December 2022, the proportion of fixed rate debt represented 74 % of the interest-bearing debt. The variable proportion of the interest-bearing debt have 3 months rollover/repricing dates.

The bank debt facilities contain financial covenants including minimum value clause, adjusted equity, minimum asset coverage and minimum cash and positive working capital. The borrowers were in compliance with all financial covenants in the respective loan agreements on the balance sheet date.

The difference between book-value and actual value of interest bearing debt is immaterial. The debt is measured to be in level 2. See note 15 for description of the level.

### Reconciliation debt to Cash-flow statement

(USD 1 000)

Company	Bank	Currency	Initial amount - BOY	Non-cash changes	Reimbursed principal during the year	Outstanding at year- end
NOCC Shipowning AS	DNB/SEB/SR-Bank	USD	76 034			47 724
NOCC Atlantic DIS	NIBC	USD	14 643			16 715



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Norwegian Car Carriers AS	Lease obligation	NOK	793	522	(142)	125
			91 470			64 564

## Note 17 Other current liabilities

USD (1 000)	2023	2022
Accrued swap interest	-18	22
Accrued charter hire	1 361	2 240
Accrued costs	159	214
Other current liabilities	847	677
Due to suppliers	713	604
<b>Total</b>	<b>3 063</b>	<b>3 757</b>

## Note 18 Remuneration and fees

(USD 1 000)	Salary	Other remuneration	Pension cost	Total
Remuneration to senior management 2023				
Olav Sollie, CEO 1)	252	1 057	21	1 330
Other members of senior management 2)	145	325	63	533
<b>Total remuneration senior management:</b>	<b>398</b>	<b>1 382</b>	<b>83</b>	<b>1 863</b>

(USD 1 000)	Salary	Other remuneration	Pension cost	Total
Remuneration to senior management 2022				
Olav Sollie, CEO 1)	260	562	20	842
Other members of senior management 2)	327	259	25	611
<b>Total remuneration senior management:</b>	<b>587</b>	<b>821</b>	<b>45</b>	<b>1453</b>

1) Upon termination of the employment contract, the CEO is entitled to receive his base salary, including agreed benefits, during the 6 months notice period plus a compensation equal to 12 months salary.

2) In 2023 Chief Financial Officer and in 2022 Chief Financial Officer, Director Chartering/Commercial and Technical Director.

In 2023 the Board of Directors of the Parent Company received accumulated USD 47 250 in salary, USD 0 in pensions and USD 0 in other remuneration (in 2022 this was USD 0 in salary, USD 0 in pensions and USD 0 in other remuneration). The chairman of the board is not entitled to any bonus or severance pay. Remuneration and fees are denominated in NOK, USD, GBP and EUR. In the table above, the exchange rate is at the transaction date converted from NOK to USD. The payment in currencies other than USD are converted to USD at the exchange rate per transaction date.

## Note 19 Transactions with related parties

All the companies set out in note 20 are related parties to NOCC. Receivables and transactions between consolidated companies are eliminated in the consolidation and not shown in this note.

The Group invoiced management services to Car Carrier Investments AS, the holding company of Norwegian Car Carriers AS until 31.03.23, with a total amount of USD 25 634 in 2023 ( USD 93 302 for 2022).

Transactions with related parties are entered into on an arms-length basis and at market terms. Apart from the transactions specified in this note there are no transactions or outstanding amounts of a material nature with related parties.



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## Note 20 Subsidiaries

See below the overview of the entities in the Norwegian Car Carriers AS Group:

Name	Country	Ownership/voting rights%	
		2023	2022
<b>Wholly-owned subsidiaries:</b>			
NOCC Shipowning AS	Norway	100 %	100 %
NOCC Atlantic AS	Norway	100 %	100 %
<b>Other subsidiaries:</b>			
NOCC Atlantic DIS	Norway	97,00 %	53,75 %

1) Oslo is the business address for all the subsidiaries.

## Note 21 Post balance sheet events

On 1 February 2024 NOCC Atlantic AS (Acquired business enterprise) was merged with NOCC Shipowning AS (Acquiring business enterprise).

On 6 February 2024 NOCC Shipowning AS repaid USD 5 million on an internal loan to Norwegian Car Carriers AS.

On 6 February 2024 Norwegian Car Carriers AS resolved to pay a dividend of USD 5 million to its shareholders.



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## Revenue statement Norwegian Car Carriers AS - Parent Company

OPERATING INCOME AND OPERATING EXPENSES	NOTE	2023	2022
All figs in USD			
Operating income		725 887	1 428 223
Other operating income		126 874	156 450
<b>Total income</b>		<b>852 760</b>	<b>1 584 672</b>
Operating expenses			
Salaries and other personnel expenses	2	-2 476 002	-1 379 029
Depreciation	3	-7 052	-14 250
Other operating expenses		-695 827	-455 418
<b>Total operating expenses</b>		<b>-3 178 881</b>	<b>-1 848 697</b>
<b>Operating profit/-(loss)</b>		<b>-2 326 120</b>	<b>-264 024</b>
<b>FINANCIAL INCOME AND EXPENSES</b>			
Income from group companies	4	385 350	525 173
Interest income from group companies	4	998 082	967 442
Interest income		88 844	6 735
Other financial income		98	2
Net gain/(loss) on foreign exchange		-14 429	129 025
Reversal of previously recognised impairment	5	0	45 846 853
Other interest expenses		-80	0
Other financial expenses		-1	-787
<b>Net financial items</b>		<b>1 457 864</b>	<b>47 474 443</b>
<b>Profit/(-loss) before tax</b>		<b>-868 256</b>	<b>47 210 419</b>
<b>Profit/(-loss) after tax</b>		<b>-868 256</b>	<b>47 210 419</b>
<b>Net profit or loss</b>	8	<b>-868 256</b>	<b>47 210 419</b>
Transferred from other equity		868 256	-47 210 419
<b>Total</b>		<b>-868 256</b>	<b>47 210 419</b>



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## Balance sheet Norwegian Car Carriers AS - Parent Company

Statement of financial position as at 31 December

All figs in USD

ASSETS	NOTE	2023	2022
<b>LONG-TERM ASSETS</b>			
Other assets		16 103	23 155
<b>Total property, plant and equipment</b>		<b>16 103</b>	<b>23 155</b>
<b>FINANCIAL FIXED ASSETS</b>			
Investments in subsidiaries	5	26 149 525	43 758 271
Loans to companies in the same group	4	8 040 813	8 040 813
Investments in shares		0	183
<b>Total financial fixed assets</b>		<b>34 190 338</b>	<b>51 799 267</b>
<b>Total fixed assets</b>		<b>34 206 441</b>	<b>51 822 423</b>
<b>CURRENT ASSETS</b>			
Accounts receivables	6	42 007	35 962
Receivables on companies in the same group	4	13 102 605	32 608 204
Other receivables	6	128 260	70 970
<b>Total receivables</b>		<b>13 272 873</b>	<b>32 715 136</b>
Cash and cash equivalents	7	1 186 614	755 035
<b>Total current assets</b>		<b>14 459 487</b>	<b>33 470 171</b>
<b>Total assets</b>		<b>48 665 928</b>	<b>85 292 594</b>



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## Balance sheet Norwegian Car Carriers AS - Parent Company

EQUITY AND LIABILITIES	NOTE	2023	2022
All figs in USD			
<b>EQUITY</b>			
<b>PAID-IN CAPITAL</b>			
Share capital	8	46 272 444	45 860 460
Share premium reserve	8	32 979 270	18 000 000
Other paid-in capital	8	1 518 231	1 518 231
<b>Total paid equity</b>		<b>80 769 945</b>	<b>65 378 691</b>
Other equity	8	-32 841 698	1 026 558
<b>Total retained earnings</b>		<b>-32 841 698</b>	<b>1 026 558</b>
<b>Total equity</b>		<b>47 928 247</b>	<b>66 405 249</b>
<b>LONG-TERM LIABILITIES</b>			
Pension liability		157 139	141 184
Deferred tax	9	0	0
<b>Total long term liabilities</b>		<b>157 139</b>	<b>141 184</b>
<b>CURRENT LIABILITIES</b>			
Trade payables		23 634	0
Public duties payable		79 015	432 237
Other current liabilities		477 894	313 923
Allocated dividend	4	0	18 000 000
<b>Total current liabilities</b>		<b>580 543</b>	<b>18 746 160</b>
<b>Total liabilities</b>		<b>737 681</b>	<b>18 887 344</b>
<b>Total equity and liabilities</b>		<b>48 665 928</b>	<b>85 292 594</b>

The board of Norwegian Car Carriers AS

DocuSigned by:  
*Eirik Ubøe*  
CA968D794BA24B2...

Eirik Ubøe  
chairman of the board

DocuSigned by:  
*Andreas William Hennings*  
FCA735AA4F624B7...

Andreas William Hennings  
member of the board

DocuSigned by:  
*Samuel Michael Howard Ellis*  
D968530E9CB4A3...

Samuel Michael Howard Ellis  
member of the board



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## Norwegian Car Carriers AS Norwegian Car Carriers AS - Parent Company

ALL FIGS IN USD (USD 1 000)	NOTE	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash flow from operations		18 431 579	-18 527 800
Net cash flow from operating activities		18 431 579	-18 527 800
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividend received		33 000 000	83 000 000
Dividend paid		-51 000 000	-65 000 000
Net cash flows from financing activities		-18 000 000	18 000 000
<b>Net change in cash and cash equivalents</b>			
Cash and cash equivalents at the start of the period		755 035	1 282 834
Cash and cash equivalents at the end of the period		1 186 614	755 034
Cash flow from operations			
Result before tax		-868 256	47 210 419
Adjusted for:			
Depreciation		7 052	14 250
Reversal impairment subsidiaries and associated companies		0	45 846 853
Other financial items		-17	785
Net foreign exchange items		14 429	-129 025
Change in working capital:			
Customer receivables and other receivables		19 442 263	-18 583 770
Due to suppliers and other short-term debt		-149 662	-1 192 185
Cash flow from operations		18 431 579	-18 527 949
Restricted cash included in cash balance		125	327
Change in accounts payable		23 634	0



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## Note 1 ACCOUNTING PRINCIPLES

The office of Norwegian Car Carriers AS is located at Drammensveien 167, Oslo.

### PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of Norwegian Car Carriers AS have been prepared in accordance with the Accounting Act 1998 and generally accepted accounting principles in Norway.

The financial statements have been prepared at historical cost, with the exception of financial instruments, which are measured at fair value.

### Functional currency and presentation currency

The Company's presentation currency as well as the functional currency is USD. The following exchange rates have been applied NOK/USD:

31 December 2022: 9,8573

31 December 2023: 10,1724

### Subsidiaries and associated companies in the Company's financial statements

Except for short term investments in listed shares, the cost method is applied to investments in other companies. The cost price is increased when funds are provided through capital increases or when group contributions are made to subsidiaries. Dividends and group contributions exceeding the portion of retained earnings after the date of investment are reflected as a reduction in the cost of the investment. Dividends/group contributions from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount. Dividends from other companies are reflected as financial income when it has been approved.

### Interests in other limited partnerships

Limited partnership interests that relate to various small investments are entered as financial fixed assets in other enterprises.

### Income recognition

Income on delivery of services is valued at the fair value of the consideration. Services are posted to income in line with execution of the contract.

### Foreign exchange contracts

Foreign exchange contracts are considered to be monetary items and recorded at fair value with changes in market value recorded in the income statement.

### Pension liabilities

The Company is operating a defined benefit-based pension scheme for employees hired on or prior to 31 October 2012. A benefit-based pension scheme defines the employee's right to agreed future pension benefits normally dependent on factors such as age, number of years of service and compensation.

The liability is carried as the present value of pension liabilities on the balance sheet date less the fair value of pension funds allocated for payment of benefits together with corrections for non-recorded estimate differences and costs related to previous periods' pension accrual. The pension liability is calculated annually by independent actuaries, based on a linear earnings model. The present value of the defined benefit obligation is determined by discounting the estimated future cash out flows using the interest rate on covered bonds at the balance sheet date.

For employees hired on or later than 1 November 2012, the Company is operating a defined contribution plan. The contributions are recognized as employee benefit expense when they are due.

### Classification of assets and liabilities

Current assets and short-term liabilities include items that fall due for payment within one year after the balance sheet date. Other items are classified as fixed assets/long-term obligations.

Current assets are valued at the lower of acquisition cost and fair value. Short-term debt is entered in the balance sheet at the nominal amount at the time of establishment.

Fixed assets are valued at acquisition cost written down to fair value if the fall in value is expected to be permanent. Long-term liabilities are entered in the balance sheet at the nominal amount at the time of establishment

### Short-term investments

Short-term investments (shares and interests valued as current assets) are valued at the lower of average acquisition cost and fair value on the balance sheet date. Dividends received and other distributions from companies are posted to income statement as other financial income.

### Tax

The tax charges in the income statement consist of tax payable and change in deferred tax.

Deferred income tax is provided for with a tax rate of 22%, using the liability method on all temporary differences between the tax base of financial items, their carrying value for financial reporting purposes, as well as any financial tax losses carried forward.

The tax position on all differences between accounting and tax values of assets and liabilities are calculated with a resulting deferred tax or deferred tax asset, with the exception of:

temporary differences related to investments in subsidiaries, associated companies or jointly controlled businesses when the temporary differences will be reversed and this is not expected to happen in the foreseeable future.

The tax increasing and reducing temporary differences that reverse or can reverse in the same periods are netted.

Deferred tax is measured based on the expected future tax rates where temporary differences have arisen, and are entered at nominal value and classified as long-term liabilities in the statement of financial position.

Following a change in the tax legislation in 2005 the tax losses can be carried forward indefinitely.



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Due to uncertainties whether tax losses carried forward may be utilized within reasonable time, the Company has not recognized any of its deferred tax assets in the balance sheet.

#### Cash flow statement

The cash flow statement is prepared using the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term liquid investments that can be converted immediately and with no significant price risk to a specific cash amount, and have a maturity date shorter than three months from establishment.

## Note 2 Operating expenses

(USD 1 000)

Salaries and related costs	2023	2022
Salaries	1 947	994
Employment tax	481	339
Pension costs	83	254
Other benefits	-35	-208
Total salaries and related costs	2 476	1 379

In 2023 the company employed 2 man-years.

See note 18 to the Group accounts for further information on remuneration to the CEO.

Auditor	2023	2022
Audit fees	16	28
Other attestation services	4	13
Tax	113	33
Total	133	74

Audit fee paid in 2023 relates to the audit performed by Deloitte for the fiscal year 2022.

\*All amounts excluding VAT

## Note 3 fixed assets

(USD 1 000)

2023	Fixtures and fittings
Purchase cost as of 01.01.23	177
- Outflow this year	0
= Acquisition cost 31.12.23	177
Accumulated depreciation 31.12.23	161
= Book value 31.12.23	16
This year's ordinary depreciations	7

Useful life 3-5 years

(USD 1 000)

2022	Fixtures and fittings
Purchase cost as of 01.01.22	234
- Outflow this year	61
= Acquisition cost 31.12.22	177
Accumulated depreciation 31.12.22	154
= Book value 31.12.22	23
This year's ordinary depreciations	14

Useful life 3-5 years

## Note 4 Receivables and liabilities from group companies

(USD 1 000)

	Long term receivables		Current receivables	
	2023	2022	2023	2022
Group companies	8 041	8 041	13 103	32 608
Total	8 041	8 041	13 103	32 608

(USD 1 000)

	Long term liabilities		Current liabilities	
	2023	2022	2023	2022
Group companies	0	0	0	18 000



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Total	0	0	0	18 000
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All agreements between Group companies are entered into on an arms length basis on market terms.

The following transactions with related parties were reflected in the accounts of the Company:

	2023	2022
Management fees	731	1 456
Guarantee fees	385	525
Group interests received	998	967
<b>Total</b>	<b>1 383</b>	<b>1 493</b>

Please refer to Note 19 of the Group accounts for further information regarding transactions with related parties.

## Note 5 - Investments in subsidiaries and associated companies

Subsidiaries	Registered office	Ownership/voting	Equity	Profit/(loss)	Book value	Dividend	Capital increase	Booked value
			01.01.2023	2023	01.01		31.12.2023	
NOCC Shipowning AS	Norway	100,00%	46 275	15 457	43 758	-33 000	15 391	26 150
<b>Total investments in subsidiaries</b>			<b>46 275</b>	<b>15 457</b>	<b>43 758</b>	<b>-33 000</b>	<b>15 391</b>	<b>26 150</b>

## Note 6 Receivables and liabilities

(USD 1 000)

	2023	2022
Accounts receivables	42	36
<b>Total accounts receivables</b>	<b>42</b>	<b>36</b>
	2023	2022
Prepaid expenses	36	5
Other receivables	67	66
VAT	25	0
<b>Total other receivables</b>	<b>128</b>	<b>71</b>

## Note 7 Cash and cash equivalents

(USD 1 000)

Restricted cash and deposits	2023	2022
Restricted deposits *)	90	92
Tax deduction funds	27	313
<b>Total cash and restricted deposits</b>	<b>117</b>	<b>405</b>
Other bank deposits	1 069	350
<b>Total cash and cash equivalents</b>	<b>1 187</b>	<b>755</b>

\*) Funds serving as security for office lease obligations



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## Note 8 Other equity

(USD 1 000)

	Share capital	Share premium	Other paid-in equity	Other equity	Total equity
Pr. 31.12.2022	45 860	18 000	1 518	1 027	66 405
Result of the year				-868	-868
Dividend				-33 000	-33 000
Capital increase	412	14 979			15 391
Pr 31.12.2023	46 272	32 979	1 518	-32 842	47 928

	Share capital	Share premium	Other paid-in equity	Other equity	Total equity
Pr. 31.12.2021	135 006	39 179	27 339	-99 204	102 320
Result of the year				47 210	47 210
Dividend		-21 179	-25 821	53 020	6 020
Capital reduction	-51 836		0		-51 836
Capital reduction not registered	-37 310			0	-37 310
Pr 31.12.2022	45 860	18 000	1 518	1 027	66 405

## Note 9 Tax

(USD 1 000)

Calculation of deferred tax asset

	2023	2022
Temporary differences		
Operating assets	9	13
Receivables	-3 221	-3 067
Gain and loss account	-48	-62
Pensions	157	140
Other differences	90	10
Net temporary differences	-3 013	-2 966
Loss carried forward	1 759	2 994
Basis for deferred tax asset	-1 254	28

22% (22%) deferred tax	-276	6
Of which non-capitalised deferred tax benefit	276	-6
Deferred tax benefit in the balance sheet	0	0

Basis for tax charge, change in deferred tax and tax payable:

	2023	2022
Result before tax	-868	47 210
Result difference currency	17 412	-27 356
Non-deductible expenses/income	-15 174	-17 780
Basis of year's tax charge	1 370	2 074
Changes in temporary differences	-228	-2 136
Basis for tax payable in the profit and loss account	1 142	-62
Taxable income	1 142	-62

Specification of tax charge:

The tax charge for the year is specified as follows:	2023	2022
Tax payable on the result for the year	-251	14
Tax effect on change in deferred loss brought forward	251	-14
Total tax payable	0	0
Change in deferred tax	0	0
<b>Tax income/(expense)</b>	<b>0</b>	<b>0</b>

Explanation why the tax for the year differ from 22% (22%) of profit before tax:

The tax charge for the year is specified as follows:	2023	2022
22% (22%) tax income/(-expense) before tax	-3 640	-4 368
Tax effect non-deductible expenses	3 338	3 912
Tax effect change in temporary differences	50	470
Tax effect on Group contribution	0	0
Change in non-capitalised deferred tax asset	252	-14
<b>Tax income/(expense) in the profit and loss statement</b>	<b>0</b>	<b>0</b>



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## Note 10 Shareholders

The share capital in Norwegian Car Carriers AS as of 31.12.2023 consist of

The Company has provided guarantees for the following Group companies:	Total	Face Value	Entered
Ordinary shares	29 585 405	2,00	46 272 444

Ownership structur

The largest shareholders in % at year end:	Ordinary	Owner interes	Share of votes
Autotrans Holding LTD	29 585 405	100,0	100,0

## Note 11 Pensions

The company is obliged to provide a service pension scheme under the Norwegian Mandatory Service Pensions Act.

The scheme gives rights to certain future benefits. For employees hired prior to 31 October 2012, the pension scheme is based on a defined benefit plan and the pension will depend on the number of years of employment, the salary level at retirement and the amount of contribution from the Social Security system. The obligation is covered through Storebrand Livsforsikring. For employees hired on 1 November 2012 or later, the pension scheme is based on a defined contribution plan and the pension will depend on the contribution and the return on the contribution up until retirement as well as the contribution from the Social Security system.

Remeasurement costs/-income is recorded in the Income statement in the Financial statements of the parent company, and according to IFRS taken over OCI in the Group accounts. There is otherwise no difference in the pension liabilities between the parent company and the Group, reference is made to note 5 in the Group accounts.

Norwegian Car Carriers AS present its consolidated accounts in accordance with IFRS. Norwegian accounting standard 6A gives the parent company the right to apply IAS 19R in the parent company's accounts when these are presented in accordance with Norwegian accounting standards.

IAS 19R was in the Group accounts implemented over OCI, with retrospective effect back to 2012. This effect was in the accounts of the parent company booked against Other Equity.

There are no other material differences between the treatment of changes in accounting principles between group accounts and parent company. Please refer to the Group accounts for comparable figures related to change of principles.

## Note 12 Guarantee liabilities

(USD 1 000)

The Company has provided guarantees for the following Group companies:		Currency	Amount
NOCC Shipowning AS	Fleet loan	USD	112 000
Liability for uncalled capital in limited liability subs	NOCC Atlantic	USD	0

## Note 13 Post balance sheet events

On 6 February 2024 Norwegian Car Carriers AS resolved to pay a dividend of USD 5 million to its shareholders.



**Skattedirektoratet**

Saksbehandler Torstein Kinden Helleland	Deres dato 05.01.2015	Vår dato 15.01.2015
Telefon 22078139	Deres referanse Jonas Gunstad	Vår referanse 2015/15705

NORWEGIAN CAR CARRIERS AS  
Postboks 304 Skøyen  
0213 OSLO

**Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk**

Vi viser til deres brev av 5. januar 2015 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper;

Car Carrier Investments AS	org. nr. 912 838 706
NOCC Shipowning AS	org. nr. 995 667 460
NOCC Coral AS	org. nr. 998 070 457
Ro-Ro Helena AS	org. nr. 889 902 892
NOCC Atlantic AS	org. nr. 990 932 255
Det indre selskap NOCC Atlantic DIS	fiktivt org. nr. 090 057 332

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de overnevnte 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**

NOCC konsernet er eiet av Car Carrier Investments AS, som eies 50 % av det engelske selskapet Nautilus H Ltd og 50 % av Klaveness Invest AS. Car Carrier Investments AS er det ultimate morselskapet i konsernet. Tidligere var Norwegian Car Carriers AS morselskap, men ble oppkjøpt av Car Carrier Investments AS. Konsernet driver internasjonal shippingvirksomhet med hovedvekt på frakt av biler og annet rullende gods. Selskapene opererer i en bransje med sterk internasjonal karakter hvor engelsk benyttes ved kommunikasjon både internt og eksternt. Norwegian Car Carriers AS er i vedtak (2011/172463) av 1. mars 2011 innvilget tillatelse til å avlegge årsoppgjør på engelsk. Selskapene opererer i en internasjonal bransje. 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](http://www.skatteetaten.no)  
Org.nr: 996250318  
E-post: [skatteetaten.no/sendepost](mailto:skatteetaten.no/sendepost)

Sentralbord  
800 80 000  
Telefaks  
22 17 08 60



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 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 50 % konsernet er eiet av et utenlandsk selskap. Eierkretsen er begrenset. Videre er det vektlagt at selskapet driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk språk.

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*