Annual report 2022

Eidesvik Offshore ASA

VESTVIKVEGEN 1, 5443 BØMLO

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2022 – CEO statement

2022 was in many ways a turn-around year for Eidesvik. After some very challenging years for the industry, the Company is now on sound financial ground. During the year we also saw the market fundamentals improve in all our operating segments. On the foundation of our long-term partnerships and our ambitious environmental strategy we are now fully focused on building the company for the future.

Our primary concern is always to safeguard the health and safety of our employees. We continuously implement measures to reduce risk exposure for our personnel and third parties, and we are proud to have reached our goal of zero LTIs in 2022 much thanks to our seafarers' continuous focus on safety.

During the year, we secured multiple long-term contracts with high-end clients, including a 3-year contract with Aker BP for Viking Prince, a 5-year contract with Van Oord for Subsea Viking and a 3-year contract with Equinor Energy for Viking Avant. Furthermore, we completed the sale of Viking Neptun and signed a Ship Management agreement for the vessel with DEME Group. The sale of Viking Neptun enabled us to substantially deleverage our balance sheet and increase our flexibility.

Our long-term customers show continued trust in our services with declaration of options as well as new contract awards. This is a clear testament to our crew's high standard of safety and strong operational performance. It is also a pleasure to note the Company's ability to establish new partnerships with leading international clients in the emerging offshore wind market. We very much look forward to delivering our services to these companies in the coming years.

Sustainability is an integral part of our business, and alongside our annual report we publish our Sustainability report. The report covers Environmental, Social and Governance factors to measure our progress and identify both risks and new opportunities for the company. We are proud of our pioneering history in demonstrating new technologies that reduce emissions. With a dedicated technology & development department, this work continued at full speed in 2022. As a market leader within green OSVs, we are well-positioned to adapt to and manage new business conditions and future regulations.

Despite a challenging macro environment and high cost inflation, we can look back on a year characterized by operational excellence, cost control and a continued focus on innovation and climate action. I want to say thank you to Eidesvik's employees for all their hard work in 2022. Through the year, we have managed to strengthen the company both financially and operationally and we ended the year 2022 with a record-high backlog. Together we have laid the groundwork for long-term, sustainable growth – and for creating value for our clients, shareholders, business partners and employees.

Gitte Gard Talmo
CEO

Key figures

(all figures in TNOK)	**2022**	2021	2020	2019	2018	2017	2016	2015	2014	2013
Operating income	**918 547**	587 798	530 760	681 559	489 229	754 716	784 106	1 238 936	984 749	993 745
EBITDA	**494 213**	178 712	131 113	243 188	96 919	385 291	415 284	770 286	492 173	551 242
EBITDA margin	**54 %**	30 %	25 %	36 %	20 %	51 %	53 %	62 %	50 %	55 %
Profit/loss for the year	**406 736**	30 737	-132 434	-690 273	-316 625	147 368	-564 519	-239 892	-230 575	140 863
Profit per share	**5,57**	-0,25	-1,99	-9,64	-4,83	5,15	-18,34	-6,53	-5,77	4,67
Total assets	**2 339 034**	2 750 583	3 097 113	3 360 275	4 100 576	4 297 512	5 068 060	6 070 157	5 556 166	5 700 197
Equity	**928 047**	521 098	480 519	729 474	1 424 825	1 542 006	1 457 051	2 041 814	2 125 385	2 348 288
Equity ratio	**40 %**	19 %	16 %	22 %	35 %	36 %	29 %	34 %	38 %	41 %
Value-adjusted equity *)	**1 593 047**	1 402 098	1 284 519	2 094 474	2 291 825	2 434 806	2 701 029	3 676 354	4 190 385	4 476 288
Value-adjusted equity ratio	**53 %**	39 %	33 %	44 %	46 %	47 %	43 %	48 %	55 %	57 %
Market value at 31 December	**559 350**	252 951	188 936	325 666	284 647	244 215	186 629	289 139	738 675	1 040 175
Market value per share at 31 December	**9,00**	4,07	3,04	5,24	4,58	8,10	6,19	9,59	24,50	34,50
Dividend paid per share	**0,00**	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00	1,00
Liquid funds incl. unused credit	**655 653**	330 401	429 183	408 319	515 605	557 440	549 738	702 276	549 556	782 773
Working capital incl. unused credit, excl. balloons	**630 725**	237 746	527 918	432 256	477 152	264 646	395 827	420 631	-40 897	259 292
First year's repayment of long-term liabilities **)	**1 095 934**	128 364	157 725	93 756	93 232	304 836	322 187	335 039	391 243	324 073

*) Book equity plus added value of broker estimates per December 31, 2021, on vessels on the assumption that the vessels are contract-free.

**) Excluding IFRS 16. Liabilities related to Assets held for sale will become due and payable at the time of completion of the sale. Eidesvik has in Q1 2023 refinanced its debt, and the new maturity is February 28, 2026. Please see note 20 for further information.

Corporate governance

PRINCIPLES AND VALUES FOR CORPORATE GOVERNANCE IN EIDESVIK OFFSHORE ASA

The Board of Directors of Eidesvik Offshore ASA (the "Company") shall ensure that the Company complies with the "Norwegian Code of Practice for Corporate Governance" of October 14, 2021. The Group's compliance with, and any deviations from the code of practice, must be commented by the Board in relation to every point in the Norwegian Code of Practice for Corporate Governance, and made available to the Company's stakeholders along with the annual report.

The purpose of the guidelines for corporate governance in Eidesvik Offshore ASA is to clarify the roles between shareholders, the General Meeting, the Board and executive management exceeding what is evident by legislation.

The principles and core values for corporate governance in Eidesvik Offshore ASA are set out in the following documents (complete documents are available from the Company's website at www.eidesvik.no):

- The Board's annual report for the Company's corporate governance.
- Articles of Association of Eidesvik Offshore ASA of March 24, 2023.
- Instructions for the Board of Directors.
- Instructions for CEO.
- Guidelines for planning and budgeting.
- The Company's core values and ethical guidelines.
- The Company's guidelines for social responsibility.
- Guidelines for handling price-sensitive information and insider trading.
- Guidelines for determination salaries and other remuneration to management.
- Guidelines for use of the auditor as an advisor to the Company.
- Guidelines for information from the Company.

The Company shall be based on open interaction and coordination between the Company's shareholders, Board and management, as well as other stakeholders such as employees, customers, suppliers, creditors, public authorities and society in general.

The Company's core values and ethical policy are set out in "Ethical guidelines and core values for Eidesvik Offshore ASA", and its social responsibility policy is covered by the "Human rights policy" and "Environmental policy".

Comment: No deviations from the Norwegian Code of Practice for Corporate Governance.

Business

The Company's business is described in Article 3 of its Articles of Association. The Board determines the Group's overall goals, strategy and risk profile. The strategic plan is revised annually. The mission statement in the Articles of Association and the Company's goals and strategies are set out in the Annual Report, which are also published on the Company's website at www.eidesvik.no.

Comment: No deviations from the Norwegian Code of Practice for Corporate Governance.

Equity and dividends

The Board shall ensure that the Company holds equity commensurate with the risk from and scope of the Company's operations, cf. "Instructions for the Board of Directors". The Board determines the Company's dividend policy, and presents this with its proposed dividend to the Company's General Meeting. There is currently no outstanding authorisation for the Board to issue new shares to increase the Company's capital.

Comment: No deviations from the Norwegian Code of Practice for Corporate Governance.

Equal treatment of shareholders

Eidesvik Offshore ASA has only one class of shares.

In the event of an increase in share capital, the principle of equal rights for all shareholders to buy shares applies.

Own shares are bought on the stock exchange at market value.

Comment: No deviations from the Norwegian Code of Practice for Corporate Governance.

Shares and negotiability

The shares in the Company are listed and freely negotiable. The Articles of Association do not impose any form of restrictions on negotiability.

Comment: No deviations from the Norwegian Code of Practice for Corporate Governance.

General Meetings

The notice of and procedure for the Company's General Meeting follow the regulations given by the Public Limited Liability Companies Act with regards to contents and deadlines. The registration deadline is set as close to the meeting as practicable. Shareholders who are unable to attend may vote by proxy.

Notice of the meeting, proposed resolutions, proxy forms, other case documents and information on shareholders' right to raise matters at the General Meeting are made available at the Company's website as soon as they have been approved by the Board.

The Board and the chair of the General Meeting must arrange for the general meeting to vote for each candidate nominated for election to corporate bodies.

The minutes of the General Meetings are made available on the Company's website as soon as possible.

Comment: No deviations from the Norwegian Code of Practice for Corporate Governance.

Nomination committee

The Nomination Committee shall according the Articles of Association consist of three to five members. The Nomination committee shall make proposals for election of Board Members and members of the Nomination Committee to the General Meeting. The General Meeting may adopt guidelines for the Nomination Committee.

Comment: Deviates from the Norwegian Code of Practice for Corporate Governance in that one Board Member currently also is part of the Nomination Committee.

Board of Directors: composition and independence

The composition of the Board of Directors of Eidesvik Offshore ASA is made to safeguard the interests of shareholders and the Company's need for competence, capacity and diversity. The Board considers it important that the Board can function well as a collegial body.

The Board is composed in such a way that it can act independently of special interests.

The majority of the members elected by shareholders are independent of the Company's executive management and major business associates.

At least two of the members elected by shareholders are independent of the Company's main shareholders.

Representatives of the executive management are not members of the Board.

The Chair is elected by the General Meeting, as the Company does not have a corporate assembly.

The Board members are elected for two years at a time. In the Annual Report, the Board provides details of the Board members' competence and capacity, as well as which Board members are considered to be independent.

Board members are encouraged to own shares in the Company.

Comment: Deviates from the Norwegian Code of Practice for Corporate Governance in that there is no mention in the annual report of attendance at Board meetings. This is not considered relevant as it is very rare directors are not attending Board meetings, either physically or by telephone/video.

The work of the Board of Directors

A separate instruction for the Board of Directors of Eidesvik Offshore ASA has been prepared.

The Group has an audit committee, and the Board of Directors of Eidesvik Offshore has established instructions for the audit committee.

For transactions between companies of the Group, there are guidelines in “Instructions for the Board of Directors”.

For significant transactions between the Company and shareholders, board members, senior executives or persons related to them, an independent valuation must be obtained. This does not apply when the General Meeting is to discuss the matter according to the provisions of the Public Limited Liability Companies Act. The same applies to transactions between companies in the Group where there are minority shareholders.

The instructions for the Board, the instructions for the CEO, and the ethical guidelines have rules for impartiality.

Comment: No deviations, all related parties transactions are presented in the notes to the financial statement in the annual report.

Risk management and internal control

According to the instruction for the Board of Directors of Eidesvik Offshore ASA, the Board ensures that the Company has good internal control and appropriate systems for risk management. The Board receives monthly status reports on Company operations, including financials with deviation analysis and liquidity forecasts.

Comment: No deviations from the Norwegian Code of Practice for Corporate Governance.

Remuneration of the Board of Directors

The remuneration of the Board is determined by the General Meeting and does not depend on results. Information on remuneration is given in the annual report.

Comment: No deviations from the Norwegian Code of Practice for Corporate Governance.

Salary and other remuneration for executive personnel

The Board has adopted guidelines approved by the annual general meeting for remuneration for executives stating the main principles of the Company’s executive remuneration policy.

Comment: No deviations from the Norwegian Code of Practice for Corporate Governance.

Information and communications

The Board has adopted guidelines for the Company’s contact with shareholders outside the General Meeting. These are set out in the Board’s annual report. The Company publishes a financial calendar each year, and all interim reports and results presentations are published on the Company’s website and the Oslo Stock Exchange.

Comment: No deviations from the Norwegian Code of Practice for Corporate Governance.

Take-overs

The Board has not prepared guiding principles for how to act in the event of a takeover bid.

Comment: Deviates from the Norwegian Code of Practice for Corporate Governance. With the current composition of shareholders, a takeover is not considered likely without the main owner working in close cooperation with the Board.

Auditor

The external auditor is elected at the General Meeting, which also approves the auditor’s fees for the parent company. On an annual basis, the auditor presents an audit plan to the audit committee, and participates in audit committee meetings to review the Group's internal control and financial risk management systems and procedures. The auditor also participates in board meetings when considered appropriate, with and without management present. Information about the auditor's fees, including a breakdown of audit related fees and fees for other services is included in the notes to the financial statements in accordance with the Norwegian Accounting Act. The Company's external auditor is Ernst & Young AS.

Comment: No deviations from the Norwegian Code of Practice for Corporate Governance.

HSEQ report for 2022

INTRODUCTION

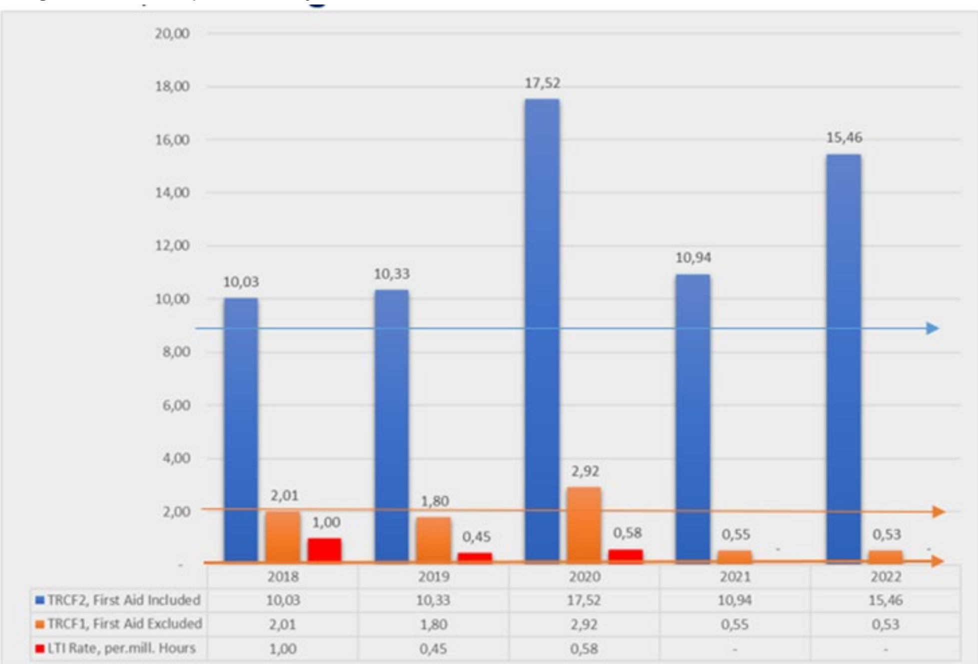
The quality and safety system “Eidesvik Management System” is certified by DNV to meet the requirements of the ISM Code, ISO 9001:2015, ISO 14001:2015, MLC 2006 and the ISPS Code.

Throughout 2022, our EMS are built on “Simplified and improved safety management”, and all our operational vessels are using updated manuals for bridge, deck, engine, galley, and crane operations as applicable. We receive very positive feedback from both users and clients. Required revisions considered on an ongoing basis, including new procedures as needed. Good working environments are established at all vessels, with focus on awareness and monitoring of health, safety and environmental aspects identified by Eidesvik.

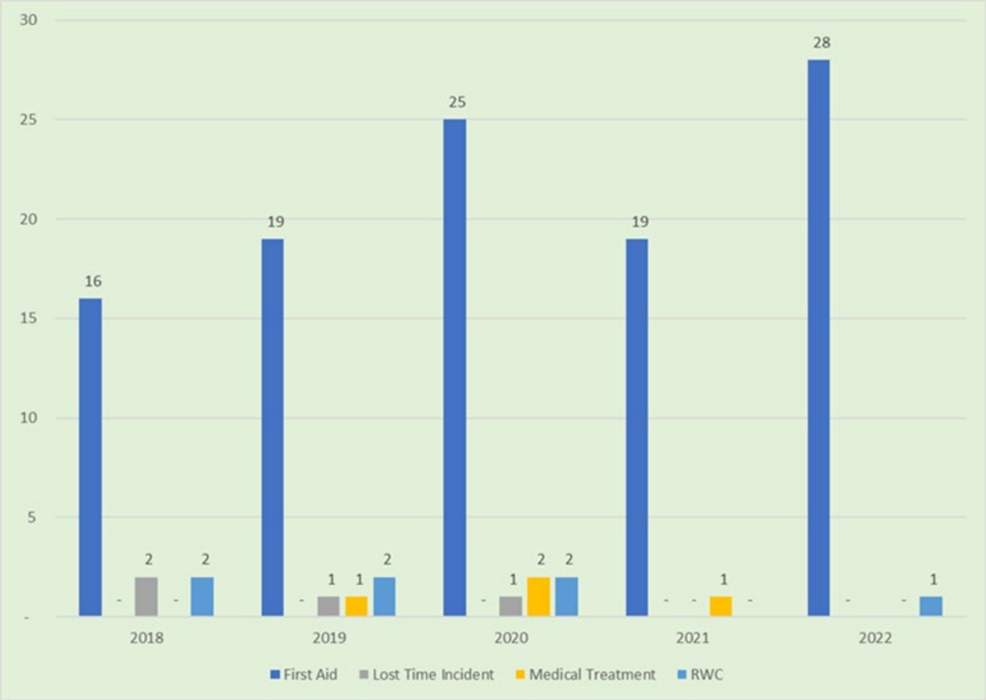
Eidesvik has prepared an annual HSEQ program that specifically addresses future focus areas, including “Key Performance Indicators” (“KPIs”). The KPIs are communicated to all vessels and departments and posted in public areas both on vessels and at office. Eidesvik focuses on a strong commitment to the HSEQ program to achieve the goals within the various areas. The guiding documents are continuously evaluated to ensure optimal and functioning operating procedures for the employees both offshore and onshore.

The Company had, as in 2021, zero lost time incident (LTI) in 2022 - a very well performance. This underlines the importance of a continuing strong focus on HSE in all parts of the Company’s operations, to ensure all our employees are at same good health when travelling home for leave as they were when joining.

The statistic below illustrates the number of personal injuries per million working hours over the last 5 years.



KPI-2022	
LTI	0
TRCF1	< 2
TRCF2	< 9



Emphasising the analysis of causal relations and underlying causes are important as a basis for lessons learned to other vessels within Eidesvik. Focusing on operations and compliance with the EMS are important accompanying measures. In addition to preventing injuries, we also focus on the following actions:

- Focus on "safety observations" reporting method, especially proactive reports. This has contributed to an increase in reporting. Reports are reviewed at safety meetings on board. In 2022, 4,071 "safety observations" were reported; whereof 53% was proactive. This constitutes a large percentage of the total number of reports in the HSEQ field.
- Extensive use of risk analysis. All vessels and office are analysing tasks/jobs to avoid accidents/ injuries, and any hazards are highlighted, and actions are implemented to reduce and/or remove the hazards. In 2022, 612 new and/or revised risk analysis were done.
- By holding "Toolbox Talk" meetings ("TBT"), this helps us to avoid accidents and injuries. The people executing the jobs are also doing the planning and receive information on potential hazards in connection with the job. Total number of TBT in 2022 was 22,714.
- Work on board is performed according to a "Permit to Work" system ("PTW"). This helps us to avoid accidents and injuries. Everyone needs to obtain permission from the vessel's management before performing jobs that could cause a risk to personnel, environment, and vessel.

INCIDENT REPORTING

In 2022, 548 incident reports (including near miss) in all categories were logged. In addition, 221 document of change requests and 124 improvements suggestion was submitted from vessels and office. The office issued 44 lessons learned reports to vessels and office. The incident, near miss, improvement suggestion, document of change request, improvement suggestions and lesson learned reports are a positive foundation for learning and implementing specific actions to avoid reoccurrences. A strong and healthy culture for reporting enables the organisation to identify developments and trends within specific operations or tasks. This is used to improve areas to prevent incidents from recurring. Reporting of incidents has a preventive effect, and the Company has a strong focus on this.

QUALITY

Our goal is to provide services of a quality that exceeds the customer’s expectations, and we follow up on surveys of customer satisfaction from every vessel and crew. Quality is to do the job right first time.

WORK ENVIRONMENT ACTIONS

Please read about Eidesvik’s work environment actions in the extract to the ESG report. The full report is available on the Eidesvik website.

SICK LEAVE

Absence due to illness in 2022 was 4.9%. This is a decrease of 3.2% from 2021 (8.1%). High numbers for 2021 mainly due to Covid-19 pandemic.

Eidesvik has high focus on preventive actions and closer follow-up from company and management to increase attendance at work. Employees have also been enabled to subscribe to private health services, as well as cover for physiotherapy. Company occupational health service is an important support in these efforts.

Extract of the Environmental, Social and Governance report

This section provides a summary of Eidesvik's approach to environmental, social and governance (ESG) issues, and the associated key performance indicators. A detailed 2022 Sustainability report is published as a separate document on our website[1]. The report has been prepared in accordance with the Norwegian Shipowners' Association Guidelines for ESG reporting in the shipping and offshore industries. Determination of material topics was done in accordance with the Global Reporting Initiative Materiality Standard, GRI 3 (2021).

KEY HIGHLIGHTS 2022

In 2022, good progress was made on Eidesvik's sustainability agenda. Key highlights include:

E	• 27.5% reduction in CO_2 emissions from PSV and 17.1% from Subsea/Wind fleet since the baseline year (2008) • 26.5% reduction in CO_2 emissions per operational day compared to 2021 • Two additional vessels have been fitted with battery hybrid solutions, by the end of 2022 92% of the operational fleet was equipped with hybrid technology.
S	• Zero lost time incidents • 50% women in top management • Joined the Future Proof network for human rights
G	• Established an ESG committee • Appointed a VP Sustainability • Increased our footprint in the offshore wind market

SUSTAINABILITY AT EIDESVIK

Eidesvik works proactively to ensure that ESG is included in all its operations. The company has established policies and procedures to ensure a consistent ESG management and risk mitigation.

Sustainability is anchored with the Board of Directors (BoD) and the Top Management Team. The CEO, together with the Top Management Team, has the overall responsibility for the integration of sustainability into Eidesvik's operations, to set priorities, targets and drive implementation, and for including sustainability in core processes related to strategy, planning and risk management. Eidesvik established in 2022 an ESG committee with representatives from all parts of the organization. The committee performs quarterly monitoring of development within sustainability metrics and evaluate necessary corrective actions. The committee is led by our VP Sustainability.

Eidesvik prioritizes the areas within ESG that are most material to its industry, and where the company can have the most

[1] https://eidesvik.no/sustainability/

significant impact. Eidesvik's priorities are also guided by those topics that can have a financial impact on our operations. Overall, Eidesvik's sustainability work is focused on the following priorities:

- Be a safe and fair employer
- Reduce our emissions
- Contribute to the energy transition
- Be a responsible partner

The priority areas are based on a materiality assessment that was conducted in 2021, which included stakeholder dialogue with employees, suppliers, customers, selected associations, and investors. Following the materiality assessment, Eidesvik involved all areas of operations to define KPIs related to the material sustainability topics.

In a broader perspective, Eidesvik aims to contribute to the UN Sustainable Development Goals, and the company has prioritized five SDGs to which it can contribute the most:

- SDG 8 – Decent work and economic growth
- SDG 9 – Industry, Innovation, and Infrastructure
- SDG 13 – Climate Action
- SDG 14 – Life below water
- SDG 17 – Partnership for the goals

IMPACT FROM THE WAR IN UKRAINE

Eidesvik is deeply concerned by the immense human suffering caused by the war in Ukraine. The war has also caused severe challenges to the global economy and triggered major disruptions to global markets for critical raw materials.

The EU has imposed massive and unprecedented sanctions against Russia in response to the war, and Eidesvik supports and complies with the sanctions imposed. Ensuring our suppliers, clients and partners also comply with all relevant sanctions regulations was a significant governance topic in 2022.

Eidesvik has not been directly affected by the war as we do not operate in the Baltic Sea nor does the company have any dealings with Russia or companies with Russian ownership. Eidesvik will continue to monitor the rapidly evolving sanctions and ensure compliance.

KEY TARGETS AND PERFORMANCE

	Target	Status			
		2022	2021	2020	SDG
Environmental	50% reduction in CO2 emissions by 2030, climate neutral fleet by 2050 (baseline 2008) [2]	**27.5% (PSV) 17.1% (Subsea/Wind)**	21.7% (PSV) 13.7% (Subsea/Wind)	18.2% (PSV) 13.7% (Subsea/Wind)	13 CLIMATE ACTION; 14 LIFE BELOW WATER; 9 INDUSTRY INNOVATION AND INFRASTRUCTURE
	Yearly reduction in tonnes CO2 emissions per nautical mile (year-on-year)	**0%**	22.4%	20.1%	
	Yearly reduction in tonnes CO2 emissions per operational day (year-on-year)	**26.5%**	14.2%	15.6%	
	Zero spills to sea	**0.4 m3 (21 spills)**	4.3 m3 (19 spills)	1 m3 (16 spills)	
	100% of fleet running on battery hybrid solutions	**92%**	75%	60%	
Social	Employee satisfaction (eNPS scope >30)	**26**	37	34	8 DECENT WORK AND ECONOMIC GROWTH
	Trainee rate 7% of workforce	**8.9**	9.3	7	
	Performance appraisal reviews (100%)	**73**	70	70	
	Zero Lost Time Incidents	**0**	0	0.50	
	<2 TRCF1[3]	**0,53**	0.46	2.52	
Governance	All suppliers representing 25 MNOK+ or defined as critical for our operations will be audited within a three-year period	**2**	1	-	17 PARTNERSHIPS FOR THE GOALS

ENVIRONMENTAL IMPACT

The shipping industry may have negative implication for both human and ecosystem health in the form of emissions, pollution, spills and discharges. The company's ability to manage these risks and to mitigate the negative environmental impact is critical not only for the environment, but for Eidesvik's business.

Eidesvik strives to be a powerhouse for future oriented shipping and marine operations, and to position the company at the forefront of the development of zero-emission shipping solutions. To reach this goal, the company is actively engaged in both reducing greenhouse gas emissions from our fleet, and to contribute with the development of new technology that will reduce emissions across the industry.

Eidesvik's ambition is to have a climate neutral fleet by 2050. The mid-term goal is to reduce emissions by 50% in 2030, compared to a 2008 baseline. These are ambitious targets that will require a comprehensive transition to new and green fuels for a large part of our fleet.

Eidesvik believes that our 2030 target is feasible however recognizes that the needed transition is also relying on factors out of the company's control. To succeed

[2] Data for CO2 calculated per Statistics Norway's "Emission factors used in the estimations of emissions from combustion

[3] The number of Total Reportable Cases per million Exposure Hours worked during the period (excluding first aid)

the industry is dependent on the creation, and scale-up, of a complete value chain, including fuel production, bunkering infrastructure and new environmental requirements that creates a market for low- and zero emission vessels. As shipowner Eidesvik is committed to do our part in terms of investigating a range of fuel and technologies that can take the company to a 50% reduction in 2030 and carbon neutrality in 2050.

By the end of 2022, Eidesvik had achieved a 17.1% reduction in emissions from its subsea/wind fleet and 27.5% for the PSV fleet compared to 2008. In 2022, Eidesvik's Scope 1 emissions totalled 89,397 metric tonnes CO2. This is a decrease of 7,887 tonnes compared to 2021. Overall, CO2 emissions per nautical mile was 0.337 tons in 2022, which is the same level as 2021 (0.331 tons). CO2 emissions per operational day has decreased from 29.84 tons in 2021 to 21.92 tons in 2022. Eidesvik aims to have yearly reductions in these two performance indicators. Due to the scope of operations for offshore vessels, the GHG (Green House Gas) emissions intensity indicators used by the IMO, such as the AER (Annual Efficiency Ratio), are not suitable, and Eidesvik has chosen to monitor CO2 emissions per nautical mile and operational day as this is a better reflection of its development.

Emissions from Eidesvik's vessels are directly linked to energy efficiency, and the focus is on:

- The Eidesvik Energy Efficiency Programme blue:E (EEEP) - a set of measures to reduce energy consumption and GHG emissions has been defined and implemented on each vessel.
- Retrofitting – installing battery hybrid systems and shore-based power systems on our existing fleet
    - 92% of our vessels in operations have battery hybrid systems installed
    - 75% of our vessels in operation can utilise shore-based power
- Research and development of new technologies and use of new green fuels

Eidesvik's continuous work to develop feasible approaches for large-scale CO2 emission reductions in our fleet has commenced with full speed in 2022. In collaboration with clients and suppliers the company achieved important developments in its green innovation projects ShipFC, Apollo and Retrofit.

Ship FC: In 2020 Eidesvik entered into the five year European joint development project ShipFC where Viking Energy will be retrofitted with a 2 MW fuel cell running on green ammonia. The ammonia fuel system will allow the vessel to sail solely on the zero-carbon fuel for up to 3,000 hours annually. Testing will take place while the vessel is on contract for Equinor and the project encompasses 14 European partners.

The ShipFC project has received funding from the Fuel Cells and Hydrogen 2 Joint Undertaking under grant agreement No 875156. This Joint Undertaking receives support from the European Union's Horizon 2020 research and innovation programme, Hydrogen Europe and Hydrogen Europe research. www.shipfc.eu

Project Retrofit: Aker BP & Eidesvik - Eidesvik and E&P company Aker BP launched the ambitious joint technology project "Retrofit" in 2021. Retrofit's mission is to capture emission reductions of 70 percent or more on selected vessels. In 2022 the partners have worked to map available new technologies from a cost-benefit perspective. As part of the project, Eidesvik entered into a MoU with Aker BP and Alma in November 2021 to explore opportunities for utilizing Alma's fuel cell technology developed through the ShipFC project on two offshore support vessels: Eidesvik-owned Viking Lady and Aker BP-owned NS Frayja currently under Eidesvik's management, with the option to include further vessels in the scope of the project as well. In 2022 Eidesvik has led the completion of an extensive FEED study for both vessels.

Eidesvik recognizes that climate changes can have risks on the company business strategy. This is why Eidesvik in 2021 conducted a climate risk review in accordance with the Task Force on Climate-related Financial Disclosures (TCFD). Please see the 2021 and 2022 Sustainability reports for the full review.

Efforts go beyond focusing on carbon emissions. The company aims to minimize any forms of pollution to air and sea. Eidesvik complies with all laws and regulations related to waste management and air pollution, and the company has established a plan to be compliant with the Ballast Water Management Convention. Eidesvik uses LNG and low-sulfur emissions to fuel its vessels, which result in less emissions of SOx, NOx and PM. The aim is to have zero spills, and the company has systems in place to mitigate the risks of such events happening. If spills do happen, the incidents are reviewed so that the organization can learn from them.

HEALTH AND SAFETY

Safety is Eidesvik's number one priority. The company's personnel often operate under challenging conditions, particularly when working on board vessels. This requires the highest levels of diligence to ensure that the crews return home safe. Eidesvik works systematically with health and safety to mitigate risks that can expose its employees and third parties to injuries or health related challenges. The Top Management Team is focused on incident reporting, training, awareness work and sharing best practice across the fleet to prevent incidents from happening. The company's quality and safety system "Eidesvik Management System" (EMS) is certified by DNV GL and meets the requirements of the ISM code, ISO standards: 9001-2015, 14001-2015, MLC 2006 and ISPS Code.

Eidesvik's Lost time incident rate (LTIR) was 0 in 2022. Absence due to illness was 5.1% compared to 8.1% in 2021. Eidesvik is focused on preventive actions, both related to the physical and psycho-social working environment, and closer follow-up from the company and management to increase attendance at work.

WORKING ENVIRONMENT

Eidesvik believes that creating a diverse and inclusive working environment where all employees feel valued and have equal career opportunities is not only the right thing to do, but also financially beneficial for the company.

Eidesvik's priorities in this area include:

- Securing an inclusive and safe working environment for all.
- High focus on retaining and developing employees.
- Ensure high quality leadership in all levels of the organization.
- Maintaining a dynamic apprentice program through the availability of a wide range of trainee and cadet positions.
- Supporting competence development through a combination of formal training, on the job training and own initiative.

Eidesvik uses the Employee Net Promoter Score as a measure for employee wellbeing. Scoring ranges from minus 100 to 100. The aim is a score above 30. In 2022, the score was 26, which is a decrease from 37 in 2021. The main reason identified for the decline is structural differences in pay rates where pay rates in offshore are lower than in other industries in need for the same seafarer competence as us, for example the aqua culture industry. Another reason identified is fewer carrier opportunities caused by the last years' challenging situation in the offshore oil and gas industry in which we have not been able to grow our fleet. During the last half of 2022, the company arranged workshops with employees from both sea and land to develop improvement measures for implementation in 2023. These include amongst other new salary compensation arrangements and leadership training programs. The development of a structured company career plan has also been started.

Eidesvik aims to give all employees the opportunity to participate in annual performance and career development reviews. In 2022, 73% of employees completed such reviews.

EQUALITY AND INCLUSION

Eidesvik considers it a competitive advantage to have a diverse team, and does not discriminate based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation. In accordance with the Norwegian Equality and Anti-Discrimination Act, the company has developed an Equality Efforts Compliance Procedure that covers our obligations related to activity duty and reporting. VP Human Relations is responsible for defining targets and responsibilities. Through the procedure, we use our annual employee survey to investigate whether there is a risk of discrimination. The survey results are presented internally and discussed in detail with union representatives and management both onshore and offshore.

Together with union representatives and management we define necessary measures and actions for areas in which risks are defined. Furthermore, Eidesvik performs internal audits to investigate compliance with policies related to working environment and the company's non-tolerance for harassment. The requirements of the Equality and Anti-Discrimination Act are also integrated in Eidesvik's recruitment procedure. In 2022, Eidesvik experienced zero breaches of its Human Resources Policy.

At the end of 2022, Eidesvik employed 405 people, females accounted for 10% (42). 6% of our seafarers were female. The male domination of the shipping industry is reflected in these figures. At the Top Management level 50% were female and 46% of onshore personnel were female. No employees at Eidesvik are employed on a part-time or temporary basis.

Eidesvik analyses the gender pay gaps of its employees. A salary comparison of employees at all levels was published in the company's annual report for 2021[4].

Eidesvik has guidelines in place for salary placement and salary adjustment. The guidelines are outlined in the company's Employee Handbook, which is based on our HR policy and Code of Conduct. Eidesvik determines each employee's salary individually after a fair judgement of the persons' qualifications, including competence, performance, results and responsibility.

The majority of Eidesvik's employees are seafarers. All seafarers are covered by collective bargaining agreements between the Norwegian Shipowners' Association and the seafarer's unions, who set wage agreements that a company cannot deviate from. These agreements ensure equal treatment in relation to wages and working conditions.

0 female and 1 male have taken parental leave in 2022.

A full description of the Company's work with equality and inclusion can be found in the 2022 Sustainability report[5].

LABOUR CONDITIONS AND HUMAN RIGHTS

Eidesvik aims to carry out its business in a way that supports and respects the protection of international proclaimed human rights. The company does not engage in, or support the use of, child labour, and support the elimination of all forms of forced labour, as outlined in the Code of Conduct. Eidesvik has measures in place to ensure that all employees, onshore and offshore, are working under conditions that meet the requirements set out in the International Labour Conventions and the Maritime Labour Conventions. Freedom of association and the right to collective bargaining is respected and outlined in the Code of Conduct. In 2022, Eidesvik did not

[4] https://eidesvik.no/wp-content/uploads/2022/04/EIOF-Annual-Report-2021-1.pdf

[5] https://eidesvik.no/sustainability/

conduct operations in countries with heightened risk of human rights violations.

To further expand its competence related to human rights Eidesvik signed in 2022 the Future-Proof Initiative[6]. Future-Proof is a business and human rights collaboration platform created by The Bergen Chamber of Commerce and Industry and the Rafto Foundation. The aim is to assist businesses in complying with their human rights responsibilities and enable knowledge sharing within and across industries. Eidesvik is committed to be an active participant in this platform.

REPORTING UNDER THE NORWEGIAN TRANSPARENCY ACT

On July 1, 2022, the Norwegian Transparency Act entered into force. The Act shall promote enterprises' respect for fundamental human rights and decent working conditions in connection with the production of goods and the provision of services and ensure the general public access to information regarding how enterprises address adverse impacts on fundamental human rights and decent working conditions.

Eidesvik recognizes that the nature of our business and the shipping industry does propose a risk that our operations may cause adverse impacts on labour conditions and human rights in our value chain. In accordance with the Norwegian Transparency Act, Eidesvik commenced in June 2022 a due diligence process to identify, prevent or mitigate the company's risk for, and actual negative impact on, basic human rights and decent working conditions including in the supply chain and through our business relations. As part of our due diligence procedure the company will perform annual risk assessments where inherent risk areas are identified, scored and evaluated in the company's risk assessment tool.

No adverse impacts were identified in 2022. A full account of the due diligence process, defined risk areas and mitigating measures is published on Eidesvik's website[7].

BUSINESS ETHICS AND ANTI-CORRUPTION

Eidesvik is committed to operating with the highest ethical standards in all its operations. The Code of Conduct is the main governing document outlining our principles, rules and expectations regarding ethical business practices. Eidesvik conducts its business in compliance with all anti-bribery, anti-corruption and anti-money laundering laws, rules and regulations including, but not limited to, the UK Bribery Act 2010, the US Foreign Corrupt Practices Act 1977, the Norwegian Penalty code section 276 a – 276 c and other legislation applicable to our industry. Eidesvik has not been involved in any legal proceedings associated with bribery, corruption or anti-competition in 2022. When conducting operations in countries with a higher risk of corruption, the company conducts a risk assessment for that specific country in line with established policies and procedures.

Eidesvik has a whistleblowing function in place, which all employees can utilise to report breaches of the Code of Conduct or any form of unethical business conduct.

[6] See https://fproof.no/

[7] https://eidesvik.no/sustainability/

The Board of Directors

ARNE AUSTREID (CHAIR OF THE BOARD)

is a trained petroleum engineer and holds an MBA from the University of Aberdeen, UK. From January 2011 to December 2020 he was the CEO of Sparebank 1 SR-Bank ASA. He has previously worked for Transocean ASA and Prosafe SE, offshore, onshore and abroad, where his final position was President and CEO of Prosafe SE. He has sat on a number of boards, and is today chair for North Sea Energy Park AS, Westcon Group AS, Westcon Yards AS, GL Gruppen AS, attending deputy board member for OBOS, and is chair of the nomination committee of Veidekke ASA. Austreid is independent of the main shareholder in the Company.

BJØRG MARIT EKNES (BOARD MEMBER)

graduated with a Master in Business and Economics from NHH in 1993, and has an MBA from Bond University, Australia (2006), and an Executive MBA from NHH (2021). She has held various managing positions in the Sparebanken Vest group from 1997 to 2021, and was part of the executive management from 2013 to 2021. Since 2021 she has been director and part of the top management at the Norwegian School of Economics. She is, and has sat on, a number of boards within finance and real estate. Eknes is independent of the main shareholder in the Company.

BORGNY EIDESVIK (BOARD MEMBER)

is the co-owner and general manager of Bømmelfjord AS, which owns 55% of Eidesvik Invest AS. Eidesvik Invest AS owns 60% of Eidesvik Offshore ASA. Borgny Eidesvik is associated with the main shareholder in the Company.

JOHN STANGELAND (BOARD MEMBER)

is a mechanical engineer by education, and has a BBA in economics and management from University of Texas, Austin. He also has an Executive MBA from BI and Nanyang Technological University, Singapore from 2011. He was a shipbroker in Seabrokers AS, Stavanger from 1990 to 1997, and then a business developer in Eidesvik AS until 2003. Since 2004 he has been employed by the base company NorSea Group AS, and he has been CEO since 2012. Stangeland is independent of the main shareholder in the Company.

JOHNNY OLSEN (EMPLOYEE ELECTED BOARD MEMBER)

graduated with a bachelor in nautic from Stord/Haugesund University College. Employeed in Eidesvik from 2004 and spent 6 years offshore before moving to a role onshore. Has worked in HSEQ before taking a role as technical inspector. Olsen is now fleet manager for the Subsea and Wind fleet.

KRISTINE SKEIE (BOARD MEMBER)

is general manager and co-owner of HK Shipping Group AS, which wholly or partly owns 24 bulk vessels. She has sat on several boards, including Gruppen for Nærskipsfart i Norges Rederiforbund and Reach Subsea ASA (from 2018), and has chaired the board of Karmsund Havn IKS from 2012 to 2019. She was educated at Norges Varehandelshøgskole (now part of BI) and has further educations in board work, organisation and management, and tax law. Skeie is independent of the main shareholder in the Company.

LARS EIDESVIK (BOARD MEMBER)

is the co-owner and general manager of Evik AS, which owns 45% of Eidesvik Invest AS. Eidesvik Invest AS owns 60% of Eidesvik Offshore ASA. Lars Eidesvik is associated with the main shareholder in the Company.

LAURITZ EIDESVIK (BOARD MEMBER)

is co-owner and chair of Bømmelfjord AS, which owns 55% of the shares in Eidesvik Invest AS. Eidesvik Invest AS owns 60% of Eidesvik Offshore ASA. He has nautical training and experience as a ship's officer, a BA in economics and administration from Stord/Haugesund University College from 2008, and an Executive MBA in Developing and Managing Digital Organisations from BI from 2020. Since 2008, he has held various positions in Eidesvik AS within operations, technical, HSE, strategy, and most recently as chartering manager, leaving in the summer of 2018 to join the family company Bømmelfjord AS. Lauritz Eidesvik is associated with the main shareholder of the Company.

From left: Bjørg Marit Eknes, Borgny Eidesvik, Lauritz Eidesvik, Arne Austreid, Johnny Olson, Kristine Skeie, John Stangeland, Lars Eidesvik

Report of the Board of Directors 2022

Eidesvik Offshore ASA's ("Eidesvik", the "Company" or the "Group") vision is to be a powerhouse for future-oriented shipping and marine operational solutions within green platform supply vessels, offshore wind and subsea, and to position the Company at the front end of the development of zero emission shipping solutions. Our main goal is to increase and secure the Company's long-term financial and sustainable value creation, and thereby create the basis for further growth, secure jobs and increased shareholder value. We seek to achieve this by ensuring that our vessels have the highest possible degree of long-term employment on sustainable day rate levels.

2022 saw improvements in the OSV market compared to 2021 and previous years. This was driven by improvement in oil & gas prices, increased investment decisions and a emerging realisation and focus that oil & gas needs to be a conduit and participant in the transition to sustainable energy supply and consumption and will continue to deliver energy in the forceable future. Offshore wind continued to see increased activity with a large volume of capital looking to be deployed in the space, but sufficient returns is still being somewhat of a challenge. The year also saw continued increase in interest rates, increasing inflation, and limitations and long lead times in the supply chain.

Absorption of the overcapacity of vessels in Eidsvik's key segments continued. This has lead to increased utilisation and improvement in rates in the term market, although the rates continued to fluctuate with the level of available vessels in the spot market. Entering into 2023 the Group is seeing a more steady incline in rates in term contracts. All vessels in our key segments were under contracts in 2022. The company had four vessels in the seismic space. They were all held for sale and in layup at the end of 2022. One of these vessels was sold in Q1 2023.

The company entered into a contract with Dredging, Environmental and Marine Engineering NV (DEME) for the sale of CSV Viking Neptun in January 2022. The transaction was completed in November 2022.

The majority of the company's long- term debt at year end was due December 31, 2023. This meant that at the end of the year this debt was treated as short term debt. The group has entered into a new loan agreement with expiry February 28, 2026, on March 28, 2023.

THE BUSINESS

At the end of 2022 the group operated 16 vessels, with 13 vessels wholly or partly owned by the Eidesvik Group.

Eidesvik aim to charter the vessels mainly on long-term contracts on sustainable day rate levels in the Supply and Subsea/Wind segments. At year end 2022, the Company had four seismic vessels in layup.

Eidesviks' activities are managed from the headquarters in Langevåg at Bømlo. The shipping business is organised in accordance with the special tax rules for shipping companies in Norway. The vessels are owned by various ship-owning companies, and Eidesvik AS performs the general and business management functions for these companies.

The Group's wholly-owned subsidiaries had 405 permanent employees at the end of the year, and in addition there were 65 contracted workers. The Company and the industry encourage women to seek a maritime education. We currently have several women in leading positions. As part of an international industry, the employees in the Group represent many nationalities. Our focus is to make all employees, regardless of nationality, gender and cultural background, have equal career opportunities in the Group, and we see nothing to suggest that this is not the case.

HEALTH, SAFETY AND THE ENVIRONMENT

In 2022, the Company has focused on enhancing development of its work on health, safety, and the environment. The quality and safety system "Eidesvik Management System" (EMS) certified by DNV. EMS meet requirements of ISM code, ISO standards: 9001-2015, 14001-2015, MLC 2006 and ISPS Code.

Throughout 2022, our EMS are built on "Simplified and improved safety management", and all of our operational vessels are using updated manuals for bridge, deck, engine, galley and crane operations as applicable. We receive very positive feedback from both users and clients. Required revisions ongoing, including new procedures as needed. Good working environments are established at all vessels, with focus on awareness and monitoring of health, safety and environmental aspects identified by Eidesvik.

The management is continuously carrying out awareness work within HSEQ, with a particular focus on the exchange of lessons learned, which facilitates continuous improvement.

Absence due to illness in 2022 was 4.9 %. This is a 3.2% point decrease from 2021 (8.1 %). The main part of the decrease from 2021 was related to stricter Covid-19 restrictions in 2021. The Company is maintaining the agreement with NAV on inclusive working life, which aims to follow up on absence due to illness.

The Company had, as in 2021, zero lost time incident (LTI) in 2022. This underlines the importance of a continuing strong focus on HSE in all parts of the Company's operations, to ensure all our employees are at same good health when travelling home as they were when they were travelling for work.

EXTERNAL ENVIRONMENT

Eidesvik has a targeted environmental focus in its operations. The Company has continued its efforts to develop environmentally friendly and energy efficient vessels.

Our operations at sea are operated in accordance with international and national laws and regulations. To reduce the risk of accidents, we focus on preventive maintenance, as well as manning the vessels with highly qualified personnel. Eidesvik is constantly working to reduce the total emission balance associated with operating our vessels.

The blue:E scheme, the Company's programme for environmentally friendly operations, has continued with the same focus and resource usage in 2022. The blue:E is important to the Company's goal of running our business in the most environmentally friendly whilst cost-effective way. Awareness of energy efficiency and its impact on both the environment and costs is increasing, and this focus has become an important part of day-to-day operations.

All vessels in Eidesvik's fleet are approved according to the new IMO requirements for energy efficiency. This is in line with the Company's blue:E initiative.

The ESI (Environmental Ship Index) is recognised by the Norwegian Coastal Administration and many ports as the basis for environmental differentiation of fees/rates. 11 of our vessels are registered in ESI, all with a strong environmental profile.

A separate ESG report has been prepared, and an extract of the report is included in the annual report. Please read more about Eidesvik's impact, and our actions for reducing the impact, on the external environment in the extract. The full report is available on the Eidesvik website.

In addition, a separate HSEQ report has been prepared, and is included in the annual report.

SHAREHOLDERS, CORPORATE GOVERNANCE AND MANAGEMENT

At year end, there were a total of 62,150,000 shares in the Company. At the end of the year there were 2,291 shareholders in the Company where foreign investors had a 2.45% stake. In 2022, the share was last traded at NOK 9.00.

As of December 31, 2022, the Company owned no own shares.

All information is provided in such a way that all shareholders are treated equally. The information is shared through stock exchange announcements, press releases and open presentations, and is also available on the Eidesvik website.

The Group has an insurance agreement (the "Agreement") for physical persons that previous had, currently has, or in the future will hold positions as member or deputy member of a board or a corresponding governing body, CEO, other leader and/or employee that may incur personal leader responsibility. The Agreement cover their partner as well in cases where the claim is based on the insured personal leader responsibility.

The Agreement is a group coverage for Eidesvik Offshore ASA, including all subsidiaries with ownership of 50% or more. The Agreement applies to property damage that may incur worldwide for business related to shipping and that the insured person is liable in damages for according to applicable law in Norway. The sum insured is MNOK 50 per insurance event and total per year. Internal claims between the companies are not covered.

The Agreement does not cover criminal acts as breach of information protection, forge of documents, embezzlement, theft, fraud, betrayal, corruption, and/or unjustified gain. The Agreement does not cover fines/day fines, libels and/or remedy for noneconomic loss, nor liabilities after the Nature Diversity Act or property damage related to pollution or tipping of waste.

The "Norwegian code of practice for corporate governance" forms the basis for the discharge of these duties by the Board and management. Minor, company-specific changes and adaptations have been made to the code of practice. A separate explanation has been provided in the annual report and on the Eidesvik website.

PROFIT & LOSS, BALANCE SHEET AND FINANCIAL RISK

The consolidated accounts have been prepared in accordance with IFRS, as approved by the EU.

The Company accounts for the parent company Eidesvik Offshore ASA are prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Profit & loss

Consolidated operating income for Eidesvik in 2022 was MNOK 918.5.8 (MNOK 587.8 in 2021), of which MNOK 269.7 is gain related to the sale of CSV Viking Neptun). The increase in revenue adjusted for the gain was mainly due to improvement in rates.

Operating profit before depreciation and amortisation (EBITDA) for 2022 were MNOK 494.2 (MNOK 178.7 in 2021). Adjusted for the gain on the sale of Viking Neptun the EBITDA was MNOK 223. Depreciation and amortisation totalled MNOK 142.9 in 2022 (MNOK 64.2), whereof net MNOK 209.2 was related to the reversed impairments on the fleet. Profits from joint ventures were MNOK -9.1 (MNOK -5.9). This gives a total operating result of MNOK 406.7 in 2022 (MNOK 108.6). Adjusted for reversed impairment and the gain on sale EIOF saw an improvement in operating profit driven by improvement in rates. We saw increase in cost compared to previous year in personnel expenses due to reintroduction of the ceiling for net salary scheme for seamen and increased crew on certain vessels. Increased inflation is also affecting the numbers negatively.

Due to observed indicators, such as improved market conditions and change in market interest rates, the vessels' book values have been tested for impairment and reversal of previous impairments during the year. A net reversal of previous impairment of MNOK 209.2 has been recorded in 2022, where MNOK 225.2 is reversal and MNOK 16.0 is impairment. Refer to note 12 for further information.

The net financial result of MNOK -144.6 in 2022 (MNOK 77.9 in 2021) includes financial income of MNOK 65.6 (MNOK 10.5). Financial and interest expenses were MNOK -93.8 (MNOK -50.8.), and the net gain/loss on currency and derivatives were MNOK -116.4 (MNOK -37.6). The currency loss was due to the movement in USD against NOK due to a portion of the Company's debt being in USD. With the sale of Viking Neptun the USD exposure is substantially reduced.

Profit/loss after tax was MNOK 406.7 in 2022 (MNOK 30.7 in 2021.) and total comprehensive income was MNOK 406.9 (MNOK 40.5).

For the parent company Eidesvik Offshore ASA, the profit/loss after tax was MNOK 9.7 (MNOK -6.5).

Balance sheet

The consolidated book equity is MNOK 928 per December 31, 2022 (MNOK 521.1 per December 31, 2021). This is 40% (19%) of the Group's total capital. For the parent company, Eidesvik Offshore ASA, the equity is MNOK 480.8 (MNOK 470.8).

Vessels account for MNOK 1,062.8 per December 31, 2022 (MNOK 908.5 per December 31, 2021), of the non-current assets of MNOK 1,348.1 (MNOK 1,196.9). The increase in vessel value is mainly due to the reversal of previous impairment. MNOK 80.7 (MNOK 1,022.5) are classified as Assets held for sale, and contains the four Seismic vessels. The reduction from 2021 is mainly due to the sale of Viking Neptun. Current assets increased by MNOK 379.1, mainly due to the sale of Viking Neptun which led to addition in cash of approximately MNOK 400. Total assets are MNOK 2,339.0 (MNOK 2,750.6), a reduction of MNOK 411.5.

Broker values are used to support the assessment and decisions made by value in use calculations. Average broker value conducted by two independent brokers evaluate the consolidated part of the fleet value free of charter to MNOK 1,809 (MNOK 1,710 at December 31, 2021, adjusted for Viking Neptun) which indicates an excess value before tax of MNOK 665 (MNOK 738, adjusted for Viking Neptun) compared to the book value of the vessels.

The Group's non-current liabilities are MNOK 97.1 per December 31, 2022 (MNOK 1,095.3 per December 31, 2021). The decrease is due to the majority of the Company's long-term debt being classified as short term as the due date is December 31, 2023. The Group has after the balance sheet date refinanced its long-term debt at March 28, 2023, with maturity February 28, 2026. In connection with the refinancing, a prepayment of MNOK 410 has been made with cash on hand reducing the debt materially. Liabilities related to assets held for sale are MNOK 112.4 (MNOK 840.7), and the reduction is due to the sale of Viking Neptun.

The parent company's assets are MNOK 815.3 per December 31, 2022 (MNOK 646.0 per December 31, 2021). The company's assets consist mainly of investments in and loans to subsidiaries, financial investments and cash. The company has liabilities of MNOK 334.8 (MNOK 175.2). This consists of non-current liabilities of MNOK 332.4 (MNOK 165.0) and current liabilities of MNOK 2.4 (MNOK 10.2). The company's equity is MNOK 480.5 (MNOK 470.8), which gives an equity ratio of 59% (73%).

Cash flow

Cash and cash equivalents increased from MNOK 330.4 December 31, 2021, to MNOK 655.7 December 31, 2022, whereof MNOK 69.8 was restricted cash and funding restricted for use towards the ShipFC ammonia project.

Net cash flow from operating activities for 2022 was MNOK 208.9 (MNOK 151.3).

Net cash flow from investment activities of MNOK 1,171.4 (MNOK 228.5) was mainly due to the sale of Viking Neptun, investments and periodic maintenance on existing vessels and payment of long-term receivables.

The Group has a negative cash flow from financing activities of MNOK -1,061.8 (MNOK -480.8). This is mainly related to repayment of the Viking Neptun debt, and paid instalments and interests.

The parent company has cash and cash equivalents of MNOK 437.0 (MNOK 138.2). This is an increase of MNOK 298.8.

Profit allocation

The Board proposes that the profit for the year of MNOK 9.7 for Eidesvik Offshore ASA is transferred to other equity.

Going concern

The financial statements are prepared on the basis of going concern.

Financial risk

Currency risk

In 2022, Eidesvik had its revenue in NOK, USD and EUR. Operating costs are mainly in NOK. Eidesvik is therefore exposed to fluctuations in the exchange rates between NOK and the other currencies. In order to mitigate the risk, cash flow hedges have been established by having parts of the Group's long-term financing in USD. Forward contracts are also made where parts of the operational income in USD and EUR are presold with settlement in NOK.

Credit risk

Eidesvik's customers are mainly solid companies with good solvency. The risk that the counterparties do not have the financial capacity to fulfil their obligations is considered low.

Liquidity risk

The liquidity position is assessed as satisfactory as long term financing is now in place till February 28, 2026. In addition all vessels in our focus areas are on term contracts securing cash flow going forward.

Other risks

Eidesvik is exposed to other risks, as market and operational risks, including cyber security risk. In addition, the Company experience increase in both expenses and lead time from suppliers, primarily as a consequence of the current global increase in inflation.

Please see Note 3 for further information.

FRAMEWORK CONDITIONS

Access to and development of highly qualified personnel are vital to ensuring good operation and delivery of an optimum product, helping our customers to a better overall result. In order to ensure that Norwegian maritime competence is also developed and utilised in the future, the industry is dependent on stable and predictable framework conditions. The availability of training positions is vital to building up expertise over time, even in a cyclical industry.

Eidesvik currently employs both Norwegian and international crew on board its vessels.

The entire petro maritime cluster, oil companies, shipping firms, shipyards and other oil service companies, will depend on building up maritime competence in the future.

Legislation on net pay schemes is a positive move on the part of the political authorities. However, Eidesvik believes that net pay schemes should be further reinforced.

Historically, the Company has been at the forefront of increasing the recruitment of Norwegian seamen. Considerable resources have been allocated to this work through initiatives to increase the incentives for young people to choose a maritime education. The Company cooperates in various forums to strengthen and enhance Norwegian maritime competence. At the same time, the industry is experiencing increasing international competition, not least when it comes to expertise and costs. It is important for further investment in Norwegian maritime competence in the future that the framework conditions should be organised in such a way as to make it attractive for the industry to build up Norwegian maritime competence over time.

CORPORATE SOCIAL RESPONSIBILITY

The Company's core values and ethical policy are set out in "Ethical guidelines and core values for Eidesvik Offshore ASA", and its social responsibility policy is covered by the "Human rights policy" and "Environmental policy". These state that the work of achieving the business goals must be carried out to high ethical standard and in a manner calculated to safeguard the environment and society. This means that we should act with respect and honesty towards customers, suppliers, employees, authorities, owners and society, and that the Company and the individual should comply with relevant legislation. The policy states that the Company and the individual employee should refrain from all forms of corruption, and sets out how the Company's employees should act if they are offered gifts or other benefits because of their employment.

It is further stated that the Company and all employees must comply with all recognised rules for human rights, including refraining from all forms of discrimination.

No breaches of the Company's ethical policies were recorded in 2022.

BUSINESS SEGMENTS AND OUTLOOK

Eidesvik owns and operates vessels in the three segments of Supply, Subsea/Wind and Seismic.

Supply

At year end 2022, Eidesvik operated 8 large supply vessels. Out of the supply vessels, 5 run on LNG, and all 8 have batteries and hybrid solutions installed. Batteries and hybrid solutions were installed on board the 8th vessel, Viking Prince, in January 2022.

Viking Lady commenced on a 3-year contract for Aker BP in January 2022 with options for extension. The vessel went in for its 20-year docking in Q1 2022.

Viking Prince worked for Aker BP as a substitute vessel during Viking Lady's docking in Q1 2022, and in the spot market. In April 2022 the vessel commenced on a 6 months firm contract for the vessel with Equinor. It is now on a firm contract till December 2025 with Aker BP.

Viking Avant was on charter to Equinor entire 2022, and will continue to be on a firm contract with Equinor till December 2025 with options for extensions.

Viking Queen worked for Equinor for most of 2022. The vessel traded in the spot market in December 2022 and went for docking in February 2023. It is now on a long-term contract for Wintershall Dea till May 2024 with options for extensions.

Viking Energy worked for Equinor entire 2022, as it has done since the vessel was delivered in 2003. The firm contract for the vessel is to April 2025 with options for extensions.

Viking Princess worked for Wintershall entire 2022. Wintershall Dea declared options to extend the contract to January 2024, and has further options for extensions.

The market saw improvement in 2022 compared to 2021 driven by improved oil price and increased activity. There was a substantial decrease in vessels in layup and during the summer the spot rates occasionally moved to levels not seen since 2014. At the end of the year the company had one vessel in the spot market. This vessel secured a new long-term contract in 2023.

The improvement in the market has been slower to improve than expected but, it is likely that 2023 will see continued rate increases due to increased demand and limited capacity of vessels. The day rates are still a long way from defending investment in any new build.

Operators' preference for large and environmental friendly supply vessels are beneficial drivers for the Company's supply fleet and has assisted in securing solid long-term contracts.

Subsea/Wind

Eidesvik currently has four vessels in the Subsea/Wind segment, of which one is owned in a JV with Subsea 7 (50/50) and one was acquired in March 2023 in an entity formed with Reach Subsea (50.1% owned by Eidesvik).

Viking Neptun worked for Havfram until the sale of the vessel to DEME Offshore was completed in November 2022.

Viking Wind Power continued on its contract with Siemens Gamesa all year. In Q1 2022, Viking Wind Power was through installation of batteries and hybrid solutions, docking, and a major conversion towards the offshore wind market.

Subsea Viking worked for PXGEO from April and till February 2023. In March 2023, the vessel entered a 5-year contract for Van Oord in the offshore wind segment.

Seven Viking is on contract for Subsea 7 to November 2025 with a 1-year option thereafter.

Viking Reach is on a 6-year contract with Reach Subsea.

2022 saw improvement in the subsea market with multiple projects being brought forward for investment decision. 2023 and onwards are expected to be very busy in this segment.

The offshore wind segment continue to attract investment with substantial growth expected in the coming years.

Seismic

Within this segment, Eidesvik owned four vessels 100% at year end, whereof all were in layup and classified as held for sale.

In March 2022, Eidesvik received a firm bareboat contract with commencement in April 2022 for Veritas Viking for 100 days, with further options for extensions

Vantage, Viking Vision and Viking Vanquish have been in layup throughout the year. After year-end we have seen increased interest from interested buyers. Viking Vanquish is sold and was delivered to the new owners in March 2023.

BØMLO, APRIL 26, 2023

Arne Austreid Chair of the Board	Borgny Eidesvik Board member	Lars Eidesvik Board member	John Stangeland Board member
Bjørg Marit Eknes Board member	Lauritz Eidesvik Board member	Kristine E. Skeie Board member	Johnny Olson Board member
Gitte Gard Talmo CEO			

Declaration by the Board of Directors and CEO

The Board and the CEO have today reviewed and approved the annual report and the consolidated annual accounts and notes for Eidesvik Offshore ASA as at December 31, 2022, and for the year 2022, including consolidated comparative figures as at December 31, 2021, and for the year 2021.

The annual accounts are submitted in accordance with the requirements of IFRS as adopted by the EU and additional Norwegian requirements in the Securities Trading Act

The Board and CEO believe that the annual accounts for 2022 have been prepared in accordance with applicable accounting standards, and that the information in the accounts gives a true picture of the Group's assets, liabilities, financial position and overall performance as at

December 31, 2022, and December 31, 2021. To the best of the Board's and CEO's knowledge, the director's report gives a true view of important events during the accounting period and their influence on the annual accounts. To the best of the Board's and CEO's knowledge, the description of the most important risk and uncertainty factors the business is facing in the next accounting period, as well as the description of significant transactions with related parties, gives a true account.

BØMLO, APRIL 26, 2023

Arne Austreid Chair of the Board	Borgny Eidesvik Board member	Lars Eidesvik Board member	John Stangeland Board member
Bjørg Marit Eknes Board member	Lauritz Eidesvik Board member	Kristine E. Skeie Board member	Johnny Olson Board member
Gitte Gard Talmo CEO			

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
(NOK 1,000)

	Note	2022 1.1-31.12	2021 1.1-31.12
Freight income	4	**634 722**	**569 481**
Other income	5	**283 826**	**18 317**
Total operating income	4	**918 547**	**587 798**
Payroll expenses	11	**302 425**	**273 072**
Other operating expenses	6	**121 910**	**136 014**
Total operating expenses		**424 335**	**409 086**
Operating profit before depreciation and impairment		**494 213**	**178 712**
Depreciation	12,22	**142 907**	**207 961**
Impairment of tangible fixed assets	12	**-209 237**	**-143 797**
Operating profit before profit from joint ventures		**560 543**	**114 549**
Profit from joint ventures	7	**-9 120**	**-5 916**
Operating profit		**551 423**	**108 633**
Financial income	8	**14 421**	**10 502**
Financial expenses	8	**-93 845**	**-69 087**
Changes in market value, derivatives	8	**51 142**	**18 282**
Net currency gain/loss	8	**-116 357**	**-37 610**
Net financial items		**-144 639**	**-77 912**
Profit/loss before taxes		**406 784**	**30 720**
Tax costs	9	**-49**	**16**
Profit/loss for the year		**406 736**	**30 737**
Attributable to:			
The parent company's shareholders		**346 056**	**-15 746**
Non-controlling interests	7	**60 680**	**46 482**
Profit/loss for the year		**406 736**	**30 737**
Earnings per share	10	**5,57**	**-0.25**
Diluted earnings per share	10	**5,57**	**-0.25**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (NOK 1,000)

	Note	2022 1.1-31.12	2021 1.1-31.12
Statement of comprehensive income			
Profit/loss for the year		**406 736**	**30 737**
Items that will not be reclassified via profit/loss in later periods			
Actuarial gains/losses		**213**	**-55**
Change in value financial investments	21	**0**	**9 900**
Total comprehensive income for the year		**406 948**	**40 581**
Attributable to:			
The parent company's shareholders		**346 268**	**-5 901**
Non-controlling interests		**60 680**	**46 482**
Total comprehensive income for the year		**406 948**	**40 581**

CONSOLIDATED STATEMENT OF BALANCE SHEET
(NOK 1,000)

	Note	31.12.2022	31.12.2021
Assets			
Non-current assets			
Vessels	12	**1 062 780**	**908 507**
Buildings, land and other operating assets	12	**18 547**	**20 524**
Financial derivatives	23	**30 065**	**15 791**
Right-of-use asset	22	**55 489**	**50 502**
Investments in joint ventures	7	**137 882**	**147 525**
Shares	21, 7	**3 118**	**2 595**
Pension funds	18	**417**	**282**
Other non-current receivables	13	**39 769**	**51 178**
Total non-current assets		**1 348 068**	**1 196 904**
Current assets			
Accounts receivable	14	**141 759**	**130 942**
Derivatives	23	**32 115**	**1 613**
Other current assets	15	**80 744**	**68 265**
Cash and cash equivalents	16	**655 653**	**330 401**
Total current assets		**910 271**	**531 220**
Assets held for sale	4, 7, 12, 27	**80 695**	**1 022 459**
Total assets		**2 339 034**	**2 750 583**

CONSOLIDATED STATEMENT OF BALANCE SHEET
(NOK 1,000)

	Note	31.12.2022	31.12.2021
EQUITY AND LIABILITIES			
Equity			
Equity attributable to the Company's shareholders:			
Share capital	17	**3 108**	**3 108**
Share premium		**177 275**	**177 275**
Other paid-in equity		**629**	**629**
Other reserves		**-377**	**-590**
Other equity		**684 167**	**338 112**
Total equity majority shareholders		**864 802**	**518 534**
Non-controlling interests		**63 245**	**2 565**
Total equity		**928 047**	**521 098**
Liabilities			
Non-current liabilities			
Interest-bearing debt	20	**43 169**	**1 044 199**
Lease liabilities	22	**53 973**	**51 147**
Total non-current liabilities		**97 142**	**1 095 346**
Current liabilities			
Interest-bearing debt	20	**989 534**	**94 379**
Derivatives	23	**0**	**6 677**
Lease liabilities	22	**4 217**	**3 256**
Accounts payable		**30 022**	**48 234**
Other current liabilities	19	**177 707**	**140 929**
Total current liabilities		**1 201 480**	**293 474**
Liabilities related to Assets held for sale	22	**112 365**	**840 666**
Total liabilities		**1 410 988**	**2 229 485**
Total equity and liabilities		**2 339 034**	**2 750 583**

BØMLO, APRIL 26, 2023

Arne Austreid
Chair of the Board

Borgny Eidesvik
Board member

Lars Eidesvik
Board member

John Stangeland
Board member

Bjørg Marit Eknes
Board member

Lauritz Eidesvik
Board member

Kristine E. Skeie
Board member

Johnny Olson
Board member

Gitte Gard Talmo
CEO

CONSOLIDATED STATEMENT OF CASH FLOW (NOK 1,000)

	Note	2022 1.1-31.12	2021 1.1-31.12
Cash flow from operations			
Payments from customers		**613 906**	**539 955**
Payment to suppliers, employees and others		**-473 198**	**-475 091**
Payments from reimbursement scheme, Norwegian seamen		**64 950**	**86 253**
Interest received/paid		**3 338**	**70**
Net paid and refunded taxes		**-135**	**74**
Net cash flow from operating activities		**208 861**	**151 261**
Cash flow from investment activities			
Sales of non-current assets	12	**1 230 746**	**23 750**
Received long-term receivables	13	**44 102**	**38 711**
Sales of other investments	12	**0**	**259 161**
Purchase of tangible fixed assets	12	**-103 410**	**-93 135**
Net cash flow from investment activities		**1 171 438**	**228 487**
Cash flow from financing activities			
Installment financial lease	22	**-4 890**	**-3 714**
Realised currency derivatives	23	**0**	**23 568**
Repayment of debt	20	**-965 921**	**-420 514**
Paid interest	20	**-91 009**	**-80 163**
Net cash flow from financing activities		**-1 061 820**	**-480 824**
Currency gain/loss on cash and cash equivalents		**6 773**	**2 294**
Net increase (decrease) in cash and cash equivalents		**325 252**	**-98 782**
Cash and cash equivalents at start of period	16	**330 401**	**429 183**
Cash and cash equivalents at end of period	16	**655 653**	**330 401**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (NOK 1,000)

	Majority share								
	Share capital	Share premium	Other reserves	Other paid-in equity	Translation differences	Other equity	Total	Minority share	Total equity
Equity at 01.01.2021	3 108	177 275	-535	629	-9 900	411 087	581 664	-101 145	480 519
Result for the year	0	0	0	0	0	-15 746	-15 746	46 482	30 737
Actuarial effects	0	0	-55	0	0	0	-55	0	-55
Other adjustments *	0	0	0	0	9 900	0	9 900	0	9 900
Total comprehensive income	0	0	-55	0	9 900	-15 746	-5 901	46 482	40 581
Change in non-controlling interests **	0	0	0	0	0	-57 230	-57 230	57 230	0
Equity at 31.12.2021	3 108	177 275	-590	629	0	338 112	518 534	2 565	521 098
Result for the year	0	0	0	0	0	346 056	346 056	60 680	406 736
Actuarial effects	0	0	213	0	0	0	213	0	213
Total comprehensive income	**0**	**0**	**213**	**0**	**0**	**346 056**	**346 268**	**60 682**	**406 948**
Equity at 31.12.2022	**3 108**	**177 275**	**-377**	**629**	**0**	**684 167**	**864 802**	**63 245**	**928 047**

*The NOK -9,900 thousand are translation differences of the financial investments on the consolidated statement of financial position (reversed in 2021 due to sale of the financial investments).

** As of September 1, 2021, Eidesvik bought the non-controlling shares in Eidesvik Supply AS and holds 100% of the shares in this company, hence the re-distribution of capital from minority to other equity.

NOTES TO THE CONSOLIDATED ACCOUNTS

Note 1

Eidesvik Offshore ASA (the Company) and its subsidiaries (collectively the Group) offer services within the maritime sector. The Group operates in several segments where the main segments are seismic, subsea and platform supply vessel services. The Group's vessels are located across large parts of the world.

Eidesvik Offshore ASA is a public limited company registered in Norway and headquartered at Langevåg in Bømlo municipality. Eidesvik Offshore ASA is listed at the Oslo Stock Exchange and is subject to the provisions of the Public Limited Liability Companies Act with regards to limitations in shareholders' liability to the Company's creditors. The annual accounts were submitted by the Board on April 26, 2023, and approved for publication. The General Meeting approves the final annual accounts and is authorised to require changes to the accounts before it is approved. All amounts are presented in Norwegian kroner (NOK) and are rounded to the nearest thousand unless otherwise specified.

Information on the ultimate parent company is presented in Note 24.

Overview of Group relations:

Company	***Reg. office***	***Owner share***
Eidesvik Shipping AS	Bømlo	100%
Eidesvik AS	Bømlo	100%
Eidesvik MPSV AS	Bømlo	100%
Eidesvik Shipping International AS	Bømlo	100%
Eidesvik Subsea Vessels AS	Bømlo	100%
Eidesvik Management AS	Bømlo	100%
Eidesvik Maritime AS	Bømlo	100%
Eidesvik Neptun AS	Bømlo	74.75%
Eidesvik Neptun II AS	Bømlo	74.75%
Eidesvik Supply AS	Bømlo	100%
Hordaland Maritime Miljøselskap AS	Bømlo	91%
Norsk Rederihelsetjeneste AS	Bømlo	100%
Eidesvik Shipping II AS	Bømlo	100%
Eidesvik UK LTD	UK	100%

Joint Ventures:

Eidesvik Seven AS	Bømlo	50%
Eidesvik Seven Chartering AS	Bømlo	50%

Please refer to Note 7 for further information.

In addition, the Group owns the following shares:

Simsea Holding AS	Haugesund	10.4%
Bleivik Eiendom AS	Haugesund	22.6%
Eidesvik Ghana Ltd.	Ghana	49%

The total book value of these amounts to MNOK 3.1 and is not considered material. Please refer to Note 21 for further information.

NOTE 2 – ACCOUNTING PRINCIPLES

The most important accounting principles used in the preparation of the consolidated accounts are described below. These principles are applied in the same way in all periods presented, unless otherwise stated in the description.

2.1 Main principles

The consolidated accounts of the Eidesvik Offshore Group have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and interpretations adopted by the International Accounting Standards Board (IASB).

The consolidated accounts have been prepared on the basis of the historical cost principle, however, it has been modified for the following: financial derivatives and financial assets classified as “fair value through the profit and loss account”, which have been valuated at fair value.

An asset is presented as short-term if it is expected to be realised within twelve months of the balance sheet date as part of ordinary operations, if it is an asset owned with purchase and sale as its main purpose, or if it is cash or cash equivalents.

Debt is presented as short-term if there is no unconditional right to postpone payment at least twelve months from the balance sheet date, or it is a debt with purchase and sale as its main purpose. Long-term debt is reclassified as short-term debt when there are 12 months left to maturity. The same applies to the first year’s repayment on long-term debt maturing within twelve months from the balance sheet date.

The accounts are prepared in accordance with IFRS. This means that the management has used estimates and assumptions that have affected assets, debt, income, expenses, and information on potential liabilities.

Cash flow statements are prepared according to the direct method.

2.2 Principles of consolidation

The consolidated accounts include parent company Eidesvik Offshore ASA and companies controlled by Eidesvik Offshore ASA. Control is obtained when the Group is exposed to, or is entitled to, variable return resulting from the Group's involvement, and the Group is able to influence the return through its influence in the Company.

a) Subsidiaries

Subsidiaries are all entities where the Group has controlling influence on the entity's financial and operational strategy, normally through owning more than half the voting capital. When determining whether there is controlling influence, one includes the effect of potential voting rights which can be exercised or converted on the balance sheet date. Subsidiaries are consolidated from the time control is transferred to the Group, and are excluded from consolidation when control ceases. Stocks and shares in subsidiaries are recorded at cost and eliminated against the equity of the subsidiary at the time of takeover or establishment.

b) Associates/Joint ventures

The Group's investment in its associates and joint ventures are accounted for under the equity method of accounting. An associate is an entity in which the Group has significant influence, but which is not a subsidiary. A joint arrangement is either a joint operation or a joint venture. Companies where the Group has joint control with another party, are defined as joint ventures, as it has rights to the net assets of the arrangement. Joint ventures exist if there is 50/50 ownership, or if it is otherwise regulated so that the parties have joint control.

The Group does not capitalise its share of deficits if this means that the capitalised value of the investment will be negative (including unhedged receivables on the entity), unless the Group has assumed liabilities or provided guarantees for the joint venture's liabilities.

c) Non-controlling interests

Non-controlling interests' (minority interests) share of the equity is shown on a separate line in the Group's equity. Non-controlling interests include the minority share of the capitalised value of subsidiaries, including the share of identifiable added value at the time of acquisition of a subsidiary.

2.3 Segment Information

Segments are reported in the same way as for reporting to the Company's supreme decision maker. The Board is defined as the Company's supreme decision maker, and is responsible for allocating resources and assessment of earnings in the various segments. The Group's reporting format is associated with business areas, secondary information associated with geographical areas is not used, as this does not make sense strategically. The three primary operating segments are divided into Supply vessels (PSV), Subsea/Wind, and Seismic. In addition to this, other activities, which includes, among other things, vessels under construction, is placed in a separate segment.

As the joint ventures are significant with regard to the core activities, gross figures from underlying companies are included in segment information.

2.4 Conversion of foreign currencies

a) Functional currency and presentation currency

The accounts of the individual entities in the Group are measured in the currency mainly used in the economic area where the entity operates (functional currency). The consolidated accounts are presented in Norwegian kroner (NOK), which is both the functional currency and the presentation currency of the parent company. In order to calculate the share of profit from joint ventures, balance sheet figures in a different currency are translated at the exchange rate of the balance sheet date, while profit and loss items are translated at the quarterly average exchange rate. Translation differences are recognised as other income or costs directly in the equity.

b) Transactions and balance sheet items

Transactions in foreign currencies are translated to the functional currency using the transaction exchange rate. Currency gain and loss occurring when paying such transactions, and when translating monetary items (assets and liabilities) in foreign currencies at year end on the balance sheet date, are recognised. Monetary items and liabilities in other currencies are translated at the exchange rate of the balance sheet date. Currency gains and losses are included in the income statement as “Net currency gain/loss”.

2.5 Vessels, depreciation and other fixed assets

Vessels and other fixed assets are recognised at historical cost minus accumulated depreciation and impairments. Each part of the asset that has material share of the total cost is depreciated separately and linearly over the useful life of the asset. Components with the same useful life are depreciated as one component. The depreciation period and method are evaluated at each balance sheet date to ensure that the method and the period used correspond with the financial realities for the asset. The same applies to scrap value, which is subject to an annual assessment.

Estimated useful life:

Vessels	15-30 years
Property/fixtures	5-20 years
Equipment	3-5 years
Periodic maintenance	30-60 months
Port facilities	N/A

At the time of delivery for new vessels, an amount corresponding to the expected cost at the first ordinary classification/periodic maintenance is separated. This amount is depreciated over the period until the next docking date. Costs associated with subsequent periodic maintenance are capitalised and depreciated until the next periodic maintenance, generally over 30–60 months. Costs of ongoing maintenance and minor repairs and maintenance are expensed as they incur.

2.6 Assets held for sale

Non-current assets held for sale consist of vessels that have been decided to be disposed of, by sale or otherwise. Noncurrent assets classified as held for sale are measured at the lower of their previous carrying amount and their fair value less costs of disposal. Any excess of the carrying amount over the fair value less cost of disposal is recognized as an impairment loss. Depreciation of such assets is discontinued as from their classification as held for sale.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group 9ecognized lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i)Right-of-use assets

The Group 9ecognized right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities 9ecognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life of the assets, as follows:

Buildings	0,5-32 years
Vehicles	8-17 months

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.7 Impairment of fixed assets

The book value of tangible fixed assets is assessed for impairment when events or changes in circumstances indicate that book value cannot be recovered. If such indications are discovered, and the book value exceeds the recoverable amount, the asset is impaired to the recoverable amount, which for tangible fixed assets is the higher of expected net sales price and value in use. Value in use is calculated as the present value of future cash flows. If the reason for the impairment lapses at a later time, and the lapse can be tied to an event taking place after the impairment is recognised, the previous impairment is reversed.

2.8 Sale of vessels

Profit or loss on the sale of vessels is recorded on the line of other income.

2.9 New builds

Vessels under construction are capitalised as instalments are paid, along with costs directly associated with the construction, such as supervision, other construction costs and interest on external financing during the construction period. The capitalised value is reclassified to vessels when the vessel is delivered from the shipyard and is ready for use. Depreciation of vessels starts on the same date.

2.10 Financial assets

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. Fair value through other comprehensive income (OCI) is not relevant for the Group.

The Group uses derivatives such as currency contracts and interest swaps to reduce the risk associated with currency and interest rate fluctuations. The derivatives are presented as an asset with a positive value or a liability with a negative value.

a) Financial assets at fair value through profit and loss

A financial asset is classified in this category if it is acquired primarily to make a profit from short-term price fluctuations, or if the management chooses to classify it in this category. Derivatives are also classified as 'held for trading'. Assets in this category are classified as current assets if they are held for trading or if they are expected to be realised within 12 months after the balance sheet date.

Profit or loss from changes in fair value of assets classified as "financial assets at fair value through profit and loss", including interest income and dividends, is included in the income statement under "change in value, derivatives" in the period where they occur.

b) Financial assets at amortised cost

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are "solely payments of principal and interest" ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model. Loans and receivables are non-derivative financial assets with fixed payments that are not traded on an active market. They are classified as current assets, unless they mature more than 12 months after the balance sheet date. In such cases, they are classified as non-current assets. Loans and receivables are classified as accounts receivable and other receivables on the balance sheet.

Ordinary acquisitions and sales of investments are recognised at the date of the transaction. All financial assets that are not recognised at fair value through profit and loss are initially recorded at fair value plus transaction costs. The exception is accounts receivable, which are recognised for the first time at the transaction price in accordance with IFRS 15, ref. IFRS 9.1.5.3. Financial assets recognised at fair value through profit and loss are recognised on acquisition at fair value and transaction costs are posted to expenses. Investments are removed from the balance sheet when the entitlement to cash flows from the investments cease, or when such entitlement is transferred and the Group has basically transferred all risk and all potential profit from ownership. Financial assets available for sale and financial assets at fair value through the profit and loss account are valuated at fair value after the first recognition. Loans and receivables are recognised at amortised cost using the effective interest method.

The Group recognises an allowance for expected credit losses (ECLs) for all debt Instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

2.11 Derivatives and hedging

The Group does not use accounting hedging, and none of the Group's derivatives are designated hedging instruments. The Group recognises derivatives at fair value with value changes through profit/loss. The purpose of the derivatives is to secure the Group's cash flow against fluctuations in interest and exchange rates. Refer to Note 23 for an overview of the Group's derivatives at 31.12.2022.

2.12 Accounts receivable

Accounts receivable are measured the first time at the transaction price in accordance with IFRS 15. For subsequent measurements, accounts receivable is assessed at amortised cost determined by using the effective interest method, less provision for expected loss. The Group has chosen to apply the practical simplification approach to calculate losses on accounts receivable. The group has established a provision model that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The group has historical had minor losses on trade receivables. See Notes 3 and 14.

2.13 Cash and cash equivalents

Cash and cash equivalents consist of cash, bank deposits, and other short-term and easily negotiable investments with a maximum of three months' original maturity and overdraft facilities. In the balance sheet, overdraft facilities are included in loans under short-term liabilities.

2.14 Share capital

Ordinary shares are classified as share capital.

Expenses directly associated with issuing new shares or options with tax deductions, are recorded as reduction in received consideration in equity (premium on shares).

2.15 Accounts payable

Payables are measured at fair value at the first recognition. For subsequent measurements, payables are assessed at amortised cost determined by using the effective interest method.

2.16 Loans

Loans are recognised at the accrued amount when the loan is disbursed, less transaction costs. In subsequent periods, loans are recognised at amortised cost using the effective interest method. The difference between the disbursed loan amount (minus transaction costs) and the redemption value is recognised over the term of the loan.

When loans are renegotiated, a view is taken as to whether the renegotiated loan should be treated as a continuation of the old loan or as a new loan (IFRS 9.3.3.1-9.3.3.3). The main rule of IFRS 9.3.3.1 is that a financial liability should only be derecognised in cases where the liabilities specified in the contract have been discharged, cancelled or expired. When a company has its debts renegotiated without a change of lender, however, the old loan is derecognised and a new loan recognised if the renegotiation involves significant changes in the conditions related to the debt. If there are no significant changes, the difference between the present value of the modified cash flow and the original amortised cost is recognised through profit/loss (see Note 8).

2.17 Pension liabilities, bonus schemes and other compensation schemes for employees

a) Pension liabilities

The companies in the Group have different pension schemes. Pension schemes are mainly financed through payments to insurance companies or pension funds. The Group's pension schemes are a defined contribution scheme and a defined benefit plan. A defined benefit plan is typically a pension scheme which defines a pension payment an employee will receive on retirement. Pension payments normally depend on several factors, such as age, number of years in the company, and salary.

The recognised liability associated with a defined benefit plan is the present value of the defined benefit on the balance sheet date minus the fair value of the pension funds (in cases where the scheme is hedged). The pension liability is calculated annually by an independent actuary using a linear accrual method. The present value of the defined benefit is determined by discounting estimated future disbursements based on the interest on corporate bonds with high credit rating using OMF interest rates.

Changes in benefits from the pension plan are recorded as income or charged to expenses on an ongoing basis, unless the rights under the new pension scheme are conditional on the employee remaining in service for a specified period in the vesting period. In this case the cost associated with the changed benefit is amortised on a linear basis over the vesting period.

b) Bonus agreements and severance pay

In some cases, employment agreements are made which give the right to bonus in relation to fulfilment of defined financial and non-financial criteria, as well as agreements which give the right to severance pay if the employer terminates the employment. The Group raises provisions in cases where there is a formal obligation to make disbursements.

2.18 Provisions

The Group raises provisions for environmental improvements and legal requirements when: There is a statutory or self-imposed obligation arising from previous events, there is a strong likelihood that the obligation will have to be met in the form of a transfer of financial resources, and the size of the obligation can be estimated with a sufficient degree of reliability.

In cases where there is more than one obligation of the same nature, the probability of the obligation having to be met will be determined by assessing the group as a whole. Provisions for the Group are raised even though the probability of settlement with regard to the individual elements in the group is low.

Provisions are measured at present value of expected disbursements to fulfil the obligation. A discount rate before tax is used which reflects the current market situation and risk specific to the obligation. The increase in the obligation due to changes in time value is recorded as interest expenses.

2.19 Income and expense recognition principles

Income from the sale of goods and services is measured at fair value, net of commission, rebates and discounts. Intragroup sales are eliminated. Income is recognised as follows:

a) Sale of services

Except for the seismic fleet, most of the Group’s vessels have been contracted on time charters (TC) throughout the year. This means that the charter is agreed as a lease of a vessel with crew. The charterer decides (within agreed limitations) how the vessel is to be used. The time charter lapses in periods when the vessel is not operational (is “off hire”), e.g. during repairs. The shipping company pays for the crew, supplies, insurance, repairs, administration, etc., while the charterer pays the “voyage-dependent” expenses such as bunkers, port fees and expenses for loading and unloading.

In addition to leasing the vessel, there may be agreements for additional services in the form of hiring extra crew, sale of provisions and coverage of other operating expenses.

Lease income for leasing vessels is recognised on a linear basis through the lease period. The lease period starts from the date when the vessel is at the lessee’s disposal, and ends with its agreed return.

Lease of crew and payments to cover other operating expenses are recognised on a linear basis through the contract period

When a contract is cancelled, the remaining contract is recorded as income when the vessel is returned.

b) Interest income

Interest income is recognised proportionally over time in accordance with the effective interest method. When receivables are written down, the capitalised value is reduced to the recoverable amount. The recoverable amount is the estimated future cash flow discounted at the original effective interest rate. After impairment, the interest income is recognised on the basis of the original effective interest rate.

c) Dividend income

Dividend income is recognised when this has been determined by the General Meeting.

2.20 Public subsidies

Subsidies from the net pay scheme and the reimbursement scheme for seamen are recorded as a cost reduction (under "payroll expenses").

2.21 Dividends

Disbursements of dividends to the Company's shareholders are classified as debt from the date when the dividend is determined by the General Meeting.

2.22 Events after the balance sheet date

New information after the balance sheet date on the Company's financial position on that date has been considered in the annual accounts. Subsequent events that do not affect the Company's financial position on the balance sheet date, but will affect it in the future, are reported if they are significant.

2.23 Earnings per share accruing to the parent company's shareholders

The calculation of earnings per share is based on the majority share of net profit, using the weighted average outstanding number of shares through the year. The diluted earnings per share are based on the majority share of the net profit using the average outstanding number of shares and outstanding options.

2.24 Taxes

Taxes are expensed as they are incurred. The tax costs consist of tax payable and the change in deferred taxes. Deferred tax/deferred tax assets are calculated by the liability method. Deferred tax/deferred tax assets are calculated based on tax rates and tax legislation which has been adopted (or adopted for all practical purposes) on the balance sheet date, and which is assumed to be used when the deferred tax is settled. Deferred tax/deferred tax assets are calculated per tax area and is presented gross in the balance sheet.

Deferred tax assets are recognised to the extent that it is likely that there will be taxable income in the future, and that the temporary differences can be deducted from this income.

The parent company and some other companies in the Group are subject to ordinary taxation. Several companies in the Group are subject to tonnage tax, classified as an operating expense and not in accordance with IAS 12

Taxes abroad are recorded in the periods in which they are incurred. To the extent that tax is calculated on the basis of income, this is classified as an income reduction and presented together with operating income. Taxes abroad calculated on the basis of net profit are classified as tax costs.

2.25 Discontinued operations – assets and liabilities held for sale

Non-current assets (or disposal groups) are classified as 'held for sale' when the capitalised amount is mainly realised through a sales transaction, and a sale is considered highly likely. They are measured at the lower of capitalised value and fair value minus sales costs.

2.26 Changes in accounting policies

The accounting principles applied are consistent with the principles used in previous periods.

2.27 Significant accounting estimates and matters associated with uncertainty in estimates

Preparing accounts in accordance with applicable standards and practice requires the management to prepare estimates and make assessments that affect recorded assets and liabilities as well as information on contingent assets and latent obligations on the reporting date, including income and expenses for the reported period. The final outcomes may differ from the estimates. Some amounts included in or affecting the accounts and associated notes require estimates, which in turn mean that the Group has to make assessments with regard to values and matters which are not known at the time of preparing the accounts. A significant “accounting estimate” could be defined as an estimate which is important to giving a true picture of the Group’s financial position, but is also the result of difficult, subjective and complex assessments made by the management. Such estimates are often uncertain by nature. The management reviews such estimates on an ongoing basis, based on both history and experience, but also from consultations with experts, trend analyses, and other methods which are considered relevant for each estimate. Estimates and assessments that could have a significant effect on the accounts are described below.

a) Vessels

- Economic life/useful life

The level of depreciation depends on the estimated economic life of the vessels. The estimate is based on history and experience related to the vessels which are included in the Group. The Group’s main strategy is to keep the vessels until they are scrapped. However, there are ongoing evaluations where the main strategy can be deviated from when financial conditions dictate. The estimate is reviewed each year. A change in the estimate will affect depreciation in future periods.

- Residual value at the end of economic life

The level of depreciation depends on the estimated residual value on the balance sheet date. Expected residual value is based on the knowledge of scrap values for vessels. The scrap value is dependent on steel prices. The estimate of scrap value is subject to annual review.

- Impairment

On the balance sheet date, the Group has made an assessment of whether there are indications that vessels may need to be impaired.

When such indications exist, the recoverable amount for the vessel is estimated, and the value of the vessel is written down to the recoverable amount.

Refer to Note 12 for more details on the principles, estimates and matters associated with uncertainty in the estimate that have been applied.

b) Leases

Recognition of leases and income

For contracts where the Group acts as a lessor, it classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

The group as a lessor does not have any finance leases.

Operating leases

For operating leases, the Group 15ecognized lease payments as other income, mainly on a straight-line basis, unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. The Group 15ecognized costs incurred in earning the lease income in other operating expenses. The Group adds initial direct costs incurred in obtaining an operating lease to the carrying amount of the underlying asset and 15ecognized those costs as an expense over the lease term on the same basis as the rental income.

c) Long-term receivables

Under other non-current receivables, EIOF recorded in 2017 a receivable of MUSD 27.5 (total MNOK 235). The 2017 accounts assumed that the receivables from Global Seismic Shipping AS had a value of 45% of par. Consequently, in the accounts as at December 31, 2017, these receivables were written down by 55%. No changes have been made to this as at December 31, 2021.

If the reason for the impairment lapses at a later time, and the lapse can be tied to an event taking place after the impairment is recognised, the previous impairment is reversed. This evaluation has to be made each quarter based on an overall assessment. Refer to Note 7 for a more detailed description/analysis. As the repayments are repaid, the impaired part of the payment will be recorded as income. Any reversal will be recorded as other financial income.

d) Climate and Regulatory Risks

In preparing the financial statement, the Group, has considered the impact of regulatory changes in particular in the context in climate change risks. The considerations did not impact our judgement and estimates in the current year. Climate risk is also considered in estimates that include the use of future cashflows.

The most important key assumptions and sources of uncertainties identified are:

- Usefull life of vessels
- Residual value of vessels
- Cash flow from operations
- Short term and long term investments

Eidesvik has been a frontrunner in adopting new technologies that reduces emissions. By the end of 2022 92% of the fleet has hybrid fuel solutions and the company achieved 26.5% year on year reduction in CO2 reduction per day.

Refer to Note 12 for more information.

NOTE 3 – FINANCIAL RISK MANAGEMENT

Financial risk

The Group is exposed to a variety of financial market risk factors through its activities. Financial market risk is the risk that fluctuations in exchange rates, interest rates and charter rates will affect the value of the Group's assets, liabilities and future cash flows.

The Group's overall risk management plan focuses on the unpredictability of the capital markets and seeks to minimize the potential adverse effects on the Group's financial performance. Elements included in the management of financial risk are the contract length on charters, use of currency and interest-bearing instruments, and debt in the same currency as expected payments of charter income. The main focus for the management of currency and interest rate risk is to hedge future cash flows. The hedge positions for the cash flows are recorded at fair value with value changes through profit/loss. This exposes the accounts to fluctuations in the value of the hedging instruments for the cash flow. In Eidesvik Offshore ASA, risk management of the revenues reported in the accounts is subordinate to risk management of the cash flows. The Group does not perform hedge accounting.

The Group's risk management is handled by management according to guidelines from the Board.

a) Market risk

(i) Currency risk (see also Note 23)

The Group operates internationally and is exposed to fluctuations in exchange rates for several currencies. Currency risk arises from future transactions, and relates to booked assets and liabilities.

To manage the currency risk from future commercial transactions and booked assets and liabilities, the Group uses currency derivatives. The Group also, to a certain extent, have loans in the same currency as expected future income.

The Group is particularly exposed to fluctuations in USD, as it has considerable charter income but low operating costs in this currency. It seeks to reduce fluctuations with loans and currency forward contracts in the same currency. At December 31, 2022, the Group's long-term liabilities were divided between 73% NOK and 27% USD. At December 31, 2021 it was 45% NOK and 55% USD.

The major change is related to the sale of Viking Neptun in 2022 and the repayment of its USD loan.

The Company's exposure to USD on the balance sheet date is shown in table below, and is significantly reduced due to the sale of Viking Neptun in 2022. The table below shows estimated change in net profit before tax in million NOK if the USD rate against NOK had been 50 øre higher/lower at December 31, 2022. The table does not reflect potential effects on impairment regarding value in use for vessels with income in USD.

	+50 øre	-50 øre
Operating profit before profit from associates and joint ventures	0,0	0,0
Profit from joint ventures	0,0	0,0
Net financial income excluding agio/disagio on long-term debt	0,0	0,0
Agio/disagio	-4,6	4,6
Profit/loss for the year	-4,6	4,6
Translation difference, shares	0,0	0,0
Total comprehensive income	-4,6	4,6

(ii) Interest rate risk (see also Note 23)

The Group's interest rate risk is related to long-term loans and deposits of surplus liquidity. Loans with floating interest rates involve a risk for the Group's cash flow. Fixed rate loans exposes the Group to fair value interest rate risk. The interest rate risk is managed by use of interest derivatives (swaps and caps) within guidelines from the Board.

The effect of a change in interest rates is simulated in order to support decisions on fixed rate contracts. The simulation illustrates the cash effect of a change in interest rate based on the size of the loan and the level of current interest rate hedging. An increase of 1 percentage point in the interest rate, all else being equal, would decrease net profit before tax by approximately MNOK 5.

(b) Credit risk

The Group has a concentration risk as charter contracts are signed with relatively few customers. Eidesvik's customers are mainly solid companies with good solvency. The risk of counterparties not having the financial capacity to fulfil their obligations is considered relatively low. Overdue receivables are followed up monthly. The Group has chosen to apply the practical simplification rule to calculate losses on accounts receivable. Loss provisions are raised based on historical data, adjusted for forward-looking factors specific to the debtors and the economic environment.

The following table categorises the Group's receivables according to the risk of non-recovery of outstanding amounts:

Accounts receivable	2022	2021
Group 1	**138 779**	120 800
Group 2	**357**	8 681
Group 3	**2 623**	1 462
Total	**141 759**	101 416

Group 1: Established customer relationship, good solvency/willingness

Group 2: New customers, possibly slow recovery

Group 3: Established customer relationship, weaker solvency/willingness

The Group has significant long-term receivables from a company in the Global Seismic Shipping AS group that was sold in January 2020. These receivables are posted in the accounts at a significantly lower value due to provisions for counterparty risk from the company's charterer. The recorded value of the receivables was measured for revenue recognition in 2017 at less than the nominal value. This was in accordance with observable sales of securities issued by the same counterparty. The credit risk on the receivables is considered to be lower, and indications of changes in the valuation of these are assessed continuously. The impairment of the long-term receivables has been reversed to reflect the repayments received. See Notes 5 and 13 for further information.

Maximum risk exposure is represented by the capitalised value of the financial assets, including derivatives, on the balance sheet. As the counterparties in derivatives trading are large well-known banks, the credit risk associated with derivatives is considered low.

(c) Liquidity risk

The Group aims to manage the cash flow from operations by focusing on long-term charters with little price volatility. Surplus liquidity is mainly placed in ordinary bank deposits.

The Group monitors the risk of a lack of available capital through liquidity budgets for subsequent years, as well as a monthly 24-month liquidity forecasts. Longer term liquidity forecasts are prepared several times per year.

The current liquidity position of the Group is satisfactory for the next 12 months considering the agreed refinancing in 1st Quarter 2023.

See also Note 20 for information on amortisation profiles/refinancing needs for long-term liabilities.

The following table sums up the maturity profile for the Group's liabilities at December 31, 2022, based on contractual, non-discounted cash flows. Estimated interest is based on current interest and exchange rates at December 31, 2022.

Maturity statement for capitalised liabilities, December 31, 2022:

	2023	2024	2025	2026	2027	Later
Loans*	1 095 934	43 542	0	0	0	0
Accrued interest	5 965	0	0	0	0	0
Derivatives	-17 766	-17 766	-8 883	0	0	0
Accounts payable	30 022	0	0	0	0	0
Other current liabilities	177 707	0	0	0	0	0
Subtotal debt items excl. market value derivatives	1 291 862	25 776	-8 883	0	0	0
Estimated interest						
Interest payments on existing loans	68 027	1 550	0	0	0	0
Adjustment incurred 31.12.2022	-5 965	0	0	0	0	0
Subtotal assumed interest	62 062	1 550	0	0	0	0
Leases						
Leases (Note 22)	7 687	7 656	7 608	7 608	7 546	34 467
Total contractual commitments falling due	1 361 611	34 981	-1 275	7 608	7 546	34 467

Maturity statement for capitalised liabilities, December 31, 2021:

-	2022	2023	2024	2025	2026	Later
Loans*	128 364	1 676 479	80 035	36 494	36 494	18 247
Accrued interest	7 674	0	0	0	0	0
Derivatives	1 445	-4 869	-4 869	-2 435	0	0
Accounts payable	48 234	0	0	0	0	0
Other current liabilities	140 929	0	0	0	0	0
Subtotal debt items excl. market value derivatives	326 644	1 671 610	75 166	34 059	36 494	18 247
Estimated interest						
Interest payments on existing loans	73 274	70 038	5 034	2 323	1 161	749
Adjustment incurred 31.12.2021	-7 674	0	0	0	0	0
Subtotal assumed interest	65 600	70 038	5 034	2 323	1 161	749
Leases						
Leases (Note 22)	6 476	6 460	6 460	6 460	6 460	38 761
Total contractual commitments falling due	398 720	1 748 108	86 660	42 842	44 115	57 757

*Liabilities related to Assets held for sale will become due and payable at the time of completion of the sale.

Risk management of capital

A primary goal for the Group is to secure long-term financing of its assets. On February 22, 2023, Eidesvik announced that it had agreed on a term sheet ("Term Sheet") with its financial institutions for refinancing of its debt. With debt maturity in Q1 2026 and aligned amortization payments, the agreed terms significantly strengthened the Group's financial position. On March 28, 2023, the final agreements and documentation were in place and the new terms for the Group's financing became effective. Please see note 20 for further information.

Assessment of fair value

IFRS 7 requires financial instruments measured at fair value on the balance sheet date to be presented by level, with the following level classification for measuring fair value:

1) Quoted price in an active market for an identical asset or liability (level 1)

2) Valuation based on other observable factors, either directly (price) or indirectly (derived from prices) other than the quoted price (used in level 1) for the asset or liability (level 2)

3) Valuation based on factors not taken from observable markets (non-observable assumptions) (level 3)

The following balance sheet items represent financial instruments at fair value:

Balance sheet item:	Level
Cash and cash equivalents	1
Derivatives	2
Financial investments	2

Derivatives are recognised on the basis of valuations from the counterparty (mark to market).

Debts to credit institutions with floating interest rates are recognised at amortised cost, and are valued at approximate fair value. Fixed-rate loans (CIRR) are recorded at amortised cost, and the estimated value is described in Note 23. The fair value of fixed-rate loans is calculated by discounting the difference between the fixed rate and the market rate at December 31, 2022, with a duration equal to the term of the loan.

Cost is considered equivalent to fair value for the equity investments discussed in Note 21.

NOTE 4 – SEGMENT INFORMATION

The Group's activities are divided into strategic operating segments according to the nature of the vessels' activities. The various operating segments offer different shipping services, address partially different customer groups, and have different risk profiles. The Group is divided into the following operating segments:

a. Seismic

b. Subsea/Offshore Wind

c. Supply

d. Other

The Seismic segment delivers shipping services to customers who produce seismic data. At the end of 2022, all seismic vessels were in layup and held for sale. Refer to note 12 for further information of the seismic fleet.

The Subsea/Offshore Wind segment delivers shipping services for subsea work for the oil industry. The vessels are specially adapted to tasks such as subsea inspection, maintenance, repairs and construction. Several of the Company's subsea vessels meet the requirements in the Offshore Wind market, and one vessel is currently chartered in this market.

The Supply segment delivers services to the offshore oil industry. The vessels deliver supplies to rigs, and function as part of the rig's emergency preparedness.

Transactions between segments are eliminated. These are mainly administration costs that are charged to each segment.

Long-term financial items in the Group are not allocated, as the Group's liabilities are mainly included in fleet facilities.

Short-term liabilities are allocated to the segments where possible. Items that do not belong to any of the segments is recorded under "Other".

Segment performance is assessed on the basis of operating profit, and is consistently measured against operating profit in the consolidated financial accounts.

The effect of applying IFRS 15 to the Group's revenues from contracts with customers is described in Note 2.

Operating segments

(NOK thousands)	Seismic		Subsea / Offshore Wind		Supply		Other		Consolidated	
Operating segments	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	2021
Segment result										
Operating income (IFRS 15)	**0**	**0**	**128 123**	**130 600**	**200 642**	**179 129**	**24 083**	**20 882**	**352 849**	330 611
Bareboat income (IFRS 16)	**28 206**	**21 515**	**164 554**	**156 020**	**103 215**	**77 710**	**0**	**0**	**295 975**	255 245
Operating income from JV * (IFRS 15)	**0**	**0**	**38 250**	**35 861**	**0**	**0**	**0**	**0**	**38 250**	35 861
Bareboat income from JV * (IFRS 16)	**0**	**0**	**15 645**	**16 197**	**0**	**0**	**0**	**0**	**15 645**	16 197
Gain on sale	**0**	**0**	**269 723**	**0**	**0**	**1 942**	**0**	**0**	**269 723**	1 942
Total operating income	**28 206**	**21 515**	**616 296**	**338 677**	**303 857**	**258 781**	**24 083**	**20 882**	**972 442**	639 855
Operating expenses	**18 975**	**13 798**	**141 448**	**158 172**	**210 783**	**191 748**	**53 128**	**45 368**	**424 334**	409 086
Operating expenses share from JV *	**0**	**0**	**37 783**	**34 604**	**0**	**0**	**0**	**0**	**37 783**	34 604
Total operating expenses	**18 975**	**13 798**	**179 231**	**192 776**	**210 783**	**191 748**	**53 128**	**45 368**	**462 117**	443 689
Depreciation	**14 026**	**36 135**	**38 916**	**86 281**	**84 192**	**80 009**	**5 773**	**5 536**	**142 907**	207 961
Depreciations share from JV *	**0**	**0**	**18 925**	**18 673**	**0**	**0**	**0**	**0**	**18 925**	18 673
Impairment on assets	**16 053**	**48 599**	**-36 564**	**-192 396**	**-188 726**	**0**	**0**	**0**	**-209 237**	-143 797
Impairment on assets share from JV *	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	0
Total depreciation	**30 079**	**84 734**	**21 277**	**-87 442**	**-104 534**	**80 009**	**5 773**	**5 536**	**-47 405**	82 837
Operating profit incl. share of the JVs *	**-20 848**	**-77 017**	**415 788**	**233 344**	**197 608**	**-12 976**	**-34 818**	**-30 022**	**557 730**	113 329
Net finance items and tax in JV*	**0**	**0**	**-6 831**	**-5 571**	**0**	**0**	**0**	**0**	**-6 831**	-5 571
Impairment JV **	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	0
Share of profit from associated companies	**0**	**0**	**0**	**0**	**0**	**0**	**523**	**874**	**523**	874
Operating profit	**-20 848**	**-77 017**	**408 958**	**227 773**	**197 608**	**-12 976**	**-34 295**	**-29 148**	**551 423**	108 633
Net financial items									**-144 639**	**-77 912**
Tax costs									**-49**	**17**
Profit/loss for the year									**406 736**	30 737

In 2022, the Seismic segment had an impairment of MNOK 16, the Subsea/Offshore Wind segment had a reversal of previous impairment of MNOK 36.6, and the Supply segment had a reversal of previous impairment of MNOK 188.7.

In 2021, the Seismic segment had an impairment of MNOK 48.6, and the Subsea/ Offshore Wind segment had a reversal of previous impairment of MNOK -192.4

*) For shares in joint ventures, the figures in the table are included with the share corresponding to the Group's ownership interest. In this note gross values are used in the result, and equity method are used for shares in joint ventures. No changes in other principles. Refer to Note 7.

(NOK thousands)	Seismic		Subsea / Offshore Wind		Supply		Other		Consolidated	
Operating segments	**2022**	2021	**2022**	2021	**2022**	2021	**2022**	2021	**2022**	2021
Segment assets	**14 686**	53 128	**363 751**	303 408	**856 357**	696 649	**230 010**	197 013	**1 464 804**	1 250 198
Proportion of assets in JV*	**0**	0	**279 687**	296 000	**0**	0	**0**	0	**279 687**	296 000
Unallocated assets (cash)	**0**	0	**0**	0	**0**	0	**0**	0	**655 653**	330 401
Assets held for sale	**80 695**	63 217	**0**	959 242	**0**	0	**0**	0	**80 695**	1 022 459
Total consolidated assets	**95 381**	116 346	**363 751**	303 408	**856 357**	696 649	**220 010**	197 013	**2 201 153**	2 603 058
Assets incl. share of JV*	**95 381**	116 346	**643 438**	1 558 650	**856 357**	696 649	**220 010**	197 013	**2 480 839**	2 899 058
Segment current liabilities (excl. mortgage debt)	**-2 267**	-526	**-18 357**	-23 170	**-14 509**	-31 244	**-182 779**	-151 828	**-217 911**	-206 769
Proportion of debts from JV*	**0**	0	**-141 805**	-148 475	**0**	0	**0**	0	**-141 805**	-148 475
Segment mortgage debt and other long-term liabilities	**-291 845**	-292 646	**-201 219**	-991 590	**-644 941**	-686 278	**57 294**	788 463	**-1 080 711**	-1 182 051
Total liabilities incl. share of JV*	**-294 112**	-293 172	**-361 380**	-1 163 235	**-659 449**	-717 522	**-125 485**	636 634	**-1 440 427**	-1 537 294
Investments in non-current assets (excl. periodic maintenance)	**1 416**	0	**29 235**	8 261	**14 615**	43 360	**0**	0	**45 266**	51 621
Gross sales of non-current assets	**0**	0	**944 093**	0	**0**	21 808	**0**	0	**944 093**	21 808

*) For shares in joint ventures, the amounts in the table are included in proportions equal to the Group's ownership interest.

The sale of Viking Neptun in November 2023 significantly reduced the debt in the Subsea/Offshore Wind segment.

Information on large customers

The majority of the Group's income is earned from a small number of large customers. The table below shows the total operating income from all customers representing more than 10% of the Group's operating income. The amounts are distributed by segments.

Operating segments	**Seismic**		**Subsea / Offshore Wind**		**Supply**	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
Customer 1			**89 764**	**86 824**		
Customer 2					**193 333**	**133 334**
Customer 3				**67 090**		
Customer 4					**71 341**	**93 415**
Customer 5			**207 181**	**164 131**		
Total operating income large customers	**0**	**0**	**296 945**	**318 045**	**264 674**	**226 748**

Secondary segments are not reported. The Seismic, Subsea/Offshore Wind and Supply business segments are the only groups reported internally. Although the vessels in the Seismic and Subsea/Offshore Wind segments operate in various parts of the world, this is mainly a consequence of the customer's preferred areas of operation, not necessarily a decision on a geographical focus area. Presenting geographical areas for these segments is considered misleading. For the Supply segment, all operations in 2021 and 2022 are in just one geographical area defined as Europe. Secondary segmentations is therefore omitted.

Refer to Note 22 for maturity for future lease income.

NOTE 5 – OTHER INCOME

(NOK thousands)	2022	2021
Dividend from «Den Norske Krigsforsikring «	**0**	4 025
Reversal of previous write-downs related to receivables from JVs	**14 102**	12 350
Gain/loss on the sale of vessels	**269 723**	1 942
Other income	**283 826**	18 317

Other income of MNOK 283.8 (18.3) is related to the reversal of previous impairments on repayments received against the claim against Oceanic Seismic Vessels AS MNOK 14.1; see note 13. MNOK 269.7 is associated with the sale of Viking Neptun in November 2022.

NOTE 6 – OTHER OPERATING EXPENSES

(NOK thousands)	2022	2021
Technical operation of vessels	**89 742**	82 940
Insurance	**13 774**	13 107
Communication costs	**6 726**	5 734
Administrative costs	**11 668**	34 233
Other operating expenses	**121 910**	136 014

Technical operation of vessels includes ongoing operating costs and maintenance of the Group's vessels; classification costs are capitalised and depreciated until the next classification and so do not appear as a separate operating cost.

Administration costs consist mainly of travel, consultancy, legal, audit, leasing and other office costs.

Auditor:

(NOK thousands)	2022	2021
Statutory audit	**1 772**	1 743
Other financial audit	**0**	192
Tax advice	**48**	0
Other audit services	**316**	0
Total audit	**2 136**	1 935

The auditor's fees are presented excluding VAT.

NOTE 7 – INVESTMENTS IN JOINT VENTURES AND ASSOCIATED COMPANIES WITH MINORITY INTERESTS

(NOK thousands)

The Eidesvik Offshore ASA Group has the following investments in joint ventures:

Entity	Country	Industry	Ownership/ voting share	Book value 31.12.2021	Share of profit 2022	Translation differences	Dividends	Addition / disposal	Assets held for sale	Book value 31.12.2022
Eidesvik Seven AS	Norway	Shipping	50,0 %	132 157	-10 718	0	0	0	0	**121 439**
Eidesvik Seven Chartering AS	Norway	Shipping	50,0 %	15 368	1 075	0	0	0	0	**16 443**
Total				**147 526**	**-9 644**	**0**	**0**	**0**	**0**	**137 882**

Entity	Country	Industry	Ownership/ voting share	Book value 31.12.2020	Share of profit 2021	Translation differences	Dividends	Addition / disposal	Assets held for sale	Book value 31.12.2021
Eidesvik Seven AS	Norway	Shipping	50,0 %	140 843	-8 686	0	0	0	0	**132 157**
Eidesvik Seven Chartering AS	Norway	Shipping	50,0 %	13 473	1 895	0	0	0	0	**15 368**
Total				**154 316**	**-6 790**	**0**	**0**	**0**	**0**	**147 525**

Eidesvik Seven AS and Eidesvik Seven Chartering AS are classified as joint ventures, as Subsea 7 Norge AS and Eidesvik each own 50% of the shares in the company. Eidesvik Shipping AS is guarantor for 50% of the debt in Eidesvik Seven AS.

Summary of financial information for the joint ventures:

2022:

Entity	Assets	Non-current assets	Current assets	Of this bank	Equity	Liabilities	Long-term	Short-term
Eidesvik Seven AS	504 647	485 355	19 292	9 341 471	242 877	261 770	255 589	6 182
Eidesvik Seven Chartering AS	54 726	0	54 726	31 323	32 886	21 839	0	21 839

Entity	Revenue	EBITDA	Depr. / impairment	Financial income	Financial expenses	Net financial items	Taxes	Profit/loss for the year	Group share
Eidesvik Seven AS	31 290	29 801	37 851	87	13 473	-13 387	0	-21 437	**-10 718**
Eidesvik Seven Chartering AS	107 790	2 546	0	394	18	376	650	2 272	**1 075**
									-9 644

2021:

Entity	Assets	Non-current assets	Current assets	Of this bank	Equity	Liabilities	Long-term	Short-term
Eidesvik Seven AS	533 325	518 708	14 616	182	264 314	269 011	266 918	2 093
Eidesvik Seven Chartering AS	58 675	0	58 675	29 906	30 737	27 938	0	27 938

Entity	Revenue	EBITDA	Depr. / impairment	Financial income	Financial expenses	Net financial items	Taxes	Profit/loss for the year	Group share
Eidesvik Seven AS	32 393	31 138	37 346	0	11 164	-11 164	0	-17 371	**-8 686**
Eidesvik Seven Chartering AS	103 848	3 769	0	22	1	22	0	3 791	**1 895**
									-6 790

Associated companies

The group has the following investments in these individual associated companies:

2022:

Entity	Country	Ownership/ voting share	Book value 31.12.2021	Result portion
Simsea Holding AS	Norway	10,37 %	0	**0**
Bleivik Eiendom AS	Norway	22,59 %	3 118	**523**
Eidesvik Ghana Ltd.	Ghana	49,00 %	0	**0**
			3 118	**523**

2021:

Entity	Country	Ownership/ voting share	Book value 31.12.2021	Result portion
Simsea Holding AS	Norway	10,37 %	0	**0**
Bleivik Eiendom AS	Norway	22,59 %	2 595	**1 940**
Eidesvik Ghana Ltd.	Ghana	49,00 %	0	**-1 065**
			2 595	**874**

Refer to note 21, other shares.

Subsidiaries with substantial minority interests

The Group has two subsidiaries where there are substantial minority interests. Of companies with minority interests, only the companies below are considered material.

2022:

Entity	Country	Minority interests (%)	Minority share of profit/loss
Eidesvik Neptun AS	Norway	25,25 %	**54 738**
Eidesvik Neptun II AS	Norway	25,25 %	**5 942**
			60 680

2021:

Entity	Country	Minority interests (%)	Minority share of profit/loss
Eidesvik Supply AS *	Norway	19,89 %	**-1 897**
Eidesvik Neptun AS	Norway	25,25 %	**48 673**
Eidesvik Neptun II AS	Norway	25,25 %	**-292**
			46 482

* The Group has in September 2021 bought out the the minority owners, and the minority share of profit/loss is per August 31, 2021.

Summary of financial information for subsidiaries with substantial minority interests:

2022:

Entity	Assets	Non-current assets	Current assets	Of which bank	Equity	Liabilities	Long-term	Short-term
Eidesvik Neptun AS	298 519	0	298 519	29 149	250 136	48 383	0	48 383
Eidesvik Neptun II AS	83 693	0	83 693	51 715	88	83 605	0	83 605

Entity	Revenue	EBITDA	Depr. / impairment	Financial income	Financial expenses	Net financial items	Taxes	Profit/loss for the year
Eidesvik Neptun AS	395 021	368 005	0	1 096	152 340	-151 244	0	216 761
Eidesvik Neptun II AS	157 396	2 071	0	545	57	488	0	2 558

2021:

Entity	Assets	Non-current assets	Current assets	Of which bank	Equity	Liabilities	Long-term	Short-term
Eidesvik Supply AS	196 773	170 667	26 105	3 442	1 207	195 566	132 329	63 236
Eidesvik Neptun AS	1 016 679	944 775	71 904	1 345	33 473	983 206	942 107	41 099
Eidesvik Neptun II AS	76 003	0	76 003	34 788	-24 207	100 209	0	100 209

Entity	Revenue	EBITDA	Depr. / impairment	Financial income	Financial expenses	Net financial items	Taxes	Profit/loss for the year
Eidesvik Supply AS	41 047	7 564	14 781	27	12 931	-12 904	0	-20 121
Eidesvik Neptun AS	103 727	86 240	-165 581	26	59 109	-59 082	0	192 739
Eidesvik Neptun II AS	128 095	-4 942	0	3 476	382	3 094	0	-1 848

NOTE 8 – NET FINANCIAL ITEMS

(NOK thousands)	2022	2021
Interest income	**10 831**	**10 502**
Other financial income	**3 590**	**0**
Total financial income	**14 421**	**10 502**
Interest expense on loans	**-86 166**	**-71 529**
Other interest expenses	**-277**	**-1 129**
Interest cost – lease liabilities	**-3 783**	**-2 885**
Reversal of previous write-downs of receivables	**7 247**	**7 366**
Other financial expenses	**-10 865**	**-910**
Total financial expenses	**-93 844**	**-69 087**
Realised currency gains (losses)	**-94 411**	**-17 667**
Change in market value on interest instruments	**51 142**	**18 282**
Unrealised currency gains (losses) – related to other items	**-21 584**	**-14 222**
Value change on currency futures 26ecognized at fair value via profit/loss	**-363**	**-5 721**
Total currency gains	**-65 216**	**-19 328**
Net financial items	**-144 639**	**-77 913**

Realised currency loss in 2022 is mainly related to the delivery of Viking Neptun and the corresponding repayment of debt.

NOTE 9 – TAX

(NOK thousands)	2022	2021
Tax cost Norway and abroad	49	-16
Tax costs	**49**	-16
Fixed asset reserve	48 067	20 585
Profit and loss account	-15 483	-19 638
Pension liabilities	417	282
Loss carried forward	-840 253	-464 433
*** Total temporary differences**	**-807 251**	-463 332
Recognised deferred tax assets	**0**	0
Applied tax rate	**22 %**	22 %

Deferred tax assets are not recognised in the balance sheet due to uncertainty as to when such assets may be realised.

Tax payable

Tax payable for the year subject to the tonnage tax regime	0	0
Other corporation tax payable, Norway and abroad	0	-16
Total tax payable	**49**	-16
Explanation of taxes in the income statement:		
Profit/loss before taxes	406 784	30 720
Calculated 22%/22% tax	89 493	6 758
Tax effect of:		
Permanent differences/ results subject to the tonnage tax/ difference tax rate abroad	-89 444	**-6 775**
Calculated tax for the year	**49**	-16
The Group's effective tax rate	**0 %**	0 %

* Temporary differences are estimated based on preliminary tax assessments.

The tonnage tax, which is determined based on the vessel`s net weight, is booked as other operating expenses.

NOTE 10 – EARNINGS PER SHARE

(NOK thousands)	2022	2021
Profit/loss for the year attributable to the majority shareholders	**346 056**	-15 746
Number of issued ordinary shares (thousands)	62 150	62 150
Number of issued ordinary shares (thousands)	**62 150**	62 150
Earnings per share	5,57	-0,25
Diluted earnings per share	5,57	-0,25

No dividends were paid in 2022, and the Board has not proposed any payment of dividends in 2023.

NOTE 11 – PAYROLL EXPENSES AND NUMBER OF EMPLOYEES

(NOK thousands)	2022	2021
Payroll after net pay refund	**181 989**	161 021
Social security costs	**49 494**	44 429
Defined benefit pension (see Note 18)	**275**	268
Contribution pension	**12 402**	13 849
Hired personnel	**29 273**	23 435
Other personnel costs	**28 992**	30 070
Total personnel costs	**302 425**	273 072

Salaries and payroll tax are shown after deduction for the reimbursement scheme for seafarers.

The average number of full-time equivalents was:	**429**	426
Number of employees at end of year:	**428**	424

In 2022, NOK 41,581 thousand (NOK 57,201 thousand in 2021) was received in connection with the reimbursement scheme for Norwegian seafarers.

In 2022, NOK 3,013 thousand (NOK 2,577 thousand in 2021) was received from Stiftelsen Norsk Maritim Kompetanse.

All received refunds are presented as a reduction of payroll expenses.

NOTE 12 – TANGIBLE FIXED ASSETS

2022:

(NOK thousands)	Property	Port facilities	Operating equipment	Total other fixed assets	Vessels	Periodic maintenance	Total vessels	New build contracts	Total (*)
Acquisition cost									
1 January 2022	37 414	3 594	42 559	83 567	5 890 541	359 633	6 250 174	0	6 333 741
Addition	0	0	372	372	45 266	56 183	101 448	0	101 821
Disposal	0	0	-2 700	-2 700	-1 288 357	-61 268	-1 349 625	0	-1 352 325
31 December 2022	**37 414**	**3 594**	**40 231**	**81 239**	**4 647 450**	**354 548**	**5 001 998**	**0**	**5 083 236**
Accumulated depreciation and impairments									
1 January 2022	19 624	3 494	39 926	63 044	4 034 132	285 076	4 319 208	0	4 382 251
Depreciation in the year	180	0	93	273	87 156	49 978	137 134	0	137 407
Impairment for the year	0	0	0	0	16 053	0	16 053	0	16 053
Reversal of previous impairment for the year	0	0	0	0	-225 290	0	-225 290	0	-225 290
Disposals	0	0	-625	-625	-344 232	-44 350	-388 582	0	-389 208
31 December 2022	**19 804**	**3 494**	**39 393**	**62 692**	**3 567 818**	**290 704**	**3 858 522**	**0**	**3 921 214**
Book value	**17 610**	**100**	**837**	**18 547**	**1 079 632**	**63 844**	**1 143 475**	**0**	**1 162 023**

2021:

(NOK thousands)	Property	Port facilities	Operating equipment	Total other fixed assets	Vessels	Periodic maintenance	Total vessels	New build contracts	Total (*)
Acquisition cost									
1 January 2021	37 414	3 717	42 529	83 660	5 989 257	352 385	6 341 641	0	6 425 301
Addition	0	0	31	31	51 621	36 899	88 521	0	88 551
Disposal	0	-123	0	-123	-150 336	-29 651	-179 988	0	-180 111
31 December 2021	37 414	3 594	42 559	83 567	5 890 541	359 633	6 250 174	0	6 333 741
Accumulated depreciation and impairments									
1 January 2021	19 443	3 494	39 277	62 215	4 170 167	248 592	4 418 759	0	4 480 974
Depreciation in the year	180	0	648	829	140 026	62 399	202 425	0	203 254
Impairment for the year	0	0	0	0	76 894	0	76 894	0	76 894
Reversal of previous impairment for the year	0	0	0	0	-220 691	0	-220 691	0	-220 691
Disposals	0	0	0	0	-132 265	-25 915	-158 180	0	-158 180
31 December 2021	19 624	3 494	39 926	63 044	4 034 132	285 076	4 319 208	0	4 382 251
Book value	17 790	100	2 633	20 523	1 856 410	74 557	1 930 965	0	1 951 490

(*) right-of-use assets TNOK 55 489 and depreciation TNOK 5 563 is not included in the table above. Refer to note 22 IFRS 16, Lease.

Please refer to Note 20 for information on mortgaged assets.

Refer to Note 2, point 2.5, for details of depreciation periods for vessels and lumping together of components.

The Company has in November 2022 sold the Subsea/Wind vessel Viking Neptun, the sale generated a gain of MNOK 269.7.

The PSV Viking Athene was sold in April 2021, and sale generated a gain of MNOK 1.9.

All four seismic vessels are classified as held-for-sale. In determining whether the decisions of sale of the vessels are assessed as discontinued operations or asset held for sale, the Group have concluded that the seismic operations is not a major line of business. The assessment made is based on the fact that the seismic operation's representative share of the Group's total revenue is not viewed as significant (4% for 2022). Consistently discontinued operations is not applicable, and the vessels are classified as asset held for sale in accordance with IFRS 5. All four seismic vessels are classified as held-for-sale and are included in the table above. Refer to note 20 for Liabilities related to Assets held for sale.

Property/port facilities include plots/land valued at MNOK 17.7 (MNOK 17.9) which are not depreciated.

Impairment tests are performed on individual cash generating entities (vessels) when indications of impairment or reversal of previous impairments are identified. Due to observed indicators, such as improved market conditions and increase in market interest rates, the vessels' book values have been tested for impairment and reversal of previous impairments at all quarter end during 2022. Based on these tests, Eidesvik recognized a net reversal of impairment of MNOK 209.2 during 2022. Of this, MNOK 36.6 was related to reversal of impairment of one subsea/offshore wind vessel, and MNOK 188.6 is related to reversal of impairments of five PSVs. In addition, one seismic vessel was impaired with MNOK 16.0.

The Group monitors the presence of impairment indicators during the periodical financial reporting, and thus may update its assessments of impairments to reflect further changes in the underlying market assumptions.

Broker estimates are not used as an approximate sales value on the balance sheet date as there are few observed sales of the type of vessels the Company owns. For the assessment of value in use, expected future cash flows are used, discounted to net present value using a discount rate before taxes reflecting the market-based time value of money, as well as risk specific to the asset.

The discount rate is derived from a weighted average cost of capital (WACC) for market players. The average WACC used in the calculations per December 31, 2022, is 9.2%. This takes into account that the Group's business is mainly within the tonnage tax system, and the calculated WACC is assumed to apply both before and after tax. The capital structure used in the weighted average cost of capital is based on an assumed capital structure in comparable companies with similar assets in a normal situation. Equity cost is based on the expected required rate of return for the Group's investors. Debt costs are based on the risk-free interest rate, plus a premium equivalent to the difference between risk-free rate and market rates. The beta factors are evaluated quarterly when deemed necessary, and otherwise at least annually, on the basis of publicly available market data for identified comparable companies and the main index on the Oslo Stock Exchange.

Future cash flows are estimated on the basis of estimated remaining useful life, which may exceed 5 years. The cash flows used in the impairment tests for 2022 are based on and reconciled against the financial forecasts which the Group uses for internal planning purposes as well as present to its lenders. Important elements in estimated cash flows are the long-term inflation rate, the contract situation (order backlog), the utilization rate, ordinary operating expenses, periodic maintenance (docking), charter rates, and exchange rates.

In 2022, the Seismic segment had an impairment charge of MNOK 16.0 (recoverable amount MNOK 106.7), the Subsea/Offshore Wind segment had a reversal impairment of MNOK 36.6 (MNOK 443.4), and the Supply segment had a reversal of MNOK 188.6 (MNOK 989.0). In 2021, net reversal of previous impairments of MNOK 143.8 were charged.

There is significant uncertainty associated with the assumptions for the value in use calculations. The calculation is based on market prospects which are weak in all three segments in the short and medium term. On a general view, it is considered that the seismic survey market will see a few years after the balance sheet date where layups or reduced rates must be expected for the vessels that are not on fixed contracts. The same considerations apply to the subsea and supply markets.

The expected future earnings used in the calculations are implicitly adjusted for utilisation rate adapted to this general market view. Therefore, sensitivity calculations have also been performed for the value in use calculations and the impaired amounts, in order to highlight the uncertainty in the calculations.

If the utilisation rate for the entire fleet are assumed to be reduced by 5 percentage points on uncontracted income, the impairment would not be affected. If the WACC assumed had increased to 10.5%, the impairment charge would not be affected.

Climate-related matters

The Group constantly monitors the latest regulatory changes in relation to climate-related matters.

The Group has already invested in hybrid battery solutions for the majority of its fleet. For further green fuels and technologies to reduce CO2 emission for the fleet the Group continues to investigate this together with our customers, suppliers and also follow up on possibilities for public funding. Forecast for the vessels include green investments to the extent relevant and are therefore included in assessment of impairment and reversal of impairment. The investments done by the Group so far with focus on reduction in CO2 has historically contributed to securing long term contracts for the vessels in particular in periods where there has been excess capacity in the market. Higher fuel price due to CO2 levels or the cost of green fuels will for the most part be forwarded to the customer, hence there is limited impact in the Group's OPEX short term.

For the Group's long term sustainability goals of 50% reduction in CO2 in 2030, and climate neutral in 2050 to be met, both newbuild programs and new technology has to be implemented and yield appropriate returns. Long term investments are evaluated on this basis.

In the current market, with the existing fleet in the industry, current new build plans and commercial maturity of new emission technology there is no impact on residual values or useful life of the Group's existing vessels. All the Group's vessels comply with current environmental requirements. Reference is also made to Note 2.27 d).

NOTE 13 – OTHER LONG-TERM RECEIVABLES

(NOK thousands)	**31.12.2022**	31.12.2021
Long-term receivables, OSEV	**39 769**	51 178
Total other long-term receivables	**39 769**	51 178

Long-term receivables, OSEV, are related to the company Oceanic Seismic Vessels AS (subsidiary of Global Seismic Shipping AS, "GSS"), regarding the reorganisation of shares in the company and the establishment of GSS (sold in January 2020), as well as the receipt of receivables against the same companies from CGG as part-settlement for the amendment in the contract for Viking Vanquish in 2017. The nominal value as at December 31, 2022, was MUSD 8.45 (MUSD 12.60 as at December 31, 2021), but the value recognised in the accounts is substantially lower due to provisions for counterparty risk with the company's charterer. In 2022 repayments were paid in accordance with the agreed plan, and write-downs on the payments received were reversed (see Note 5 and Note 8).

NOTE 14 – ACCOUNTS RECEIVABLE

(NOK thousands)	31.12.2022	31.12.2021
Accounts receivable	127 269	125 302
Accounts receivable related parties/join ventures	16 019	12 485
Provision for losses	-1 529	-6 845
Total accounts receivable	141 759	130 942

Of overdue accounts receivable related to other than related parties, the expected loss rate is as follows:

(NOK thousands)	31.12.2022	31.12.2021
0-3 months	0 %	1 %
3-6 months	0 %	0 %
6 months <	47 %	58 %
Recorded value of the Group's accounts receivable per currency:		
EUR	16 447	22 447
USD	15 710	27 569
GBP	0	47
NOK	109 601	80 879
Total accounts receivable	141 759	130 942

Net change in provisions for impairment of accounts receivable:

	31.12.2022	31.12.2021
At January 1	6 845	1 400
Provision for impairment of receivables	-6 845	5 445
Accounts receivable recorded as loss during the year	-1 529	0
At December 31	-1 529	6 845

NOTE 15 – OTHER CURRENT ASSETS

(NOK thousands)	31.12.2022	31.12.2021
Inventories (bunkers and lube oil)	17 756	21 756
Other shares	34	34
VAT receivable	2 534	10 068
Insurance settlement receivable	20 983	5 363
Net payroll	13 427	14 697
Prepaid expenses	16 011	16 345
Security for guarantee	10 000	0
Total other current assets	80 744	68 265

Prepaid expenses include expenses for pre-paid insurance, refund of crew costs and unbilled expenses.

NOTE 16 - CASH AND CASH EQUIVALENTS

Of total cash and cash equivalents at December 31, 2022, of MNOK 655.7 (MNOK 330.4 at December 31, 2021), where MNOK 7.2 is restricted tax funds and MNOK 62.7 is funding restricted for use towards the ShipFC ammonia project (EU support).

NOTE 17 - SHARE CAPITAL AND PREMIUM

Changes in paid share capital:

(NOK thousands)	Number of shares		Share capital	
	2022	2021	**2022**	2021
Ordinary shares				
Opening balance	**62 150**	62 150	**3 108**	3 108
Share issue	**0**	0	**0**	0
At December 31	**62 150**	62 150	**3 108**	3 108

Nominal value per share in Eidesvik Offshore ASA is NOK 0.05 (5 øre).

The 20 largest shareholders in Eidesvik Offshore ASA as at December 31, 2022:

Shareholder	Country	Number of shares	Ownership share
EIDESVIK INVEST AS	NORWAY	37 200 000	59,86 %
JAKOB HATTELAND HOLDING AS	NORWAY	3 061 741	4,93 %
HELGØ FORVALTNING	NORWAY	1 446 711	2,33 %
VINGTOR INVEST AS	NORWAY	1 434 719	2,31 %
STANGELAND HOLDING AS	NORWAY	1 096 401	1,76 %
BERGTOR INVESTERING AS	NORWAY	1 096 401	1,76 %
DUNVOLD INVEST AS	NORWAY	837 000	1,35 %
SKANDINAVISKA ENSKILDA BANKEN AB	SWEDEN	793 808	1,28 %
SILBERG, JOHNNY	NORWAY	600 000	0,97 %
HELGØ INVEST AS	NORWAY	500 000	0,80 %
HELLAND AS	NORWAY	474 585	0,76 %
TVEITÅ, EINAR KRISTIAN	NORWAY	444 000	0,71 %
CAIANO SHIP AS	NORWAY	372 575	0,60 %
CALIFORNIA INVEST AS	NORWAY	358 000	0,58 %
BJØRKEHAGEN AS	NORWAY	300 000	0,48 %
OLAVS HOLDING AS	NORWAY	292 338	0,47 %
SMEDASUNDET AS	NORWAY	269 787	0,43 %
DNB BANK ASA	SWEDEN	257 985	0,42 %
LGJ INVEST AS	NORWAY	250 000	0,40 %
HANNESTAD, KARL CHRISTIAN	NORWAY	230 950	0,37 %
Others		10 832 999	17,43 %
Total		62 150 000	100,00 %

The Company had 2,291 shareholders as at December 31, 2022, and a foreign owner share of 2.91%. See also Note 24.

NOTE 18 - PENSIONS AND OTHER LONG-TERM EMPLOYEE BENEFITS

The Company is required to have an occupational pension scheme under the Mandatory Occupational Pensions Act. The Company's pension schemes satisfy the requirements of this Act.

Defined benefit pension

This pension scheme was replaced by a defined contribution scheme for all employees, except for former CEO. The estimated payment into the defined benefit scheme in 2023 is NOK 275 thousand.

Capitalised liability is determined as follows:

(NOK thousands)	**2022**	2021
Net present value of accrued defined benefit pension liabilities in fund based schemes	**3 899**	3 520
Fair value of pension funds	**-4 317**	-3 802
Net capitalised pension liability/fund December 31	**-417**	-282

Changes in defined benefit pension liability during the year:

	2022	2021
Pension liability January 1	**3 519**	3 256
Net present value of pension contribution of the year	**248**	240
Interest expenses	**71**	58
Transfer/acquisition/moving members/new contracts	**0**	0
Payroll tax on employer's contribution	**-63**	-104
Actuarial loss/(gain)	**0**	0
Benefits paid	**124**	69
Pension liability December 31	**3 899**	3 519

Change in fair value of pension funds:

	2022	2021
Pension funds January 1	**3 801**	3 020
Expected return on pension funds	**44**	32
Transfer/acquisition/moving members/new contracts	**0**	0
Actuarial (gains)/losses	**22**	14
Payroll tax on employer's contribution	**-63**	-104
Employer's contribution	**513**	839
Benefits paid	**0**	0
Pension funds December 31	**4 317**	3 802

Total cost included in net profit:

	2022	2021
Cost of pension contribution for the period	**214**	207
Net changes in plan, scaling down, settlement	**0**	0
Interest expenses	**4**	4
Expected return on pension funds	**-10**	-3
Administrative costs	**36**	29
Payroll tax on pension costs	**31**	30
Total, included in payroll expenses (Note 11)	**275**	268

Estimate deviations due to changes in actuarial assumptions included in other income and costs (OCI):

Estimate deviations due to changes in actuarial assumptions included in other comprehensive income (OCI):

	2022	2021
Changes in the discount rate	**-527**	-108
Changes in other financial assumptions DBO	**-27**	-53
Changes in other DBO	**651**	177
Changes in other - pension funds	**-46**	-7
Funds and interest guarantees	**51**	46
Estimate deviation losses/(gains) against OCI*	**102**	55

*Estimate deviation losses/(gains) against OCI was in 2021 booked as a loss. Corrected in 2022 and therefore not reconcilable to the accounts.

The pension funds are placed in various investments through external insurance companies. They manage all transactions for the pension schemes. Breakdown into investment categories:

	2022	2021
Shares	**10 %**	10 %
Bonds	**53 %**	46 %
Real estate	**11 %**	14 %
Money market	**4 %**	11 %
Other	**22 %**	20 %

To calculate pension costs and net pension liabilities, the following assumptions are used:

	2022	2021
Discount rate	**3,00 %**	1,90 %
Return on pension assets	**3,00 %**	1,90 %
Wage growth	**3,50 %**	2,75 %
Pension adjustment	**1,50 %**	0,00 %
G adjustment	**3,25 %**	2,50 %

The discount rate is based on interest on covered bonds (OMF), whereas this was previously based on the government bond rate.

Mortality table K2013 BE is used as a basis for mortality.

Sensitivity of the calculation of pension liability to changes in the assumptions:

The table below shows an estimate of potential effects of a change in certain assumptions for defined benefit pension schemes in Norway.

Change in amount	Discount rate		Annual wage growth	
	1,00 %	-1,00 %	1,00 %	-1,00 %
Total				
Pension liability PBO	3 388	4 516	3 900	3 900
Pension cost for period SCC	231	290	258	258
Active members				
Pension liability PBO	3 388	4 516	3 900	3 900
Pension cost for period SCC	231	290	258	258
Pensioners				
Pension liability PBO	-	-	-	-

Risk assessment

Through the defined benefit schemes, the Group is affected by a number of risks arising from uncertainty in assumptions and future developments. The key risks are described here:

Life expectancy

The Group has undertaken to pay pensions to the employee for the remainder of their lives. So an increase in life expectancy among the members will lead to an increase in the liability for the Company.

Return risk

The Group is affected by a reduction in the actual return on the pension funds. This will lead to an increase in the liability for the Company, as the return on the funds will not be sufficient to meet the obligation.

Inflation and wage increase risk

The Group's pension liability carries risk associated with both inflation and wage growth, although wage development is closely linked to inflation. Higher inflation and wage growth than assumed in the pension estimates will lead to a larger liability for the Group.

NOTE 19 - OTHER LIABILITIES

(NOK thousands)	31.12.2022	31.12.2021
Public taxes and charges	**27 501**	**35 474**
Salaries and holiday pay	**35 280**	**33 639**
Accrued expenses	**57 524**	**51 890**
Prepaid costs SHIP-FC project	**57 401**	**19 925**
Total other current liabilities	**177 707**	**140 929**

Accrued expenses are mainly related to provisions for accrued operating costs and docking/average adjustment.

In 2020 Eidesvik entered into the five year European joint development project ShipFC where Viking Energy will be retrofitted with a 2 MW fuel cell running on green ammonia. The project has received funding from EU to cover a main part of the project costs.

NOTE 20 - LONG-TERM LIABILITIES

	Book value	
(NOK thousands)	**31.12.2022**	31.12.2021
Mortgage (NOK)	**827 958**	884 165
Mortgage (USD)	**311 518**	1 091 947
Other loan	**1 099**	1 056
Capitalised establishment costs	**-1 471**	-5 599
Total interest-bearing long-term liabilities	**1 139 103**	1 971 570
Total long-term liabilities	**1 139 103**	1 971 570
Short-term portion of long-term liabilities	**-983 569**	-86 705
Liabilities related to Assets held for sale	**-112 365**	-840 666
Total long-term liabilities excl. first year's repayment	**43 169**	1 044 199
Short-term loans		
First year's repayment of long-term liabilities	**983 569**	86 705
Accrued interest	**5 965**	7 674
Total	**989 534**	94 379
Liabilities related to Assets held for sale	**112 365**	840 666
Total	**112 365**	840 666
Book value of liabilities in currency		
NOK	**827 585**	879 623
USD	**311 518**	1 091 947
Total	**1 139 103**	1 971 570

Amortisation profile on long-term liabilities at December 31, 2022*:

	Pre refinancing in Q1 2023	Post refinancing in Q1 2023
2023	1 095 934	452 500
2024	43 542	85 000
2025	0	85 000
2026	0	516 976
Total repayments	1 139 476	1 139 476

Amortisation profile on long-term liabilities at December 31, 2021*:

2022	128 364
2023	1 676 479
2024	80 035
2025	36 494
2026	36 494
Later	18 247
Total repayments	1 976 112

*Liabilities related to Assets held for sale will become due and payable at the time of completion of the sale.

The Company has in Q4 2022 sold the Subsea/Offshore Wind vessel Viking Neptun, and the long-term loan is repaid. All four seismic vessels are classified as held-for-sale, and the corresponding debt is classified as Liabilities related to assets held for sale. Refer to note 12 for Assets held for sale.

Of total liabilities, MNOK 1,139.5 are secured against mortgages in vessels recorded at MNOK 1,143.5.

For an assessment of the fair value of long-term liabilities, see Notes 3 and 23.

Change in liabilities	**Interest expenses**	**Interest-bearing short-term debt**	**Current lease liabilities**	**Assets held for sale***	**Interest-bearing long-term debt**	**Non-current lease liabilities**	**Total**
At January 1, 2022		94 379	3 256	840 666	1 044 199	51 147	2 033 646
Repayment of debt		-89 797	-4 890	(876 124)	0	0	-970 811
Interest paid	-83 335	-7 674	0	0	0	0	-91 009
Cash flow from financing	-83 335	-97 472	-4 890	-876 124	0	0	-1 061 821
Exchange rate effects		36 703	0	96 056	0	0	132 759
Capitalisation costs		0	0	0	4 127	0	4 127
Interest accrued but not paid		5 965			0	0	5 965
Other changes		949 958	5 851	51 768	-1 005 158	2 827	5 246
At December 31, 2022		**989 534**	**4 217**	**112 365**	**43 168**	**53 973**	**1 203 258**

Change in liabilities	Interest expenses	Interest-bearing short-term debt	Current lease liabilities	Assets held for sale*	Interest-bearing long-term debt	Non-current lease liabilities	Total
At January 1, 2021		166 596	3 256	0	2 193 798	54 862	2 418 512
Repayment of debt		-420 514	-3 714	0	0	0	--424 228
Interest paid	-71 291	-8 871	0	0	0	0	-80 163
Cash flow from financing	-71 291	-429 386	-3 714	0	0	0	--504 392
Exchange rate effects		-6 635	0	0	43 611	0	36 976
Capitalisation costs		0	0	0	3 557	0	3 557
Interest accrued but not paid		7 674	0	0	0	0	7 674
Other changes		356 129	3 714	840 666	-1 196 767	-3 714	28
At December 31, 2021		94 379	3 256	840 666	1 044 199	51 147	2 033 647

*Liabilities related to Assets Held for sale

Covenants

The majority of the Company's fleet is financed with mortgage loans, mainly fleet loans. The most important financial covenants at December 31, 2022, were:

- Free liquidity of MNOK 70.
- Positive working capital (current assets less current liabilities, excluding current portion of long-term debt).
- Loan to value: Suspended until the end of the refinancing period.
- Limitations on investments and dividends.

There are also clauses related to change of control concerning the Eidesvik families.

No companies in the Eidesvik Offshore Group were in breach of any covenants at December 31, 2022, or during 2022.

The new refinancing

On February 22, 2023, Eidesvik announced that it had agreed on a term sheet with its financial institutions for refinancing of its debt. On March 28, 2023, the final agreements and documentation were in place and the new terms for the Group's financing became effective. The new debt will mature on February 28, 2026, and hence reclassify the majority of the outstanding debt from current liabilities to non-current liabilities.

Summary of the refinancing

Amortization:

- Facility prepayment of NOK 410 million was made on the date of signing and final documentation.
- In 2023, scheduled amortization amounts to NOK 42.5 million in total for the Group.
- In 2024 and 2025, scheduled amortization amounts to NOK 85.0 million in total for the Group.

Cash Sweep:

- No cash sweep mechanisms

Financial covenants:

- Minimum free liquidity of NOK 60 million.
- Positive working capital (current assets less current liabilities, excluding instalments and current portion of long term debt).
- Leverage ratio of 5.0 or lower in 2023, 4.0 in 2024 and 3.5 in 2025.
- Equity ratio of 35% for 2023, and 40% thereafter.

NOTE 21 - OTHER SHARES

(NOK thousands)

Shares

Entity	Country	Industry	Ownership/voting share	Book value 31.12.2022	Book value 31.12.2021
Simsea Holding AS	Norway	Training	10,4 %	0	0
Bleivik Eiendom AS	Norway	Real estate	22,6 %	3 118	2 595
Eidesvik Ghana Ltd.	Ghana	Shipping	49,0 %	0	0
Total				**3 118**	**2 595**

Simsea is a simulation centre for training nautical personnel. Bleivik Eiendom AS leases out properties to companies conducting safety training for maritime personnel.

Simsea Holding AS was written down to NOK 0 because of the bankruptcy of Simsea AS in the winter of 2017. Eidesvik Ghana Ltd has been written down to NOK 0 based on the probability of getting the funds out of Ghana.

The investments are valued by the equity method. Refer to note 7.

NOTE 22 - LEASES

(NOK thousands)

Right-of-use assets

IFRS 16 “Leases” sets out the principles for the recognition, measurement and disclosure requirements for both parties to a lease contract. IFRS 16 is effective for reporting periods beginning on or after January 1, 2019. The Group adopted IFRS 16 on the effective date using a modified retrospective approach and will not restate comparative information.

The Group is both a lessor, as it charters vessels to customers, and a lessee. The new requirements result in significant changes to the accounting model applied by lessees and will primarily affect the Group’s accounting for the operating leases as a lessee. The accounting for lessors will not significantly change.

To determine whether a contract contains a lease, it is considered whether the contract conveys the right to control the use of an identified asset. This is for the Group considered to only be the case for office leases and vehicles. The Group has long term lease agreements on office premises and vehicles that will be affected by implementation of IFRS 16. For the Group, these lease commitments will result in the recognition of an asset (right-of-use) and a lease liability. The rental period is calculated based on the duration of the agreement plus any option periods if these with reasonable certainty will be exercised. Joint expenses etc. are not recognised in the lease liability for the rental contracts.

As permitted by IFRS 16, the Group chose to measure the right-of-use asset equal to the amount of the liability at the implementation date. The future payments under each lease arrangement have been discounted using the incremental borrowing rate applicable to the leased assets in order to calculate the lease liability recognized on the date of adoption.

The Group has used the following practical expedients when applying IFRS 16 to leases:

- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term
- Excluded initial direct costs from measuring the right-of-use assets at the date of initial application
- The liabilities were measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate as of 1 January 2019. The weighted average lessee’s incremental borrowing rate applied to the lease liabilities on January 1, 2019 was 5.0%.

Right-of-use assets	Buildings	Vehicles	Total
Acquisition cost January 1, 2022	**64 048**	**386**	**64 434**
Addition of right-of-use assets	10 010	626	10 636
Disposals		-86	-86
Acquisition cost December 31, 2022	**74 058**	**926**	**74 984**
Accumulated depreciation and impairment			
Depreciation 2019	4 293	179	4 472
Depreciation 2020	4 575	179	4 754
Depreciation 2021	4 679	28	4 707
Depreciation 2022	5 411	152	5 563
Accumulated depreciation and impairment December 31, 2022	**18 958**	**538**	**19 496**
Carrying amount of right-of-use assets December 31, 2022	**55 101**	**388**	**55 489**
Lower of remaining lease term or economic life	10 years	24-50 months	

Lease liabilities

Undiscounted lease liabilities and maturity of cash outflows	Buildings	Vehicles	Total
Less than 1 year	7 534	153	7 687
1-2 years	7 534	122	7 656
2-3 years	7 534	74	7 608
3-4 years	7 534	74	7 608
4-5 years	7 534	12	7 546
More than 5 years	34 467	0	34 467
Total undiscounted lease liabilities at December 31, 2022	**72 137**	**436**	**72 573**

Summary of the lease liabilities	Buildings	Vehicles	Total
At initial application 01.01.2022	54 402	0	54 402
New lease liabilities recognised in the year	7 659	539	8 198
Installment	-7 092	-165	-7 257
Interest expense on lease liabilities	2 824	23	2 847
Total lease liabilities at December 31, 2022	**57 793**	**397**	**58 190**
Current lease liabilities	**4 084**	**133**	**4 217**
Non-current lease liabilities	**53 708**	**264**	**53 973**
Total cash flow for leases			**7 257**

The Group as lessor

The Group's main activity is leasing of offshore tonnage. See overview as of April 26, 2023, below.

Vessels, consolidated	Contract type	Customer	Contract expiry, fixed	Contract expiry, charterer's option
Viking Lady	Time charter	Aker BP	December, 2024	December, 2030
Viking Queen	Time charter	Wintershall	May, 2024	April, 2027
Viking Avant	Time charter	Equinor	December, 2025	December, 2028
Viking Energy	Time charter	Equinor	April, 2025	April, 2030
Viking Prince	Time charter	Aker BP	December, 2025	
Viking Princess	Time charter	Wintershall	January, 2024	January, 2026
Viking Wind Power	Time charter	Siemens Gamesa	January, 2027	June, 2027
Subsea Viking	Time charter	Van Oord	March, 2028	August, 2028
Viking Vanquish	Sold in March 2023			
Viking Vision	Layup			
Veritas Viking	Layup			
Vantage	Layup			
Vessel in joint venture	**Contract type**	**Customer**	**Contract expiry, fixed**	**Contract expiry, charterer's option**
Seven Viking	Time charter	Subsea 7	November, 2025	December, 2026

Future minimum lease terms per December 31, 2022, including all new contracts as at April 26, 2023, for consolidated vessels on firm contracts have the following maturity (NOK thousands):

Next 1 year	513 000
1 to 5 years	973 000
After 5 years	13 000
Future minimum lease	**1 499 000**

The Group has operating lease contract on its vessels representing income. The leases have terms of between 12 and 62 months. As payments from the lessee to the Group is determined based on the fixed day rate agreed in the contract, no portion of the payments varies other than the passage of time.

NOTE 23 - FINANCIAL INSTRUMENTS

(NOK thousands)

Capitalised financial assets and liabilities

Capitalised value equals fair value, except for loans. For details of fair value loans, see the section on "Interest" below. The Group does not practise hedge accounting, financial derivatives held for financial hedging which are recorded at fair value.

	31.12.2022	31.12.2021
Assets		
Market-based shares for trading	**9**	9
Currency derivatives	**0**	363
Interest derivatives	**62 180**	17 042
Accounts receivable (Note 14)	**141 759**	130 942
Cash and cash equivalents (Note 16)	**655 653**	330 401
Other long-term receivables, OSEV	**39 769**	51 178
Total	**899 370**	529 934
Liabilities		
Interest rate derivatives	**0**	6 677
Loans (Note 20)	**1 139 476**	1 976 112
Total	**1 139 476**	1 982 789

Currency

The Group has entered into currency derivative contracts as part of the management of the Group's currency exposure. The Group has no currency derivatives per December 31, 2022.

At December 31, 2021	Currency sold	Amount	Maturity	Exchange rate (average)	Fair value (MTM)
Currency derivatives					
Currency futures for the sale of current cash flow	EUR	1 220	2022	10,2987	**363**
		1 220			**363**

All currency futures are recorded at fair value.

Interest

The Group has the following fixed rate agreements:

At December 31, 2022

Type	Currency	Floor	Cap/Swap	Maturity	NOK principal	Fair value (incl. accrued interest)	Annual downscaling before maturity (average)
Fixed rate loan	NOK		3,36 %	27.03.2024	**132 329**		Variable
Fixed rate loan	NOK		3,41 %	13.09.2024	**148 146**		Variable
Cap	NOK		1,00 %	01.07.2025	**150 000**	8 993	None
Cap	NOK		1,00 %	15.07.2025	**150 000**	9 092	None
Cap	USD		1,00 %	01.07.2025	**246 433**	22 154	None
Cap	USD		1,00 %	15.07.2025	**246 433**	21 942	None
Unhedged					**66 135**		
Total liabilities, hedged and unhedged					**1 139 476**	**62 180**	

The Group has in Q1 2023 unwinded the two caps in USD.

At December 31, 2021

Type	Currency	Floor	Cap/Swap	Maturity	NOK principal	Fair value (incl. accrued interest)	Annual downscaling before maturity (average)
Fixed rate loan	NOK		3,36 %	27.03.2024	142 392		Variable
Fixed rate loan	NOK		3,41 %	13.09.2024	158 355		Variable
Swap	USD		2,36 %	21.11.2022	176 388	-3 480	None
Swap	USD		2,27 %	12.12.2022	176 388	-3 197	None
Cap	NOK		1,00 %	01.07.2025	150 000	4 376	None
Cap	NOK		1,00 %	15.07.2025	150 000	4 382	None
Cap	USD		1,00 %	01.07.2025	220 485	4 231	None
Cap	USD		1,00 %	15.07.2025	220 485	4 053	None
Unhedged					581 620		
Total liabilities, hedged and unhedged					1 976 112	10 365	

At December 31, 2022, 94% (71%) of the Group's loans were at fixed interest or swap/cap.

The Group has two fixed-interest loans in NOK with a maturity of 12 years originally (CIRR), which are recorded at amortised cost in the balance sheet. If these loans were to be refinanced today with a new margin and money market rate, and retained the same repayment profile, the net present value of the difference between the current interest payments and the refinanced interest payments would be MNOK -3.0 (level 2, see Note 3). If these loans were recorded at fair value, they would have been reported correspondingly lower.

See Note 20 for information on long-term loans.

Other information

No financial assets have been reclassified such that the valuation method has been changed from amortised cost to fair value, or vice versa.

For assessment of fair value (MTM), see Note 3.

NOTE 24 - TRANSACTIONS WITH RELATED PARTIES

(NOK thousands)

The Group has some transactions with related parties, concerning crew hire, management services for vessel operations, business and accounting services and leasing of offices. All transactions are based on the arm's length principle.

	2022	2021
Lease of offices from AS Langevåg Senter	**-8 477**	-8 277
Lease of offices to Evik AS	**678**	586
Lease of apartment from Evik AS	**-82**	-79
Lease of offices to Bømmelfjord AS	**773**	595
Sale of other services to Eidesvik Invest AS	**11**	52
Lease of offices and other services to Signatur Management AS	**952**	800
Purchase of office services from Signatur Management AS	**-22**	0
Lease of stockroom and other services from Klubben Eiendom AS	**-549**	-473
Sale of office services and lease of apartment to Bømlo Skipservice AS	**7**	39
Purchase of technical and layup services from Bømlo Skipservice AS	**-6 636**	-6 380
Sale of crew and management services to Eidesvik Seven Chartering AS	**94 356**	71 769
Sale of management services to Eidesvik Seven AS	**1 420**	2 793

The balance sheet includes the following amounts resulting from transactions with related parties:

	31.12.2022	31.12.2021
Accounts receivable	**16 019**	12 485
Accounts payable	**-359**	-1 489
Total	**15 659**	10 996

Shares owned/controlled by Board members/senior executives:

	2022	2021
Eidesvik Invest AS (1)	**37 200 000**	37 200 000
John Egil Stangeland	**30 000**	30 000
Kristine Elisabeth Skeie	**25 000**	25 000
Bjørg Marit Eknes	**25 000**	25 000
Gitte Gard Talmo	**500**	500
Lauritz Eidesvik	**200**	200

(1) Eidesvik Invest AS is 55%-controlled by Bømmelfjord AS, where Borgny Eidesvik holds 20% of the shares (A-shares), and Lauritz Eidesvik holds 20% of the shares (B-shares). The remaining 45% of Eidesvik Invest AS is owned by Evik AS, where Lars Eidesvik indirectly holds 20% of the shares.

The Eidesvik Offshore ASA Group is a subsidiary of Eidesvik Invest AS, which is a subsidiary of the ultimate parent company Bømmelfjord AS.

Remuneration to senior executives:

2022	Base salary	Bonus	Other	Pension costs
CEO Gitte Talmo	2 128	770	315	147
COO Arve Nilsen	1 350	312	215	122
CFO Helga Cotgrove	519	180	52	35
Former CEO Jan Fredrik Meling	252	0	1 493	414
Former COO Jan Lodden	1 127	0	56	62
Former CFO Tore Byberg	1 179	0	105	56
Total 2022	**6 555**	**1 261**	**2 236**	**837**

2021	Base salary	Bonus	Other	Pension costs
CEO Jan Fredrik Meling	2 224	384	137	385
COO Jan Lodden	1 730	291	108	125
CFO Tore Byberg	1 594	273	226	115
Total 2021	5 549	948	470	625

The Company has published a separate Report on Remuneration to the Board of Directors, CEO and Senior Executives, available for download from the Company's website.

In accordance to the company renumeration policy, a bonus scheme is established for CEO and senior executives. Bonus scheme is based on company targets (75%) and individual targets (25%). Maximum bonus is 35% of annual salary. The Board of Directors may temporarily deviate from any part of the guidelines if deemed necessary to protect the long term interest and financial capacity of the Company or safeguard the viability of the company.

The CEO has a mutual notice period of 6 months and is entitled to 6 months of severance pay on certain terms per December 31, 2022.

Former CEO, Jan Fredrik Meling, retired from his position on December 31, 2021. Gitte Gard Talmo replaced Meling effective from January 1, 2022. Meling has received 60% of his salary in 2022 and will also continue to receive 60% in 2023. His pension costs has been covered by Eidesvik Offshore ASA in 2022, and will be covered in 2023 as well.

COO Jan Lodden resigned from his position in June 2022. Arve Nilsen replaced Lodden effective from June 1, 2022.

CFO Tore Byberg resigned from his position in July 2022. Helga Cotgrove replaced Byberg effective from September 19, 2022.

Remuneration of the Board	2022	2021
Arne Austreid	**319**	0
Borgny Eidesvik	**303**	279
Lars Eidesvik	**243**	236
John Egil Stangeland	**243**	236
Lauritz Eidesvik	**263**	246
Kristine Elisabeth Skeie	**243**	236
Bjørg Marit Eknes	**177**	0
Johnny Olson	**46**	0
Petter Lønning	**0**	88
Kolbein Rege	**248**	525
Synne Syrrist	**126**	279
Børre Lindanger	**85**	113
Tore Hettervik	**112**	35
	2 407	2 273

The Board Remuneration Annual Change 5,57%

Board remuneration is decided by the General Meeting. Disbursements for 2022 are remuneration for the previous year, 2021. 2022 remuneration will be decided on the next Annual General Meeting.

Arne Austreid, Bjørg Marit Eknes and Tore Hettervik were, respectively, elected as chair of the board member and employee representative for the board in 2021. Johnny Olson were, respectively, elected as employee representative for the board in 2022.

From AGM 2019, the employees have had one employee representative in the Board, and one deputy employee representative. The total remuneration for these two representatives are equal to a original Board Member, and the split is originally 70/30 between the two employee representatives, depending on the number of meetings the deputy employee representative has attended. The employee representatives rotate on a yearly basis, from July to July.

Nomination Committee	**2022**	2021
Per Åge Hauge	**30**	15
Ellen Hatteland*	**20**	10
Kjetil Eidesvik	**20**	10
Lauritz Eidesvik**	**20**	10
Kolbein Rege**	**20**	10

* At the Annual General Meeting in 2022, Kristine Klaveness replaced Ellen Hatteland in the Nomination Committee.

** *This compensation is included in the table for remuneration of the board.

Remuneration is decided by the General Meeting. Disbursements for 2022 are remuneration for the previous year, 2021.

From AGM 2020, the Nomination Committee was established. The remuneration fee for the Nomination Committee in 2021 is only for the second half of 2020.

NOTE 25 - LIABILITIES AND UNEXPECTED EVENTS

The Company has no framework agreements or other liabilities per December 31, 2022.

NOTE 26 - EXCHANGE RATES

	Average exchange rate 2022	**Exchange rate 31.12.2022**	Average exchange rate 2021	Exchange rate 31.12.2021
Euro	**10,1040**	**10,5138**	10,1648	9,9888
UK pound	**11,8464**	**11,8541**	11,8254	11,8875
US dollar	**9,6245**	**9,8573**	8,5991	8,8194

Exchange rates from the Norwegian Central Bank’s website.

NOTE 27 – SUBSEQUENT EVENTS AND OTHER INFORMATION

Refinancing

On February 22, 2023, Eidesvik announced that it had agreed on a term sheet with its financial institutions for refinancing of its debt. On March 28, 2023, the final agreements and documentation were in place and the new terms for the Group's financing became effective. The new debt will mature on February 28, 2026, and hence reclassify the majority of the outstanding debt from current liabilities to non-current liabilities. See Note 20 for further information.

Edda Sun / Viking Reach

Eidesvik has formed an entity with Reach Subsea ASA ("Reach"). The entity will own and operate the Subsea IMR vessel Viking Reach (former named Edda Sun). Eidesvik will own 50.1% of the new entity. The entity has been financed by equity from both parties and around MNOK 150 of bank financing.

The vessel commenced on a 6-year time charter with Reach in the start of Q2 2023. Going forward the vessel will be operated by Eidesvik.

Successful completion of private placement

Eidesvik successfully completed a private placement of MNOK 130, through an allocation of 10,833,333 Offer Shares at a price per Offer Share of NOK 12 (the "Offer Price") on March 2, 2023. The private placement was approved in an extraordinary shareholder meeting March 24, 2023. The net proceeds to the Company from the Private Placement has been used to fund Eidesvik' s share of the equity in the entity formed with Reach Subsea, which main purpose is to acquire, own and operate the subsea IMR vessel "Viking Reach" (former named "Edda Sun"), working capital for the JV and general corporate purposes. Eidesvik Invest AS, the Company's main owner provided bridge financing of MNOK 96 as the completion of the acquisition of the vessel Viking Reach was done before the private placement proceeds was received. MNOK 77.82 of the bridge financing was converted to equity in the private placement. The residual is being repaid from the proceeds from the private placement.

The board of the Company was given the authority by the extraordinary shareholder meeting held on March 24 2023, to carry out a subsequent offering of up to 2,000,000 new shares at the Offer Price, which, subject to applicable securities law, will be directed towards the Company's existing shareholders at March 2, 2023.

New contracts

Wintershall Dea Norge AS declared an option to extend the contract for the supply vessel Viking Princess from July 2023 in direct continuation of the current contract, extending the firm period to January 2024.

Eidesvik has been awarded a contract with Wintershall Dea Norge AS for the vessel Viking Queen. The firm period is 12 months with options for further extensions. The new contract will commence in Q2, 2023.

Sale of vessel

Eidesvik MPSV AS, a wholly owned subsidiary of Eidesvik Offshore ASA, has sold the seismic vessel Viking Vanquish. Delivery of the vessel took place at March 28, 2023. The sale of the vessel will result in an immaterial accounting effect for Q1 2023.

Annual accounts – Parent Company

STATEMENT OF PROFIT AND LOSS – PARENT COMPANY (NOK 1,000)

	Note	1.1.-31.12. 2022	1.1.-31.12. 2021
Payroll etc.	1,2	**8,878**	**5,643**
Depreciation	3	**0**	**105**
Other operating expenses	4	**8,663**	**8,538**
Total operating expenses		**17,542**	**14,286**
Operating profit		**-17,542**	**-14,286**
Interest income from companies in the same group	5,6	**20,452**	**20,819**
Other interest income		**660**	**14**
Other financial income		**10,390**	**20,232**
Impairment of financial assets	7	**-576**	**-25,460**
Interest expenses to companies in the same group	5	**-3,698**	**-3,631**
Other financial expenses		**-26**	**-4,197**
Net financial items		**27,202**	**7,776**
Profit/loss before taxes		**9,660**	**-6,510**
Tax costs	8	**0**	**0**
Profit/loss for the year		**9,660**	**-6,510**
Allocation (coverage) of profit/loss for the year			
Transferred to/from other equity		**9,660**	**-6,510**
Total allocated (covered)		**9,660**	**-6,510**

STATEMENT OF BALANCE SHEET – PARENT COMPANY (NOK 1,000)

	Note	31.12.2022	31.12.2021
Assets			
Tangible fixed assets			
Buildings and land		**8,921**	**8,921**
Operating equipment		**156**	**288**
Total tangible fixed assets	**3**	**9,077**	**9,209**
Financial assets			
Investments in subsidiaries	7	**297,654**	**298,217**
Loans to Group companies	5	**70,778**	**200,021**
Other financial assets	7	**56**	**56**
Pension funds	2	**417**	**282**
Total financial assets		**368,905**	**498,576**
Total non-current assets		**377,982**	**507,784**
Current assets			
Receivables			
Accounts receivable		**347**	**0**
Other receivables		**0**	**4**
Total receivables		**347**	**4**
Bank deposits, cash etc.	9	**436,953**	**138,206**
Total current assets		**437,300**	**138,210**
TOTAL ASSETS		**815,282**	**645,994**

STATEMENT OF BALANCE SHEET – PARENT COMPANY (NOK 1,000)

	Note	31.12.2022	31.12.2021
EQUITY AND LIABILITIES			
Paid-in equity			
Share capital	10,11	**3,108**	**3,108**
Share premium	11	**177,275**	**177,275**
Other paid-in equity	11	**549**	**549**
Total paid-in equity		**180,932**	**180,932**
Retained earnings			
Other equity		**299,560**	**289,899**
Total retained earnings		**299,560**	**289,899**
Total equity	11	**480,491**	**470,831**
LIABILITIES			
Other non-current liabilities			
Liabilities to Group companies	5	**332,383**	**165,008**
Total other non-current liabilities		**332,383**	**165,008**
Current liabilities			
Accounts payable		**791**	**525**
Public duties payable		**412**	**502**
Other current liabilities		**1,206**	**9,128**
Total current liabilities		**2,408**	**10,155**
Total liabilities		**334,791**	**175,163**
TOTAL EQUITY AND LIABILITIES		**815,282**	**645,994**

BØMLO, APRIL 26, 2023

Arne Austreid
Chair of the Board

Borgny Eidesvik
Board member

Lars Eidesvik
Board member

John Stangeland
Board member

Bjørg Marit Eknes
Board member

Lauritz Eidesvik
Board member

Kristine E. Skeie
Board member

Johnny Olson
Board member

Gitte Gard Talmo
CEO

STATEMENT OF CASH FLOWS – PARENT COMPANY (NOK 1,000)

	Note	1.1-31.12 2022	1.1-31.12 2021
Cash flow from operations			
Payments to suppliers and employees	1,2,4	**-18,240**	**-8,617**
Interest received/paid		**3,484**	**13**
Net cash flows from operations		**-14,756**	**-8,604**
Cash flow from investment activities			
Sale of tangible fixed assets		**132**	**0**
Sale of shares		**0**	**285,078**
Net cash flow from investment activities		**132**	**285,078**
Cash flow from financing activities			
Changes in intercompany balances	5	**313,371**	**-172,689**
Net cash flow from financing activities		**313,371**	**-172,689**
Net increase (decrease) in cash and cash equivalents	9	**298,747**	**103,785**
Cash and cash equivalents at start of period	9	**138,206**	**34,421**
Cash and cash equivalents at end of period		**436,953**	**138,206**

NOTES TO THE ANNUAL ACCOUNTS – PARENT COMPANY

Accounting principles

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

Classification and valuation of balance sheet items

Current assets and short-term liabilities include items maturing within one year after the balance sheet date. Other items are classified as fixed assets/long-term liabilities.

Current assets are valuated at the lower of acquisition cost and fair value. Short-term liabilities are capitalised at nominal value at the time of establishment.

Non-current assets are valued at acquisition cost, but depreciated to fair value if the impairment in value is not expected to be transient. Long-term liabilities are capitalised at nominal value at the time of establishment.

Accounts receivable

Accounts receivable and other receivables are listed in the balance sheet at fair value after deduction of provisions for expected loss. Provisions for loss are made on the basis of individual assessments of individual receivables. An unspecified provision is also made for other accounts receivable in order to cover presumed loss.

Currency

Monetary items in foreign currency are valued according to the exchange rate at the end of the accounting year.

Investments in subsidiaries/associated companies

Subsidiaries and associated companies are valued according to the cost method in the company accounts. The investment is valued at acquisition cost for the shares, unless write-downs have been necessary. Group contributions to subsidiaries, with taxes deducted, are listed as increased cost for shares. Dividends/group contributions are recorded in the same year as the provision is made in the subsidiary/associated company. When a dividend/group contribution substantially exceeds the share of retained profits after the acquisition, the excess amount is treated as a repayment of invested capital, and is deducted from the value of the investment in the balance sheet.

For loans to subsidiaries, refer to Note 5.

Tangible fixed assets

Tangible fixed assets are capitalised and depreciated over the useful life of the asset. Maintenance of fixed assets is expensed on an ongoing basis under operating costs, while upgrades or improvements are added to the cost of the asset and depreciated in step with the asset. The distinction between maintenance and upgrades is calculated in relation to the condition of the asset when it was acquired.

Tax

The tax costs in the income statement include both tax payable for the period and the change in deferred taxes. Deferred tax assets are calculated at 22% on the basis of the temporary differences that exist between accounting and tax values, and losses carried forward for tax purposes at the end of the accounting year. Temporary differences that increase and decrease taxes and that reverse or may reverse during the same period are offset and netted off.

Pension liabilities

The Company finances its pension liabilities to the employees through a group pension scheme. Accounting is done in line with the NRS 6 accounting standard for pension costs. Pension liabilities are calculated as the present value of future pension benefits considered to be incurred on the balance sheet date, based on the fact that employees acquire their pension rights evenly throughout their working lives. Pension funds are valued at fair value and are netted against the pension liabilities for each pension scheme. Net pension funds are presented as long-term receivables under financial assets. The net pension cost for the period is included in payroll and social security costs, and consists of the pension entitlements for the period, interest costs on the calculated pension liabilities, expected returns on the pension funds, recorded effects of changes in estimates and pension plans, recorded effects of discrepancies between actual and expected returns, and accrued payroll tax. The effects of changes in pension plans are expensed in the period in which they occur.

Cash flow statement

The cash flow statement has been prepared according to the direct method. Cash and cash equivalents include cash, bank deposits, and other short-term liquid placements which can be converted to known cash amounts immediately and without significant risk of bankruptcy and which mature in less than three months from the date of acquisition.

NOTE 1 - PAYROLL COSTS, NUMBER OF EMPLOYEES, REMUNERATION, LOANS TO EMPLOYEES

Payroll costs	2022	2021
Salaries	2 678	2 486
Payroll tax	1 081	455
Pension costs	1 852	385
Board remuneration	2 477	2 308
Other remuneration	790	9
Total	**8 878**	5 643

The Company had 1 employee at the end of the year. The Company has established an occupational pension scheme.

Remuneration to the CEO:	2022	2021
Salary	2 128	2 486
Pension costs	147	385
Other remuneration	1 085	9
Total	3 360	2 880

In accordance to the company renumeration policy, a bonus scheme is established for CEO and senior executives. Bonus scheme is based on company targets (75%) and individual targets (25%). Maximum bonus is 35% of annual salary. The Board of Directors may temporarily deviate from any part of the guidelines if deemed necessary to protect the long term interest and financial capacity of the Company or safeguard the viability of the company.

The CEO has a mutual notice period of 6 months and is entitled to 6 months of severance pay on certain terms per December 31, 2022.

Former CEO, Jan Fredrik Meling, retired from his position on December 31, 2021. Gitte Gard Talmo replaced Meling effective from January 1, 2022. Meling has received 60% of his salary in 2022 and will also continue to receive 60% in 2023. His pension costs has been covered by Eidesvik Offshore ASA in 2022, and will be covered in 2023 as well.

Remuneration to the Board:		2022	2021
Arne Austreid		319	0
Borgny Eidesvik		303	279
Lars Eidesvik		243	236
John Egil Stangeland		243	236
Lauritz Eidesvik		263	246
Kristine Elisabeth Skeie		243	236
Bjørg Marit Eknes		177	0
Johnny Olson		46	0
Petter Lønning		0	88
Kolbein Rege		248	525
Synne Syrrist		126	279
Børre Lindanger		85	113
Tore Hettervik		112	35
		2 407	2 273
The Board Remuneration Annual Change	5,57 %		

Board remuneration is decided by the General Meeting. Disbursements for 2022 are remuneration for the previous year, 2021. 2022 remuneration will be decided on the next Annual General Meeting.
Arne Austreid, Bjørg Marit Eknes and Tore Hettervik were, respectively, elected as chair of the board member and employee representative for the board in 2021. Johnny Olson were, respectively, elected as employee representative for the board in 2022.

From AGM 2019, the employees have had one employee representative in the Board, and one deputy employee representative. The total remuneration for these two representatives are equal to a original Board Member, and the split is originally 70/30 between the two employee representatives, depending on the number of meetings the deputy employee representative has attended. The employee representatives rotate on a yearly basis, from July to July.

Other members of the Nomination Committee	2022	2021
Per Åge Hauge	30	15
Ellen Hatteland*	20	10
Kjetil Eidesvik	20	10
Lauritz Eidesvik**	20	10
Kolbein Rege**	20	10

* At the Annual General Meeting in 2022, Kristine Klaveness replaced Ellen Hatteland in the Nomination Committee.
** *This compensation is included in the table for remuneration of the board.

Remuneration is decided by the General Meeting. Disbursements for 2022 are remuneration for the previous year, 2021. From AGM 2020, the Nomination Committee was established. The remuneration fee for the Nomination Committee in 2021 is only for the second half of 2020.

Auditor	2022	2021
Expenses to auditor are distributed as follows:		
Statutory audit	790	825
Tax advice	48	0
Other certification services	160	0
Total expenses to the auditor excl. VAT	**998**	825

NOTE 2 - PENSION COSTS AND LIABILITIES

The Company's pension schemes meet the requirements of the Mandatory Occupational Pensions Act.

The Company has pension schemes which cover its only employee. The schemes give rights to future benefits. These depend mainly on the number of qualifying years, salary level at retirement and the amount of the benefits from national insurance. The liabilities are covered through an insurance company.

	2022	2021
Estimated liability	3 899	3 520
Value of pension funds	-4 317	-3 802
Under/over-funded	**-417**	-282

Reconciliation of this year's pension cost	2022	2021
Present value of this year's pension contribution	214	207
Interest expense on the pension liability	4	4
Expected return on pension funds	-10	-3
Administrative costs	36	29
Changes in this year's pension contribution incl. interest and payroll tax	0	0
Net pension cost	**275**	**268**

The following economic and actuarial assumptions form the basis of the calculation:

	2022	2021
Discount rate	3,00 %	1,90 %
Return on pension assets	3,00 %	1,90 %
Wage growth	3,50 %	2,75 %
Pension adjustment	1,50 %	0,00 %
G adjustment	3,25 %	2,50 %

NOTE 3 - SUMMARY OF TANGIBLE FIXED ASSETS

	Residential property	Transport equipment	Inventory and equipment	Non-depreciable assets	Total
Acquisition cost 1 January	8 921	526	1 248	156	10 851
Addition	0	0	0	0	0
Disposal	0	526	0	0	526
Acquisition cost 31 December	8 921	-	1 248	156	10 325
Accumulated depreciation 1 January	0	289	1 248	0	1 537
Depreciation in the year	0	0	0	0	0
Reduction in depreciation	0	-289	0	0	-289
Accumulated depreciation 31 December	0	0	1 248	0	1 248
Booked value 31 December	**8 921**	**0**	**0**	**156**	**9 077**
Depreciation rates	0 %	20 %	10 %	0	
Depreciation method		Linear	Linear		

NOTE 4 - OTHER OPERATING EXPENSES

	2 022	2021
Management and accounting	**6 500**	6 325
Investor relations costs	**612**	531
Statutory audit	**843**	934
Consultant/legal advice	**317**	766
Office lease	**542**	538
Margin reinvoice office lease	**-1 120**	-1 001
Other reinvoices	**-415**	-203
Other expenses	**1 318**	647
Total other operating expenses	**8 664**	8 538

Of which, from related parties:
Management and accounting services, MNOK 6.5 (MNOK 6.3) provided by the subsidiary Eidesvik AS.

The offices are leased from Langevåg Senter AS, a wholly-owned subsidiary of Eidesvik Invest AS, the Company's largest shareholder. The lease on the office runs to 2033, with 6 x 5-years options thereafter. The gross lease cost is MNOK 6.5 (MNOK 6.3). The offices are subleased, 23% to companies related to the principal shareholder, and 69% to the subsidiary Eidesvik AS. 8% of the premises are used by the lessor itself. The item "Office lease" represents this share. The lease is presented as a net lease.

NOTE 5 - LONG-TERM RECEIVABLES AND LIABILITIES TO SUBSIDIARIES

The interest on the intercompany balances is calculated quarterly using 3-month NIBOR + 3% margin.

Receivables		**2022**	2021
Eidesvik Management AS		**3 415**	3 256
Eidesvik Supply AS		**43 531**	33 727
Eidesvik Neptun AS		**0**	164 658
Eidesvik Shipping International AS		**6 900**	0
Eidesvik Shipping II AS		**18 552**	0
Total	**(*)**	**72 398**	201 641

* Loss on account receivable pr 31.12.22 is MNOK 1,6 related to Eidesvik Management AS

Liabilities	**2022**	2021
Eidesvik AS	**51 288**	51 143
Eidesvik Shipping AS	**77 079**	103 181
Eidesvik Shipping II AS	**0**	9 500
Eidesvik Neptun AS	**203 594**	0
Eidesvik MPSV AS	**422**	1 184
Total	**332 383**	165 008

NOTE 6 – LONG-TERM LIABILITIES

Financial risk

The Company has provided guarantees for all ship mortgage debt in the consolidated subsidiaries. The guarantees involve substantial risk. The Company has no currency risk. For more details, see the discussion of financial risk management in Note 3 to the consolidated accounts.

NOTE 7 - INVESTMENTS IN SUBSIDIARIES AND ASSOCIATED COMPANIES

Company	Share capital	Owner share / voting share	Number	Nominal	Book value	Equity at 31.12.2022 (*)	Profit 2022 (*)
Eidesvik Shipping AS	170,749	100 %	291 380	586	162 638	222 785	111 665
Eidesvik AS	11 000	100 %	11 000	1 000	76 720	124 713	-12 081
Eidesvik Shipping Int. AS	100	100 %	100	1 000	0	-16 958	-11 208
Eidesvik Subsea Vessels AS	100	100 %	1 000	100	112	43 854	22
Hordaland Maritime Miljøs. AS	4483	91 %	39 933	100	332	365	-70
Eidesvik Management AS	100	100 %	1 000	100	0	-1 860	-216
Norsk Rederihelsetjeneste AS	100	100 %	100	1 000	566	566	74
Eidesvik Maritime AS	100	100 %	1 000	100	112	571	2 022
Eidesvik Neptun II AS	88	74,75 %	747 474	0,10	75	88	2 558
Eidesvik Shipping II AS	100	100 %	1	1 000	9 501	-5 279	-5 969
Eidesvik UK Ltd.	0	100 %	1	1	1	584	-70
Eidesvik Neptun AS	792	74,75 %	594	0,1	47 600	250 136	216 761
Total					**297 655**	**619 565**	**303 489**

Impairments in 2022 is related to impairments in Hordaland Maritime Miljøselskap AS (TNOK 231), Eidesvik Shipping International (TNOK 104), Eidesvik Management (TNOK 0,94) and Norsk Rederihelsetjeneste AS (TNOK 218).

Company	Share capital	Owner share / voting share	Number	Nominal	Book value	Equity at 31.12.2022 (*)	Profit 2022(*)
Eidesvik Seven Chartering AS	100	50 %	5000	10	56	32 886	2 272
Total					56		

Company	Share capital	Owner share / voting share	Number	Nominal	Book value	Equity at 31.12.2021	Profit 2021 (*)
Eidesvik Shipping AS	170,749	100 %	291 380	586	162 638	111 322	-281 366
Eidesvik AS	11 000	100 %	11 000	1 000	76 720	133 059	-6 077
Eidesvik Shipping Int. AS	100	100 %	100	1 000	104	-5 336	-12 429
Eidesvik Subsea Vessels AS	100	100 %	1 000	100	112	43 840	52
Hordaland Maritime Miljøs. AS	4483	91 %	39 933	100	563	467	-39
Eidesvik Management AS	100	100 %	1 000	100	9	-1 636	-109
Norsk Rederihelsetjeneste AS	100	100 %	100	1 000	784	126	-352
Eidesvik Maritime AS	100	100 %	1 000	100	112	12	2 697
Eidesvik Neptun II AS	88	74,75 %	747 474	0,10	75	-11 664	-34 023
Eidesvik Shipping II AS	100	100 %	1	1 000	9 501	690	-19 168
Eidesvik UK Ltd.	0	100 %	1	1	1	61	-5
Eidesvik Neptun AS	792	74,75 %	594	0,1	47 600	63 631	222 896
Total					**298 217**	**334 572**	**-127 923**

Impairments in 2021 was MNOK 111.4 related to impairments in Eidesvik Shipping AS (MNOK 1.4) and Eidesvik Shipping II (MNOK 110).
The impairments in Eidesvik Shipping II was associated with the conversion of the receivable to equity. Reversed impairments in 2021 was MNOK 47.6 related to Eidesvik Neptun AS.

Associated companes

Company	Share capital	Owner share / voting share	Number	Nominal	Book value	Equity at 31.12.2021	Profit 2021(*)
Eidesvik Seven Chartering AS	100	50 %	5000	10	56	30 670	3 723
Total					56		

NOTE 8 - TAXES

	2022	2021
Recognised tax on ordinary profit:		
Tax payable	0	0
Change in deferred tax assets	0	0
Tax expense on ordinary profit	**0**	0
Taxable income:		
Ordinary profit before tax	9 660	-6 510
Permanent differences	-7 407	9 297
Changes in temporary differences	-293	-355
Group contributions made	0	0
Use of loss carry-forward	-1 960	-2 432
Taxable Income	**0**	0
Tax payable in the balance sheet:		
Tax payable on profit for the year	0	0
Tax payable on group contributions made	0	0
Total tax payable in the balance sheet	**0**	0

Tax effect of temporary differences and loss carry-forwards which have given rise to deferred tax and deferred tax assets, broken down by categories of temporary differences:

	2022	**2021**	**Change**
Tangible fixed assets	-120	-149	-29
Receivables	0	-127	-127
Pension funds	417	281	-136
Total	**297**	**5**	**-293**
Accumulated loss carry-forward	-1 360	-3 320	-1 960
Basis for calculating deferred tax	**-1 063**	**-3 315**	**-2 252**
Deferred tax assets (22%)	**-234**	**-729**	**-495**
Effect of change of tax rate	0	0	0

No deferred tax assets have been posted.

NOTE 9 – BANK DEPOSITS

Of the MNOK 437.0 (MNOK 138.2) in bank deposits, restricted tax funds represent MNOK 0.3 (MNOK 0.4).

NOTE 10 - SHARE CAPITAL AND SHAREHOLDER INFORMATION

The Company’s share capital consists of 62,150,000 shares at NOK 0.05 each. All shares have equal voting rights.

For the 20 largest shareholders in Eidesvik Offshore ASA as at 31.12.2022, see Note 17 to the consolidated accounts.

	2022	2021
Eidesvik Invest AS (1)	**37 200 000**	37 200 000
John Egil Stangeland	**30 000**	30 000
Kristine Elisabeth Skeie	**25 000**	25 000
Bjørg Marit Eknes	**25 000**	25 000
Gitte Gard Talmo	**500**	500
Lauritz Eidesvik	**200**	200

(1) Eidesvik Invest AS is 55%-controlled by Bømmelfjord AS, where Borgny Eidesvik holds 20% of the shares (A-shares), and Lauritz Eidesvik holds 20% of the shares (B-shares). The remaining 45% of Eidesvik Invest AS is owned by EVIK AS, where Lars Eidesvik indirectly holds 20% of the shares.

NOTE 11 - EQUITY

	Share capital	Share premium	Other paid-in equity	Other equity	Total
Equity 31.12.21	3 108	177 275	549	289 899	470 831
Profit/loss for the year				9 660	9 660
Equity 31.12.22	**3 108**	**177 275**	**549**	**299 559**	**480 491**

NOTE 12 - SUBSEQUENT EVENTS

Refinancing

On February 22, 2023, Eidesvik announced that it had agreed on a term sheet with its financial institutions for refinancing of its debt. On March 28, 2023, the final agreements and documentation were in place and the new terms for the Group’s financing became effective. The new debt will mature on February 28, 2026, and hence reclassify the majority of the outstanding debt from current liabilities to non-current liabilities. See Note 20 in the consolidated accounts for further information.

Successful completion of private placement

Eidesvik successfully completed a private placement of MNOK 130, through an allocation of 10,833,333 Offer Shares at a price per Offer Share of NOK 12 (the "Offer Price") on March 2, 2023. The private placement was approved in an extraordinary shareholder meeting March 24, 2023. The net proceeds to the Company from the Private Placement has been used to fund Eidesvik’ s share of the equity in the entity formed with Reach Subsea, which main purpose is to acquire, own and operate the subsea IMR vessel "Viking Reach" (former named "Edda Sun"), working capital for the JV and general corporate purposes. Eidesvik Invest AS, the Company's main owner provided bridge financing of MNOK 96 as the completion of the acquisition of the vessel Viking Reach was done before the private placement proceeds was received. MNOK 77.82 of the bridge financing was converted to equity in the private placement. The residual is being repaid from the proceeds from the private placement.

The board of the Company was given the authority by the extraordinary shareholder meeting held on March 24 2023, to carry out a subsequent offering of up to 2,000,000 new shares at the Offer Price, which, subject to applicable securities law, will be directed towards the Company's existing shareholders at March 2, 2023.

APPENDIX 1 – ALTERNATIVE PERFORMANCE MEASURES DEFINITIONS

The Group's financial information is prepared in accordance with international financial reporting standards (IFRS). In addition, the Group discloses alternative performance measures as a supplement to the financial statement prepared in accordance with IFRS. Such performance measures are used to provide better insight into the operating performance, financing and future prospects of the Group and are frequently used by securities analysts, investors and other interested parties.

The definitions of these measures are as follows:

- Contract coverage: Number of future sold days compared with total actual available days (incl. vessels in layup), excluding options.
- Backlog: Sum of undiscounted revenue related to secured contracts in the future.
- Utilization: Actual days with revenue divided by total actual available days.
- Equity Ratio: Equity divided by total assets
- Net interest bearing debt: Interest bearing debt less current and non-current interest bearing receivables and cash and cash equivalents. The use of term "net debt" does not necessarily mean cash included in the calculation are available to settle debt if included in the term. Reference is made to Note 12.
- EBITDA: Operating result (earnings) before depreciation, impairment, amortisation, net financial costs and taxes is a key financial parameter. The term is useful for assessing the profitability of operations, as it is based on variable costs and excludes depreciation, impairment and amortised costs related to investments. EBITDA is also important in evaluating performance relative to competitors. See table below for matching to the accounts.
- EBIT: Operating result (earnings) before net financial costs and taxes. See table below for matching to the accounts.
- Working capital: Current assets less short-term liabilities.
- Minimum market value clause: Booked value of an asset shall not be lower than a given ratio compared to outstanding debt on the same asset.

	2022 **1.1 - 31.12**	2021 1.1 - 31.12
Total operating income	**918 547**	587 798
Total operating expenses	**(424 335)**	(409 086)
EBITDA	**494 213**	178 712
Ordinary depreciation	**(142 907)**	(207 961)
Impairment on assets	**209 237**	143 797
Profit from Joint Ventures	**(9 120)**	(5 916)
EBIT	**551 423**	**108 633**

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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Eidesvik Offshore ASA

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Eidesvik Offshore ASA (the Company) which comprise the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company comprise the balance sheet as at 31 December 2022 and the profit and loss statement and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies. The consolidated financial statements of the Group comprise the balance sheet as at 31 December 2022, the profit and loss statement, statement of comprehensive income, statement of cash flows and statement of changes in equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable legal requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU,
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Our opinion is consistent with our additional report to the audit committee.

Basis for opinion

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

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 13 years from the election by the general meeting of the shareholders on 7. September 2010 for the accounting year 2010.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate

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opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

Impairment assessment of vessels

Basis for the key audit matter
The current market shows improved commercial terms, especially in the OSV segment, but at the same time high inflation rates give increased cost levels. Management identified indicators of changes in vessel values and tested recoverable amounts of the Group's vessels. Each individual vessel was assessed as a separate cash generating unit, and management estimated recoverable amounts by comparing the carrying amount to the highest of fair value less costs of disposal and value in use.

As of 31 December 2022 book value of the Group's vessels classified as non-current and current assets held for sale, amounted to MNOK 1 143 475, representing 49% of the Group's total assets. The Group recognized net reversal of impairment of MNOK 209.2, of which MNOK 16.0 is related to impairment of one seismic vessel and MNOK 225.2 is related to reversal of impairment of one subsea/offshore wind vessel and five PSVs.

Management uses assumptions for future market conditions and financial conditions when the recoverable amount is estimated. Significant estimates include future day rates, utilization rate, operating costs, capital expenditures and discount rate. Impairment assessment for the Groups vessels have been assessed to be a key audit matter due to the extent of discretionary assessments in the calculations, uncertainty in estimates and future market conditions, and assumptions used in management's models for recoverable amounts.

Our audit response
Our audit procedures included assessment of cash flows estimated by management, including utilization rates, by comparing the assumptions with data from comparable companies, terms in the Group's current contracts, and independent market reports. We have compared management's estimated operating costs to actual historical data for the vessels and assessed that the estimated revenue and operating expenses is according to approved budgets.

Further, we have assessed the required rate of return by comparing external data for risk-free interest rate based on government bonds, beta, and market risk premiums for the industry, and assessed adjustments for company-specific factors. In addition, we assessed the level of precision in management's assumptions used in previous years impairment assessment by comparing to subsequent actual results and ensured consistency in the use of valuation method. We have recalculated the valuation models and compared management's calculations of recoverable amounts with external valuation reports obtained by the company. We have also conducted a sensitivity analysis of the most important assumptions. We refer to note 2.27 for information on uncertainty in the estimations, note 12 for vessels, impairment, valuation model, and the sensitivities of significant assumptions and note 27 subsequent events.

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Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and Chief Executive Officer) is responsible for the other information. Our opinion on the financial statements does not cover the other information, 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 other information, and, in doing so, consider whether the board of directors' report, the statement on corporate governance and the statement on corporate social responsibility contain the information required by applicable legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that the other information is materially inconsistent with the financial statements, there is a material misstatement in this other information or that the information required by applicable legal requirements is not included in the board of directors' report, the statement on corporate governance or the statement on corporate social responsibility, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report, the statement on corporate governance and the statement on corporate social responsibility are consistent with the financial statements and contain the information required by applicable legal requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with International Financial Reporting Standards as adopted by the EU and of the consolidated financial statements of the Group in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirement

Report on compliance with regulation on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Eidesvik Offshore ASA we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 5967007LIEEXZXFOMO31-2022-12-31-en, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF Regulation.

Management's responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF Regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation. We conduct our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation.

As part of our work, we perform procedures to obtain an understanding of the company's processes for preparing the financial statements in accordance with the ESEF Regulation. We test whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 26 April 2023
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The auditor's report is signed electronically

Trond Stian Nytveit
State Authorised Public Accountant (Norway)

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