

Viking Supply Ships A/S (under frivillig likvidation)

Axeltorv 2, 1609 København V
CVR no. 33 36 97 94

Annual report for 2021

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 17.08.22

Trond Myklebust
Dirigent

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The company

Viking Supply Ships A/S (under frivillig likvidation)
c/o Gorrissen Federspiel
Axeltorv 2
1609 København V
CVR no.: 33 36 97 94
Financial year: 01.01 - 31.12

Liquidator

Trond Myklebust

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

Parent company

Viking Supply Ships Holdings AS, Kristiansand, Norge

Statement by the Liquidator on the annual report

I have on this day presented the annual report for the financial year 01.01.21 - 31.12.21 for Viking Supply Ships A/S (under frivillig likvidation).

The annual report is presented in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

In my opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.12.21 and of the results of the company's activities for the financial year 01.01.21 - 31.12.21.

I believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Copenhagen, August 17, 2022

Liquidator

Trond Myklebust

To the Shareholder of Viking Supply Ships A/S (under frivillig likvidation)

Opinion

We have audited the financial statements of Viking Supply Ships A/S (under frivillig likvidation) for the financial year 01.01.21 - 31.12.21, which comprise the income statement, balance sheet, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

In our opinion the financial statements give a true and fair view of the company's assets, liabilities and financial position at 31.12.21 and of the results of the company's operations for the financial year 01.01.21 - 31.12.21 in accordance with the the Danish Financial Statements Act (Årsregnskabsloven).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

Without this having affected our opinion, we point out that the operating activities are being discontinued and that the annual report has been prepared with this in mind. The recognition and measurement of the company's assets and liabilities have been changed to net realisable values, and the classification and presentation have also been adjusted. We agree with the management's choice of accounting policies and refer to the description in the accounting policies.

Statement regarding the management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Acts. We did not identify any material misstatement of management's review.

Management's responsibility for the financial statements

The Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore the Management is responsible for the internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with International Standards on Auditing and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements,

whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Soeborg, Copenhagen, August 17, 2022

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Jan Stender

State Authorized Public Accountant
MNE-no. mne34090

Primary activities

In earlier years, the company's activities has comprised of offshore and icebreaking services to major oil companies primarily in the North Sea, Arctic and Subarctic waters. In the beginning of 2020, the company has sold its last remaining vessel and hereafter the company has solely function as a holding company.

As of June 16th 2021 it has been decided on a general meeting, that the company will be dissolved under the rules on solvent liquidation of the Danish Companies Act (Selskabsloven).

Development in activities and financial affairs

The income statement for the period 01.01.21 - 31.12.21 shows a profit/loss of USD'000 -13,373 against USD'000 -18,440 for the period 01.01.20 - 31.12.20. The balance sheet shows equity of USD'000 182,337.

The management considers the net loss of the year to be in accordance with the expected.

Subsequent events

No important events have occurred after the end of the financial year.

Income statement

Note	2021 USD '000	2020 USD '000
Gross loss	-2,407	-1,201
2 Staff costs	0	-8
Loss before depreciation, amortisation, write-downs and impairment losses	-2,407	-1,209
1 Income from equity investments in group enterprises	-12,648	-18,187
3 Financial income	1,721	2,147
4 Financial expenses	-39	-1,191
Loss for the year	-13,373	-18,440
 Proposed appropriation account		
Retained earnings	-13,373	-18,440
Total	-13,373	-18,440

ASSETS		31.12.21	31.12.20
		USD '000	USD '000
Note			
	Prepayments for property, plant and equipment	154	154
	Total property, plant and equipment	154	154
	Equity investments in group enterprises	125,155	137,895
	Total investments	125,155	137,895
	Total non-current assets	125,309	138,049
	Receivables from group enterprises	63,947	49,143
	Other receivables	2	6
	Prepayments	2	153
	Total receivables	63,951	49,302
	Cash	109	8,978
	Total current assets	64,060	58,280
	Total assets	189,369	196,329

EQUITY AND LIABILITIES		31.12.21	31.12.20
		USD '000	USD '000
Note			
	Share capital	61	61
	Retained earnings	182,276	195,741
	Total equity	182,337	195,802
	Trade payables	7	103
	Payables to group enterprises	7,012	0
	Other payables	13	424
	Total short-term payables	7,032	527
	Total payables	7,032	527
	Total equity and liabilities	189,369	196,329

Statement of changes in equity

Figures in USD '000	Share capital	Retained earnings
Statement of changes in equity for 01.01.20 - 31.12.20		
Balance as at 01.01.20	61	214,113
Other changes in equity	0	68
Net profit/loss for the year	0	-18,440
Balance as at 31.12.20	61	195,741
Statement of changes in equity for 01.01.21 - 31.12.21		
Balance as at 01.01.21	61	195,741
Other changes in equity	0	-92
Net profit/loss for the year	0	-13,373
Balance as at 31.12.21	61	182,276

	2021 USD '000	2020 USD '000
1. Income from equity investments in group enterprises		
Share of profit or loss of group enterprises	-12,648	-5,994
Elimination of internal gains and losses	0	-12,193
Total	-12,648	-18,187

2. Staff costs

Wages and salaries	0	1
Other staff costs	0	7
Total	0	8
Average number of employees during the year	0	0

3. Financial income

Interest, group enterprises	1,716	1,972
Other financial income	5	175
Total	1,721	2,147

4. Financial expenses

Interest, group enterprises	38	0
Other financial expenses	1	1,191
Total	39	1,191

5. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

It has been decided on a general meeting, that the company will be dissolved under the rules on solvent liquidation of the Danish Companies Act (*Selskabsloven*). The accounting policies have been applied consistently with previous years, but the rules on recognition, measurement and classification have been applied taking into account that the the company assets and liabilities are expected to be realised as a result of the liquidation. The comparative figures have not been restated.

In accordance with section 112 of the Danish Financial Statements Act, the company has not prepared consolidated financial statements. The company is a subsidiary of Viking Supply Ships AB, business registration number 556161-0113, which prepares consolidated financial statements.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

5. Accounting policies - continued -**CURRENCY**

The annual report is presented in USD. The exchange rate is 6,561 as at 31.12.21 and 6,068 as at 31.12.20.

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

INCOME STATEMENT**Gross loss**

Gross loss comprises revenue, other operating income and cost of sales and other external expenses.

Revenue

Income from the sale of services is recognised in the income statement as delivery takes place (delivery method). Revenue is measured at the selling value of the agreed consideration exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Other operating income

Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including gains on the sale of vessels.

Cost of sales

Cost of sales comprises of costs related to the operation and maintenance of ships, bunkers and harbour costs, muster journeys, and crew member costs.

5. Accounting policies - continued -**Other external expenses**

Other external expenses comprise costs relating to the primary activity, which incurred during the year, including administration costs.

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

Income from equity investments in group enterprises and associates

For equity investments in equity investments in subsidiaries and associates, measured using the equity method, the share of the enterprises' profit or loss is recognised in the income statement after elimination of unrealised intercompany profits and losses and less any goodwill amortisation and impairment losses. For associates only the proportionate share of intercompany gains and losses is eliminated.

Other net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

5. Accounting policies - continued -**Tax on profit/loss for the year**

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

BALANCE SHEET**Property, plant and equipment***Prepayments for property, plant and equipment*

Prepayments for property, plant and equipment comprise prepayments to suppliers.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

Equity investments in group enterprises and associates*Equity investments in group enterprises*

Equity investments in subsidiaries are recognised and measured according to the equity method. For equity investments in subsidiaries, the equity method is considered a consolidation method, and reference is made to the 'Equity method' section for further details.

Equity investments in associates

Equity investments in associates are recognised and measured according to the equity method. For equity investments in associates, the equity method is considered a measurement method, and reference is made to the 'Equity method' section for further details.

Equity method

On initial recognition, equity investments measured according to the equity method are measured at cost. Transaction costs directly attributable to the acquisition are recognised in the cost of equity investments. However, transaction costs on the acquisition of subsidiaries are recognised in the income statement at the date incurred.

Under subsequent recognition and measurement of equity investments according to the equity method, equity investments are measured at the proportionate share of the enterprises' equity value, determined according to the accounting policies of the parent,

5. Accounting policies - continued -

adjusted for the remaining value of goodwill and gains and losses on transactions with the enterprises in question. Equity investments, where information for recognition according to the equity method is not known, are measured at cost.

For equity investments measured according to the equity method, the proportionate share of the equity investments' equity value is determined according to the accounting policies of the parent, stated in the other sections.

Gains or losses on disposal of equity investments

Gains or losses on disposal of equity investments are determined as the difference between the disposal consideration and the carrying amount of net assets at the time of sale, including non-amortised goodwill, as well as the expected costs of divestment or discontinuation. Gains and losses are recognised in the income statement under income from equity investments.

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation and amortisation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

5. Accounting policies - continued -**Receivables**

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

Cash

Cash includes deposits in bank accounts as well as operating cash.

Equity

The net revaluation of equity investments measured according to the equity method is recognized in the net revaluation reserve in equity according to the equity method to the extent that the carrying amount exceeds the cost.

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

5. Accounting policies - continued -

Payables

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.