



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 994 685 171
Organisasjonsform: Aksjeselskap
Foretaksnavn: J.RAY MCDERMOTT (NORWAY), AS
Forretningsadresse: c/o Wikborg Rein Advokatfirma AS
Dronning Mauds gate 11
0250 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Christina Vertoumis
Dato for fastsettelse av årsregnskapet: 18.10.2021

Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 07.12.2022



Resultatregnskap

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	9	17 008 752	16 962 280
Sum inntekter		17 008 752	16 962 280
Kostnader			
Avskrivning	8	3 167 394	5 603 319
Nedskrivning av varige driftsmidler og immaterielle eiendeler	8	41 234 953	
Annen driftskostnad	2	78 148	68 388
Sum kostnader		44 480 495	5 671 707
Driftsresultat		-27 471 743	11 290 573
Finansinntekter og finanskostnader			
Annen finansinntekt	9	3 400	11 568
Sum finansinntekter		3 400	11 568
Nedskrivning av finansielle eiendeler		15 537 475	
Annen finanskostnad	9	254 371	359 656
Sum finanskostnader		15 791 846	359 656
Netto finans		-15 788 446	-348 088
Ordinært resultat før skattekostnad		-43 260 189	10 942 485
Skattekostnad på ordinært resultat	7	2 402	2 402
Ordinært resultat etter skattekostnad		-43 262 591	10 940 083
Årsresultat		-43 262 591	10 940 083
Overføringer og disponeringer			
Overføringer annen egenkapital	5	-43 262 591	10 940 083
Sum overføringer og disponeringer		-43 262 591	10 940 083



Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Skip, rigger, fly og lignende	8	13 450 900	57 853 247
Sum varige driftsmidler		13 450 900	57 853 247
Finansielle anleggsmidler			
Investering i datterselskap	3	14 821 516	30 358 991
Sum finansielle anleggsmidler		14 821 516	30 358 991
Sum anleggsmidler		28 272 416	88 212 238
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer	6	54 984 229	37 427 180
Andre fordringer		106 116	
Sum fordringer		55 090 345	37 427 180
Bankinnskudd, kontanter og lignende		30	576 913
Sum bankinnskudd, kontanter og lignende		30	576 913
Sum omløpsmidler		55 090 375	38 004 093
SUM EIENDELER		83 362 791	126 216 331
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital	4, 5	34 321	34 321
Overkurs	5	29 815 313	29 815 313



Balanse

Beløp i: NOK	Note	2020	2019
Sum innskutt egenkapital		29 849 634	29 849 634
Opptjent egenkapital			
Annen egenkapital	5	40 944 417	84 207 008
Sum opptjent egenkapital		40 944 417	84 207 008
Sum egenkapital		70 794 051	114 056 642
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Øvrig langsiktig gjeld	6	12 416 364	12 055 317
Sum annen langsiktig gjeld		12 416 364	12 055 317
Sum langsiktig gjeld		12 416 364	12 055 317
Kortsiktig gjeld			
Leverandørgjeld		16 011	27 856
Betalbar skatt	7	2 402	2 402
Annen kortsiktig gjeld	6	133 962	74 114
Sum kortsiktig gjeld		152 375	104 372
Sum gjeld		12 568 739	12 159 689
SUM EGENKAPITAL OG GJELD		83 362 790	126 216 331



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Journalnummer: 2021 898638

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Brønnøysundregistrene, 20.11.2021



Organisasjonsnr: 994 685 171
J.RAY MCDERMOTT (NORWAY), AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
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Organisasjonsnr: 994 685 171
J.RAY MCDERMOTT (NORWAY), AS

BALANSE

Beløp i: NOK **Note** **2020** **2019**

BALANSE - EIENDELER

Anleggsmidler Immaterielle eiendeler

Varige driftsmidler

Skip, rigger, fly og
lignende

8

13 450 900

57 853 247

Sum varige driftsmidler

13 450 900

57 853 247

Finansielle anleggsmidler

Investering i datterselskap 3

14 821 516

30 358 991

Sum finansielle

anleggsmidler

14 821 516

30 358 991

Sum anleggsmidler

28 272 416

88 212 238

Omløpsmidler

Varer

Fordringer

Kundefordringer

6

54 984 229

37 427 180

Andre fordringer

106 116

Sum fordringer

55 090 345

37 427 180

Bankinnskudd, kontanter og lignende

Sum bankinnskudd,
kontanter og lignende

30

576 913

Sum omløpsmidler

55 090 375

38 004 093

SUM EIENDELER

83 362 791

126 216 331

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Aksjekapital

4, 5

34 321

34 321

Overkurs

5

29 815 313

29 815 313

Sum innskutt egenkapital

29 849 634

29 849 634

Opptjent egenkapital

Annen egenkapital

5

40 944 417

84 207 008

Sum opptjent egenkapital

40 944 417

84 207 008

Sum egenkapital

70 794 051

114 056 642



Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
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Organisasjonsnr: 994 685 171
J.RAY MCDERMOTT (NORWAY), AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
4

Antall aksjer og aksjeeiere

<u>Aksjeklasse</u>	<u>Ant. aksjer</u>	<u>Pålydende</u>	<u>Bokført verdi</u>
	100000.00	0.34	34321.00
<u>Aksjeeiere - fritekst</u>	<u>Antall</u>	<u>Eierandel</u>	<u>Aksjeklasse</u>
J. Ray McDermott International Inc.	100000.00	100.00%	Ordinary shares
<u>Sum</u>	<u>Sum antall</u>	<u>Sum eierandel</u>	
	100000.00	100.00%	

Note
2

Lønn og ytelser

The Company has no employees, and has no requirements to establish pension funds. Neither the Board of Directors, nor the Company's management, has received any remuneration in 2020.

Note

Ytelser til revisjon

<u>Revisjon</u>	<u>Årets</u>	<u>Fjorårets</u>
	18910.00	18553.00
<u>Andre tjenester</u> <th><u>Årets</u></th> <th><u>Fjorårets</u></th>	<u>Årets</u>	<u>Fjorårets</u>
	3500.00	
<u>Sum godtgjørelse til revisor</u> <th><u>Årets</u></th> <th><u>Fjorårets</u></th>	<u>Årets</u>	<u>Fjorårets</u>
	22410.00	18553.00

Note

Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:
0.00

**Note**

3

Konsern, tilknyttet selskap og datterselskap**Tilknyttet selskap/datterselskap**

<u>Navn og adresse</u>	<u>Eierandel</u>	<u>Stemmeandel</u>	<u>Egenkapital</u>	<u>Resultat</u>
North Ocean 105 AS	100.00%	100.00%	14821516.00	-47632212.00

The value of the shares in subsidiaries has been impaired by \$15,5m due to larger write-downs of assets in North Ocean 105 AS. Reason for impairment is described in directors report. The impairment of the shares has led to Book value of shares in subsidiaries equals the Equity in North Ocean 105 AS.

Konsernregnskapet inngår i konsolideringen til morselskap: Ja

<u>Navn</u>	<u>Forretningskontor</u>
J.Ray Modermott (norway), AS	C/o Wikborg Rein Advokatfirma Asdronning Mauds gate 11 0250 OSLO 0301 Oslo

Datterselskap er utelatt fra konsolideringen: Nei



J.Ray Mcdermott (norway), AS

Annual report 2020

Board of directors' report

Annual accounts

- Income statement**
- Balance sheet**
- Cash flow statement**
- Notes**

Auditors' report



Årsberetning 2020

J. Ray McDermott (Norway) AS

Virksomhetens art og lokalisering

J. Ray McDermott (Norway), AS ("Selskapet") har registrert adresse i Oslo. Selskapets virksomhet er å investere i offshore og tilknyttede industrier, herunder investering i andre selskaper og sammenslutninger. Selskapet eier skipet North Ocean 102.

Fortsatt drift

Årsregnskapet er utarbeidet under forutsetning om fortsatt drift, og det forventes at eiendeler realiseres og forpliktelser innfris under normal drift. Selskapets årsresultat ble negativt påvirket av nedskrivningen av fartøyet NO102. Mot slutten av første kvartal i 2020, med COVID-19 som intensiveres (og dens direkte innvirkning på oljeprisen som følge av lav etterspørsel) og priskrigen mellom Saudi Arabia og Russland så førte dette til en kraftig nedgang i oljeprisen og stor krise i olje og gass industrien. Dette har resultert i at visse store kunder har forsinket eller har betydelig redusert deres Capex planer, som har hatt negativ påvirkning på morselskapets forventede inntektsstrømmer de neste 3-4 årene. For eksempel så har mulige oppdrag som ledelsens hadde lagt til grunn i inntektsplanen for 2020 er nå usikker ettersom kundene utsetter tildelinger på grunn av COVID-19 og den lave oljeprisen. Som følge av de negative trendene i markedet i første kvartal 2020 trigget dette en nedskrivingsvurdering for selskapet. I nedskrivningstesten brukt man ledelsens godkjente budsjetter og nåværende beste estimater. Etter ledelsens gjennomgang av nøkkelinput så ble forutsetningene benyttet i en best-case kalkulering som er vurdert til å være fornuftig samt reflekterer risikoen knyttet til morselskapets fartøy og fabrikker. Basert på sensitivitetsanalyser man har utført, og tatt i betraktning den totale nedskrivningen som er bokført, så er kalkulert fair value ikke veldig sensitiv for endring i diskonteringsrente.

Directors' report 2020

J. Ray McDermott (Norway) AS

Operations and location

J. Ray McDermott (Norway), AS (the "Company") has its registered address in Oslo. The objective of the Company is to invest in offshore and related industries, including investment in other companies and entities. The Company owns the Vessel North Ocean 102.

Going concern

The Financial Statements have been prepared assuming that we will continue as a going concern and contemplate the realization of assets and the satisfaction of liabilities in the normal course of business. The Company's net income was negatively impacted by the impairment of the NO105/NO102 vessels. Towards the latter part of Q1 2020, with COVID-19 intensifying (and its direct impact to the oil price due to low demand) and the price war between Saudi and Russia, these factors have led to significant declines in oil prices and a major crisis in the oil & gas industry. This has resulted in certain major clients delaying or taking significant reductions to their capex plans, which has adversely impacted the Parent Company's revenue pipeline outlook over the next 3 – 4 years. For example, prospective work that was assumed within management's revenue plan for 2020 has been shifted to the right and now at risk, as customers are delaying awards due to capex spend deferrals driven by COVID-19 and the low oil price. The depressed market conditions represent a Q1 2020 impairment triggering event. The impairment tests utilized management's approved forecast and current best estimate. Following management's review of key inputs, the assumptions utilized in the best-case calculations are considered reasonable and reflective of the risks associated with Parent Company's vessels and fabrication yards. Based on sensitivities performed, and considering the total impairment charges recorded, the calculated fair values are not highly sensitive to changes in the discount rate.



Redegjørelse for årsregnskapet

Selskapet var ikke utsatt for særskilte faktorer som påvirker virksomheten utover hva som er vanlig for en virksomhet i offshorebransjen.

Årsresultatet var - USD 43 262 591

Totalkapitalen ved utgangen av året var USD 83 362 791

Bokført egenkapitalgrad per 31. desember 2020 var 84.92%.

Selskapet har ingen utlegg til forskning og utvikling.

Arbeidsmiljø og likestilling

Selskapet har ingen ansatte. Selskapets styre består av 2 menn. Selskapet kjenner til samfunnets forventinger, men Selskapet har ikke satt i verk spesielle tiltak.

Ytre miljø

Alle skip i 100 serie blir klassifisert i henhold til DNVs Clean Class regelverk for minimalisert utslipp til ytre miljø.

Rederiets utslipp til luft er i hovedsak forbrenningsgasser fra skipets hovedmaskineri. Det gjennomsnittlige innhold av svovel i forbrukt bunkers er lavere enn 0.2% i Europa, men noe høyere i andre geografiske områder. Avfallshåndteringen blir utført i henhold til MARPOL – regelverket.

Discussion on the financial statements

The Company is not subject to any specific factors influencing its business beyond what is normal for a company in the offshore industry.

The annual result was - USD 43 262 591

Total assets by the end of the year were USD 83 362 791

Equity ratio as of 31 December 2020 was 84.92%.

The Company has no research and development expenses.


Work environment and equal opportunities


There are no employees in the Company and the board consists of two men. The Company is aware of the community's expectations, but no special effort has been made.

External environment

All vessels in the 100 series are classified after DNV's Clean Class regulation to keep external pollution at a minimum. Engines of the vessel are the main source of pollution to the environment. On average, bunkering being used in Europe consists of less than 0.2% Sulphur. This might be higher in other geographic areas. Waste Disposal is carried out in accordance with the MARPOL Convention.

Oslo, 19 October 2021


Tareq Kawash
Director/styremedlem


Anthony C. Brown
Chairman/styrets leder



J.Ray Mcdermott (norway), AS

Income statement 01.01-31.12

USD	Note	2020	2019
Revenue			
Bareboat Charter income	9	<u>17 008 752</u>	<u>16 962 280</u>
Operating expenses			
Depreciation of tangible and intangible fixed assets	8	3 167 394	5 603 319
Write-down on tangible and intangible fixed assets	8	41 234 953	0
Other operating expenses	2	<u>78 148</u>	<u>68 388</u>
Total operating expenses		<u>44 480 495</u>	<u>5 671 707</u>
Operating result		<u>-27 471 743</u>	<u>11 290 573</u>
Financial income and expenses			
Other financial income	9	3 400	11 568
Write-down on other financial assets	3	15 537 475	0
Other financial expenses	9	<u>254 371</u>	<u>359 656</u>
Net financial items		<u>-15 788 446</u>	<u>-348 088</u>
Ordinary result before tax		<u>-43 260 189</u>	<u>10 942 485</u>
Tax on ordinary result	7	<u>2 402</u>	<u>2 402</u>
Net profit or loss for the year		<u>-43 262 591</u>	<u>10 940 083</u>
Allocated as follows			
Transferred to other equity	5	<u>-43 262 591</u>	<u>10 940 083</u>



J.Ray Mcdermott (norway), AS

Balance sheet as of December 31

USD	Note	2020	2019
Fixed assets			
<i>Tangible assets</i>			
Vessel	8	13 450 900	57 853 247
Total tangible assets		<u>13 450 900</u>	<u>57 853 247</u>
<i>Financial assets</i>			
Investments in subsidiaries	3	14 821 516	30 358 991
Total financial assets		<u>14 821 516</u>	<u>30 358 991</u>
Total fixed assets		<u>28 272 416</u>	<u>88 212 238</u>
Current assets			
<i>Receivables</i>			
Receivable from group companies	6	54 984 229	37 427 180
Other receivables		<u>106 116</u>	<u>0</u>
Total accounts receivable		<u>55 090 345</u>	<u>37 427 180</u>
Cash and cash equivalents		<u>30</u>	<u>576 913</u>
Total current assets		<u>55 090 375</u>	<u>38 004 093</u>
Total assets		<u>83 362 791</u>	<u>126 216 331</u>

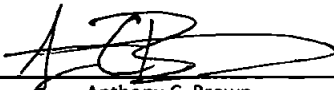


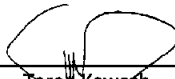
J.Ray Mcdermott (norway), AS

Balance sheet as of December 31

USD	Note	2020	2019
Equity			
<i>Paid-in capital</i>			
Share capital	4, 5	34 321	34 321
Share premium reserve	5	<u>29 815 313</u>	<u>29 815 313</u>
Total paid-in capital		<u>29 849 634</u>	<u>29 849 634</u>
<i>Retained earnings</i>			
Other equity	5	<u>40 944 417</u>	<u>84 207 008</u>
Total retained earnings		<u>40 944 417</u>	<u>84 207 008</u>
Total equity		<u>70 794 051</u>	<u>114 056 642</u>
Liabilities			
<i>Other long-term liabilities</i>			
Long-term liabilities group companies	6	<u>12 416 364</u>	<u>12 055 317</u>
Total other long term liabilities		<u>12 416 364</u>	<u>12 055 317</u>
<i>Current liabilities</i>			
Trade creditors		16 011	27 856
Tax payable	7	2 402	2 402
Other short-term liabilities	6	<u>133 962</u>	<u>74 114</u>
Total current liabilities		<u>152 375</u>	<u>104 372</u>
Total liabilities		<u>12 568 739</u>	<u>12 159 689</u>
Total equity and liabilities		<u>83 362 790</u>	<u>126 216 331</u>

Oslo, 19 October 2021


Anthony C. Brown
Chairman


Tarek Kawash
Board member



J.Ray Mcdermott (norway), AS

Cash flow statement 01.01-31.12

USD	2020	2019
Cash flow from operating activities		
Profit/(loss) before tax	-27 722 714	10 940 083
Taxes paid	-2 401	0
Write-down of fixed assets	41 234 953	0
Depreciation and amortization	3 167 394	5 603 319
Change in receivables from group companies	-17 663 165	-16 928 106
Change in payables to group companies	361 047	360 061
Changes in other current balance sheet items	48 003	28 088
Net cash flow from operating activities	<u>-576 883</u>	<u>3 445</u>
Cash flow from investing activities		
Net cash flow from investing activities	<u>0</u>	<u>0</u>
Cash flow from financing activities		
Net cash flow from financing activities	<u>0</u>	<u>0</u>
Net change in cash and cash equivalents	-576 883	3 445
Cash and cash equivalents at 01.01	<u>576 913</u>	<u>573 468</u>
Cash and cash equivalents at 31.12	<u>30</u>	<u>576 913</u>



J.Ray Mcdermott (norway), AS

Notes to the accounts for 2020

USD

Note - 1 Accounting Principles

The annual report is prepared according to the Norwegian Accounting Act 1998 and generally accepted accounting principles for small companies.

Subsidiaries and investments in associate are valued by the cost method in the company accounts. The investment is valued as cost of acquiring shares in the subsidiary, providing that write down is not required. Write down to fair value will be carried out if the reduction in value is caused by circumstances which may not be regarded as incidental, and deemed necessary by generally accepted accounting principles. Write downs are reversed when the cause of the initial write down are no longer present.

Operating income

Income is recorded when acquired. Consequently, recording of income at hire. Value added tax, discounts, bonuses and invoiced freight costs are deducted from operating income.

Balance sheet classification

Net current assets comprise creditors due within one year, and entries related to goods circulation. Other entries are classified as fixed assets and/or long-term creditors.

Current assets are valued at the lower of acquisition cost and fair value. Short term creditors are recognized at nominal value.

Fixed assets are valued by the cost of acquisition, in the case of non-incidental reduction in value the asset will be written down to the fair value amount. Long term creditors are recognized at nominal value.

Trade and other receivables

Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of individual assessments.

Functional and presentation currency

The company's reporting currency is in USD, which is also the company's functional currency.

Foreign currency translation

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in foreign currency are valued to the exchange rate at the end of the fiscal year. Monetary items include accounts receivable and liabilities that are to be settled with cash. Changes to exchange rates are recognized in the income statement as they occur during the accounting period.

Tangible fixed assets

Property, plant and equipment is capitalized and depreciated over the estimated useful economic life. Direct maintenance costs are expensed as incurred, whereas improvements and upgrading are assigned to the acquisition cost and depreciated along with the asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value.

Depreciation

Ordinary depreciation is calculated using straight-line method to allocate their cost to their residual values over their estimated useful lives. Depreciation is classified as ordinary operating expense. Vessel and equipment comprises individual components for which different depreciation methods or rates are



J.Ray Mcdermott (norway), AS

Notes to the accounts for 2020

USD

appropriated, each component is depreciated separately.

Periodic maintenance

Period maintenance is reported on the balance sheet as a part of the vessel, and straight line depreciated over the period until the next periodic maintenance, normally after 30 months. On the purchase of new vessels, a ratio of the cost price is valued as periodic maintenance.

Income tax

The company is taxed according to the Norwegian tax regime for shipping companies. The regime is supposed to equalize the competitiveness of the regime compared to other European tax regimes for shipping.

Companies, to which the tax regime for shipping companies applies, are taxed continuously on net financial income at a tax rate of 22 %.

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 placement with original maturities of three months or less.



J.Ray Mcdermott (norway), AS

Notes to the accounts for 2020

USD

Note 2 - Wage costs, number of employees, remuneration, loans to employees and auditor's fee

The Company has no employees, and has no requirements to establish pension funds. Neither the Board of Directors, nor the Company's management, has received any remuneration in 2020.

<i>Auditor fee has been divided as follows</i>	2020	2019
Audit fee	18 910	18 553
Fee for technical preparation of financial statement	3 500	0

VAT is not included in the figures of auditor's fee.

Note 3 - Investment in subsidiaries and associate

Company	Acquisition date	Location	Share owners	Voting rights	Net profit 2020	Equity 31.12
North Ocean 105 AS	08.03.2010	Bergen	100 %	100 %	-47 632 212	14 821 516

The value of the shares in subsidiaries has been impaired by \$15,5m due to larger write-downs of assets in North Ocean 105 AS. Reason for impairment is described in directors report. The impairment of the shares has led to Book value of shares in subsidiaries equals the Equity in North Ocean 105 AS.

Note 4 - Share capital and shareholder information

Share capital:

Number of shares	Face value	Book value
100 000	0,34321	34 321

Shareholders per 31.12:

	Ordinary shares	Ownership share	Voting rights
J. Ray McDermott International Inc.	100 000	100 %	100 %

Note 5 - Equity

	Share capital	Share premium reserve	Other equity	Total
Owners equity 01.01.2020	34 321	29 815 313	84 207 008	114 056 642
Profit for the year	0	0	-43 262 591	-43 262 591
Owners equity 31.12.2020	34 321	29 815 313	40 944 417	70 794 051



J.Ray Mcdermott (norway), AS

Notes to the accounts for 2020

USD

Note 6 - Inter-company balances

Current assets

Receivables from group companies

	2020	2019
EMS Atlantic branch	-5 669 584	-1 440 632
JRSA Main Office	-47 836 079	-35 102 750
North Ocean 105 AS	-883 798	-883 798
MII Main office	-578 758	0
JRMI Marine Division	-16 010	0
Total	<u>-54 984 229</u>	<u>-37 427 180</u>

Non-current assets

Long term liabilities

Group companies

JRSA Main Office *)	12 416 364	12 055 317
Total	<u>12 416 364</u>	<u>12 055 317</u>

Liabilities that in more than 5 years is 0.

Note 7 - Income taxes

Income tax expenses	2020	2019
Tonnage tax	2 402	2 402
Total income tax expense	<u>2 402</u>	<u>2 402</u>
<i>Tax base estimation</i>	2020	2019
Interest income	4 048	11 568
Interest deduction	-196 865	-116 011
Foreign exchange gain/-loss	-1 152 975	16 448
Tax-related income equity	115 790	271 584
Net taxable income (before loss carried forward)	<u>-1 230 002</u>	<u>183 589</u>
Utilization of loss carried forward	0	-183 589
Net taxable income	<u>-1 230 002</u>	<u>0</u>
Tonnage tax	2 402	2 402
Total tax payable	<u>2 402</u>	<u>2 402</u>

Deferred tax assets is not recognized in the balance sheet as there are uncertainty according to use as it depends on interest income and changes in foreign exchange. The company is subject to Norwegian tonnage tax regime for shipping companies



J.Ray Mcdermott (norway), AS

Notes to the accounts for 2020

USD

Note 8 - Tangible fixed assets

	Vessel
Acquisition cost 01.01.	116 692 076
Acquisition cost 31.12.	116 692 076
Acc.depreciation 31.12.	-62 006 223
Acc.write-downs 31.12.	-41 234 953
Net carrying amount at 31.12.	13 450 900
Depreciation for the year	3 167 394
Write-downs for the year	41 234 953
Useful economic life	17 years
Amortization plan	Linear

The impairment tests utilize the MB 2020, including F2 updates, which represents management's approved forecast and current best estimate. Following management's review of key inputs, the assumptions utilized in the base-case calculations are considered reasonable and reflective of the risks associated with Company's vessels and fabrication yards. Based on sensitivities performed, and considering the total impairment charges recorded, the calculated fair values are not highly sensitive to changes in the discount rate (or operating income % for Altamira). As a result, through management's analyses, the impairment charge of \$58,4m represents management's best estimate as of March 31, 2020.

The impairment tests utilize the MB 2020, including F2 updates, which represents management's approved forecast and current best estimate. Following management's review of key inputs, the assumptions utilized in the base-case calculations are considered reasonable and reflective of the risks associated with Company's vessels and fabrication yards. Based on sensitivities performed, and considering the total impairment charges recorded, the calculated fair values are not highly sensitive to changes in the discount rate (or operating income % for Altamira). As a result, through management's analyses, the impairment charge of \$41,2m represents management's best estimate as of March 31, 2020.

Note 9 - Transactions with closely related parties

The following show transactions between J. Ray McDermott (Norway) and the related party McDermott International LTD.

Transaction	Counterpart	Amount
Bareboat charter income	Eastern Marine Services	17 008 752
Interest expense	JRSA Main Office	-361 047
		16 647 705



Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 21.06.2011	Vår dato 01.07.2011
Telefon 22078139	Deres referanse Mark Edward Peterson	Vår referanse 2011/629739

J. RAY MCDERMOTT (NORWAY), AS
C/O Wikborg, Rein & Co Postboks 1513 Vikta
0117 OSLO

Dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk språk for J. Ray McDermott Norway AS, org. nr. 994 685 171

Det vises til deres brev av 10. juni 2011 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for J. Ray McDermott Norway AS.

Bakgrunn

J. Ray McDermott Norway AS er et heleid norsk datterselskap av J. Ray McDermott International Inc. registrert i Panama. J. Ray McDermott Norway AS presenterer sitt regnskap i selskapets funksjonelle valuta som er USD. Konsernets forretningspråk er engelsk, aksjonærene er alle engelskspråklige og i all hovedsak er selskapets gjeld til utenlandske selskaper. På denne bakgrunn utarbeider man regnskap på engelsk da dette er språket som er nødvendig for å kommunisere med konsernselskap og aksjonærer. Den norske versjonen utarbeides kun for å tilfredsstille regnskapsloven.

Skattedirektoratets vurdering og konklusjon

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjært fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Postadresse Postboks 9200 Grønland 0134 Oslo	Besøksadresse Se www.skatteetaten.no Org. nr: 996250318	Sentralbord 800 80 000 Telefaks 22 17 08 60
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2011/29739 Side 2 av 2

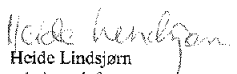
Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonsøknad. Selskapet er heleid av et selskap hjemmehørende i Panama. Konsernets forretningspråk er engelsk, aksjonærene er alle engelskspråklige og i all hovedsak er selskapets gjeld til utenlandske selskaper. På denne bakgrunn utarbeider man regnskap på engelsk da dette er språket som er nødvendig for å kommunisere med konsernselskap og aksjonærer.

Skattedirektoratet gir på bakgrunn av en helhetsvurdering J. Ray McDermott Norway AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen


Heide Lindsjorn
seksjonssjef
Rettsavdelingen, foretaksskatt
Skattedirektoratet


Torstein Kinden Helleland



Statsautoriserte revisorer
Ernst & Young AS

Dronning Eufemias gate 6A, NO-0191 Oslo
Postboks 1156 Sentrum, NO-0107 Oslo

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00

Fax:
www.ey.no
Medlemmer av Den norske revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of J.Ray Mcdermott (norway), AS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of J.Ray Mcdermott (norway), AS, which comprise the balance sheet as at 31 December 2020, the income statement and statements of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company as at 31 December 2020 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Norway, and we have fulfilled our ethical responsibilities as required by law and regulations. We have also complied with our other ethical obligations in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Other information consists of the information included in the Company's annual report other than the financial statements and our auditor's report thereon. The Board of Directors (management) are responsible for the other information. Our opinion on the audit of the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management for the financial statements

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

In preparing the financial statements, management is responsible for assessing the Company's 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 Company 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



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working world

audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with law, regulations and generally accepted auditing principles in Norway, including 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, 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 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 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 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 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 fair presentation.

We communicate with those charged with governance 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.

Report on other legal and regulatory requirements

Opinion on the Board of Directors' report

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

Opinion on registration and documentation

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

Other matters

This report replaces our previous auditor's report, dated 31.08.2021, issued at the expiration of the statutory deadline for holding the Annual Shareholders' Meeting. At that time, the financial statements and the Directors' report had not been approved.

Independent auditor's report - J.Ray Mcdermott (norway), AS

A member firm of Ernst & Young Global Limited

Penneo Dokumentnøkkel: 3TCTX-HZ1QX-LIKTD-5V1K4-M28TX-LXFBJ



Oslo, 01 November 2021
ERNST & YOUNG AS

The auditor's report is signed electronically

Tore Sørli
State Authorised Public Accountant (Norway)

(This translation from Norwegian has been made for information purposes only.)

Penneo Dokumentnøkkel: 3TCTX-HZTQX-LIKTD-5V1K4-M28TX-LXFBJ

Independent auditor's report - J.Ray Mcdermott (norway), AS

A member firm of Ernst & Young Global Limited



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Tore Sørli

Partner

På vegne av: Ernst & Young AS

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*English office translation.
In case of discrepancies the Norwegian version shall prevail.*

**PROTOKOLL FOR
ORDINÆR GENERALFORSAMLING I**

J.RAY MCDERMOTT (NORWAY) AS
(Org. nr. 994 685 171)
("Selskapet")

Dated: October 19, 2021

1 BESLUTNINGSFORM

Disse beslutninger av den ordinære generalforsamlingen er med samtykke fra Selskapets eneste aksjeeier, J. Ray McDermott International Inc., truffet i overensstemmelse med reglene om forenklet generalforsamlingsbehandling i aksjeloven ("asl.") § 5-7.

Styrets medlemmer, daglig leder og revisor er gitt anledning til å uttale seg om sakene til behandling og har ikke krevd at det avholdes fysisk møte.

Aksjeeieren frafaller retten til å motta innkalling og den fravikelige innkallingsfristen i henhold til asl. § 5-10.

**2 ÅRSREGNSKAP OG ÅRSBERETNING
FOR REGNSKAPSÅRET 2020**

Selskapets årsregnskap og styrets årsberetning for regnskapsåret 2020 var blitt sendt til aksjeeieren i forkant av generalforsamlingen.

I samsvar med styrets forslag traff generalforsamlingen følgende beslutning:

Årsregnskapet og årsberetningen for 2020 godkjennes.

**3 GODTGJØRELSE TIL STYRETS
MEDLEMMER**

I samsvar med styrets forslag traff generalforsamlingen følgende beslutning:

Det utbetales ikke styrehonorar for regnskapsåret 2020.

**MINUTES FROM
ANNUAL GENERAL MEETING IN**

J.RAY MCDERMOTT (NORWAY) AS
(Reg. No. 994 685 171)
(the "Company")

Dated: October 19, 2021

1 PROCEDURE

These written resolutions by the annual general meeting are, with the consent from the Company's sole shareholder, J. Ray McDermott International Inc., resolved in accordance with the provisions of simplified treatment of general meetings as set out in section 5-7 of the Norwegian Private Limited Liability Companies Act (the "NPLCA").

The members of the board of directors; the general manager and the auditor have been given the opportunity to comment on the matters to be dealt with and have not required that a physical meeting is held for this purpose.

The shareholder waives its right to receive notice of the general meeting as per the non-mandatory notice period set out in section 5-10 of the NPLCA.

**2 ANNUAL ACCOUNTS AND ANNUAL
REPORT FOR THE FISCAL YEAR 2020**

The Company's annual accounts and the board's report for the fiscal year 2020 had been sent to the shareholder prior to the general meeting.

In accordance with the proposal by the board, the general meeting passed the following resolution:

The annual accounts and the board of directors' report for 2020 are approved.

**3 REMUNERATION TO THE MEMBERS
OF THE BOARD**

In accordance with the proposal by the board, the general meeting passed the following resolution:

No remuneration is payable to the board for the fiscal year 2020.



4 GODTGJØRELSE TIL REVISOR

I samsvar med styrets forslag traff generalforsamlingen følgende beslutning:

Revisors godtgjørelse for regnskapsåret 2020 godkjennes etter regning fra revisor.

Det forelå ikke flere saker til behandling.

Disse beslutninger er truffet med tilslutning fra selskapets eneste aksjeeier, J. Ray McDermott International Inc., som eier samtlige aksjer i Selskapet. Dermed har alle aksjer i selskapet stemt for beslutningene.

4 REMUNERATION TO THE AUDITOR

In accordance with the proposal by the board, the general meeting passed the following resolution:

The auditor's remuneration for the fiscal year 2020 is approved in accordance with the auditor's invoice.

There were no further items on the agenda.

These resolutions are passed with the endorsement of the Company's sole shareholder, J. Ray McDermott International Inc., the owner of all shares in the Company. Thus, all shares in the Company have voted in favour of the resolutions.

Anthony C. Brown
Styrets leder / Chairman of the board