REM SALTIRE HOLDING AS - Annual Report 2022

The nature and location of the business
Rem Saltire Holding AS is the parent company of Rem Saltire AS. Rem Saltire AS's business consists of owning and operating the Offshore Subsea vessel Rem Saltire.

Rem Saltire Holding AS has no other activity than the investment made in the subsidiary company. The company has its office in Fosnavåg in the Herøy municipality.

Future development and events after the balance sheet date.

Future development in Rem Saltire Holding AS is fully connected with the development of the subsidiary company Rem Saltire AS. The Group's engagement strategy is primarily long-term employment. This provides a predictable earnings overview, and at the same time a stability in operations that create the foundation for continuity where crew is concerned, including preventive maintenance of vessels and equipment.
The vessel Rem Saltire is currently on a contractual agreement with the seismic company Magseis Fairfield. The start of the contract was January 2022. The agreement has a fixed duration until January 2024. The area of operation is currently in Guyana.

There are positive prospects within the segment in which the Group operates. With relatively high oil prices within the energy sector, there is high and rising activity in the segment. Due to macroeconomic conditions, it is predicted that the demand for oil and gas will be high in the years to come.

Forthcoming operation
In February 2021, the Group came to a refinancing agreement with its creditors that expires in 2024. Based on the current contract situation and the 2023 budget, it is expected that the Group will have good earnings in 2023 including a positive cash flow. The Group had positive operations in 2022 and was compliant with its financial covenants. This is also expected to continue in 2023. The vessel Rem Saltire is well equipped and is expected to be attractive in the market for many years to come.

It is the Board's assessment that 2022 annual accounts can be submitted on the assumption of continued operations in accordance with section 3-3a of the Accounting Act.

Health, Safety and the Environment
I he Group has a clear goal to operate its vessel without causing personal injury and not damaging the external environment. These goals are defined in the company's management system, which in 2018 were certified within ISO 9001/14001.

The Group is constantly working to strengthen the focus on health, safety and environment, both at sea and at the office. We also work continuously to achieve defined goals and to meet our customers' expectations concerning deliveries. There were no reported personal injuries during the year that resulted in absence. Total Re portable Case Frequency (TRCF) was 0.

The external environment
The Group conducts its business within requirements and guidelines that always apply to prevent damage to the external environment. There are routines and equipment to limit the effect of any unwanted emissions. There have been no incidents that have led to oil spills at sea during the year.

Work environment and personnel
The Group does not have its own office employees as the business is carried out through a management sourcing agreement. Rem Maritime AS is the provider, and providing sailing personnel is included in the management agreement.

Equality
The Group aims to be a workplace where there is full equality between men and women. This means, amongst else, that there shall be no differential treatment in issues such as salary, promotion, and recruitment. The company's board of directors consists of two men.

Norwegian Transparency Act
As part of the Group's continuous due diligence of Suppliers, we have started the work of conducting a risk assessment of our supply chain. The risk of breach of basic human rights and decent work conditions are assessed and categorized based on industry, raw materials, and country. Within June 30th the Group will prepare a report in accordance with the requirements of the Norwegian Transparency Act. The report will be published on our web site www.remoffshore.no/apenhetsloven

Director and Officer Liability Insurance
The Group has purchased and maintains a Liability Insurance on behalf of members of the Board of Directors and the CEO. The insurance covers the insured's liability for damage due to claims made against the insured as a result of an alleged liability related act or omission.

Research and development
The Group has no ongoing research and development activities.

Statement of the annual accounts
The annual accounts have been prepared and presented in accordance with Norwegian law and generally accepted accounting principles (NGAAP). The income statement for the Group consists of Rem Saltire Holding AS and Rem Saltire AS.

Parent company
The company had MNOK 0.6 (MNOK 0.5) in operating revenues. Operating costs amounted to MNOK 0.3 (0.2 MNOK). The result of financial items was MNOK -0.2 (0).

Profit before tax is MNOK 0.1 (MNOK 0.2) which is transferred to other equity.

The company's assets mainly consist of investments in subsidiaries and intra-Group loans. The company's total capital was MNOK 313.4 (MNOK 335.1) at the end of 2022.
The equity was MNOK 65.5 (MNOK 65.5)

The Group

The Group's turnover for 2022 amounted to MNOK 118.8 (MNOK 103.7), while operating profit before depreciation (EBITDA) was 73.3 (MNOK 62.1), which gives a margin of 61.7% (59.9 %).
The consolidated financial statements are charged with depreciation based on a life span of the vessel of 30 years. Financial expenses mainly consist of interest expenses on bond loans.

Profit after tax was MNOK 2 (MNOK 14.5) which is transferred to other equity.
Total cash flow from operating activities and investing activities was MNOK 22.1 (MNOK 3.7). Net instalment payments on bond loans amounted to MNOK 21.6 (MNOK 20.7). The Group's liquidity was increased by a total of MNOK 0.5 over the year.

Financing and capital structure
Rem Saltire Holding AS was established in 2021. When the parent company was established, a debtor change of the bond loan was made from Rem Saltire AS to Rem Saltire Holding AS. The ownership in Rem Saltire AS was transferred to Rem Saltire Holding AS. At the same time, an intra-Group loan was established between Rem Saltire AS and Rem Saltire Holding AS with the same conditions as for the bond loan. The balance of both the intra-Group loan and the external bond loan at year end was MNOK 246.2. The loan maturity date is 31.12.2024.

The Group's book equity amounted to MNOK 81.7 (MNOK 79.7) out of a total balance of MNOK 346.5 (MNOK 355.5). This equals to an equity ratio of approximately 23.6% (22.4 %).

The cash balance at year end was MNOK 6.2 (MNOK 5.6)

Financial risk

Interest rate risk
The Group's bond loans bear interest at a fixed interest rate. They will thereby not become exposed to future interest rate movements.

Currency risk
The Group's long-term debt is in NOK. The vessel's earnings are in USD. Current operating costs have a large element of NOK and EUR and the activity therefore has a need for net sales of USD against EUR and NOK. As of 31.12.2022, the company has partially currency-hedged future cash flow, ref note 5.

Credit risk
The Group basically has a limited credit risk due to that the contracts are made with established players with good underlying solvency and ability to pay. However, persistently low oil prices can affect credit risk.

Liquidity risk
The refinancing package provides some flexibility in relation to full instalment services. However, the company is dependent on current earnings and operating cost level being maintained if the revised loan obligations are to be serviced continuously through 2023.

Fosnavåg 28.04.2023

Åge Remøy
Chairman of the Board

Fredrik Remøy
Board member

Lars Conradi Andersen
CEO

INCOME STATEMENT

REM SALTIRE HOLDING GROUP

(NOK 1.000)	Note	2022	2021
Freight income	1, 2	115 372	103 241
Other operating income	2	3 421	454
Total operating income	0	**118 793**	**103 695**
Crew expenses	2, 3	29 710	27 080
Operating expenses vessels		8 290	6 936
Depreciation	4	33 847	26 409
Other operating expenses	2, 3	7 503	7 554
Total operating expenses		**79 350**	**67 980**
Operating result		**39 444**	**35 715**
Other interest income		0	2
Other financial income		4	1 719
Other interest expenses	8	18 062	19 624
Other financial expenses		18 191	3 284
Result finance items		**-36 248**	**-21 187**
Result before tax expense		**3 195**	**14 528**
Income tax	9	1 206	70
Result for the year		**1 989**	**14 457**
ALLOCATIONS			
Allocated to other equity		1 989	14 457
Total allocations		**1 989**	**14 457**

BALANCE SHEET

REM SALTIRE HOLDING GROUP

(NOK 1.000)	Note	2022	2021
Assets			
Property, plant and equipment			
Vessels	4, 8	302 183	327 662
Total property, plant and equipment		**302 183**	**327 662**
Total non-current assets		**302 183**	**327 662**
Current assets			
Trade receivables	8	32 305	18 751
Other current receivables	5	5 824	3 406
Total receivables		**38 130**	**22 157**
Bank deposits, cash etc.	6, 8	6 177	5 635
Total current assets		**44 307**	**27 792**
Total assets		**346 490**	**355 454**

BALANCE SHEET

REM SALTIRE HOLDING GROUP

(NOK 1.000)	Note	2022	2021
Equity and liabilities			
Equity			
Share capital	7	420	420
Premium	7	64 809	64 809
Total paid-in equity		**65 229**	**65 229**
Other equity	7	16 446	14 457
Total retained earnings		**16 446**	**14 457**
Total equity		**81 676**	**79 687**
Liabilities			
Deferred tax	9	58	70
Bond loan	8	245 936	267 326
Total other non-current liabilities		**245 936**	**267 326**
Trade payables	2	4 152	6 856
Tax payable	9	35	0
Public duties payable		2 156	0
Other current liabilities	5	12 477	1 515
Total current liabilities		**18 820**	**8 371**
Total liabilities		**264 814**	**275 767**
Total equity and liabilities		**346 490**	**355 454**

Fosnavåg, 28.04.2023
The Board of Directors, Rem Saltire Holding AS

Aage Johan Remøy
chairman of the board

Fredrik Remøy
board member

Lars Oddvar Conradi Andersen
managing director

CASH FLOW STATEMENT

REM SALTIRE HOLDING GROUP

		2022	2021
	(NOK 1.000)		
	Cash flows from operating activities		
+/-	Result before tax expense	3 195	14 528
+	Ordinary depreciation	33 847	26 409
+/-	Change trade receivables	-13 555	-3 086
+/-	Change trade payables	-2 703	-439
+/-	Change in other accruals	9 725	-9 400
=	**Net cash flows from operating activities**	**30 510**	**28 012**
	Cash flows from investing activities		
-	Purchase of property, plant and equipment incl. periodical maintenance	-8 368	-24 330
=	**Net cash flows from investing activities**	**-8 368**	**-24 330**
	Net cash flows from financing activities		
-	Repayment of long term liabilities, related parties	-	-10 022
-	Repayment of bond loan	-21 600	-20 700
+	Cash deposits upon group establishment	-	42
=	**Net cash flows from financing activities**	**-21 600**	**-30 680**
=	**Net change in cash and cash equivalents**	**542**	**-26 999**
+	Cash and cash equivalents upon group establishment	-	32 634
+	Cash and cash equivalents 1.1.	5 635	-
=	**Cash and cash equivalents 31.12**	**6 177**	**5 635**

Accounting policies

The financial statements have been prepared in accordance with the Accounting Act and generally accepted accounting

All figures are in thousand NOK unless otherwise is stated.

Rem Saltire Holding Group was established on 01.01.2021 in connection with the parent company, Rem Saltire Holding AS, being established at this time.

The use of accounting estimates
The preparation of the financial statements in accordance with the Accounting Act and generally accepted accounting principles requires management to use accounting estimates and judgements that affect the income statement and the valuation of assets and liabilities and information about contingent assets and liabilities at the balance sheet date.

Consolidation principles

Subsidiaries
Subsidiaries are entities controlled by the group. Control exists when the group has the power, directly or indirectly, to govern the financial and operating policies of an entity to obtain benefits from its activities. In assessing control, potential voting rights that may be exercised or converted are taken into account. Subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The acquisition method of accounting is applied for acquisitions. Acquisition cost is assigned to identifiable assets and liabilities in the subsidiary which are stated at fair value at the time of acquisition, including any minority interests. Acquisition costs that exceed the fair value of identifiable net assets in the subsidiary are entered in the balance sheet as goodwill. If identifiable assets and liabilities exceed acquisition cost, this is called negative goodwill. Negative goodwill is classified as goodwill (negative) and is systematically recognized in the income statement, limited to a maximum of 5 years.

When preparing the consolidated financial statements, the Norwegian Accounting Standards Board (NASB) Business acquisitions and consolidated accounts were used.

Intragroup transactions, intercompany balances, and unrealized profits between group companies are eliminated. Correspondingly, unrealized loss is eliminated, but is considers as an indicator of a decline in value as in relation to a write-down of the transferred asset. The consolidated financial statements have been prepared according to uniform principles.

Foreign currency translation

Functional currency and presentation currency
The accounts are presented in NOK, which is both the functional currency and the presentation currency for the parent company and subsidiaries.

Transactions and balance sheet items
Transactions in foreign currency are converted to the functional currency using the transaction rate. Currency gains and losses arising from the payment of such transactions are recognized in the income statement. The conversion of monetary items (assets and liabilities) in currency at the exchange rate on the balance sheet date is also recognized in the income statement.

Property, plant and equipment
Fixed assets are entered in the balance sheet at acquisition cost less accumulated depreciation and write-downs. The acquisition cost for fixed assets is the purchase price, including fees/taxes and costs directly related to putting the fixed asset in condition for use. Expenses incurred after the asset has been put into use, such as ongoing daily maintenance, are recognized in the income statement in the period which the expense is incurred. While expenses that are expected to provide future financial benefits are recognized in the balance sheet.

The group has an ongoing program for maintenance and classification of machinery, equipment and hull. The expenses are recognized in the balance sheet and recognized as expense linearly over the period till next periodic maintenance/docking. Normally every 5 years. At the delivery of new construction a share of the cost price is recognized in the balance sheet as periodic maintenance. At the sale of vessels the vessel's carrying maintenance costs are recognized as expense directly against sales profit/-loss.

All vessels are depreciated linearly over their expected economic lifetime, estimated to 30 years from the year of delivery of the vessels. Residual value is estimated to be zero as of 31.12. Economic lifetime and residual value are assessed at each balance sheet date and changed if necessary.

When the carrying value of a fixed asset exceeds the estimated recoverable amount, the value is written down to the recoverable amount. Recoverable amount is the higher of fair value less sales costs and value in use. At each reporting date, the possibilities for reversal of any previous write-down (except goodwill) are assessed.

Profit and loss on disposals are included in operating profit.

Accounting policies

Classification of balance sheet items
Assets determined for permanent ownership or use have been recognized as non-current assets. Assets that are associated with the goods cycle are classified as current assets. Receivables are otherwise classified as current assets if they are to be repaid within one year. Analogous criteria are used for liabilities.

Trade receivables
Receivables are valued at nominal value less deduction for expected losses. A provision for losses is recognized when there are objective indicators that the group will not receive settlement in accordance with the original conditions. The provision makes up the difference between the face value and the expected payment for the customer.

Interest bearing loan
When taking out a loan, these are recognized at fair value at the time of taking out, with deductions for the costs of taking out the loan. In later periods, interest-bearing loan is assessed at amortized cost using the effective interest method. The difference between the disbursed loan (minus transaction costs) and the redemption value is recognized in profit or loss over the term of the loan. Loans are classified as current liabilities unless there is an unconditional right to defer payment of the debt for more than 12 months from the balance sheet date.

Income recognition principles
Rental income from hiring out vessels are recognized linearly over the hiring period. The hiring period starts at the time that the vessel is placed at the lessee's disposal and ceases at the agreed return. Hiring out of crew and remuneration for coverage of other operating expenses are also recognized as income linearly over the term of the agreement. Sales revenue is presented net after deductions for value added tax, returns, discounts and other deductions.

Bank deposits, cash etc.
Bank deposits, cash etc. consist of cash and bank deposits.

Provisions
A provision is recognized when the group has an obligation (legal or constructive) as a result of a past event, it is probable (more probable than not) that there will be a financial settlement as a result of this obligation, and a reliable estimate can be made of the amount of the obligation.

If the effect is significant, the provision is calculated by discounting expected future cash flow at a pre-tax discount rate that reflects the market's pricing of the time value of money and, if relevant, risks specific to the liability. Provisions are not made for future operating losses.

Tax - Income tax
Deferred tax is calculated on all differences arising between the value of assets and liabilities for tax and accounting purposes, using the liability method. The applicable tax rate is 22%. Recognition of deferred tax assets in the balance sheet takes place if the company assumes that these tax assets can be utilized to offset future payable tax.

The group company Rem Saltire AS is subject to taxation under the tonnage tax system.

Entreprises under the tonnage tax system are not subject to tax on net operating result. The tax basis for companies under the tonnage tax system is net financial income and any addition for high equity. Net finance is a result of the net amount of interest income and other financial expenses/financial inocme. Interest expenses can be deducted relatively based on the fraction financial assets/total capital. Financial assets mainly comprise the company's current assets. The total capital is the total of the company's assets.

Calculated tax expense based on the tonnage tax system is recognised as tax expense. In addition the change in deferred tax/deferred tax assets is recognised in profit & loss. The basis for deferred tax/deferred tax assets is calculated as the difference between accounting and tax related values connected to assets and liabilities that will affect the tax basis in future periods.

When calculating temporary differences is taken into account that only parts of the temporary differences will affect the future taxable result, based on the ratio financial assets/total capital. Carry forward loss is calculated at full values. Calculated ratio at the end of each acounting period forms the basis for the calculation.

Recognition of deferred tax assets in the balance sheet takes place if the company assumes that these tax assets can be utilized to offset future payable tax. If future payable tax is not probable, then the recognition of deferred tax assets in the balance sheet is omitted.

Inventory
Inventory of bunkers is entered in the balance sheet at acquisition cost, and accounted for using the FIFO method.

Accounting policies

Estimates
Estimates and underlying assumptions are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be probable under the present circumstances. The final outcomes may deviate from these estimates. Estimates and assumptions that represent a significant risk of significant changes in the balance sheet value of assets and liabilities during the next financial year are discussed below.

I) Estimated impairment of vessels
If impairment is indicated, the group makes an assessment of whether there is a need to write down the vessels. An impairment test is carried out by assessing the balance sheet value of the vessels against the higher of fair value minus sales expenses and value in use of the ship. Each vessel is assessed individually and is considered a separate cash flow generating unit.

The estimate of fair value minus sales expenses is based on estimates obtained from two independent and recognized brokerage firms. The broker's assessment is based on technical specifications of the vessels received from the group, including information on significant upgrades and equipment accompanying the ship. The brokerage firms do not inspect the ship, and it is assumed that the ship is in normal good condition and that the necessary classification is carried out. A broker's rate must reflect a value of the ship without taking into account any contracts. A broker's appraisal is a professional assessment by an external expert engaged by the management. When preparing the brokerage fee, several sources of information are used. Key factors that are emphasized are the brokers' assessment of the rate level and the brokers' knowledge of the market. The brokers' perceptions are sought to be confirmed by reviewing data to which the brokerage firm has access, either in the form of comparable sales and conclusions they have been involved in or have otherwise acquired knowledge of. In a situation where the market is not very liquid and there are few comparable transactions, emphasis is also placed on the brokers' knowledge of what various market players have signaled may be relevant price levels at which to carry out actual transactions.

In the impairment assessment based on estimated fair value, an average of two obtained brokerage rates has been used, with the addition of any future estimated contract values for ships that hold contracts at the balance sheet date. Deductions have also been made for estimated sales costs.

If the brokerage rates exceed the balance sheet value, a calculation of the value in use is not normally carried out.

Broker values are based on the principle "willing seller, willing buyer". In a market with few transactions, there will be higher uncertainty linked to broker rates obtained.

II) Other accounting estimates
Assumed useful life and residual value for ships, depreciation and periodic maintenance, pensions and taxes are accounting items that also require the application of judgment and assumptions.

Financial risk management

Currency risk
The group is exposed to currency risk. The group will try to expose the financing of ships to currencies where they have the largest revenue streams. The group will also seek to reduce its exposure through forward contracts. The group`s strategy is to see very probable sales and purchases in context and secure net cash flows in foreign currency by using forward contracts. At the end of the year, there are no forward contracts that qualify for hedging and the contracts are accounted for at fair value with a change in value through profit or loss.

Liquidity risk
The group`s strategy is to have sufficient cash, cash equivalents or credit facilities at all times to be able to finance ongoing operations and self-financing of investments. The group prepares a liquidity budget to ensure that there is sufficient liquidity at all times to cover operating related liabilities as well as interest and installments. At the same time, there is ongoing monitoring of all covenants to ensure that the group complies with the loan conditions at all times and thus avoids early repayment. The group is dependent on the current earnings and operating cost level being maintained if loan obligations are to be serviced on an ongoing basis.

Credit risk
The group has no significant credit risk related to a single counterparty or several counterparties that can be seen as a group due to similarities in the credit risk. The group has routines for following up outstanding amounts. The customer base is mostly larger oil companies and offshore service companies that perform services for these. The group has not guaranteed third-party debt. Maximum risk exposure is represented by the carrying amount of the financial assets.

Interest rate risk
The interest rate on debt to credit institutions consists of a fixed and a floating element. The group is thus affected by changes in the NIBOR interest rate.

Events after the balance sheet date
Information after the balance sheet date about the company's financial position on the balance sheet date is taken into account in the annual accounts. Events after the balance sheet date which do not affect the company's financial position on the balance sheet date, but which will affect the company's financial position in the future, are disclosed if this is significant.

Rem Saltire Holding Group - notes to the group accounts for 2022

Note 1 Freight income, contract situation etc.

	2022	2021
Freight income	115 372	103 241
Other operating income	3 421	454
Sum	**118 793**	**103 695**

The group owns the OSV vessel Rem Saltire. For the last 2 years the vessel has been operated on a long term contract with the seismic company Magseis Fairfield in US Gulf of Mexico. From the end of 2022, the area of operation is Guyana. The present contract with Magseis Fairfield runs till the end of

Note 2 Balances and transactions with related parties

	2022	2021
Liabilities		
Intercompany trade payables	1 637	4 431
Transactions with related parties		
Other operating income	-	454
Crew expenses	29 710	27 080
Crewing fee	679	764
Management fees	5 713	5 432

Crew expenses and crewing fee are invoiced from the group of companies Rem Management Ltd and Rem Maritime Crew AS. The management is carried out by the group of companies Rem Maritime AS. Crewing- and management fees are included under other operating expenses.

Note 3 Crew expenses, employees, remunerations etc.

The group has no employees. Rem Maritime AS is management company and has the operational liability for the vessel. Personnel has been hired from the group of companies Rem Management Ltd and Rem Maritime Crew AS.

The managing director is employed in Rem Maritime AS. Therefore there is no requirement when it comes to pension scheme under the law on company pension.

Remunerations to executive persons
No remunerations have been allocated or paid to managing director or the Board of Directors for 2022.

Auditor	**2022**	**2021**
Statutory audit	95	73
Technical assistance related to financial statements, notes and tax return	79	50
Other certification services	0	0
Other technical assistance tax	393	1 320
Total	567	1 443

The amounts are exclusive of value added tax. The item other technical assistance tax includes assistance related to person- and shelf tax from adv. firmaet PwC incl. PwC US.

Note 4 Property, plant and equipment

Property, plant and equipment	**Vessels**	**Periodical**	**Total**
Acquisition cost per 01.01.	**331 033**	**23 038**	**354 071**
Addition purchased operating assets	363	8 005	8 368
Acquisition cost 31.12.	**331 396**	**31 044**	**362 440**
Accumulated depreciation 31.12.	-39 087	-21 170	-60 257
Accumulated write-down 31.12.	-	-	-
Book value per 31.12.	**292 309**	**9 873**	**302 183**
Depreciation of the year	20 433	13 414	33 847
Write-down of the year	-	-	-
Depreciation period	30 years	5 years	
Depreciation plan	Linear	Linear	

The group owns the subsea vessel Rem Saltire. The average of two provided brokerages at the end of the year shows that there is excess values compared to book values on the company's vessel.

Note 5 Current receivables, current liabilities and derivatives

Specification of other current liabilities	2022	2021
Accrued interest expenses	1 340	1 458
Unrealized loss forward exchange contracts *	9 305	-
Accrued tax abroad	1 731	-
Other liabilities	100	57
Total	**12 477**	**1 515**

Specification of other current receivables	2022	2021
Prepaid expenses	594	326
Inventories (bunker, lubricating oil etc.)	2 660	259
Unrealized loss forward exchange contracts *	0	1 391
Value added tax owing	1 106	1 077
Other receivables	1 464	353
Total	**5 824**	**3 406**

* As hedging the group has entered into forward exchange contracts for sale of USD 13 200 000 at the end of 2022 (USD 20 000 000 at the end of 2021). The contracts have maturity in the period from January 2023 to December 2023 and fair value of the contracts is negative of NOK 9 305 161 at the end of the year (positive value of NOK 1 391 207 at the end of 2021). Value change is included i other financial expenses. Rem Offshore AS has provided guarantee for up to MNOK 16 for the group's derivative limit.

Note 6 Restricted funds

There are no restricted funds in the group per 31.12.22.

Note 7 Share capital and shareholders' information

	Share capital	Premium	Other equity	Total
Equity per 01.01.2022	420	64 809	14 457	79 687
Result for the year	-	-	1 989	1 989
Equity per 31.12.2022	**420**	**64 809**	**16 446**	**81 676**

The share capital consists of:

	Number	Nominal value	Booked (NOK)
Shares	4 200	100	420 000
Total	**4 200**	**100**	**420 000**

Shareholders per 31.12:	shares	voting share
Rem Offshore AS	3 066	73 %
Hof Hoorneman Bankiers NV	914	22 %
Rem Vest AS	200	5 %
Other shareholders	20	0 %
Total number of shares	**4 200**	**100 %**

The sub-group Rem Saltire Holding is part of the Rem Offshore Holding group. The parent company has office address at Holmefjordvegen 8, 6090 Fosnavåg, where the consolidated financial statement that include the sub-group can be obtained.

Note 8 Interest-bearing debt

	2022	2021
Bond loan	246 200	267 800
Capitalized arrangement fee	-264	-474
Total non-current liabilities	**245 936**	**267 326**

Secured by pledged assets with booked values:	2022	2021
Vessels	302 183	327 662
Bank deposit	6 118	5 612
Trade receivables	32 305	18 751
Total book value of pledged assets	**340 606**	**352 024**

Repayment profile

	2023	2024	2025	2026	2027	Thereafter
Bond loan	21 600	224 600	-	-	-	-

The group's liabilities was refinanced in February 2021, where maturity has been moved to 31.12.2024, quarterly installments amount to MNOK 5.4 and agreed fixed rate of interest is 7.00 % p.a. The bond loan is nominated in NOK.

The group's bond loan is subject to covenants, involving free liquidity of MNOK 5 and asset cover ratio of min. 100%. Per 31.12. the company complied with these requirements.

If the company's earnings result in accumulation of liquidity beyond the defined levels, further installment liabilities will accrue.

Note 9 Tax

Components of the income tax expense	2022	2021
Payable tax on this year's result	35	0
Tax abroad	1 183	
Adjustment in respect of priors	0	0
Total payable tax	1 219	0
Change in deferred tax	-12	70
Tax expense	**1 206**	**70**
Tax expense in percentage of profit before tax	37,7 %	0,5 %

Calculation of deferred tax / deferred tax asset

Temporary differences	2022	2021
Other temporary differences, including FX derivatives and arrangement fee (loan)	-9 041	1 865
Net temporary differences	-9 041	1 865
Tax losses carried forward	-52 978	-50 508
Interest deduction carry-forward	-24 567	-24 567
Basis for deferred tax	**-86 586**	**-73 211**
Deferred tax 22%	-17 005	-16 106
Deferred tax benefit not shown in the balance sheet	17 063	16 176
Deferred tax in the balance sheet	**58**	**70**

For Group companies under the tonnage taxation regime, temporary differences are included with the portion that represents deductible share based on the fraction finance capital/total capital per 31.12. For all temporary differences exclusive tax loss carried forward and carry forward interest deduction are included as negative temporary differences.

	2022	2021
Profit before tax	3 195	14 528
22% calculated tax expense	703	3 196
Tax expense	1 206	70
Difference	**-503**	**3 126**

The difference consist of:		
Effect of tonnage taxation regime	680	3 126
Tax abroad	-1 183	-
Tax of permanent differences	-	-
Change in deferred tax benefit not shown in the balance sheet	-	-
Sum explained differences	**-503**	**3 126**

Rem Saltire Holding Group - notes to the group accounts for 2022

Note 10 Group companies

	Parent company	Ownership-share
Rem Saltire Holding AS		
- Rem Saltire AS	Rem Saltire Holding AS	100 %

Rem Saltire AS and Rem Saltire Holding AS have both business office in Fosnavåg.

Note 11 Events after the balance sheet date

The company is not acquainted with any legal disputes of material importance for the assessment of the company. Nor have any other circumstances arisen after the balance sheet date that require disclosure in notes.

To the General Meeting of Rem Saltire Holding AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Rem Saltire Holding AS, which comprise:

- the financial statements of the parent company Rem Saltire Holding AS (the Company), which comprise the balance sheet as at 31 December 2022, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Rem Saltire Holding AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2022, the income statement and cash flow statement 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 statutory 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 its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

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

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the

Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

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

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

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

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: https://revisorforeningen.no/revisjonsberetninger

Bergen, 28 April 2023
PricewaterhouseCoopers AS

Ole Martin Waage
State Authorised Public Accountant

Note: This translation from Norwegian has been prepared for information purposes only.