



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2019 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 886 886 462  
Organisasjonsform: Norskreg. utenlandsk foretak  
Foretaksnavn: TECHNIP FRANCE NORWAY  
ESTABLISHMENT  
Forretningsadresse: 68 Allée de L'arche  
Faubourg de L'arche, Zac Danton  
92400 COURBEVOIE

### Regnskapsår

Årsregnskapets periode: 01.01.2019 - 31.12.2019

### Konsern

Morselskap i konsern: Nei

### Regnskapsregler

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

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Aleksander Bugge  
Dato for fastsettelse av årsregnskapet: 31.08.2020

### Grunnlag for avgivelse

År 2019: Årsregnskapet er elektronisk innlevert  
År 2018: Tall er hentet fra elektronisk innlevert årsregnskap fra 2019

*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, 15.10.2021



### Resultatregnskap

Beløp i: NOK	Note	2019	2018
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt		522 492 760	328 979 633
<b>Sum inntekter</b>		<b>522 492 760</b>	<b>328 979 633</b>
<b>Kostnader</b>			
Varekostnad		294 461 282	24 392 277
Lønnskostnad		134 748 311	95 371 541
Avskrivning		11 330	5 518
Annen driftskostnad		75 491 269	202 183 102
<b>Sum kostnader</b>		<b>504 712 192</b>	<b>321 952 439</b>
<b>Driftsresultat</b>		<b>17 780 568</b>	<b>7 027 194</b>
<b>Finansinntekter og finanskostnader</b>			
Annen finansinntekt		10 006 773	5 030 000
<b>Sum finansinntekter</b>		<b>10 006 773</b>	<b>5 030 000</b>
Annen finanskostnad		5 250 756	10 237 766
<b>Sum finanskostnader</b>		<b>5 250 756</b>	<b>10 237 766</b>
<b>Netto finans</b>		<b>4 756 018</b>	<b>-5 207 766</b>
<b>Ordinært resultat før skattekostnad</b>		<b>22 536 586</b>	<b>1 819 428</b>
Skattekostnad på ordinært resultat		4 958 049	373 358
<b>Ordinært resultat etter skattekostnad</b>		<b>17 578 537</b>	<b>1 446 070</b>
<b>Årsresultat</b>		<b>17 578 537</b>	<b>1 446 070</b>



## Balanse

Beløp i: NOK	Note	2019	2018
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
<b>Varige driftsmidler</b>			
Driftsløsøre, inventar, verktøy, kontormaskiner ol		5 799	17 129
<b>Sum varige driftsmidler</b>		<b>5 799</b>	<b>17 129</b>
<b>Sum anleggsmidler</b>		<b>5 799</b>	<b>17 129</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Kundefordringer		86 972 263	0
Andre fordringer		6 845 004	2 243 545
Konsernfordringer		77 164 997	55 176 238
<b>Sum fordringer</b>		<b>170 982 264</b>	<b>57 419 783</b>
<b>Sum omløpsmidler</b>		<b>170 982 264</b>	<b>57 419 783</b>
<b>SUM EIENDELER</b>		<b>170 988 063</b>	<b>57 436 913</b>

## BALANSE - EGENKAPITAL OG GJELD

### Egenkapital

#### Innskutt egenkapital

#### Opptjent egenkapital

Annen egenkapital		18 828 523	1 249 986
<b>Sum opptjent egenkapital</b>		<b>18 828 523</b>	<b>1 249 986</b>
<b>Sum egenkapital</b>		<b>18 828 523</b>	<b>1 249 986</b>

### Gjeld



## Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2019</b>	<b>2018</b>
<b>Langsiktig gjeld</b>			
Utsatt skatt		4 958 298	250
Andre avsetninger for forpliktelser		103 544 412	23 947 384
<b>Sum avsetninger for forpliktelser</b>		<b>108 502 710</b>	<b>23 947 634</b>
<b>Annen langsiktig gjeld</b>			
<b>Sum langsiktig gjeld</b>		<b>108 502 710</b>	<b>23 947 634</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		25 865 337	15 410 918
Betalbar skatt			373 108
Skyldige offentlige avgifter		1 946 089	
Kortsiktig konserngjeld		6 935 587	7 545 449
Annen kortsiktig gjeld		8 909 817	8 909 817
<b>Sum kortsiktig gjeld</b>		<b>43 656 830</b>	<b>32 239 293</b>
<b>Sum gjeld</b>		<b>152 159 540</b>	<b>56 186 927</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>170 988 063</b>	<b>57 436 913</b>



**Technip France Norway Establishment NUF**

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## Annual report 2019

- Owner's Report
- Income statement
- Balance sheet
- Cash flow statement
- Notes

Auditors' Report



## Technip France Norway Establishment NUF

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### Notes to the accounts for 2019

## Owner's report 2019

### Technip France Norway Establishment NUF

Address: 68 Allée de L'arche, Faubourg de L'arche, Zac Danton,  
92400 COURBEVOIE, FRANCE  
Org.no.: NO 886 886 462 VAT

Technip France Norway Establishment NUF (the Company) is a branch of Technip France S.A.S. operating as Permanent Establishment in Norway. Technip S.A.S. is part of the TechnipFMC Group. TechnipFMC is listed on the New York Stock Exchange and the Euronext Paris Stock Exchange. The Company is an establishment for all Norwegian activities under the Martin Linge Project executed out of Paris, France.

Technip France S.A.S. has Head office at 6 Allée de l'Arche, 92400 Courbevoie, France.

### Activities in 2019

During 2019, Technip France Norway Establishment has successfully supported the offshore campaign for hook-up and commissioning of Martin Linge platform. Construction progress is now ca. 75% cumulative. Integration of electrical and instrument technical rooms between Utility and Process modules has been completed during summer 2019 (significant offshore milestone) releasing work-front for commissioning loop tests.

Operational performance was satisfactory, and the project was executed with high focus on safety, quality, efficiency and profitability. During the year, the Company has taken several important steps to align the business to the split between the TechnipFMC Group into RemainCo and SpinCo. SpinCo will be named Technip Energies and the Norwegian arm in Technip Energies will support the project forward.

### The Company's Result and Financial Position

Operating income increased significantly and ended at 510.6mNOK in 2019, compared to 318.3mNOK in 2018. The increase is primarily driven by ramp-up of offshore commissioning activities, combined with modifications / adaptations to client standards or preferences. The profit before tax amounted to 22.5mNOK compared to a profit of 1.8mNOK in 2018. Company's Net Cash Flow during the period was 22.6 mNOK. Liquidity is considered satisfactory and it is not considered necessary to introduce measures to reduce liquidity risks. Currency risk is affecting the project portfolio with the changes in currency rates. To reduce this risk, the Company enters forward currency contracts to secure future cash flows. The company performs credit risk evaluations of its customers and sub-contractors. Credit risk is evaluated and is considered important as the supplier industry has over last years experienced challenging years which have reduced equity in all players of the market.

### Organization, Health, Safety and Environment

The Company has high focus on health, safety and environment and continuously work to improve these areas. Safety performance is regularly reviewed by the Company's senior management. TechnipFMC Group's ambition has been to establish itself as a reference company within safety culture in the oil and gas industry.

### Social Responsibility

The Company reports its social responsibility through the website of its parent company in Paris, France: Technip France S.A.S (<https://www.technipfmc.com/>)

### Injuries

There was no Lost Time Injuries reported from total operations in 2019 (2018: 0). The Company will continue to focus on risk assessment in order to prevent high potential incidents and continuously consider new improvements for its safety culture. The Company emphasizes that safety of its employees is an absolute priority and will remain a primary goal for the coming years.



## **Technip France Norway Establishment NUF**

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### **Notes to the accounts for 2019**

#### **Working Environment**

The Company has a good work environment and strives to continuously improve within this area.

#### **Employees**

At the end of the year there were 74 employees working in the Company (2018: 77). Both women and men are provided equal opportunities with regards to pay and advancement. The Company has high focus on competence building and development of its employees to promote future career opportunities in the TechnipFMC Group, both in Norway and internationally.

#### **Sick Leave**

Sick Leave was 2.1% % of total worked hours in 2019 (2018: 1.2%). The Company actively works to keep the sick leave rate low and performs annual health and working environment surveys to ensure good working climate.

#### **External Environment**

Climate change is one of the main challenges of our time and a clear call to action. We acknowledge the findings of the UN climate panel that human activity contributes to global warming, with a negative impact on nature, humans and society at large. We believe that contributing to new technologies and innovation will provide tomorrow's solutions to the energy and climate challenges.

#### **Discrimination**

The Company has an ambition to recruit employees of different backgrounds and nationalities. Integration is facilitated by the company by practical help in the transfer process to Norway. Documentation about cross-cultural differences in Norway has been dispatched within the project.

#### **Future Developments**

The Martin Linge Project is estimated to be finalized in the current structure by TechnipFMC Group in Norway by the year 2021.

#### **Going concern**

In compliance with the Norwegian Accounting Act §3-3a. It is confirmed that the going concern assumptions continues to apply. The Owners is not aware of any activities occurring after the closing of the annual accounts, which would materially affect the assessment of the Company's Norwegian activities presented herein.

#### **Allocation of the year's profit**

The Company had in 2019 a net profit of 17.6mNOK. This profit is taxable to Norway. Further, project margin is allocated to the total Martin Linge Project out of Technip France S.A.S. which is treated taxwise from France on its financial annual results.

Oslo, August 31th, 2020  
Owners of  
Technip France Norway  
Establishment

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**Aleksander G. Bugge**  
Owner's representative



**Technip France Norway Establishment NUF**

**Notes to the accounts for 2019**

**INCOME STATEMENT**

<b>OPERATING COSTS AND REVENUE</b>	<b>NOTE</b>	<b>2019</b>	<b>2018</b>
<b>REVENUE</b>	<b>2</b>	<b>522 492 761</b>	<b>328 979 633</b>
COST OF GOODS SOLD		34 463 417	24 392 277
PAYROLL EXPENSES	3,6	134 748 311	95 371 541
DEPRECIATION	4	11 330	5 518
OTHER OPERATING EXPENSES		335 489 134	202 183 102
<b>TOTAL OPERATING EXPENSES</b>		<b>504 712 193</b>	<b>321 952 439</b>
<b>OPERATING RESULT</b>		<b>17 780 568</b>	<b>7 027 194</b>
<b>FINANCIAL INCOME AND EXPENSES</b>			
NET FINANCIAL RESULT	7	4 756 018	(5 207 766)
<b>ORDINARY RESULT BEFORE TAX</b>		<b>22 536 585</b>	<b>1 819 428</b>
TAX ON ORDINARY RESULT	10	4 958 049	373 358
<b>ANNUAL NET PROFIT</b>		<b>17 578 536</b>	<b>1 446 070</b>
<b>BROUGHT FORWARD</b>	<b>9</b>		
TRANSFERRED TO UNCOVERED LOSS		-	130 705
CURRENCY CHANGE ON EQUITY		-	(65 379)
TRANSFERRED TO OTHER EQUITY		17 578 536	1 249 986



**Technip France Norway Establishment NUF**

**Notes to the accounts for 2019**

**BALANCE SHEET AS OF DECEMBER 31 2019**

<b>FIXED ASSETS</b>	<b>NOTE</b>	<b>2019</b>	<b>2018</b>
FIXTURES AND FITTINGS	4	5 799	17 129
<b>TANGIBLE ASSETS</b>		<b>5 799</b>	<b>17 129</b>
<b>CURRENT ASSETS</b>			
TRADE RECEIVABLES		86 972 263	-
OTHER RECEIVABLES	8	6 845 004	2 243 545
INTERCOMPANY RECEIVABLES	5	77 164 997	55 176 238
<b>TOTAL CURRENT ASSETS</b>		<b>170 982 264</b>	<b>57 419 783</b>
<b>TOTAL ASSETS</b>		<b>170 988 063</b>	<b>57 436 912</b>
<b>BRANCH EQUITY</b>			
OTHER EQUITY	9	18 828 523	1 249 986
<b>TOTAL EQUITY</b>		<b>18 828 523</b>	<b>1 249 986</b>
<b>LIABILITIES</b>			
<b>PROVISIONS</b>			
DEFERRED TAX LIABILITY	10	4 958 298	250
OTHER PROVISIONS FOR OBLIGATIONS		103 544 412	23 947 384
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>108 502 710</b>	<b>23 947 634</b>
<b>CURRENT LIABILITIES</b>			
TRADE CREDITORS		25 865 337	15 410 918
TAX PAYABLE	10	-	373 108
INTERCOMPANY LIABILITY	5	6 935 587	7 545 449
OTHER SHORT TERM DEBT	8	10 855 906	8 909 817
<b>TOTAL CURRENT LIABILITIES</b>		<b>43 656 830</b>	<b>32 239 292</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>170 988 063</b>	<b>57 436 912</b>

Oslo, August 31th, 2020  
Owners of  
Technip France Norway  
Establishment

**Aleksander G. Bugge**  
Owner's representative



## Technip France Norway Establishment NUF

### Notes to the accounts for 2019

#### CASH FLOW STATEMENT

Cash flow from operations (NOK)	2019	2018
Ordinary result before tax	22 536 585	1 819 428
<i>Adjusted for:</i>		
Depreciation	11 330	5 518
<i>Changes in balance sheet items:</i>		
Change in accounts receivable	(86 972 263)	42 858 890
Change in accounts payable	10 454 419	7 171 048
Change in project related accruals	79 597 027	23 947 634
Change in other accruals		
Change in other receivable	(4 601 459)	(3 508 848)
Change in other public duties payable	(373 108)	373 108
Change in other short term debt	1 946 089	5 049 672
Taxes paid during the period	-	
<b>Net cash generated from operating activities</b>	<b>22 598 621</b>	<b>77 716 450</b>
<b>Net cash used for investment activities</b>	<b>-</b>	<b>-</b>
<b>Net cash from financing activities</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOWS FOR THE PERIOD</b>	<b>22 598 621</b>	<b>77 716 450</b>
Balance Intercompany 01.01	47 630 789	(30 085 661)
Balance Intercompany 31.12	70 229 410	47 630 789
<b>Net change in cash and cash equivalents</b>	<b>22 598 621</b>	<b>77 716 450</b>



## **Technip France Norway Establishment NUF**

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### **Notes to the accounts for 2019**

#### **NOTE - 1 ACCOUNTING PRINCIPLES**

The principal accounting policies applied in the preparation of these financial statements are set out below. The presentation currency of the company is NOK. All numbers are in NOK unless otherwise stated. Accounting principle for exchange rates is based on daily rates for P&L and year-end for BS.

The Company's financial year ends on December 31, 2019. These financial statements cover the 12-month period from 1 January 2019 to 31 December 2019 (hereafter referred to as "FY2019"). Comparative figures are presented for the 12-month period from January 1, 2018 to December 31, 2018 (hereafter referred to as "FY2018").

The cash flow statement has been prepared using the Indirect Method.

#### **1.1 Corporate Information**

Technip France Norway Establishment NUF (the Company) is a branch of Technip France S.A.S. operating as Permanent Establishment in Norway. Technip S.A.S. is part of the TechnipFMC Group. TechnipFMC is listed on the New York Stock Exchange and the Euronext Paris Stock Exchange. The Company is an establishment for all Norwegian activities under the Martin Linge Project executed out of Paris, France.

Technip France S.A.S. has Head office at 6 Allée de l'Arche, 92400 Courbevoie, France.

#### **1.2 Basis of preparation**

The financial statements have been prepared in accordance with the Norwegian Accounting Act.

The financial statements have been prepared on a historical cost basis, except for derivative financial instruments and available-for-sale financial assets that have been measured at fair value. Further, the financial statements have been prepared based on uniform accounting principles for similar transactions and events under otherwise similar circumstances.

The financial statements have been prepared on a going concern basis. This assumption is based on the company's financial position and liquidity budget among other issues.

#### **1.3 Classification of items in the balance sheet**

Current assets and current liabilities consist of receivables and payables due within one year, and items related to the normal operating cycle. Other balance sheet items are classified as non-current assets / liabilities.

#### **1.4 Functional currency and presentation currency**

##### *Functional and presentation currency*

Functional currency is EUR. Here in the annual report, all figures presented in NOK are converted according to the spot rate accounting principle for the income statement and the closing price for 2019 in the balance sheet.

#### **1.5 The use of estimates, assumptions and judgments when preparing the financial statements**

##### *Estimates and assumptions*

The management has made judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of any



## **Technip France Norway Establishment NUF**

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### **Notes to the accounts for 2019**

contingent liabilities. Uncertainties about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

This particularly applies to the evaluation of construction contracts and impairment test of intangible assets. Future events may lead to these estimates being changed. Estimates and their underlying assumptions are reviewed on a regular basis and are based on best estimates and historical experience. Changes in accounting estimates are recognized during the period when the changes take place. If the changes also apply to future periods, the effect is divided among the present and future periods.

#### *Judgments*

The management has, when preparing the financial statements; made certain significant assessments based on critical judgment when it comes to application of the accounting principles. The following items have been subjected to a significant level of judgment when applying the accounting principles: construction contracts.

### **1.6 Property, Plant and Equipment**

Property, plant and equipment are recorded at cost, net of accumulated depreciation and accumulated impairment, if any. The cost of an asset includes all costs directly attributable to preparing the asset for its intended use. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciates accordingly.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recorded in the income statement when the asset is derecognized.

The assets' residual values estimated useful lives and depreciation method are reviewed at each financial year end and adjusted prospectively, if appropriate.



## **Technip France Norway Establishment NUF**

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### **Notes to the accounts for 2019**

#### **1.7 Trade Receivables**

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms.

#### **1.8 Current and Deferred Income Tax**

Income tax expense consists of tax payable and any changes in deferred tax. Deferred tax is calculated based on temporary differences at the reporting date between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes.

A deferred tax asset is only recognized if it is probable that the Company will have enough taxable profit in future periods to utilize the tax asset. The Company accounts for previously not recognized deferred tax assets in the occurrence that it becomes probable that the Company will be able to utilize the deferred tax asset.

The Company is taxed in compliance with the Norwegian tax regulations, in 2019 at a rate of 22%. From 2020 there is no signals that the rate will differ from 22% onwards, hence deferred taxes are based on rate of 22 % valid from 2020.

#### **1.9 Provisions**

A provision is recognized in the balance sheet when the company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and the amount has been reliably estimated.

Provisions are not recognized for future operating losses. Where there are several similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured as the present value of the expected expenditures required to settle the obligation using a pre-tax discount rate that accounts for time-value-of-money and risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

#### **1.10 Trade Payables**

Trade Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.



## **Technip France Norway Establishment NUF**

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### **Notes to the accounts for 2019**

#### **1.11 Revenue recognition**

Revenue is recognized when it is probable that transactions will generate future economic benefits that will flow to the company and the amount can be reliably estimated. Revenue is presented net of value added tax and discounts.

Revenue from the sale of goods and services are recognized in the statement of comprehensive income once delivery has taken place and most of the risk and return has been transferred.

Cost regarding construction contracts is expensed when incurred. When the outcome of a construction contract cannot be estimated reliably, the contract revenue is recognized only to the extent of contract cost incurred that is probable will be recoverable. When the outcome of a construction can be estimated reliably, contract revenue and contract cost associated with the construction cost is recognized as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that the total contract cost will exceed total contract revenue, the expected loss is recognized as an expense immediately. The stage of completion method is used for calculating the revenue for a certain measurement period.

#### **1.12 Contingent liabilities and assets**

Contingent liabilities are not recognized in the financial statements. Significant contingent liabilities are disclosed, except for contingent liabilities that are unlikely to be incurred.

Contingent assets are not recognized in the financial statements but are disclosed if there is a certain probability that a benefit will be added to the Company.

#### **1.13 Events after the reporting period**

New information that has a material effect on the company's financial position, and that existed at the balance sheet date, is included in the financial statements. Subsequent events that did not exist at the balance sheet date, are disclosed if significant.

#### **1.14 New standards and accounting principles**

In previous years, average foreign exchange rates for the year were used for profit and loss statement and year-end rates on balance sheet. From January 1, 2019, daily exchange rates have been applied to the profit and loss statement.

The Company has changed from a small entity to other/large entity commencing January 1, 2019, according to the Norwegian Accounting Act.



## **Technip France Norway Establishment NUF**

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### **Notes to the accounts for 2019**

#### **1.15 Financial Risk**

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow and fair value interest rate risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company uses derivative financial instruments to hedge certain risk exposures. Risk management operations are led by the Finance Manager under policies approved by the Board of Directors. The Finance Manager identifies, evaluates and hedges financial risks in close co-operation with Group management.

The Board approves the principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

#### **Market Risk**

##### **(i) Foreign exchange risk**

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the UK Pound Sterling (GBP), EURO (EUR) and the US Dollar (USD).

To manage the foreign exchange risk arising from future commercial transactions and recognized assets and liabilities, the Company uses hedging contracts. Foreign exchange risk arises when future commercial transactions or recognized assets or liabilities are denominated in a currency that is not the entity's functional currency.

##### **(ii) Price risk**

The Company is exposed to commodity price risk at two main levels;

- The demand for FPSO's and drilling units is sensitive to oil price developments, fluctuations in production levels, exploration results and general activity within the Oil Industry.
- The price of components and services to be included in the construction of the rigs may also be exposed to future price-changes.

#### **Credit Risk**

The Company has no significant concentrations of credit risk. The company has policies that limit the amount of credit exposure to any financial institution. Thus, risk of credit will occur towards Clients on particularly lumpsum EPC contract with milestone payment structure.

#### **Liquidity risk**

Prudent liquidity risk management implies maintaining enough cash and/or marketable securities, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Company aims to maintain flexibility in funding by keeping committed credit lines available.

#### **Cash flow and fair value interest rate risk**

The Company's policy is to maintain liquidity through placement of excess cash as bank-deposits and highly marketable low-risk investments at floating rates or short-term.



## Technip France Norway Establishment NUF

### Notes to the accounts for 2019

#### NOTE 2 – REVENUE SPLIT BY PRODUCT CATEGORY - ALL NORWEGIAN MARKET

Income from construction contracts	2019	2018
Martin Linge project	510 661 771	318 267 818
Hire of personnel to Technip Norge AS	11 830 989	10 711 815
<b>Total</b>	<b>522 492 761</b>	<b>328 979 633</b>

#### NOTE 3 - EMPLOYEE BENEFITS

Employee benefit expense	2019	2018
Salary	115 485 180	82 873 374
Employer's share of social security	9 405 410	5 003 477
Other salary related costs	9 857 721	7 494 690
<b>Total</b>	<b>134 748 311</b>	<b>95 371 541</b>

Average number of employees:	74	77
Number of employees at year end:	74	77

The number of employees is thus distributed among the company's business areas

Martin Linge project	68	71
Hire of personnel to Technip Norge AS	6	6
<b>Total</b>	<b>74</b>	<b>77</b>

The Company is not obligated to have an occupational pension plan according to Norwegian Law of Mandatory Occupational Pension.

There have not been granted any loans/securities to CEO, Legal Representative or other closely related parties.



**Technip France Norway Establishment NUF**

**Notes to the accounts for 2019**

**NOTE 4 - NON-CURRENT ASSETS**

<b>Equipment</b>	<b>Software</b>	<b>Total</b>
Cost price 01.01	22 849	22 849
Additions	-	-
<b>Cost price 31.12</b>	<b>22 849</b>	<b>22 849</b>
Accumulated depreciations 01.01	5 518	5 518
Effect of currency conversion	202	202
Accumulated depreciations 31.12	16 848	16 848
<b>Balance sheet value at 31.12</b>	<b>5 799</b>	<b>5 799</b>

Depreciation for the year 11 330

Financial down payment 3 Years  
Depreciation plan linear

**NOTE 5 - BALANCE WITH RELATED PARTIES**

<b>Receivables from companies in the same group</b>	<b>2019</b>	<b>2018</b>
Technip France SAS	77 164 997	55 176 238
<b>Total</b>	<b>77 164 997</b>	<b>55 176 238</b>

<b>Debt to companies in the same group</b>	<b>2019</b>	<b>2018</b>
Technip Norge AS	298 509	-
Technip Abu Dhabi	6 510 289	7 545 449
Technip Geoproduktion (M) SDN BHD.	126 789	-
<b>Total</b>	<b>6 935 587</b>	<b>7 545 449</b>



## Technip France Norway Establishment NUF

### Notes to the accounts for 2019

#### NOTE 6 - BENEFITS TO CEO, MEMBERS OF THE BOARD AND AUDITORS

Benefits to CEO	Total
Salary incl holiday pay	3 711 235
<b>Total</b>	<b>3 711 235</b>

Audit fee (amounts excl. VAT) is split as follows:	2019	2018
Statutory audit	101 723	98 841
<b>Total fee to auditors</b>	<b>101 723</b>	<b>98 841</b>

#### NOTE 7 - OTHER FINANCIAL ITEMS

Other financial income	2019	2018
Other financial interest (income)	-	-
Other financial income	10 006 773	-
<b>Other financial income</b>	<b>10 006 773</b>	<b>-</b>

Other financial interest (expense)	-	-
Other financial expense	5 250 756	(5 207 766)
<b>Other financial expense</b>	<b>5 250 756</b>	<b>(5 207 766)</b>

<b>Total Other financial items</b>	<b>4 756 018</b>	<b>5 207 766</b>
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#### NOTE 8 - OTHER RECEIVABLES AND OTHER SHORT TERM LIABILITIES

Other receivables	2019	2018
VAT 6 term 2019	33 640	-
Prepaid operational expenses	23 246	-
Other short term receivables	5 345 513	2 243 545
Provisions for losses on trade debtors	1 442 605	-
<b>Total</b>	<b>6 845 004</b>	<b>2 243 545</b>

Other liabilities	2019	2018
Other short term debt	8 909 817	8 909 817
Withholding tax employees	1 946 089	-
<b>Total</b>	<b>10 855 906</b>	<b>8 909 817</b>

All receivables are due within one year from the balance sheet date



**Technip France Norway Establishment NUF**

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**Notes to the accounts for 2019**

**NOTE 9 - BRANCH EQUITY**

	<b>2019</b>	<b>2018</b>
Equity at 01.01	1 249 986	(130 705)
Annual net profit	17 578 536	1 446 070
Currency conversion from EUR to NOK	-	(65 379)
<b>Equity at 31.12.2019</b>	<b>18 828 523</b>	<b>1 249 986</b>



## Technip France Norway Establishment NUF

### Notes to the accounts for 2019

#### NOTE 10 - TAX

<b>Income tax expense</b>	<b>2019</b>	<b>2018</b>
Tax payable	-	373 108
Tax on loss brought forward	-	-
Change in deferred tax/benefit	4 958 049	250
<b>Total tax on ordinary result</b>	<b>4 958 049</b>	<b>373 358</b>

<b>Calculation basis for taxes payable</b>	<b>2019</b>	<b>2018</b>
Profit before tax	22 536 585	1 819 428
Permanent differences	-	(65 380)
Change in temporary differences	(31 371 614)	(1 135)
Change of loss brought forward	8 835 028	(130 705)
<b>Total basis for taxes payable</b>	<b>-</b>	<b>1 622 208</b>

<b>Tax expense reconciliation</b>	<b>2019</b>	<b>2018</b>
22%/23% tax on profit before tax	4 958 049	418 468
22%/23% tax on permanent differences	-	(15 037)
22%/23% tax on temporary differences	(6 901 755)	(261)
22%/23% tax on use of loss brought forward	1 943 706	(30 062)
<b>Total tax expenses</b>	<b>-</b>	<b>373 108</b>

<b>Deferred taxes relate to</b>	<b>2019</b>	<b>2018</b>
Construction contracts	(31 378 146)	-
Equipment	5 397	1 135
<b>Net temporary differences</b>	<b>(31 372 749)</b>	<b>1 135</b>
Accumulated loss brought forward	8 835 028	-
<b>Total temporary differences</b>	<b>(22 537 720)</b>	<b>1 135</b>

#### Recognized deferred tax

	<b>2019</b>	<b>2018</b>
Deferred tax (asset)/liability	4 958 298	250
Not recognized deferred tax asset	-	-
<b>Recognized deferred tax (asset)/liability</b>	<b>4 958 298</b>	<b>250</b>



## **Technip France Norway Establishment NUF**

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### **Notes to the accounts for 2019**

#### **NOTE 11 - AFTER BALANCE DATE**

After the balance date, the world has experienced a dramatic shortfall in the oil price and high volatility in currencies, mainly with the Norwegian Crown depreciating towards main currencies as USD, EUR and GBP. The shortfall in oil price, would if this is a long term situation, effect the demand globally on products related to the oil and gas industry, herein the companies services and products.

As a Norwegian supplier to the global oil and gas industry, we will have a competitive edge as the Norwegian Crown depreciation increases the competitiveness.

The Covid-19 situation is affecting the market in the short term and it is currently unforeseen how the effect will be in the longer term. The company has implemented measures to ensure the safety and health of its employees as first priority. Further, measures are implemented towards customers and suppliers to ensure a stable operating position.

As the Covid-19 situation develops, the company will as previous years have a dynamic approach to the market situation. The impact from COVID-19 on the Martin Linge project is currently being assessed with a start-up likely to be postponed. Additionnal safety measures implemented by EQUINOR led to a reduced Personnel on Board capacity, around 2/3 of what the capacity was before the outbreak. Technip France Norway Establishment is not impacted as such, remaining on a full reimbursable support scheme.

Clients and suppliers are monitored to the extent possible, and supported by an open dialogue.

No significant events are identified after balance sheet date, which have had an impact on the financial statements of December 31, 2019.



To the General Meeting of Technip France Norway Establishment

## *Independent Auditor's Report*

### *Report on the Audit of the Financial Statements*

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#### *Opinion*

We have audited the financial statements of Technip France Norway Establishment, which comprise balance sheet as of December 31 2019, income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

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#### *Basis for Opinion*

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

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#### *Other information*

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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*PricewaterhouseCoopers AS, Strømsø Torg 9, Postboks 2078 Strømsø, NO-3003 Drammen*

*T: 02316, org. no.: 987 009 713 VAT, www.pwc.no*

*State authorised public accountants, members of The Norwegian Institute of Public Accountants, and authorised accounting firm*



Independent Auditor's Report - Technip France Norway Establishment

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*Responsibilities of the Board of Directors for the Financial Statements*

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

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

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*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 laws, regulations, and auditing standards and practices generally accepted in Norway, including 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>

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*Report on Other Legal and Regulatory Requirements*

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*Opinion on the Owners' report*

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

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*Opinion on Registration and Documentation*

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Drammen, 31 August 2020  
**PricewaterhouseCoopers AS**

Stein Erik Rotegård  
State Authorised Public Accountant  
(This document is signed electronically)

(2)



 Securely signed with Brevio

Revisjonsberetning

**Signers:**

<i>Name</i>	<i>Method</i>	<i>Date</i>
Rotegård, Stein Erik	BANKID_MOBILE	2020-08-31 21:40

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Skatteetaten

Vår dato 05.12.2019	Din/Deres dato 06.11.2019	Saksbehandler Lars Waaltorp
800 80 000 Skatteetaten.no	Din/Deres referanse	Telefon 32212244
Org.nr 974761076	Vår referanse 2019/6692604	Postadresse Postboks 9200 Grønland 0134 OSLO

KANFA AS  
Postboks 400  
1327 LYSAKER

Att. Aleksander Bugge

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Technip France Norway Establishment, org.nr. 886 886 462

Vi viser til deres brev av 6. november 2019 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Technip France Norway Establishment. Søknaden ble sendt til Skattedirektoratet. Skattedirektoratets myndighet til å treffe enkeltvedtak etter regnskapsloven § 3-4 tredje ledd ble delegert til skattekontoret med virkning fra 1. juni 2019.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering Technip France Norway Establishment dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

### Bakgrunn

Technip France Norway Establishment er en filial av det franske oljeserviceselskapet Technip Offshore International SA. Selskapet driver virksomhet innen undervannsinstallasjoner og offshoreaktiviteter med hovedfokus på leveringer til norske og utenlandske kunder innen oljeindustrien. Selskapets arbeidsspråk er engelsk.

### Skattekontorets vurdering

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

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

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives,



f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

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

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

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapet er en filial av et utenlandsk selskap. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waalorp  
seniorrådgiver  
Brukerdialog, brukerkontakt  
Skatteetaten

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.*