



**GOLDEN
ENERGY**
OFFSHORE

2022

Golden Energy Offshore Services AS



ANNUAL REPORT 2022

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ANNUAL REPORT

Results

The Group's revenue for 2022 was TNOK 141 054, originating from the operations in the North Sea, Western Africa, and the Caribbean. The operating result before depreciations and write-downs amounted to TNOK – 15 642. Net financing was negative with TOK -128 779 mainly due to increased interest expenses and foreign exchange differences.

The Group's profit before tax in 2022 is a deficit of TNOK -57 889. Booked equity per 31.12.2022 is TNOK 108 013. The equity ratio is 19 %.

Vessels

The Group owned as of year-end 2022 four platform supply vessels (PSV's) (the "Vessels") which have been operated and managed by Golden Energy Offshore Management AS in Ålesund, Norway. In 2022 the operating segments are determined based on where the vessels have been operating geographically. Energy Swan and Energy Duchess have operated on both fixed and spot contracts in the North Sea, while Energy Scout was reactivated from lay-up in June 2022 and operated in the North Sea, Energy Empress operated in West Africa, Caribbean and the North Sea. In Q4, an unfortunate event of Energy Duchess being hit whilst she was moored alongside in port of Aberdeen UK – causing 24 days off-hire at shipyard for repair. This led to loss of revenues, and a claim has been issued through the insurance for reimbursement of lost earnings. In the table below, Energy Scout is not included, since the vessel was sold in January 2023.

Present chartering status

Vessel	Built	Deck (m2)	Employment	Dayrate*	Firm expire	Aval option
Energy Swan	2005	1060	TC	kr 140 000,00	01.09.2023	1 x 2 months
Energy Empress	2019	856	TC	kr 194 000,00	01.11.2023	1 x 6 months
Energy Duchess	2019	856	Spot/Short term	kr 220 000,00	12.07 2023	

*Rates in NOK converted with current USD/NOK exchange

Financing and liquidity

The Group refinanced a substantial portion of its interest-bearing debt in Q3 2022 with a senior secured fleet loan of USD 39,1 mill over the vessels Energy Scout, Energy Empress and Energy Duchess with a final maturity after 5 years, of which USD 5,0 mill, was paid in January 2023 following the sale of Energy Scout. In addition, the Group has a NOK70,0 mill senior secured bond loan outstanding with security over the vessel Energy Swan with final maturity 13.06. 2024.

Market and future prospective

The activity level for PSVs has recovered significantly in 2022 compared with previous years, and we expect continued tightening of the supply and demand balance going forward.

Throughout 2022, the Group's vessels had 89,5% utilization, with the lower utilization driven by the allision described previously.



With expected increased activity amongst the Group's customers both within oil and gas and renewable energy, it is expected that the positive market developments for the Group's services will continue. The combined market developments with limited influx of capacity in the market, will normally lead to increased earnings. The geopolitical picture in the world at the moment is the factor that can give a certain degree of uncertainty for future developments. The Group expects that the vessels will continue attracting higher charter revenue in its operations. The Group also sees improved values and expects that the market value of the Group's vessels will continue to improve correspondingly.

The Group is continuing its focus on environmentally friendly operations through energy efficiency programs and other measures.

Going Concern

The successful refinancing in Q3 2022 together with the improved market justifies the Board's conclusion that the conditions for a going concern are present, and the financial statements have been prepared based on this assumption. The management's and the board's liquidity forecasts show that with planned operations and with existing options, sufficient liquidity will be generated over the next 12 months to meet the Group's ongoing obligations. The Group and the Board continue working on measures to improve liquidity to this effect.

Work environment, equality and discrimination

The Group does not have any employees as per today and buys management services. The crew is part of the services acquired from management companies. The Group has a clear "Anti-Harassment Policy", forbidding any discriminating against anybody because of their background, sex, age, religion or ethnicity. The work environment is considered as good.

Work is in progress on compliance with the "The Transparency Act" which will be published on the Group's website within 30. June 2023 as required.

External environment

To the best of the Board's knowledge, the Group's activities have not caused any environmental pollution outside the legal limits set by the authorities of the different trading areas. New and crucial measures are taken to increase energy efficiency within the Group's activities with subsequent reduced emissions to the external environment.

Community responsibility

The Company is part of the Golden Energy Offshore Group and operates in according to international rules and is fully certified by ISM, ISO 9001, ISO 14001, ISO 45001 and ISO 50001. The Management system that the entire organization is working in is called Golden Energy Offshore Integrated Management System (GIMS) and contains all procedures and policies necessary for the Company to conduct the business in a way that ensures quality in all aspects, safety, is environmentally friendly, energy efficient, and where sustainable operation of all Company activities have the highest focus. Everyone in the organization is trained to use this system. Internal and external audits are conducted on a frequent basis. The management system also contains policies on anti-corruption and anti-harassment.



The Company has a proactive approach to Energy Efficiency and Fuel Management (EEFM) that includes improvement of vessel and voyage efficiencies aimed at controlling EEFM on vessels using auditable, prioritized methodologies. The efficient use of energy should be a fundamental requirement for the Group's operated vessels. Energy Efficiency and Fuel Management discusses the systems and procedures necessary for operational efficiency. The Company has well documented excellent performance in energy efficiency and reduced emission.

Corporate governance

The purpose of Golden Energy Offshore Services AS is derived from the Company's articles § 3 and is shipping business with related activities. The Company runs all its operations by the Plan – Do – Check – Act (PDCA) methodology, which is secured in the Company's management system GIMS. In addition, procedures regarding internal controls for risk management is part of the GIMS and is under continuous improvement. The Company's external auditor is PricewaterhouseCoopers AS (PwC). The auditor is chosen at the Annual meeting.

Insurance board liability

The Group has taken out board liability insurance with the insurance company Tryg. Board liability insurance covers the personal liability of board members and the CEO. The insurance covers property liability.

The Company shall have up to 4 Board members. As of today, there are 4 Board Members who are all chosen by the Annual meeting:

Chairman Sten Gustafson – Chairman since February 2018

Board member Morten Mugerud – Board member since August 2020

Board member Per Ivar Fagervoll – Board member since May 2014

Board member Fredrik Ulstein-Rygnestad – Board member since August 2022

The company and its shareholders

Pr 31.12.2022 the company had 822 shareholders and the company's share capital was NOK 53 773 762 divided by 53 773 762 shares, each with a nominal value of NOK 1.

Result parent company

Golden Energy Offshore Services AS (the "Company") was incorporated on 16.12.2013. The Company conducts shipping business, and the place of business is Ålesund Norway.

The Company's revenue for 2022 was TNOK 0. The operating result before depreciations amounted to TNOK -25 302 compared to TNOK -1 696 in 2021.

The Company's result is a profit of TNOK 10 498 in 2022. This is suggested moved to equity. Booked equity 31.12.2022 is TNOK 172 279. Equity ratio is 27%.

Cash flow from operational activities in 2022 is TNOK -4 937.

Statement from the Board and CEO

We hereby confirm that the annual accounts for the period 01.01.2022 to 31.12.2022, to the best of our knowledge, are prepared in accordance with IFRS. The annual report together with the report from the Board give a fair and true value of the Company's assets, debt, financial position and result.

Ålesund, 01.06.2023

Sign.

Sten Gustafson
Chairman of the board

Morten Muggerud
Member of the board

Fredrik Ulstein-Rygnestad
Member of the board

Per Ivar Fagervoll
CEO/Member of the board



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Golden Energy Offshore Services AS

GROUP ACCOUNTS 2022



CONSOLIDATED PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME - GROUP

TNOK	Note	2022	2021
Freight income	2	141 054	71 189
Total income		141 054	71 189
Operating expenses vessels	3	-116 806	-78 597
Other operating expenses	4	-39 890	-12 112
Operating result before depreciations and write downs		-15 642	-19 520
Depreciation	5	-24 468	-18 208
Reversal of impairment	5,6	111 000	0
Operating result		70 890	-37 728
Interest income		118	0
Financial income		1 195	0
Currency gain/loss		-1 076	1 866
Unrealized currency gain/loss		-36 305	-9 641
Other interest charges		-69 648	-17 514
Other financial charges		-23 063	0
Net financial Items	7	-128 779	-25 289
Profit before tax		-57 889	-63 017
Taxes ordinary result	8	0	-142
RESULT FOR THE YEAR		-57 889	-63 159
Earnings per share	18	1,15	1,38

CONSOLIDATED BALANCE SHEET – GROUP

TNOK	Note	31.12.2022	31.12.2021
NON-CURRENT ASSETS			
Tangible fixed assets	5,6	527 622	399 948
Total non-current assets		527 622	399 948
Investments in other companies	9	45	34
Total Financial fixed assets		45	34
Total fixed assets		527 667	399 982
CURRENT ASSETS			
Stocks		2 263	1 714
Accounts receivable	10	17 581	14 641
Receivables	11	16 553	15 012
Bank deposits	12	957	791
Total current assets		37 354	32 159
Non-current assets classified as held for sale		0	38 483
TOTAL ASSETS		565 021	470 624



EQUITY AND LIABILITIES	Note	31.12.2022	31.12.2021
Equity			
Share capital	13,16	53 774	45 674
Share premium		198 485	194 940
Loss brought forward		-144 246	-163 463
Total Equity		108 013	77 151
Liabilities			
Interest bearing liabilities	15,16,17	292 741	57 413
Total long-term debt		292 741	57 413
Current liabilities			
Current interest bearing liabilities	15, 17	79 287	240 707
Trade debt	17	75 229	55 764
Tax payable	8	0	154
Other current liabilities	17	9 752	39 435
Total current liabilities		164 268	336 060
Total liabilities		457 009	393 473
TOTAL EQUITY AND LIABILITIES		565 021	470 624

Ålesund, 01.06.2023

Sign.

Sten Gustafson
Chairman of the board

Morten Muggenrud
Member of the board

Fredrik Ulstein-Rygnestad
Member of the board

Per Ivar Fagervoll
CEO/Member of the board

CONSOLIDATED CASH FLOW – GROUP

TNOK	Note	2022	2021
Result before tax		-57 889	-63 017
Taxes payable		-154	50
Depreciation and write downs	5	-93 362	18 208
Change in short-term receivables/payables		-200 603	-47 542
Interest expenses		92 231	16 095
Effects on changes in exchange rates		34 673	8 077
Change in other accruals		121 621	73 942
Net cash flow from operations		-103 856	5 813
Investments	5	-7 277	0
Net cash flow from investments		-7 277	0
Paid interests		-51 731	-2 579
Long-term debt		-291 628	0
Proceeds from borrowings		442 744	-2 636
Capital increase		11 644	0
Net cash flow from financing		111 028	-5 216
Net change in cash and cash equivalents		166	597
Cash and cash equivalents at 01.01.		791	194
Cash and cash equivalents at end of period		957	791

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY GROUP

TNOK	Note	Share Capital	Share premium	Retained Earnings	Total Equity
Equity 01.01.2021		45 674	194 940	-100 305	140 310
Annual result		0	0	-63 159	-63 159
Equity 31.12.2021		45 674	194 940	-163 463	77 151
Annual result		0	0	-57 889	-57 889
Equity Contribution		5 500	1 984	0	7 484
Share option expense	16,19	2 600	1 560	77 107	81 267
Equity 31.12.2022		53 774	198 485	-144 246	108 013

NOTES

NOTE 1 - GENERAL

Golden Energy Offshore Services AS (the “Group”) is operating within the shipping business area and owned 4 offshore service vessels (PSVs) as of 31.12.2022. The Group was established 11.12.2018 when the parent company purchased two newly incorporated subsidiaries. On the 31.12.2018 the vessels Energy Swan and Energy Scout were transferred to each of the new companies. In 2019 the Group also acquired two new vessels: Energy Duchess and Energy Empress. The head office is located in Aalesund and the Group shares are listed on Euronext Growth on Oslo Stock Exchange. The date of listing of the shares was 05.04.2018.

1.1 Basis for preparation of the annual report

The annual report is prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the EU and associated interpretations that apply for fiscal years starting 01.01.2022, and which meet the Norwegian disclosure requirements from the accounting legislation.

The financial statements were approved for publishing by the Board on 01.06.2023.

1.2 Functional and presentation currency

Functional currency of the Group is Norwegian kroner (NOK). Transactions in foreign currencies are converted to the functional currency using the exchange rate at the transaction time. At the end of each reporting period the monetary items in foreign currency are converted using the closing rate, non-monetary items are measured at historic cost converted at the time of the transaction. Non-monetary items in foreign currency that are being measured at fair value are converted using the applicable exchange rates at the time when the fair values were determined.

1.3 Consolidation

The consolidated financial statements comprise of the financial statements of Golden Energy Offshore Services AS and its subsidiaries as of 31st December each year. Any deviating accounting principles are adjusted for in this consolidation.

The Group accounts state the total profit or loss and financial position of Golden Energy Offshore Services AS and its controlling interests as a whole. The consolidated accounts include companies in which Golden Energy Offshore Services AS has direct or indirect ownership of more than 50% of the voting shares, or otherwise has direct control, according to IFRS 10. Share options, convertibles and other equity instruments are evaluated when assessing whether control exists.

Subsidiaries are consolidated 100% line by line in the group accounts. A subsidiary is an entity where the Group has controlling interest, direct or indirect, of more than 50% of the voting shares.

All inter-company transactions, receivables, liabilities and unrealized profits, as well as intra-group profit distributions, are eliminated. The balance sheet is translated using the balance sheet date exchange rate. Translation adjustments between local currency and functional currency are classified as financial items, while adjustments arising from translation from functional to presentation currency are booked in equity.

1.4 Use of estimates and assessment of accounting principles when creating the accounts

The Management has to some degree used estimates and assumptions that have influenced assets, debt, revenue, costs and information on potential obligations. Future events may result in a change of these estimates. The estimates and assumptions are continuously assessed and are based on best judgment and historical experience. Changes in accounting estimates are booked in the period of which they arise. If the changes affect future periods, the effects are distributed over present and future periods.

1.5 Principles for revenue recognition

Revenue for the group relates primarily to charter parties of the vessels. The agreed upon rate is recognized over time on a straight-line basis, and in accordance with the rates in the contract for various type of work (including stand-by and fully operational rates). The rate includes both an implicit lease revenue for the vessel and additional service components such as crew. The service component, if separated, would also be recognized over time on a straight-line basis. Therefore, a split between lease and service revenues has not been made.

1.6 Operational segments

The Group identifies its reportable segments and discloses segment information under IFRS 8 Operating Segments which requires the Group to identify its segments according to the organization and reporting structure used by management. Operating segments are components of a business that are evaluated regularly by the Chief Executive Officer (chief operating decision maker) for the purpose of assessing performance and allocating resources. For further information please see note 2.

1.7 Taxes

Ship owning Subsidiaries is subject to the Norwegian rules for tonnage taxation, which means that there is no taxation of the net operating result. The tonnage taxation requires that the relevant companies have to relate to detailed regulations regarding allowance of activities and assets. Any voluntarily or forced exit from the taxation scheme would result in an ordinary taxation of the net operating result. Net finance result is taxed on an ordinary basis according to the tonnage tax rules.

The parent company is from 2020 subject to the ordinary Norwegian rules for taxation. Deferred tax asset has not been recognized as the company does not expect to have taxable income in the coming years.

1.8 Ships, docking and depreciation

Vessels are measured at acquisition cost less any accumulated depreciations and write-offs. When vessels are sold or disposed, the value in the balance sheet is deducted and the potential profit or loss is allocated to net income.

The vessel values are decomposed into vessel and docking. The Group's vessels are depreciated over a defined remaining working life, with a presumed residual value of the vessels at the end of the working life. Remaining working life is estimated on the date of acquisition of the vessels based on the Group's intentions to own the vessels until they reach 30 years of age. The residual value is based on an estimate of what the vessels can be sold for after its remaining working life and based on observed sales of 30-year-old vessels. The estimate for residual value is assessed annually and any changes are booked as change in estimate.

Ordinary maintenance is allocated to the net operating result in the same period as it is conducted, while expenses related to dockings are recognized in the balance sheet and charged as an expense

Notes to Group financial statements
Notes 1 to 21 is a part of the Financial Statements

linearly over the period until the next scheduled docking. The period between dockings for all vessels is set to 5 years based on the maintenance program and class requirements for the Vessels. Expenses are booked as depreciations.

If any events or circumstances show an indication that the booked value of the vessels cannot be recovered, the booked value is analyzed for impairment. If the indications are confirmed and the booked value is higher than the recoverable amount, then the vessel is written off to the recoverable amount. Each vessel is evaluated individually. Former write-offs are reversed if the estimates used to determine the recoverable amount is greater than carrying value. Reversal is however limited to what the booked value would have been if the write-off was not conducted in the first place.

1.9 Government grants

Government grants are booked when reasonable probability exists that the Group fulfills the terms necessary to receive the grants and that they will be received. The Group is eligible for the Norwegian net wage refund scheme and the refund is booked against the expense it is meant to cover.

1.10 Financial instruments

The Group's financial instruments at initial recognition are classified in accordance with IFRS 9. After initial recognition, loans and receivables and financial obligations are measured at amortized cost by effective interest method. When calculating the effective interest, cash flows and all contractual matters regarding the financial instruments are taken into consideration. The calculation includes all fees between the parties of the contract as an integrated part of the effective interest and transaction expenses.

Accounts receivable and other short-term receivables, plus cash and cash-equivalents are measured at fair value. A financial asset is impaired using the expected credit loss 3-stage model (ECL) or the practical expedient of lifetime ECL for accounts receivable in accordance with IFRS 9. Further details regarding the financial instruments are given in note 7 and 9.

1.11 Stocks

Stocks consists mainly of bunkers and lubricating oil onboard the vessels. The stocks are valued at cost price. If the booked value is higher than the market value, the stocks are written off to market value.

1.12 Cash & cash equivalents

Cash includes cash in hand and bank deposits. Cash equivalents are short term liquid investments that immediately can be converted to cash by a known amount, and maximum maturity is 3 months. Funds that are originally locked for more than 3 months are not included in cash and cash equivalents.

1.13 Non-current assets held for sale

Non-current assets and groups of non-current assets and liabilities are classified as held for sale if their carrying amount will be recovered through a sales transaction instead of through continued use. This is only regarded as having been fulfilled when a sale is highly probable and the non-current asset (or groups of non-current assets and liabilities) is available for immediate sale in its present form. The management must be committed to a sale and the sale must be expected to be carried out within one year after the classification date.

Non-current assets and groups of non-current assets and liabilities which are classified as held for sale are valued at the lower of their former carrying amount or fair value minus sales costs.

1.14 Debt & Equity

Financial instruments are classified as debt or equity in accordance with the underlying economic reality.

Interests, dividends, profit and loss related to a financial instrument classified as debt, will be presented as loss or profit. Distribution to owners of financial instruments that are classified as equity will be booked directly to equity.

Transaction expenses directly related to an equity transaction are booked directly to equity.

1.15 Accruals

An accrual is booked when the Group has an obligation (legal or self-imposed) as a consequence of a previous event, it is probable (more likely than not) that an economic settlement will happen as a consequence of this obligation and the size of the amount can be measured reliably. If the effect is material the accrual is calculated by discounting of expected cash flows using a discount rate pretax, which reflects the market's pricing of the timed value of cash, and, if relevant, risks specifically associated with the obligation.

1.16 Events after the balance sheet date

New information and other events that provide evidence of conditions that existed at end of the reporting period is included in the accounts. Events occurring after the reporting period, which do not impact the Group's financial position, but which have a significant impact on future periods, are disclosed in the notes to the accounts.

1.17 Changes in accounting principles and note information

Except for the changes noted below, the same accounting principles as last year have been used in this year.

Other published standards and interpretations with effective date in the future are not relevant for the Group and will not affect the accounts.

1.18 New accounting standards with future effective date

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2022 reporting periods and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

The company has adopted all other new standards and amendments that are applicable as of January 1, 2022, which had no material impact on the Group's consolidated financial statements. These include:

- Provisions, contingent liabilities and contingent assets; costs of fulfilling a contract Amendments to IAS 37).
- Property, plant and equipment: Proceeds before intended Use (Amendments to IAS 16).

Notes to Group financial statements
Notes 1 to 21 is a part of the Financial Statements

NOTE 2 – SEGMENT

Operating segments are determined based on where the vessels have been operating geographically in 2022. Energy Swan and Energy Duchess have operated on both fixed and spot contracts in the North Sea, while Energy Scout was reactivated from lay-up in June 2022 and operated in the North Sea, Energy Empress operated in West Africa, Caribbean and the North Sea

TNOK

Freight income per geographical area	2022	2021
North Sea	106 054	71 189
West Africa	15 000	0
Caribbean	20 000	0
Total operating revenue	141 054	71 189

Operating result per geographical area		
North Sea	12 277	-17 008
West Africa	5 131	0
Caribbean	6 841	0
Administration	-39 890	-2 512
Operating result before depreciations	-15 642	-19 520
Depreciation	-24 468	-18 208
Reversal of impairment	111 000	0
Operating result	70 890	-37 728

NOTE 3 –GOVERNMENT GRANTS

The Group meets the criteria for the Norwegian net wage refund scheme which exists to secure Norwegian maritime competence and recruitment of Norwegian sailors. It is Golden Energy Offshore Crewing AS that handles the applications for the refund scheme but it is Golden Energy Offshore Services AS that get the benefits. The Group has received TNOK 14 388 as refund in 2022. In 2021 the amount was TNOK 20 629.

NOTE 4 – OTHER OPERATING EXPENSES

TNOK	2022	2021
Management fee **	9 748	9 600
Audit fee*	835	538
Legal fees	9 154	1 330
Accrued loss of receivables	459	476
Other	19 694	168
Total other operating expenses	39 890	12 112

Notes to Group financial statements
Notes 1 to 21 is a part of the Financial Statements

***Audit fee consist of the following: (ex VAT)**

TNOK	2022	2021
Statutory audit	708	402
Tax consultancy	0	0
Other services	127	136
Total fee for auditor	835	538

** Management fee is paid to Golden Energy Offshore Management AS

NOTE 5 – FIXED ASSETS

TNOK	Vessels	Docking	Total
Cost price 01.01.2021	825 615	35 172	860 787
Acc. depr and write off 01.01.2021	422 551	20 080	442 631
Additions	0	0	0
Depreciations	15 190	3 018	18 208
Reversal of impairment	0	0	0
Reclassified as held for sale	0	0	0
Balance 31.12.2021	387 874	12 074	399 948
Additions	4 432	2 845	7 277
Depreciations	17 400	7 068	24 468
Reversal of impairment	-111 000	0	-111 000
Reclassified as held for sale	17 653	16 212	33 865
Balance 31.12.2022	503 559	24 063	527 622

The Vessels are depreciated linearly to a residual value when the vessels reach 30 years. The residual value is NOK 15 million for Energy Swan, Energy Duchess, Energy Empress. Costs for acquiring Energy Duchess and Energy Empress are already included in the acquisition cost for both vessels. Accrued and estimated docking expenses for the vessels are depreciated over 5 years until the next docking. Energy Swan completed her 5 year class renewal in September 2020.

The Group has assessed whether there is present any indication that an impairment loss may have occurred, and whether there is any indication that any of the impairments recognized on the vessels in prior periods no longer exist or may have decreased.

When conducting this assessment both external and internal factors have been considered including market outlook. The market has in general improved during 2022. Broker values obtained from independent shipbrokers also reflect a significant improvement in vessel values compared to 2021, values have continued to improve so far also in 2023 and the outlook is promising. Management has on this basis concluded that no indicators for impairment exist and has therefore not made an impairment test.

Notes to Group financial statements
Notes 1 to 21 is a part of the Financial Statements

The vessel Energy Scout was reactivated for operations in Q2 2022 and reclassified from held for sale.

As the improvements observed during 2022 are significant, management has concluded that the development in the market conditions did support a reversal of the previous impairments.

NOTE 6 – ESTIMATE UNCERTAINTY & DISCRETIONARY ASSESSMENT

Estimate uncertainty

When preparing the annual accounts, the Group's management has used estimates based on best judgment and assumptions that are considered realistic. It is a probability that situations or changes in market conditions occur, which can lead to changes in estimates, and affect the Group's assets, debt, equity and profit.

The Group's most material accounting estimates are related to the impairment of fixed assets.

The most critical estimate related to impairment of fixed assets is the market situation for the vessels at current date. At balance date the impairment of the value of the vessels exceeded booked value.

NOTE 7 – FINANCIAL INSTRUMENTS

Financial risk

The Group has financial instruments such as accounts receivable, trade debt and similar debts related to the ordinary business of the Group.

Routines for risk management have been adopted by the Board of Directors and are conducted in cooperation with each department.

Below is a description of the most important financial risks:

1) Credit risk

The Group is mainly exposed to credit risk associated with accounts receivable. The main counterparts are mainly major energy companies and the maximum exposure to credit risk is the same as accounts receivable (TNOK 17 581). Accounts receivable are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group. The credit risk is considered to be limited. Other receivables (TNOK 16 553) is mainly receivables from government grants and reimbursed VAT, and therefor considered to be of no risk. The Group has procedures to monitor and collect receivables. Continuous accruals for loss are done if deemed necessary and is decided on a corporate level. The Group has not guaranteed for any third party debt, but has guaranteed for debt within the group.

2) Interest risk

Interest is fixed throughout the period of the loan agreement. Since the loan obtained in July 2022 are long term interest risk considered to be limited.

The new Bond loan has a fixed interest for the whole period.

3) Foreign currency risk

The Group has ordinary bank deposits in USD & EUR and accounts receivable per 31.12.2022. In addition the long term debt is in NOK and USD

Notes to Group financial statements
Notes 1 to 21 is a part of the Financial Statements

The following table shows the sensitivity of the Company's profit or loss before tax due to changes in USD and EUR + / - 10%. All other variables remain unchanged.

Increase/decrease in EUR & USD + / - 10%	2022	Effect on result before tax (TNOK) + / - 30 203
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Increase/decrease in EUR & USD: + / - 10%	2021	Effect on result before tax (TNOK) + / - 6 302
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4) Liquidity risk / Material uncertainty / Going concern

Liquidity risk is the risk that the Group will not be in a position to meet all its financial obligations as they fall due. The strategy for managing liquidity risk is to have sufficient liquid cash at any time in order to settle the financial obligations at due date, both under normal and extraordinary circumstances, without risking unacceptable losses or loss of reputation. The management's and the board's liquidity forecasts show that with planned operations and with existing drawing options, sufficient liquidity will be generated over the next 12 months to meet the group's ongoing obligations.

NOTE 8 –TAX

In 2021 and 2022 the parent company is subject to the ordinary Norwegian tax rules, and the subsidiaries are subject to the Norwegian tonnage tax system. In the ordinary Norwegian tax rules the Tax payables is based on the total result in accordance with these rules.

TNOK	2022	2021
Taxable income		
Profit subject for ordinary taxation	90 713	-49 419
Changes in temporary differences	-143 458	42 319
Permanent differences	-126 593	9 773
Taxable finance income (Norwegian Tonnage tax system)	-2 339	-883
Loss brought forward	-	-1 971
Taxable income	-181 677	-181
Income tax for the year		
Income tax for the year	-	154
To little (-much) accrued tax payable previous years	-	-13
Tax on cost for the year	-	142
Tonnage tax		
Tonnage tax for the year	12	10
Tax on cost for the year	12	10

Notes to Group financial statements
Notes 1 to 21 is a part of the Financial Statements

Tonnage tax **	12	10
Income tax payable	-	154
Short term tax payable balance sheet	-	154

** Tonnage tax is presented in the Balance sheet as a part of "Other current liabilities".

TNOK	2022	2021	Changes
Temporary differences			
Loss to brought forward	201 072	-1 446	-199 626
Receivables	-12 575	-138 387	125 812
Temporary differences	-216 952	-139 833	-77 119

Deferred tax assets are not capitalized future taxable profits may not be evidenced at the current timer according to IAS 12.

NOTE 9 – OTHER INVESTMENTS

NOK

Company	Ownerpart	Number of shares	Purchase price NOK	Balance sheet value TNOK	Market value TNOK
EAM Solar AS	0,01 %	1 000	15,61	16	11
Energeia AS	0,01 %	1 000	19,84	20	24
Skandia Greenpower AS	0,00 %	1 000	9,80	10	20
Sum				45	55

NOTE 10 – ACCOUNTS RECEIVABLE

TNOK	Pr 31.12.2022	Not due	0-30 days	30-60 days	> 60 days
Accounts receivable	17 581	11 120	6 461	0	0

The company has made TNOK 459 as provisions against customers in 2022.

TNOK	Pr 31.12.2021	Not due	0-30 days	30-60 days	> 60 days
Accounts receivable	14 641	7 288	6 670	0	683

The company has made TNOK 476 as provisions against customers in 2021.

NOTE 11 –CURRENT RECEIVABLES

Notes to Group financial statements
Notes 1 to 21 is a part of the Financial Statements

TNOK	31.12.2022	31.12.2021
Prepaid expenses	0	3 609
Net wage refund	6 762	7 188
Refundable VAT	5 754	4 155
Other	4 038	60
Total	16 553	15 012

NOTE 12 – BANK DEPOSITS

The Group has no restricted bank deposits. At balance date, the balance of the tax withholding account is 0, liabilities for withholding tax is 0.

Notes to Group financial statements
Notes 1 to 21 is a part of the Financial Statements

NOTE 13 – SHARES & STOCKOWNERS

The share capital 31.12.2022 is NOK 53 773 762. It consists of 53 773 762 shares at NOK 1. On the General meeting one share has one right to vote. The Chief Executive Officer has an indirect and direct ownership of 7,09 % in the company per 31.12.2022. Below is table of the 20 top shareholders. There are issued share option, with 4 000 000 options to the lender of the bridge loan, and 57 773 762 options to the lender of the credit facility.

#	Golden Energy Offshore (GEOS-ME)	Country	Type	# of shares	% of total
1	State Street Bank and Trust Comp	United States	Nominee	10 470 276	19,47 %
2	NORDNET LIVSFORSIKRING AS	Norway	Ordinary	3 773 884	7,02 %
3	Brown Brothers Harriman & Co.	United States	Nominee	3 360 247	6,25 %
4	Brown Brothers Harriman & Co.	United States	Nominee	3 089 816	5,75 %
5	FAGERVOLL	Norway	Ordinary	2 773 332	5,16 %
6	GOLDEN ENERGY OFFSHORE AS	Norway	Ordinary	2 447 606	4,55 %
7	UGLAND	Norway	Ordinary	1 879 892	3,50 %
8	GEMSCO AS	Norway	Ordinary	1 631 814	3,03 %
9	GOLDEN ENERGY OFFSHORE MANAGEMENT	Norway	Ordinary	1 311 576	2,44 %
10	ROALD HOLDING AS	Norway	Ordinary	962 256	1,79 %
11	TAJ HOLDING AS	Norway	Ordinary	962 256	1,79 %
12	Brown Brothers Harriman & Co.	United States	Nominee	916 212	1,70 %
13	GRØNLAND	GRØNLAND	Ordinary	880 991	1,64 %
14	Euroclear Bank S.A./N.V.	Belgium	Nominee	800 001	1,49 %
15	DEVOLD	Norway	Ordinary	612 500	1,14 %
16	BERG	Norway	Ordinary	592 451	1,10 %
17	FAGERVOLL	Norway	Ordinary	538 713	1,00 %
18	FAGERVOLL	Norway	Ordinary	500 000	0,93 %
19	FINSETH	Norway	Ordinary	480 000	0,89 %
20	MTB EIENDOMSUTVIKLING AS	Norway	Ordinary	466 512	0,87 %
Total top 20				38 450 335	71,50 %
Other				15 323 427	28,50 %
Total stock				53 773 762	100,00 %

NOTE 14 – GROUP COMPANIES

The Group consist of the following companies, all companies have registered offices in Ålesund.

Company	Role	Owned by	%	Result TNOK	Equity TNOK
Golden Energy Offshore Services AS (GEOS)	Parent			10 428	172 279
GEOS Midco AS	Subsidiary	GEOS AS	100	80 215	80 240
Energy Swan AS	Subsidiary	GEOS AS	100	17 687	88 492
Energy Scout AS	Tier-subsubsidiary	GEOS Midco AS	100	7 482	9 499
Energy Empress AS	Tier-subsubsidiary	GEOS Midco AS	100	-20 707	-70 343
Energy Duchess AS	Tier-subsubsidiary	GEOS Midco AS	100	-41 936	-97 297

Notes to Group financial statements
Notes 1 to 21 is a part of the Financial Statements

NOTE 15 – INTEREST BEARING DEBT

The hybrid hire purchase agreement for the acquisition of Energy Empress and Energy Duchess was a 3-year bareboat hire agreement with a purchase obligation at the end of the period. Part of the bareboat hire is considered down payments towards the balance purchase price.

Due to the Covid-19 effects to the market the vessels were unemployed most of 2021, and partly in 1H 2022, and bareboat hire payments were not paid as required by the agreements.

The Group negotiated with the lender to refinance the debt in July 2022. As a part of this refinancing there was established a short-term bridge Bond loan to finance an instalment to the lessors of Energy Empress and Energy Duchess in June 2022. The short-term facility had an interest rate of 12%.

The bridge Bond loan was repaid in July 2022. The bridge Bond loan had a warrant of 4 000 000 options, see Note 16.

In July 2022, the Group entered into a new credit facility, with a maximum of MUSD 45. At the end of December 2022, the Group had drawn MUSD 39,1 of this facility, MUSD 34,1 as a long-term facility over 5 year, and MUSD 5 as short-term facility, due within 2022. The lenders under the credit facility were awarded 57 773 762 warrants in the company as a part of the financing, see Note 16.

The long-term facility has an annuity interest for cash pay of 5.00 % per annum, payable quarterly in arrears and Payment-In-Kind (PIK) interest of 4.00% per annum capitalizing quarterly in arrears.

The fair value of the issued warrants was – in accordance with IFRS accounting standards – recognized as other paid in capital and included in the effective interest rate for the financing (reducing the carrying value of the loan). Fair value was estimated to TNOK 72 681. The fair value of the warrants will be included in the interest expense during the 5-year period the loan is outstanding as an amortized cost.

The senior secured bond loan has a term of 2 years and 6 months and a fixed interest rate of 11,0% p.a. The vessel Energy Swan is established as a security for the senior secured bond loan. There are no specific covenants related to the bond terms.

	Currency	Nominal debt in currency	Recognized in currency	Recognized in TNOK
Amounts in TNOK or TUSD				
Senior secured bond loan	NOK	70 000	70 000	70 000
Long-term interest-bearing loan *	USD	28 695	22 683	222 741
Outstanding long-term interest-bearing debt per 31.12.2022:				292 741
Short-term interest-bearing loan	USD	5 000	5 000	49 461
Short-term installment of long-term loan *	USD	5 000	3 026	29 826
Outstanding short-term interest-bearing debt per 31.12.2022:				79 287
Total Outstanding interest-bearing debt per 31.12.2022:				372 028

Notes to Group financial statements
Notes 1 to 21 is a part of the Financial Statements

* The difference between nominal and recognized values originates from the cash flow calculation in regard to the warrants connected to the long-term interest-bearing loan.

NOTE 16 WARRANTS

In order to obtain the bridge loan and the new credit facility, the company has issued warrants, in a total of 61 773 762. Using Black-Scholes calculation, the total cost of the warrants is calculated to TNOK 77 107. Grant date was July 27th, 2022. Underlying price is based on a 10-day VWAP. Risk free rate is based on Norwegian government bond for the same lifetime as the warrants.

Warrant – Black-Scholes - Call option	Credit facility long term	Bridge loan short term financing	Total
Lifetime	5 years	3 years	
Volatility	100 %	100 %	100 %
Risk free rate	2,70 %	2,70 %	2,70 %
Price of underlying	1,56	1,56	1,56
Strike	1,00	1,00	1,00
Call option value	1,26	1,11	
Number of warrants	57 773 762	4 000 000	61 773 762
Total value	72 681 000	4 426 000	77 107 000

The cost of the warrants for the bridge loan has been amortized in full when the loan was repaid.

The cost of the warrants for the long-term facility is amortized over the repayment period of 5 years. The fair value of the issued warrants is recognized as other paid in capital.

NOTE 17 SHORT TERM LIABILITIES WITH REMAINING PERIODS

TNOK	Remaining period					
31.12.2022	less 1 year	1 year	2 years	3 years or more	Total	
Financial obligations						
Trade debt	75 229		0	0	0	75 229
Other short term debt	9 752		0	0	0	9 752
Short term Interest bearing liabilities	79 287		0	0	0	79 287
Long term interest bearing liabilities	0	114 548	44 548	133 645		292 741
Total:	164 268	114 548	44 548	133 645		457 009

TNOK	Remaining period
------	------------------

Notes to Group financial statements
Notes 1 to 21 is a part of the Financial Statements

31.12.2021	less 1 year	1 year	2 years	3 years or more	Total
Financial obligations					
Trade debt	55 764	0	0	0	55 764
Other short term debt	39 589	0	0	0	39 589
Interest bearing liabilities	240 707	0	0	0	240 707
Bond loan facility	0	0	57 413	0	57 413
Total:	336 060	0	57 413	0	393 473

NOTE 18 – EARNINGS PER SHARE

Earnings per share is calculated by dividing the annual profit allocated to the Group's shareholders by a weighted average of total shares. For 2021 and 2022 all of the loss is allocated to the shareholders.

NOK	2022	2021
Number of Shares	53 773 762	45 673 762
Weighted average of total issued shares	50 488 557	45 673 762
Earnings per share	-1,15	-1,38

NOTE 19 – SHARE BASED REMUNERATION

In 2022, the Group has recognized TNOK 4 160 in cost related to the share based remuneration program for Directors

NOTE 20 – MANAGEMENT

The CEO is employed by the management company Golden Energy Offshore Management AS, and the compensation is covered by the management fee. The management company is an independent company and not a related party to the group. But the CEO is also CEO in the management company.

NOTE 21 – EVENTS AFTER THE BALANCE SHEET DATE

During the first part of 2023 the Group has experienced increasing demand for its vessels and it is early signs of a much tighter market for the Group's vessels going forward.

- The vessel Energy Scout was sold in Q1 2023
- Loan Tranche C – MUSD 5 repaid.
- Loan Tranche D – MUSD 4,2 drawn mid/end March.

With the above observation, the Board finds it satisfactory to conclude that the conditions for a going concern are present and the financial statements have been prepared on the basis for this assumption.

2022

Golden Energy Offshore Services AS



Perneo Dokumentnøkkel: 000001-F031-1-BUM0A-01ZTW-M1EL8-KKAY5

PARENT ACCOUNTS 2022

PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

TNOK	Note	2022	2021
Total income		0	0
Operating expenses vessels		-9 194	0
Other operating expenses	2	-16 108	-1 696
Operating result before depreciations		-25 302	-1 696
Depreciation		0	0
Operating result		-25 302	-1 696
Interest income	3	32 307	0
Financial income		0	4 806
Currency gain/loss		-1 374	412
Reversal of long term investments	3,4	37 687	0
Unrealized currency gain/loss		0	0
Other interest charges	5,6	-31 898	-850
Other financial charges	5,6	-921	-69 737
Net Financial Items		35 800	-65 369
Profit before tax		10 498	-67 065
Taxes ordinary result	7	0	-154
RESULT FOR THE YEAR		10 498	-67 219
TOTAL COMPREHENSIVE INCOME		10 498	-67 219

BALANCE SHEET

TNOK	Note	31.12.2022	31.12.2021
NON-CURRENT ASSETS			
Investments in subsidiaries	4	108 535	57 039
Investments in other companies	8	16	34
Total Financial fixed assets		108 550	57 074
Total fixed assets		108 550	57 074
CURRENT ASSETS			
Accounts receivable	9	0	415
Receivables	10	7 472	98 445
Receivables from group companies	10,11	336 043	0
Bank deposits	12	188	20
Total current assets		343 704	98 880
TOTAL ASSETS		452 254	155 954

TNOK	Note	31.12.2022	31.12.2021
EQUITY AND LIABILITIES			
Equity			
Share capital	13	53 774	45 674
Share premium		198 485	194 940
Loss brought forward		-79 979	-167 584
Total Equity		172 279	73 030
Liabilities			
Long term debt	5,6	69 055	57 413
Total long-term debt		69 055	57 413
Current liabilities			
Tax payable		0	154
Trade debt	6	15 467	2 342
Liability to group companies	11	185 593	0
Other current liabilities	6	9 860	23 014
Total current liabilities		210 919	25 511
Total liabilities		279 974	82 924
TOTAL EQUITY AND LIABILITIES		452 254	155 954

Ålesund, 01.06.2023

Sign.

Sten Gustafson
Chairman of the board

Morten Muggerud
Member of the board

Fredrik Ulstein-Rygnestad
Member of the board

Per Ivar Fagervoll
CEO/Member of the board

CASH FLOW

TNOK	Note	2022	2021
Result before tax		10 498	-67 065
Taxes payable		-154	0
Depreciation and write downs	3	-37 687	69 737
Change in short-term receivables/payables		13 540	-1 342
Interest expenses		32 819	0
Gain on conversion of debt		0	0
Change in other accruals		-23 953	-1 368
Net cash flow from operations		-4 937	-38
Investments		-43	0
Realization of financial assets		18	0
Net cash flow from investments		-24	0
Paid interests		-8 965	0
Repayment debt		-54 962	0
Proceeds from borrowings		57 413	0
Capital increase		11 644	0
Net cash flow from financing		5 130	0
Net change in cash and cash equivalents		168	-38
Cash and cash equivalents at 01.01.		20	58
Cash as per balance date		188	20

STATEMENT OF CHANGES IN EQUITY

TNOK	Note	Share Capital	Share premium	Retained Earnings	Total Equity
Equity 01.01.2021	12	45 674	194 940	-100 365	140 250
Annual result		0	0	-67 219	-67 219
Equity 31.12.2021		45 674	194 940	-167 584	73 030
Annual result		0	0	10 498	10 498
Transactions with owners:					
Equity Contribution		8 100	3 544	0	11 644
Share option expense	13	0	0	77 107	77 107
Equity 31.12.2022		53 774	198 485	-79 979	172 279

NOTES

NOTE 1 - GENERAL

Golden Energy Offshore Services AS (the "Company") is functioning as a holding company and currently owns 2 subsidiaries and 3 tier-subsubsidiaries that operates within the shipping business area. The Company was incorporated 16.12.2013, as a part of the Golden Energy Offshore Group, the head office is located in Aalesund and the Company shares are listed on Euronext Growth market on Oslo Stock Exchange. The listing was completed on 05.04.2018.

1.1 Basis for preparation of the annual report

The annual report is prepared in accordance with the International Financial Reporting Standards (IFRS) which are adopted by the EU and associated interpretations that apply for fiscal years starting 01.01.2022, and which meet the Norwegian disclosure requirements from the accounting legislation.

The financial statements were approved for publishing by the Board on 01.06.2023.

1.2 Functional and presentation currency

Functional currency of the Company is Norwegian kroner (NOK). Transactions in foreign currencies are converted to the functional currency using the exchange rate at the transaction time. At the end of each reporting period the monetary items in foreign currency are converted using the closing rate, non-monetary items are measured at historic cost converted at the time of the transaction. Non-monetary items in foreign currency that are being measured at fair value are converted using the applicable exchange rates at the time when the fair values were determined. Changes in foreign exchange rates are booked continuously during the accounting period.

1.3 Use of estimates and assessment of accounting principles when creating the accounts.

The Management has to some degree used estimates and assumptions that have influenced assets, debt, revenue, costs and information on potential obligations. Future events may result in a change of these estimates. The estimates and assumptions are continuously assessed and are based on best judgment and historical experience. Changes in accounting estimates are booked in the period of which they arise. If the changes affect future periods, the effects are distributed over present and future periods.

1.4 Taxes

From 2020 and going forward, the company have been under the ordinary Norwegian taxation rules.

It is not accrued for any deferred taxes.

1.5 Financial instruments

The Company's financial instruments by initial recognition are classified in accordance with IFRS 9. After initial recognition, loans and receivables and financial obligations are measured at amortized cost by effective interest method. When calculating the effective interest, cash flows and all contractual matters regarding the financial instruments are taken into consideration. The calculation includes all fees between the parties of the contract as an integrated part of the effective interest and transaction expenses. The amortization of the period is included as financial expense in the profit or loss statement.

Accounts receivable and other short-term receivables, plus cash and cash-equivalents are measured at fair value at amortized cost. A financial asset is impaired using the expected credit loss 3-stage model (ECL) or the practical expedient of lifetime ECL for accounts receivable in accordance with IFRS 9. Further details regarding the financial instruments are given in note 6 and 8.

Notes to financial statements
Notes 1 to 16 is a part of the Financial Statements

1.6 Cash & cash equivalents

Cash includes cash in hand and bank deposits. Cash equivalents are short term liquid investments that immediately can be converted to cash by a known amount, and maximal maturity is 3 months. Funds that are originally locked for more than 3 months are not included in cash and cash equivalents.

1.7 Debt & Equity

Financial instruments are classified as debt or equity in accordance with the underlying economic reality.

Interests, dividends, profit and loss related to a financial instrument classified as debt, will be presented as loss or profit. Distribution to owners of financial instruments that are classified as equity will be booked directly to equity. Transaction expenses directly related to an equity transaction are booked directly to equity.

1.8 Accruals

An accrual is booked when the Company has an obligation (legal or self-imposed) as a consequence of a previous event, it is probable (more likely than not) that an economic settlement will happen as a consequence of this obligation and the size of the amount can be measured reliably. If the effect is material the accrual is calculated by discounting of expected cash flows using a discount rate pretax, which reflects the market's pricing of the timed value of cash, and, if relevant, risks specifically associated with the obligation.

1.9 Events after the balance sheet date

New information after the balance sheet date regarding the Company's financial position on the balance date has been taken into account in the annual report. Events after the balance sheet date that do not affect the Company's financial position on the balance date but will affect the financial position in the future have been described if found material.

1.10 Changes in accounting principles and note information

Except for the changes noted below, the same accounting principles as last year have been used in this year.

1.11 Warrants for employees

Warrants are booked at time where an employee is awarded it. The warrant is booked at an amount equivalent to fair value directly towards equity. Fair value has been calculated by independent third party.

1.12 New accounting standards with future effective date

Accounting standards and interpretations that are approved up to the date of completion of these accounts, but where the effective date is in future time are not considered to have any material effect for the Group.

1.13 Investments in subsidiaries

Investments in subsidiaries are booked by the cost method. The investments are written off to booked equity in the individual subsidiary.

Notes to financial statements
Notes 1 to 16 is a part of the Financial Statements

NOTE 2 – OTHER OPERATING EXPENSES

TNOK	2022	2021
Management fee	0	267
Audit fee	488	327
Legal fees	4 507	1 063
Accrued loss of receivables	0	0
Other	11 114	38
Total other operating expenses	16 108	1 696

Audit fee (ex vat)

TNOK	2022	2021
Statutory audit	250	229
Tax consultancy	-	-
Other services	238	98
Total fee for auditor	488	327

NOTE 3 – FINANCIAL ITEMS

TNOK	2022	2021
Exchange gains	947	583
Interests from other group companies	32 307	4 806
Exchange losses	-2 321	-171
Interest expenses	-7 788	-850
Interest to other group companies	-24 110	0
Write off receivables in subsidiaries	0	-59 965
Reversal of write off shares in subsidiaries	37 687	-9 773
Other financial expenses	-921	0
Net financial items	35 800	-65 369

Investments in subsidiaries are written off to booked equity in subsidiaries. In 2021 the equity was negative. Since the equity in 2022 positive, last year's reduction is reversed.

Notes to financial statements
Notes 1 to 16 is a part of the Financial Statements

NOTE 4 – SHARES IN SUBSIDIARIES

Subsidiary	Place of business	Share	Purchase price TNOK	Balance sheet value TNOK	Company equity 31.12.2022 TNOK	Company Profit 2022 TNOK
Energy Swan AS	Ålesund	100 %	45	108 492	89 636	18 830
Geos Midco AS	Ålesund	100 %	43	43	80 240	80 215

The booked value of the shares in the subsidiaries has been through an impairment test.

NOTE 5 – BOND LOAN

In December 2021, the company signed and closed a new MNOK 70 credit facility, partly refinancing outstanding trade debt at that time. By the end of 2022 TNOK 70 000 of the trade debt were converted into the facility.

The facility has a term of 2 years and 6 months and a fixed interest rate of 11,0% p.a. The vessel Energy Swan is established as a security for the bond loan. There are no specific covenants related to the bond terms.

NOTE 6 – FINANCIAL INSTRUMENTS

Financial risk

The Company has financial instruments such as accounts receivable, trade debt and similar debts related to the ordinary business of the Company.

Routines for risk management have been adopted by the Board of Directors and are conducted in cooperation with each department.

Below is a description of the most important financial risks:

1) Credit risk

The Company has small or very limited exposure to credit risk and the maximum exposure to credit risk is the same as accounts receivable (TNOK 0). Accounts receivable are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group. The credit risk considered to be limited. The Group has procedures to monitor and collect receivables. Continuous accruals for loss are done if deemed necessary and is decided on a corporate level. The Group has not guaranteed for any third-party debt but has guaranteed for debt within the group.

2) Interest risk

The new Bond loan has a fixed interest for the whole period.

Notes to financial statements
Notes 1 to 16 is a part of the Financial Statements

3) Foreign currency risk

The Group has ordinary bank deposits in USD & EUR and accounts receivable per 31.12.2022.

TNOK	Remaining period					
	31.12.2022	less 1 year	1 year	2 years	3 years or more	Total
Financial obligations:						
Tax payables	0		0	0	0	0
Trade debt	15 467		0	0	0	15 467
Other short-term debt	9 860		0	0	0	9 860
Bond loan	0		70 000	0	0	70 000
Long term debt	0		0	0	184 648	184 648
Total:	25 326		70 000	0	184 648	279 974

NOTE 7 – TAX

Golden Energy Offshore Services AS is in 2022 subject to the ordinary Norwegian tax rules, as in 2021.

TNOK	2022	2021	
This year's tax expense			
Taxable income			
Result before tax	10 498	-67 065	
Changes in temporary differences	-143 458	59 965	
Permanent differences	-37 672	9 773	
Loss brought forward	-	-1 971	
Taxable income	-170 632	701	
Income tax for the year			
Income tax for the year	-	154	
To little (-much) accrued tax payable previous years	-		
Tax on cost for the year	-	154	
Temporary differences			
Loss brought forward	-170 632	-	-170 632
Receivables	-12 575	-156 033	143 458
Temporary differences	-183 207	-156 033	-27 174

Deferred tax assets are not capitalized as future taxable profits may not be evidenced at the current time according to IAS 12.

NOTE 8 – OTHER INVESTMENTS

Notes to financial statements
Notes 1 to 16 is a part of the Financial Statements

Company	Ownerpart	Number of shares	Purchase price NOK	Balance sheet value TNOK	Market value TNOK
Energeia AS	0,00 %	1 000	0,02	0	1
EAM Solar ASA	0,01 %	1 000	15,61	16	6
Sum				16	7

NOTE 9 – ACCOUNTS RECEIVABLE

TNOK	Pr 31.12.2022	Not due	0-30 days	30-60 days	> 60 days
Accounts receivable	0	0	0	0	0

TNOK	Pr 31.12.2021	Not due	0-30 days	30-60 days	> 60 days
Accounts receivable	415	0	0	0	415

NOTE 10 – CURRENT RECEIVABLES

TNOK	31.12.2022	31.12.2021
Refundable VAT	5 751	4 155
Golden Energy Offshore Crewing AS	1 720	3 556
Energy Swan AS	35 755	44 406
Energy Scout AS	5 039	26 842
Energy Empress AS	139 307	8 790
Energy Duchess AS	155 942	10 642
Total	343 515	98 445

NOTE 11 – TRANSACTIONS WITH RELATED PARTIES

Receivables towards subsidiaries as of 31.12.22:

NOK	Nominal value pr 31.12.2022	Booked value pr 31.12.2022
Energy Swan AS	35 755	35 755
Energy Scout AS	5 039	5 039
Energy Empress AS	139 307	139 307
Energy Duchess AS	155 942	155 942

Payables towards subsidiaries as of 31.12.22:

NOK	Nominal value pr 31.12.2022	Booked value pr 31.12.2022
Geos Midco AS	-185 593	-185 593

NOTE 12 – BANK DEPOSIT

Notes to financial statements
Notes 1 to 16 is a part of the Financial Statements

The Company has no restricted bank deposits. At balance date, the balance of the tax withholding account is 0, liabilities for withholding tax is 0.

NOTE 13 – SHARES & STOCKOWNERS

The share capital pr 31.12.2022 is NOK 53 773 762. It consists of 53 773 762 shares at NOK 1. On the General meeting one share has one right to vote. The Chief Executive Officer has an indirect and direct ownership of 7,09 % in the company per 31.12.2022. Below is table of the 20 top shareholders. There are issued share option, with 4 000 000 options to the lender of the bridge loan, and 57 773 762 options to the lender of the credit facility.

#	Golden Energy Offshore (GEOS-ME)	Country	Type	# of shares	% of total
1	State Street Bank and Trust Comp	United States	Nominee	10 470 276	19,47 %
2	NORDNET LIVSFORSIKRING AS	Norway	Ordinary	3 773 884	7,02 %
3	Brown Brothers Harriman & Co.	United States	Nominee	3 360 247	6,25 %
4	Brown Brothers Harriman & Co.	United States	Nominee	3 089 816	5,75 %
5	FAGERVOLL	Norway	Ordinary	2 773 332	5,16 %
6	GOLDEN ENERGY OFFSHORE AS	Norway	Ordinary	2 447 606	4,55 %
7	UGLAND	Norway	Ordinary	1 879 892	3,50 %
8	GEMSCO AS	Norway	Ordinary	1 631 814	3,03 %
9	GOLDEN ENERGY OFFSHORE MANAGEMENT	Norway	Ordinary	1 311 576	2,44 %
10	ROALD HOLDING AS	Norway	Ordinary	962 256	1,79 %
11	TAJ HOLDING AS	Norway	Ordinary	962 256	1,79 %
12	Brown Brothers Harriman & Co.	United States	Nominee	916 212	1,70 %
13	GRØNLAND	GRØNLAND	Ordinary	880 991	1,64 %
14	Euroclear Bank S.A./N.V.	Belgium	Nominee	800 001	1,49 %
15	DEVOLD	Norway	Ordinary	612 500	1,14 %
16	BERG	Norway	Ordinary	592 451	1,10 %
17	FAGERVOLL	Norway	Ordinary	538 713	1,00 %
18	FAGERVOLL	Norway	Ordinary	500 000	0,93 %
19	FINSETH	Norway	Ordinary	480 000	0,89 %
20	MTB EIENDOMSUTVIKLING AS	Norway	Ordinary	466 512	0,87 %
Total top 20				38 450 335	71,50 %
Other				15 323 427	28,50 %
Total stock				53 773 762	100,00 %

Notes to financial statements
Notes 1 to 16 is a part of the Financial Statements

NOTE 14 WARRANTS

In order to obtain the bridge loan and the new credit facility, the company has issued warrants, in a total of 61 773 762. Using Black-Scholes calculation, the total cost of the warrants is calculated to TNOK 77 107. Grant date was July 27th, 2022. Underlying price is based on a 10-day VWAP. Risk free rate is based on Norwegian government bond for the same lifetime as the warrants.

Warrant – Black-Scholes - Call option	Credit facility long term	Bridge loan short term financing	Total
Lifetime	5 years	3 years	
Volatility	100 %	100 %	100 %
Risk free rate	2,70 %	2,70 %	2,70 %
Price of underlying	1,56	1,56	1,56
Strike	1,00	1,00	1,00
Call option value	1,26	1,11	
Number of warrants	57 773 762	4 000 000	61 773 762
Total value	72 681 000	4 426 000	77 107 000

The cost of the warrants for the bridge loan has been amortized in full when the loan was repaid.

The cost of the warrants for the long-term facility is amortized over the repayment period of 5 years. The fair value of the issued warrants is recognized as other paid in capital.

NOTE 15 – ESTIMATE UNCERTAINTY & DISCRETIONARY ASSESSMENT

When preparing the annual accounts, the Company's management has used estimates based on best judgment and assumptions that are considered realistic. It is a probability that situations or changes in market conditions occur, which can lead to changes in estimates, and affect the Company's assets, debt, equity and profit.

The Company's most material accounting estimates are related to write-offs of fixed assets in the subsidiaries.

NOTE 16 – EVENTS AFTER THE BALANCE SHEET DATE

During the first part of 2023 the Group has experienced increasing demand for its vessels and it is early signs of a much tighter market for the Group's vessels going forward.

With the above observation, the Board finds it satisfactory to conclude that the conditions for a going concern are present and the financial statements have been prepared on the basis for this assumption.

Auditors report

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"By my signature I confirm all dates and content in this document."

Sten Gustatson

Chairman

On behalf of: Golden Energy Offshore Services AS

Serial number: sten.gustafson@parliamentenergy.com

IP: 107.211.xxx.xxx

2023-06-01 06:40:52 UTC



Morten Muggerud

Director

On behalf of: Golden Energy Offshore Services AS

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2023-06-01 06:41:14 UTC



Per Ivar Fagervoll

Director & CEO

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Fredrik Ulstein-Rygnestad

Director

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