



**GOLDEN  
ENERGY  
OFFSHORE**



**Golden Energy Offshore Services AS  
1<sup>st</sup> Half 2023 Report**

## Results

Key Highlights for the Q2 2023:

- *Time charter equivalent earnings of TNOK 169 per day on average*
- *EBITDA of TNOK 19 360 for the quarter*
- *Utilization of 95.6%*
- *Acquisition of 100% of the shares in Golden Energy Offshore Management AS (GEOM) which transforms GEOS from a pure asset owning Group to fully integrated owner with management and crewing in-house.*

The Group's revenues for H1-2023 were TNOK 77 827, mainly originating from operations in the North Sea and Caribbean. The revenues have increased significantly compared with the same period in 2022, mainly because of reactivation of the Group's vessels and a stronger underlying market.

Net Financial Items in H1-2023 were negative with TNOK 52 884, significantly affected by changes in the USD-NOK exchange rate. The Group's result before tax in H1-2023 is a deficit of TNOK 3 881. Book equity per 30.06.2023 is TNOK 104 131.

The operating result before depreciation and sale of asset for the 1st half year was TNOK 18 360, excluding potential insurance settlement related to the Energy Duchess and Energy Swan

### Present chartering status

<b>Vessel</b>	<b>Built</b>	<b>Deck (m2)</b>	<b>Employment</b>	<b>Day rate*</b>	<b>Firm expire</b>	<b>Avail. option</b>
Energy Swan	2005	1,060	TC	kr 150 000,00	01.11.2023	New contract**
Energy Empress	2019	856	TC	kr 194 000,00	24.04.2024	1 x 6 months
Energy Duchess	2019	856	Spot/Short term	kr 275 000,00	16.09.2023	14 dbd opt

\*Rates in NOK converted with USD/NOK exchange rate 10,4

\*\*a new contract has been entered into in direct continuation  
for 2 months firm plus 2 x 2 months options

*Energy Duchess worked in the North Sea short term / spot market, mainly on supply duties in the North Sea but also on B2W and decommissioning projects.*

*Energy Empress remains on the 1-year firm contract offshore Trinidad & Tobago, starting full operation on the 24<sup>th</sup> October 2022*

*Energy Swan's contract with Repsol was extended during the quarter and is now firm until 1<sup>st</sup> November 2023.*

## Subsequent Events

- Announced acquisition of 4 x PX121 PSV's and 1 x SSV from Vroon Holding B.V. for USD 94.0m
- Announced signed Term Sheet with Fleetscape Capital Ltd. for part-financing of the fleet acquisition, expected to close within end of Q3 2023
- Extension of time-charter contract for Energy Swan for 2 months fixed, plus 2 x 2-month extension options in direct continuation of current charter.
- Exercise of extension option by BP on Energy Empress for 6 months
- Oaktree Capital Management and Athos Capital Limited exercised warrants for 61.78m shares in total, increasing share capital to 115.55m shares on fully diluted basis.

## Vessels

*As of H1-2023, the Group owns three Platform Supply Vessels (PSV's) (the "Vessels") which are operated and managed by Golden Energy Offshore Management AS in Ålesund, Norway.*

The vessel values have increased significantly in the period and the Group's three vessels have now received average broker values as follows:

<b>Fleet valuation as per 30.06.2023 (TNOK)</b>		
<b>Vessel</b>	<b>Average Broker 1</b>	<b>Average Broker 2</b>
Swan	190 980	180 370
Empress	286 470	283 818
Duchess	286 470	283 818
<b>NOK</b>	<b>763 920</b>	<b>748 005</b>
<b>Avg FMV 2 brokers</b>		<b>755 963</b>

## Other

- The Group has an unpaid claim against the insurers of the opponent vessel after an allision between this vessel and the Group's vessel Energy Duchess, (Energy Duchess was moored alongside in port of Aberdeen September 2022 when hit). The insurers have issued a letter of undertaking (LOU) in the amount of USD 3,663,000, representing the Group's full claim. The claim is disputed and is handled by the Group's insurers and its English lawyers. The claim is not included in the unaudited accounts.

## Financing and Liquidity

*The Group has a senior secured fleet loan of USD 36,225m over the vessels Energy Empress and Energy Duchess with a final maturity July 2027. The Group also has a senior secured bond loan of NOK 70 million over the vessel Energy Swan with final maturity June 2024.*

### **Market and Future Prospects**

The North Sea spot market had a slow start to the year, however activity levels increased as we approached the summer season when the majority of projects and campaigns commence. The spot market on the Norwegian side of the North Sea has seen a significant shortage in available vessels, leading to a strong spot market.

The seasonal volatility in the spot market has little impact on our forward-looking view on this segment. The fundamental activity drivers for this segment are robust and we foresee a healthy market going forward on the background of expected high demand from increased activity levels and limited supply from a historically low fleet to order book ratio.

The Group therefore expects that the vessels will continue attracting higher charter revenue in its operations. The Group also see improved values and expects that the market value of the Group's vessels will continue to improve correspondingly.

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

### **Going Concern**

The successful refinancing in Q3 2022 together with the improved market justify the Board's conclusion that the conditions for a going concern are present, and the financial statements have been prepared based on this assumption. The Group will however need to improve its liquidity and the Board is working on measures to this effect.

### **The Company and Its Shareholders**

Pr. 30.06.2023 the company had 744 shareholders and the company's share capital was NOK 53 773 762 divided by 53 773 762 shares, each with a nominal value of NOK 1.

Ålesund, 11.09.2023

Sign.

Sten Gustafson  
Chairman of the Board

Morten Muggerud  
Member of the Board

Per Ivar Fagervoll  
CEO/Member of the Board

Fredrik Ulstein-Rygnestad  
Member of the Board

## Unaudited interim consolidated PROFIT AND LOSS ACCOUNT

<b>Amounts in TNOK</b>	<b>Note</b>	<b>H1-2023</b>	<b>H1-2022</b>	<b>2022</b>
Freight income	2	76 827	59 878	141 054
Other income		1 000	0	0
<b>Total income</b>		<b>77 827</b>	<b>59 878</b>	<b>141 054</b>
Operating expenses vessels		-44 414	-46 713	-116 806
Other operating expenses		-14 053	-11 367	-39 890
<b>Operating result before depr. and sale</b>	2	<b>19 360</b>	<b>1 799</b>	<b>-15 642</b>
Gain/loss from sale of vessel		-2 152	0	0
<b>Result before depreciations</b>		<b>17 208</b>	<b>1 799</b>	<b>-15 642</b>
Depreciation	3,4	-14 305	-15 211	-24 468
Reversal of impairment	4	46 100	0	111 000
<b>Operating result</b>		<b>49 003</b>	<b>-13 412</b>	<b>70 890</b>
Interest income		12	0	118
Financial income		0	0	1 195
Currency gain/loss	5	-1 940	-140	-1 076
Unrealized currency gain/loss		-22 912	-34 835	-36 305
Other interest charges	5	-22 576	-38 104	-69 648
Other financial charges		-5 469	-55	-23 063
<b>Net Financial Items</b>		<b>-52 884</b>	<b>-73 133</b>	<b>-128 780</b>
<b>Profit before tax</b>		<b>-3 881</b>	<b>-86 545</b>	<b>-57 889</b>
Taxes ordinary result		0	0	0
<b>RESULT</b>		<b>-3 881</b>	<b>-86 545</b>	<b>-57 889</b>
Earnings per share		-0,07	-1,79	-1,15

## Unaudited interim consolidated BALANCE SHEET

Amounts in TNOK	Note	Per 30.06.2023	Per 30.06.2022	Per 31.12.2022
<b>NON-CURRENT ASSETS</b>				
Goodwill	3	18 553	0	0
<b>Total intangible assets</b>		<b>18 553</b>	<b>0</b>	<b>0</b>
Tangible fixed assets	4	498 606	425 939	527 622
<b>Total non-current assets</b>		<b>498 606</b>	<b>425 939</b>	<b>527 622</b>
Investments in shares		2 664	34	45
<b>Total financial fixed assets</b>		<b>2 664</b>	<b>34</b>	<b>45</b>
<b>Total fixed assets</b>		<b>519 824</b>	<b>425 973</b>	<b>527 667</b>
<b>CURRENT ASSETS</b>				
Stocks		563	2 720	2 263
Account receivables		26 662	25 530	17 581
Receivables		14 631	27 300	16 553
Bank deposits		7 714	162	957
<b>Total current assets</b>		<b>49 570</b>	<b>55 712</b>	<b>37 354</b>
<b>TOTAL ASSETS</b>		<b>569 394</b>	<b>481 685</b>	<b>565 021</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital		53 774	51 174	53 774
Share premium		198 485	196 925	198 485
Other equity		-148 127	-250 008	-144 246
<b>Total Equity</b>	<b>5,6,7</b>	<b>104 131</b>	<b>-1 910</b>	<b>108 013</b>
<b>Liabilities</b>				
<b>Long-term debt</b>				
Interest bearing liabilities	5	70 000	68 425	70 000
Other long-term liabilities	5,6	230 975	0	222 741
<b>Total long-term debt</b>		<b>300 975</b>	<b>68 425</b>	<b>292 741</b>
<b>Current liabilities</b>				
Current interest-bearing liabilities	5	61 952	283 805	79 287
Trade debt		44 450	70 132	75 229
Tax payable		18	154	0
Other current liabilities		57 867	61 078	9 752
<b>Total current liabilities</b>		<b>164 287</b>	<b>415 170</b>	<b>164 268</b>
<b>Total liabilities</b>		<b>465 262</b>	<b>483 595</b>	<b>457 009</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>569 394</b>	<b>481 685</b>	<b>565 021</b>

## Unaudited interim consolidated STATEMENT OF CASH FLOWS

<b>Amounts in TNOK</b>	<b>Note</b>	<b>H1-2023</b>	<b>H1-2022</b>
Result before tax		-3 881	-86 545
Taxes payable		0	-56
Booked profit/loss from sales of non-current assets		2 152	0
Depreciation and write downs	4	-31 795	15 211
Change in short-term receivables/payables		-17 064	2 474
Interest expenses		22 576	38 104
Effects on changes in foreign exchange rates		22 912	34 835
Change in other accruals		-20 163	-4 201
<b>Net cash flow from operations</b>		<b>-25 263</b>	<b>-180</b>
Investments		-3 108	-2 718
Sale of non-current assets		63 830	0
<b>Net cash flow from investments</b>		<b>60 721</b>	<b>-2 718</b>
Paid interests		0	-13 478
Proceeds from new debt		19 805	45 712
Repayment debt		-48 506	-37 449
Capital increase		0	7 484
<b>Net cash flow from financing</b>		<b>-28 701</b>	<b>2 269</b>
Net change in cash and cash equivalents		6 757	-629
Cash and cash equivalents at 01.01.		957	791
<b>Cash as per balance sheet date</b>		<b>7 714</b>	<b>162</b>

## Unaudited interim consolidated STATEMENT OF CHANGES IN EQUITY

<b>Amounts in TNOK</b>	<b>Share Capital</b>	<b>Share Premium</b>	<b>Retained Earnings</b>	<b>Total Equity</b>
Equity 01.01.2023	53 774	198 485	-144 246	108 013
Result	0	0	-3 881	-3 881
<b>Equity 30.06.2023</b>	<b>53 774</b>	<b>198 485</b>	<b>-148 127</b>	<b>104 131</b>
Equity 01.01.2022	45 674	194 940	-163 463	77 151
Result	0	0	-86 545	-86 545
<b>Transactions with owners:</b>				<b>0</b>
Equity Contribution	5 500	1 984	0	7 484
<b>Equity 30.06.2022</b>	<b>51 174</b>	<b>196 925</b>	<b>-250 008</b>	<b>-1 910</b>

## NOTE 1 – GENERAL

Golden Energy Offshore Services AS (the “Group”) is operating within the offshore service vessel business area and currently owns three PSVs (Energy Scout delivered to new owners 10<sup>th</sup> January 2023) PSVs during 1H - 2023. The Group was incorporated at the end of 2013, the head office located in Ålesund and all of the Group’s shares are listed on Euronext Growth in Oslo Stock Exchange. The quarterly report is prepared in accordance with the same accounting principles as the last annual accounts and according to IAS 34 Interim financial reporting.

## NOTE 2 – SEGMENT

The Group currently owns three vessels operating in offshore service vessel business with offshore energy clients, both in the oil & gas and renewable energy market.

## NOTE 3 – GOODWILL

Amounts in TNOK	Goodwill	Total
<b>Cost price 01.01.2022</b>	<b>0</b>	<b>0</b>
Acc. depr and write off 01.01.2022	0	0
Additions	0	0
Depreciations	0	0
<b>Balance 31.12.2022</b>	<b>0</b>	<b>0</b>
Additions	18 553	18 553
Disposals	0	0
Depreciations	0	0
<b>Balance 30.06.2023</b>	<b>18 553</b>	<b>18 553</b>

The goodwill originates from the acquisition of 100% of the shares in Golden Energy Offshore Management AS. The acquisition is undergoing an analysis as per IFRS 3, hence valuation preliminary at present time.

## NOTE 4 – FIXED ASSETS

Amounts in TNOK	Vessels	Docking	Total
<b>Cost price 01.01.2022</b>	<b>514 064</b>	<b>15 092</b>	<b>529 156</b>
Acc. depr and write off 01.01.2022	15 190	3 018	18 208
Additions	4 432	2 845	7 277
Depreciations	22 018	7 068	29 085
<b>Balance 31.12.2022</b>	<b>503 559</b>	<b>24 063</b>	<b>527 622</b>
Additions	3 108	0	3 108
Disposals	54 192	9 727	63 919
Depreciations	12 388	1 917	14 305
Reversal of impairment	-46 100	0	-46 100
<b>Balance 30.06.2023</b>	<b>486 188</b>	<b>12 418</b>	<b>498 606</b>

The Vessels are depreciated linearly to a residual value when the Vessels reach 30 years. The residual value is TNOK 15 000 for each of Energy Swan, Energy Duchess, and Energy Empress. Costs for acquiring Energy Duchess and Energy Empress are already included in the acquisition cost for both vessels. Accrued and estimated docking expenses for the Vessels are depreciated over 5 years until the next docking.

Previously there has been a write down on the Vessels based on the impairment test. Considering the new market outlook, and due to observed indicators, such as improved market conditions and increase in market interest rates, the Vessels' book values have been tested for impairment and reversal of previous impairments was completed on September 30, 2022, for all three Vessels, and the Group has recognized a net reversal of total of TNOK 111 000. A new impairment has been done, and additional TNOK 46 100 has been reversed.

The Group monitors the presence of impairment indicators during the periodical financial reporting, and thus may update its assessments of impairments to reflect further changes in the underlying market assumptions. The assessment of ship values has been done by two independent shipbrokers.

The vessel Energy Scout was sold in Q1 2023, and the loss from the sale is booked as loss from sale of vessel.

#### **NOTE 5 – INTEREST BEARING DEBT**

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

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

The short-term facility was repaid in Q1 2023, and a new short-term facility of MUSD 4,2 has been drawn as a short-term interest-bearing loan with an interest rate of SOFR + 9.00%.

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

	Currency	Nominal debt in currency	Recognized in currency	Recognized in TNOK
<b>Amounts in TNOK or TUSD</b>				
Senior secured bond loan	NOK	70 000	70 000	70 000
Long-term interest-bearing loan *	USD	27 349	21 448	230 975
<b>Outstanding long-term interest-bearing debt per 30.06.2023:</b>				<b>300 975</b>
Short-term interest-bearing loan *	USD	4 200	3 688	39 728
Short-term installment of long-term loan *	USD	5 000	2 063	22 224
<b>Outstanding short-term interest-bearing debt per 30.06.2023:</b>				<b>61 952</b>
<b>Total Outstanding interest-bearing debt per 30.06.2023:</b>				<b>362 927</b>

\* The difference between nominal and recognized values originates from the cash flow calculation on the warrants connected to the long-term interest bearing loan and amortization of the short-term interest bearing loan.

## NOTE 6 WARRANTS

The company issued 61 773 762 warrants July 27<sup>th</sup> 2022. The lifetime of the warrants is divided into 57 773 762 warrants 5 years, and 4 000 000 warrants 3 years. Strike price for all warrants is NOK 1,00.

*See Subsequent Events*

## NOTE 7 – SHARES & STOCKOWNERS

The share capital pr. 30.06.2023 is NOK 53 773 762. It consists of 53 773 762 shares at NOK 1. On the General meeting one share has one right to vote. Below is a table of the 20 top shareholders. The Chief Executive Officer has an indirect and direct ownership of 9,73 % in the company per 30.06.2023.

There are issued share options, with 4 000 000 options to the lender of the bridge loan, and 57 773 762 options to the lender of the credit facility.

#	Golden Energy Offshore (GEOS-ME)	Country	Type	# of shares	% of total
1	State Street Bank and Trust Comp	United States	Nominee	10 470 276	19,47 %
2	FAGERVOLL Per Ivar	Norway	Ordinary	4 191 908	7,80 %
3	Brown Brothers Harriman & Co.	United States	Nominee	3 360 247	6,25 %
4	Brown Brothers Harriman & Co.	United States	Nominee	3 089 816	5,75 %
5	NORDNET LIVSFORSIKRING AS	Norway	Ordinary	2 925 834	5,44 %
6	GOLDEN ENERGY OFFSHORE AS	Norway	Ordinary	2 447 606	4,55 %
7	GEMSCO AS	Norway	Ordinary	2 211 959	4,11 %
8	ANU INVEST AS	Norway	Ordinary	2 005 953	3,73 %
9	ROALD HOLDING AS	Norway	Ordinary	962 256	1,79 %
9	TAJ HOLDING AS	Norway	Ordinary	962 256	1,79 %
11	Brown Brothers Harriman & Co.	United States	Nominee	916 212	1,70 %
12	Euroclear Bank S.A./N.V.	Belgium	Nominee	800 001	1,49 %
13	GRØNLAND	Norway	Ordinary	762 881	1,42 %
14	DEVOLD	Norway	Ordinary	612 500	1,14 %
15	BERG	Norway	Ordinary	592 451	1,10 %
16	FAGERVOLL Svein Terje	Norway	Ordinary	538 713	1,00 %
17	BAHAM AS	Norway	Ordinary	512 600	0,95 %
18	FAGERVOLL Karoline	Norway	Ordinary	500 000	0,93 %
19	FINSETH	Norway	Ordinary	479 000	0,89 %
20	MTB EIENDOMSUTVIKLING AS	Norway	Ordinary	466 512	0,87 %
<b>Total top 20</b>				<b>38 808 981</b>	<b>72,17 %</b>
Other				14 964 781	27,83 %
<b>Total stock</b>				<b>53 773 762</b>	<b>100,00 %</b>



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