

Orange Rederiet ApS

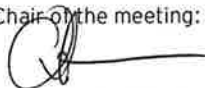
Arne Jacobsens Allé 7, 7., 2300 Copenhagen S

CVR no. 71 09 57 11

Annual report 2022

Approved at the Company's annual general meeting on 30 June 2023

Chair of the meeting:



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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Orange Rederiet ApS for the financial year 1 January - 31 December 2022.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 30 June 2023
Executive Board:



Joanne Ang Ee Ern

Board of Directors:



Quintin Venable Kneen
Chair

Daniel Allen Hudson



Samuel Roberto Rubio

Independent auditor's report

To the shareholder of Orange Rederiet ApS

Opinion

We have audited the financial statements of Orange Rederiet ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Management's responsibilities for the financial statements

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

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting 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 as to 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 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 the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

- ▶ 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 note 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.

Statement on the Management's review

Management is responsible for the Management's review.

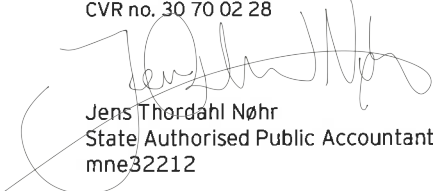
Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

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

Copenhagen, 30 June 2023
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Jens Thordahl Nør
State Authorised Public Accountant
mne32212

Management's review

Company details

Name	Orange Rederiet ApS
Address, Postal code, City	Arne Jacobsens Allé 7, 7., 2300 Copenhagen S
CVR no.	71 09 57 11
Registered office	Copenhagen
Financial year	1 January - 31 December
Board of Directors	Quintin Venable Kneen, Chair Daniel Allen Hudson Samuel Roberto Rubio
Executive Board	Joanne Ang Ee Ern
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Business review

The Company ceased its operating activities in the offshore shipping industry at the end of May 2021.

Financial review

The income statement for 2022 shows a profit of USD 2,874,070 against a loss of USD 169,189 last year, and the balance sheet at 31 December 2022 shows a negative equity of USD 7,761,651. Profit for the year is impacted by the partial reversal of a tax provision from prior years and write down of other receivables.

As of 31 December 2022, the Company is still part of a dispute with the Malaysian Tax Authorities, however the dispute was settled in January 2023, and hence the tax provision at 31 December 2022 has been adjusted to reflect the final settlement amount and therefore is not subject to any further uncertainty.

Equity at the end of 2022 amounted to a negative balance of USD 7,761,651 compared to a negative balance of USD 10,635,721 at the end of the prior year. Despite the negative equity and loss of the share capital, the financial statements have been prepared on a going concern basis as the parent company has provided a letter of support in which it undertakes to provide financial support to enable the Company to meet its liabilities as and when they fall due for at least 12 months from the signing date of the financial statements ending 31 December 2022.

Furthermore, in order to enable the settlement with the Malaysian Tax Authorities in January 2023, the immediate parent company has executed a cash group contribution in the amount of USD 6,054,226 in January 2023.

Financial statements 1 January - 31 December

Income statement

Note	USD	2022	2021
	Gross profit/loss	-1,638,357	-26,950
5	Staff costs	0	0
	Profit/loss before net financials	-1,638,357	-26,950
	Financial income	29,980	132,575
	Financial expenses	-4,272	-4,343
	Profit/loss before tax	-1,612,649	101,282
6	Tax for the year	4,486,719	-270,471
	Profit/loss for the year	<u>2,874,070</u>	<u>-169,189</u>
	Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	<u>2,874,070</u>	<u>-169,189</u>
		<u>2,874,070</u>	<u>-169,189</u>

Financial statements 1 January - 31 December

Balance sheet

Note	USD	2022	2021
	ASSETS		
	Non-fixed assets		
	Receivables		
	Other receivables	0	1,636,165
		<u>0</u>	<u>1,636,165</u>
	Cash	252,114	480,887
	Total non-fixed assets	<u>252,114</u>	<u>2,117,052</u>
	TOTAL ASSETS	<u>252,114</u>	<u>2,117,052</u>
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	30,936	30,936
	Share premium account	75,574	75,574
	Retained earnings	-7,868,161	-10,742,231
	Total equity	<u>-7,761,651</u>	<u>-10,635,721</u>
	Provisions		
	Tax provisions	6,304,081	11,053,756
	Total provisions	<u>6,304,081</u>	<u>11,053,756</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	24,841	89,326
	Payables to group entities	1,684,843	1,578,551
	Joint taxation contribution payable	0	31,140
		<u>1,709,684</u>	<u>1,699,017</u>
	Total liabilities other than provisions	<u>1,709,684</u>	<u>1,699,017</u>
	TOTAL EQUITY AND LIABILITIES	<u>252,114</u>	<u>2,117,052</u>

- 1 Accounting policies
- 2 Going concern uncertainties
- 3 Events after the balance sheet date
- 4 Special items
- 7 Contractual obligations and contingencies, etc.
- 8 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

USD	Share capital	Share premium account	Retained earnings	Total
Equity at 1 January 2021	30,936	75,574	-10,573,042	-10,466,532
Transfer through appropriation of loss	0	0	-169,189	-169,189
Equity at 1 January 2022	30,936	75,574	-10,742,231	-10,635,721
Transfer through appropriation of profit	0	0	2,874,070	2,874,070
Equity at 31 December 2022	30,936	75,574	-7,868,161	-7,761,651

The share capital consists of 210 shares of a nominal value of DKK 1,000. No shares carry any special rights. The Company's share capital has remained unchanged at DKK 210,000 equal to USD 30,936 over the past 5 years.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Orange Rederiet ApS for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in USD as the Company's most significant transactions are settled in USD. At the balance sheet date, the DKK/USD exchange rate was 6.9722 (2021: 6.5612).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The Company has chosen IFRS 15 as interpretation for revenue recognition.

Revenue from charter hire and associated services is recognised in the income statement when delivery and transfer of risk has incurred before year end.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross profit/loss

The items revenue, cost of sales and other external expenses have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cost of sales

Cost of sales includes the charter-hire expenses for chartered vessels.

The costs are recognised over the period of chartering in accordance with the charter hire agreements.

Other external expenses

Other external expenses primarily comprise administrative expenses. The Company's administrative expenses include expenses relating to expenses for administrative purposes.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and exchange gain/losses.

Tax

Tax for the year includes current tax on the year's expected taxable income.

Balance sheet

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash and cash equivalents comprise cash.

Provisions

Provisions are recognised when the Company has a legal or constructive obligation at the balance sheet date as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

Corporation taxation payable or receivable are recognised in the balance sheet as income tax receivables or payables.

Other payables

Other payables are measured at net realisable value.

Special items

Special items comprise significant income and expenses of a special nature relative to the Company's activities. Special items may comprise significant one-off items that, in Management's opinion, do not form part of the Company's operating activities and that are deemed not to be recurring.

2 Going concern uncertainties

The Company's equity amounted to a negative balance of USD 7,761,651 at 31 December 2022, principally arising from the recognition of a tax provision as detailed in note 6.

The Financial Statements are prepared on a going concern basis as the parent company, Tidewater Inc., USA, has provided a letter of support in which it undertakes to provide financial support to enable the Company to meet its liabilities as and when they fall due for at least 12 months from the signing date of the Financial Statements ending 31 December 2022.

During January 2023, the Company received a cash group contribution amounting to USD 6,054,226 in total to facilitate the settlement of the tax provision as detailed in note 6.

3 Events after the balance sheet date

In January 2023, the Company entered into a settlement agreement with the Malaysian Tax Authorities regarding the withholding tax dispute. The settlement amount of 6,304,081 was settled in cash, partially using proceeds from the cash group contribution received in the amount of USD 6,054,226.

The Company is considering measures to enter into liquidation in 2023, following the settlement of the tax dispute.

Financial statements 1 January - 31 December

Notes to the financial statements

4 Special items

Special items for the year are specified below just as are the items under which they are recognised in the income statement.

USD	<u>2022</u>
Income	
Reversal of tax provisions regarding prior years based on settlement agreed in January 2023	<u>4,749,675</u>
	<u>4,749,675</u>
Expenses	
Write-down of other receivables	<u>-1,636,165</u>
	<u>-1,636,165</u>
Special items are recognised in the below items of the financial statements	
Gross profit/loss	-1,636,165
Financial items (foreign exchange gains/losses)	351,880
Tax for the year	<u>4,397,795</u>
Net profit on special items	<u>3,113,510</u>

The special items recognised in 2022 are all related to the settlement of the tax dispute, refer to note 6.

5 Staff costs

The Company has no employees.

Financial statements 1 January - 31 December

Notes to the financial statements

	USD	<u>2022</u>
6	Tax for the year	
	Tax adjustments, prior years	<u>-4,486,719</u>
		<u>-4,486,719</u>

Tax provisions

The tax income in 2022 was significantly impacted by the reversal of provisions for withholding tax charges related to chartering activities in Malaysia in prior years. The tax treatment of withholding tax charges have been subject to a dispute with the Malaysian Tax Authorities and a provision for the uncertain tax position has been recognised. The tax provision at 31 December 2022 of USD 6,304,081 (2021: USD 11.1 million) is no longer subject to uncertainty as the case was settled in January 2023.

The reduction of the tax provision in line with the tax settlement entered into with the Malaysian Tax Authorities and paid in January 2023 was recognised at 31 December 2022.

7 Contractual obligations and contingencies, etc.

Other contingent liabilities

The Company was jointly taxed with the other Danish group entity, Cadeler A/S (previously Swire Blue Ocean A/S), until 27 November 2020 and has joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties in the joint taxation unit. The liability includes known as well as unknown obligations. subsequent corrections of the taxable income subject to joint taxation or withholding taxes, etc., may entail that the entities' liability will increase. From 27 November 2020 the Company is not jointly taxed with any entities.

8 Related parties

Orange Rederiet ApS' related parties comprise the following:

Parties exercising control

<u>Related party</u>	<u>Domicile</u>	<u>Basis for control</u>
Tidewater Offshore Holdings Ltd.	Bermuda	Participating interest

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
Tidewater Inc.	Houston, Texas, USA	www.tdw.com