



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer:	981 686 209
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	DOF REDERI AS
Forretningsadresse:	5392 STOREBØ

### Regnskapsår

Årsregnskapets periode:	01.01.2022 - 31.12.2022
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### Konsern

Morselskap i konsern:	Nei
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### Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Forenklet IFRS

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Solveig Byrkjeland
Dato for fastsettelse av årsregnskapet:	31.05.2023

### Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert  
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

*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, 03.07.2024



### Resultatregnskap

Beløp i: NOK	Note	2022	2021
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt	6	744 618 000	715 429 000
<b>Sum inntekter</b>		<b>744 618 000</b>	<b>715 429 000</b>
<b>Kostnader</b>			
Lønnskostnad	7	289 391 000	268 154 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	9	164 617 000	167 605 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler	9	-12 174 000	167 000 000
Annen driftskostnad	8	218 230 000	218 192 000
Gevinst salg anleggsmiddel	9	-43 285 000	-31 085 000
<b>Sum kostnader</b>		<b>616 779 000</b>	<b>789 866 000</b>
<b>Driftsresultat</b>		<b>127 839 000</b>	<b>-74 437 000</b>
<b>Finansinntekter og finanskostnader</b>			
Renteinntekt fra foretak i samme konsern	10	4 425 000	342 000
Annen renteinntekt	10	2 000	80 000
Annen finansinntekt	10	13 201 000	637 000
Verdiøkning andre finansielle instrumenter vurdert til virkelig verdi	10	1 386 000	11 871 000
<b>Sum finansinntekter</b>		<b>19 014 000</b>	<b>12 930 000</b>
Nedskrivning lån	10	15 925 000	
Rentekostnad til foretak i samme konsern	10	19 454 000	17 363 000
Annen rentekostnad	10	204 375 000	143 344 000
Annen finanskostnad	10	32 138 000	9 763 000
<b>Sum finanskostnader</b>		<b>271 892 000</b>	<b>170 470 000</b>
<b>Netto finans</b>		<b>-252 878 000</b>	<b>-157 540 000</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-125 039 000</b>	<b>-231 977 000</b>
Skattekostnad på ordinært resultat	11	6 276 000	4 656 000
<b>Ordinært resultat etter skattekostnad</b>		<b>-131 315 000</b>	<b>-236 633 000</b>
<b>Årsresultat</b>		<b>-131 315 000</b>	<b>-236 633 000</b>



## Resultatregnskap

Beløp i: NOK	Note	2022	2021
<b>Overføringer og disponeringer</b>			
Overføring til/fra fond	12	-131 315 000	263 633 000
<b>Sum overføringer og disponeringer</b>	12	<b>-131 315 000</b>	<b>263 633 000</b>



## Balanse

Beløp i: NOK	Note	2022	2021
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Kontrakskostnader	13	2 182 000	6 455 000
<b>Sum immaterielle eiendeler</b>		<b>2 182 000</b>	<b>6 455 000</b>
<b>Varige driftsmidler</b>			
Skip, rigger, fly og lignende	9,19	1 917 934 000	1 964 397 000
<b>Sum varige driftsmidler</b>		<b>1 917 934 000</b>	<b>1 964 397 000</b>
<b>Sum anleggsmidler</b>		<b>1 920 116 000</b>	<b>1 970 852 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Kundefordringer	14,15	128 645 000	128 748 000
Andre fordringer	16	59 624 000	57 464 000
Konsernfordringer	15	250 113 000	215 933 000
<b>Sum fordringer</b>		<b>438 382 000</b>	<b>402 145 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende	17	66 981 000	50 538 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>66 981 000</b>	<b>50 538 000</b>
<b>Sum omløpsmidler</b>		<b>505 363 000</b>	<b>452 683 000</b>
<b>SUM EIENDELER</b>		<b>2 425 479 000</b>	<b>2 423 535 000</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Selskapskapital	18	203 231 000	203 163 000
Overkurs	18	39 172 000	



## Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
<b>Sum innskutt egenkapital</b>		<b>242 403 000</b>	<b>203 163 000</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital	18	-1 482 608 000	-1 351 293 000
<b>Sum opptjent egenkapital</b>		<b>-1 482 608 000</b>	<b>-1 351 293 000</b>
<b>Sum egenkapital</b>		<b>-1 240 205 000</b>	<b>-1 148 130 000</b>
<b>Sum langsiktig gjeld</b>		<b>0</b>	<b>0</b>
<b>Kortsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	19	3 417 143 000	3 372 563 000
Leverandørgjeld	15,20	152 545 000	132 451 000
Annen kortsiktig gjeld	21	95 996 000	66 651 000
<b>Sum kortsiktig gjeld</b>		<b>3 665 684 000</b>	<b>3 571 665 000</b>
<b>Sum gjeld</b>		<b>3 665 684 000</b>	<b>3 571 665 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>2 425 479 000</b>	<b>2 423 535 000</b>



To the General Meeting of DOF Rederi AS

## Independent Auditor's Report

### Opinion

We have audited the financial statements of DOF Rederi AS (the Company), which comprise the statement of balance sheet as at 31 December 2022, the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, 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.

### 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 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.

### 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

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- contains the information required by applicable statutory requirements.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation of financial statements 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 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 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.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisjonsberetninger>

Bergen, 31 May 2023  
**PricewaterhouseCoopers AS**

Marius Kaland Olsen  
State Authorised Public Accountant  
(This document is signed electronically)



 Securely signed with Brevio

Revisjonsberetning 2022

**Signers:**

<b>Name</b>	<b>Method</b>	<b>Date</b>
Olsen, Marius Kaland	BANKID	2023-05-31 15:12

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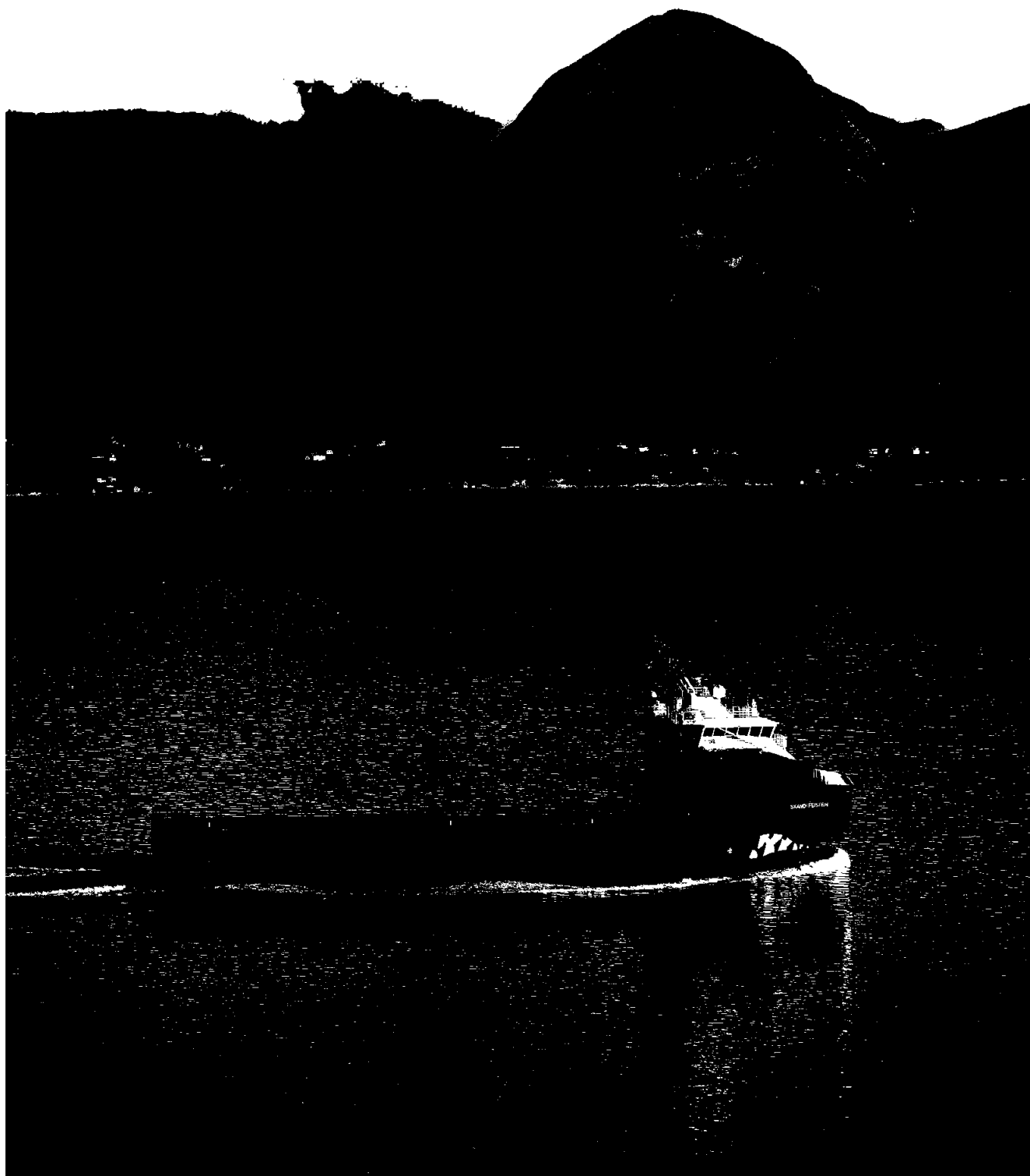


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**2022**

DOF Rederi AS  
Annual Report







2022

DOF REDERI AS ANNUAL REPORT







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REPORT OF THE BOARD OF DIRECTORS

## Board of Directors Report DOF Rederi AS

### Introduction

DOF Rederi AS ("The Company") is 100% owned by DOF Group ASA ("DOF").

The Company's head office is located at Storebø in Austevoll municipality.

The Company owned by year-end 2022 the following vessels:

- 11 Platform Supply Vessels (PSV)
- 1 Anchor Handling Vessels (AHTS)
- 3 Subsea Vessels (Subsea)

DOF Management AS is responsible for the marine operation of the Company's vessels operating outside of Brazil, and Norskan Offshore Ltda. is responsible for operation of the Company's vessels in Brazil. Both DOF Management and Norskan are controlled by the DOF Group (the Group).

### Operations 2022

The Company has experienced increased demand for its fleet in all segments. The main part of the fleet operates in the North Sea market and this market continued to improve through the year both in the spot and term market which resulted in better utilisation and rates on contract renewals for the PSV fleet.

Main contract awards in 2022 were a 3-years contract with Equinor for Skandi Mongstad, a 2-years contract extension with Equinor for Skandi Vega, a 1-year extension with Shell UK for Skandi Kvitøy and a 1-year option exercised by Equinor Energy AS for Skandi Flora.

The Company's fleet achieved a utilisation rate of 84% (75%) in 2022. Three vessels have been sold during the year and the sold vessels represented the oldest part of the fleet with an average of 20 year. One vessel has been reactivated from lay-up and at year end no vessels were in lay-up. The main operational area for the fleet has been in the North Sea, and parts of the fleet have been operating in Asia-Pacific and in Latin-America on firm contracts during the year. The average age for the Company's fleet is 13 years. By year-end the Company's backlog was NOK 1 billion.

### Social and environmental sustainability

Having sustainable operations is important for the Group. The successful balance between social, environmental and economic elements allows the Group to develop 'Sustainable Operations' and ensures that the Group remains commercially feasible, socially acceptable and works within the capacity of the external environment.

The Group acts responsibly and ethically everywhere it operates, and the Group's operations and decisions are guided by the values – Respect, Integrity, Teamwork, Excellence – RITE – and above all we are Safe. This ensures honest, fair and equitable operations, protecting and building the DOF Group's reputation.

'Safe the RITE way' is the guiding philosophy by which the Group safeguards its people, external environment, vessels and subsea assets. 'Safe the RITE way' is the umbrella for the safety program which brings together core values and connects them to strategic areas for sustainable operations.

The Group is guided by the articles of association, the Corporate Governance and group policies, combined with the DOF Group's Code of Business Conduct, ensuring that the operations consider the interests of all stakeholders.

The Group promotes transparency and standard disclosure of information relating to key sustainability aspects. As part of this, the Group reports according to CDP and the Global Reporting Initiative. Detailed reporting on these matters is included in the Integrated Annual Report 2022 for New DOF ASA.

As the Group's sustainability efforts evolve, expand, and become more comprehensive, so too do our stakeholders and their material interest in our activities. It is therefore of the utmost importance that the Group has effective mechanisms and reporting structures to communicate financial and non-financial information to these interested parties. This year, DOF has adopted the World Economic Forum's Stakeholder Capitalism Metrics of, People, Planet, Prosperity, and Principles.

Not only does this framework compliment the Group's vision



REPORT OF THE BOARD OF DIRECTORS

of creating broad stakeholder value, but it promotes a core set of non-financial metrics and disclosures for investors and stakeholders alike. The Group is committed to the pillars of People, Planet, Prosperity, and Principles and believes this concept is integral to future sustainability initiatives and communication.

All the DOF Group companies are certified to ISO 9001:2015, ISO 14001: 2015, and ISO 45001:2018. The certificates are issued at DOF Group ASA level, and valid until December 2023.

#### Employees

The Company has no employees as they are hired in from DOF Management or Norskan Offshore. At the end of 2022, the headcount in the Group was 3,774 people, of which approximately 13% were women.

The market is still challenging with regards to contract terms and rates, and the Board of Directors is continuously monitoring the need for the Group to adapt its capacity. The aim going forward will be to keep the capability to maintain the Group's flexible workforce and to retain core competencies.

#### Equal opportunities and anti-discrimination

The Group has focus on diversity and strives to create equal opportunities for all employees, regardless of their ethnic background, nationality, descent, colour, language, religion, lifestyle or gender. The Group's 'Equal Employment Opportunity' policy clearly states that the Group is committed to be an equal opportunity employer. This means that all business units within the Group will select and appoint the most suitable person for a position based on their attitude, skills and qualifications. The Group also has a zero-tolerance policy for workplace harassments. Despite all efforts we sadly have to report four sexual harassment cases in 2022 that lead to dismissal.

Our campaign to promote and secure retention of female managers and captains has been continued in 2022, with communication internally and externally. Several measures such as flexible work hours, and working from home, has been promoted to secure a balanced workforce and to create equal opportunities. This also includes dialogue with labour unions for flexible offshore rotation.

#### Human Rights and Labour standards

The Group embraces practices consistent with international human rights standards and operates in compliance with fundamental as well as local labour standards. The Group's policies and standards are based on International Labour Organisation (ILO) conventions, and they prohibit any use of forced or child labour. The Group recognises and respects employees' right to freely associate, organise and collectively

bargain, and the policies are compliant with working hour requirements as established by local laws.

Several initiatives have been taken during the year to ensure that slavery and human trafficking are not occurring within the supply chain nor in any part of the Group's activities. The Group's human rights and slavery statement is available on the Group's website. In 2021, Amnesty International ranked DOF in the top five global companies based in the Nordics with the best score related to human rights and responsible employer.

#### Health, safety, and the working environment

During the year the strong COVID measures were brought into normalisation and COVID-19 outbreak treated like influenza-like infection and guided by our medical protocols and HR handbooks.

The Group strives to improve safety and environmental performance across all worksites, globally. The Group experienced eight Lost Time Incidents (LTI) in 2022, which resulted in a Lost time injury frequency rate (LTIFR) of 0.68 LTIs per million man-hours. Combined with twelve Medical Treatment Cases and eight Restricted Workday Cases, the Total recordable injuries rate (TRIR) was 2.17 recordable incidents per million man-hours. No of the incidents have led to any disabilities and all workers are back in duty.

The Group's ambition is to be an incident free organisation. Through the 'Safe the RITE way' program, the Group has been able to establish a unified safety culture, as well as a stronger safety cooperation with clients, industry partners and suppliers. Various surveys among our offshore employees during the year concluded with a strong and unified safety culture build around our values and Safe the RITE way.

In 2022, absence due to illness has been 2.90 per cent, which is below the Group's target of 3 per cent. The working environment is monitored by various means of activities, including working environment surveys.

#### Business Integrity and Ethics

Integrity is the core of multiple aspects of the Group's business model, both from an internal and external perspective. As one of the governing core values, the Group has established integrity training throughout the organisation. This seeks to ensure sound business practices and decisions determined and executed in accordance with the Group's Code of Business Conduct, promoting everyone to display professional competence, due diligence, confidentiality, and professional behaviour in everything we do on behalf of the Group.

A new Ethics Helpline was launched in 2019. The helpline is



operated by a third-party company and provides a platform for reporting unacceptable conduct when normal reporting lines cannot be used. The helpline allows for communication with the reporters even if they prefer to be anonymous, which can be essential during investigations.

#### Anti-corruption and anti-bribery

The Group has a zero-tolerance policy for bribery and corruption. The Group's policy is to conduct all business in an honest and ethical manner. The Code of Business Conduct sets clear expectations for all employees and is supplemented by internal training.

It is the desire of the Board of Directors that the Group shall be recognised by its high ethical standards. Anti-corruption and anti-bribery measures are regularly evaluated and assessed to ensure that they are aligned with legal requirements and best practice. There have been no confirmed incidents of corruption during 2022.

During the year DOF became a member of MACN, Maritime Anti-Corruption Network, the leading anti-corruption initiative in the Maritime Industry.

#### Compliance to Law

The DOF Group acknowledges the importance for its internal and external stakeholders of being a reliable partner, compliance is therefore a key topic for the DOF Group. Compliance with both international and local laws and regulations and industry standards is important for the Group. In 2022, there have been no significant fines or non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area.

#### External environment

The Group's environmental management system ensures that the operations are effectively managed, and that continuous improvement of environmental performance is achieved. The energy efficiency program of the Group is continuously challenged with the aim to improve environmental performance.

During 2022, the focus on energy efficiency has increased by implementing Key Performance Indicators (KPIs) related to environmental performance, e.g. energy consumption and CO<sub>2</sub> emissions. During the year, there have been one loss of secondary containment spills that exceeded the 50-litre threshold to environment in the Group.

The Group's total volume of all spills during 2022 was 3,575 litres, whereby 2,112 litres was considered loss of secondary containment.

#### Climate change and emissions to the air

The Group has several processes to ensure that direct and indirect climate influencing activities are kept at a minimum and consistent with the Group's overall approach to climate change.

Defining and measuring environmental sustainability and risks associated with the Group's business activities are important. Investments in systems and equipment have been made to record, understand and improve environmental performance. This has been achieved through SEEMP, ISO 14001 and CDP, where the Group achieved a score of B in 2022.

Through continued focus on technologically advanced vessels and an improved environmental culture on all levels of the organisation, the Group strives to achieve the objective of a reduction in CO<sub>2</sub> emissions through reduced fuel consumption.

#### Continuous improvement of operations

It is the view of the Board of Directors that continuous improvement helps to reduce risk, improve performance and align ways of working. Through the Group's improvement program, the Group has streamlined and systematised its improvement work. Based on thorough planning, improvement projects have been carried out through the Group's value chain, focusing on standardisation and improved efficiency. The improvement initiatives will continue in 2023.

#### Risk Management and Compliance

The global community is witnessing the invasion of Ukraine, and we see the repercussions of fractured tensions in international cooperation. However, the Group has not identified any potential exposure to assets or operations in Eastern Europe, specifically Ukraine and Russia. The situation is monitored by the Groups Ukraine Task force. DOF will continue applying our values as guiding principles of good corporate governance and behaviour. Our company values and Code of Business Conduct are essential to navigating DOF through the volatile, complex, and uncertain challenges that we may see unfold in the coming year.

The Group's risk management and internal control are based on the principles in the Norwegian Code of Practice for Corporate Governance. The Board of Director's view is that continuous improvement of the Group's operations in a systematic manner is a necessity in order to manage risks and realise opportunities to ensure efficient operations in line with the stakeholder's expectations.

The Group has established routines for weekly, monthly, and quarterly reporting regarding operations, liquidity, financing, investments, HSEQ, HR, taxes and legal performance.



## REPORT OF THE BOARD OF DIRECTORS

Five-year financial forecasts including information on market assumptions are prepared on a regular basis. The Group carries out annually detailed budget processes at all levels. Due to challenging markets and the Group's continued weak financial position, the focus on liquidity, profit or loss forecast control and financial compliance control has been high during the year.

The operational and financial processes are standardised, and the same reporting and control structures are in use for all companies in the Group. These processes are integrated in the Group's ERP system and supported by the Group's policies, guidelines, and standards in the Business Management System (BMS).

The Group's due diligence processes have been strengthened in recent years and involve the global competence within legal, finance and ESG. The new vendor evaluation database allows management to assess the suppliers and subcontractors towards the Group's requirements for ESG. The process is built upon UN Global Compact guidelines and ISO standards. The new DOF Workbook is the foundation for all the training in the years to come. The modules have a holistic approach and will be the centre of compliance for all our activities as well as the Group stakeholders' expectations for DOF to be a leading company, aligning its activities with the UN's sustainability development goals.

Investment in modern communication tools has enabled global alignment to streamline the organisation, allowing further development of our human and organisational capital.

Alignment towards the Norwegian Transparency act  
On 1st of July 2022 the Norwegian Transparency Act will enter into force and DOF has been part of the official hearing process on the new law and given concrete proposal on practical means to obey the intension of Transparency Act based on our experience on how we deal with fundamental human rights and decent working conditions globally. The organisation is aligned and prepared for the new requirements. The Group's Transparency Act statement is published on the DOF's website.

### Financing and capital structure

The Company's vessels are funded in one fleet loan facility, and by year-end the outstanding amount of this facility was NOK 3.4 billion.

The Group signed a Restructuring Agreement (RA) with its lenders in June 2022, which included the debt in DOF Rederi AS, and it was approved by all relevant financial creditors in November 2022. The parties of the RA further signed an

Addendum which described certain steps on how to implement the RA should the shareholders not approve the restructuring. The RA did not get the necessary majority votes from the shareholders, resulting in that the financial creditors requested the board to file for bankruptcy in the DOF ASA. The bankruptcy proceedings were opened on the 2nd of February 2023.

As a consequence of the Restructuring Agreement all subsidiaries in DOF ASA were transferred to DOF Services AS, later named to New DOF ASA and then DOF Group ASA, as a planned "drop-down" process. As part of the agreements in the Addendum all the operations in the subsidiaries of DOF have continued as normal and was unaffected by the bankruptcy proceedings in DOF ASA.

The refinancing was completed on the 22nd of March 2023 and in total NOK 1,844 million of the Company's debt was converted to equity. At the same date the Company drew a new fleet loan of NOK 1,548 million with a secured runway until 2026 for its fleet, as a replacement for the remaining debt.

The main objective when managing the Company's capital structure is to ensure that the Company is able to sustain acceptable credit rating and thereby achieve favourable terms and conditions for long-term funding which is suitable for the Company's operation and growth.

### Shareholder and the Board

The share capital of the Company at year end 2022 was NOK 203,231 thousand and consist of 67,721 shares. DOF Group ASA owns all shares in the Company.

DOF Group ASA has signed D&O insurance on behalf of the board members and executive management in the Company to protect against claims which may arise from the decisions and actions taken within the scope of their regular duties. The insurance policy is signed with international reputable companies.

### Financial performance

Operating income totalled NOK 744.6 million (NOK 715.4 million) and total operating expenses were NOK 464.3 million (NOK 455.2 million). The earnings have improved in 2022 based on increased earnings and rates.

The operating profit before depreciation (EBITDA) was NOK 280.3 million (NOK 260.2 million). The operating profit (EBIT) was NOK 127.8 million (NOK -74.4 million), included depreciation of NOK -164.6 million (NOK -167.6 million) and reversal of previous impairment of NOK 12.2 million (impairment



## REPORT OF THE BOARD OF DIRECTORS

NOK -167 million). Net financial items are NOK -252.9 million (NOK -157.5 million). The Company's external debt is nominated in NOK.

Total balance is NOK 2,425.5 million (NOK 2,423.5 million) of which NOK 1,920.1 million (NOK 1,970.9 million) represent non-current assets (vessels) and NOK 505.4 million (NOK 452.7 million) are current assets. Total liabilities are NOK 3,665.7 million (NOK 3,571.7 million) and mainly comprise the fleet loan of NOK 3,417.1 million (NOK 3,372.6 million). The fleet loan is secured with a fleet mortgage comprising vessels owned by the Company. The equity is lost and is negative with NOK -1,240.2 million (NOK -1,148.1 million).

The Company's net cash from operating activities was NOK 243.4 million (NOK 219.7 million), and NOK 176.3 million (NOK 185.6 million) after payment of interest and taxes. Net cash from investing activities was NOK -25.2 million (NOK 1.4 million) and include sale of three vessels. Net cash from financing activities was NOK -146.0 million (NOK -247.8 million) included repayment of loan on sold vessels.

## Risks

### Climate risk

The Company's ability to manage GHG Emissions is a key component of the organisation's ESG profile. Providing a vessel fleet and services with reduced GHG emissions can become a value proposition for clients and investors or negatively impact upon competitiveness of the organisation against peers. The main concern is the Company's ability to meet changing stakeholder expectations associated with Greenhouse Gas emission from ships, including Nitrogen Oxides (NOX), Sulphur Oxides (SOX) and Particulate Matter (PM) in harbour areas.

### Financial risk factors

The Company is exposed to financial and liquidity risk through its operations and the requirement for refinancing and periodical maintenance of existing vessels.

The Company has historically achieved satisfactory long-term financing of its new-building program and refinancing of existing assets. However, a weak market in the period from 2014 to 2021 and an increased focus on ESG from financial institutions have increased the refinancing risk for the Group.

The Company has secured a runway until 2026 for its fleet as part of the restructuring, where the main focus is to reduce the debt and the opportunities to invest in new assets or new businesses are limited.

### Currency risk

The Company operates parts of its fleet globally and is to a certain extent exposed to foreign exchange risk arising from various currency exposures, basically AUD, USD and GBP. Foreign exchange risk arises from future commercial transactions, contractual obligations (assets), liabilities and investments in foreign operations.

The Company's reporting currency is NOK. Foreign exchange risk arises when future commercial transactions, contractual obligations (assets) and liabilities are in different currencies than the reporting currency. The Company aims to achieve a natural hedge between cash inflows and cash outflows to secure the debt funding in equivalent and currency as the committed earnings from the charter contracts, and further to manage the remaining foreign exchange risk arising from commercial transactions, through forward contracts and similar instruments as appropriate. However, these forward contracts are limited in the new loan facility. Hence the Company's liquidity risk has increased in the currency fluctuate.

Foreign exchange rate changes in receivables, liabilities and currency swaps are recognised as a financial income/expense in the profit or loss statement. Fluctuation in foreign exchange rates will therefore have an effect on the future results and balances.

The Company's external debt is in NOK.

### Interest rate risk

The Company is exposed to changes in interest rates as parts of the Group's liabilities have a floating rate of interest. The Company has historically reduced its interest rate exposure by entering into interest rate swap agreements. The possibilities to enter into interest forward contracts (swap contracts), in the new loan facilities are limited and the Group's exposure to volatility in interest rates has increased.

### Credit risk

The Company's credit risk has historically been low as the Company's customers traditionally have had good financial capability to meet their obligations and have high credit ratings. Historically, the portion of receivables not being collectable has been low.

### Market risk

The Company is exposed to market fluctuations which have resulted in lower utilisation and reduced earnings for the Company's vessels and services due to continuing challenging markets in the period from 2014-2021. The Company's strategy is to focus on long-term relationships with the clients and firm contracts for its fleet and has managed to continue a high utilisation also through the downturn. Since 2022



## REPORT OF THE BOARD OF DIRECTORS

the client's willingness to agree contracts for longer periods have increased due to improving markets.

### Price risk

The Company is exposed to increased costs in general. The effects of the Covid pandemic and the war in Ukraine have resulted in higher inflation on vessel maintenance, services, and salaries. In addition, the logistics and supply management have become more challenging and more costly. The Company has focus on early planning to mitigate the risk of not receiving deliveries on time and sign agreements with the main suppliers at fixed prices.

### Tax risk

The Company has a global organisation and operate vessels and subsea services in several different tax jurisdictions. The income and profit from these operations are subject to income taxes and judgment may be involved when determining the taxable results. Tax authorities in different jurisdictions may challenge the calculation of taxes payable from prior periods through tax audits.

### Cyber risk

The continuous digitalization of routines and operations increases exposure of the Group's business information and communication systems to external and/or internal cyber-attacks. These cyber-attacks could lead to business disruption and/or data breaches.

To manage this risk, the Group works systematically to make the organization more resistant to cyber-attacks and reduce the consequences of breaches. Cyber Security is an integrated part of the organization and internal training material.

### Going concern

The financial statements are prepared on the assumption of going concern. The Company's and the Group's financial position has since 2019 not been sustainable and standstill agreements with the financial creditors have been applicable for the debt since 2nd Quarter 2020. The RA with the financial creditors was signed in June 2022 and the restructuring was completed in March 2023. Based on that the restructuring

of the Company and the Group is now done and the budget for the next 12 months, the Board is of the opinion that the Company is in compliance with going concern.

### Events after balance date

On the 22nd of March 2023 the restructuring of the Company and the Group were completed including effectuating of new loan facilities in DOF Rederi AS. Conversion of approximately NOK 1,844 million was done by increased nominal value of the shares from NOK 3,001 to NOK 3,002 representing a share capital of NOK 203,3 million.

Skandi Gamma has awarded a 4-year, 2 \* 1-year options contract with Ithaca Energy (UK) in the North Sea and Skandi Vega has awarded a 3+2-year contract with start up in second quarter 2024.

### Allocation of annual result

The annual accounts show a net loss of NOK -131.3 million (NOK -236.6 million), and the Board of Directors proposes to allocate the amount to other equity.

### Outlook

The oil and gas markets have improved in 2022 resulting in better performance within all the Company's segments and this trend has continued into 2023. The Company currently has a backlog of approximately NOK 1.8 billion which gives a good visibility on the earnings into 2023. The recent contract awards are done at higher rates and better terms than the previous contracts.

The completion of the Restructuring has created a stable and viable financial platform for the Company through a substantial conversion of debt into equity. The reinstated debt terms support liquidity and provide significant maturity runway and is further a simplification of the Company's financing structure. The Restructuring leaves the Company well positioned to support its operations, secure new contracts and to continue to deliver on the Group's strategy.

Storebø, 31st of May 2023  
The Board of Directors for DOF Rederi AS

Mons S. Aase  
Chairman / Managing Director

Marianne Møgster  
Director

Hilde Drønen  
Director



FINANCIAL STATEMENTS / DOF REDERI AS



FINANCIAL STATEMENTS / DOF REDERI AS

## Financial Statements DOF Rederi AS



FINANCIAL STATEMENTS / DOF REDERI AS

## Statement of Profit or Loss

Amounts in NOK thousand	Note	2022	2021
<b>Operating income</b>	<b>6</b>	<b>744 618</b>	<b>715 429</b>
Payroll expenses	7	-289 391	-268 154
Other operating expenses	8	-218 230	-218 192
Net gain (loss) on sale of tangible assets	9	43 285	31 085
<b>Operating expenses</b>		<b>-464 336</b>	<b>-455 261</b>
<b>Operating profit before depreciation and impairment - EBITDA</b>		<b>280 282</b>	<b>260 168</b>
Depreciation	9	-164 617	-167 605
Impairment	9	12 174	-167 000
<b>Operating profit - EBIT</b>		<b>127 839</b>	<b>-74 437</b>
Finance income	10	4 426	423
Finance costs	10	-271 890	-170 467
Realised currency gain/loss	10	12 543	-3
Unrealised currency gain/loss	10	658	637
Net change in unrealised gain/loss on derivatives	10	1 386	11 871
<b>Net financial items</b>		<b>-252 878</b>	<b>-157 540</b>
<b>Profit (loss) before taxes</b>		<b>-125 039</b>	<b>-231 977</b>
Tax expense (income)	11	6 276	4 656
<b>Profit (loss) for the year</b>	<b>12</b>	<b>-131 315</b>	<b>-236 633</b>

## Statement of Comprehensive Income

<b>Profit (loss) for the year</b>	<b>-131 315</b>	<b>-236 633</b>
<b>Other comprehensive income, net of tax</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year net of tax</b>	<b>-131 315</b>	<b>-236 633</b>



FINANCIAL STATEMENTS / DOF REDERI AS

## Statement of Balance Sheet

Amounts in NOK thousand	Note	31.12.2022	31.12.2021
<b>Assets</b>			
Tangible assets	9, 19	1 917 934	1 964 397
Contract cost	13	2 182	6 455
<b>Total non-current assets</b>		<b>1 920 116</b>	<b>1 970 852</b>
Trade receivables	14, 15	128 645	128 748
Current receivables group companies	15	250 113	215 933
Other current assets	16	59 624	57 464
<b>Current assets</b>		<b>438 383</b>	<b>402 145</b>
Restricted deposits	17	23	23
Cash and cash equivalents	17	66 958	50 515
<b>Cash and cash equivalents included restricted deposits</b>		<b>66 981</b>	<b>50 538</b>
<b>Total current assets</b>		<b>505 363</b>	<b>452 683</b>
<b>Total assets</b>		<b>2 425 479</b>	<b>2 423 535</b>



FINANCIAL STATEMENTS / DOF REDERI AS

## Statement of Balance Sheet

Amounts in NOK thousand	Note	31.12.2022	31.12.2021
<b>Equity and liabilities</b>			
Share capital	18	203 231	203 163
Share premium reserve		39 172	
Other equity		-1 482 608	-1 351 293
<b>Total equity</b>		<b>-1 240 205</b>	<b>-1 148 130</b>
<b>Debt to credit institutions</b>			
Debt to credit institutions	19	-	-
<b>Non-current financial liabilities</b>		<b>-</b>	<b>-</b>
<b>Current debt to credit institutions</b>			
Current debt to credit institutions	19	3 417 143	3 372 563
Trade payable	15, 20	152 545	132 451
Other current liabilities	21	95 996	66 651
<b>Current liabilities</b>		<b>3 665 684</b>	<b>3 571 665</b>
<b>Total liabilities</b>		<b>3 665 684</b>	<b>3 571 665</b>
<b>Total equity and liabilities</b>		<b>2 425 479</b>	<b>2 423 535</b>

Storebø, 31st of May 2023  
The Board of Directors for DOF Rederi AS



Mons S. Aase  
Chairman / Managing  
Director



Marianne Møgster  
Director



Hilde Drønen  
Director



FINANCIAL STATEMENTS / DOF REDERI AS

## Statement of Changes in Equity

Amounts in NOK thousand	Share capital	Share premium reserve	Other equity	Total equity
Balance as of 01.01.2022	203 163	-	-1 351 293	-1 148 130
Profit (loss) for the year			-131 315	-131 315
Capital increase	68	39 172		39 240
Other comprehensive income				-
<b>Total comprehensive income for the year</b>	<b>68</b>	<b>39 172</b>	<b>-131 315</b>	<b>-92 075</b>
<b>Balance as of 31.12.2022</b>	<b>203 231</b>	<b>39 172</b>	<b>-1 482 608</b>	<b>-1 240 205</b>
<hr/>				
Balance as of 01.01.2021	203 163	-	-1 114 660	-911 497
Profit (loss) for the year	-		-236 633	-236 633
Other comprehensive income	-		-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-236 633</b>	<b>-236 633</b>
<b>Balance as of 31.12.2021</b>	<b>203 163</b>	<b>-</b>	<b>-1 351 293</b>	<b>-1 148 130</b>



FINANCIAL STATEMENTS / DOF REDERI AS

## Statement of Cash flows

Amounts in NOK thousand	Note	2022	2021
Operating profit		127 839	-74 437
Depreciation and impairment	9	157 443	326 429
Profit from sale on non-current assets	9	-43 285	-31 085
Amortisation of contract costs	13	4 614	8 176
Change in trade receivables		103	-45 860
Change in trade payable		20 094	19 260
Change in other working capital		-13 516	16 457
Exchange rate effect on operating activities		-4 883	755
<b>Cash from operating activities</b>		<b>243 409</b>	<b>219 695</b>
Interest received		4 426	423
Interest and other finance cost paid		-65 271	-32 630
Tax paid		-6 276	-1 926
<b>Net cash from operating activities</b>		<b>176 289</b>	<b>185 562</b>
Sale of tangible asset	9	108 239	77 500
Purchase of tangible assets	9	-133 146	-76 125
Purchase of contract cost	13	-341	
Payments received on long-term receivables			
<b>Net cash used in investing activities</b>		<b>-25 248</b>	<b>1 375</b>
Repayment of borrowings	19	-111 781	-104 400
Net change in intra group cash pool	15	-34 180	-143 428
<b>Net cash flow from financing activities</b>		<b>-145 961</b>	<b>-247 828</b>
<b>Net changes in cash and cash equivalents</b>		<b>5 080</b>	<b>-60 891</b>
<b>Cash included restricted cash at the start of the period</b>		<b>50 538</b>	<b>112 785</b>
Exchange gain/loss on cash and cash equivalents		11 363	-1 356
<b>Cash included restricted cash at the end of the period</b>	17	<b>66 981</b>	<b>50 538</b>



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## Notes to the Financial Statements

### 1 Corporate information

DOF Rederi AS is a limited company registered in Norway. The head office is located at Storebø in the municipality of Austevoll, Norway.

The company own offshore vessels for use in industrial offshore activities. The vessel comprise three business segments; Platform Supply Vessels (PSV), Anchor Handling Vessels (AHTS) and Subsea vessel and subsea engineer (Subsea).

The Annual Accounts were approved by the Board of Directors on the 31st of May 2023.

If not stated otherwise all amounts in the notes are in NOK thousand.

### 2 Accounting principles

#### Summary of significant accounting principles

The financial statements of the Company have been prepared and presented in accordance with simplified IFRS pursuant of the Norwegian Accounting Act.

The financial statements have been prepared in accordance with the historical cost convention with the following exceptions: financial instruments at fair value through profit or loss.

#### Going concern

The financial statements is prepared on the assumption of a going concern. The going concern assumptions is based on the refinancing that was completed on the 22nd of March 2023 and the budget for the next 12 months.

#### Segment reporting

The Company's primary reporting format is determined by business segment which is regularly reviewed by the chief operating decision maker to assess performance and to be able to allocate resources. DOF Rederi AS's Board of Directors is the Company's chief operation decision maker. The company operates within three business segments:

- 1) PSV (Platform Supply vessel)
- 2) AHTS (Anchor Handling Tug Supply Vessel)
- 3) Subsea (Subsea vessel and subsea engineering)

The company's business is reported in the main geographical areas where the customers are located.

#### Conversion of foreign currency

The Company's financial statements are presented in Norwegian Kroner (NOK).

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the transaction date. Foreign exchange gains and losses resulting from the settlement of such transactions are presented as realised currency gain/loss under financial items. Similarly, the conversion at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised as unrealised currency gain/loss.

#### Classification of assets and liabilities

Assets are classified as current assets when:

- the asset forms part of the entity's service cycle, and is expected to be realised or consumed over the course of the entity's normal operations; or
- the asset is held for trading; or
- the asset is expected to be realised within 12 months after the reporting period.

All other assets are classified as non-current assets.

Liabilities are classified as current when:

- the liability forms part of the entity's service cycle, and is expected to be settled in the course of normal production time; or
- the liability is held for trading; or
- settlement of the liability has been agreed upon within 12 months after the reporting period; or
- the entity does not have an unconditional right to postpone settlement of the liability until at least 12 months after the reporting period.

All other liabilities are classified as non-current liabilities.

#### Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held at call with banks. Restricted deposits are classified separately from unrestricted bank deposits under cash and cash equivalents. Restricted deposits include deposits with restriction past twelve months.

#### Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business and classified as current assets. In addition to invoiced amounts, trade receivable also includes accrued, not invoiced revenues when the amounts are independent on future performance. Accrued revenue under lump sum contracts are normally classified as contract assets. These are presented together with trade receivables and specified in the notes.

Trade receivable for which there are no significant financing component are recognised at nominal amounts less expected credit losses. The Company applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivable and accrued, not invoiced revenue.

#### Tangible assets and contract cost

Tangible assets are recognised at cost less accumulated depreciation and accumulated impairment losses. The cost of tangible asset comprises its purchase price, borrowing costs and any directly attributable costs of bringing the asset to working condition. If significant, the total expenditure is separated into components which have different expected useful lives.

Depreciation is calculated on a straight-line basis over the useful life of the asset. Depreciable amount equals historical cost less residual value.

Depreciation commences when the asset is ready for use. The useful life of tangible asset and the depreciation method are reviewed periodically in order to ensure that the method and



period of depreciation are consistent with the expected pattern of financial benefits expected to be derived from the assets.

When tangible assets are sold or retired, their cost and accumulated depreciation and accumulated impairment loss are derecognised and any gain or loss resulting from their disposal is included in the profit and loss.

For vessels, residual value is determined based on estimated fair value at the end of their useful lives. The Company's accounting policy for residual values vessels in the PSV, AHTS and Subsea segments are described in note 5.

#### Impairment of assets

All assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised.

The recoverable amount is the higher of an asset's net selling price and value in use. Where there are circumstances and evidence that impairment recognized in previous years no longer exists or has decreased, a reversal of the impairment is recognised.

For further information on the calculation see note 5 'accounting estimates and assessments'.

#### Periodic maintenance

Periodic maintenance is related to major inspections and overhaul costs which occur at regular intervals over the life of an asset. The expenditure is capitalised and depreciated until the vessel enters the next periodical maintenance. Intervals between periodic maintenance are calculated on the basis of past experience. The estimated life of each periodic maintenance program is 5 years. When new vessels are acquired, a portion of the cost price is classified as periodic maintenance based on best estimates.

Ordinary repairs and maintenance costs of assets are expended as incurred.

#### Contract costs

Cost of obtaining a contract with customer and costs related to mobilisation of vessel, equipment and personnel are capitalised. Amortisation is done in line with the satisfaction of the performance obligation and amortised and presented as operational expenses. These costs are defined as contract costs. Contract period is based on best estimates taken into consideration the initial agreed period with probability for options periods. A probability judgement is performed in assessing whether the option period shall be included in the contract period. Contract costs are classified and presented as other non-current assets. For further information about contract costs, refer to 'Revenue recognition'.

#### Debt

Debt is recognised initially at fair value, net of transaction costs incurred. Debt is subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of debt are recognised as transaction costs of the loan to the extent that it is probable that

some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Interest expenses related to the borrowing are recognised as part of cost of an asset when the borrowing costs accrue during the construction period of a qualifying asset.

Debt is classified as current liability unless the borrowing involves an unconditional right to postpone payment of the liabilities for more than 12 months from statement of reporting period. The current portion of such debt includes undiscounted instalments due within the next 12 months.

#### Provisions

Provisions are recognised when, and only when, the Company faces an obligation (legal or constructive) as a result of a past event and it is probable (more than 50%) that a settlement will be required, and a reliable estimate can be made of the obligation amount.

For onerous contracts provisions are made when unavoidable cost of meeting the obligations under the contract exceed the economic benefit to be received under the contract. The unavoidable costs under the contract are the lower of the cost of fulfilling the contract and any compensation or penalties arising from failure to fulfil the contract. Unavoidable cost includes both direct cost and indirect costs to fulfil the contract.

Provisions are reviewed at the end of each reporting period and adjusted to the best estimate. The best estimate of the expenditure required to settle the present obligation is the amount that rationally will have to be paid, to settle the obligation at the statement of the balance sheet date or to transfer it to a third party at that time. When timing is significant for the obligation, the obligation is measured at the present value. Subsequent increases in the amount of the obligation due to interest accretion are reported as interest costs.

#### Contingent assets and liabilities:

Contingent assets are not recognised in the accounts but are disclosed in the notes to the accounts if there is a certain degree of probability that the Company will benefit economically.

Contingent liabilities are defined as:

- possible liabilities resulting from past events, but where their existence relies on future events;
- liabilities which are not reported on the accounts because it is improbable that the commitment will result in an outflow of resources;
- liabilities which cannot be measured to a sufficient degree of reliability.

Contingent liabilities are not reported in the accounts, except for contingent liabilities which originate from business combinations. Significant contingent liabilities are presented in the notes to the accounts, except for contingent liabilities with a very low probability of settlement.

#### Equity

Ordinary shares are classified as equity.



Transaction costs related to equity transactions, including tax effect of transaction costs, are directly charged against equity.

#### Revenue recognition

The Company recognises income in line with the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Operating revenue is shown net of discounts, value-added tax and other taxes on gross rates.

#### Day rate contracts

A day rate contract is a contract where the Company is remunerated by the customer at an agreed daily rate for each day of use of the vessel, equipment, crew and other resources and service utilised on the contract. Such contracts may also include certain lump sum payments.

Under long-term chartering the Company delivers a vessel, including crew, to a client. The charterer determines, within the contractual limits, how the vessel is to be utilised. Under subsea/IRM Projects the Company utilises its vessels, equipment, crew and the onshore project organisation to perform tailor made services on the client's installations and/or assets.

The right to use the vessel fall in under the scope of IFRS 16 'Leases', and revenue is recognised over the lease period on a straight-line basis.

Distinct service components in a contract are accounted for separately from other promises in the contract. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the stand-alone selling prices. Revenue is recognised over time as the services are provided. The stage of completion for determining the amount of revenue to recognise is assessed based on input or an output method. The method applied is the one that most faithfully depicts the Company's progress towards complete satisfaction of the performance obligation. Progress is usually measured based on output methods such as days.

The Company does not recognise revenue during periods when the underlying vessel is off-hire. In contracts where the Company is remunerated for maintenance days the revenue is recognised over the contract period. The maintenance days are recognised as receivables and invoiced during the off-hire.

Costs incurred relating to future performance obligations are deferred and recognised as assets in the balance sheet statement. The costs incurred will be expensed in line with the satisfaction of the performance obligation.

#### Contract cost

Cost incurred relating to future performance obligations are deferred and recognised as assets in the statement of balance sheet. The nature of the asset is incremental cost of obtaining a contract and will be recovered by the revenue over the contract period. Costs related to contract and future performance obligation longer than 12 months are classified and presented as other non-current assets. All other costs for future performance are presented as other current assets. Contract costs incurred will be expensed and presented as operational expenses in line with the satisfaction of the performance obligation.

#### Variation orders

Additional contract revenue arising from variation orders is recognised when it is probable that the client will approve the variation and the amount of revenue arising from the variation can be reliably measured.

#### Mobilisation

In contracts where the Company is remunerated for mobilisation or demobilisation of vessel the remuneration is classified as prepayment and amortised over the contract time.

#### Interest income

Interest income is recognised using the effective interest method.

#### The shipping tonnage tax regime

The Company is organised in compliance with the tax regime for shipping companies in Norway. This scheme entails no tax on profits or tax on dividends from companies within the scheme. Net finance, allowed for some special regulations, will continue to be taxed on an ongoing basis. In addition tonnage tax is payable, which is determined based on the vessel's net weight. This tonnage tax is presented as an operating expense.

#### Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting date in the countries where the Company's operate and generate taxable income. Permanent establishment of the operation will be dependent of the Company's vessels amount operating in the period. Tax is calculated in accordance with the legal framework in those countries in which the Company or vessels with permanent establishment operate and generate taxable income.

The Company periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the accounts.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, see note 5.

Deferred income tax assets are recognised on the balance sheet to the extent it is probable that the future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is calculated on the basis of temporary differences related to investments in subsidiaries and associated companies, except when the company has control of the timing of the reversal of the temporary differences, and it is probable that reversal will not take place in the foreseeable future.

Both tax payable and deferred tax are recognised directly in equity, to the extent they relate to items recognised directly in equity. Similarly, any tax related to items reported as other comprehensive income is presented together with the underlying item.



## Financial assets

The company classifies its financial assets in the following categories: financial instruments at fair value through profit or loss, loans and receivables and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

### a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of profiting from short-term price fluctuations. Derivatives are also categorised as held for trading unless they are designated for hedge accounting. Assets in this category are classified as current assets.

### b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the statement of financial position date. Loans and receivables are classified as "accounts receivable" and "other receivables", and as "cash and cash equivalents" in the statement of financial position. Those exceeding 12 months are classified as financial assets. Loans and receivables are carried at amortized cost.

Regular purchases and sales of financial assets are recognised on the trade date – the date on which the Company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value.

Gains or losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category, including interest income and dividends, are presented in the income statement within financial income or financial loss in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of financial income when the Company's right to receive payments is established. The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques.

### c) Impairment

The Company assesses at the end of each reporting period the expected credit losses for financial asset or a group of financial assets. See separate paragraph in this note regarding trade receivables.

The company assesses at statement of financial position date whether there is objective evidence that a financial asset or a Company of financial assets is impaired. See separate paragraph in the note regarding trade receivables.

## Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured on a continuous basis at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company has various types of hedging relationships that are not documented as hedge accounting and measured at their fair value with the resulting gain or loss recognised immediately in the profit and loss.

The whole carrying amount of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months, and as a current asset or liability when the remaining maturity is less than 12 months. Trading derivatives are classified as a current asset or liability.

## Subsequent events

New information and other events that provide evidence of conditions that existed at end of the reporting period is included in the accounts. Events occurring after the reporting period, which do not impact the Company's financial position, but which have a significant impact on future periods, are disclosed in the notes to the accounts.

## Use of estimates

The preparation of financial statements in conformity with simplified IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 5. Changes in accounting estimates are recognised for the period in which they occurred. If the changes also apply to future periods, the effect of the change is distributed over current and future periods.

## Statement of cash flows

The statement of cash flows is prepared in accordance with the indirect model.

## Government grants

The Company recognises grants when it is reasonably secured that it will comply with the required conditions for the grant and the grant will be received. The Company receive grants related to net salary scheme for crew onboard vessels. Government grants are presented as a deduction in the payroll expenses in the Statement of Profit or Loss.



## 3 Financial risk management

### Financial risk factors

The Company is exposed to various types of financial risk relating to its ongoing business operations: Market risk (including foreign exchange risk currency risk, interest rate risk and price risk), credit -and liquidity risk, capital structure risk, cyber risk and tax risk. The Company's overall risk management seeks to minimise potential adverse effects of the Company's financial performance.

The current loan agreements limit the Company from entering hedging transactions to reduce foreign exchange risk, interest rate risk and liquidity risk. Hence, these risks increased if the currencies and interest rates fluctuate.

### Market risk

#### Foreign exchange risk

The Company operates parts of its fleet globally and is to a certain extent exposed to foreign exchange risk arising from various currency exposures, basically AUD, USD and GBP. Foreign exchange risk arises from future commercial transactions, contractual obligations (assets), liabilities and investments in foreign operations.

The Company's reporting currency is NOK. Foreign exchange risk arises when future commercial transactions, contractual obligations (assets) and liabilities are in different currencies than the reporting currency. The Company aims to achieve a natural hedge between cash inflows and cash outflows to secure the debt funding in equivalent currency as the committed earnings from the charter contracts, and further to manage the remaining foreign exchange risk arising from commercial transactions, through forward contracts and similar instruments as appropriate within the limits for the new loan agreements.

Foreign exchange rate changes in receivables, liabilities and currency swaps are recognised as a financial income/expense in the profit and loss statement. Fluctuation in foreign exchange rates will therefore have an effect on the future results and balances.

The Company's external debt is in NOK.

#### Interest risk

The Company's existing debt arrangements are with floating interest rates. Movements in interest rates will have effects on the Company's cash flow and financial condition. The Company's policy is to maintain parts of its debt at fixed interest rates.

#### Price risk

The Company is exposed to price risk at two main levels:

- The demand for the Company's vessels is sensitive to changes in the oil industry, for example oil price movements, exploration and general activity level within the offshore energy industry. This affects both the pricing and the utilisation of the Company's assets.
- The costs of construction of new assets and replacements of assets are sensitive to changes in market prices.

The Company attempts to reduce price risk by long-term contracts and frame agreements with key suppliers.

The Company is exposed to market fluctuations which have resulted in lower utilisation and reduced earnings from its vessels due to continuing challenging markets in the period from

2014-2021. The Company's strategy is still to continue its focus on long-term contracts for its fleet. During the market downturn many of the clients have preferred shorter term contract renewals, however in 2022 and so far in 2023 the client's willingness to enter into contracts for longer periods has increased due to improving markets.

### Credit and Liquidity risk

Credit and liquidity risk arises from cash and cash equivalents, derivatives, financial instruments and deposit with banks as well as payment terms towards clients and suppliers. Liquidity risk management implies maintaining sufficient cash and marketable securities, and to maintain available funding through committed credit facilities.

The Company's counterparty credit risk has been low as the Company's customers traditionally have had good financial capability to meet their obligations and have had high credit ratings. Historically, the portion of receivables not being collectable has been low.

Liquidity risk management implies maintaining sufficient cash, marketable securities, available funding through committed and uncommitted credit facilities and ability to close market position.

The Company has routines to report cash flow forecasts on a regular basis in order to monitor the future cash position.

### Cyber risk

Continuous digitalisation of routines and operations increases exposure of the Company's business information and communication systems to external and/or internal cyber-attacks.

These cyber-attacks could lead to business disruption and/or data breaches.

To manage this risk, the Company works systematically to make the organisation more resistant to cyber-attacks and reduce the consequences of breaches. Cyber Security is an integrated part of the organisation and internal training material.

### Inflation risk and supply management

The company is exposed to inflation risks. Effects of the Covid pandemic together with the war in Ukraine have contributed to higher inflation and a greater degree of unpredictability in the prices of goods, services and salaries. Inflation has during 2022 reached level not seen in decades. In addition, the logistics and supply management have become more challenging. The Company has focus on early planning to mitigate the risk of no receiving deliveries on time and sign agreements with the main suppliers at fixed prices.

### Capital structure and equity

DOF ASA Group signed the Restructuring Agreement (RA) in June 2022, which included the debt in DOF Rederi AS, and it was approved by all relevant financial creditors in November 2022. The parties of the RA further signed an Addendum which described certain steps on how to implement the RA should the shareholders not approve the restructuring. The RA did not get the necessary majority votes from the shareholders, resulting in that the financial creditors requested the board to file for bankruptcy in the DOF ASA. The bankruptcy proceedings were opened on the 2nd of February 2023.



As a consequence of the Restructuring Agreement all subsidiaries in DOF ASA were transferred to DOF Services AS, later named to New DOF ASA and then DOF Group ASA, as a planned “drop-down” process. As part of the agreements in the Addendum all the operations in the subsidiaries of DOF have continued as normal and was unaffected by the bankruptcy proceedings in DOF ASA.

The refinancing was completed on the 22nd of March 2023 and in total NOK 1,844 million of the Company's debt was converted to equity. At the same date the Company drawn a new fleet loan of NOK 1,548 million with a secured runway until 2026 for its fleet.

The main objective when managing the Company's capital structure is to ensure that the Company is able to sustain acceptable credit rating and thereby achieve favorable terms and conditions for long-term funding which is suitable for the Company's operation and growth.

The Company is exposed to financial risk through its operations and the requirement for refinancing and periodical maintenance of existing vessels.

The Company has historically achieved satisfactory long-term financing of its assets. However, a weak market in the period from 2014 to 2021 and an increased focus on ESG from financial institutions have increased the refinancing risk for the Company.

## 4 Climate risk

Like our industry peers, climate risk has evolved over the past decade to become an important consideration within overall financial risk management. There are multiple short, medium and long-term climate risks that manifest as material concerns for the organisation and its stakeholders. Through these material topics related to Climate Change, they interact with the Company's business continuity or revenue base by physically changing the environment and creating transition risks that the Company must build resilience against. As with any material issue, the approach to these topics is framed by transparency and integrity in communicating and reporting.

There are multiple ways in which Climate Change can interact with the business value chain. These are categorised into physical or transition climate risks. Physical climate risks account for the impacts of a changing environment and the relationship this has towards the continuity of the Company's operations. Alternatively, transition risks acknowledge the socio-economic shifts towards low-carbon economies and how this may relate to the Company's business operations, demand for services and revenue base. Building resilience and reducing exposure to both types of climate risks is equally crucial for the Company and implies a need to map out the climate risks through scenario-based planning.

Aligned to the philosophies of Task Force for Climate Change Disclosures (TCFD) framework the Company has immersed itself within the process of identifying, assessing and prioritising its climate risks and opportunities. This has been achieved through a process of climate scenario planning using Intergovernmental Panel of Climate Change (IPCC) climate outcomes.

Having built a picture of the climate risks profile, the Company has integrated these within existing Enterprise Risk Management processes to manage and resilience against foreseeable climate impacts. The process of translating climate risks into Enterprise Risk Management processes, is an integral for financial planning,

protecting its revenue base and establish resilience against impacts across short to long-term timeframes.

A large component of what will enable the Company to reduce exposure and build resilience against climate change challenges is the Company's ability to decarbonising the value chain.

### Climate Risk and Impairment test

The impairment test for vessels has included an analysis of which measures will be necessary to achieve GHG emissions reductions target. It is expected that decarbonisation measures will contain activities that have a greater degree of uncertainty than a traditional maintenance and upgrade program for the vessels. Cash flow effects related to risk and opportunities in a climate risk context therefore comes with higher degree of uncertainty.

It is expected that a tax on GHG emissions can be implemented during the vessels' useful life. However, there is great uncertainty about when, where, and how this tax will affect future cash flows. In the current impairment model, the group has therefore not included any costs linked to a potential tax on GHG emissions.

A general transformation to a low-carbon economy can also affect future revenue for the Company's vessels. There will be risks and opportunities in energy transition to a low carbon economy. However, there are limited knowledge available about future cash flow effects on revenue, hence there has not been possible to quantify or measure these effects. The impairment test has therefore not included any potential effect on future income cash flow related to energy transition.

### Climate Risk and Useful Lives of Vessels

The business model is founded on the principle of maximising the value of vessel assets across its operational lifespan. With a greater appreciation of climate change transition risks and circular economy, the Group seeks to extend assets' operational and economic life for as long as possible. With this objective comes increased business sustainability through maximising material value and reduced exposure asset write-down. These principles are a fundamental component of the Company's decarbonisation roadmap, building business resilience to climate change impact and offering greater value to our stakeholders.

The residual value has been set to zero after 30 years as the cost of increasing environmental requirements related to disposal of vessels are estimated to offset the scrap value of the steel. Useful life and residual value of vessels is based on knowledge of the market and years of operations of these types of vessels.

A key strategic area for the Company, to limit exposure to stranded assets is to incorporate climate-resilient strategies within our business model and create low-carbon value propositions for our clients across short, medium and long-term timeframes.

The economic life of the vessels and the risk of stranded assets will depend on the Company's ability to reach its climate targets. Increasing focus on the circular economy will also have effects on the economic life and the useful life of the Company's vessels. A short or longer economic life might affect the value of the Company's vessels and equipment as well as future depreciation.

There will always be a risk that a change in regulation and the market's requirements for sustainable operation may affect the economic life and useful life of the Company's vessels and in turn increase the risk of asset being stranded.



## 5 Accounting estimates and assessments

When preparing the annual accounts in accordance with simplified IFRS, the Company management has applied estimates based on best judgement and conditions considered to be realistic. Situations or changes may occur in the markets which may result in changes to the estimates, thereby impacting the Company's assets, liabilities, equity and result.

Assessments, estimates and assumptions which have a significant effect on the accounts are summarised below:

### Vessels

The carrying amount of the Company's vessels represents 79% of the total balance. Consequently, policies and estimates linked to the vessels have a significant impact on the Company's financial statements. Depreciation is calculated on a straight-line basis over the useful life of the asset. Depreciable amount equals historical cost less residual value.

#### *Useful life of vessels*

The level of depreciation depends on the vessels estimated useful lives. Useful life and economic life of the Company's vessels are estimated to be 30 years. Useful life of older vessels is individually assessed. There will always be a certain risk of events like breakdown, obsolescence e.g. with older vessels, which may result in a shorter useful life than anticipated. Useful life of vessels is based on knowledge of the market and years of operations of these types of vessels.

For information about how climate risk can affect life of vessels, see note 4 "Climate risk".

#### *Residual value of vessels*

The level of depreciation depends on the calculated residual value. Residual value after 30 years is set to zero based on an assumption that environmental requirements related to disposal of vessels are estimated to offset the scrap value of the steel.

#### *Useful life of investments related to periodical maintenance*

The level of depreciation depends on the calculated residual value. Residual value after 30 years is set to zero based on an assumption that environmental requirements related to disposal of vessels are estimated to offset the scrap value of the steel.

### Impairment of assets

#### *Vessels*

For the purposes of assessing impairment for vessels, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units, "CGU"). Each vessel together with associated contracts is considered as a separate CGU.

#### *Fair value less cost to sell*

For vessels, fair value less cost to sell is based on an average of the brokers' estimates, taken into account sales commission. All vessels in the Company are assessed by obtaining independent broker estimates. The brokers' estimates are based on the principle of 'willing buyer and willing seller'. Broker estimates include mounted equipment and assume that the vessels are without any charter contracts (i.e. charter-free basis). The Company has sought to substantiate the broker valuations, inter alia with value in use calculations or test of reasonableness of implicit rates and other assumptions derived from the valuations. The value in use calculation adjusts for positive or negative value in associated

contracts and for the cost level going forward. When value in use calculations have lower value than broker estimates, value in use has been used in the impairment test.

#### *Value in use*

Estimated cash flows are based on next year's budgets per vessel and forecasted earnings going forward. The budget process is a detailed and thorough bottom-up budgeting process at all levels of the organisation, with approval procedures on all levels within the Company. Estimated future cash flows are based on historical performance per vessel, in combination with current market situation and future expectations. Critical assumptions in the assessment are related to income rates, utilisation, operational and capital expenditure. The impairment test for vessels has included cost related to decarbonisation measures. For more information about calculation and assumption related to decarbonisation measures, see note 4 "Climate risk" s.

For vessels fixed on firm long-term contracts, the assumption is that the contracts run up until expiry of the contracts. Options held by the customers are not assumed to be exercised, unless the options are at or below current market rates. For vessels without contract, assumptions derived from the evaluation of broker estimates, combined with other market information are considered when estimating future revenues.

The Weighted Average Cost of Capital (WACC) is used as a discount rate and reflects a normalised capital structure for the industry. The WACC represents the rate of return the Company is expected to pay to its sources of finance for cash flows with similar risks. Cash flows are calculated after tax and discounted with an after-tax discount rate. The nominal WACC used in the value in use calculations are ranging from 10.0%-10.8%

Sensitivity analysis or stress tests have been carried out for the main variables in the assessment. This includes changes to key assumptions such as broker estimates, operating income, operating expenses and the discount rate.

### Tax risk

Changes in tax regimes may adversely affect the Company's cash flow and financial conditions. The Company is subject to special tax rules for ship owners in the Norwegian Taxation Act. The Norwegian Tonnage tax scheme is approved as legal stat aid under the EU guidelines for a 10-years period, from the 1st of January 2018 until 31st of December 2027. These tax rules stipulate certain requirements which will have to be met. A failure to meet such requirements may have an adverse effect on the effective tax rate of the Company. The Company is also subject to transfer pricing regulations in various jurisdictions which might impose the tax risk for the Company.



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## 6 Operating income

### Business segment

DOF Rederi AS operates within three business segments in terms of strategic areas of operation and vessel types. The three different business segments are: PSV (Platform Supply Vessel), AHTS (Anchor Handling Tug Supply Vessel) and Subsea (Subsea vessel and subsea engineering).

2022					
Business segment	PSV	AHTS	Subsea	Other	Total
Freight revenues	435 469	132 899	131 918		700 286
Other operating income	10 940	6 735	26 344	314	44 332
<b>Total operating income</b>	<b>446 409</b>	<b>139 634</b>	<b>158 261</b>	<b>314</b>	<b>744 618</b>

2021					
Business segment	PSV	AHTS	Subsea	Other	Total
Freight revenues	434 266	131 645	131 652		697 563
Other operating income	8 252	5 631	3 697	285	17 866
<b>Total operating income</b>	<b>442 518</b>	<b>137 277</b>	<b>135 348</b>	<b>285</b>	<b>715 429</b>

Geographical	2022		2021	
	NOK	Ratio %	NOK	Ratio %
Norway	379 872	51%	396 937	55%
Brasil	105 104	14%	81 942	11%
United Kingdom	105 095	14%	117 306	16%
Australia	86 049	12%	92 684	13%
Guyana	54 560	7%	22 448	3%
Netherlands, The	7 651	1%	0	0%
Canada	6 018	1%	0	0%
Other	269	0%	4 112	1%
<b>Total operating income</b>	<b>744 618</b>	<b>100%</b>	<b>715 429</b>	<b>100%</b>

## 7 Payroll expenses

	2022	2021
Payroll and other remunerations	211 834	204 006
Hired personnel	24 732	23 661
Travel costs	27 169	21 499
Other personnel costs	25 656	18 989
<b>Total</b>	<b>289 391</b>	<b>268 154</b>

Government grants related to the net salary scheme for vessels are reported as a reduction in payroll costs of NOK 44 341 thousand (NOK 59 870 thousand).

The Company has no employees, but hire crew personnel from affiliated company DOF Management AS and external parties.

The Company is not obligated to have an occupational pension scheme in accordance with mandatory occupational pension regulations.

There were no loans and guarantees issued to related parties.

There were no remunerations or other compensations paid to Board members as at 31 Dec 2022 and 31 Dec 2021. Managing Director (hereafter MD) has not received any remunerations or payroll from the Company.

Bonus agreement is in force for MD, based on the New DOF ASA Group's result.

Please see further disclosures regarding MD remunerations and compensations in New DOF ASA Consolidated Financial Statements for FY 2022.



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## 8 Other operating expenses incl auditors remuneration

Other operating expenses consists of:	2022	2021
Maintenance and repair services	77 431	73 933
Management fees for ship management	32 000	32 457
Consultant fees	4 318	2 105
Corporate management fees	9 000	12 205
Electronic communication expenses	23 561	19 169
Insurance related expenses	21 367	23 554
Other expenses	50 552	54 769
<b>Total</b>	<b>218 230</b>	<b>218 192</b>

Specification of auditor's fee:	2022	2021
Audit	798	675
Tax consultation	48	15
Attestation services	60	25
<b>Total</b>	<b>905</b>	<b>715</b>

Auditor's fees are exclusive VAT.



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## 9 Tangible assets

2022	Vessels	Periodic maintenance	Total
Acquisition cost as of 01.01.2022	4 956 367	356 371	5 312 737
Additions	21 627	149 330	170 957
Disposals	-635 996	-104 239	-740 235
<b>Acquisition cost as of 31.12.2022</b>	<b>4 341 998</b>	<b>401 462</b>	<b>4 743 460</b>
Depreciation as of 01.01.2022	1 221 158	176 349	1 397 507
Depreciation for the year	97 076	67 564	164 639
Depreciation on disposals for the year	-271 292	-97 741	-369 034
<b>Depreciation 31.12.2022</b>	<b>1 046 941</b>	<b>146 171</b>	<b>1 193 113</b>
Impairment 01.01.2022	1 950 833	-	1 950 833
Impairment / reversal impairment	-12 174	-	-12 174
Impairment on disposals for the year	-306 246	-	-306 246
<b>Impairment 31.12.2022</b>	<b>1 632 413</b>	<b>-</b>	<b>1 632 413</b>
<b>Book value 31.12.2022</b>	<b>1 662 644</b>	<b>255 291</b>	<b>1 917 934</b>
2021	Vessels	Periodic maintenance	Total
Acquisition cost as of 01.01.2021	5 611 480	399 907	6 011 387
Additions	4 922	71 203	76 124
Disposals	-660 035	-114 739	-774 774
<b>Acquisition cost as of 31.12.2021</b>	<b>4 956 367</b>	<b>356 371</b>	<b>5 312 737</b>
Depreciation as of 01.01.2021	1 379 090	216 815	1 595 905
Depreciation for the year	106 777	60 828	167 605
Depreciation on disposals for the year	-264 709	-101 294	-366 003
<b>Depreciation 31.12.2021</b>	<b>1 221 158</b>	<b>176 349</b>	<b>1 397 507</b>
Impairment 01.01.2021	2 146 001	188	2 146 001
Impairment	167 000	-	167 000
Impairment on disposals for the year	-362 168	-188	-362 356
<b>Impairment 31.12.2021</b>	<b>1 950 833</b>	<b>-</b>	<b>1 950 833</b>
<b>Book value 31.12.2021</b>	<b>1 784 376</b>	<b>180 022</b>	<b>1 964 397</b>
Depreciation period	30 years	30-60 months	
Depreciation method	Linear	Linear	

### *Useful life and residual value*

Useful life and economic life of the Company's vessels are estimated to be 30 years. The level of depreciation depends on the calculated residual value. The residual value has been set to zero after 30 years as the cost of increasing environmental requirements related to disposal of vessels are estimated to offset the scrap value of the steel.

### *Disposals*

The Company has sold three vessels in 2022, Skandi Foula, Skandi Rona and Skandi Sotra. Gain on sale of the disposals are related to sale of these three vessels.

### *Impairment*

The impairment test is based on operational performance, contract backlog and the completed refinancing on the 22nd of March 2023. The impairment test has resulted in a reversal of impairment of NOK 12,2 million.



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## 9 Tangible assets (continued)

Age	Number of vessel - reversal of impairment in 2022			Book value 31.12.2022 reversed impairment			Reversal of impairment 2022			Total
	PSV	AHTS	CSV	PSV	AHTS	CSV	PSV	AHTS	CSV	
0-10 years	0	0	0							-
11-15 years	1	0	0	168 211			12 174			12 174
15+ years	0	0	0							-
<b>Total</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>168 211</b>	<b>-</b>	<b>-</b>	<b>12 174</b>	<b>-</b>	<b>-</b>	<b>12 174</b>

For further information see note 4 Accounting estimates and assessments.

### *Sensitivity analyses of impairment*

While testing the reasonableness of the broker estimates the Company has applied a nominal WACC after tax in the range of 10.0 - 10.8 %.

The valuation of the vessels are sensitive for changes in WACC, USD/NOK rate and earnings. Negative changes in WACC with 50 basis points will result in an additional impairment of the vessels with NOK 66.9 million and a drop in USD/NOK 0,50 will result in an additional impairment of the vessels with approx. NOK 131.2 million. Negative effect on net future cash flows with 20% will result in an additional impairment of the vessels with approx NOK 143.8 million

## 10 Financial income and expenses

	2022	2021
Interest income Group companies	4 425	342
Other interest income	2	80
<b>Financial income</b>	<b>4 426</b>	<b>423</b>
Interest costs Group companies	-19 454	-17 363
Other interest costs	-204 375	-143 344
Other financial costs	-32 137	-9 761
Write down loan	-15 925	
<b>Financial costs</b>	<b>-271 890</b>	<b>-170 467</b>
Net gain/(loss) on currency derivatives	-1 523	755
Net gain/(loss) on cash	11 363	-1 357
Net gain/(loss) on operational capital	2 702	598
<b>Net realized gain/loss on currencies</b>	<b>12 543</b>	<b>-3</b>
Net gain/(loss) on operational capital	658	637
<b>Net unrealized gain/loss on currencies</b>	<b>658</b>	<b>637</b>
Net change in unrealised gain/loss on interest swap	1 386	11 871
Net change in unrealized gain/loss on derivatives	1 386	11 871
<b>Total</b>	<b>-252 878</b>	<b>-157 540</b>



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## 11 Tax

The Company is organized in compliance with the tax regime for shipping companies in Norway. This scheme entails no tax on profits or tax on dividends from companies within the scheme. Net finance, allowed for some special regulations, will continue to be taxed on an ongoing basis. In addition tonnage tax is payable, which is determined based on the vessel's net weight. This tonnage tax is presented as an operating expense.

The tax consists of:	2022	2021
Tax payable abroad	6 276	4 656
Change in deferred tax		-
Adjustment in respect to prior years		-
Tax cost/(income)	<b>6 276</b>	<b>4 656</b>
<b>Reconciliation of nominal and effective tax rate</b>		
Profit before tax	-125 039	-231 977
Estimated tax cost 0 %	-	-
<b>Reason for difference between actual tax cost and estimated tax cost</b>		
Tax payable abroad	6 276	4 656
Change in deferred tax		-
Adjustment in respect to prior years		-
Deviation from estimated tax cost	<b>6 276</b>	<b>4 656</b>
Taxable finance income (loss)	-81 948	-54 748
Finance loss	<b>-81 948</b>	<b>-54 748</b>

Basis of deferred tax	31.12.2022	31.12.2021
Finance loss - carried forward	-415 658	-333 710
Finance loss - not included in basic for calculation of deferred tax	415 658	333 710
Basis for calculation deferred tax	-	-
<b>Net deferred tax</b>	<b>-</b>	<b>-</b>

## 12 Earnings per share

Ordinary earnings per share are calculated based on the annual result payable as the relationship between the annual result for the year to the shareholders and the weighted average of outstanding ordinary shares throughout the financial year. There are no instrument that allow the possibility of dilution.

Basis for calculation of earning per share	2022	2021
Profit for the year	-131 315	-236 633
Earnings per share (NOK)	-1 939	-3 494
Average number of shares	67 721	67 721



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## 13 Contract costs

	2022	2021
Acquisition cost as of 01.01.	25 973	25 973
Reclassification		
Additions	341	
Disposals	-20 801	
<b>Acquisition cost as of 31.12</b>	<b>5 513</b>	<b>25 973</b>
Depreciation as of 01.01.	19 518	11 342
Reclassification		
Depreciation for the year	4 614	8 176
Depreciation on disposals for the year	-20 801	-
<b>Depreciation 31.12</b>	<b>3 331</b>	<b>19 518</b>
<b>Book value 31.12.2021</b>	<b>2 182</b>	<b>6 455</b>
Depreciation period	3-5 years	3-5 years

Contract costs are depreciated during the contract period.

The Group has presented and recognised contract cost as intangible asset in accordance with policies described in note 2 'Accounting policies'. The main part of the contract costs is related to mobilisation of vessels, equipment and offshore personnel.

Amortisation of contract costs are recognised over the contract period of the related contract.

## 14 Trade receivable

	2022	2021
Trade receivable at nominal value	119 809	104 591
Earned, not invoiced income	11 646	26 971
Provision for bad debts	-2 810	-2 813
<b>Total</b>	<b>128 645</b>	<b>128 748</b>

The Company's credit exposure is mainly towards customers who historically have had good financial capability to meet their obligations and have had high credit rating. Sustained challenging market situation has resulted in changes to the credit ratings for some customers, and thereby increased the credit risk. Historically, the portion of receivables not being collectable has been low. General allowance for expected credit losses the 31st of December 2022 and the 31st of December 2021 are based on historical losses and updated view on general risk in the Company's industry. Loss allowance for a specific contract are based on expectation of recovery of outstanding amount.

	Total	Not matured	<30d	30-60d	60-90d	>90d
2022	128 645	110 183	15 097	1 711	-	1 654
2021	104 591	83 426	15 182	-	195	5 788

### Trade receivable divided on currencies:

	2022			2021		
	Currency	NOK	Ratio %	Currency	NOK	Ratio %
USD	4 515	44 509	35%	5 522	48 698	38%
NOK		42 043	33%		40 042	31%
AUD	3 565	23 887	19%	3 855	24 576	19%
GBP	1 135	13 453	10%	1 302	15 432	12%
EUR	452	4 752	4%		-	0%
<b>Total</b>		<b>128 645</b>	<b>100%</b>		<b>128 748</b>	<b>100%</b>

Trade receivable from external parties ( including earned, not invoiced income) totaling NOK 103 904 thousands pr. 31.12.2022 (NOK 114 911 thousand pr. 31.12.2021).



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## 1.5 Related parties

Further description of the related parties and company's relations to those:

Møgster Offshore AS has been owner with 31,6 % of the shares in DOF ASA. Laco AS is the main shareholder in Møgster Offshore AS.

The Company has used the shipyard Fitjar Mekaniske Verksted AS to do maintenance and repairs on the vessels and rent quay from Brdr. Birkeland AS. Both companies are part of the Laco AS Group.

Remunerations for Board members and Managing Director are disclosed in the note 7.

Transactions and balances with the Group's companies, DOF ASA and Laco Group are disclosed below.

	2022	2021
<b>a) Sales of services</b>		
- Affiliated company (rental of the vessel)	142 424	119 305
<b>Total</b>	<b>142 424</b>	<b>119 305</b>
<b>b) Purchase of services and goods</b>		
- Parent company (corporate fees)	7 500	12 205
- Affiliated company (purchase of vessel)	37 500	-
- Affiliated companies (management services)	36 344	35 058
- Affiliated company (IT services)	9 577	8 847
- Affiliated company (Vessel repairs)	13 025	8 772
- Affiliated company (Quay berth)	2 018	2 621
- Affiliated company (Rental of the vessel ROV)	72 505	63 604
- Affiliated companies (back to back)	195 847	130 771
<b>Total</b>	<b>374 315</b>	<b>261 879</b>
<b>c) Loans to/from companies in the same Group and intra-group balances</b>		
<b>Specification of the intra-group balances</b>		
	2022	2021
Non-current receivables from companies in the group	15 925	-
Trade receivable from companies in the group	24 740	13 837
Current receivables from companies in the group*	270 834	237 706
<b>Total</b>	<b>311 499</b>	<b>251 543</b>
Other current liabilities group companies *	752	5 004
Trade payable to companies in the group	99 483	74 050
<b>Total</b>	<b>100 235</b>	<b>79 054</b>

\* Current receivables and liabilities group companies include deposits under Group's cash pool.

\*\* Loan to the group companies and loan from group companies are interest-bearing. Please see note 10 for further details regarding interest costs.



FINANCIAL STATEMENTS / DOF REDERI AS

## 16 Other current assets

	2022	2021
Fuel reserves and other consumables	19 792	19 102
Prepaid expenses	37 066	34 266
Insurance claims	2 767	3 114
Government taxes (VAT and other tax refund)	-	983
<b>Total</b>	<b>59 624</b>	<b>57 464</b>

## 17 Cash and cash equivalents

	2022	2021
Restricted deposits	23	23
Bank deposits	66 958	50 515
<b>Total</b>	<b>66 981</b>	<b>50 538</b>

## 18 Share capital and share information

DOF Rederi AS sharecapital is totaling NOK 203,231 thousands and consists of 67,721 shares, each with nominal value of NOK 3,001.

All company's shares have the same rights and there are not existing rights that could result for new shares issue.  
DOF Group ASA owns 100% of the shares in the company.

DOF Group ASA has its headquarters at Storebø in Austevoll municipal in Norway.  
Consolidated financial statements can be acquired by visiting DOF's web page.

[www.dof.com](http://www.dof.com).



FINANCIAL STATEMENTS / DOF REDERI AS

## 1.9 Interest bearing debt

	2022	2021
<b>Non-current interest bearing liabilities</b>		
Debt to credit institutions	-	-
Non-current liabilities group companies	-	-
<b>Total non current interest bearing liabilities</b>	-	-
<b>Current interest bearing liabilities</b>		
Current liabilities to credit institutions	3 325 030	3 315 265
Current liabilities to group companies	-	-
<b>Total current interest bearing liabilities</b>	<b>3 325 030</b>	<b>3 315 265</b>
<b>Total interest bearing liabilities</b>	<b>3 325 030</b>	<b>3 315 265</b>
<b>Average rate of interest</b>	<b>4.18%</b>	<b>4.20%</b>

Current debt to credit institutions in the balance sheet includes accrued interest of NOK 92.1 million (NOK 57.3 million). Accrued interest expenses are not included in the figures above.

The debt is in NOK currency.

	2022	2021
<b>Liabilities secured by mortgage</b>		
Debt to credit institutions incl current debt	3 325 030	3 315 265
<b>Total liabilities</b>	<b>3 325 030</b>	<b>3 315 265</b>
<b>Assets provided as security</b>	<b>1 917 934</b>	<b>1 964 397</b>

The external financing of the Company is mortgaged loans, secured with the Company's vessels. All financial covenants related to the mortgaged loans are measured against the guarantor DOF Group ASA (parent company guarantee).

The Company has standstill-agreement with its lenders at 31 december 2022 and the financial covenants have been waived in the standstill agreement.

### Refinancing

DOF ASA Group signed a Restructuring Agreement (RA) in June 2022 which include the Companys debt.

All the financial creditors have approved the RA and the Addendum, which include a refinancing of the Companys reinstated debt to a new fleet loan.

The refinancing was completed on the 22nd of March 2023 and in total NOK 1,844 million of the Company's debt was converted to equity. At the same date the Company drew a new fleet loan of NOK 1,548 million with a secured runway until 2026 for its fleet, as a replacement for the remaining debt.

Covenants for DOF Rederi AS new loan agreements, signed in March 2023, are as follows;

- DOF Rederi AS shall have available cash of at least NOK 175 million.
- DOF Rederi AS shall have positive working capital (current assets less current liabilities excluded current portion of debt to credit institutions), on each testing date.
- DOF Rederi AS Interest Coverage Ratio (EBTIDA / interest payable in period) shall be no less than the level set out that period. The interest coverage ratios are the following: From June 23-Dec 23, 2.5x, from March 24- Dec 24, 3.50x and from March 25 - Dec 25, 5.0x.
- Fair value (based on 2 brokers valuations) for the vessels shall be at least 100% of the total outstanding loans related to the vessels.
- Testing date is set to be the last day in each quarter.



FINANCIAL STATEMENTS / DOF REDERI AS

## 20 Trade payables

	2022	2021
Trade payable at nominal value	67 140	82 947
Accrued expences	85 406	49 504
<b>Total</b>	<b>152 545</b>	<b>132 451</b>

Trade payables divided on currencies:

	2022			2021		
	Currency	NOK	Ratio %	Currency	NOK	Ratio %
NOK		77 835	51%		57 706	44%
USD	5 880	58 421	38%	6 017	53 067	40%
AUD	1 776	11 895	8%	1 570	10 010	8%
GBP	261	3 021	2%	229	2 713	2%
EUR	128	1 321	1%	895	8 940	7%
Other currencies:		51	0%		16	0%
<b>Total</b>		<b>152 545</b>	<b>100%</b>		<b>132 452</b>	<b>100%</b>

## 21 Other current liabilities

	2022	2021
Accrued interest	92 865	62 302
Financial derivatives	-	1 386
Other liabilities	3 132	2 963
<b>Total</b>	<b>95 996</b>	<b>66 651</b>

## 22 Lease agreements

As of 31 Dec 2022 the Company has no lease agreements where the Company acts as a lessee.



FINANCIAL STATEMENTS / DOF REDERI AS

## 23 Hedging activities

As of 31 December 2022, the Company has no interest rate and currency derivatives.

## 24 Guarantee commitments

The Company has no guarantee commitments other than its non-current liabilities per end December 2022.

## 25 Contingencies

The Company has no contingent liabilities per end December 2022.

## 26 Subsequent events

On the 22nd of March 2023 the restructuring of the Company and the Group were completed including effectuating of new loan facilities in DOF Rederi AS. Conversion of approximately NOK 1,844 million was done by increased nominal value of the shares from NOK 3,001 to NOK 3,002 representing a share capital of NOK 203,3 million.

Skandi Gamma has awarded a 4-year, 2 \* 1-year options contract with Ithaca Energy (UK) in the North Sea and Skandi Vega has awarded a 3+2-year contract with start up in second quarter 2024.



INDEPENDENT AUDITOR'S REPORT



To the General Meeting of DOF Rederi AS

## Independent Auditor's Report

### Opinion

We have audited the financial statements of DOF Rederi AS (the Company), which comprise the statement of balance sheet as at 31 December 2022, the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, 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.

### 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 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.

### 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

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Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapstørerselskap



INDEPENDENT AUDITOR'S REPORT



- contains the information required by applicable statutory requirements.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation of financial statements 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 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 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.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revijsjonsberetninger>

Bergen, 31 May 2023  
**PricewaterhouseCoopers AS**

Marius Kaland Olsen  
State Authorised Public Accountant  
(This document is signed electronically)

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Directorate of Taxes

22 DES. 2011

Inquiries to Torstein Kinden Helleland	Your date 24.10.2011	Our date 20.12.2011
Telephone 22078139	Your reference Solveig Byrkjeland	Our reference 2011/1035547

DOF ASA  
Alfabygget  
5392 STOREBØ

## Permission to make the annual accounts and director's report in English language

Dear Ms Solveig Byrkjeland

With reference to your letter of 24 October 2011, you apply for permission to keep annual accounts and directors' report in English language. The application in question concerns the companies mentioned below.

<b>DOF Rederi AS</b>	<b>org. nr. 981 686 209</b>
<b>Norskan AS</b>	<b>org. nr. 985 916 039</b>
<b>Norskan Norway AS</b>	<b>org. nr. 993 280 208</b>
<b>Norskan Holding AS</b>	<b>org. nr. 993 274 402</b>
<b>DOF Rederi II AS</b>	<b>org. nr. 995 251 604</b>
<b>Waveney AS</b>	<b>org. nr. 992 043 432</b>
<b>Aker DOF Deepwater AS</b>	<b>org. nr. 990 999 120</b>

### Conclusion

Based on a total evaluation, the view of The Directorate of Taxes is that the companies mentioned above may make the directors' report and annual accounts in English language according to the Norwegian Accounting Act § 3-4 third paragraph.

The exemption requires that the information that the decision is based on, does not change significantly.

### Background

The companies are directly or indirectly owned by DOF ASA. The DOF ASA Group is an international group of companies which owns and operates a modern fleet of offshore-/subsea vessels, and owns engineering capacity to service the subsea market. Other group companies have in decisions (2009/276917) of 17 June 2010 and 4 January 2011 been given permission to make the directors' report and annual accounts in English language.

The working language in the group is English. The DOF ASA Group operate within the international offshore-/subsea industry, where English is clearly the dominant language. The group is highly international in the sense that it operates throughout the world, and the group has several legal entities and companies in different countries. A number of these companies are as well

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0134 Oslo	Org. nr: 996250318	Telefax
For elektronisk henvendelse se <a href="http://www.skatteetaten.no">www.skatteetaten.no</a>		22 17 08 60



taxable or can be taxable in other jurisdictions due to inter alia international operations. It follows that the accounts for these companies as well will have to be presented in different jurisdictions. Almost all of the companies' users, including financial institutions, contracting parties, customers and suppliers are foreign/international companies or institutions. The companies' users, who are not foreign/international companies or institutions, master and use English language. The annual report and financial statements of the companies are required to be prepared each year in the Norwegian language only in order to satisfy the requirements of the Norwegian Accounting Act.

#### **Permission to make the annual accounts and the directors' report in Norway in English language**

According to the Norwegian Accounting Act § 3-4, third paragraph shall *"the directors' report and annual accounts ... be in Norwegian. The Ministry can in an individual decision decide that the directors' report and/or annual accounts may be in another language"*.

Ot. prp. nr. 42 (1997-1998) About Act about annual accounts etc., says the following about the purpose of the Accounting Act, refer section 1.1:

*"The aim of the Government with respect to the Accounting Act is that it shall contribute towards providing informative accounts for different users of accounts. The users of accounts include investors and creditors which provide capital for the companies. Other groups include those who have an interest in knowing how the companies are operated, for example employees and the local community. The information to the capital market is an important basis for the correct pricing of financial instruments. The correct pricing of stocks is an important factor in securing the best possible allocation of resources in the economy. High quality accounts will also make it more difficult for market participants to obtain speculative gains as a result of non-publicly available information."*

Hence, one of the main aims of the Accounting Act is to contribute to "informative accounts for different users of accounts". The users of the accounts will include investors, creditors, employees and the local community.

Hence, it is the view of the Ministry that it is crucial that the question of dispensation from the general rule that the annual accounts and/or directors' report should be done in Norwegian, not in any significant way deviate from the consideration of users of the accounts.

As mentioned above it is particularly the consideration of the users of the account information which has to be taken into consideration when considering the application for permission. In this assessment, the Directorate of Taxes has emphasized that other group companies have in decisions been given permission to make the directors' report and annual accounts in English language. The companies operates in highly international branch, where English is the common languages used. Internal, English is also only language used for reporting purpose. Furthermore, it is emphasized that non in the Board of directors speaks Norwegian.



We kindly request you to mention “our reference” in all written communication with The Norwegian Tax Authorities.

Best regards

*Rune Tystad*

Rune Tystad  
Senior Adviser  
Legal Department  
Directorate of Taxes

*Torstein Kinden Helleland*  
Torstein Kinden Helleland