ANNUAL REPORT
2023

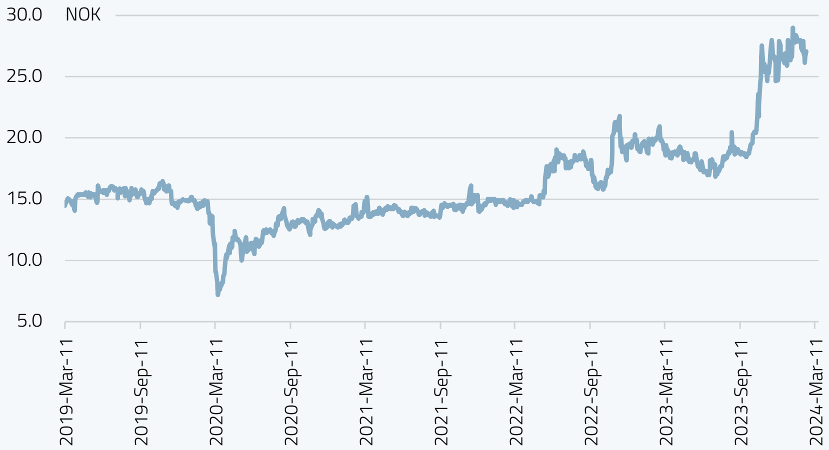
AMSC ASA

CONTENT

THE AMSC SHARE

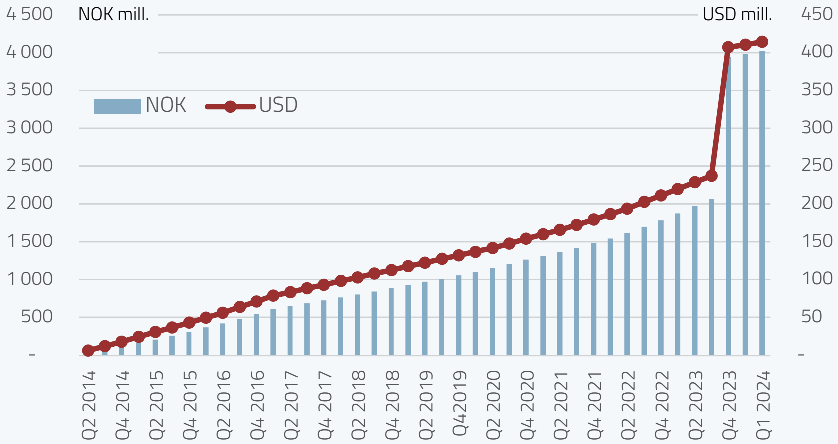
Dividends have been a key part of AMSC ASA's equity story since 2014, totaling USD 414 million since Q2 2014. This includes 40 consecutive quarters plus 1 additional dividend payment. The NOK equivalent is NOK 60.2 per share.

AMSC 5-YEAR SHAREPRICE DEVELOPMENT *



* Historical years adjusted for additional dividend paid in 2023

ACCUMULATED DIVIDENDS



KEY EVENTS 2023

SALE OF JONES ACT TANKER FLEET
In October 2023, AMSC completed the sale of its Jones Act Tanker fleet to funds managed by U.S.-based Maritime Partners for a total consideration of USD 746.7 million. The transaction marks an exit from the Jones Act business and allowed AMSC to distribute an additional dividend of USD 170 million (NOK 26.19 per share) in November 2023.

SALE OF THE NORMAND MAXIMUS
AMSC participated in the refinancing of Solstad Offshore ASA ("Solstad Offshore") through its contribution of 100% of the shares in Offshore Leasing I ("OSL1"), which owns the CSV Normand Maximus with corresponding bareboat contract and secured bank debt, in kind, in return for new common shares in Solstad Maritime Holding AS ("Solstad Maritime" or "SMH"). The valuation of OSL1 was USD 177.5 million.

DIVIDEND PAYMENTS
For the calendar year 2023, AMSC declared dividends of USD 199.5 million, continuing the Company's commitment to returning value to shareholders.

FINANCIAL CALENDAR 2024

17 April	Annual General Meeting 2024
15 May	1st quarter interim results 2024
16 July	2nd quarter interim results 2024
5 November	3rd quarter interim results 2024

(dates subject to change)

THIS IS AMSC ASA

AMSC ASA ("AMSC"or the "Company") was established in 2005 and is listed on the Euronext Oslo Stock Exchange with the ticker AMSC. The Company is admitted to OTCQX in New York under the ticker ASCJF. AMSC is an investment company focused on the maritime sector.

AMSC currently holds a substantial shareholding in Solstad Maritime. The Company has an ambition to pay attractive dividends to its shareholders.

AMSC is headquartered in Lysaker, Norway.

SALE OF JONES ACT FLEET

Announced in Q3 2023 and closed during Q4 2023, AMSC sold American Tanker Holding Company ("ATHC") which indirectly owned its 10 Jones Act tankers and corresponding bareboat charters, debt, and corporate structure to funds managed by U.S.-based Maritime Partners. The transaction was based on an enterprise value of USD 746.7 million, which represented a premium to the implied trading value of AMSC at the time.

AMSC had owned the ships since their delivery from Philly Shipyard in 2007 through 2011.The fleet has continuously been on bareboat charters generating substantial cash flows which has allowed attractive shareholder distributions, including an additional USD 170 million dividend paid after closing of the sale.

AMERICAN TANKER HOLDING COMPANY INC.

AMERICAN TANKER INC.

AMERICAN SHIPPING CORPORATION

10X SINGLE SHIP OWNING COMPANIES

- 10 x Jones Act MR tankers built at Philly Shipyard
- 15 years average age
- Employed on bareboat contracts with Overseas Shipholding Group and Keystone Shipping
- About USD 85 million of historical annual EBITDA

SALE OF NORMAND MAXIMUS

Announced during Q4 2023 and closed during Q1 2024, AMSC contributed 100% of the shares of OSL1 which owns the CSV Normand Maximus with corresponding bareboat contract and secured bank debt, in kind, in return for 21.1% of new common shares in Solstad Maritime . The shareholding is expected to be reduced to 18.2% after the announced NOK 750 million equity offering to existing Solstad Offshore ASA shareholders during second quarter 2024. The contribution in kind was based on an enterprise value of OSL1 of USD 177.5 million, with the equity value of AMSC's contribution being NOK 1,000 million.

Solstad Maritime, a leading provider of specialized offshore tonnage to global energy markets, owns a fleet of 33 vessels including 22 construction service vessels ("CSV") and 11 anchor handling tug supply ("AHTS") vessels.

OFFSHORE LEASING I AS

CSV NORMAND MAXIMUS

- Subsea construction vessel
- Delivered from Vard Brattvåg in 2016
- Employed on bareboat contract with a single purpose subsidiary of Solstad Offshore ASA until October 2027 with 2x 5 years charterer's extension options
- About USD 30 million of annual EBITDA

COMPANY HISTORY

2023

- Closed the sale of 10 Jones Act tankers to funds managed by U.S. based Maritime Partners for a total consideration of USD 746.7 million
- Announced the sale of CSV Normand Maximus for USD 177.5 million to be contributed in kind against a substantial shareholding in Solstad Maritime
- Paid dividends totaling USD 199.5 million (USD 2.78 per share) for the calendar year

2022

- Acquisition of the subsea construction vessel, Normand Maximus for USD 157 million funded with USD 110 million secured loan, proceeds from an equity private placement and cash on hand adding USD 151.5 million in contracted lease backlog
- Issued 11.2 million new shares in a private placement raising USD 37.6 million net proceeds
- Employed three U.S. Jones Act tankers to a new counterparty for AMSC, securing almost USD 90 million in contracted lease backlog
- OSG elected to extend six vessels for three years, adding almost USD 160 million in contracted lease backlog

2021

- Closed USD 20 million unsecured bond tap issue
- Increased quarterly dividends by 20% supported by company's free cash flow

2020

- Closed USD 305 million senior secured financing for 9 ships with maturity in 2025
- Closed USD 200 million unsecured bond with maturity in 2025

2019

- Philly Tankers AS dissolved with USD 16.3 million received of total of USD 28.8 million in total after-tax proceeds
- OSG elected to extend four vessels for 3 years increasing AMSC's charter backlog

2018

- OSG elected to extend all nine vessels up for renewal, effectively increasing AMSC's average bareboat charter duration to 3.5 years

2017

- Raised USD 220 million senior unsecured bond used to refinance the outstanding bond with maturity in February 2018
- Received USD 12.5 million in distributions from Philly Tankers from its sale of all four product tanker newbuild contracts

2016

- First Philly Tankers newbuild contract and related assets sold to subsidiaries of Kinder Morgan

2015

- Refinancing of secured vessel debt completed with USD 450 million in new secured debt
- Philly Tankers secured long-term time charters on its first two ships, declared its two options with Philly Shipyard and entered into an agreement to sell all four tanker contracts upon delivery to a subsidiary of Kinder Morgan, Inc. for a total consideration of USD 568 million

2014

- Effective 5 August 2014, OSG emerged from bankruptcy and all of AMSC's contracts with OSG were assumed and accepted.
- In July, AMSC made its first quarterly dividend distribution of USD 0.10. AMSC expects to continue paying regular quarterly dividends and aims to grow the dividend distribution over time, as the company's cash flow improves.
- Invested in Philly Tankers AS, together with key financial investors, to build two product tankers at Aker Philadelphia Shipyard, to be delivered in Q3 2016 and Q1 2017, for operations in the Jones Act market

2013

- Completed a major recapitalization of the Company (January 2014) including USD 120 million private placement, conversion of subordinated debt to equity and amendments to vessel debt and bond loan
- Negotiated agreement with OSG for conversion of one of the ten product tankers into a shuttle tanker for a long term time charter with Shell
- OSG remained in Chapter 11; all charter hire payments were made in accordance with the bareboat charter agreements

2012

- Negotiated extension of maturity of vessel debt to June 2016
- Achieved bareboat charter extensions with OSG to December 2019
- OSG filed for Chapter 11 bankruptcy protection

2011

- Took delivery of final product tanker in build series with AKPS
- Extended maturity of the NOK bond for 6 years
- Maintained ongoing compliance with conditions of OSG Settlement

2010

- Took delivery of two product tankers
- Sold second shuttle tanker contract to OSG

2009

- Finalized settlement agreement with OSG that settled all commercial disputes between the companies
- Took delivery of two additional tankers; sold first of two shuttle tanker contracts to OSG

2008

- Aker ASA reduced its ownership interest to 19.9% in compliance with U.S. Jones Act foreign ownership restrictions
- Name changed from Aker American Shipping ASA to American Shipping Company ASA. Trading ticker also changed from AKASA to AMSC
- Took delivery of two more product tankers

2007

- Obtained take-out financing for the ten vessels and issued NOK 700 million bond for investments in vessels and operations
- Split of Aker American Shipping's ship owning operations from its ship building operations, establishing Aker Philadelphia Shipyard ASA (AKPS)
- Took delivery of the first three product tankers

2005

- Closed a ten ship bareboat charter agreement with Overseas Shipholding Group, Inc. (OSG) and placed corresponding ten ship order at Philadelphia Shipyard
- Aker American Shipping ASA (AKASA) established, Philadelphia Shipyard acquired and company listed on Oslo Stock Exchange

GOALS AND STRATEGIES

Generate stable cash flow from maritime investments

Explore and invest in value creating opportunities

Ensure an optimal use of capital

MANAGEMENT

PÅL LOTHE MAGNUSSEN
President / CEO

Pål L. Magnussen was appointed President and CEO of AMSC effective 1 January 2015. He previously served as AMSC's CFO from 1 June 2014. A Norwegian national, Mr. Magnussen came from the position as Director of the Investment Banking Division in DNB Markets where he worked since 2007 focusing on the shipping and offshore sectors. Prior to that, he worked for five years as Vice President of Corporate Banking in DNB Bank's shipping and offshore division. He has significant experience from international shipping finance and has been based in New York, Singapore and Oslo. Mr. Magnussen holds an MBA from Columbia University, New York and a Master of Science from the Norwegian School of Management, Oslo. As of 31 December 2023, he holds 140,000 shares in the Company.

MORTEN BAKKE
CFO

Morten Bakke was appointed Chief Financial Officer from April 2016. He has multiple years of corporate finance, shipping and offshore experience of which 10 years with DVB Corporate Finance in London and Oslo and previously with Chartered Accountants Moore Stephens and Credit Suisse, both in London. Mr. Bakke has advised multiple offshore, shipping and private equity firms on a variety of M&A deals and holds a MSC in Shipping, Trade and Finance from Bayes Business School in London and BA in Business Studies from University of Greenwich. Mr. Bakke is a Norwegian national and as of 31 December 2023, holds 100,000 shares in the Company through MB Capital AS.

BOARD OF DIRECTORS

ANNETTE MALM JUSTAD
Chair

Annette Malm Justad (born1958) has been a member of AMSC ASA's Board of Directors since December 2007 and was elected as chair of the Board in 2010. From 2006 through 2010, she held the position of CEO of Eitzen Maritime Services ASA, a Norwegian marine shipping services Company. Prior to that she has held various positions in large companies such as Yara International ASA, Norgas Carriers/IM Skaugen ASA, and Norsk Hydro ASA. Presently, Ms. Justad is a partner at Recore, chair of Store Norske Spitsbergen Kulkompani AS, Småkraft AS and Freddie Ocean Distillery AS, a board member of Torm plc, Awilco LNG ASA and PowerCell Sweden AB. Ms. Justad holds a Master's degree of Technology Management from NTH/MIT (Sloan School) /NTH/ NHH in addition to an MSc in Chemical Engineering from NTH. Ms. Justad serves as an independent director. As of 31 December 2023, Ms. Justad holds 12,523 shares in the Company, and has no stock options. Ms. Justad is a Norwegian citizen. She has been re-elected for the period 2023-2025.

PETER D. KNUDSEN
Board member

Peter D. Knudsen (born 1957) is the Chair of NorthCape AS, a financial advisory firm. Mr. Knudsen was previously the CEO of Oslo listed Camillo Eitzen & Co. ASA from November 2008 to February 2012. Prior to Camillo Eitzen & Co. ASA, Mr. Knudsen was employed by Nordea Bank (Shipping Offshore and Oil Services) for 15 years, and his last position was as a General Manager of Nordea Bank in Singapore. Mr. Knudsen has also been employed with GIEK, Den norske Creditbank, Jøtun Fonds and Stemoco Shipping. He is presently also a board member of OSX listed Pareto Bank ASA. Mr. Knudsen holds an MBA from Arizona State University. Mr. Knudsen serves as an independent director. He is a Norwegian citizen and as of 31 December 2023, holds 23,000 shares of stock in the Company through Vilja AS. Mr. Knudsen has been a Board Member of AMSC ASA since 2012 and has been re-elected for the period 2022-2024.

FRANK O. REITE
Board member

Frank O. Reite (born 1970) first joined Aker in 1995 and held the position as CFO in Aker ASA from August 2015 until August 2019. Mr. Reite has previously held the position as President & CEO of Akastor and a variety of executive positions in the Aker group, including overseeing and developing Aker's investments in Converto Capital Fund AS, Havfisk ASA, Norway Seafoods AS and Aker Yards ASA. Mr. Reite also has experience from banking and served as Operating Director at Paine & Partners, a New York-based private equity firm. Mr. Reite's current board positions include among others being chair of Converto AS, Akastor ASA, Solstad Maritime Holding AS, Norron AB, deputy chair of the board and chair of the audit committee in Aker ASA, and director of Solstad Offshore ASA and Aker Biomarine ASA. He holds a B.A. in Business Administration from BI Norwegian Business School in Oslo. Mr. Reite previously served on the board of AMSC from 2011 through 2012. Mr. Reite holds zero shares in AMSC as of 31 December 2023, and has no stock options. He is a Norwegian citizen and has been elected for the period 2022-2024.

BOARD OF DIRECTORS' REPORT

AMSC ASA ("AMSC" or the "Company") is a maritime investment company which until recently owned a fleet of nine product tankers, one shuttle tanker and one subsea construction vessel operating on bareboat charters with various counterparties in the U.S. domestic ("Jones Act") and international offshore markets. During 2023, AMSC sold its Jones Act business (see further details below) and announced the sale of its construction service vessel which was acquired and on a bareboat contract with a single-purpose subsidiary of Solstad Offshore.

THE GROUP'S BUSINESS ACTIVITIES

The main entities in the AMSC Group (the "Group") are the Norwegian holding company AMSC ASA and its wholly owned Norwegian subsidiary Offshore Leasing I AS ("OSL1") owning the CSV Normand Maximus. This subsidiary was sold subsequent to year-end on 16 January 2024 (see further details below). AMSC ASA is domiciled in Lysaker, Norway, and listed on the Euronext Oslo Stock Exchange.

AMSC's business model is to invest in maritime assets and companies in order to generate long-term stable cash flows. The Company has no research and development activity.

KEY EVENTS 2023

Sale of Jones Act Tanker fleet

In October 2023, AMSC completed the sale of its Jones Act Tanker fleet to funds managed by U.S. based Maritime Partners for a total consideration of USD 746.7 million. The transaction marked an exit from the Jones Act business and allowed AMSC to distribute an additional dividend of USD 170 million (NOK 26.19 per share) in November 2023.

Announced Sale of the Normand Maximus

AMSC announced its participation in the refinancing of Solstad Offshore through its contribution of 100% of the shares in OSL1, which owns the CSV Normand Maximus with corresponding bareboat contract and secured bank debt, in kind, in return for new common shares in Solstad Maritime Holding AS ("Solstad Maritime" or "SMH"). The valuation of OSL1 was USD 177.5 million. Following the completion of the sale in January 2024, AMSC holds 21.1% of SMH, which is expected to be reduced to 18.2% after the announced NOK 750 million equity offering to existing Solstad Offshore ASA shareholders during the second quarter 2024. SMH owns 33 vessels of which 11 units are AHTS and 22 units are CSVs.

Dividend payments

For the calendar year 2023, AMSC declared dividends of USD 2.78 per share, continuing the Company's commitment to returning value to shareholders.

REVIEW OF THE CONSOLIDATED ANNUAL ACCOUNTS

The consolidated financial statements of AMSC ASA and all its subsidiaries (AMSC) have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU as well as additional information requirements in accordance with the Norwegian Accounting Act. The consolidated income statement for both 2023 and 2022 have been reworked to represent the accounts for continuing operations after the sale of American Tanker Holding Company ("ATHC") and the reclassification of OSL1 as held for sale as of 31 December 2023.

Consolidated Income statement

The Group's leasing revenues for the twelve months of 2023 were zero (zero in the same period 2022) due to leasing activities being classified as discontinued operations during the periods. EBITDA was negative USD 5.4 million in the full year 2023, compared to negative USD 3.2 million in the full year 2022. EBIT was negative USD 5.4 million in the twelve months

BOARD OF DIRECTORS' REPORT

ending 31 December 2023 (negative USD 3.2 million in the same period of 2022).

Net financial income for the full year 2023 was USD 1.4 million (USD 0.2 million in the full year 2022). The Group recognized a net foreign exchange loss of USD 1.5 million during the full year 2023 (USD 0.1 million loss during the full year 2022).

The Group had a net loss before tax from continuing operations for the twelve months ending 31 December 2023 of USD 5.6 million (loss of USD 2.7 million for the twelve months ending 31 December 2022). Deferred and current income tax expense was negative USD 5.6 million in 2023 (negative USD 4.9 million in 2022). Net loss for the twelve months ending 31 December 2023 from continuing operations was USD 11.1 million compared to net loss of USD 7.6 million for the twelve months ending 31 December 2022. Profit from discontinued operations for the twelve months ending 31 December 2023 was USD 154.1 million (USD 26.3 million for the same period 2022). Net profit was USD 143.0 million in 2023 compared to USD 18.7 million in 2022.

The 2023 basic and diluted earnings per share ("EPS") were USD 1.99 from total operations, including both continuing and discontinuing operations. The corresponding figures for 2022 were USD 0.29, for both basic and diluted EPS.

Profit from discontinued operations

Leasing revenues as of 31 December 2023 were 104.6 million, compared to 93.7 million in 2022. Operating profit totaled USD 71.8 million in 2023 and USD 55.2 million in 2022. Profit of sale from ATHC was USD 125.0 million in 2023. Profits before tax in 2023 and 2022 were USD 153.0 million and USD 31.5 million. Profit for the period from discontinued operations were USD 154.1 million in 2023, compared to USD 26.3 million in 2022.

Consolidated Cash flow statement

In 2023, the operating cash flow is composed of primarily expenses from continuing operations. Total net cash flow used in operating activities in 2023 was negative USD 6.3 million (negative USD 9.0 million in 2022). The change in 2023 is due to profit reclassified as discontinued operations after the sale of ATHC and the reclassification of OSL1 as held for sale. The operating cash flow generated from discontinued operations in 2023 was USD 72.3 million, compared to USD 71.5 million in 2022.

In 2023 and 2022, there were no cash flows used in investing activities from continuing operations. There were cash flows from investing activities from discontinued operations in 2023 and 2022 of USD 181.9 million and negative USD 172.2 million.

Net cash flow used in financing activities in 2023 was negative USD 199.9 million, which included USD 0.4 million in repurchase of treasury shares and USD 199.5 million in paid dividends. Net cash flow from financing activities in 2022 was USD 7.2 million, which included USD 37.6 million in proceeds from share capital raise offset by USD 30.4 million in dividends paid. Cash flow from discontinued operations totaled negative USD 56.2 million for financing activities in 2023, compared to USD 91.7 million from financing activities from discontinued operations in 2022.

Consolidated Statement of financial position

As of 31 December 2023, AMSC Group had cash on deposit with banks totaling 42.2 million. The corresponding amounts for 2022 were USD 50.5 million in cash on deposit with banks, including USD 5.0 million in cash held for specified uses.

Other current assets were USD 0.7 million as of 31 December 2023 and related to USD 0.2 million receivable due from Maritime Partners relating to the deferred purchase price for the Seakay Valor and Seakay Sky and other short-term fees of USD 0.5 million. Other current assets in 2022 were USD 12.9 million.

As of 31 December 2023, non-current assets were USD zero compared to USD 765.9 million in 2022. The change in assets from 31 December 2022 reflects the sale of ATHC with related 10 vessels, interest-bearing deferred bareboat charter hire, deferred tax assets and derivative financial assets and, and the reclassification of OSL1 held for sale as of 31 December 2023. Assets classified as held for sale as of 31 December 2023 were USD 148.9 million, compared to zero in 2022.

As of 31 December 2023, total assets were USD 191.9 million, from continuing and discontinuing operations (USD 829.3 million as of 31 December 2021 from continuing operations). As of 31 December 2023, total equity was USD 114.5 million. The equity ratio was 59.7%. Corresponding amounts for 2022 were USD 175.0 million and 21.1%, respectively. During October, there was an additional dividend payout in conjunction with the closing of the sale of the Jones Act business where USD 170 million was distributed, which reflects a significant portion of the change in equity from 31 December 2022.

Total current liabilities as of 31 December 2023 were USD 77.3 million, consisting of USD 0.9 million in trade and other payables, USD 3.6 million in dividend payable and liabilities directly associated with assets held for sale of USD 72.8. The corresponding total current liabilities as of 31 December 2022 were USD 80.2 million, consisting of USD 78.0 million in short-term interest-bearing debt, USD 2.2 million in trade and other payables and USD 0.1 million in tax payable.

BOARD OF DIRECTORS' REPORT

Non-current liabilities totaled zero on 31 December 2023 since the long-term liabilities related to ATHC and OSL1. On 31 December 2022, non-current liabilities totaled USD 574.1 million, consisting of long-term bank debt of USD 341.4 million related to the eleven vessels owned by the Group, bond debt of USD 220.0 million, offset by unamortized loan fees of USD 6.1 million, and deferred tax liability of USD 18.8 million.

Consolidated tax position

As of 31 December 2023, AMSC Group did not have net operating losses in carryforward.

AMSC surrendered a group contribution to OSL1 in December of USD 9.2 million, where USD 5.9 million was with tax effect. Compared to 31 December 2022, the Group had federal net operating losses carryforward ("NOLs") of USD 413.6 million in the U.S. and USD 62.7 million in Norway.

REVIEW OF THE PARENT COMPANY ANNUAL ACCOUNTS

AMSC prepares and presents its parent company accounts as of 1 January 2022, in accordance with simplified IFRS. The income statement for both 2023 and 2022 have been reworked to represent the accounts for continuing operations after the sale of ATHC and the reclassification of OSL1 as held for sale as of 31 December 2023.

Parent Company Income Statement, Cash flow statement and Statement of financial position

As a consequence of subsidiaries sold and reclassified as held for the sale, the parent company presents the same figures for 2023 and 2022 as the consolidated income figures, with the only difference being profit from discontinued operations and profit from the period.

As of 31 December 2023, the operating profit from discontinuing operations was USD 145.9 million, compared to 54.8 million in 2022. Net profit for 2023 and 2022 was USD 134.7 million and 47.2 million.

The statement of financial position presents the same assets as the consolidated figures, but with assets classified as held for sale totaling USD 81.8 million in 2023 and a short-term intercompany loan to OSL1 of USD 15.5 million. Total assets in 2023 was USD 140.2 million, compared to total assets of USD 205.7 million in 2022.

As of 31 December 2023, total equity was USD 135.7 million and USD 204.4 million in 2022. Total current liabilities as of 31 December 2023 were USD 4.5 million, consisting of dividend and other payables. The corresponding total current liabilities as of 31 December 2022 were USD 1.3 million, for other payables.

As of 31 December 2023, the only difference in the parent company cash balance and the consolidated balance is cash related to OSL1 of USD 0.1 million.

RISKS

The counterparty risks facing AMSC currently relate to the operational and financial performance of SMH and their operation of vessels, re-chartering risk as well as overall market risk.

AMSC has considered its climate risk and its business could be affected by climate change through increased financing costs and costs related to regulatory changes, amongst other things. AMSC is also exposed to regulatory risk and political risk.

AMSC's activities expose it to a variety of financial risks, including but not limited to: market risk, currency risk, interest rate risk, counterparty risk, price risk, credit risk, and refinancing risk when owning vessels or holding substantial stakes in other maritime companies. AMSC's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on AMSC's financial performance. AMSC historically used derivative financial instruments to hedge certain risk exposures. The Group is also exposed to risk related to changes in taxes in Norway.

AMSC operates in a business environment that is capital intensive. The Company is dependent upon having access to long-term funding for new investments to the extent its own cash flow is insufficient to fund its operations and growth.

THE GOING CONCERN ASSUMPTION

In view of AMSC's financial position, the Board confirms the going concern assumptions and that the 2023 annual accounts have been prepared based on the assumption of a going concern.

Parent company accounts and allocation of income for the year

The profit and loss account of the parent company AMSC ASA ("AMSC ASA") shows an after-tax profit for the year 2023 of USD 134.7 million. AMSC ASA is the Norwegian parent company which historically owned 100% of the U.S. and Norwegian subsidiaries.

The Board of Directors has allocated the profit for the year as shown below:

Dividend payments	(USD 199.5 million)
Transferred from share premium	USD 29.5 million
Transferred to other equity	USD 134.7 million
Total allocated	(USD 35.7 million)

The Board of Directors was granted authorization to pay dividends based on the Company's annual accounts for 2022 at the Annual General Meeting in 2023,

BOARD OF DIRECTORS' REPORT

which is valid up to the Company's Annual General Meeting in 2024 subject to the Board evaluating the liquidity position of the Company. Such authorization facilitates payment of dividend by the Board of Directors on a quarterly basis.

CORPORATE SOCIAL RESPONSIBILITY AND ESG REPORTING

In accordance with the Norwegian Accounting Act §3-3, section c, the Board has assessed AMSC's Corporate Social Responsibility (CSR) in the following areas: human rights, labor standards, environment and corruption. In addition, AMSC is committed to report on ESG, which is the consideration of environmental, social and governance factors in the day-to-day operations of the Company. AMSC's statement for 2023 in accordance with the Transparency Act is published on its website.

Environment

The CSV Normand Maximus was built in 2016 and is among the most modern subsea construction vessels in the world. Under its lease agreements, the charterers are responsible for the day-to-day operation of the vessels. In addition, the ships' crews are managed by the charterer. AMSC chooses reputable counterparties with corresponding commitments to meeting and exceeding environmental regulations and social responsibility and safety standards. AMSC's bareboat contracts are based on the BIMCO standard bareboat charter, BARECON 2001, and include requirements for the charterer to maintain the vessels to the standards of the relevant classification society and international environmental regulations. The lease agreements also include requirements for the charterer to insure the vessels for marine risk, war risk and protection and indemnity insurance.

Because AMSC is a passive investor in vessels, the Company has limited direct environmental impact.

Solstad Offshore has for a long time been a leader in sustainable operations in the offshore service industry. Its Solstad Green Operations program has been in place since 2009 and has the purpose of reducing consumption of fuel and emissions. Since 2009, Solstad Offshore has improved fuel efficiency by more than 20% across its fleet. Solstad Offshore is committed to the Hong Kong convention regarding recycling of vessels and has an active program for waste management and waste reduction.

Social

All of AMSC's investments in 2023 were operated and crewed by its counterparties and the Company does accordingly not have any formal policies covering safety of personnel, workers' rights and the environment. Nevertheless, our policy is to meet our responsibilities by choosing reputable business partners following the laws and regulations applicable to our employees. In addition, during Q1 2023, the Company opened a whistleblower channel in accordance with the requirements in the Norwegian Working Environments Act (no: Arbeidsmiljøloven) to mitigate risk of AMSC's vendors and business partners not subscribing to basic human rights and good working conditions. We believe both AMSC and our business partners share a common commitment to work safely and in a manner that protects and promotes the health and well-being of the employees and the environment. Solstad Offshore directly employs about 90% of its crew who typically are members of a labor union. Solstad is a member of the Norwegian Shipowners Association and makes use of their tariff agreements.

The Company has three full time employees who are senior executives who work in offices in the United States and Norway. AMSC has agreements with Aker ASA and Aker U.S. Services, LLC which primarily include office services and tax services. The Company allows a flexible working schedule and work location for its employees.

AMSC ASA seeks to be an attractive employer, focused on employee retention, and maintains a working environment with competitive compensation and benefits that is open and fair. AMSC is committed to providing equal opportunity regardless of race, ethnic background, gender, religion, age or any other legally protected status. Because the Company has so few employees, its human resource policies, including those on discrimination, are not formalized but follow the laws and practices customary to the geographical location of each of its offices.

At year-end 2023, one of AMSC's employees is female (Controller). In addition, the chair of the board of directors is female.

Governance

As an Euronext Oslo Stock Exchange listed company, AMSC complies with stringent governance rules. AMSC's corporate governance policy exists to ensure an appropriate division of roles among the company's owners, board of directors, and executive management. Such a separation of roles ensures that goals and strategies are prepared, adopted corporate strategies are implemented, and the results achieved are subject to verification and follow-up. With the small size of AMSC's staff and the location and nature of its operations, the Board sees the risk of corruption as low. AMSC does not have any other ongoing initiatives to address corruption. An appropriate division of responsibilities and satisfactory internal controls will contribute to the greatest possible value creation over time, to the benefit of shareholders and other stakeholders. AMSC's corporate

BOARD OF DIRECTORS' REPORT

governance guidelines are presented in greater detail on page 77 of this annual report and it is the Board's opinion that the Company's corporate governance policy is effectively applied. Based on the relatively simple business model and small size of the Company's staff, the Board believes that adequate steps have been taken to mitigate the internal control risk.

Good corporate governance, that is, proper board conduct and company management, are key to AMSC's efforts to build and maintain trust. AMSC is committed to maintaining an appropriate division of responsibilities between the Company's governing bodies, its Board of Directors, and management. AMSC has compared the Norwegian requirements and recommendations on corporate governance for listed companies with the Company's own corporate governance procedures and practice. The findings show that the Company is in compliance with respect to the requirements and substantially in conformance with those recommendations. Any deviations from the recommendations are explained in the Corporate Governance report on page 77.

AMSC carries Director and Officer Liability insurance in the amount of USD 50 million.

The Company's board chair is elected at the Company's annual shareholders' meeting and the shareholder-elected directors are elected for two year terms.

The Board members of AMSC as of 31 December 2023 are as follows:

Chair	Annette Malm Justad
Board Member	Peter D. Knudsen
Board Member	Frank O. Reite

Two of the three members of the Board are independent of the Company's significant shareholders and significant business associates. Further description of the Board Members is provided on page 11.

OUTLOOK

AMSC has gone through a transformational 2023 with an exit from the Jones Act business and, subsequent to year end, the contribution of 100% of the shares in OSL1 for a consideration of 21.1% of the shares in Solstad Maritime, which will be further diluted post the announced Solstad Maritime equity raise. AMSC aims to continue to grow through accretive transactions and is focused on distributing attractive dividends to its shareholders.

The offshore oil services market has over the last few years seen a recovery after the oil price collapse in 2014. The recovery is driven by increased offshore exploration and production capex by oil companies which leads to increased demand for various offshore oil services such as seismic studies, drilling (exploration), greenfield and brownfield oil field expansion (construction and development) and production units such as FPSOs. In parallel, most oil services sectors have seen a lack of new investments since the oil price collapse and through natural attrition of older tonnage leaving the market,.

Through the investment in Solstad Maritime, AMSC believes it can benefit from years of low investments in the sector. The activity level in the global offshore industry during 2023 was high and is expected to continue in 2024. Both offshore oil and offshore wind segments are busy, leading to high utilization.

Lysaker, 14 March 2024
The Board of Directors - AMSC ASA

Annette Malm Justad
Chair

Peter D. Knudsen
Board Member

Frank O. Reite
Board Member

Pål Magnussen
President/CEO

BOARD RESPONSIBILITY STATEMENT

Today, the Board of Directors and the President/CEO reviewed and approved the Board of Directors' Report and the consolidated and parent company annual financial statements for AMSC ASA as of and for the year ended 31 December 2023 (Annual Report 2023).

AMSC ASA's consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU and additional disclosure requirements in the Norwegian Accounting Act. The separate financial statements for AMSC ASA have been prepared in accordance with simplified IFRS. The Board of Directors' Report for the group and the parent company is in accordance with the requirements in the Norwegian Accounting Act and Norwegian Accounting Standard no. 16 as of 31 December 2023.

To the best of our knowledge:
The consolidated and parent annual financial statements for 2023 have been prepared in accordance with the applicable accounting standards.

The consolidated and parent annual financial statements give a true and fair view of the assets, liabilities, financial position and profit as a whole as of and for the year ended 31 December 2023 for the group and the parent company.

The Board of Directors' Report for the group and the parent company includes a true and fair review of:

- the development and performance of the business and the position of the group and the parent company
- the principal risks and uncertainties the group and the parent company face

Lysaker, 14 March 2024
The Board of Directors - AMSC ASA

Annette Malm Justad *Chair*	Peter D. Knudsen *Board Member*	Frank O. Reite *Board Member*

Pål Magnussen
President/CEO

ANNUAL ACCOUNTS
GROUP

GROUP

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in USD thousands	Note	31. Dec. 2023	31. Dec. 2022
ASSETS			
Property, plant and equipment	6	-	750 787
Deferred tax assets	5	30	2 930
Interest-bearing long-term receivables	7, 16	-	7 183
Derivative financial assets	9, 16	-	4 658
Other non-current assets		-	317
Total non-current assets		30	765 875
Other receivables	8, 16	672	12 716
Tax receivable	5	-	210
Cash held for specified uses	16	-	5 020
Cash and cash equivalents	16	42 220	45 474
Asset classified as held for sale	19	148 934	-
Total current assets		191 826	63 420
TOTAL ASSETS		191 856	829 295
EQUITY AND LIABILITIES			
Share capital and share premium	11	132 451	165 508
Retained earnings / (accumulated deficit)		(17 944)	9 511
Total equity attributable to equity holders of the parent		114 507	175 020
TOTAL EQUITY		114 507	175 020
Interest-bearing loans	13, 16	-	555 262
Deferred tax liabilities	5	-	18 806
Total non-current liabilities		-	574 068
Interest-bearing loans	13, 16	-	77 957
Trade and other payables	15	946	2 154
Dividend payable	11	3 593	-
Tax payable	5	-	96
Liabilities directly associated with assets classified as held for sale	19	72 810	-
Total current liabilities		77 349	80 207
TOTAL LIABILITIES		77 349	654 276
TOTAL EQUITY AND LIABILITIES		191 856	829 295

Lysaker, 14 March 2024
The Board of Directors
AMSC ASA

Annette Malm Justad
Chair

Peter D. Knudsen
Board Member

Frank O. Reite
Board Member

Pål Magnussen
President/CEO

GROUP

CONSOLIDATED INCOME STATEMENT

Amounts in USD thousands	Note	2023	2022
Leasing revenues	14	-	-
Wages and other personnel expenses	2, 17	(2 063)	(2 174)
Other operating expenses	3	(3 339)	(985)
Operating profit/(loss) before depreciation		**(5 402)**	**(3 159)**
Depreciation	6	-	-
Operating profit/(loss)		**(5 402)**	**(3 159)**
Net profit from equity accounted investees	4	-	406
Financial income	4	1 356	203
Financial expenses	4	(1 529)	(130)
Profit/(loss) before income tax		**(5 575)**	**(2 680)**
Income tax (expense) / benefit	5	(393)	-
Deferred Income tax (expense) / benefit	5	(5 176)	(4 922)
Profit/(loss) for the year from continuing operations		**(11 145)**	**(7 602)**
Profit from discontinued operations, net of tax	19	154 114	26 254
Net income for the year		**142 970**	**18 652**
Average number of common shares	10	71 863 838	63 458 841
Basic and diluted earnings/(loss) per share continuing operations	10	(0.16)	(0.12)
Basic and diluted earnings/(loss) per share discontinued operations	10	2.14	0.41
Basic and diluted earnings per share	10	1.99	0.29

GROUP

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in USD thousands (except per share)	2023	2022
Net income for the year	142 970	18 652
Other comprehensive income for the period, net of tax	-	-
Total comprehensive income for the year	142 970	18 652

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in USD thousands	Note	Share Capital	Share Premium	(Acc. deficit) / retained earnings	Total equity
Balance at 31 December 2021		96 366	61 980	(9 141)	149 205
Total comprehensive income for the year		-	-	18 652	18 652
Reduction of share capital	11	(86 729)	86 729	-	-
Equity issued	11	1 070	36 537	-	37 607
Dividends paid, classified as return of capital	11	-	(30 446)	-	(30 446)
Balance at 31 December 2022		10 707	154 801	9 511	175 020
Total comprehensive income for the year		-	-	142 970	142 970
Repurchase of treasury shares		-	-	(394)	(394)
Dividends paid	11	-	(29 464)	(170 030)	(199 494)
Dividend payable	11	-	(3 593)	-	(3 593)
Balance at 31 December 2023		10 707	121 744	(17 944)	114 507

GROUP

CONSOLIDATED CASH FLOW STATEMENT

Amounts in USD thousands	Note	2023	2022
Loss before taxes		(5 575)	(2 680)
Unrealized foreign exchange (gain)/loss and unpaid interest expense		929	(3 609)
(Increase)/decrease in:			
Short-term receivables	8	(1 185)	(3 266)
Other current assets	8	(88)	-
Increase/(decrease) in:			
Accounts payable	15	(12)	-
Accrued liabilities and other payables	15	(355)	577
Net cash flow from/(used in) operating activities		**(6 287)**	**(8 978)**
Net cash flow from/(used in) investing activities		**-**	**-**
Proceeds from share capital raise	11	-	37 607
Repurchase of treasury shares		(394)	-
Dividends paid	11	(199 494)	(30 446)
Net cash flow from/(used in) financing activities		**(199 888)**	**7 162**
Net cash flow from/(used in) discontinued operations	19	**198 024**	**(9 010)**
Net change in cash and cash equivalents		**(8 151)**	**(10 827)**
Cash and cash equivalents, including cash for specified uses as of 1 January		50 494	61 322
Cash and cash equivalents, including cash for specified uses as of 31 December	16	**42 344**	**50 494**
Non restricted cash as of 31 December		42 220	45 474
Cash held for specified uses as of 31 December	16	-	5 020
Cash at end of period, classified as held for sale		123	-
Cash and cash equivalents, including cash for specified uses as of 31 December	16	**42 344**	**50 494**

Condensed Cash Flow Statement from discontinued operations			
Net cash flow from operating activities	19	72 323	71 516
Net cash flow used in investing activities	19	181 910	(172 185)
Net cash flow from/(used in) financing activities	19	(56 209)	91 659
Net cash flow from discontinued operations	19	**198 024**	**(9 010)**

GROUP

NOTES TO THE CONSOLIDATED ACCOUNTS

NOTE 1: ACCOUNTING PRINCIPLES

CORPORATE INFORMATION

AMSC ASA (the Company, the Group or AMSC) is incorporated and domiciled in Norway. The address of the main office is Oksenøyveien 10, P.O. Box 230, NO-1366 Lysaker, Norway. AMSC ASA is listed on the Oslo Stock Exchange.

The principal activity of the business is to invest in maritime assets and companies.

STATEMENT OF COMPLIANCE

The consolidated financial statements of AMSC ASA and all its subsidiaries (AMSC) have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU as well as additional information requirements in accordance with the Norwegian Accounting Act.

These accounts have been approved for issue from the Board of Directors on 14 March 2024 for adoption by the General Meeting on 17 April 2024.

BASIS OF PREPARATION

These consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments that have been measured at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The consolidated financial statements are presented in USD (thousands), except when indicated otherwise.

USE OF ESTIMATES, ASSUMPTIONS AND SIGNIFICANT JUDGEMENTS

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts in the financial statements. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects that period or in the period of revision and future periods if the revision affects both current and future periods.

The following areas involve a significant degree of judgement and complexity, and may result in significant variation in amounts:

Impairment of property, plant and equipment

AMSC has had significant investments in Jones Act tankers and international ships. Evaluating whether there are impairment indicators present, or if a vessel is impaired, requires significant judgment and may to a large extent depend upon the selection of key future assumptions such as charter rates, useful life of vessels, potential impact of climate changes, vessel values, expected status of Jones Act legislation and determination of cash-generating unit ("CGU"). See note 6 for further discussion.

Useful life of property, plant and equipment
In accounting for property, plant and equipment, judgements and assumptions are applied for useful life of vessels, including its salvage value, when determining annual depreciation. Estimated useful lives may change due to changes in the industry, and in environmental and legal requirements. In addition, salvage value may vary due to changes in market prices for scrap value. See note 6 for further discussion.

Deferred tax assets
Deferred income tax assets are recognized when it is probable that they will be realized. Determining probability requires AMSC to estimate the sources of future taxable income from operations, including reversing taxable temporary differences. Determining these amounts is subject to uncertainty and is based primarily upon historical earnings, reversals of taxable temporary differences and expected earnings. See note 5 for further discussion.

The significant factors that affect these estimates and assumptions are detailed in the accompanying financial statements and footnotes.

BASIS OF CONSOLIDATION
The consolidated financial statements of AMSC Group include the parent company AMSC ASA and its subsidiaries. Subsidiaries are those entities over which AMSC has control. Control is normally achieved through ownership, directly or indirectly, of more than 50% of the voting power. Intercompany balances and transactions, and any unrealized income and expenses arising from intercompany transactions, are eliminated.

FOREIGN CURRENCY TRANSLATION AND TRANSACTIONS
Functional currency
Items included in the financial statements of each subsidiary in the Group are initially recorded in the functional currency, i.e. the currency that best reflects the economic substance of the underlying events and circumstances relevant to that subsidiary.

The consolidated financial statements are presented in United States dollars (USD), which is the functional and reporting currency of the parent company and subsidiaries.

Transactions and balances
Foreign currency transactions are translated into USD using the exchange rates prevailing at the dates of the transactions. Receivables and liabilities in foreign currencies are translated into USD at the exchange rates ruling on the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. Foreign exchange differences arising in respect of operating business items are included in operating profit in the appropriate income statement account, and those arising in respect of financial assets and liabilities are recorded as a net financial item.

PROPERTY, PLANT AND EQUIPMENT
Property, plant and equipment acquired by Group companies are recognized at acquisition cost. Vessels are depreciated to their salvage value on a straight-line basis and adjusted for impairment charges, if any. Each vessel's salvage value is equal to the product of its lightweight tonnage and an estimated scrap rate less estimated costs of disposal. The carrying value of the property, plant and equipment in the statement of financial position represents the cost less accumulated depreciation and any impairment charges. Cost includes expenditures that are directly attributable to the acquisition of the asset. Interest costs on borrowings to finance the construction of property, plant and equipment are capitalized during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed.

GROUP

NOTE 1: ACCOUNTING PRINCIPLES (CONTINUED)

Expected useful lives and salvage value estimates of long-lived assets are reviewed annually and, where they differ significantly from previous estimates, depreciation is changed prospectively.

Ordinary repairs and maintenance costs, to the extent they are AMSC's responsibility, are charged to the income statement during the financial period in which they are incurred. The cost of improvements is included in the asset's carrying amount when it is probable that the Group will derive future economic benefits in excess of the originally assessed standard of performance of the existing asset. Improvements are depreciated over the useful lives of the related assets.

IMPAIRMENT OF LONG-LIVED ASSETS

Property, plant and equipment and other non-current assets are reviewed annually for impairment triggers, including evaluating newbuild values and secondhand vessel sales, shipbroker valuations, market rates, legislation status and option extensions.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable, mainly independent, cash flows. The Company considers the vessels each as a cash generating unit ("CGU"). An impairment loss is the amount by which the carrying amount of the assets exceeds the recoverable amount. The recoverable amount is estimated as the higher of the CGU's fair value less cost of disposal, or its value in use. The value in use is determined by reference to discounted cash flows. Most critical in determining the value in use of vessels is estimating future revenues from leases. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however not to an extent higher than the carrying amount that would have been determined had no impairment loss been recognized in prior years.

LEASES

At inception of a contract, AMSC assesses whether a contract is, or contains, a lease. Leased assets with a remaining lease period of less than 12 months at inception are excluded from lease accounting. Further, leases of assets of a low value (small asset leases), mainly such items as PCs, office equipment and similar, are excluded from lease accounting.

Income from lease contracts where AMSC is a lessor is accounted for in accordance with IFRS 16 and classified as leasing revenues in the income statement.

As a lessor, AMSC classifies its leases as an operating or a finance lease. Leases in which a significant portion of the risks and rewards of ownership are retained by AMSC are classified as operating leases. Revenue from operating leases is recognized straight-line over the charter period.

OTHER NON-CURRENT ASSETS

Other non-current assets represent long-term receivables due from customers, which is accounted for using the amortized cost method.

NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets and groups of non-current assets and liabilities are classified as held for sale if their carrying amount will be recovered through a sales transaction instead of through continued use. This is only regarded as having been fulfilled when a sale is highly probable and the non-current asset (or groups of non-current assets and liabilities) is available for immediate sale in its present form. The management must be committed to a sale and the sale must be expected to be carried out within one year after the classification date.

Non-current assets and groups of non-current assets and liabilities which are classified as held for sale are valued at the lower of their former carrying amount or fair value minus sales costs.

Property, plant and equipment are not depreciated once classified as held for sale. Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the income statement. All consolidation procedures as presented above are still applicable, and only external revenues and expenses are shown as continuing operations. Comparative information in statements and disclosures are re-presented.

TRADE RECEIVABLES

Trade receivables are carried at their amortized cost, which is the original invoice amount less an estimated valuation allowance for impairment of these receivables. The Company performed an analysis of expected credit losses in accordance with IFRS 9.

REVENUE RECOGNITION

Income from lease contracts where AMSC is a lessor is accounted for in accordance with IFRS 16 and classified as leasing revenues in the income statement. Lease revenues related to fixed term vessel bareboat charter agreements are recognized straight line over the charter period. Revenue related to profit sharing agreements is recognized when the amount becomes fixed and determinable.

INCOME TAXES

Current income taxes

Income tax receivable and payable for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax law as used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period.

Deferred income taxes

Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilized. The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Expected utilization of tax losses are not discounted when calculating the deferred tax asset.

Deferred income tax assets are recognized when it is probable that they will be realized. Determining probability requires the Group to estimate the sources of future taxable income from operations and reversing taxable temporary differences. Determining these amounts is subject to uncertainty and is based primarily on expected earnings from existing contracts and estimated profit sharing participation.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period.

PENSIONS

The Group has defined contribution pension plans that cover its employees whereby contributions are paid to qualifying pension plans. Once the contributions have been paid, there are no further payment obligations. Plan contributions are charged to the income statement in the period to which the contributions relate. The Company's retirement schemes meet the minimum requirement of the Norwegian Act of Mandatory Occupational Pension.

GROUP

NOTE 1: ACCOUNTING PRINCIPLES (CONTINUED)

ACCOUNTING FOR DERIVATIVE FINANCING INSTRUMENTS AND HEDGING ACTIVITIES

Derivative financial instruments are recognized initially and on a recurring basis at fair value. AMSC does not apply hedge accounting to derivative contracts held. Changes in the fair value of any derivative instruments are recognized immediately in the income statement.

In accordance with its treasury policy, the Group does not hold or issue derivative financial instruments for trading purposes. Estimates of the fair value of interest rate swaps are based on broker quotes, with an adjustment for the Company's credit risk as described in note 9. The fair value of derivative short-term and long-term financial liabilities is disclosed in note 16 regarding financial instruments.

STATEMENT OF CASH FLOWS

The consolidated cash flow statement is prepared using the indirect method. Interest paid and interest received is classified as operating cash flow.

OPERATING AND GEOGRAPHIC SEGMENT INFORMATION

AMSC has one operating segment as of year-end 2023, which was held for sale as of the reporting date. All operations and bareboat charter revenues are in the U.S. and Norway. During 2022, AMSC had two operating segments, one of which was sold during 2023. See notes 19 and 20.

CHANGES IN ACCOUNTING PRINCIPLES AND NEW PRONOUCMENTS

Adoption of the IASB's amendments to current standards effective for the first time for the annual reporting periods commencing 1 January 2023 did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

None of the issued, not yet effective, accounting standards or amendments to such standards are expected to have significant effects for AMSC's financial reporting. Further, none of the recently issued IFRS Interpretations Committee agenda decisions are expected to significantly change AMSC's accounting policies or practices.

GROUP

NOTE 2: WAGES AND OTHER PERSONNEL EXPENSES

Wages and other personnel expenses consist of:

Amounts in USD thousands	2023	2022
Wages and bonuses	1 631	1 967
Social security contributions	333	162
Pension costs	26	20
Other expenses	73	25
Total expense	2 063	2 174
Average number of employees	3	3
Number of employees at year-end	3	3

The Group has a defined contribution plan for its employees which provides for a contribution based upon a fixed matching amount plus discretionary percentage of salaries. This expense is included in pension costs above.

NOTE 3: OTHER OPERATING EXPENSES

Other operating expenses consist of:

Amounts in USD thousands	2023	2022
Rent and leasing expenses	43	35
Other operating expenses	3 099	919
Audit expenses	197	31
Total other operating expenses	3 339	985

Leases

Leases AMSC is a lessee for office space in Norway. The future cash outflows for this lease is USD 64 thousand in the next 12 months.

Other operating expenses primarily relate to selling, general and administrative expenses including legal and outside consulting costs and fees to auditors for the AMSC ASA Group. Audit expenses for 2023 and 2022 were as follows (excluding VAT):

Amounts in USD thousands	2023	2022
Ordinary audit fee	70	31
Other assurance services	100	-
Tax services	27	-
Total	197	31

The consolidated income statement for both 2023 and 2022 have been reworked to represent the accounts for continuing operations after the sale of American Tanker Holding Company ("ATHC") and the reclassification of Offshore Leasing I AS ("OSL1") as held for sale as of 31 December 2023. More information about discontinued operation is included in note 19.

GROUP

NOTE 4: FINANCIAL ITEMS

Amounts in USD thousands	2023	2022
Net profit from equity accounted investee	-	406
Financial income		
Interest income	1 356	203
Financial income	1 356	609
Financial expenses		
Net foreign exchange gain/(loss)	(1 528)	(130)
Other financial expenses	(1)	-
Financial expenses	(1 529)	(130)
NET FINANCIAL ITEMS	(173)	479

Net profit from equity accounted investees in 2022 reflects a USD 0.4 million realized gain on the closure of an escrow account in connection with the liquidation of Philly Tankers AS, which occurred in 2019.

Interest income in 2023 and 2022 relates to interest income from banks.

Net foreign exchange gain/(loss) in 2023 and 2022 relates to the translation of cash held in NOK into USD as well as the foreign exchange revaluation of the Norwegian deferred tax assets and other balances from NOK to USD.

Other financial expenses in 2023 relate to bank fees for the year.

The consolidated income statement for both 2023 and 2022 have been reworked to represent the accounts for continuing operations after the sale of ATHC and the reclassification of OSL1 as held for sale as of 31 December 2023. More information about discontinued operation is included in note 19.

GROUP

NOTE 5: TAX

INCOME TAX EXPENSE

Recognized in the income statement:

Amounts in USD thousands	2023	2022
Current tax expense/(benefit):		
Current year	393	-
Total current tax expense/(benefit)	393	-
Deferred tax expense/(benefit):		
Origination and reversal of temporary differences	5 176	4 922
Total deferred tax expense/(benefit)	5 176	4 922
Total income tax expense/(benefit) in income statement	5 569	4 922

Reconciliation of income tax expense/(benefit):

Amounts in USD thousands	2023	2022
Profit/(loss) before tax	(5 576)	(2 680)
Net Profit/(Loss) from Discontinued Operations	152 981	31 549
	147 405	28 869
Norwegian tax rate	22.0%	22.0%
Expected tax expense/(benefit) using nominal Norwegian tax rate	32 429	6 351
Effect of differences between nominal Norwegian tax rate and U.S. federal and state tax rate	(13)	(156)
State taxes	(293)	(274)
Expenses not deductible for tax purposes	343	-
Foreign exchange	(766)	3 706
Gain on sale of ATHC	(27 490)	-
Change in valuation allowance and derecognized NOLs	-	706
U.S. federal and state tax (expense)/benefit of change in effective rates	-	(863)
Other differences	226	746
Total income tax expense/(benefit) in income statement	4 436	10 216
Tax expense/(benefit) related to discontinuing operations	(1 133)	5 294
Tax expense/(benefit) related to continuing operations	5 569	4 922

The foreign exchange difference arises as the Company's functional currency is USD, whilst the tax calculation in Norway is performed based on the accounts in NOK. As such, the tax calculation for the Company is in NOK, but presented in USD. In addition, there is a foreign exchange component of the Norwegian operating losses carried forward.

GROUP

NOTE 5: TAX (CONTINUED)

DEFERRED TAX ASSETS AND LIABILITIES

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority, which through 31 December 2023 and 2022 for the Group was primarily Norway, the U.S., and other local states in the U.S. where the vessels operate.

Deferred tax assets and (liabilities) were as follows at 31 December:

United States Amounts in USD thousands	2023	2022
Net operating losses	-	104 161
Financial derivatives	-	(998)
Vessels	-	(128 475)
Unused interest deductions	-	24 714
Other	-	104
Net deferred tax assets/(liabilities)	-	(494)
Net deferred tax assets not recorded	-	(18 312)
Net deferred tax assets/(liabilities)	-	(18 806)

Due to the sale of ATHC, there are no existing temporary differences in the United States as of 31 December 2023.

Norway Amounts in USD thousands	2023	2022
Operating losses	-	13 804
Financial instruments	-	(5 957)
Other	30	11
Vessels	-	(4 928)
Net deferred tax assets/(liabilities)	30	2 930
Net deferred tax assets not recorded	-	-
Net deferred tax assets/(liabilities)	30	2 930

AMSC ASA has surrendered group contribution to OSL1 equal to the taxable income in the company for 2023. Following this, AMSC ASA has no operating losses in carryforward as of 31 December 2023. Furthermore, due to the sale of the ATHC in 2023, and OSL1 in January 2024, the temporary differences consists solely of AMSC ASA.

GROUP

NOTE 6: PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment for 2023 are shown below:

Amounts in USD thousands	ATHC	Offshore	Total
Cost balance at 1 January 2023	1 097 311	157 207	1 254 518
Sold or transferred to assets held for sale	(1 097 311)	(157 207)	(1 254 518)
Cost balance at 31 December 2023	-	-	-
Depreciation at 1 January 2023	501 999	1 733	503 732
Depreciation charge per 22 August 2023 *	24 436	-	24 436
Depreciation charge per 23 October 2023 *	-	6 721	6 721
Sold or transferred to assets held for sale	(526 435)	(8 454)	(534 889)
Depreciation at 31 December 2023	-	-	-
Book value at 31 December 2023	-	-	-

*) Depreciation of these assets ceased when classified as held for sale and are presented separately in the balance sheet.

Movements in property, plant and equipment for 2022 are shown below:

Amounts in USD thousands	ATHC	Offshore	Total
Cost balance at 1 January 2022	1 082 333	-	1 082 333
Purchases	14 978	157 207	172 185
Cost balance at 31 December 2022	1 097 311	157 207	1 254 518
Depreciation at 1 January 2022	467 217	-	467 217
Depreciation charge for the year *	34 781	1 733	36 515
Depreciation at 31 December 2022	501 999	1 733	503 732
Book value at 31 December 2022	595 312	155 474	750 787

*) Depreciation charge for 2022 is included in Profit from discontinued operations in the P&L.

Depreciation period from date of ownership	30 years	19 years	
Depreciation method	straight-line	straight-line	
Useful life	30 years	25 years	

See note 19 Discontinued operations and disposal group held for sale for more information.

IMPAIRMENT TRIGGER ASSESSMENT

The Company evaluates any potential impairment of its vessels annually. During 2023 and 2022, the Company performed an impairment trigger assessment. Triggers that are considered include: newbuild values and second-hand vessel sales; shipbroker valuations on a charter-free basis versus book values; market rates, legislation status; and vessel option extensions. The company has also evaluated the potential impact of climate changes. No impairment triggers were identified in 2023 or 2022.

ASSET HELD FOR SALE

Non-current assets held for sale are measured at the lower of the carrying amount and fair value less costs to sell.

GROUP

NOTE 7: INTEREST-BEARING LONG-TERM RECEIVABLES

Financial interest-bearing long-term receivables consist of the following items:

Amounts in USD thousands	2023	2022
DPO balance at beginning of period	17 405	21 389
DPO revenue	20 169	6 225
Repayments	(32 122)	(10 208)
Interest accreted	1 061	-
Asset sold	(6 513)	
DPO balance at end of period	-	17 405
Reclassified to short-term receivables	-	(10 222)
Long-term DPO balance at end of period	-	7 183

Other interest-bearing long-term receivables relate to a deferred principal obligation (DPO) from OSG and a bareboat charter hire credit from Normand Maximus AS, further described below.

Under the Normand Maximus bareboat charter agreement, the charterer had the right to defer up to USD 20 million of bareboat charter hire (increased from USD 10 million during Q2 2023). This unpaid bareboat charter hire accrued interest at 15% from May 2023, previously 12%. The balance of this deferral was paid off during Q3 2023.

Pursuant to the charter agreements with OSG, OSG had the right to defer payment of a portion of the bareboat charter hire for the first five vessels during the initial seven year fixed bareboat charter periods. OSG paid a reduced bareboat charter rate and assumed the DPO payable to AMSC. The DPO accrued on a daily basis to USD 7.0 million per vessel. The DPO is repaid to AMSC over 18 years including interest at 6.04% unless the bareboat charter is terminated earlier at which time the DPO becomes due immediately

Assets sold relates to the sale of ATHC. See note 19 for more information.

In 2022 the Company assessed the Expected Credit Loss ("ECL") in accordance with IFRS 9 and determined that the ECL was immaterial as of 31 December 2022.

The consolidated income statement for both 2023 and 2022 have been reworked to represent the accounts for continuing operations after the sale of ATHC and the reclassification of OSL1 as held for sale as of 31 December 2023. More information about discontinued operations is included in note 19.

GROUP

NOTE 8: OTHER RECEIVABLES

Trade and other receivables consist of the following items:

Amounts in USD thousands	2023	2022
Trade receivables	200	2 087
Prepaid fees / withheld taxes	472	407
Other short-term interest-bearing receivables	-	10 222
Total	672	12 716

The change in receivables from 31 December 2022 reflects the sale of ATHC and the reclassification of OSL1 as held for sale, as the receivables mainly belonged to the vessels and charter hire of both ATHC and OSL1.

The trade receivables as of 31 December 2023 reflect a balance due from Maritime Partners of USD 0.2 million relating to the deferred purchase price under the share purchase agreement, adjusted for capex deviations to the budgeted amounts for the Seakay Valor and Seakay Sky.

See note 19 Discontinued operations and disposal group held for sale for more information.

NOTE 9: DERIVATIVE FINANCIAL ASSETS AND LIABILITIES

Derivative financial assets and liabilities comprise the following items:

Amounts in USD thousands	2023	2022
Fair value of interest rate swaps	-	4 658
Derivative financial assets	-	4 658

The interest rate swaps related to the secured loans for the ATHC vessels, which were sold during 2023. During 2022, a portion of the interest rate swaps were terminated for a total payment received of USD 10.2 million. During 2023, the remaining swaps were terminated for a total payment received of USD 4.3 million. As of 31 December 2023 AMSC had no interest swaps.

As of 31 December 2022 the market value of derivative financial instruments was positive USD 4.7 million. The fair value of the interest swaps is based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments. In accordance with IFRS 9, the Company considered the impact of credit risk on the valuation in the market. The result was immaterial in 2022.

Refer to note 16 for additional information regarding financial instruments.

GROUP

NOTE 10: EARNINGS PER SHARE

Basic and diluted earnings/(loss) per share are calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average number of ordinary shares.

Amounts in USD thousands (except share and per share data)	2023	2022
Profit/(loss) for the period from continuing operations	(11 145)	(7 602)
Profit/(loss) for the period from discontinued operations	154 114	26 254
Profit/(loss) attributable to equity holders of the Company for the period for determination of earnings per share	142 970	18 652
Weighted average number of ordinary shares in issue	71 863 838	63 458 841
Basic and diluted earnings/(loss) per share (USD per share) from continuing operations	(0.16)	(0.12)
Basic and diluted earnings per share (USD per share) from discontinued operations	2.14	0.41
Basic and diluted earnings per share	1.99	0.29

NOTE 11: PAID IN CAPITAL

The changes in equity are:

	Common shares of equity holders of the parent		
Amounts in USD thousands	Share Capital	Share premium	Total paid in equity
31 December 2021	96 366	61 981	158 347
Reduction of share capital	(86 729)	86 729	-
Equity issued	1 070	36 537	37 607
Dividends paid, classified as return of capital	-	(30 446)	(30 446)
31 December 2022	10 707	154 801	165 508
Dividends paid, classified as return of capital	-	(29 464)	(29 464)
Dividend payable	-	(3 593)	(3 593)
31 December 2023	10 707	121 744	132 451

NOTE 11: PAID IN CAPITAL (CONTINUED)

The issued share capital of AMSC as of 31 December 2023 is 71,863,838 ordinary shares, each with a par value of NOK 1.00, fully paid. The Annual General Meeting on 22 April 2022 adopted a resolution to reduce the par value of AMSC's share capital from NOK 10 per share to NOK 1 per share. Upon completion of the creditor notice period during Q2 2022, the reduced amount was transferred to other equity and constitutes unrestricted other deposited equity. On 21 September 2022, 6,061,650 new shares were issued in connection with a private placement under the authorization from the Annual General Meeting (AGM) in 2022 which granted the Board to increase share capital up to 10%. On 10 October 2022, following an Extraordinary General Meeting (EGM), an additional 5,185,683 shares were issued. No common shares were issued in 2023.

The Annual General Meeting on 25 April 2023 granted an authorization to purchase treasury shares in connection with the Company's incentive scheme for employees. The treasury shares were purchased in December 2023 and sold to the CEO and CFO of the Company in January 2024. Reference note 17 for more information.

Dividends paid in 2023 were USD 199.5 million. USD 29.5 million was classified as return of capital and USD 170 million was an additional regular dividend distributed in conjunction with the closing of the sale of ATHC. The Q4 dividend of USD 3.6 million is recognized as a liability as of year-end 2023 and will be paid on 15 March 2024. It is classified as a repayment of paid in capital.

NOTE 12: SUBSIDIARIES

The subsidiaries included in the AMSC ASA's Group account were as follows. Companies owned directly by AMSC ASA are highlighted.

2023	AMSC's common holding %	AMSC's voting share %	Principal place of business	Country
Offshore Leasing I AS (OSL1)	100%	100%	Lysaker	Norway

The change from 31 December 2022 reflects the sale of ATHC and its subsidaries in October 2023.

AMSC is the Norwegian parent company and is listed on Euronext Oslo Børs. During 2022, AMSC acquired the Normand Maximus through OSL1 and has vessel debt with DNB.

On 23 October 2023, AMSC signed an agreement to sell 100% of the shares in OSL1.

Refer to note 19 for further information on the sale of ATHC and the agreement to sell OSL1.

CAPITAL MANAGEMENT RISK

AMSC's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, while maintaining an optimal capital structure to minimize the cost of capital. To meet these capital structure objectives, AMSC will review annually with its Board any proposed dividends, covenant requirements as well as any needs to raise additional equity for future business opportunities or to reduce debt.

GROUP

NOTE 13: INTEREST-BEARING LOANS AND LIABILITIES

Following is information about the contractual terms of AMSC's interest-bearing loans and borrowings. See note 19 Discontinued operations and disposal group held for sale for more information.

Amounts in USD thousands	2023	2022
Non-current liabilities		
Secured loans, net of capitalized fees	-	337 506
Unsecured bond issues, net of capitalized fees	-	217 756
Total long term interest bearing loans	-	555 262
Current liabilities		
Current portion of secured loans	-	67 262
Accrued financial costs	-	10 695
Total interest-bearing short term debt	-	77 957

Summary of secured Loans as of 31 December	2023	2022
BNP Paribas gross borrowings	-	123 333
Prudential gross borrowings	-	121 544
CIT Bank gross borrowings	-	53 750
DNB Bank gross borrowings	-	110 000
Less unamortized loan fees	-	(3 859)
Sum Secured Loans	-	404 768

The change in loans and liabilities from 31 December 2022 reflects the sale of ATHC and reclassification of OSL1 as held for sale, with its related debt and liabilities, for the twelve months ending 31 December 2023. AMSC ASA has no debt as of 31 December 2023.

Unsecured bond issue as of 31 December	Maturity	2023	2022
Gross bond balance at beginning of period	2025	220 000	220 000
Less unamortized loan fees		(1 519)	(2 244)
Liability sold with sale of ATHC		(218 481)	
Sum unsecured bond issue		-	217 756

NOTE 13: INTEREST-BEARING LOANS AND LIABILITIES (CONTINUED)

The following table shows the reconciliation between the opening and closing balance of interest-bearing loans:

Amounts in USD thousands	2023	2022
Balance at beginning of period	633 219	547 124
Repayment of debt	(70 507)	(26 863)
Payment of loan fees	-	(1 650)
Issuance of debt	10 000	110 000
Amortization of loan fees	2 188	2 414
Change in accrual of financial costs	-	2 194
ATHC related debt, reclassified as sold	(505 906)	-
OSL1 related debt, reclassified as held for sale	(68 994)	-
Balance at end of period	-	633 219

NOTE 14: LEASES

There are no active leases as of 31 December 2023 since the leases belonged to ATHC (disposed in the fourth quarter) and OSL1 (reclassified as held for sale as of 31 December 2023). Future undiscounted non-cancellable lease revenue for OSL1 is USD 115.1 million as of 31 December 2023. OSL1 was sold in Q1 2024.

See note 19 Discontinued operations and disposal group held for sale for more information.

NOTE 15: TRADE AND OTHER PAYABLES

Trade and other payables comprise the following items:

Amounts in USD thousands	2023	2022
Trade accounts payable	330	343
Other short-term interest free liabilities	616	1 811
Total	946	2 154

GROUP

NOTE 16: FINANCIAL INSTRUMENTS

FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest risk and price risk), credit risk, cash-flow interest-rate risk and foreign exchange risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures. Risk-management is carried out under policies approved by the Board of Directors. The Board of Directors provides principles for overall financial risk management as well as policies covering specific areas such as foreign exchange risk, interest-rate risk, credit risk, and use of derivative financial instruments and non-derivative financial instruments.

Exposure to credit, interest rate and currency risk arises in the normal course of the Group's business. Derivative financial instruments are used from time to time to hedge exposure to fluctuations in foreign exchange rates and interest rates for business purposes. The Company entered into interest rate swaps for a portion of the secured bank debt. AMSC no longer has derivative financial instruments after the disposal of ATHC and reclassification of OSL1 as held for sale. See note 19 for further information on discontinued operations.

Credit risk

The carrying amount of financial assets represents the maximum credit exposure.
At 31 December the maximum exposure to credit risk is as follows:

Amounts in USD thousands	2023	2022
Loans and receivables	672	19 899
Cash and cash equivalents	42 220	45 474
Cash held for specified uses	-	5 020
Total	42 892	70 394

AMSC regularly monitors the financial health of the financial institutions which it uses for cash management services and in which it makes deposits and other investments. AMSC responds to changes in conditions affecting its deposit relationships as situations warrant.

The Group had established cash accounts ("Earnings Accounts") whereby all charter hire payments in the U.S. were deposited and utilized for debt service prior to being available for general corporate purposes. When these Earnings Accounts were restricted under the relevant loan agreement, the balances in the accounts were classified as "Cash held for specified uses". The Earnings Accounts were part of the ATHC group sold during 2023. As of 31 December 2023 the Company does not have any Earnings Accounts or cash held for spesific use.

Receivables are to be collected from the following types of counterparties:

Amounts in USD thousands	2023	2022
Type of counterparty:		
End-user customers 1)	-	19 492
Other receivables	200	407
Total	200	19 899

1) The Company's end-user customers include its bareboat charter counterparties. The Group continually evaluates the credit risk associated with customers in accordance with IFRS 9. The probability of default was assessed to be extremely low based on credit ratings and no historical losses, therefore, management believes 100% recoverability of the receivables. As such, no expected credit loss has been recorded for financial assets as of 31 December 2023 or 2022.

GROUP

NOTE 16: FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions.

AMSC no longer has financial liabilities after the disposal of ATHC and reclassification of OSL1 as held for sale. Reference note 19 for details of financial liabilities held for sale as of 31 December 2023.

The following are the contractual maturities of financial liabilities including interest payments:

31. December 2022 Amounts in USD thousands	Book value	Contract. cash flow	6 months and less	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Unsecured bonds (gross)	(220 000)	(271 243)	(8 665)	(8 431)	(17 097)	(237 050)	-
Long-term interest bearing external liabilities (gross)	(408 627)	(477 150)	(37 304)	(63 743)	(57 892)	(318 211)	-
Derivative financial assets							
Interest rate swaps	4 658	5 087	1 114	1 080	1 988	905	-
Total as of 31 December 2022	(623 969)	(743 306)	(44 855)	(71 094)	(73 001)	(554 356)	-

Currency risk

AMSC is exposed to foreign currency risk related to certain cash accounts; however, the Group may enter into foreign exchange derivative instruments, from time to time, to mitigate that risk.

The Group incurs foreign currency risk on purchases and borrowings that are denominated in a currency other than USD. The currency giving rise to this risk is primarily NOK.

The Company did not have any exchange contracts at 31 December 2023 or 31 December 2022.

Exposure to currency risk

The company's exposure to currency risk at 31 December 2023 and 2022 primarily related to amounts denominated in NOK, as follows:

Amounts in USD thousands	2023	2022
Gross balance sheet exposure		
Trade payables and accruals (-)	(808)	(1 115)
Cash	39	13 176
Gross balance sheet exposure	(769)	12 061
Estimated forecast expenses (-)	(3 496)	(3 834)
Gross forecasted exposure	(3 496)	(3 834)
Forward exchange contracts	-	-
Net exposure	(4 265)	8 227

Estimated forecast expenses include NOK-denominated overhead expenses for the next 12 months.

GROUP

NOTE 16: FINANCIAL INSTRUMENTS (CONTINUED)

Sensitivity analysis

In managing interest rate and currency risks the Group aims to reduce the impact of short-term fluctuations on the Group's earnings. Over the longer term, however, permanent changes in foreign exchange and interest rates would have an impact on consolidated earnings.

It is estimated that a general strengthening of ten percent in the value of the USD against the NOK would have had a immaterial impact on the Group's earnings before tax for the years ended 31 December 2023 (USD negative 1.3 million in 2022). This analysis assumes that all other variables remain constant.

Exposure to interest rate risk

The Group was exposed to fluctuations in interest rates for its variable interest rate debt. With regards to the secured debt financing, the Group had entered into interest swap agreements to lock in the interest rate paid on a portion of the loans (USD 53.8 million as of 31 December 2022). The bond issued in 2020 had a fixed interest rate. As of 31 December 2023, the Company's secured debt financing was disposed and classified as held for sale, and the bond was disposed. See note 19 for more information.

Sensitivity analysis

An increase of 100 basis points in interest rates in the reporting year would have increased /(decreased) pre-tax equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Amounts in USD thousands	2023	2022
Bank deposits	423	494
Financial liabilities	-	(1 320)
Change in interest swap valuation	-	4 145
P&L sensitivity (net)	423	3 319

Fair values

Fair value hierarchy

IFRS requires companies to disclose certain information about how fair value is determined in a "fair value hierarchy" for financial instruments recorded at fair value, which for AMSC are derivative financial instruments, or disclosures about fair value measurements which have been identified below. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Level 2 includes assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly.

The only financial instruments that the Company accounts for at fair value were the interest rate swaps as of 31 December 2022, which were classified in the Level 2 category described above. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

The fair value of cash, accounts receivable and accounts payable approximate the carrying values due to their short-term nature.

In accordance with its treasury policy, the Group does not hold or issue derivative financial instruments for trading purposes. However, derivatives where hedge accounting is not applied are accounted for as trading instruments.

GROUP

NOTE 16: FINANCIAL INSTRUMENTS (CONTINUED)

The fair values of financial instruments, the related fair value hierarchy, together with the carrying amounts shown in the balance sheet as of 31 December 2022 are as follows:

Amounts in USD thousands	Carrying amount 2022	Fair value 2022	Fair value hierarchy	Valuation technique
Interest-bearing receivables from external companies, maturity greater than 3 years	17 405	16 160	3	Discounted cash flows at 12%
Interest swap contracts:				
Assets	4 658	4 658	2	Market comparison from a third party
Unsecured bonds (gross)	(220 000)	(212 850)	2	OSE trading price at year-end
Secured loans (gross)	(408 627)	(385 143)	2	Discounted cash flows at 8.6%

The discounted cash flow valuation model considers the present value of expected payments, discounted using the risk adjusted discount rate noted.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Interest rate swaps	Market comparison technique: The fair values are based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.	Not applicable	Not applicable

GROUP

NOTE 17: SHARES OWNED AND REMUNERATION PAID TO BOARD OF DIRECTORS AND SENIOR EMPLOYEES OF THE AMSC ASA GROUP

Shares in AMSC ASA as of 31 December 2023

Name	Position	Company	No. of shares
Pål Magnussen	President and CEO	AMSC	140 000
Morten Bakke	CFO	AMSC	100 000
Peter Knudsen	Board Member	AMSC	23 000
Annette Malm Justad	Chair of the Board	AMSC	12 523
Leigh Jaros	Controller	AMSC	2 000

There is no share option agreement between AMSC ASA and senior management or Directors.

Remuneration to the board of directors through 31 December 2023

Name	Position	Company	Remuneration in USD
Annette Malm Justad	Chair	AMSC	54 706
Peter Knudsen	Board Member	AMSC	42 845
Frank Reite	Board Member	AMSC	42 845
Sum Directors' fee			140 396

The Chair and the Board of Directors have not received benefits other than Directors' fees. The Board of Director's term runs from 1 April through 31 March and the above remuneration reflects cash payments to board members during the calendar year 2023.

The Company has no obligations to pay Board members extraordinary compensation upon termination of appointment.

Remuneration to the nomination committee
The nomination committee of AMSC consists of Charlotte Håkonsen and Ingebret G. Hisdal, with Hilde K. Ramsdal as a deputy member. Total remuneration earned by the committee in 2023 was NOK 136 000.

Guidelines for remuneration of senior management
The basis of remuneration of senior management has been developed in order to create a performance-based system which is founded on the Company's values. This system of reward was designed to contribute to the achievement of good financial results and increase in shareholder value.

The senior management receives a base salary and may also be granted a variable pay.

The senior management is entitled to 6 months' severance payment. Except for this, the members of the management are not entitled to special benefits beyond ordinary severance pay during available termination notice periods. The senior management participate in a standard pension and insurance scheme.

NOTE 17: SHARES OWNED AND REMUNERATION PAID TO BOARD OF DIRECTORS AND SENIOR EMPLOYEES OF THE AMSC ASA GROUP (CONTINUED)

In 2023, the senior management received a base salary in addition to a variable pay based on the award of synthetic shares in order to align performance payments with shareholder value creation. The system is based on awarding a certain number of synthetic shares to each member of the management team. The holder of the synthetic shares receives cash payments equal to the dividend paid to the shareholders. Further, the annual share price increase, if any, is paid as a cash bonus at the end of the year. There is a cap on the maximum compensation payable to each member of the management team. The remuneration of the senior management is in accordance with the guidelines for remuneration for 2023.

From 2022-2023, Mr. Magnussen was awarded 437,500 synthetic shares. Under his synthetic share agreement, the total bonus earned during 2023 was NOK 5.4 million. The cap on his salary and bonus was NOK 8.7 million. From 2022-2023, Mr. Bakke was awarded 200,000 synthetic shares, resulting in bonus earned of NOK 2.7 million. The cap on his salary and bonus was NOK 4.7 million. From 2022-2023, Ms. Jaros was awarded 50,000 synthetic shares, resulting in bonus earned of USD 108 thousand. The cap on Ms. Jaros' salary and bonus was USD 350 thousand per year.

The Company's Remuneration Policy was adopted in the annual general meeting held on 20 April 2021, and shall remain in effect until the earlier of an extraordinary general meeting resolving material changes to the Policy or until the annual general meeting to be held in 2025, in accordance with section 6-16a (5) of the Norwegian Public Limited Liability Companies Act. The Board of Directors have prepared a report on the remuneration paid to the Company's executive management for 2023 in accordance with the Norwegian Public Limited Liability Companies Act section 6-16 b, which is subject to an advisory vote of the shareholders in the 2024 annual general meeting.

The Company also has an incentive scheme for the management, where the Company can offer the management to purchase shares in the Company, subject to lock-up restrictions, with a view to incentivize long-term value creation and performance by the management. During December 2023, AMSC bought 150,000 treasury shares in a connection with the Company's incentive scheme for employees. On 19 January 2024, AMSC sold 150,000 of its treasury shares. 100,000 shares were sold to the Company's CEO, Pål Magnussen and 50,000 shares were sold to MB Capital AS, a company controlled by the Company's CFO Morten Bakke. The shares were sold at a price per share of NOK 22.68, corresponding to the closing price of NOK 28.35 less a price reduction of 20% to compensate for lock-up restrictions on the shares for a period of three years.

The Company does not offer share option programs to the management.

Remuneration to Senior Management during 2023 in USD

			Base salary	Bonus	Other Benefits	Pension Contribution	Total (USD)	Severance pay
Pål Magnussen	CEO	Jan. - Dec.	319 308	571 985	2 334	9 154	902 781	6 months
Morten Bakke	CFO	Jan. - Dec.	192 451	285 123	1 455	9 032	488 062	6 months
Leigh Jaros	Controller	Jan. - Dec.	250 146	108 723	55 426	4 556	418 851	6 months

The above amounts reflect salary and bonus earned during 2023, and include Norwegian vacation pay.

Remuneration to Senior Management during 2022 in USD

			Base salary	Bonus	Other Benefits	Pension Contribution	Total (USD)	Severance pay
Pål Magnussen	CEO	Jan. - Dec.	331 299	644 439	1 190	9 346	986 274	6 months
Morten Bakke	CFO	Jan. - Dec.	198 649	324 091	1 190	9 085	533 015	6 months
Leigh Jaros	Controller	Jan. - Dec.	229 788	82 418	7 440	1 861	321 507	6 months

The above amounts reflect salary and bonus earned during 2022, and include Norwegian vacation pay.

GROUP

NOTE 18: TRANSACTIONS AND AGREEMENTS WITH RELATED PARTIES

AMSC's largest shareholder is a subsidiary of Aker ASA which holds 19.1 percent of the Company's shares. Although Aker ASA does not meet the definition of a related party under IAS 24, AMSC discloses certain information on transactions with common ownership.

The Group has service agreements with Aker ASA and Aker US Services LLC which provide certain office, tax and IT services. The cost of these services was not significant, however they are important to the Company's operations. In addition, the Company has a lease for office space in Norway from as company affiliated with Aker ASA.

Aker ASA, through a subsidiary, owns 32.9 percent of Solstad Offshore ASA ("Solstad Offshore"), as well as an interest of 47.4 percent in Solstad Maritime Holding AS ("Solstad Maritime" or"SMH") following closing of the refinancing in early 2024.

AMSC believes that related party transactions are made on terms equivalent to those that prevail in arm's length transactions and the table below summarizes the Group's service agreements.

See note 19 for more information.

Counterparty	Description of services	Annual amount (USD thousands)
Aker US Services, Inc.	Tax consulting	5
Akastor	Office lease	47
Aker IT Services	IT consulting and support	10

NOTE 19: DISCONTINUED OPERATIONS AND DISPOSAL GROUP HELD FOR SALE

On 18 October 2023 the sale of 100% of the shares in ATHC was successfully closed based on an enterprise value of USD 746.7 million. The transaction comprised all of AMSC's Jones Act business including the 10 tankers and corresponding bareboat charters, debt and corporate structure. Gross proceeds from the sale were USD 249.3 million and net profit from the sale was USD 125.0 million, recognized in the income statement in 2023.

On 23 October 2023, AMSC announced an agreement with Solstad Shipholding AS to participate in an overall refinancing solution by contributing 100% of its shares in OSL1 which owns the CSV Normand Maximus on bareboat charter to a subsidiary of Solstad Offshore, in return for new common shares in the parent company of the new corporate structure, SMH. Subsequent to year-end, the refinancing was completed on 16 January 2024 and following the transaction, AMSC holds approximately 21.1% of the shares and votes in SMH. AMSC's contribution to SMH is valued at NOK 1,000 million, based on an enterprise value of USD 177.5 million as of 31 December 2023. The associated assets and liabilities were consequently presented as held for sale in the 2023 financial statements. AMSC will recognize a gain on the sale of OSL1 in Q1 2024 of approximately USD 34.6 million.

Assets sold on 18 October 2023 and assets held for sale as of 31 December 2023, are reported in the current period as a discontinued operations for the period to the date of disposal is set out below. Non-current assets held for sale are measured at the lower of the carrying amount and fair value less costs to sell.

The result of the discontinued operations for 2023 and 2022 is presented below:

2023 Amounts in USD thousands	ATHC	OSL1	Total
Revenue	74 285	30 295	104 580
Expenses	(1 320)	(289)	(1 610)
Operating profit before depreciation	72 965	30 006	102 970
Depreciation 1)	(24 436)	(6 690)	(31 126)
Operating profit	**48 528**	**23 316**	**71 844**
Financial income	1 094	1 402	2 495
Financial expenses	(34 120)	(12 193)	(46 312)
Gain on sale of ATHC	124 954	-	124 954
Profit/(loss) before tax from discontinued operations	**140 457**	**12 525**	**152 982**
Income tax (expense) / benefit	(67)	1 200	1 133
Profit/(loss) for the year from discontinued operations	**140 390**	**13 724**	**154 114**

1) Depreciation of these assets ceased when classified as held for sale and are presented separately in the balance sheet. All other costs and expenses attributable to a disposal group held for sale continue to be recognised.

GROUP

NOTE 19: DISCONTINUED OPERATIONS AND DISPOSAL GROUP HELD FOR SALE

2022 Amounts in USD thousands	ATHC	OSL1	Total
Revenue	87 429	6 225	93 654
Expenses	(1 943)	(20)	(1 963)
Operating profit before depreciation	85 486	6 205	91 691
Depreciation	(34 781)	(1 733)	(36 515)
Operating profit	50 705	4 472	55 176
Financial income	12 657		12 657
Financial expenses	(33 861)	(2 423)	(36 284)
Profit/(loss) before tax from discontinued operations	29 500	2 049	31 549
Income tax (expense) / benefit	(383)	-	(383)
Deferred Income tax (expense) / benefit	(2 634)	(2 277)	(4 911)
Profit/(loss) for the year from discontinued operations	26 482	(228)	26 254

The resulting effect on the assets and liabilities for OSL1

Amounts in USD thousands	2023
Vessels	148 810
Cash and cash equivalents	123
Total assets classified as held for sale	148 933
Long term loan	63 634
Deferred tax liabilities	2 399
Short term loan	5 360
Trade and other payables	1 416
Total liabilities associated with assets classified as held for sale	72 810

Assets and liabilities sold for ATHC are as follows

Amounts in USD thousands	2023
Vessels	581 687
Other non current assets	18 706
Cash and cash equivalents	34 320
Other current assets	2 783
Total assets sold	637 497
Long term liabilities	487 200
Short term liabilities	36 800
Total liabilities associated with assets sold	524 000

GROUP

NOTE 19: DISCONTINUED OPERATIONS AND DISPOSAL GROUP HELD FOR SALE

Condensed Cash Flow Statement from discontinued operations

Amounts in USD thousands	2023	2022
Cash flows attributed to discontinued operations		
Net cash flow from operating activities	72 323	71 516
Net cash flow from investing activities	181 910	(172 185)
Net cash flow from financing activities	(56 209)	91 659
Net cash flow from discontinued operations	198 024	(9 010)

	2023	2022
Earnings per share for discontinued operations		
- basic	2.14	0.41
- diluted	2.14	0.41
Basic and diluted earnings per share	1.99	0.29

Details of the sale of ATHC

Amounts in USD thousands	2023
Gross proceeds	249 300
Transactions costs	(8 050)
Deferred purchase price	(3 000)
Net proceeds	238 250
Capex adjustment	200
Carrying amount of net assets sold	(113 496)
Gain on sale before income tax	124 954
Income tax on gain	-
Gain on sale after income tax	124 954

Net cash flow from sale of ATHC

Amounts in USD thousands	2023
Net proceeds	238 250
Cash in ATHC at time of sale	(34 320)
Net cash from disposal	203 930

GROUP

NOTE 20: OPERATING SEGMENTS

AMSC defines operating segments based on the Group's internal management of the fleet of vessels. The Group's chief operating decision makers are defined as the Board of Directors, CEO and CFO. Recognition and measurement applied to segment reporting are consistent with the accounting priciples applied when preparing consolidated financial statements. Transactions between segments are conducted at market terms and conditions.

In 2022 AMSC's had two operating segments: U.S. Jones Act tankers and Offshore. AMSC's Jones Act segment includes the Group's nine product tankers and one shuttle tanker. AMSC's Offshore segment includes one international subsea construction vessel, acquired during 2022. Other includes the parent company, non-operational holding companies and elimination of intercompany transactions.

On 18 October 2023 the sale of ATHC was successfully closed. The transaction comprised all of AMSC's Jones Act business including the 10 tankers and corresponding bareboat charters, debt and corporate structure. AMSC has one operating segment as of 31 December 2023 classified has held for sale. See note 19 for more information about discontinued operations and disposal group held for sale.

The numbers below represent the operating segments from 2022 without representation of discontinued operations. The comparable consolidated income statement for 2022 has been reworked to represent the accounts for continuing operations after the sale of US. Jones Act Tankers and the reclassification of OSL1 as held for sale as of 31 December 2023. Therefore, the segment note for 2022 will not match the consolidated income statement for 2022.

2022 - OPERATING SEGMENTS

Statement of financial position

Amounts in USD thousands	U.S Jones Act Tankers	Offshore	Other and eliminations	Total
ASSETS				
Property, plant and equipment	594 331	156 355	101	750 787
Intangible assets	-	-	2 930	2 930
Interest-bearing long-term receivables	6 514	669	-	7 183
Derivative financial assets	4 658	-	-	4 658
Other non-current assets	26	-	290	317
Total non-current assets	605 529	157 025	3 321	765 875
Other receivables	5 171	7 036	508	12 716
Tax receivable	126	-	84	210
Cash held for specified uses	5 020	-	-	5 020
Cash and cash equivalents	20 181	-	25 293	45 474
Total current assets	30 499	7 036	25 885	63 420
TOTAL ASSETS	636 028	164 061	29 206	829 295

GROUP

NOTE 20: OPERATING SEGMENTS (CONTINUED)

Statement of financial position

Amounts in USD thousands	U.S Jones Act Tankers	Offshore	Other and eliminations	Total
EQUITY AND LIABILITIES				
Share capital and share premium	267 302	3	(101 797)	165 508
Retained earnings / (accumulated deficit)	(815)	(1 232)	11 559	9 511
Total equity	266 487	(1 229)	(90 238)	175 020
Interest-bearing loans	292 345	118 756	144 161	555 262
Deferred tax liabilities	36 487	2 277	(19 958)	18 806
Total non-current liabilities	328 833	121 033	124 203	574 068
Interest-bearing loans	26 862	42 554	8 541	77 957
Trade and other payables	9 174	1 704	(8 724)	2 154
Tax payable	4 672	-	(4 575)	96
Total current liabilities	40 708	44 258	(4 759)	80 207
Total liabilities	369 541	165 291	119 444	654 276
TOTAL EQUITY AND LIABILITIES	636 028	164 061	29 206	829 295

Income statement

Amounts in USD thousands	U.S Jones Act Tankers	Offshore	Companies and eliminations	Total
Leasing revenues	87 429	6 225	-	93 654
Wages and other personnel expenses	-	-	(2 174)	(2 174)
Operating expenses	(5 664)	(20)	2 736	(2 948)
Operating profit before depreciation	81 765	6 205	562	88 532
Depreciation	(34 770)	(1 733)	(11)	(36 515)
Operating profit	46 995	4 472	550	52 017
Net profit from equity accounted investees	-	-	406	406
Financial income	12 650	-	210	12 860
Financial expenses	(20 050)	(3 427)	(12 937)	(36 414)
Income before income tax	39 595	1 044	(11 771)	28 869
Income tax (expense) / benefit	(9 138)	(2 277)	1 198	(10 216)
Net income for the year	30 457	(1 232)	(10 572)	18 652

GROUP

NOTE 21: CLIMATE RISK

AMSC faces the following climate related risks:

Risk type	Risks
Transition - market	Global trade flows may change or decline due to stricter emission regulations Changes in consumer consumption patterns
Transition - policy & legal	Compliance with new regulations
Transition - reputation	Risk premiums demanded by investors, lenders and insurance companies
Transition - technology	Lock-in to emitting fuels that become less competitive during a ship's lifetime

NOTE 22: EVENTS AFTER THE BALANCE SHEET DATE

On 16 January 2024, the refinancing of Solstad Shipholding AS was successfully completed, which included AMSC's NOK 1.0 bn contribution in kind of 100% of the shares in OSL1 against shares in SMH. AMSC holds approximately 21.1% of the shares and votes in SMH, which will be diluted following completion of the announced NOK 750 million additional share offering, expected to be completed during Q2 2024. AMSC will recognize a gain on the sale of OSL1 in Q1 2024 of approximately USD 34.6 million.

On 19 January 2024, AMSC sold 150,000 of its treasury shares. 100,000 shares were sold to the Company's CEO, Pål Magnussen and 50,000 shares were sold to MB Capital AS, a company controlled by the Company's CFO Morten Bakke. The shares were sold at a price per share of NOK 22.68, corresponding to the closing price of NOK 28.35 less a price reduction of 20% to compensate for lock-up restrictions on the shares for a period of three years. Following this transaction, the Company holds 0 treasury shares.

The dividend for Q4 2023 of USD 3.6 million will be paid on 15 March 2024. The dividend is classified as a return of paid in capital.

In March 2024, the Company received a letter from Kistefos AS and Kistefos Investments AS (together "Kistefos") which informed the Chairman and CEO of AMSC ASA that Kistefos is considering initiating a lawsuit against the Company, the Chairman and the CEO to claim compensation for the alleged loss incurred by Kistefos as a result of the refinancing that was announced by Solstad Offshore ASA ("SOFF") on 23 October 2023. Kistefos is considering initiating the lawsuit in the form of a class action, so that other shareholders in SOFF may participate. AMSC ASA, the Chairman and the CEO maintain that any such lawsuit would be without merit.

ANNUAL ACCOUNTS PARENT

PARENT

STATEMENT OF FINANCIAL POSITION

Amounts in USD thousands	Note	31. Dec. 2023	31. Dec. 2022
ASSETS			
Shares in subsidiaries	2	-	38 461
Deferred tax asset	3	30	5 206
Long-term receivable group companies	4	-	143 068
Total non-current assets		30	186 735
Other short-term receivables		672	3 363
Short-term receivable group companies	4	15 517	-
Cash and cash equivalents	6	42 220	15 644
Assets classified as held for sale	10	81 761	-
Total current assets		140 170	19 008
TOTAL ASSETS		140 201	205 743
EQUITY AND LIABILITIES			
Share capital		10 707	10 707
Share premium reserve		121 744	154 802
Total paid in capital		132 451	165 508
Other equity		3 211	38 920
Total retained earnings		3 211	38 920
Total equity	5	135 662	204 428
Other short-term debt		946	1 314
Dividend payable	5	3 593	-
Total short-term liabilities		4 539	1 314
TOTAL EQUITY AND LIABILITIES		140 201	205 743

Lysaker, 14 March 2023
The Board of Directors
AMSC ASA

Annette Malm Justad
Chair

Peter D. Knudsen
Board Member

Frank O. Reite
Board Member

Pål Magnussen
President/CEO

PARENT

INCOME STATEMENT

Amounts in USD thousands	Note	2023	2022
Other operating expenses	7	(5 402)	(3 159)
Operating loss		(5 402)	(3 159)
Other interest and financial income	7	1 356	609
Other interest and financial expenses	7	(1 529)	(130)
Profit/(loss) before tax		(5 576)	(2 680)
Deferred income tax benefit / (expense)	3	(5 175)	(4 922)
Income tax expense	3	(393)	-
Profit / (loss) for the period from continued operations		(11 145)	(7 602)
Net Profit/(Loss) from discontinued operations	10	145 860	54 777
Net Profit/(Loss) from continued and discontinued operations		134 715	47 175
Allocation of net profit / (loss):			
Profit / (loss)		134 715	47 175
Other equity	5	(134 715)	(47 175)

STATEMENT OF COMPREHENSIVE INCOME

Amounts in USD thousands (except per share)	2023	2022
Net income/(loss) for the period	134 715	47 175
Total comprehensive income for the period	134 715	47 175

PARENT

CASH FLOW STATEMENT

Amounts in USD thousands	Note	2023	2022
Profit / (loss) before tax		(5 575)	(2 680)
Unrealized foreign exchange (gain)/loss and unpaid interest expense		929	(3 609)
Changes in short term receivables		2 691	(3 266)
Changes in short term liabilities		(368)	577
Cash flow from operating activities		(2 323)	(8 979)
Cash flow from investing activities		-	-
Proceeds from equity raised		-	37 607
Dividends paid		(199 494)	(30 446)
Repurchase of treasury shares		(394)	-
Cash flow from/(used in) financing activities		(199 888)	7 162
Net cash flow from discontinued operations	10	228 787	6 122
Cash flow for the year		26 576	4 305
Cash and cash equivalents 1 January		15 644	11 339
Cash and cash equivalents 31 December		42 220	15 644

NOTES TO THE ACCOUNTS

NOTE 1: ACCOUNTING PRINCIPLES

CORPORATE INFORMATION
AMSC ASA ("Company" or "AMSC") is a Norwegian limited liability company incorporated and domiciled in Norway whose shares are traded on Euronext Oslo Børs. The Company was established in 2005 and the registered office is Oksenøyveien 10, P.O. Box 230, NO-1366 Lysaker.

BASIS OF PREPARATION
These financial statements, for the year ended 31 December 2023, and 2022 comparative figures, are prepared in accordance with IFRS® Accounting Standards simplified in accordance with the Norwegian regulation for simplified IFRS ("Forskrift om forenklet anvendelse av internasjonale regnskapsstandarder") without any exception.

SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS
The preparation of financial statements in conformity with simplified IFRS requires the use of estimates and assumptions that affect the reported amounts in the financial statements. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects that period or in the period of revision and future periods if the revision affects both current and future periods.

The following areas involve a significant degree of judgement and complexity, and may result in significant variation in amounts:

Deferred tax assets
Deferred income tax assets are recognized when it is probable that they will be realized. Determining probability requires AMSC to estimate the sources of future taxable income from operations, including reversing taxable temporary differences. Determining these amounts is subject to uncertainty and is based primarily upon historical earnings, reversals of taxable temporary differences and expected earnings. See note 3 for further discussion.

SUBSIDIARIES
Investments in subsidiaries are included in the Company financial statements using the cost method. Investments are written down to the fair value if impairment is identified. Dividends and company contributions from subsidiaries are recognized as income from the investment in the subsidiary in the year that the allocation is made by the subsidiary.

CLASSIFICATION AND VALUATION OF BALANCE SHEET ITEMS
Assets and liabilities are presented as current when they are due within one year or they are part of the operating cycle. Other assets and liabilities are classified as non-current.

Current financial assets and financial liabilities are initially recognized at fair value and subsequent recognition is at amortized cost.

Non-current receivables are measured at cost less impairment losses that are not considered to be temporary. Non-current liabilities are initially valued at transaction value less attributable transaction cost. Subsequent to initial recognition, interest bearing non-current borrowings are measured at amortized cost with any difference between cost and redemption value being recognized in the income statement over the period of the borrowing on an effective interest basis.

NOTE 1: ACCOUNTING PRINCIPLES (CONTINUED)

In accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, non-current assets and groups of non-current assets and liabilities are classified as held for sale if their carrying amount will be recovered through a sales transaction instead of through continued use. This is only regarded as having been fulfilled when a sale is highly probable and the non-current asset (or groups of non-current assets and liabilities) is available for immediate sale in its present form. The management must be committed to a sale and the sale must be expected to be carried out within one year after the classification date.

Non-current assets and groups of non-current assets and liabilities which are classified as held for sale are valued at the lower of their former carrying amount or fair value minus sales costs.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the income statement. This is in in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Only external revenues and expenses are shown as continuing operations. Comparative information in statements and disclosures are re-presented.

FOREIGN CURRENCY TRANSLATION

The Company's functional currency is U.S. dollars (USD). Foreign currency transactions are translated into USD using the exchange rates prevailing at the dates of the transactions. Receivables and liabilities in foreign currencies are translated into USD at the exchange rates ruling on the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. The NOK/USD foreign exchange rate as of 29 December 2023 (which was the last day of 2023 with published exchange rates) was 10.1724 and the average rate during 2023 was 10.5647 NOK/USD.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

INCOME TAX AND DEFERRED TAXES

Tax expenses in the profit and loss account comprise both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated at the percent on the basis of existing temporary differences (22%) between accounting profit and taxable profit together with tax deductible deficits at year end. Temporary differences, both positive and negative, are balanced out within the same period. Deferred tax assets are recorded in the balance sheet to the extent it is more likely than not that the tax assets will be utilized.

CASH FLOW STATEMENT

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short-term highly liquid deposits with original maturities of three months or less.

DIVIDENDS

Liability to pay a dividend is recognized when the dividend is appropriately authorized.

REVENUE RECOGNITION

The Company's revenues consist of management fees charged to foreign subsidiaries and are recognized when earned.

PENSIONS

Norwegian companies are required to have occupational pension schemes according to the law on compulsory occupational pension, and the Company operates in accordance with these requirements. Once the contributions have been paid, there are no further payment obligations. Plan contributions are charged to the income statement in the period to which the contributions relate.

IMPAIRMENT OF NON-CURRENT INTERCOMPANY LOANS

The company assesses on a forward-looking basis the expected credit losses associated with its other non-current intercompany loans.

NOTE 2: SHARES IN SUBSIDIARIES AND ASSOCIATES

This item comprises the following as of 31 December 2023:

Amounts in USD thousands	Ownership of common shares (%)	Voting rights (%)	Business address	Historical cost	Book value
Offshore Leasing I AS ("OSL1")	100%	100%	Lysaker, Norway	81 761	81 761
Assets classified as held for sale				(81 761)	(81 761)
Total shares in subsidiaries				-	-

Amounts in USD thousands	OSL1
Subsidiaries' 2023 results after tax in USD thousands	7 807
Subsidiaries' equity attributable to common shareholders at 31 December 2023	59 831

During 2022 AMSC acquired the Normand Maximus through OSL1and has vessel debt with DNB.

On 23 October 2023, AMSC signed an agreement to sell 100% of the shares in OSL1. Shares in subsidiary are as of 31 December 2023 classified as held for sale.

On 10 November 2023, AMSC and OSL1 signed an agreement to convert the outstanding intercompany loan to OSL1 of USD 73,9 million to equity in OSL1.

The change from 31 December 2022 reflects the sale of ATHC and its subsidaries in October 2023. More information about discontinued operations is included in note 10.

NOTE 3: TAX

The table below shows the difference between book and tax values at the end of 2023 and 2022, and the amounts of deferred taxes at these dates and the change in deferred taxes.

Norwegian tax payable: Amounts in USD thousands	2023	2022
Profit/(loss) before tax USD accounts in USD	(5 576)	(2 680)
Net Profit/(Loss) from Discontinued Operations	145 860	54 777
Difference between NOK and USD accounts	54 927	8 455
Profit before tax measured in NOK for taxation purposes	195 211	60 552
Permanent differences (dividends)	(166 755)	(38 352)
Change in temporary differences	17 645	(7 133)
FX effect on opening balance of loss carried forward	1 083	6 618
Estimated profit for tax purposes	47 184	21 685
Utilization of loss carried forward	(41 172)	(21 685)
Distributed group contribution	(6 012)	
Taxable income / (loss)	-	-
Tax payable	-	-

The profit before taxes in NOK are different from the profit before taxes in USD primarily due to currency exchange differences. The foreign exchange difference arises as the Company's functional currency is USD, whilst the tax calculation in Norway is performed based on the accounts in NOK. As such, the tax calculation for the Company is in NOK, but presented in USD.

Norwegian deferred tax: Amounts in USD thousands	2023	2022
Other differences	138	(17 507)
Operating loss carried forward	-	41 172
Total differences	138	23 665
Deferred tax asset	30	5 206
Book value tax asset	30	5 206

AMSC has surrendered a group contribution to OSL1, and has no operating losses in carryforward as of 31 December 2023.

PARENT

NOTE 4: RECEIVABLES FROM GROUP COMPANIES

Amounts in USD thousands	2023	2022
Offshore Leasing I AS (OSL1)	15 517	50 536
American Tanker, Inc. (ATI)	-	92 532
Total	15 517	143 068

In October 2023, USD 30 million was drawn on the intercompany loan. On 10 November 2023, AMSC and OSL1 signed an agreement to convert the outstanding intercompany loan to OSL1 of USD 73,9 million to equity in OSL1.

As of 31 December 2023 AMSC holds a USD 15.5 million loan to OSL1 including accrued interest. The loan to OSL1 bears interrest of 10% per year and is due by 30 June 2024. The loan was issued on 15 December 2023 and repaid in January 2024. Reference note 11 for further information.

AMSC sold the wholly owned subsidiary ATHC, the direct parent company of ATI, on 18 October 2023, which comprised all the Company's Jones Act business including the 10 tankers and corresponding bareboat charters, debt and corporate structure. On closing of the sale, AMSC was repaid the oustanding receivable from ATI.

Management assessed the credit risk of the receivable as low and has not recognized any expted credit losses.

NOTE 5: TOTAL EQUITY

Changes in equity are:

2022 Amounts in USD thousands	Share capital	Share premium	Total paid-in capital	Other equity	Total equity
Equity as of 1 January 2022	96 366	61 980	158 347	(8 255)	150 092
Reduction of share capital	(86 729)	86 729	-	-	-
Issuance of shares	1 070	36 537	37 607	-	37 607
Dividends paid, classified as return of capital	-	(30 446)	(30 446)	-	(30 446)
Net result	-	-	-	47 175	47 175
Equity as of 31 December 2022	10 707	154 801	165 508	38 920	204 428

The Annual General Meeting on 22 April 2022 adopted a resolution to reduce the par value of AMSC's share capital from NOK 10 per share to NOK 1 per share. Upon completion of the creditor notice period during Q2 2022, the reduced amount was transferred to other equity and constitutes unrestricted other deposited equity. On 21 September 2022, 6,061,650 new shares were issued in connection with a private placement under the authorization from the Annual General Meeting ("AGM") in 2022 which granted the Board to increase share capital up to 10%. On 10 October 2022, following an Extraordinary General Meeting ("EGM"), an additional 5,185,683 shares were issued.

The total outstanding shares of AMSC are 71,863,838 shares each with a par value of NOK 1 per share.

No treasury shares were held as of 31 December 2022.

Subsequent to year-end, the Board declared a dividend classified as return of capital of USD 0.12 per share (USD 8.6 million in aggregate) on 27 February 2023. The dividend was paid on 15 March 2023.

2023 Amounts in USD thousands	Share capital	Share premium	Total paid-in capital	Other equity	Total equity
Equity as of 1 January 2023	10 707	154 801	165 509	38 920	204 428
Repurchase of treasury shares		-	-	(394)	(394)
Dividends paid	-	(29 464)	(29 464)	(170 030)	(199 494)
Dividend payable		(3 593)	-	-	(3 593)
Net result	-	-	-	134 715	134 715
Equity as of 31 December 2023	10 707	121 744	132 451	3 211	135 662

As of 31 December 2023 the total outstanding shares of AMSC was 71,863,838 shares each with a par value of NOK 1 per share.

Between 13 December 2023 and 18 December 2023, AMSC bought 150,000 treasury shares in a connection with the Company's incentive scheme for employees. The average price per share was NOK 27.48, which implies a total consideration of NOK 4,121,516.

The treasury shares were sold 19 January 2024, AMSC holds 0 treasury shares at this date.

The dividend for Q4 2023 of USD 3.6 million is recognized as a liability as of year-end 2023 and will be paid on 15 March 2024. The dividend is classified as a return of paid in capital.

PARENT

NOTE 5: TOTAL EQUITY

The shares were owned by the following 20 largest parties as of 31 December 2023:

Name	Number	Percent
AKER CAPITAL AS	13 701 416	19.1%
DNB Markets Aksjehandel/-analyse	10 923 892	15.2%
SKANDINAVISKA ENSKILDA BANKEN AB	10 886 327	15.1%
B.O. STEEN SHIPPING AS	4 030 000	5.6%
Goldman Sachs & Co. LLC	3 487 467	4.9%
VERDIPAPIRFONDET DNB SMB	1 509 776	2.1%
TRETHOM AS	1 111 111	1.5%
Pershing LLC	1 076 400	1.5%
Citibank, N.A.	849 576	1.2%
Skandinaviska Enskilda Banken AB	673 953	0.9%
CLEARSTREAM BANKING S.A.	604 205	0.8%
Avanza Bank AB	558 171	0.8%
MIDELFART CAPITAL AS	555 800	0.8%
NORDNET LIVSFORSIKRING AS	517 513	0.7%
The Bank of New York Mellon SA/NV	463 411	0.6%
VESTVIK PRESERVING AS	445 537	0.6%
ALPHA FINANS OG EIENDOM INVEST AS	348 816	0.5%
BEDDINGEN FINANS AS	341 306	0.5%
SIX SIS AG	325 950	0.5%
UBS Switzerland AG	320 080	0.4%
Total 20 largest shareholders	52 730 707	73.4%
Other shareholders	19 133 131	26.6%
Total	71 863 838	100.0%

NOTE 6: CASH AND CASH EQUIVALENTS

There is no restricted cash, except cash in a tax withholding account for employees' salaries of USD 32 thousand at 31 December 2023.

PARENT

NOTE 7: OTHER OPERATING AND FINANCIAL INCOME/EXPENSES

Fees to the auditors of USD 70 thousand (without VAT) for ordinary audit was expensed in 2023. For 2022 the fees to the auditors was USD 31 thousand (without VAT) for ordinary audit. For more information on fees paid to auditors, see note 3 in the consolidated accounts.

The Company has no other employees than the CEO, CFO and Controller. See note 17 in the consolidated accounts for more information regarding remuneration to senior management. Pension costs totaled USD 23 thousand in 2023 and USD 18 thousand in 2022. This pension cost covered three employees in 2023 and two in 2022. Board of directors expenses were USD 179 thousand in 2023 and USD 163 thousand in 2022.

Other interest and financial income in 2023 includes USD 1.3 million in interest income on bank deposits. Other interest and financial expenses in 2023 includes realized and unrealized currency losses of USD 1.5 million.

For 2022 other interest and financial income includes USD 0.4 million profit from equity accounted investees and USD 0.2 million in interest income on bank deposits. Other interest and financial expenses in 2022 includes realized and unrealized currency losses of USD 0.1 million.

Net profit from discontinued operations includes USD 1.4 million of guarantee fees from subsidiaries in 2023.

Net profit from discontinued operations includes USD 1.9 million of guarantee fees from subsidiaries in 2022.

The consolidated income statement for both 2023 and 2022 have been reworked to represent the accounts for continuing operations after the sale of ATHC in 2023 and the reclassification of OSL1 as held for sale as of 31 December 2023. More information about discontinued operation in note 10.

Refer to note 18 in the consolidated accounts for information regarding transactions and agreements with related parties.

NOTE 8: SHARES OWNED BY THE BOARD OF DIRECTORS AND THE SENIOR MANAGEMENT

For information regarding shares owned by the members of the board of directors and the senior management, see note 17 in the consolidated accounts.

NOTE 9: GUARANTEES

The company has made the following guarantees:

Description	Beneficiary	Amount (USD thousands)	Guarantee party
Senior secured credit facility	DNB Bank ASA	120 000	Offshore Leasing I AS

On 23 October 2023, AMSC signed an agreement to sell 100% of the shares in OSL1. On 16 January 2024, the refinancing of Solstad Shipholding AS was successfully completed and AMSC no longer has guarantees for OSL1.

PARENT

NOTE 10: DISCONTINUED OPERATIONS

On 18 October the sale of 100% of the shares in ATHC was successfully closed. The transaction comprised all of AMSC's Jones Act business including the 10 tankers and corresponding bareboat charters, debt and corporate structure.

On 23 October, AMSC announced an agreement with Solstad Shipholding AS to participate in an overall refinancing solution by contributing 100% of its shares in OSL1 which owns the CSV Normand Maximus on bareboat charter to a subsidiary of Solstad Offshore, in return for new common shares in the parent company of the new corporate structure, SMH. Subsequent to year-end, the refinancing was completed on 16 January 2024, resulting in a positive cash effect to AMSC of USD 15.5 million from the repayment of the intercompany loan on closing. The shares in subsidiaries were consequently presented as held for sale in the 2023 financial statements. AMSC will recognize a gain on the sale of OSL1 in Q1 2024 of approximately USD 34.6 million.

Assets sold 18 October 2023 and assets held for sale as of 31 December 2023, are reported in the current period as discontinued operations for the period to the date of disposal as set out below.

The result of the discontinued operation for the last year is presented below:

Amounts in USD thousands	2023	2022
Revenue	1 798	3 186
Operating profit	1 798	3 186
Interest income from group companies	11 636	10 732
Dividends from subsidiaries	28 505	39 000
Other interest and financial income	1 401	1 859
Profit/(loss) for the year from discontinued operations	43 339	54 777
Gain on sale of ATHC	102 520	-
Profit/ loss from discontinued operations	145 860	54 777

The resulting effect on the assets and liabilities for the company;

Amounts in USD thousands	31 December 2023
Shares in subsidiaries	81 761
Total assets classified as held for sale	81 761
Total liabilities associated with assets classified as held for sale	-
Net book value of assets classified as held for sale	81 761

PARENT

NOTE 10: DISCONTINUED OPERATIONS

Condensed Cash Flow Statement from discontinued operations

Amounts in USD thousands	2023	2022
Cash flows attributed to discontinued operations		
Net cash flow from operating activities	42 922	54 777
Net cash flow from investing activities	185 865	(48 654)
Net cash flow from financing activities	-	-
Net cash inflow (outflow)	228 787	6 122

Details of the sale of ATHC

Amounts in USD thousands	31 December 2023
Gross proceeds	249 300
Transactions costs	(8 050)
Deferred purchase price	(3 000)
Net proceeds	238 250
Capex adjustment	200
Carrying amount of net assets sold	(135 930)
Gain on sale before income tax	102 520

NOTE 11: EVENTS AFTER THE BALANCE DATE

On 16 January 2024, the refinancing of Solstad Shipholding AS was successfully completed, which included AMSC's NOK 1.0 bn contribution in kind of 100% of the shares in OSL1 against shares in SMH. AMSC holds approximately 21.1% of the shares and votes in SMH, which will be diluted following completion of the announced NOK 750 million additional share offering, expected to be completed during Q2 2024. In connection with the closing of the refinancing, AMSC's loan to OSL1 was repaid in full, resulting in a positive cash effect to AMSC of USD 15.5 million. AMSC will recognize a gain on the sale of OSL1 in Q1 2024 of approximately USD 34.6 million.

On 19 January 2024, AMSC sold 150,000 of its treasury shares. 100,000 shares were sold to the Company's CEO, Pål Magnussen and 50,000 shares were sold to MB Capital AS, a company controlled by the Company's CFO Morten Bakke. The shares were sold at a price per share of NOK 22.68, corresponding to the closing price of NOK 28.35 less a price reduction of 20% to compensate for lock-up restrictions on the shares for a period of three years. Following this transaction, the Company holds 0 treasury shares.

The dividend for Q4 2023 of USD 3.6 million will be paid on 15 March 2024. The dividend is classified as a return of paid in capital.

In March 2024, the Company received a letter from Kistefos AS and Kistefos Investments AS (together "Kistefos") which informed the Chairman and CEO of AMSC ASA that Kistefos is considering initiating a lawsuit against the Company, the Chairman and the CEO to claim compensation for the alleged loss incurred by Kistefos as a result of the refinancing that was announced by Solstad Offshore ASA ("SOFF") on 23 October 2023. Kistefos is considering initiating the lawsuit in the form of a class action, so that other shareholders in SOFF may participate. AMSC ASA, the Chairman and the CEO maintain that any such lawsuit would be without merit.

AUDITORS' REPORT

To the General Meeting of AMSC ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of AMSC ASA, which comprise:

- the financial statements of the parent company AMSC ASA (the Company), which comprise the statement of financial position as at 31 December 2023, the income statement, the statement of comprehensive income, 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 AMSC ASA and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

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

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

We have been the auditor of the Company for two years from the election by the general meeting of the shareholders on 22 April 2022 for the accounting year 2022.

Key Audit Matters

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

PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap

AUDITORS' REPORT

The Group's business activities have changed significantly due to the sale of 100% of the shares in American Tanker Holding Company and signing of an agreement on participation in Solstad Offshore's refinancing transaction by contributing 100% of the shares in Offshore Leasing I AS to a subsidiary of Solstad Offshore. Consequently, Accounting for *Discontinued Operations and Disposal Group held for Sale* is considered to be a new area of focus this year. *Impairment Assessment for Vessels and Equipment* is no longer considered to be a Key Audit Matter, as the vessels have either been sold or classified as held for sale.

Key Audit Matters	How our audit addressed the Key Audit Matter
Accounting for Discontinued Operations and Disposal Group Held for Sale During Q4 AMSC ASA sold 100% of the shares in American Tanker Holding Company ("ATHC"). The results of operations of ATHC and net profit from the sale of the shares in ATHC are presented as profit from discontinued operations. Also during Q4, AMSC signed an agreement to participate in the refinancing of the Solstad Group. AMSC contributed 100% of its shares in Offshore Leasing I AS ("OSL1") to a subsidiary of Solstad Offshore, in return for new common shares in Solstad Maritime Holding AS. The results of the operations of OSL1 are presented as profit from discontinued operations, and the associated assets and liabilities were presented as held for sale in the 2023 financial statements. We considered profit from discontinued operations and disposal of group held for sale to be a key focus area due to the pervasive impact on the financial statements when assets are reclassified to held for sale or sold during the period. Further, the accounting considerations involved can be complex, and there is an inherent risk of errors from the detailed bookkeeping of the transactions. We refer to note 1 - Accounting principles and note 19 - Discontinued operations and disposal group held for sale, where management explains the two transactions and how they have been accounted for in the financial statements.	To consider whether classification as discontinued operations was appropriate, we obtained the documents supporting the two transactions, which we studied carefully to understand the transactions. To further deepen our understanding, we held discussions with management about the details and terms in the agreements. Our discussions included management's procedures to ensure appropriate accounting treatment of the two transactions, and how management had evaluated the various aspects of the accounting and disclosure requirements, particularly the requirements in IFRS 5. We recalculated management's calculation of the results of the operations of ATHC and OSL1. We traced the detailed information used in the calculation back to supporting documentation as well as considered management's use of assumptions against our accumulated knowledge of the transactions and IFRS requirements. For the ATHC transaction, we performed audit procedures over management's calculations of net profit from the sale to test whether it appropriately reflected the terms of the sale and purchase agreement in respect of consideration and claims from the purchaser. Further, for the OSL1 transaction, we assessed the measurement of the non-current assets held for sale at the lower of the carrying amount and fair value less costs to sell based on the underlying facts of the agreements. We read note 1 - Accounting principles and note 19 – Discontinued operations and disposal group held for sale and assessed them to be in line with the requirements.

AUDITORS' REPORT

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

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

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

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

Our opinion on the Board of Director's report applies correspondingly to the statements on Corporate Governance and Corporate Social Responsibility.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with simplified application of international accounting standards according to the Norwegian Accounting Act section 3-9, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible 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 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.

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

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

AUDITORS' REPORT

internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

AUDITORS' REPORT

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion
As part of the audit of the financial statements of AMSC ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 5967007LIEEXZXHXNC41-2023-12-31-en.zip, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

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

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

Auditor's Responsibilities
For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: https://revisorforeningen.no/revisjonsberetninger

Oslo, 14 March 2024
PricewaterhouseCoopers AS

Anne Kristin Huuse
State Authorised Public Accountant

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SHARE AND SHAREHOLDER INFORMATION

AMSC is committed to maintaining an open and direct dialogue with its shareholders, potential investors, analysts, brokers, and the financial community in general. The timely release of information to the market that could affect the Company's share price helps ensure that AMSC ASA's share price reflects its underlying value.

AMSC's goal is that the Company's shareholders will, over time, receive competitive returns on their investment. The Board considers the amount of dividend, if any, to be recommended for approval by the shareholders on an annual basis. The recommendation is based upon earnings for the year just ended, the financial situation at the relevant point in time and applicable restrictions under AMSC's financial agreements.

DIVIDENDS

The Company paid quarterly dividends totaling USD 0.41 per share (USD 29.5 million) in 2023. The quarterly dividends were classified for accounting purposes as repayment of previously paid in share premium. In addition, AMSC distributed and additional dividend of USD 2.366 per share (USD 170 million) on 1st November 2023. The additional dividend was classified for accounting purposes as a dividend.

The Norwegian Public Limited Liability Companies Act allows for the Board of Directors to pay dividends on the basis of an authorization from the General Meeting. At the 2023 Annual General Meeting, the Board of Directors were granted an authorization to pay dividends up to an approved amount at their discretion based on the Company's annual accounts for 2022, valid up to the Company's Annual General Meeting in 2024. Such authorization facilitated payment of dividend by the Board of Directors on a quarterly basis. On 20 November 2023, an Extraordinary General Meeting was held in which the shareholders of AMSC approved the audited interim balance sheet of the Company and approved the proposed dividend of USD 0.10 per share, USD 0.05 per share payable in December 2023 and USD 0.05 per share payable in March 2024.

SHARES AND SHARE CAPITAL

As of 31 December 2023, AMSC ASA had 71 863 838 ordinary common shares; each share with a par value of NOK 1 (see Note 11 to the Company's 2023 accounts).

As of 31 December 2023, the Company had 2,969 shareholders, of whom 8.2 percent were non-Norwegian shareholders.

AMSC ASA currently has a single share class and each share is entitled to one vote. The Company held 150,000 own (treasury) shares as of 31 December 2023.

STOCK-EXCHANGE LISTING

The Company's shares are listed on the Euronext Oslo Stock Exchange's main (OSEBX) list (ticker: AMSC). AMSC's shares are registered in the Norwegian Central Securities Depository; the shares have the securities registration number ISIN NO 0010272065. DNB Bank is the Company's registrar.

SIGNIFICANT SHAREHOLDER

AMSC ASA's largest shareholder is Aker Capital AS, which holds 19.1 percent of the Company's shares.

From time to time, agreements are entered into between two or more related companies. The boards of directors

SHARE AND SHAREHOLDER INFORMATION

and other parties involved in the decision-making processes related to such agreements are all critically aware of the need to handle such matters in the best interests of the involved companies, in accordance with good corporate governance practice and on an arm's length basis. If needed, external, independent opinions are sought.

CURRENT BOARD AUTHORIZATIONS

The General Meeting in 2023 granted an authorization to the Board to purchase own (treasury) shares in connection with the Company's incentive scheme for employees. The Board was also granted an authorization to increase the share capital in connection with strengthening of the Company's equity capital or to raise equity capital for future investments within the Company's scope of operations.

The Board of Directors has authorization to pay dividends, to facilitate payment of dividends on a quarterly basis.

All of these Board authorizations are valid up to the Annual General Meeting in 2024.

SHARE INCENTIVE PROGRAM

The Company currently does not have any share or stock option plans, but the Annual General Meeting approved the establishment of an incentive program for its employees, giving the Board of Directors the ability to offer its employees to purchase shares in the Company at a discounted value, subject to certain lock-up restrictions.

INVESTOR RELATIONS

AMSC ASA seeks to maintain an open and direct dialogue with shareholders, financial analysts, and the financial market in general.

20 LARGEST SHAREHOLDERS

as of 31 December 2023

Shareholder	Number of shares held	Ownership (in %)
AKER CAPITAL AS	13 701 416	19.1%
DNB Markets Aksjehandel/-analyse	10 923 892	15.2%
SKANDINAVISKA ENSKILDA BANKEN AB	10 886 327	15.1%
B.O. STEEN SHIPPING AS	4 030 000	5.6%
Goldman Sachs & Co. LLC	3 487 467	4.9%
VERDIPAPIRFONDET DNB SMB	1 509 776	2.1%
TRETHOM AS	1 111 111	1.5%
Pershing LLC	1 076 400	1.5%
Citibank, N.A.	849 576	1.2%
Skandinaviska Enskilda Banken AB	673 953	0.9%
CLEARSTREAM BANKING S.A.	604 205	0.8%
Avanza Bank AB	558 171	0.8%
MIDELFART CAPITAL AS	555 800	0.8%
NORDNET LIVSFORSIKRING AS	517 513	0.7%
The Bank of New York Mellon SA/NV	463 411	0.6%
VESTVIK PRESERVING AS	445 537	0.6%
ALPHA FINANS OG EIENDOM INVEST AS	348 816	0.5%
BEDDINGEN FINANS AS	341 306	0.5%
SIX SIS AG	325 950	0.5%
UBS Switzerland AG	320 080	0.4%
Total 20 largest shareholders	52 730 707	73.4%
Other shareholders	19 133 131	26.6%
Total	71 863 838	100.0%

GEOGRAPHIC DISTRIBUTION

as of 31 December 2023

Nationality	Number of shares held	Ownership (in %)
Non-Norwegian shareholders	12 960 893	18.0%
Norwegian shareholders	58 902 945	82.0%
Total	71 863 838	100.0%

SHARE AND SHAREHOLDER INFORMATION

Visitors to AMSC's website at www.amscasa.com can subscribe to email delivery of AMSC news releases.

AMSC's press releases and investor relations publications for the current and prior years are available at the Company's website: www.amscasa.com. This online resource includes the Company's quarterly and annual reports, prospectuses, corporate presentations, articles of association, financial calendar, and its Investor Relations and Corporate Governance policies, along with other information.

Shareholders can contact the Company at ir@amscasa.com.

SAVE THE ENVIRONMENT – READ REPORTS ONLINE

Annual reports are published on the Company's website (www.amscasa.com) at the same time as they are made available via website release by the Euronext Oslo Stock Exchange: www.newsweb.no (ticker: AMSC).

AMSC ASA encourages its shareholders to subscribe to the Company's annual reports via the electronic delivery system of the Norwegian Central Securities Depository (VPS). Please note that VPS services (VPS Investortjenester) is designed primarily for Norwegian shareholders. Subscribers to this service receive annual reports in PDF format by email.

Electronic distribution is the fastest channel for accessing Company information; it is also cost-effective and environmentally friendly.

Quarterly reports, which are generally only distributed electronically, are available from the Company's website and other sources. Shareholders who are unable to receive the electronic version of interim and annual reports, may subscribe to the printed version by contacting AMSC.

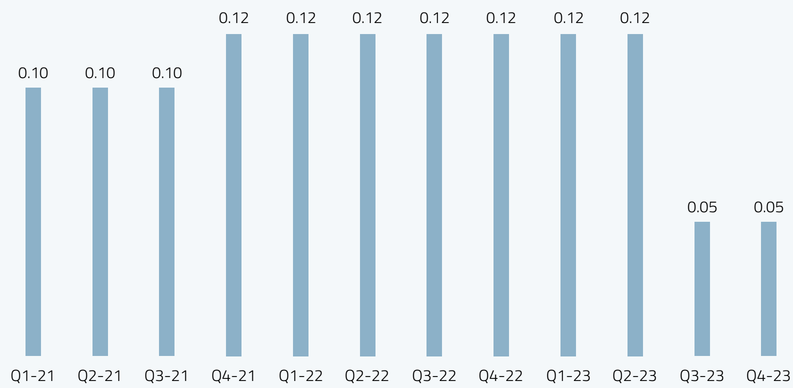
OWNERSHIP STRUCTURE

as of 31 December 2023

Shares owned	Number of shareholders	Percent of share capital
1-100	702	0.03%
101-1000	1 022	0.68%
1001-10,000	897	4.51%
10,001-100,000	290	12.50%
100,001-500,000	44	12.03%
over 500,000	14	70.25%
Total	2 969	100.00%

QUARTERLY DIVIDEND HISTORY *

USD per share



* excludes additional dividend in Q3 2023 of USD 2.366 per share

ANNUAL SHAREHOLDERS' MEETING

AMSC ASA's annual shareholders' meeting is normally held in April. Written notification is sent to all shareholders individually or to shareholders' nominee. To vote at shareholders' meetings, shareholders (or their duly authorized representatives) must either be physically present, vote by proxy or vote electronically prior to the shareholders' meeting.

2023 SHARE DATA

The Company's total market capitalization as of 31 December 2023 was NOK 1,933 million. During 2023, a total of 46,994,036 AMSC ASA shares traded. The shares traded on 255 trading days.

CORPORATE GOVERNANCE

AMSC ASA's focus is on building a premier maritime investment position to create maximum value for its shareholders. Good corporate governance will help to reduce risk and ensure sustainable value creation.

The Board of Directors (the "Board") of AMSC ASA has reviewed and updated the Company's principles for corporate governance. The Board's statement of corporate governance is included in the annual report. The principles are based on the Norwegian Code of Practice for Corporate Governance, dated 14 October 2021 (the "Code of Practice"), the principles set out in the continuing obligations of companies admitted to trading on the Oslo Stock Exchange, and the relevant Norwegian background law such as the Norwegian Accounting Act and the Norwegian Public Limited Liability Companies Act. The Code of Practice is available at www.nues.no and the continuing obligations for companies listed on the Oslo Stock Exchange may be found at www.oslobors.no . The principles also apply to AMSC ASA's subsidiaries where relevant.

The following presents AMSC ASA's (hereinafter "AMSC", the "Company" or the "Group") practice regarding each of the recommendations contained in the Code of Practice. Any deviations from the recommendations are found under the item in question. In addition to the Code of Practice, the Norwegian Accounting Act section 3-3b stipulates that companies must provide a report on their policies and practices for corporate governance either in the annual report or in a document referred to in the annual report. This report is integrated in this corporate governance statement.

PURPOSE

AMSC's Corporate Governance principles are intended to ensure an appropriate division of roles and responsibilities among the Company's owners, its Board, and its executive management and that the Company's activities are subject to satisfactory control. These principles contribute to the greatest possible value creation over time, to the benefit of owners and other stakeholders. It is the responsibility of the Board of AMSC to ensure that the Company implements sound corporate governance.

CORPORATE GOVERNANCE

BUSINESS

The Company's business model is to invest in maritime assets and companies.

Pursuant to clause 3 of the Company's articles of association, the objective of the Company is "to own and carry out industrial business and other activities related hereto, including ownership of vessels, capital management and other functions for the group, as well as participation in or acquisition of other companies."

The function of the business purpose clause is to ensure that shareholders have control of the business and its risk profile, without limiting the Board or management's ability to carry out strategic and financially viable decisions within the defined purpose. The Group's financial goals and main strategies are as follows:

- Generate stable cash flow from maritime investments
- Explore and invest in value creating opportunities for our shareholders
- Ensure an optimal use of capital

The Board defines clear objectives, strategies and risk profiles for the Company's business activities such that the Company creates value for shareholders in a sustainable manner. When carrying out this work, the board of directors will take into account financial, social and environmental considerations. The Board evaluates these objectives, strategies and risk profiles at least yearly. These objectives, goals, strategies and risk profiles are presented in more detail on page 9 of this report and in the Board's report.

AMSC has not adopted specific guidelines on equality and diversity due to its limited number of employees. The company is however focused on carrying on its business in line with the principles of equality and diversity with respect to the composition of its management and board. The board of directors is comprised of three members whereof one is female.

The Norwegian Accounting Act section 3-3c stipulates that companies must report on what they do to integrate corporate social responsibility into their activities, and this is presented in more detail on page 16 in the Board of Director's report.

EQUITY AND DIVIDENDS

Equity

The Group's book equity as of 31 December 2023 was USD 118.7 million corresponding to an equity ratio of 61.7 percent. The Company's Board frequently monitors the Company's equity level according to the Norwegian Public Limited Liability Companies Act sections 3-4 and 3-5. As such, the Company regards the Group's current equity as sound. The Board also monitors the Company's capital structure and ensures that the Company's capital structure is appropriate to AMSC's objective, strategy and risk profile.

Dividends

AMSC's dividend policy is included in the section "Shares and shareholder information", on pages 73-75 of this annual report. The Company's goal is that its shareholders shall, over time, receive competitive returns on their investment. Any payment of dividend will be based upon the Group's earnings for the last year ended and other factors, the financial situation at the relevant point in time and applicable restrictions under AMSC's financial agreements and applicable laws and regulations.

Board authorizations

The Board's proposals for Board authorizations to increase the Company's share capital are to be limited to defined purposes and to be valid only until the next annual general meeting.

The annual general meeting in 2023 granted an authorization to the Board to purchase own (treasury) shares in connection with the Company's incentive scheme for employees, for investment purposes, subsequent sale, or deletion of such shares and in connection with acquisitions, mergers, de-mergers or other transactions. The Board was also granted an authorization to increase the share capital in connection with strengthening of the Company's equity capital or to raise equity capital for future investments within the Company's scope of operations. The Board has authorization to pay dividends, to facilitate payment of dividends on a quarterly basis.

All of these Board authorizations are valid up to the annual general meeting in 2024.

EQUAL TREATMENT OF SHAREHOLDERS

The Company has a single class of shares, and all shares carry the same rights in the Company.

The Company is attentive to the principle of equal treatment of all shareholders. If existing shareholders' pre-emptive rights are waived upon an increase in share capital, the Board must justify the waiver and the justification must be disclosed in the stock exchange announcement of the increase in share capital. Transactions in own (treasury) shares must be executed on the Oslo Stock Exchange or by other means at the listed price.

SHARES AND NEGOTIABILITY

AMSC's shares are freely negotiable.

GENERAL MEETINGS

The Board encourages shareholders to participate in its general meetings. It is the Board's priority to hold the annual general meeting as early as possible after the year-end. Notices convening general meetings, with comprehensive

CORPORATE GOVERNANCE

documentation relating to the items on the agenda, including the recommendations from the nomination committee, are made available on the Company's website no later than 21 days prior to the general meeting.

The notice materials include a thorough explanation of all procedures for registration, voting and attendance. In addition, information on how to propose a resolution to the items on the agenda at the annual shareholders' meeting will be included in the notice. If a general meeting is held as a physical meeting, the shareholders will also be given the opportunity to participate virtually unless the board of directors finds there is sufficient cause for it to refuse to allow this. The proxy form includes instructions for representation at the meeting through a proxy or by virtual participation and allows shareholders to nominate a person who will be available to vote on behalf of the shareholders. In addition, to the extent possible, the proxy form includes separate voting instructions to be given for each matter to be considered by the meeting. Pursuant to clause 8 of the Company's articles of association, the shareholders may also vote electronically in advance of the general meeting.

Pursuant to the Company's articles of association, the Chair of the Board or an individual appointed by the Chair of the Board will chair shareholder's meetings. Thus, the articles of association of the Company deviates from the Code of Practice in this respect. Having the Chair of the Board or a person appointed by her chairing the general meetings simplifies the preparations for the general meetings significantly. Board members and the chair of the nomination committee are required to attend general meetings. The auditor shall attend shareholders' meetings when items to be considered are of such a nature that the auditor's attendance is regarded as essential.

The shareholders are invited to vote on the composition of the Board proposed by the nomination committee as a group, and not on each board member separately. Hence, the Company deviates from the Code of Practice in this regard as it is important to the Company that the Board works in the best possible manner as a team, and that the background and competence of the board members complement each other.

Minutes of general meetings are published as soon as practically possible via the Oslo Stock Exchange publication service www.newsweb.no (ticker: AMSC) and on the Company's website www.amscasa.com.

NOMINATION COMMITTEE

AMSC has a nomination committee, as set forth in its articles of association. Pursuant to the articles of association, the nomination committee is to comprise no fewer than two members. Each member is normally elected for a two-year period. The composition of the nomination committee reflects the interests of the shareholders, and its members are independent from the Board and executive management. The members and Chair of the nomination committee are elected by AMSC's annual shareholders' meeting, which also approves the remuneration payable to committee members.

Pursuant to AMSC's articles of association, the nomination committee recommends candidates for members of the Board. The nomination committee also makes recommendations as to remuneration of Board members and members of the nomination committee. The current members of the nomination committee, as elected by the general meeting, are Charlotte Håkonsen (chair) and Ingebret G. Hisdal, with Hilde K. Ramsdal as a deputy member.

The general meeting of the Company has adopted guidelines for the nomination committee. According to these guidelines, the nomination committee shall emphasize that candidates for the Board have the necessary experience, competence and capacity to perform their duties in a satisfactory manner. Furthermore, attention should be paid to ensure that the Board can function effectively as a collegiate body. A reasonable representation with regard to gender and background should also be emphasized, and the nomination committee should present its nomination of Directors to the Board, and also justify its nominations. The guidelines for the nomination committee are available on the Company's website.

The Chair of the nomination committee has the overall responsibility for the work of the committee. In the exercise of its duties, the nomination committee may contact, amongst others, shareholders, the Board, management and external advisors. The nomination committee shall also ensure that its recommendations are endorsed by the largest shareholders. The Company will provide their shareholders with information on how to submit proposals to the nomination committee for candidates for election to the Board on the Company's website.

BOARD OF DIRECTORS: COMPOSITION AND INDEPENDENCE

Pursuant to the Company's articles of association and corporate governance policy, the Board comprises between three and nine members, which are elected for a period of two years. Further, up to three shareholder-elected deputy board members may be elected annually. The Chair of the Board is elected by the general meeting. The Board may elect a Deputy Board Chair.

The majority of the shareholder-elected Board members are to be independent of the Company's executive management, its significant business associates and its significant shareholders. Representatives

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of AMSC's executive management shall not be board members. The current composition of the Board is presented on page 11 of this annual report, which also includes the board members' expertise, capabilities and independence. The current members of the Board are Annette Malm Justad (Chair), Peter Knudsen and Frank Reite. Two of the three members of the Board are independent of the Company's significant shareholders and significant business associates. The Company encourages the board members to invest in the Company shares, and the shareholdings of the board members are presented in Note 17 to the consolidated accounts.

The board members represent a combination of expertise, capabilities, and experience from various finance, industry, and non-governmental organizations. Based on the current board members' experience and expertise, the Board functions effectively as a collegiate body.

Two of the three shareholder-elected Board members are up for election in 2024.

THE WORK OF THE BOARD OF DIRECTORS

The Board has adopted informal guidelines that regulate areas of responsibility, tasks, and division of roles of the Board, Chair, and CEO. These instructions feature rules governing Board schedules, rules for notice and chairing of Board meetings, decision-making rules, the CEO's duty and right to disclose information to the Board, professional secrecy, impartiality, and other issues. In general, four ordinary board meetings are convened each year, with one meeting held every quarter. These instructions also state how the board of directors and the CEO shall handle agreements with related parties, including whether an independent valuation is considered necessary. The transaction of agreements with related parties should be carried out in a manner that ensures sufficient clarity with regard to the balance of the agreement. The board should also present any such agreements in the annual report. See information on transactions with related parties in Note 18 to the consolidated accounts.

To ensure a more independent consideration of matters of a material nature in which the Chair is, or has been, personally involved, the Board's consideration of such matters should be chaired by another member of the Board. The Board itself assesses the need to elect a deputy chair.

The Norwegian Public Limited Liability Companies Act requires that companies listed on a regulated market shall have an audit committee. Due to the small size of the Company's Board, the entire Board acts as the audit committee, thus the Company deviates from The Code of Practice in this respect. The majority of the members of the audit committee are independent of the Company's operations.

With the exception of the audit committee, the Board has not deemed it necessary to establish other board committees at this time. The Board has considered appointing a remuneration committee in order to help ensure thorough and independent preparation of matters relating to compensation paid to executive personnel. However, due to the small size of the Board and since no members of the executive personnel are also members of the Board, the Board does not deem it necessary to appoint a remuneration committee at this time. If the Board decides to appoint a remuneration committee, the membership of the committee shall be restricted to members of the Board who are independent of the Company's executive personnel.

AMSC has prepared guidelines designed to ensure that members of the Board and executive management notify the Board of any direct or indirect stake they may have in agreements entered into by the Group.

The Board evaluates its own performance and expertise once a year.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is to ensure that the Company maintains solid in-house control practices and appropriate risk management systems tailored to the Company's business activities. The Board annually reviews the Company's most important risk areas and internal control systems and procedures, and the main elements of these assessments are mentioned in the Board's report.

Audit Committee

The audit committee has reviewed the Company's internal reporting systems, internal control and risk management and had dialogue with the Company's auditor. The audit committee has also considered the auditor's independence.

AMSC's financial policies ensure follow-up of financial risk. Key targets are identified by the Board and management to ensure timely control of currency exposure, interest rate exposure and compliance with loan covenants.

Financial Statement Close Process

Consolidation and control over the financial statement close process is the Controller's responsibility. The Company has a small organization with three employees, who all have direct communication with the Board. Meetings between management, the external auditor and members of the Board, to identify significant accounting issues or other issues are held prior to completion of the annual report and in connection with management's reporting to the audit committee. The purpose of these meetings is to

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focus on new and amended accounting principles or other issues in the financial statements. Financial results and cash development are analyzed and compared to the budget by the CFO and Controller and reported to the Board quarterly.

Because of the inherent segregation of duties matters caused by having only three employees, special actions have been implemented. In Norway, disbursements are managed by accounting services purchased from an accounting firm, with normal control procedures in place such as management approval of invoices for payment and two signatories required for payments.

The Board approves the Company's yearly budget and reviews deviations to the budget on a quarterly basis.

REMUNERATION OF THE BOARD OF DIRECTORS

Board remuneration is to reflect the Board's responsibility, expertise, time spent, and the complexity of the business. Remuneration does not depend on AMSC's financial performance, and the Company does not grant share options to the board members. Board members and companies with whom they are associated must not take on special tasks for the Company beyond their Board appointments unless such assignments are disclosed to the full Board and remuneration for such additional duties is approved by the Board. The Chair and the Board have not received benefits other than directors' fees.

Additional information on remuneration paid to board members for 2023 is presented in Note 17 to the consolidated accounts.

REMUNERATION OF EXECUTIVE MANAGEMENT

The Board has adopted guidelines for remuneration of executive management in accordance with the Norwegian Public Limited Company Act section 6-16a. Salary and other remuneration of AMSC's CEO are determined by the Board. The guidelines are prepared with the aim to contribute to the company's commercial strategy, long-term interests and financial viability.

The Board's guidelines for remuneration of executive management will be presented to the annual general meeting and be subject to the shareholders' approval every fourth year, as a minimum. The guidelines currently approved by the shareholders are available on the Company's website.

The board of directors will prepare and present a report on remuneration of executive management every year as part of the annual general meeting, in accordance with the Norwegian Public Limited Company Act section 6-16b. This report is subject to the shareholders' advisory vote only.

INFORMATION AND COMMUNICATIONS

The Board has established guidelines for the reporting of financial and other information and is based on openness and on equal treatment of shareholders, the financial community, and other interested parties. The long-term goal of AMSC's investor relations activities is to ensure the Company's access to capital at competitive terms and to ensure shareholders' correct pricing of shares.

These goals are to be accomplished through correct and timely distribution of information that can affect the Company's share price; the Company is also to comply with current rules and market practices, including the requirement of equal treatment. All stock exchange notifications and press releases are made available on the Company's website www.amscasa.com; stock exchange notices are also available from www.newsweb.no. All information that is distributed to shareholders is simultaneously published on AMSC's website. The Company's financial calendar is also found on page 4 of this annual report.

TAKE-OVERS

The overriding principle is equal treatment of shareholders. The principles are based on the bidder, the Company and the management all having an independent responsibility for fair and equal treatment of the shareholders in a takeover process, and that company operations are not unnecessarily disturbed. It is the responsibility of the Board to ensure that the shareholders are kept informed and that they have reasonable time to assess the offer.

Unless the Board has particular reasons for so doing, it will not take steps to prevent or obstruct a take-over bid for the Company's business or shares, nor use share issue authorizations or other measures to hinder the progress of the bid, without such actions being approved by the shareholders' meeting after the takeover offer has become public knowledge.

If an offer is made for the Company's shares, the Board will make a statement to the shareholders that provides an assessment of the bid, the Board's recommendations, and reasons for these recommendations.

If the Board cannot make a recommendation to the shareholders, the Board shall explain their reasoning for no such recommendation. For each bid, an assessment will be made as to the necessity of bringing in independent expertise. In a situation where a competing bid is made and the bidder has a connection to any member of the Board or executive personnel, or if the bidder is a main shareholder, an account shall be provided of the role the person or persons in ques-

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tion are playing in the bid and the Board shall seek an independent valuation. The valuation is to be recorded in the Board's statement.

Transactions that have the effect of sale of the Company or a major component of it are to be decided on by shareholders at a shareholders' meeting.

AUDITOR

The auditor will make an annual presentation to the Board of a plan for the auditing work for the year. Further, the auditor is to provide the Board with an annual written confirmation that the requirement of independence has been met. The auditor must also submit an annual additional report to the audit committee in which it declares its independence and explains the results of the statutory audit carried out by providing a range of information about the audit.

The auditor participates in at least one Board meeting annually, including the meeting prior to the annual general meeting. At this meeting, the auditor reviews any material changes in the Company's accounting policies, comments on any material estimated accounting figures and reports all material matters on which there has been disagreement between the auditor and the executive management of the Company. The auditor also presents to the Board a review of the Company's internal control procedures, including identified weaknesses and proposals for improvements.

One meeting a year is held between the auditor and the Board, at which no representatives of executive management are present. Auditors are to provide the Board with an annual overview of services other than auditing that have been supplied to the Company.

In accordance with the "General Meetings" section above, the auditor shall attend shareholders' meetings when items to be considered are of such a nature that the auditor's attendance is regarded as essential. Remuneration for auditors, presented in note 3 to the consolidated accounts, is stated for the four categories of ordinary auditing, other attestation services, tax assistance and other assurance services. In addition, these details are presented at the annual general meeting. The auditor has provided the Board with written confirmation of its independence.

AMSC ASA

NORWAY OFFICE

Mail:
P.O.Box 230
1326 Lysaker, Norway

Visiting:
Building B, Oksenøyveien 10
1366 Lysaker, Norway

Pål L. Magnussen
pal.magnussen@amscasa.com

Morten Bakke
morten.bakke@amscasa.com