

Group Package
Accounts 401

Company registration number SC311252 (Scotland)

SONGA SHIPMANAGEMENT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
PAGES FOR FILING WITH REGISTRAR



SONGA SHIPMANAGEMENT LIMITED

COMPANY INFORMATION

Directors	A Blystad K MacLeod K D Macleod	(Appointed 14 February 2023)
Secretary	C MacLean	
Company number	SC311252	
Registered office	2 Marchfield Drive Paisley United Kingdom PA3 2RB	
Auditor	Azets Audit Services Titanium 1 King's Inch Place Renfrew Renfrewshire United Kingdom PA4 8WF	

SONGA SHIPMANAGEMENT LIMITED

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SONGA SHIPMANAGEMENT LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their annual report and financial statements for the year ended 31 December 2022.

Principal activities

The principal activity of the company continued to be that of providing technical management services to ship-owners worldwide.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

A Blystad

K MacLeod

K D Macleod

(Appointed 14 February 2023)

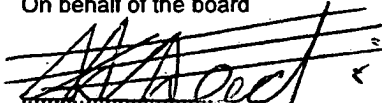
Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



K MacLeod

Director

Date: 27/06/23

SONGA SHIPMANAGEMENT LIMITED

BALANCE SHEET

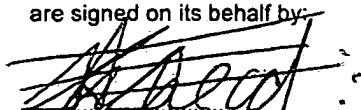
AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	5	892,939		957,113	
Investment properties	6	225,000		252,000	
Investments	7	1		1	
		<u>1,117,940</u>		<u>1,209,114</u>	
Current assets					
Debtors	8	145,297		88,694	
Cash at bank and in hand		1,316,585		2,041,077	
		<u>1,461,882</u>		<u>2,129,771</u>	
Creditors: amounts falling due within one year	9	<u>(88,000)</u>		<u>(1,078,153)</u>	
Net current assets		<u>1,373,882</u>		<u>1,051,618</u>	
Total assets less current liabilities		<u>2,491,822</u>		<u>2,260,732</u>	
Creditors: amounts falling due after more than one year	10	(255,837)		(288,340)	
Provisions for liabilities		<u>(12,413)</u>		<u>(12,413)</u>	
Net assets		<u>2,223,572</u>		<u>1,959,979</u>	
Capital and reserves					
Called up share capital		675,567		675,567	
Profit and loss reserves		1,548,005		1,284,412	
Total equity		<u>2,223,572</u>		<u>1,959,979</u>	

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 27/12/23 and are signed on its behalf by:



K MacLeod
Director

Company Registration No. SC311252

SONGA SHIPMANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Songa Shipmanagement Limited is a private company limited by shares incorporated in Scotland. The registered office is 2 Marchfield Drive, Paisley, United Kingdom, PA3 2RB.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include investment properties at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The company has taken advantage of the exemption under section 401 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Songa Shipmanagement Limited is a wholly owned subsidiary of Songa Tankers AS (formerly known as Songa Shipholding AS) and the results of Songa Shipmanagement Limited are included in its consolidated financial statements which are available from Haakon Vlls gt 1, 0161 Oslo.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

SONGA SHIPMANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.3 Turnover

Revenue relates to the provision of ship management services. Services are performed over the period of the contracts to which they relate.

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% Straight Line
Leasehold improvements	20% Straight Line
Fixtures and fittings	20% Straight Line
Computers	20% Straight Line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

Property rented to a group entity is accounted for as tangible fixed assets.

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

SONGA SHIPMANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

SONGA SHIPMANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

SONGA SHIPMANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Client money

Under the terms of the company's contracts with its customers, the company acts as agent for the ships under its management. As part of this arrangement it holds client money under supervision. As the company does not have the ability to benefit from the client assets, nor bear any credit risk or earn interest on the deposited money, the company considers this does not meet the definition of an asset under accounting standards. As such, these amounts are not included within the company's reported assets. The total value of client assets under supervision at the year end amounted to £1,226,232 (2021 - £435,998).

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	40	32

4 Directors' remuneration

	2022 £	2021 £
Remuneration paid to directors	235,385	227,385

SONGA SHIPMANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

5 Tangible fixed assets

	Freehold land and buildings	Leasehold improvements	Fixtures and fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 January 2022	957,249	45,747	169,396	236,249	1,408,641
Additions	-	-	2,850	458	3,308
Disposals	-	-	(4,480)	(53,663)	(58,143)
At 31 December 2022	957,249	45,747	167,766	183,044	1,353,806
Depreciation and impairment					
At 1 January 2022	107,677	45,747	127,271	170,833	451,528
Depreciation charged in the year	24,844	-	12,764	29,874	67,482
Eliminated in respect of disposals	-	-	(4,480)	(53,663)	(58,143)
At 31 December 2022	132,521	45,747	135,555	147,044	460,867
Carrying amount					
At 31 December 2022	824,728	-	32,211	36,000	892,939
At 31 December 2021	849,572	-	42,125	65,416	957,113

6 Investment property

	2022 £
Fair value	
At 1 January 2022	252,000
Revaluations	(27,000)
At 31 December 2022	225,000

The fair value of the investment property has been arrived at on the basis of a valuation carried out by the directors. The valuation was made on an open market value basis by reference to market evidence.

7 Fixed asset investments

	2022 £	2021 £
Shares in group undertakings and participating interests	1	1

SONGA SHIPMANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	29,905	-
Amounts owed by group undertakings	3,749	44,831
Other debtors	111,643	43,863
	<u>145,297</u>	<u>88,694</u>

9 Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans	32,087	32,155
Trade creditors	21,625	39,201
Amounts owed to group undertakings	-	681,155
Corporation tax	(2,277)	33,546
Other taxation and social security	18,084	143,746
Other creditors	18,481	148,350
	<u>88,000</u>	<u>1,078,153</u>

10 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans and overdrafts	<u>255,837</u>	<u>288,340</u>

The long-term loans are secured by first ranking standard security over Unit 3, Marchfield Drive, Paisley, PA3 2RB as well as a floating charge over the whole assets of the company.

11 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Alan Brown and the auditor was Azets Audit Services.

12 Operating lease commitments

Lessor

SONGA SHIPMANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

12 Operating lease commitments

(Continued)

At the reporting end date the company had contracted with tenants for the following minimum lease payments:

	2022	2021
	£	£
	337,354	401,424

13 Events after the reporting date

Subsequent to the year end the company fully repaid the bank loan outstanding at the year end.

14 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Ship management revenue & re-billing		Crew management costs	
	2022	2021	2022	2021
	£	£	£	£
Entities within group	2,915,698	1,886,433	-	-
Entities over which the entity has control, joint control or significant influence	314,633	299,828	(500,491)	(242,981)
Other related parties	830,150	782,375	-	-
			2022	2021
			£	£
Amounts due to related parties				
Entities within group			-	119,344

15 Parent company

The ultimate parent company, which is the largest group preparing consolidated accounts which include Songa Shipmanagement Limited, is Song Corp, a company incorporated in Norway. Copies of the group financial statements of the Songa Corp can be obtained from its registered office at Haakon V11's Gate 1, PO Box 1468, Vika, 0116 Oslo, Norway.

The immediate parent company, which is the smallest preparing consolidated accounts which include Songa Shipmanagement Limited, is Songa Tankers AS (formerly known as Songa Shipholding AS), a company incorporated in Norway. Copies of the group financial statements can be obtained from its registered office at Haakon V11's Gate 1, PO Box 1468, Vika, 0116 Oslo, Norway.



To the Annual Shareholders Meeting of
Songa Tankers AS

BHL DA
Elias Smiths vei 24
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Medlemmer av
Den norske Revisorforening

Ansvarlig revisor:
Thomas Andersen

Independent Auditor's Report

Opinion

We have audited the financial statements of Songa Tankers AS (the Company) showing a loss of TUSD 2 104, and the financial statements of the group, showing a profit of TUSD 46 483.

The financial statements comprise:

- The financial statements of the company: which comprise the balance sheet as at December 31, 2022, and the income statement, and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the group: which comprise the balance sheet as at December 31, 2022, and the income statement, and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the company as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the group as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

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



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Other Information

The Board of Directors (management) is responsible for the information in the Board of Directors' report. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or the information in the Board of Directors' report otherwise appears to be materially misstated. We are required to report that fact if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

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

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

Responsibilities of the management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Misstatements can arise from fraud or error and are considered material if, individually or in the 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 the auditor's responsibilities we refer to <https://www.revisorforeningen.no/revisjonsberetninger>

Sandvika, 30.05.2023

BHL DA

The auditor's report is signed electronically.

Thomas Andersen
Statsautorisert revisor

ANNUAL REPORT

2022

SONGA TANKERS AS

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0161 Oslo
Phone: +47 23 11 82 70
www.blystad.no

Norwegian Enterprise no 911 913 259

SONGA TANKERS AS

BOARDS REPORT 2022

The company

Songa Tankers AS (the Company) was founded in 2013 and is the parent company in a group owning and operating tanker vessels. The Company holds direct investments in vessel owning subsidiaries and subsidiaries providing technical management services. The Company and the Group's main business office is in Oslo. In 2022 the Company changed name from Songa Shipholding AS.

Group activities in 2022

Through the Parent company and its subsidiaries (the Group), Songa Tankers AS operates in the shipping sector. The Group has offices in Oslo (Norway) and Glasgow (Scotland).

At year-end 2022 the fleet consists of three 13 000 dwt chemical tankers, seven 17 000 dwt chemical tankers, one 25 000 dwt chemical tanker and one Aframax crude oil tanker. The vessels are operated on time charter contracts, in pools and on spot voyages.

In 2022 the market for chemical tankers was significantly impacted by the Russia-Ukraine conflict, causing inflated tonne-miles, and increasing demand for oil products. Disruption in the supply of Russian gas, combined with the shutdown of nuclear power plants in continental Europe, further intensified the strain on an already tight energy market. The average rate for the 17 000 dwt in 2022 was 19 481 compared to 8 179 in 2021. For the 13 000 dwt the rate was 10 250 in 2022 compared to 9 630 in 2021. Thus, impacting the Groups income and vessel values.

Songa Tankers AS also holds shares in associated companies owning four 19 900 dwt 2009-built chemical carriers and one MR tanker.

Technical management for the Group's vessels is provided by Songa Shipmanagement Ltd, a subsidiary incorporated in Glasgow, Scotland.

Work environment

The Group has a total of 55 employees at the office in Glasgow. All activities in Norway are handled by employees in Arne Blystad AS, a wholly owned subsidiary of Blystad Group AS, which is also indirectly the sole shareholder of Songa Tankers AS. Songa Tankers AS did not have any employees at the end of the year. For appointments and election of directors the Company aims there should be no discrimination on the grounds of gender.

Insurance for board members

There is no insurance policy in place for members of the Board of Directors for their potential liabilities towards the company and third-parties.

Environmental reporting

The Company's onshore activities do not pollute the external environment. Its marine activities are conducted in accordance with operating and reporting procedures that ensure compliance with national and international requirements and regulations to which the Group is subject.

To reduce emissions from the vessels and prepare for IMO 2020, the Management decided in 2018 to install exhaust gas scrubbers on 12 vessels.

Transparency act

The Norwegian Transparency Act report will be included in the Blystad AS Group ESG report which will be published on www.blystad.no by 30 June 2023.

Going concern assumption

The annual financial statement is prepared under the going concern assumption, and the Board hereby confirms this assumption is valid. Basis for the assumption is the Company's solid equity base, budgets for the year 2023 and the Group's long-term strategic forecast for the coming years.

Financial risks

The Group's market risk is mainly related to development in freight rates, exchange rates and future interest levels. Future earnings will to a large extent be influenced by the development in these markets.

The financial statements for 2022

Total revenue for the Group in 2022 ended at 83.9 mUSD, revenue in 2021 was 42.7 mUSD. Included in 2022 revenue is gain on sale of vessel of 4.5 mUSD. The average rate for the 17 000 dwt in 2022 was 19 481 compared to 8 179 in 2021. For the 13 000 dwt the rate was 10 250 in 2022 compared to 9 630 in 2021. The parent company had no revenue either year.

The operating result increased from a loss of 3.4 mUSD in 2021 to an operating profit of 39.1 mUSD in 2022.

Net financial items for the year was 7.7 mUSD vs -1.3 mUSD in 2021. Share of net results from associated companies increased by 10.0 mUSD from 2021 to 2022, explaining this change.

Net profit after tax for the Group was 46.5 mUSD in 2022. In 2021 the Group had a net loss after tax of 4.9 mUSD. The corresponding figure for the parent company was a net loss of 2.1 mUSD in 2022, which increased from a net loss of 15.9 mUSD in 2021.

Total assets for the Group at year end were 213.3 mUSD, increased from 168.3 mUSD at year end 2021. Vessel additions to the fleet as well as strengthening the cash balance explains this increase. The parent Company had total assets of 178.4 mUSD at year end 2022, up from 114.2 mUSD the previous year end. Book value of equity for the Group at 31 December 2022 amounted to 152.7 mUSD which represents 85.6% of total assets. Corresponding figures for the Parent company were 105.6 mUSD, and 59.2%.

The cash and cash equivalents of the Group at 31 December 2022 amounted to 25.8 mUSD, up from 9.8 mUSD at year end 2021. Cash from operations in 2022 was 34.7 mUSD. Net cash used in investing activities, mainly being purchase and sale of vessels, was 16.6 mUSD. 2.1 mUSD were used to repay debt, bringing total debt to financial institutions to 47.1 mUSD at year end 2022.

In the opinion of the board of directors, the disclosed statement of income and statement of financial position with associated statement of cash flows and notes give a true and fair view of the operations and financial situation of the Company. To the best of the Directors' knowledge there are no other matters of significance for assessing the Company's financial position at 31 December 2022.

The board proposes that the Company's loss for the year, USD 2 104 000, is charged from other equity.

Oslo, 30 May 2023

The board of directors of Songa Tankers AS

Arne Blystad
Chairman

Marianne H. Blystad
Board member

SONGA TANKERS AS

USD 1 000

Parent		STATEMENT OF INCOME	Note	Group	
2021	2022			2022	2021
-	-	Other operating revenue	4	79 422	42 672
-	-	Gain sale of fixed assets		4 482	0
-	-	Total operating revenue		83 904	42 672
-	-	Operating expenses vessels	5	26 566	24 873
-	-	Salary related expenses	6	4 456	4 249
-	-	Charter hire expenses		1 226	3 335
-	-	Depreciation	7	8 672	8 881
-	-	Write-down fixed assets		-	1 217
669	1 189	Other operating expenses		3 876	3 555
669	1 189	Total operating expenses		44 796	46 109
-669	-1 189	Operating profit/(loss)		39 108	-3 437
-	-	Income/ (-loss) from associated companies	8	10 820	841
423	1 274	Interest income from group companies	9	466	300
-	11	Other interest income		292	1
5	-	Other financial income		15	5
-296	-900	Net foreign exchange gain (-loss)	10	-737	-409
-	-	Value adjustments financial instruments valued at fair value		-	-37
-	-	Write-down financial assets		14	-
-146	-993	Interest expense to group companies	11	-71	-39
-	-	Other interest expense		-2 199	-1 720
-15 150	-	Write down subsidiaries		-	-
-117	-389	Other financial expense		-897	-267
-15 282	-997	Net financial items		7 703	-1 325
-15 951	-2 186	Profit/(loss) before taxes		46 811	-4 763
-45	-81	Tax expense	12	318	95
-15 906	-2 104	Net profit/(loss)		46 493	-4 858
		Minorities' share of net profit		10	0
		Net profit/(loss) after minorities' share		46 483	-4 858

SONGA TANKERS AS

USD 1 000

Parent		STATEMENT OF FINANCIAL POSITION	Note	Group	
31 Dec 2021	31 Dec 2022			31 Dec 2022	31 Dec 2021
		ASSETS			
		Non-current assets			
144	41	Deferred tax asset	12	43	122
144	41	Total intangible assets		43	122
-	-	Vessels	7, 15	119 147	111 519
-	-	Periodic maintenance	7	5 298	5 565
-	-	Buildings	7	1 530	1 594
-	-	Office equipment, vehicles, furnitures etc.	7	117	166
-	-	Total fixed assets		126 092	118 844
-	2 303	Warranties/deposits		6 948	-
75 287	135 509	Investments in subsidiaries	13	-	-
4 549	-	Loans to Group Company	9	-	-
17 890	16 131	Investments in associated companies	8, 15	24 629	15 567
97 726	153 943	Total non-current financial assets		31 577	15 567
97 870	153 984	Total non-current assets		157 712	134 533
		Current assets			
-	-	Stores on-board	15	1 635	1 552
2 459	24 315	Group receivables	9	13 754	-
13 803	13	Other receivables	14	14 427	22 449
16 262	24 328	Total receivables		28 181	22 449
48	84	Bank deposits, cash etc.	15	25 794	9 764
16 309	24 412	Total current assets		55 610	33 765
114 179	178 395	Total assets		213 321	168 298

SONGA TANKERS AS

USD 1 000

Parent		STATEMENT OF FINANCIAL POSITION		Group	
31 Dec 2021	31 Dec 2022		Note	31 Dec 2022	31 Dec 2021
		EQUITY AND LIABILITIES			
		EQUITY			
58	58	Company capital	16, 17	58	58
134 614	134 614	Share premium reserve	16	134 614	134 614
1 955	2 606	Other paid-in capital	16	2 606	1 955
<u>136 627</u>	<u>137 278</u>	Total paid-in equity		<u>137 278</u>	<u>136 627</u>
-29 598	-31 702	Other equity	16	15 337	-31 147
<u>-29 598</u>	<u>-31 702</u>	Total retained earnings		<u>15 337</u>	<u>-31 147</u>
-	-	Minority interest	16	65	55
<u>107 029</u>	<u>105 575</u>	Total equity		<u>152 680</u>	<u>105 535</u>
		LIABILITIES			
-	-	Deferred tax	12	15	-
<u>-</u>	<u>-</u>	Total provisions		<u>15</u>	<u>-</u>
554	-	Debt to group companies	11	-	-
-	-	Debt to financial institutions	15, 18	47 064	54 548
2 539	-	Other long-term liabilities		-	2 539
<u>3 092</u>	<u>-</u>	Total long-term liabilities		<u>47 064</u>	<u>57 087</u>
3 238	72 807	Group liabilities	11	7 831	-
-	-	Taxes payable	12	226	165
808	11	Accounts payable		2 209	2 788
12	3	Other short-term liabilities	19	3 296	2 724
<u>4 058</u>	<u>72 820</u>	Total short-term liabilities		<u>13 562</u>	<u>5 676</u>
<u>7 150</u>	<u>72 820</u>	Total liabilities		<u>60 641</u>	<u>62 763</u>
<u>114 179</u>	<u>178 395</u>	Total equity and liabilities		<u>213 321</u>	<u>168 298</u>

Oslo, 30 May 2023
Board of Directors of Songa Tankers AS

Arne Blystad
Chairman

Marianne H. Blystad
Board member

SONGA TANKERS AS

USD 1 000

Parent company		STATEMENT OF CASH FLOWS		Group	
2021	2022			2022	2021
-15 951	-2 186		Profit before tax	46 811	-4 573
-	-	-	Taxes paid	-165	-368
-	-	+	Depreciation	8 672	8 881
-	-	+/-	Gain/loss on sale of assets	-4 482	-
-	-	+	Write-down tangible fixed assets	-	1 217
15 370	-	+	Impairment loss on shares in subsidiaries	-	-
-	-	+/-	Increase/decrease inventories	-83	411
-	-	+/-	Increase/decrease receivables	-5 388	-
-	-797	+/-	Increase/decrease payables	-579	1 035
-	-	+/-	Currency exchange effects	-	-14
-	-	+/-	Other items without cash effect	-10 820	-678
471	1 079	+/-	Increase/decrease in other provisions	782	-2 055
-110	-1 904	=	Net Cash flow from operating activities	34 748	3 855
-	-	+	Proceeds from sale of fixed assets	17 234	-
-	-	-	Payments acquisition of fixed assets	-28 672	-914
-	-2 303	-	Paid deposits for future vessel purchases	-6 948	-
248	-	+	Payments from sale of shares and partnerships	-	-
-187	-5 702	-	Investments in shares and partnershipshares	-4 446	-
-5 183	-	+/-	Net payments on short-term receivables	-	-
-	6 205	+/-	Net other payments from investing activities	6 204	-
-5 123	-1 800	=	Net cash flow from investing activities	-16 628	-914
2 539	-	+	Payment from drawdown of long-term debt	50 631	2 539
-	-	-	Repayment of long-term debt	-57 906	-12 213
425	3 740	+/-	Net proceeds from short-term borrowings	5 185	-
689	-	+	Capital installments	-	783
1 000	-	+	Net proceeds from acquisition of company	-	-
-	-	-	Paid dividends	-	689
4 653	3 740	=	Net cash flow from financing activities	-2 090	-8 201
-580	36	=	Net change in cash and cash equivalents	16 030	-5 260
628	48	+	Cash and cash equivalents at beginning of period	9 764	15 023
48	84	=	Cash and cash equivalents at end of period	25 794	9 764

1 Company information

Songa Tankers AS (the Company), organization number 911 913 259, is a Norwegian private limited liability company. In 2022 the Company changed its name from Songa Shipholding AS. The address of the main office is Haakon VII's gate 1, 0161 Oslo, Norway.

2 Accounting principles**Consolidation**

The consolidated accounts have been prepared in accordance with the 1998 Norwegian Accounting Act and generally accepted accounting principles in Norway. They comprise Songa Tankers AS and companies in which Songa Tankers AS has a controlling position through ownership interests or agreements (subsidiaries). The consolidated accounts have been prepared as if the Group were a single financial unit, and all significant intercompany transactions and balances have been eliminated. The subsidiaries of the Group are specified in note 13.

Subsidiaries are consolidated in the accounts in full (100%) from the point at which a controlling position is achieved and until such time as the control ceases. The cost price paid by the Group is allocated to identifiable assets and liabilities based on estimated true value at the time of purchase. Where a subsidiary is not wholly owned, the minority interest's share of the profit/loss after taxes and the share of equity are deducted and recorded as separate items in the statement of income and the balance sheet.

The balance sheets from foreign subsidiaries are translated at the foreign exchange rate at the balance sheet date, and the statement of income are translated at the foreign exchange rate at the date of the transaction. A foreign subsidiary is a subsidiary with a different functional currency than the group functional currency. The group functional currency is USD.

Associated companies are defined as companies in which Songa Tankers AS or its subsidiaries, rather than having a controlling interest, have a significant influence and ownership stake, normally 20-50%. Associated companies are recorded in the legal entities by the cost method, whereas in the consolidated statements associated companies are recorded using the equity method. Under the equity method, the initial cost is adjusted by the proportionate share of profit or loss from the associated company.

Revenues and costs

Revenues are recorded in the statement of income as they are earned (the earned income principle) and costs are expensed in the same period as the associated revenue (the matching principle).

General rules for valuation and classification of assets and liabilities

Assets intended for permanent ownership or use are classified as non-current assets. Other assets are classified as current assets. Receivables due within one year are classified as current assets. Analogous criteria are applied when classifying liabilities.

Fixed assets are valued at cost but are written down to net realisable value if a reduction in value is not expected to be of a temporary nature. Fixed assets with a limited useful life are depreciated according to a straight-line depreciation plan. Long-term debt is recorded in the balance sheet at the nominal amount at the time the debt is established.

Current assets are valued at the lower of acquisition cost or net realisable value. Short-term debt is recorded in the balance sheet at the nominal amount at the time the debt is established. In accordance with the requirements of the Accounting Act, some items are valued using special rules of valuation. These are discussed in further detail below.

Currency

Monetary items in foreign currencies are translated at the rate of exchange applicable at the balance sheet date. The effects of unrealised and realised currency items are recorded in the statement of income under financial items.

Fixed assets – vessels

Vessels are recorded in the balance sheet at acquisition cost less accumulated depreciation. The depreciation of the vessels is made on a straight-line basis and is determined based on an assessment of the useful life of each individual vessel taking scrap value into consideration. Scrap value is calculated based on a historical conservative steel price and the lightweight tonnage of each vessel. Write-downs are performed if the book value exceeds the recoverable amount. The recoverable amount is the higher of net sales value and the net present value of the cash flows that the vessel is expected to generate in the future. Write-downs are reversed if the basis for the write-down no longer exists.

Periodic maintenance

Periodic maintenance is recorded in the balance sheet and the amount is depreciated over the period until the next periodic maintenance (2,5 - 5 years cycle). Periodic maintenance is classified as a tangible fixed asset in the balance sheet and expensed amounts are classified as depreciation in the statement of income.

Stores on-board

Stores on board, recorded in the balance sheet, consist of bunkers and lubricating oil and are valued at original cost. Original cost is ascribed using the FIFO principle.

Sale of vessels

The purchase and sale of vessels is regarded as an integral part of the business. Accordingly gains and losses on sales are reported as part of the operating profit/loss.

Leases

Contracts of lease are classified as financial or operational based on the content of the agreement. Thus, if the economic rights and commitments relating to the underlying subject of the lease is substantially transferred to Songa TankersAS or a subsidiary, the lease is classified as a financial lease. Other lease contracts are classified as operational and the cost associated with the lease is expensed as and when it is incurred.

Receivables

Receivables are recorded at nominal value less a provision for expected loss. The loss provision is made based on an assessment of the individual receivable.

Borrowing costs

Costs associated with establishing credit facilities with financial institutions are capitalised and amortised to the statement of income on a linear basis over the period of the loan.

Conditional outcomes and uncertain commitments

Uncertain commitments are reported if, on the balance of probability, an uncertain commitment will be settled. The best estimate of the value of the settlement is recorded in the balance sheet under other short-term debt. Other events that are not recorded are disclosed in the notes.

Taxes

The tax cost in the statement of income comprises of both taxes payable (taxes on the year's taxable income) and changes in deferred tax. Deferred tax is based on the temporary differences between book value and tax value, and any taxable loss that can be carried forward at the end of the financial year. Tax-increasing and tax-reducing temporary differences that are or may be reversed in the same period are set-off.

Tonnage taxes are classified as operating expenses.

Net deferred tax asset is recorded in the balance sheet whenever it is probable that it can be utilised.

Cash flow statement

The cash flow statement has been prepared using the indirect method.

Related parties

Information on and transactions with related parties of the Songa Tankers AS Group are disclosed in connection with the relevant accounting item or in the appropriate place of the annual report.

3] Financial market risk**Currency risk**

Most of the revenues, costs, receivables and long-term debt of the Songa Tankers AS Group are denominated in USD which is also the functional currency of the group. The exposure to currency risk of consolidated accounts in USD is related to the part of the operating and administrative expenses denominated in other currencies than USD.

Interest rate risk

The interest rate on debt is generally fixed for 3-month periods.

Market risk

Through its shipping activities the Group is exposed to changes in external market conditions within the global freight markets as well as the financial market in general.

4 Other operating revenue (USD 1 000)

	2022		2021	
	Parent company	Group	Parent company	Group
Net time charter income	-	75 205	-	38 560
Other income	-	4 217	-	4 112
Total other operating income	-	79 422	-	42 672

Net time charter income consists of distributed income from pool participation and income from vessels chartered out on time charter basis and spot voyages. Other income consists mainly of management fee revenues from technical management.

5 Operating expenses vessels (USD 1 000)

	2022		2021	
	Parent company	Group	Parent company	Group
Crew cost	-	15 664	-	16 330
Other expenses	-	10 902	-	8 543
Total operating cost vessels	-	26 566	-	24 873

6 Payroll expenses/Administrative expenses (USD 1 000)

Administrative services are provided by Arne Blystad AS (a related company) under a management agreement. Expensed management fees in 2022 amount to USD 981 for Songa Tankers AS. There are similar management agreements between other companies in the Group and Arne Blystad AS. Management fees for the Group for 202 are expensed in a total of USD 1 240.

No remuneration to the Board of Directors has been paid in 2022. Personnel for the vessels are provided by crewing agencies. From a legal perspective the personnel are employed by Songa Crew Management Ltd (a group company). Technical management of the Group's vessels are provided under agreements with subsidiary Songa Shipmanagement Ltd.

The Songa Tankers Group had on average 55 (44 in 2021) employees employed by Songa Shipmanagement Ltd, SC Shipmanagement Ltd and OHT Technical Management Ltd in Scotland. Salaries and other salary related expenses for these employees are expenses in the Group as salary related expenses. Songa Crew Management had on average 804 (715 in 2021) employees on the vessels. Salary and salary related expenses for these employees are expenses as crew costs as outlined in note 5 to these financial statements. The company operates a defined contribution pension scheme. Salary related expense:

	2022		2021	
	Parent company	Group	Parent company	Group
Payroll	-	3 567	-	3 282
Social Security Tax	-	508	-	603
Pension cost	-	218	-	190
Other salary related costs	-	163	-	174
Total salary related expenses	-	4 456	-	4 249

Auditor

USD 17 was expensed in 2022 which relates to audit fees for the Parent company for the year.

Expensed fees for other services from auditors in 2022 amounted to USD 3. Expensed audit fees and other services for the Group totalled respectively 65 and 4.

7 Fixed assets (USD 1 000)

The Parent company does not have any tangible fixed assets.

Group	Vessels	Periodic Maintenance	Buildings	Other fixed assets	Total
Cost at 01.01.22	211 544	14 003	1 754	671	227 972
Additions 2022	27 079	1 588	-	4	28 672
Disposals 2022	-13 015	-767	-33	-	-13 816
Cost at 31.12.22	225 609	14 824	1 721	675	242 828
Acc. depreciation/ write-down 01.01.22	100 025	8 439	160	504	109 128
Disposals 2022	-693	-371	-	-	-1 064
Depreciation 2022	7 129	1 459	31	53	8 672
Acc. depreciation/ write-down 31.12.22	106 461	9 527	191	557	116 736
Net carrying value 31.12.22	119 147	5 298	1 530	117	126 092

Useful life – total 25 years 2.5-5 years 50 years 3-5 years

All fixed assets are depreciated according to a linear depreciation schedule.

The Board and management assessed indications of impairment on the Group's vessels at year end 2022 and concluded that no such indicators exists.

8 Investments in associated companies (USD 1 000)

Parent company:

Company	Ownership/ voting share	Registered office	Book value 31.12.22*
Songa Passage AS	57.42%	Oslo	6 578
Songa Chemical AS	34.47%	Oslo	9 553
Total			16 131

*Book value according to the cost method.

Group:

Company	Ownership /voting share	Registered office	Book value 01.01.22	Share of profit 2022	Other changes 2022*	Book value 31.12.22**
Songa Passage AS	67.05%	Oslo	2 722	3 973	4 447	11 142
Songa Chemical AS	34.47%	Oslo	12 845	6 847	-6 204	13 488
Total			15 567	10 820	-1 757	24 629

*Purchase and repayments in 2022

**Book value according to the equity method.

9 Receivables from Group companies (USD 1 000)

	2022		2021	
	Parent company	Group	Parent company	Group
Non-current				
Receivables nominated in USD	-	-	4 549	-
Receivables nominated in NOK	-	-	-	-
Total non-current group receivables	-	-	4 549	-

	2022		2021	
	Parent company	Group	Parent company	Group
Current				
Receivables nominated in USD	14 809	4 258	2 451	-
Receivables nominated in NOK	8 671	8 661	8	-
Group contribution receivable	835	835	-	-
Total current group receivables	24 315	13 754	2 459	-

Interest bearing receivables carry interest of 3 months NIBOR +1.45% for NOK and 3 months LIBOR + 2.83% for USD. Loan repayment takes place according to further agreement.

10. Specification of net foreign exchange gain (-loss) (USD 1 000)

	2022		2021	
	Parent	Group	Parent	Group
	Company		company	
Foreign exchange gain	95	1 010	-	-
Foreign exchange loss	-995	-1 747	-296	-409
Total	-900	-737	-296	-409

11. Debt to Group companies (USD 1 000)

	2022		2021	
	Parent	Group	Parent	Group
	company		company	
Long-term				
Liabilities nominated in USD	-	-	554	-
Liabilities nominated in NOK	-	-	-	-
Total long-term group liabilities	-	-	554	-

	2022		2021	
	Parent	Group	Parent	Group
	company		company	
Short-term				
Liabilities nominated in USD	72 796	7 828	3 232	-
Liabilities nominated in NOK	11	3	6	-
Total short-term group liabilities	72 807	7 831	3 238	-

Interest bearing receivables carry interest of 3 months NIBOR +1.45% for NOK and 3 months LIBOR + 2.83% for USD. Loan repayment takes place according to further agreement.

12 Tax (USD 1 000)

Tax expense:

Parent company			Group	
2021	2022		2022	2021
-45	103	Net change in deferred tax/tax benefit	102	-45
-	-	Taxes payable	400	141
-	-184	Tax effect of received group contribution	-184	
-45	-81	Tax expense/(-income)	318	95

Reconciliation of tax expense for the year:

2021	2022		2022	2021
-15 906	-2 186	Profit before taxes	46 811	-4 763
-3 499	-481	Calculated tax – 22%	10 298	- 1 048
-	-	Tax effect due to shipping taxation rules	-10 412	1 290
1 844	-3	Tax effect of permanent differences	-3	3 197
-	403	Other differences (currency, tax rates etc.)	436	-3 535
-45	-81	Tax expense/(-income)	318	95

Taxes payable in the balance sheet:

2021	2022		2022	2021
-	-	Taxes payable current year	185	120
-	-	Tonnage taxes*	41	45
-	-	Taxes payable	226	165

*Tonnage taxes are classified as operating expenses in the financial statements

Deferred tax asset:

Parent company		Group	
2021	2022	2022	2021
<i>Temporary differences:</i>			
-	-	68	96
-487	-	-	-487
-165	-186	-186	-165
-	-	-5	-
-653	-186	-124	-556
144	41	28	122
<i>Carrying amounts in balance sheet:</i>			
144	41	43	122
-	-	-15	-

13 Investments in subsidiaries // consolidation (USD 1,000)

Company	Registered Office	Ownership/ voting Share
Songa Shipmanagement Ltd.	Glasgow	100.0%
Songa Crewmanagement Ltd.	Glasgow	100.0%
SC Shipmanagement Ltd	Glasgow	100.0%
OHT Technical Management Ltd	Glasgow	100.0%
Songa Product and Chemical Tankers AS	Oslo	100.0%
Songa Product and Chemical Tankers II AS	Oslo	98.3%
Songa Product and Chemical Tankers III AS	Oslo	100.0%
Songa Product and Chemical Tankers IV AS	Oslo	100.0%
Songa Projects AS	Oslo	100.0%
Songa Dream AS	Oslo	100.0%
Songa Eagle AS	Oslo	100.0%
Songa Tankers I AS	Oslo	100.0%
Songa Tankers II AS	Oslo	100.0%
Songa Tankers III AS	Oslo	100.0%

All above mentioned subsidiaries are consolidated in the Group financial statements.

Songa Crewmanagement Ltd is a 100% owned subsidiary of Songa Shipmanagement Ltd. The other Group companies are owned directly by Songa Tankers AS. Songa Tankers AS and its subsidiaries are consolidated in Blystad AS, org.nr. 988 909 106, Haakon VII's gate 1, 0161 Oslo.

14 Other current receivables (USD)1(000)

	2022		2021	
	Parent company	Group	Parent company	Group
Accounts receivable	-	5 543	-	2 367
Accrued income	-	387	-	4 400
Prepaid expenses	-	639	-	1 012
Other receivables	13	7 858	13 803	14 670
Total	13	14 427	13 803	22 449

15 Pledged assets (USD)1(000)

As at 31 December 2022, the borrowings are secured by the following:

- Mortgage over vessels with Deed of Covenants
- Assignment of insurances
- Pledge of earnings accounts and retentions accounts
- Assignment of intra-group loans/claims
- Share Charges, including bonds and other securities
- Corporate guarantee by Songa Tankers AS up to 48 mUSD
- Corporate guarantee by Songa Tankers AS up to 66 mUSD

Total mortgages and pledges as of 31.12.22 (book values) were as follows:

	Parent company	Group
Vessels	-	119 147
Stores on board	-	1 635
Shares*	16 131	24 629
Bank accounts	84	25 794
Total pledges	16 215	171 205
 Total mortgaged loans	 -	 47 509
Total mortgaged loans and guarantees	-	47 509

*The shares in Songa Chemical AS and Songa Passage AS are pledged in favour of financial institutions in connection with loan facilities in the respective companies.

16 Equity (USD) (000)

Parent company:

	Company Capital	Share Premium	Other paid-in equity	Other Equity	Total
Equity at 01.01.22	58	134 614	1 955	-29 598	107 029
<i>Change in equity:</i>					
Group contribution received	-	-	651	-	651
Net loss	-	-	-	-2 104	-2 104
Equity at 31.12.22	58	134 614	2 606	-31 702	105 575

Group:

	Company Capital	Share Premium	Other paid-in capital	Other Equity	Minority	Total
Equity at 01.01.22	58	134 614	1 955	-31 147	55	105 535
<i>Change in equity:</i>						
Group contribution received	-	-	651	-	-	651
Net profit	-	-	-	46 483	10	46 493
Equity at 31.12.22	58	134 614	2 606	15 337	65	152 680

17 Company capital and shareholder information

Company capital in Songa Tankers AS at 31.12.2022:

Owner	Number of shares	Nominal value	Balance sheet
Songa Ship Holding AS	250	NOK 1 600	NOK 400 000

At 31.12.2022 the share capital of Songa Tankers AS, organisation no. 911 913 259, comprises a single class of shares and Songa Ship Holding AS holds voting rights for all these shares. Songa Tankers AS and its subsidiaries are consolidated in the financial statements of Blystad AS, enterprise no. 988 909 106, P.O.Box 1468 Vika, 0116 Oslo.

18 Debt to financial institutions (USD 1 000)

Overview of Group debt to financial institutions

	2022	2021
Long-term debt	Book value loans	Book value loans
Long-term debt to financial institutions	47 508	54 882
Capitalized borrowing cost	-445	-334
Book value	47 064	54 548

19 Other short-term liabilities (USD 1 000)

	2022		2021	
	Parent company	Group	Parent company	Group
Accrued mortgage interest	-	-	-	282
Accrued expenses	-	2 188	12	2 048
Prepaid revenues	-	44	-	-
Other short-term debt	3	1 064	-	393
Total	3	3 296	12	2 724

20 Related parties (USD 1 000)

There have been no significant related party transactions in 2022 other than those mentioned in note 6.

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