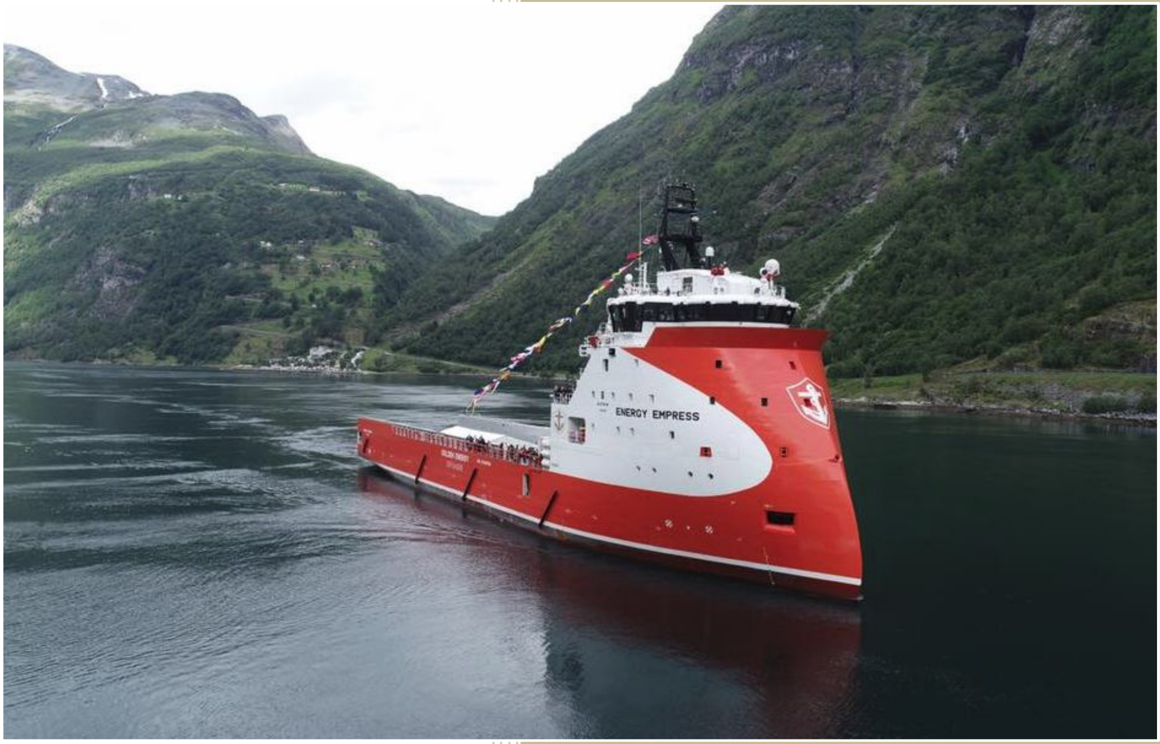
GOLDEN ENERGY OFFSHORE

2019

Golden Energy Offshore Services AS



ANNUAL REPORT 2019

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ANNUAL REPORT

Results

The Group's revenue for 2019 was NOK 110 366 026, whereby NOK 40 070 296 originate from operations in the West coast of Africa segment and NOK 70 295 730 originate from the operations in the Europe segment. The operating result before depreciations amounted to NOK 17 015 239.

In 2019 an impairment of one the vessels of NOK 4 000 000 has been posted. In addition an accrual for loss of receivable of USD 472 000 has been made due to uncertainty of recovering that receivable.

Net financing was negative with NOK -10 683 842 mainly due to interests paid on debt facilities for the newbuilds.

The Group's profit before tax in 2019 is a deficit of NOK -17 196 491. This amount is recognized in retained earnings. Booked equity per 31.12.2019 is NOK 286 111 125. The equity ratio is 49 %.

In 2019 cash flows from operational activities are NOK 36 794 498, NOK -74 708 980 from investing activities and NOK 26 439 796 from financing activities. To achieve a high and stable cash flow is a preferred goal for the Group. The difference between operating result and cash flow from operating activities is mainly depreciations and change in short term receivables and payables.

Vessels and acquisition of new vessels

The Group owns four platform supply vessels (PSV's) (the "Vessels") which are operated and managed by Golden Energy Offshore Management AS in Ålesund, Norway. In 2019 Energy Swan, Energy Empress and Energy Duchess operated in the North Sea, and Energy Scout operated outside of Nigeria in Africa.

On the 30.04.2019, the Group signed an addendum with Nantong Rainbow Offshore regarding the purchase of the two new build offshore support vessels, Energy Empress and Energy Duchess, of PX121H design. The Group took delivery of Energy Empress on 11.05.2019 and Energy Duchess 27.05.2019.
These new environmental friendly vessels where focus on safety and comfort for the crew, energy - and cost efficient solutions will fit the demand in the PSV market. The Vessels is presumably among the youngest vessels available in the market and will be so for a long time. This is a major step for the Company to create additional shareholder value.

Prior to delivery of the new vessels the Company was also successful in raising new equity of over 36 million NOK in order to part finance the amounts payable upon delivery.

Financing and Liquidity

The take out finance of the two new builds is a hybrid hire purchase agreement where two separate BIMCO Barecon 2017 have been entered into with a duration of three years with the Group and each of Energy Empress AS and Energy Duchess AS as co-charterers. Part of the charter hire paid under the Barecon is considered down payments towards the balance purchase price.

In light of recent developments in the offshore service market (which has resulted in three of the Group's four vessels having been placed into temporary layup), the Board recognised that the Group needed to increase its liquidity position to be able to continue operation if the downturn in the market should worsen or remain as-is of today over some time.

In addition, the subsidiaries, Energy Empress AS and Energy Duchess AS were obliged under the hire purchase agreements entered into with Nantong Rainbow Offshore & Engineering Equipment Co., Ltd. ("ROC") to make 1st anniversary lease payments for Energy Empress and Energy Duchess (the "Vessels"); originally in May this year. Pursuant to an addendum entered into between Group on one side, and ROC on the other, the hire purchase agreements were amended in respect of the 1st anniversary payments as follows (main terms):

• The Owners shall pay USD 600,000 (of which USD 25.000 has already been paid) per Vessel as a partial downpayment on the 1st anniversary lease payment, for which ROC will issue a commercial invoice due 11 July 2020;
• the balance 1st anniversary payments of USD 1,067,000 per Vessel shall be paid by the Owners at the latest together with the 2nd anniversary payment (respectively) and shall carry an interest of 8% p.a. from the original due date of the 1st anniversary payments and until finally settled; and
• the mortgage over the vessel Energy Scout shall continue in full force and effect until the 1st anniversary payments have been settled in full.

On the basis of the above, the Group successfully completed a capital increase of NOK 10 257 890 in june 2020 in order to improve the liquidity position of the Company and to enable the downpayment per Vessel in accordance with the referred addendum for the hire purchase agreements.

It is however the board's best assessment that the capital increase will enable the Company to continue its operations for the coming year; albeit assuming that the market situation normalises in accordance with the current expectations from relevant market players. The board however explicitly notes that payment of the postponed 1st anniversary payment of USD 1,067,000 per Vessel (plus interest) and the 2nd anniversary payments will require additional capital at such later stage; which there is a clear risk it will need to be raised either through the realisation of assets or through a further equity injection from shareholders/investors. The board and management of the Group will continue to work to financially strengthen the Group to meet its future obligations, but the board notes that succeeding in this will depend on aspects outside the control of the board, such as the market development.
The extraordinary general meeting held in june 2020 gave power of attorney to the board of directors for issuance of new shares to ensure that the board has sufficient flexibility needed in order to find willing capital in the investor market.

Market and future prospective
The activity in the market did increase in 2019 and also in the beginning of 2020 there were signs of continued improvements of the market. However as no one could foresee the outbreak of the Covid-19 virus and the sudden decline in the oil price have had a devastating impact on the Business of the Group and the market outlook in general with charter rates dropping and an oversupply of vessels as the result. This Global pandemic will most likely affect the world in the coming years and this together with the uncertainty about the oil price, impacts the Groups activity going forward.

The Group is continuing its focus on environmental friendly operations through energy efficiency programs and other measures are important factors in the competitive market. Energy Empress and

Energy Duchess were introduced to the N-sea spot market following their arrival after their positioning voyage from the Chinese yard. These vessels have been welcomed by charterers and have had a good utilization in 2019. The vessel Energy Swan has a long-term contract that expires 30. November 2020(but with options for continued employment for the charterers).

As announced on 30.04.2020 the Group decided to place the vessels Energy Duchess, Energy Empress and Energy Scout in temporary lay-up while still continue to chase possible future contracts.

Covid-19
The virus that was first identified as the cause of an outbreak of respiratory illness in Wuhan, China has now been declared by the World health Organization (WHO) as a pandemic. Authorities worldwide have imposed a number of measures in order to limit the spread of the virus. The Group together with the management company for the vessels have special focus for the health and safety of all the sailors in the fleet. New procedures was quickly implemented in order to follow all requirements and advice from authorities and the Norwegian Institute of Public Health.

There exists a large portion of uncertainty of how all measures will affect the operation of the vessels. Restrictions by governments around the world can have an effect on planned crew changes, planned periodical maintenance and classification work and the supply of various goods and services on board the vessels. So far the vast majority of the crew changes have been carried out according to plan. For the vessel Energy Swan that was originally due for class renewal in May 2020, a 3-month extension is granted.

The Combination of Covid -19 and a significant reduction in oil price have also resulted in a rapid market decline. Oil and renewable operators are postponing or terminating projects in order to save costs. Also drilling activity is reduced to a minimum in order to cope with the oversupply of oil. All in all this affects our vessels utilization and day rate levels in a negative way, but it is still too early to see the full impact of this. Once again the times ahead appears challenging.

As a result of the above the Group has elected to place the vessels Energy Duchess, Energy Empress and Energy Scout in temporary lay-up, whilst continue chasing possible future contracts. The last couple of months has changed the prospects for the high season dramatically and it is necessary to do such measurement to manage the extraordinary situation in the current market conditions.

Going Concern
The rapid decline in the offshore service market due to Covid-19 and significant reduction in oil price is resulting in challenges. After the capital increase in June 2020, the Board finds it satisfactory to conclude that the conditions for a going concern are present and the financial statements have been prepared on the basis for this assumption.

The going concern assumption is however dependent on the offshore service market normalising in accordance with the current expectiations from relevant players. The Group will work to realise assets, obtain new financing and/or raise new equity to be able to continue as a going concern also if the market is not normalising as expected.

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

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

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

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

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

The Company shall have up to 3-4 Board members. As of today there are 3 Board Members who are all chosen by the Annual meeting:

Chairman Sten Gustafson – Chairman since February 2018

Board member Martin Muff – Board member since February 2018

Board member Per Ivar Fagervoll – Board member since May 2014

GOLDEN ENERGY OFFSHORE

The company and its shareholders
Pr 31.12.2019 the company had 103 shareholders and the company`s share capital was NOK 35 415 872 divided by 35 415 872 shares, each with a nominal value of NOK 1.

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

The Company's revenue for 2019 was NOK 165 256. The operating result before depreciations amounted to NOK -11 435 469, compared to NOK 2 638 409 in 2019. Through the transfer of vessels to wholly owned subsidiaries in 2018 and 2019, the Company is now a holding company for the Group's shipowning companies.

Net financing was positive with NOK 3 108 536 due to interests income on internal receivables.

The Company's result is a deficit of NOK -8 326 933 in 2019. This is suggested moved to equity. Booked equity per 31.12.2019 is NOK 295 000 484. Equity ratio is 99 %.

Cash flow from operational activities in 2019 is NOK 5 620 850, NOK -56 320 718 from investing activities and NOK 36 712 746 from financing activities. To achieve a high stable cash flow is a preferred goal for the Company. The difference between operating result and cash flow from operating activities is mainly depreciations and change in short term receivables and payables.

Aalesund, 30.06.2020

Sten Gustafson
Chairman of the Board

Martin Muff
Member of the Board

Per Ivar Fagervoll
CEO/Member of the Board

Statement from the Board and CEO

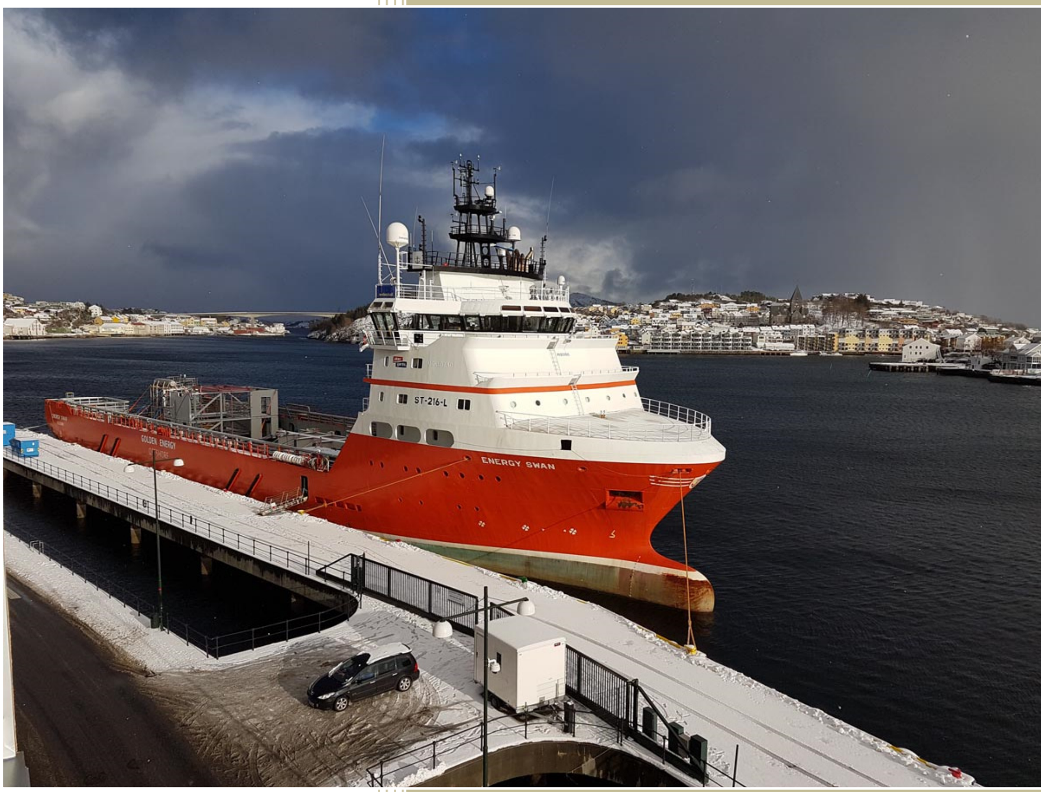
We hereby confirm that the annual accounts for the period 01.01.2019 to 31.12.2019, to the best of our knowledge, are prepared in accordance with IFRS. The annual report together with the report from the Board give a fair and true value of the Company´s assets, debt, financial position and result.

Aalesund, 30.06.2020

Sten Gustafson	Martin Muff	Per Ivar Fagervoll
Chairman of the Board	Member of the Board	CEO/Member of the Board

2019

Golden Energy Offshore Services AS



GROUP ACCOUNTS 2019

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PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - GROUP

NOK	Note	2019	2018
Freight income	2	110 366 026	61 160 828
Total income		**110 366 026**	**61 160 828**
Operating expenses vessels		-75 523 096	-46 549 118
Other operating expenses	11	-17 827 692	-11 993 101
Operating result before depreciations	2	**17 015 239**	**2 618 609**
Depreciation	4	-19 504 216	-12 277 744
Write down	4	-4 000 000	-16 992 188
Operating result	2	**-6 488 977**	**-26 651 323**
Interest income		11 306	26 978
Financial income		0	101 330 862
Currency gain/loss		-595 370	855 106
Other interest charges		-10 099 777	0
Net Financial Items	6	**-10 683 842**	**102 212 945**
Profit before tax		**-17 172 819**	**75 561 622**
Taxes ordinary result	10	-23 672	0
RESULT FOR THE YEAR		**-17 196 491**	**75 561 622**
Other comprehensive income		0	0
TOTAL COMPREHENSIVE INCOME		**-17 196 491**	**75 561 622**
Earnings per share	17	- 0,54	3,35

GOLDEN ENERGY OFFSHORE

BALANCE SHEET - GROUP

NOK	Note	Pr 31.12.2019	Pr 31.12.2018
NON-CURRENT ASSETS			
Tangible fixed assets	3,4	537 874 461	223 634 373
Total non-current assets		**537 874 461**	**223 634 373**
Total fixed assets		**537 874 461**	**223 634 373**
CURRENT ASSETS			
Stocks		4 103 235	663 091
Account receivables	8	23 759 219	21 217 687
Receivables	13	9 019 190	11 455 918
Bank deposits	9	4 117 955	15 292 641
Total current assets		**40 999 597**	**48 629 337**
TOTAL ASSETS		**578 874 058**	**272 263 710**
EQUITY AND LIABILITIES			
Equity			
Share capital	14	35 415 872	24 926 516
Share premium	14	194 761 993	167 922 331
Other equity		55 933 259	76 869 231
Total Equity		**286 111 125**	**269 718 079**
Liabilities			
Interest bearing liabilities	5,7	221 728 916	0
Total long-term debt		**221 728 916**	**0**
Current liabilites			
Current interest bearing liabilities	5,7	36 455 805	0
Trade debt	7	34 554 540	2 175 751
Tax payable	10	23 672	0
Other current liabilities		0	369 880
Total current liabilities		**71 034 017**	**2 545 631**
Total liabilities		**292 762 933**	**2 545 631**
TOTAL EQUITY AND LIABILITIES		**578 874 058**	**272 263 710**

Aalesund, 30.06.2020

Sten Gustafson
Chairman of the Board

Martin Muff
Member of the Board

Per Ivar Fagervoll
CEO/Member of the Board

CASH FLOW - GROUP

NOK	Note	2019	2018
Result before tax		-17 172 819	75 561 622
Depreciation and write downs	4	23 504 216	29 269 932
Change in short-term receivables/payables		26 397 113	1 655 393
Interest expenses	6	10 095 671	0
Gain on conversion of debt		0	-101 330 862
Effects om changes in exchange rates		7 785 873	0
Change in other accruals		-13 815 556	-216 633
Net cash flow from operations	A	**36 794 498**	**4 939 452**
Investments		-74 408 980	-26 809 316
Internal sale of vessels		0	0
Net cash flow from investments	B	**-74 408 980**	**-26 809 316**
Paid interests		-1 712 158	0
Repayment debt		-8 560 792	0
Capital increase	16	36 712 746	1 936 991
Net cash flow from financing	C	**26 439 796**	**1 936 991**
Effect of changes in foreign exchange rates cash	D	0	-45 147
Net change in cash and cash equivalents	A+B+C+D	-11 174 686	-19 978 020
Cash and cash equivalents at 01.01.		15 292 641	35 270 661
Cash as per balancedate		**4 117 955**	**15 292 641**

STATEMENT OF CHANGES IN EQUITY - GROUP

NOK	Note	Share Capital	Share premium	Retained Earnings	Total Equity
Equity 01.01.2019		24 926 516	167 922 331	76 869 232	269 718 079
Annual result		0	0	-17 196 491	-17 196 491
Comprehensive income		0	0	0	0
Transactions with owners:					
Equity Contribution		10 489 356	26 223 390	0	36 712 746
Share issue costs		0	0	-3 739 481	-3 739 481
Share option expense		0	616 272	0	616 272
Equity 31.12.2019		**35 415 872**	**194 761 993**	**55 933 260**	**286 111 125**
Equity 01.01.2018		291 280 000	188 934	-217 941 303	73 527 631
Annual result		0	0	75 561 622	75 561 622
Comprehensive income		0	0	0	0
Transactions with owners:					
Equity Contribution		450 463	1 486 528	0	1 936 991
Conversion of debt		22 028 447	96 925 167	0	118 953 614
Capital decrease		-288 832 394	68 674 107	220 158 287	0
Share issue costs		0	0	-909 375	-909 375
Share option expense		0	647 595	0	647 595
Equity 31.12.2018		**24 926 516**	**167 922 331**	**76 869 232**	**269 718 079**

NOTES

NOTE 1 – GENERAL

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

1.1 Basis for preparation of the annual report

The annual report is prepared in accordance with the International Financial Reporting Standards (IFRS) which are adopted by the EU and associated interpretations that apply for fiscal years starting 01.01.2018, and which meet the Norwegian disclosure requirements from the accounting legislation.

The financial statements were approved for publishing by the Board on 30.06.2020.

1.2 Functional and presentation currency

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

1.3 Consolidation

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

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

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

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

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

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

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

1.7 Taxes
The Group is subject to the Norwegian rules for tonnage taxation, which means that there is no taxation of the net operating result. The tonnage taxation requires that the Group has to relate to detailed regulations regarding allowance of activities and assets. Any voluntarily or forced exit from the taxation scheme would result in an ordinary taxation of the net operating result. Net finance result is taxed on an ordinary basis according to the tonnage tax rules. It is not accrued for any deferred taxes.

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

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

Ordinary maintenance is allocated to the net operating result in the same period as it is conducted, while expenses related to dockings are recognized in the balance sheet and charged as an expense linearly over the period until the next scheduled docking. The period between dockings for both vessels is set to 5 years based on the maintenance program and class requirements for the Vessels. Expenses are booked as depreciations.

If any events or circumstances show an indication that the booked value of the vessels cannot be recovered, the booked value is analyzed for impairment. If the indications are confirmed and the booked value is higher than the recoverable amount, then the vessel is written off to the recoverable amount. Each vessel is evaluated individually. The recoverable amount is defined as the highest of net sale price and value in use. Value in use is derived by estimating future cash flows that the vessel is generating and by discounting those cash flows to net present value using an after-tax interest that reflects the value and risks associated with the vessel. Former write-offs are reversed if the estimates used to determine the recoverable amount are changed. Reversal is however limited to what the booked value would have been if the write-off was not conducted in the first place.

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

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

Accounts receivable and other short-term receivables, plus cash and cash-equivalents are measured at fair value at amortized cost . A financial asset is impaired using the expected credit loss 3-stage model (ECL) or the practical expedient of lifetime ECL for accounts receivable in accordance with IFRS 9. Further details regarding the financial intruments are given in note 6 and 7.

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

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

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

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

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

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

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

1.16 Changes in accounting principles and note information
Except for the changes noted below, the same accounting principles as last year have been used in this year.

IFRS 16 – Leases
IFRS 16 Leases replaces the existing IFRS standard for leasing agreements, IAS 17. IFRS 16 gives principles for calculation, measuring, presentation and information regarding lease agreements for both parties in a leasing agreement(both the lessee and the lessor). The new standard demands that the lessee calculates assets and obligations for the most leasing agreements and this is a material change from todays principles. For the lessor IFRS 16 continues with the existing principles of IAS 17. According to IFRS 16 a lessor shall continue to classify its lease agreements as either operational or financial leases. The standard is effective from 01.01.2019 and are implemented by the Group using the modified retrospective method.

Management have not identified any lease agreements where the Group are to be identified as a lessee, hence there are no direct effects on the financial statements.

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

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

NOTE 2 – SEGMENT
The operating segments are determined based on where the vessels have been operating geographically in 2019. Energy Swan, Energy Empress and Energy Duchess have operated on both fixed and spot contracts in Europe , whereas Energy Scout has worked on short-term contracts within the West Coast of Africa. All vessels provide shipping services in both geographical regions.

Segment performance is reported to the chief operating decision maker and evaluated based on two measures: total operating revenue and operating result before depreciations.

NOK

Freight income per geographical area	2019	2018
Europe	70 295 730	29 362 070
West Coast of Africa	40 070 296	31 798 759
Total operating revenue	**110 366 026**	**61 160 828**
Operating result per geographical area		
Europe	14 719 215	2 333 347
West Coast of Africa	12 523 716	8 128 603
Administration	-10 227 692	-7 843 341
Operating result before depreciations	**17 015 239**	**2 618 609**
Depreciation	-19 504 216	-12 277 744
Write down	-4 000 000	-16 992 188
Operating result	**-6 488 977**	**-26 651 323**

The lease portion of the contracts are included in the revenue above. The right to use the vessels will about be within the range of 30-70 % of the contract value.

NOTE 3 – ESTIMATE UNCERTAINTY & DISCRETIONARY ASSESSMENT

Estimate uncertainty

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

The Group's most material accounting estimates are related to write-offs of fixed assets.

The most critical estimate related to impairment of fixed assets is the future cash flows given the market situation at current date. For further information see note 4.

NOTE 4 – FIXED ASSETS

NOK	Vessels	Docking	Ships under construction	Total
Balance 01.01.2018	**226 094 989**	**0**	**0**	**226 094 989**
Additions	0	3 804 983	23 004 333	26 809 316
Depreciations	11 171 944	1 105 800	0	12 277 744
Write off	16 992 188	0	0	16 992 188
Balance 01.01.2019	**197 930 857**	**2 699 183**	**0**	**223 634 373**
Additions	355 858 450	4 890 187	-23 004 333	337 744 304
Depreciations	16 805 033	2 699 183	0	19 504 216
Write off	4 000 000	0	0	4 000 000
Balance 31.12.2019	**532 984 274**	**4 890 187**	**0**	**537 874 461**

The Vessels are depreciated linearly to a residual value when the vessels reach 30 years. The residual value is NOK 15 million for Energy Swan, Energy Duchess, Energy Empress and NOK 10 million for Energy Scout. Costs for acquiring Energy Duchess and Energy Empress are already included in the acquisition cost for both vessels. Accrued and estimated docking expenses for the vessels are depreciated over 5 years until the next docking. Energy Scout completed her year class renewal in March 2020 and for the vessel Energy Swan that was originally due for class renewal in May 2020, a 3-month extension is granted.

Because of the development of the market outlook and the uncertainty of the vessels' future income, an impairment test has been conducted according to IAS 36. As a result of the completed analysis, an impairment of NOK 4 000 000 has been recognized in 2019 for the vessel Energy Scout. The Group has conducted a value in use calculation for each vessel where estimated cash flows before finance expenses are used. In addition two independent shipbrokers valuations of the vessels are used for the impairment test.

The value in use calculation is based on net present value of the future cash flows that the Group estimates during the remaining economical lifetime of the vessels. A discount rate after tax (WACC) has been used as the discount factor. The Group has used a WACC of 9,2 %, which is based on the Group's and equivalent comparable companies' demand for return on capital. Other material assumptions in the estimated cash flows are: inflation rate, order reserve, utilization, OPEX, CAPEX, charter rates and exchange rates of foreign currencies.

There is a large uncertainty regarding the assumptions used in the model. Options are not considered. After expiry of contract the Group uses a low spot-rate that increases gradually the next 3 years. The rate that is used is materially lower than what the vessels have earned historically the last 5 years. After these 3 years a "steady state" rate is assumed with an annual growth of 2,5 % which is equivalent to the same target as the government has placed for the growth in the monetary policy. In the entire period a utilization of 90 % is assumed.

OPEX is in the value in use calculation based on the vessels budgets, approved by the Board. Class renewals are also considered in the model

Because of the uncertainty regarding the assumptions in the model, sensitivity analyses on the value in use calculation has been made. This analysis shows what the impairment of the vessels would have been if other assumptions were used. If vessel revenues are reduced by 10 % there would have been an impairment of the vessel Energy Swan of MNOK 9 and for Energy Scout MNOK 12. If the WACC was 1 % higher, the would be no impairment of Energy Swan and it would been MNOK 6 for Energy Scout. For Energy Empress and Energy Duchess no impairment was indicated using these assumptions.

NOTE 5 – INTEREST BEARING DEBT

The hybrid hire purchase agreement for the acquisition of Energy Empress and Energy Duchess is a 3 year bareboat hire agreement with a purchase obligation at the end of the period. Part of the bareboat hire is considered down payments towards the balance purchase price and the outstanding balance is classified as long term debt with the exception of the first year instalments which are classified as short term debt. Rest of the bareboat hire is a fixed interest amount per day hence the implied interest increases as the outstanding balance decreases. See also note 7 under liquidity risk for a maturity analysis of the interest bearing debt.

Interest bearing liabilities	221 728 916
Current interest bearing liabilities	36 455 805
TOTAL	**258 184 721**

The first anniversary downpayment of the interest bearing debt is secured by a mortgage over the vessel Energy Scout. As part of the new agreement reached in 2020 this mortgage is extended until the 2nd anniversary payment. Golden Energy Offshore Services AS has guaranteed for the payments during the 3 year period.

NOTE 6 – FINANCIAL ITEMS

NOK	**2019**	**2018**
Exchange gains	17 303 718	2 142 656
Exchange losses	-17 899 088	-1 287 550
Profit conversion of bond debt	0	101 330 862
Interest expenses	-10 099 778	0
Other financial income	11 306	26 978
Net Financial Items	**-10 683 842**	**102 212 945**

NOTE 7 – FINANCIAL INSTRUMENTS
Financial risk
The Group has financial instruments such as accounts receivables, trade debt and similar debts related to the ordinary business of the Group.
Routines for risk management have been adopted by the Board of Directors and are conducted in cooperation with each department.

Below is a description of the the most important financial risks:

1) Credit risk
The Group is mainly exposed to credit risk associated with accounts receivable. The main counterparts are mainly major oil companies and the maximum exposure to credit risk is the same as accounts receivable(MNOK 23,7). Accounts receivable are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group. The credit risk has increased as a consequence of the reduced activities in the oil industry, but is still expected to be limited. The Group has procedures to monitor and collect receivables. For charter parties where the Group is dependent upon a local intermediate agent, which is typical for operations in West Africa, the Group always seeks to have a “quiet enjoyment letter” agreement depending on what is achievable in today’s market. This gives the Group an opportunity to collect its receivables directly from the end user if the local partner should face problems to settle their debt. Despite these security measures it must be emphasized that there will always be a level of risk relating to receivables earned from operations in West Africa. Continuous accruals for loss are done if deemed necessary and is decided on a corporate level. The Group has not guaranteed for any third party debt.

2) Interest risk
Interest are fixed throughout the period of the bareboat agreement. Hence Group is not affected by interest risk

3) Foreign currency risk
The Group has ordinary bank deposits in USD & EUR and accounts receivable per 31.12.2019. In addition the long term debt is in USD

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

Increase/decrease in EUR & USD			Effect on result before tax
+ / - 10%	2019	+ / -	-24 588 546

Increase/decrease in USD:			Effect on result before tax
+ / - 10%	2018	+ / -	2 270 489

4) Liquidity risk / Going concern
Liquidity risk is the risk that the Group will not be in a position to meet all its financial obligations as they fall due. The strategy for managing liquidity risk is to have sufficient liquid cash at any time in order to settle the financial obligations at due date, both under normal and extraordinary circumstances, without risking unacceptable losses or loss of reputation. The following table shows an overview of the maturity structure of the Group's financial obligations, based on undiscounted contractual payments. In cases where the counterparty can demand settlement prior to due date, the amount is stated in the earliest period which the amount can be demanded settled by the counterparty. If any obligations can be demanded settled immediately it is included in the first column(less than 1 year).

NOK	**Remaining period**				
31.12.2019	less 1 year	1 year	2 years	3 years or more	Total
Financial obligations					
Trade debt	34 554 540	0	0	0	34 554 540
Interest bearing liabilities	52 523 755	80 998 268	163 296 019	0	296 818 041
Total:	**87 078 294**	**80 998 268**	**163 296 019**	**0**	**331 372 581**

NOK	**Remaining period**				
31.12.2018	less 1 year	1 year	2 years	3 years or more	Total
Financial obligations					
Trade debt	2 175 751	0	0	0	2 175 751
Total:	**2 175 751**	**0**	**0**	**0**	**2 175 751**

NOTE 8 – ACCOUNTS RECEIVABLES

NOK	Pr 31.12.2019	Not due	0-30 days	30-60 days	> 60 days
Accounts receivables	**23 759 219**	11 020 185	3 939 411	0	8 799 623

Of the account receivables pr 31.12.2019 the following consists of USD: USD 1 814 284,- (NOK 15 929 960) and EUR: 405 851,- (NOK 4 260 751).

There exists uncertainty about the value of some of the receivables in USD from client in Nigeria and the Company has made USD 472 000 as provisions against client, and at the same time the company will continue to seek opportunities to collect the entire amount of the receivable.

NOK	Pr 31.12.2018	Not due	0-30 days	30-60 days	> 60 days
Accounts receivables	**21 217 687**	4 964 077	4 941 547	2 560 593	8 751 471

Of the account receivables pr 31.12.2018 the following consists of USD: USD 1 833 948,- (NOK 15 934 257). No loss allowance booked in 2018.

NOTE 9 – BANK DEPOSIT
The Group has no restricted bank deposits.

NOTE 10 –TAX
Golden Energy Offshore Services AS is subject to the Norwegian tonnage tax rules. Tax payable is based on the taxable financial result only in accordance with these rules. This year's taxable income is positive with NOK 3 646 674 against 293 719 in 2018. As of 31.12.2019 the Group has NOK 2 546 306 in financial losses that are carried forward. Tax for the Group will mainly arise in the event of foreign operations involving local taxation. For 2019 a total of NOK 10 647 has been calculated as tonnage tax and NOK 23 672 as ordinary tax payable.

NOTE 11 – OTHER OPERATING EXPENSES

NOK	2019	2018
Management fee	7 600 000	4 800 000
Guarantee expenses	0	18 700
Audit fee*	547 524	343 300
Legal fees	3 050 724	5 403 332
Accrued loss of receivables	4 152 613	86 026
Other	2 476 830	1 341 743
Total other operating expenses	**17 827 692**	**11 993 101**

*Audit fee consists of the following:

Audit fee (ex mva)		
NOK	**2019**	**2018**
Statutory audit	312 000	170 000
Tax consultancy	4 500	5 000
Other services	168 300	148 500
Total fee for auditor	484 800	323 500

NOTE 12 –GOVERNMENT GRANTS

The Group meets the criteria for the Norwegian net wage refund scheme which exists to secure Norwegian maritime competence and recruitment of Norwegian sailors. It is Golden Energy Offshore Management AS that handles the applications for the refund scheme but it is Golden Energy Offshore Services that get the benefits. The Group has received NOK 5 258 772 as refund as of 31.12.2019. In 2018 the amount was NOK 5 331 581

NOTE 13 –CURRENT RECEIVABLES

NOK	**Pr 31.12.2019**	**Pr 31.12.2018**
Pre paid expenses	632 641	8 992 154
Net wage refund	4 262 666	882 305
Norwegian Maritime Competance	-151 000	-31 000
Refundable VAT	3 371 973	1 612 459
Earned, but not invoiced revenue	570 719	0
Other	332 191	0
Total	**9 019 190**	**11 455 918**

NOTE 14–SHARES & STOCKOWNERS

The share capital pr 31.12.2019 is NOK 35 415 872. It consists of 35 415 872 shares at NOK 1. On the General meeting one share has one right to vote. The Chief Executive Officer has an indirect and direct ownership of 2,64 % in the Group per 31.12.2019. See note 13 for the parent accounts for a list of the top 20 shareholders.

NOTE 15 – GROUP COMPANIES

The Group consist of the following companies:

Company	Role	Owned by	%	Result	Equity
Golden Energy Offshore Services AS	Parent				
Energy Swan AS	Subsidiary	Golden Energy Offshore Services AS	100 %	-4 137 101	94 844 195
Energy Scout AS	Subsidiary	Golden Energy Offshore Services AS	100 %	4 932 655	46 311 598
Energy Empress AS	Subsidiary	Golden Energy Offshore Services AS	100 %	-3 024 886	-2 994 886
Energy Duchess AS	Subsidiary	Golden Energy Offshore Services AS	100 %	-6 640 226	-6 610 226

All companies have registered offices in Ålesund.

NOTE 16–SHARE BASED REMUNERATION

The annual meeting approved 3 000 000 subscription rights on 31.05.2018 which are issued to Directors and Key employees. This gives them the right to acquire up to a certain maximum amount of shares in the Company at a fixed strike price of NOK 4,30 or if a private placement is carried out the strike price will be set to the price of shares applied in such private placement. The options can be exercised over a period of 3 years and they are non-tradeable and conditional upon the participants being employed at the vesting date. As of 31.12.2019, the Group has recognized NOK 616 272 in cost related to the options. This does not affect the total equity. The aggregate total outstanding stock options for exercise in 2020 are 933 348.

NOTE 17–EARNINGS PER SHARE

Earnings per share is calculated by dividing the annual profit allocated to the Group´s shareholders by a weighted average of total shares. For 2018 and 2019 all of the profit is allocated to the shareholders. As for the outstanding stock options the Group considers it unlikely that these will be declared at the strike price and hereby considers that there are no dilution effect.

NOK	2019	2018
Number of Shares	35 415 872	24 926 516
Weighted average of total issued shares	31 766 151	22 532 935
Earnings per share	-0,54	3,35

NOTE 18–EVENTS AFTER THE BALANCE SHEET DATE

The Combination of Covid -19 and a significant reduction in oil price have also resulted in a rapid market decline. Oil and renewable operators are postponing or terminating projects in order to save costs. Also drilling activity is reduced to a minimum in order to cope with the oversupply of oil. All in all this affects our vessels utilization and day rate levels in a negative way, but it is still too early to see the full impact of this.

As a result of the above the Group has elected to place the vessels Energy Duchess, Energy Empress and Energy Scout in temporary lay-up, whilst continue chasing possible future contracts. The last couple of months has changed the prospects for the high season dramatically and it is necessary to do such measurement to manage the extraordinary situation in the current market conditions. For the vessel Energy Swan that was originally due for class renewal in May 2020, a 3-month extension is granted.

In light of recent developments in the offshore service market (which has resulted in three of the Group’s four vessels having been placed into temporary layup), the Board recognised that the Group needed to increase its liquidity position to be able to continue operation if the downturn in the market should worsen or remain as-is of today over some time.

In addition, the subsidiaries, Energy Empress AS and Energy Duchess AS were obliged under the hire purchase agreements entered into with Nantong Rainbow Offshore & Engineering Equipment Co., Ltd. (“ROC”) to make 1st anniversary lease payments for Energy Empress and Energy Duchess (the “Vessels”); originally in May this year. Pursuant to an addendum dated 11 June 2020 entered into between Group on one side, and ROC on the other, the hire purchase agreements was amended. As a result of this the Group need to pay in total USD 1.200.000 (of which 50.000 has already been paid).

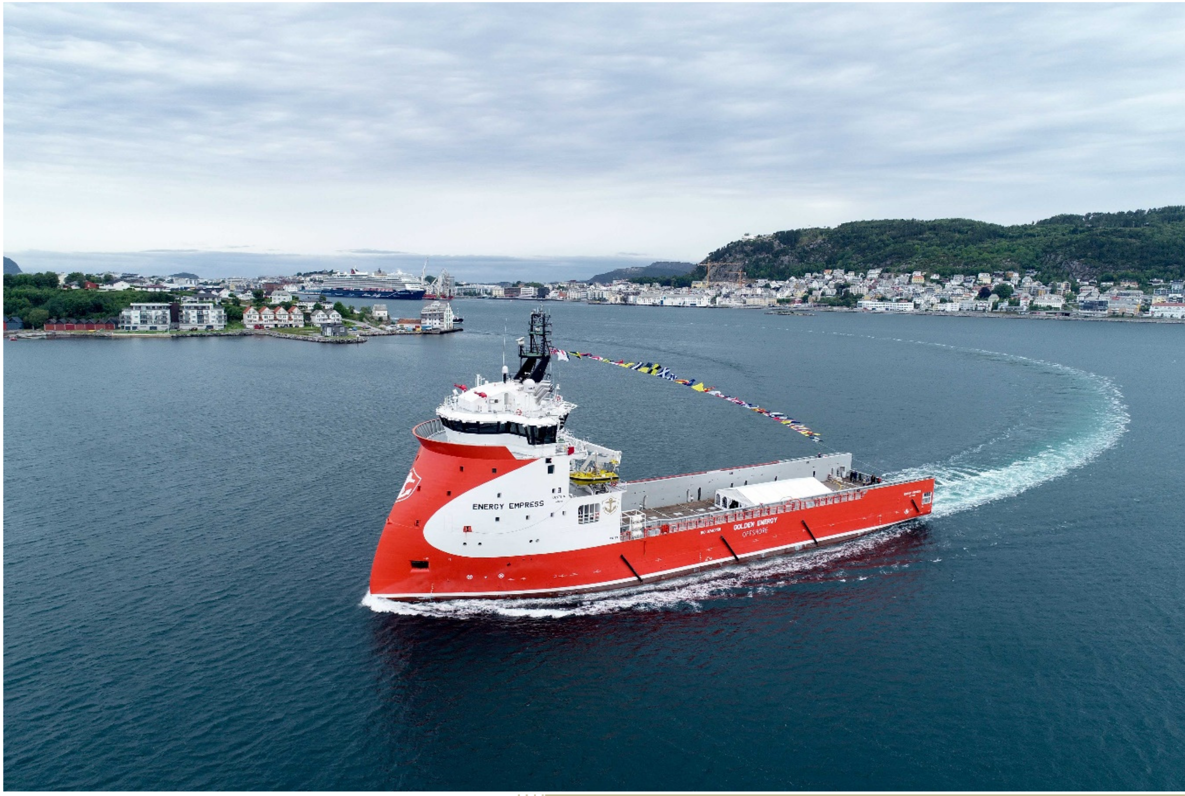
Then the remaining balance of the 1st anniversary payment is postponed and will be paid together with the 2nd anniversary payment.

The rapid decline in the offshore service market due to Covid-19 and significant reduction in oil price is resulting in challenges. After the capital increase in June 2020, the Board finds it satisfactory to conclude that the conditions for a going concern are present and the financial statements have been prepared on the basis for this assumption.

The going concern assumption is however dependent on the offshore service market normalising in accordance with the current expectiations from relevant players. The Group will work to realise assets, obtain new financing and/or raise new equity to be able to continue as a going concern also if the market is not normalising as expected.

2019

Golden Energy Offshore Services AS



PARENT ACCOUNTS 2019

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PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

NOK	Note	**2019**	**2018**
Freight income	2	165 256	61 160 828
Total income		**165 256**	**61 160 828**
Operating expenses vessels		-2 054 155	-46 549 118
Other operating expenses	10	-9 546 570	-11 973 301
Operating result before depreciations	2	**-11 435 469**	**2 638 409**
Depreciation	4	0	-12 277 744
Write down	4	0	-16 992 188
Operating result	2	**-11 435 469**	**-26 631 523**
Interest income		3 112 036	26 978
Financial income		0	101 330 862
Currency gain/loss		117 748	855 106
Other interest charges		-121 247	0
Net Financial Items	5	**3 108 536**	**102 212 945**
Profit before tax		**-8 326 933**	**75 581 422**
RESULT FOR THE YEAR		**-8 326 933**	**75 581 422**
Other comprehensive income		0	0
TOTAL COMPREHENSIVE INCOME		**-8 326 933**	**75 581 422**
Earnings per share	15	-0,26	3,35

BALANCE SHEET

NOK	Note	Pr 31.12.2019	Pr 31.12.2018
NON-CURRENT ASSETS			
Tangible fixed assets	4	0	23 004 333
Total non-current assets		**0**	**23 004 333**
Investments in subsidiaries	16	140 500 040	140 410 040
Total Financial fixed assets		**140 500 040**	**140 410 040**
Total fixed assets		**140 500 040**	**163 414 373**
CURRENT ASSETS			
Account receivables	7	8 799 623	21 217 687
Receivables	11,12	147 188 041	72 418 809
Bank deposits	8	1 245 519	15 232 641
Total current assets		**157 233 183**	**108 869 137**
TOTAL ASSETS		**297 733 223**	**272 283 510**
EQUITY AND LIABILITIES			
Equity			
Share capital	13	35 415 872	24 926 516
Share premium		194 761 993	167 922 331
Other equity		64 822 618	76 889 031
Total Equity		**295 000 484**	**269 737 879**
Liabilities			
Current liabilites			
Trade debt	6,7	2 732 739	2 175 751
Other current liabilities		0	369 880
Total current liabilities		**2 732 739**	**2 545 631**
Total liabilities		**2 732 739**	**2 545 631**
TOTAL EQUITY AND LIABILITIES		**297 733 223**	**272 283 510**

Aalesund, 30.06.2020

Sten Gustafson
Chairman of the Board

Martin Muff
Member of the Board

Per Ivar Fagervoll
CEO/Member of the Board

CASH FLOW

NOK	Note	**2019**	**2018**
Result before tax		-8 326 933	75 581 422
Depreciation and write downs	4	0	29 269 932
Change in short-term receivables/payables		12 975 052	1 605 593
Gain on conversion of debt		0	-101 330 862
Change in other accruals		972 731	-246 633
Net cash flow from operations	A	**5 620 850**	**4 879 452**
Investments	4	-56 320 718	-26 809 316
Net cash flow from investments	B	**-56 320 718**	**-26 809 316**
Capital increase	16	36 712 746	0
Net cash flow from financing	C	**36 712 746**	**1 936 991**
Effect of changes in foreign exchange rates	D	0	-45 147
Net change in cash and cash equivalents	A+B+C+D	-13 987 122	-20 038 020
Cash and cash equivalents at 01.01.		15 232 641	35 270 661
Cash as per balancedate		**1 245 519**	**15 232 641**

STATEMENT OF CHANGES IN EQUITY

NOK	Note	Share Capital	Share premium	Retained Earnings	Total Equity
Equity 01.01.2019		24 926 516	167 922 331	76 889 032	269 737 879
Annual result		0	0	-8 326 933	-8 326 933
Comprehensive income		0	0	0	0
Transactions with owners:					
Equity Contribution		10 489 356	26 223 390	0	36 712 746
Share issue costs		0	0	-3 739 480	-3 739 480
Share option expense		0	616 272	0	616 272
Equity 31.12.2019		**35 415 872**	**194 761 993**	**64 822 619**	**295 000 484**
Equity 01.01.2018		291 280 000	188 934	-217 941 303	73 527 631
Annual result		0	0	75 581 422	75 581 422
Comprehensive income		0	0	0	0
Transactions with owners:					
Equity Contribution		450 463	1 486 528	0	1 936 991
Conversion of debt		22 028 447	96 925 167	0	118 953 614
Capital decrease		-288 832 394	68 674 107	220 158 287	0
Share issue costs		0	0	-909 375	-909 375
Share option expense		0	647 595	0	647 595
Equity 31.12.2018		**24 926 516**	**167 922 331**	**76 889 032**	**269 737 879**

NOTES

NOTE 1 – GENERAL

Golden Energy Offshore Services AS (the "Company") is functioning as a holding company and currently owns 4 subsidiaries that operates within the shipping business area. The Company was incorporated 16.12.2013, as a part of the Golden Energy Offshore Group, the head office is located in Aalesund and the Company shares are listed on Mercur market on Oslo Stock Exchange. The listing was completed on 05.04.2018.

1.1 Basis for preparation of the annual report

The annual report is prepared in accordance with the International Financial Reporting Standards (IFRS) which are adopted by the EU and associated interpretations that apply for fiscal years starting 01.01.2019, and which meet the Norwegian disclosure requirements from the accounting legislation.

The financial statements were approved for publishing by the Board on 30.06.2020.

1.2 Functional and presentation currency

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

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

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

1.4 Principles for revenue recognition

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

1.5 Operational segments

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

1.6 Taxes
The Company is subject to the Norwegian rules for tonnage taxation, which means that there is no taxation of the net operating result. The tonnage taxation requires that the Compnay has to relate to detailed regulations regarding allowance of activities and assets. Any voluntarily or forced exit from the taxation scheme would result in an ordinary taxation of the net operating result. Net finance result is taxed on an ordinary basis according to the tonnage tax rules. It is not accrued for any deferred taxes.

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

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

Ordinary maintenance is allocated to the net operating result in the same period as it is conducted, while expenses related to dockings are recognized in the balance sheet and charged as an expense linearly over the period until the next scheduled docking. The period between dockings for both Vessels is set to 5 years based on the maintenance program and class requirements for the Vessels. Expenses are booked as depreciations.

If any events or circumstances show an indication that booked value of the vessels cannot be recovered, the booked value is analyzed for impairment. If the indications are confirmed and the booked value is higher than the recoverable amount, then the vessel is written off to the recoverable amount. Each vessel is evaluated individually. The recoverable amount is defined as the highest of net sale price and value in use. Value in use is derived by estimating future cash flows that the vessel is generating and discounting it to net present value using an after-tax interest that reflects the value and risks associated with the vessel. Former write-offs are reversed if the estimates used to determine the recoverable amount is changed. Reversal is however limited to what the booked value would have been if the write-off were not conducted in the first place.

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

1.9 Financial instruments
The Company’s financial instruments by initial recognition are classified in accordance with IFRS 9. After initial recognition, loans and receivables and financial obligations are measured at amortized cost by effective interest method. When calculating the effective interest, cash flows and all contractual matters regarding the financial instruments are taken into consideration. The calculation

includes all fees between the parties of the contract as an integrated part of the effective interest and transaction expenses. The amortization of the period is included as financial expense in the profit or loss statement.

Accounts receivable and other short-term receivables, plus cash and cash-equivalents are measured at fair value at amortized cost . A financial asset is impaired using the expected credit loss 3-stage model (ECL) or the practical expedient of lifetime ECL for accounts receivable in accordance with IFRS 9. Further details regarding the financial intruments are given in note 6 and 7.

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

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

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

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

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

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

1.15 Changes in accounting principles and note information
Except for the changes noted below, the same accounting principles as last year have been used in this year.

IFRS 16 – Leases
IFRS 16 Leases replaces the existing IFRS standard for leasing agreements, IAS 17. IFRS 16 gives principles for calculation, measuring, presentation and information regarding lease agreements for both parties in a leasing agreement(both the lessee and the lessor). The new standard demands that

the lessee calculates assets and obligations for the most leasing agreements and this is a material change from todays principles. For the lessor IFRS 16 continues with the existing principles of IAS 17. According to IFRS 16 a lessor shall continue to classify its lease agreements as either operational or financial leases. The standard is effective from 01.01.2019 and are implemented by the Group using the modified retrospective method.

Management have not identified any lease agreements where the Group are to be identified as a lessee, hence there are no direct effects on the financial statements.

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

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

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

1.18 Investments in subsidiaries
Investments in subsidiarys are booked by the cost method. The investments are written off to real value if the loss of value is considered permanent.

NOTE 2 – SEGMENT

The operating segments are determined based on where the vessels have been operating geographically in 2019. Energy Swan, Energy Empress and Energy Duchess have operated on both fixed and spot contracts in Europe , whereas Energy Scout has worked on short-term contracts within the West Coast of Africa. All vessels provide shipping services in both geographical regions.

Segment performance is reported to the chief operating decision maker and evaluated based on two measures: total operating revenue and operating result before depreciations.

NOK

Freight income per geographical area	**2019**	**2018**
Europe	0	29 362 070
West Coast of Africa	165 256	31 798 759
Total operating revenue	**165 256**	**61 160 828**

NOK

Operating result per geographical area		
Europe	0	2 333 347
West Coast of Africa	-5 185 226	8 128 603
Adm.	-6 250 243	-7 823 540
Operating result before depreciations	**-11 435 469**	**2 638 409**
Depreciation	0	-12 277 744
Write down	0	-16 992 188
Operating result	**-11 435 469**	**-26 631 523**

The lease portion of the contracts are included in the revenue above. The right to use the vessels will about be within the range of 30-70 % of the contract value. As all vessels were sold to the Company´s subsidiaries at the end of 2018 only a small amount is booked in 2019 as operating income from vessels.

NOTE 3 – ESTIMATE UNCERTAINTY & DISCRETIONARY ASSESSMENT

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

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

The most critical estimate related to impairment of fixed assets is the future cash flows given the market situation at current date. For further information see note 4.

NOTE 4 – FIXED ASSETS

NOK	Vessels	Docking	Ships under construction	Total
Balance 01.01.2018	**226 094 989**	**0**	**0**	**226 094 989**
Additions	0	3 804 983	0	26 809 316
Depreciations	11 171 944	1 105 800	0	12 277 744
Write off	16 992 188	0	0	16 992 188
Sale of assets	197 930 857	2 699 183	0	200 630 040
Balance 01.01.2019	**0**	**0**	**23 004 333**	**23 004 333**
Sale of assets	0	0	23 004 333	23 004 333
Balance 31.12.2019	**0**	**0**	**0**	**0**

On 31.12.2018 Energy Swan and Energy Scout was sold to each new 100 % owned subsidiarys of Golden Energy Offshore Services AS. The sale was done according to booked values and hence no financial gain or loss was incurred. the shipbuilding contracts for ships under construction were sold to wholly owned subsidiaries in 2019.

NOTE 5 – FINANCIAL ITEMS

NOK	2019	2018
Exchange gains	1 325 577	2 142 656
Interests from outher group companies	3 103 824	0
Exchange losses	-1 207 829	-1 287 550
Profit conversion of bond debt	0	101 330 862
Interest expenses	-121 247	0
Amortized cost	0	0
Other financial revenues	8 212	26 978
Net financial items	**3 108 536**	**102 212 945**

NOTE 6 – FINANCIAL INSTRUMENTS

Financial risk

The Company has financial instruments such as accounts receivables, trade debt and similar debts related to the ordinary running of the Company.
Routines for risk management have been adopted by the Board of Directors and are conducted in cooperation with each department.

The most important financial risks that the Company is exposed to are related to interest risk, liquidity risk and credit risk.

1) Credit risk

The Company is mainly exposed to credit risk associated with accounts receivable. The main counterparts are mainly major oil companies and the maximum exposure to credit risk is the same as accounts receivable(MNOK 8,8). Accounts receivable are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company. The credit risk has increased as a consequence of the reduced activities in the oil industry, but is expected to be limited. The Company has procedures to monitor and collect receivables. For charter parties where the Company is dependent upon a local intermediate agent, which is typical for operations in West Africa, the Company always seeks to have a “quiet enjoyment letter” agreement depending on what is achievable in today’s market. This gives the Company an opportunity to collect its receivables directly from the end user if the local partner should face problems to settle their debt. Despite these security measures it must be emphasized that there will always be a level of risk relating to receivables earned from operations in West Africa. Continuous accruals for loss are done if deemed necessary and is decided on a corporate level .The Company has not guaranteed for any third party debt.

2) Interest risk
The Company has converted all bond debt to equity. This means that the Company is not affected by any interest rate level currently.

3) Foreign currency risk
The Company has ordinary bank deposits in USD, as well as accounts receivable per 31.12.2019.

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

Increase/decrease in USD:			Effect on result before tax
+ / - 10%	2019	+ / -	126 051

Increase/decrease in USD:			Effect on result before tax
+ / - 10%	2018	+ / -	2 270 489

4) Liquidity risk / Going concern
Liquidity risk is the risk that the Company will not be in a position to meet all its financial obligations as they fall due. The strategy for managing liquidity risk is to have sufficient liquid cash at any time in order to settle the financial obligations at due date, both under normal and extraordinary circumstances, without risking unacceptable losses or loss of reputation. The following table shows an overview of the maturity structure of the Company’s financial obligations, based on undiscounted contractual payments. In cases where the counterparty can demand settlement prior to due date, the amount is stated in the earliest period which the amount can be demanded settled by the counterparty. If any obligations can be demanded settled immediately it is included in the first column(less than 1 year).

NOK	**Remaining period**				
31.12.2019	less 1 year	1 year	2 years	3 years or more	Total
Financial obligations					
Trade debt	2 732 739	0	0	0	2 732 739
Total:	**2 732 739**	**0**	**0**	**0**	**2 732 739**

NOK	Remaining period				
31.12.2018	less 1 year	1 year	2 years	3 years or more	Total
Financial obligations					
Trade debt	2 175 751	0	0	0	2 175 751
Total:	**2 175 751**	**0**	**0**	**0**	**2 175 751**

NOTE 7 – ACCOUNTS RECEIVABLES

NOK	Pr 31.12.2019	Not due	0-30 days	30-60 days	> 60 days
Accounts receivables	**8 799 623**	0	0	0	8 799 623

Of the account receivables pr 31.12.2019 all consists of USD. There exists uncertainty about the value of some of the receivables in USD from client in Nigeria and the Company has made USD 472K as provisions against client, and at the same time the company will continue to seek opportunities to collect the entire amount of the receivable.

NOK	Pr 31.12.2018	Not due	0-30 days	30-60 days	> 60 days
Accounts receivables	**21 217 687**	4 964 077	4 941 547	2 560 593	8 751 471

Of the account receivables pr 31.12.2018 the following consists of USD: USD 1 833 948,- (NOK 15 934 257). No loss allowance booked in 2018.

NOTE 8 – BANK DEPOSIT

The Company has no restricted bank deposits.

NOTE 9 –TAX

Golden Energy Offshore Services AS is subject to the Norwegian tonnage tax rules. Tax payable is based on the taxable financial result only in accordance with these rules. This years taxable income is positive with NOK 3 802 755 against 294 055 in 2018 and the Company has per 31.12.2019 NOK 2 301 164 in financial loss that is carried forward. Tax for the Company will mainly arise in the event of foreign operations involving local taxation.

NOTE 10 – OTHER OPERATING EXPENSES

NOK	2019	2018
Management fee	0	4 800 000
Guarantee expenses	0	18 700
Audit fee*	402 924	323 500
Legal fees	3 050 724	5 403 332
Accrued loss of receivables	4 152 613	86 026
Other	1 940 309	1 341 743
Total other operating expenses	**9 546 570**	**11 973 301**

*Audit fee consists of the following:

Audit fee (ex mva)		
NOK	2019	2018
Statutory audit	188 000	170 000
Tax consultancy	4 500	5 000
Other services	210 424	148 500
Total fee for auditor	402 924	323 500

NOTE 11 – TRANSACTIONS WITH RELATED PARTIES

As of 31.12.2019 a receivable of NOK 40 140 988 exists toward Energy Swan AS, NOK 8 540 783 towards Energy Scout AS, NOK 46 025 914 towards Energy Empress AS and NOK 49 108 380 towards Energy Duchess AS.

NOTE 12 –CURRENT RECEIVABLES

NOK	Pr 31.12.2019	Pr 31.12.2018
Pre paid expenses	0	9 645 045
Net wage refund	0	882 305
Norwegian Maritime Competance	0	-31 000
Refundable VAT	3 371 973	1 612 459
Insurance settlement Energy Scout	0	0
Energy Swan AS	40 140 988	42 480 000
Energy Scout AS	8 540 783	17 830 000
Energy Empress AS	46 025 917	0
Energy Duchess AS	49 108 380	0
Total	**147 188 041**	**72 418 809**

NOTE 13–SHARES & STOCKOWNERS

The share capital pr 31.12.2019 is NOK 35 415 872. It consists of 35 415 872 shares at NOK 1. On the General meeting one share has one right to vote. The Chief Executive Officer has an indirect and direct ownership of 2,64 % in the company per 31.12.2019. Below is table of the 20 top shareholders.

#	Golden Energy Offshore (GEOS-ME)	Country	Type	# of shares	% of total
1	State Street Bank and Trust Comp	United States	Nominee	6 670 276	18,83 %
2	GEMSCO AS	Norw ay	Ordinary	6 235 033	17,61 %
3	AB HIGH INCOME FUND, INC.	United States	Ordinary	3 360 247	9,49 %
4	AB GLOBAL BOND FUND, INC	United States	Ordinary	3 089 816	8,72 %
5	GOLDEN ENERGY OFFSHORE AS	Norw ay	Ordinary	2 447 606	6,91 %
6	K11 INVESTOR AS	Norw ay	Ordinary	1 573 403	4,44 %
7	GOLDEN ENERGY OFFSHORE MANAGEMENT	Norw ay	Ordinary	1 311 576	3,70 %
8	ROALD HOLDING AS	Norw ay	Ordinary	962 256	2,72 %
8	TAJ HOLDING AS	Norw ay	Ordinary	962 256	2,72 %
10	ALLIANCEBERNSTEIN GLOBAL HIGH	United States	Ordinary	916 212	2,59 %
11	CLEARSTREAM BANKING S.A.	Luxembourg	Nominee	800 001	2,26 %
12	AB UNCONSTRAINED BOND FUND, INC.	United States	Ordinary	757 891	2,14 %
13	PENSJONSORDNINGEN	Norw ay	Ordinary	704 278	1,99 %
14	IMAGINE CAPITAL AS	Norw ay	Ordinary	697 493	1,97 %
15	VERDIPAPIRFONDET EIKA KREDITT	Norw ay	Ordinary	645 900	1,82 %
16	BERG	Norw ay	Ordinary	592 451	1,67 %
17	FAGERVOLL	Norw ay	Ordinary	536 666	1,52 %
18	KEWA INVEST AS	Norw ay	Ordinary	336 789	0,95 %
19	VERDIPAPIRFONDET EIKA BALANSERT	Norw ay	Ordinary	304 262	0,86 %
20	ALSTAD INVEST AS	Norw ay	Ordinary	300 000	0,85 %
	Total top 20			**33 204 412**	**93,76 %**
	Other			2 211 460	6,24 %
	Total stock			**35 415 872**	**100,00 %**

NOTE 14–SHARE BASED REMUNERATION

The annual meeting approved 3 000 000 subscription rights on 31.05.2018 which are issued to Directors and Key employees. This gives them the right to acquire up to a certain maximum amount of shares in the Company at a fixed strike price of NOK 4,30 or if a private placement is carried out the strike price will be set to the price of shares applied in such private placement. The options can be exercised over a period of 3 years and they are non-tradeable and conditional upon the participants being employed at the vesting date. As of 31.12.2019, the Company has recognized NOK 616 272 in cost related to the options. This does not affect the total equity.

NOTE 15–EARNINGS PER SHARE

Earnings per share is calculated by dividing the annual profit allocated to the Company´s shareholders by a weighted average of total shares. For 2018 and 2019 all of the profit is allocated to the shareholders. As for the outstanding stock options the Company considers it unlikely that these will be declared at the strike price and hereby considers that there are no dilution effect.

NOK	2019	2018
Number of Shares	35 415 872	24 926 516
Weighted average of total issued shares	31 766 151	22 532 935
Earnings per share	-0,54	3,35

NOTE 16–SHARES IN SUBSIDIARIES

Subsidiary	Place of business	Share	Purchase price	Balance sheet value	Company equity 31.12.2019	Company Profit 2019
Energy Swan AS	Ålesund	100 %	45 000	99 006 196	94 844 195	-4 137 101
Energy Scout AS	Ålesund	100 %	45 000	41 403 844	46 311 598	4 932 655
Energy Empress AS	Ålesund	100 %	45 000	45 000	-2 994 886	-3 024 886
Energy Duchess AS	Ålesund	100 %	45 000	45 000	-6 610 226	-6 640 226

NOTE 17–EVENTS AFTER THE BALANCE SHEET DATE

The Combination of Covid -19 and a significant reduction in oil price have also resulted in a rapid market decline. Oil and renewable operators are postponing or terminating projects in order to save costs. Also drilling activity is reduced to a minimum in order to cope with the oversupply of oil. All in all this affects our vessels utilization and day rate levels in a negative way, but it is still too early to see the full impact of this.

As a result of the above the Group has elected to place the vessels Energy Duchess, Energy Empress and Energy Scout in temporary lay-up, whilst continue chasing possible future contracts. The last couple of months has changed the prospects for the high season dramatically and it is necessary to do such measurement to manage the extraordinary situation in the current market conditions. For the vessel Energy Swan that was originally due for class renewal in May 2020, a 3-month extension is granted.

In light of recent developments in the offshore service market (which has resulted in three of the Group's four vessels having been placed into temporary layup), the Board recognised that the Group needed to increase its liquidity position to be able to continue operation if the downturn in the market should worsen or remain as-is of today over some time.

In addition, the subsidiaries, Energy Empress AS and Energy Duchess AS were obliged under the hire purchase agreements entered into with Nantong Rainbow Offshore & Engineering Equipment Co., Ltd. ("ROC") to make 1st anniversary lease payments for Energy Empress and Energy Duchess (the "Vessels"); originally in May this year. Pursuant to an addendum dated 11 June 2020 entered into between Group on one side, and ROC on the other, the hire purchase agreements was amended. As a result of this the Group need to pay in total USD 1.200.000 (of which 50.000 has already been paid). Then the remaining balance of the 1st anniversary payment is postponed and will be paid together with the 2nd anniversary payment.

The rapid decline in the offshore service market due to Covid-19 and significant reduction in oil price is resulting in challenges. After the capital increase in June 2020, the Board finds it satisfactory to conclude that the conditions for a going concern are present and the financial statements have been prepared on the basis for this assumption.

The going concern assumption is however dependent on the offshore service market normalising in accordance with the current expectiations from relevant players. The Group will work to realise assets, obtain new financing and/or raise new equity to be able to continue as a going concern also if the market is not normalising as expected.

To the General Meeting of Golden Energy Offshore Services AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Golden Energy Offshore Services AS, which comprise:

- The financial statements of the parent company Golden Energy Offshore Services AS (the Company), which comprise the balance sheet as at 31 December 2019, the income statement, statement of changes in equity 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 Golden Energy Offshore Services AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2019, the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- The financial statements are prepared in accordance with the law and regulations.
- The accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.
- The accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including 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 laws and regulations, 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 18 in the group financial statements, Note 17 in the parent financial statements and the Board of Directors' report, which indicates that the Group is dependent on the market situation normalising in accordance with the current expectations from relevant market players. If the market does not normalise, the Group is dependent on realising assets, obtain new financing and/or raise new equity to be able to service downpayments on debts and continue as a going concern.

As stated in the notes and the Board of Directors' report, these events or conditions, along with other matters as set forth in the notes and the Board of Directors' report, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

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 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 there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (Management) are responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the EU, 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 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including 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

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption and the proposed allocation of the result is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements *(ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Ålesund, 30 June 2020
PricewaterhouseCoopers AS

Nils Robert Stokke
State Authorised Public Accountant
(This document is signed electronically)

Revisjonsberetning

Signers:

Name	*Method*	*Date*
Stokke, Nils Robert	BANKID	2020-06-30 16:34