



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 995 357 321  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: NORTH OCEAN 105 AS  
Forretningsadresse: c/o Wikborg Rein Advokatfirma AS  
Dronning Mauds gate 11  
0250 OSLO

### Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

### Konsern

Morselskap i konsern: 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: Christina Vertoumis  
Dato for fastsettelse av årsregnskapet: 18.10.2021

### Grunnlag for avgivelse

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

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

Brønnøysundregistrene, 07.12.2022



## Resultatregnskap

Beløp i: NOK	Note	2020	2019
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt	9	14 337 318	14 298 145
<b>Sum inntekter</b>		<b>14 337 318</b>	<b>14 298 145</b>
<b>Kostnader</b>			
Avskrivning	6	3 090 939	5 034 659
Nedskrivning av varige driftsmidler og immaterielle eiendeler	6	58 422 459	
Annen driftskostnad	2	46 730	56 163
<b>Sum kostnader</b>		<b>61 560 128</b>	<b>5 090 822</b>
<b>Driftsresultat</b>		<b>-47 222 810</b>	<b>9 207 323</b>
<b>Finansinntekter og finanskostnader</b>			
Annen finansinntekt	8	16	36
<b>Sum finansinntekter</b>		<b>16</b>	<b>36</b>
Annen finanskostnad	8, 9	407 016	878 904
<b>Sum finanskostnader</b>		<b>407 016</b>	<b>878 904</b>
<b>Netto finans</b>		<b>-407 000</b>	<b>-878 868</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-47 629 810</b>	<b>8 328 455</b>
Skattekostnad på ordinært resultat	5	2 402	2 402
<b>Ordinært resultat etter skattekostnad</b>		<b>-47 632 212</b>	<b>8 326 053</b>
<b>Årsresultat</b>		<b>-47 632 212</b>	<b>8 326 053</b>
<b>Overføringer og disponeringer</b>			
Overføringer annen egenkapital	3	-47 632 212	8 326 053
<b>Sum overføringer og disponeringer</b>		<b>-47 632 212</b>	<b>8 326 053</b>



## Balanse

Beløp i: NOK	Note	2020	2019
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
<b>Varige driftsmidler</b>			
Skip, rigger, fly og lignende	6	21 096 101	82 609 499
<b>Sum varige driftsmidler</b>		<b>21 096 101</b>	<b>82 609 499</b>
<b>Sum anleggsmidler</b>		<b>21 096 101</b>	<b>82 609 499</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Kundefordringer	7	4 779 106	1 214 363
<b>Sum fordringer</b>		<b>4 779 106</b>	<b>1 214 363</b>
<b>Bankinnskudd, kontanter og lignende</b>			
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>227 119</b>	<b>227 943</b>
<b>Sum omløpsmidler</b>		<b>5 006 225</b>	<b>1 442 306</b>
<b>SUM EIENDELER</b>		<b>26 102 326</b>	<b>84 051 805</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Aksjekapital	3, 4	23 710	23 710
Overkurs	3	22 141 887	22 141 887
<b>Sum innskutt egenkapital</b>		<b>22 165 597</b>	<b>22 165 597</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital	3	-7 344 081	40 288 131
<b>Sum opptjent egenkapital</b>		<b>-7 344 081</b>	<b>40 288 131</b>



## Balanse

Beløp i: NOK	Note	2020	2019
<b>Sum egenkapital</b>		<b>14 821 516</b>	<b>62 453 728</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Annen langsiktig gjeld</b>			
Langsiktig konserngjeld	7	10 323 429	12 461 614
Øvrig langsiktig gjeld		10 323 429	12 461 614
<b>Sum annen langsiktig gjeld</b>		<b>10 323 429</b>	<b>12 461 614</b>
<b>Sum langsiktig gjeld</b>		<b>20 646 858</b>	<b>24 923 228</b>
<b>Kortsiktig gjeld</b>			
Gjeld til kredittinstitusjoner			8 169 776
Betalbar skatt	5	2 402	2 402
Annen kortsiktig gjeld		954 979	964 285
<b>Sum kortsiktig gjeld</b>		<b>957 381</b>	<b>9 136 463</b>
<b>Sum gjeld</b>		<b>11 280 810</b>	<b>21 598 077</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>26 102 326</b>	<b>84 051 805</b>



## Brønnøysundregistrene

### ÅRSREGNSKAP FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Journalnummer: 2021 895866

#### Enheten

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Organisasjonsform: Aksjeselskap  
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Brønnøysundregistrene, 09.11.2021



Organisasjonsnr: 995 357 321  
NORTH OCEAN 105 AS

## RESULTATREGNSKAP

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2020</b>	<b>2019</b>
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt	9	14 337 318	14 298 145
<b>Sum inntekter</b>		<b>14 337 318</b>	<b>14 298 145</b>
<b>Kostnader</b>			
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<b>Sum kostnader</b>		<b>61 560 128</b>	<b>5 090 822</b>
<b>Driftsresultat</b>		<b>-47 222 810</b>	<b>9 207 323</b>
<b>Finansinntekter og finanskostnader</b>			
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<b>Sum finansinntekter</b>		<b>16</b>	<b>36</b>
Annen finanskostnad	8, 9	407 016	878 904
<b>Sum finanskostnader</b>		<b>407 016</b>	<b>878 904</b>
<b>Netto finans</b>		<b>-407 000</b>	<b>-878 868</b>
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Skattekostnad på ordinært resultat	5	2 402	2 402
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<b>Årsresultat</b>		<b>-47 632 212</b>	<b>8 326 053</b>
<b>Overføringer og disponeringer</b>			
Overføringer annen egenkapital	3	-47 632 212	8 326 053
<b>Sum overføringer og disponeringer</b>		<b>-47 632 212</b>	<b>8 326 053</b>



Organisasjonsnr: 995 357 321  
NORTH OCEAN 105 AS

## BALANSE

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

### BALANSE - EIENDELER

#### Anleggsmidler Immaterielle eiendeler

#### Varige driftsmidler

Skip, rigger, fly og  
lignende

6

21 096 101

82 609 499

Sum varige driftsmidler

21 096 101

82 609 499

Sum anleggsmidler

21 096 101

82 609 499

#### Omløpsmidler

#### Varer

#### Fordringer

Kundefordringer

7

4 779 106

1 214 363

Sum fordringer

4 779 106

1 214 363

#### Bankinnskudd, kontanter og lignende

Sum bankinnskudd,  
kontanter og lignende

227 119

227 943

Sum omløpsmidler

5 006 225

1 442 306

SUM EIENDELER

26 102 326

84 051 805

### BALANSE - EGENKAPITAL OG GJELD

#### Egenkapital

#### Innskutt egenkapital

Aksjekapital

3, 4

23 710

23 710

Overkurs

3

22 141 887

22 141 887

Sum innskutt egenkapital

22 165 597

22 165 597

#### Opptjent egenkapital

Annen egenkapital

3

-7 344 081

40 288 131

Sum opptjent egenkapital

-7 344 081

40 288 131

Sum egenkapital

14 821 516

62 453 728

#### Gjeld

#### Langsiktig gjeld

Annen langsiktig gjeld

7

10 323 429

12 461 614

Langsiktig konserngjeld

10 323 429

12 461 614

Øvrig langsiktig gjeld

10 323 429

12 461 614

Sum annen langsiktig gjeld

10 323 429

12 461 614



<b>Sum langsiktig gjeld</b>		<b>20 646 858</b>	<b>24 923 228</b>
<b>Kortsiktig gjeld</b>			
Gjeld til			
kredittinstitusjoner			8 169 776
Betalbar skatt	5	2 402	2 402
Annen kortsiktig gjeld		954 979	964 285
<b>Sum kortsiktig gjeld</b>		<b>957 381</b>	<b>9 136 463</b>
<b>Sum gjeld</b>		<b>11 280 810</b>	<b>21 598 077</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>26 102 326</b>	<b>84 051 805</b>



Organisasjonsnr: 995 357 321  
NORTH OCEAN 105 AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note  
4

#### Antall aksjer og aksjeeiere

<u>Aksjeklasse</u>	<u>Ant. aksjer</u>	<u>Pålydende</u>	<u>Bokført verdi</u>
A-shares	119.00	142.13	16913.00
B-shares	19000.00	0.36	6797.00

<u>Aksjeeiere - fritekst</u>	<u>Antall</u>	<u>Eierandel</u>	<u>Aksjeklasse</u>
J.Ray McDermott (Norway) AS	19119.00	100.00%	A-shares B-shares

<u>Sum</u>	<u>Sum antall</u>	<u>Sum eierandel</u>	
	19119.00	100.00%	

Note  
2

#### Lønn og ytelser

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

Note

#### Ytelser til revisjon

<u>Revisjon</u>	<u>Årets</u>	<u>Fjorårets</u>
	18911.00	21628.00

<u>Andre tjenester</u>	<u>Årets</u>	<u>Fjorårets</u>
	3500.00	

<u>Sum godtgjørelse til revisor</u>	<u>Årets</u>	<u>Fjorårets</u>
	22411.00	21628.00

Note

#### Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:



0.00



**North Ocean 105 AS**

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## **Annual report 2020**

### **Board of directors' report**

#### **Annual accounts**

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

### **Auditors' report**



## Årsberetning 2020

### North Ocean 105 AS

#### Virksomhetens art og lokalisering

North Ocean 105 AS ("Selskapet") har registrert adresse i Oslo. Selskapets virksomhet er å eie skipet LV North Ocean 105.

## Directors' report 2020

### North Ocean 105 AS

#### Operations and location

North Ocean 105 AS (the "Company") has its registered address in Oslo. The objective of the Company is to own the LV North Ocean 105.

#### Fortsatt drift

Årsregnskapet er utarbeidet under forutsetning og fortsatt drift, og det forventes at eiendeler realiseres og forpliktelser innfris under normal drift. Selskapets årsresultat ble negativt påvirket av nedskrivningen av fartøyet NO105. Mot slutten av første kvartal i 2020, med COVID-19 som intensiveres (og dens direkte innvirkning på oljeprisen som følge av lav etterspørsel) og priskrigen mellom Saudi Arabia og Russland så førte dette til en kraftig nedgang i oljeprisen og stor krise i olje og gass industrien. Dette har resultert i at visse store kunder har forsinket eller har betydelig redusert deres Capex planer, som har hatt negativ påvirkning på morselskapets forventede inntektsstrømmer de neste 3-4 årene. For eksempel så har mulige oppdrag som ledelsens hadde lagt til grunn i inntektsplanen for 2020 er nå usikker ettersom kundene utsetter tildelinger på grunn av COVID-19 og den lave oljeprisen. Som følge av de negative trendene i markedet i første kvartal 2020 trigget dette en nedskrivingsvurdering for selskapet. I nedskrivningstesten brukt man ledelsens godkjente budsjetter og nåværende beste estimater. Etter ledelsens gjennomgang av nøkkelinput så ble forutsetningene benyttet i en best-case kalkulering som er vurdert til å være fornuftig samt reflekterer risikoen knyttet til morselskapets fartøy og fabrikker. Basert på sensitivitetsanalyser man har utført, og tatt i betraktning den totale nedskrivningen som er bokført, så er kalkulert fair value ikke veldig sensitiv for endring i diskonteringsrente.

#### Going concern

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



**Redegjørelse for årsregnskapet**

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

Årsresultatet var USD – 47,632,212.

Total kapitalen ved utgangen av året var USD 26 102 326.

Bokført egenkapitalgrad per 31. desember 2020 var 68.28%.

Selskapet har ingen utlegg til forskning og utvikling.

**Arbeidsmiljø og likestilling**

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

**Ytre miljø**

Alle nye skip i 100 serie blir klassifisert i henhold til DNVs Clean Class regelverk for minimalisert utslipp til ytre miljø. Rederiets utslipp til luft er i hovedsak forbrenningsgasser fra skipets hovedmaskineri. Det gjennomsnittlige innhold av svovel i forbrukt bunkers er lavere enn 0.2% i Europa, men noe høyere i andre geografiske områder. Avfallshåndteringen blir utført i henhold til MARPOL – regelverket.

**Discussion on the financial statements**

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

The annual result was USD – 47,632,212.

Total assets by the end of the year were USD 26 102 326.

Equity ratio as of 31 December 2020 was 68.28%.

The Company has no research and development expenses.

**Work environment and equal opportunities**

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

**External environment**

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

Tareq Kawash  
Styremedlem/styremedlem

Oslø, 18 October 2021

Anthony C. Brown  
Chairman/styrets leder



## North Ocean 105 AS

### Income statement 01.01-31.12

USD	Note	2020	2019
<b>Revenue</b>			
Sales revenue	9	<u>14 337 318</u>	<u>14 298 145</u>
<b>Operating expenses</b>			
Depreciation of tangible and intangible fixed assets	6	3 090 939	5 034 659
Write-down on tangible and intangible fixed assets	6	58 422 459	0
Other operating expenses	2	<u>46 730</u>	<u>56 163</u>
Total operating expenses		<u>61 560 128</u>	<u>5 090 822</u>
Operating result		<u>-47 222 810</u>	<u>9 207 323</u>
<b>Financial income and expenses</b>			
Other financial income	8	16	36
Other financial expenses	8, 9	<u>407 016</u>	<u>878 904</u>
Net financial items		<u>-407 000</u>	<u>-878 868</u>
Ordinary result before tax		<u>-47 629 810</u>	<u>8 328 455</u>
Tax on ordinary result	5	<u>2 402</u>	<u>2 402</u>
<b>Net profit or loss for the year</b>		<u><b>-47 632 212</b></u>	<u><b>8 326 053</b></u>
<b>Allocated as follows</b>			
Transferred to other equity	3	<u>-47 632 212</u>	<u>8 326 053</u>



**North Ocean 105 AS**

**Balance sheet as of December 31**

USD	Note	2020	2019
<b>Fixed assets</b>			
<i>Tangible assets</i>			
Ships, rigs and aircrafts etc.	6	<u>21 096 101</u>	<u>82 609 499</u>
Total tangible assets		<u>21 096 101</u>	<u>82 609 499</u>
Total fixed assets		<u>21 096 101</u>	<u>82 609 499</u>
<b>Current assets</b>			
<i>Receivables</i>			
Trade receivables	7	<u>4 779 106</u>	<u>1 214 363</u>
Total accounts receivable		<u>4 779 106</u>	<u>1 214 363</u>
Cash and cash equivalents		<u>227 119</u>	<u>227 943</u>
Total current assets		<u>5 006 225</u>	<u>1 442 306</u>
Total assets		<u>26 102 326</u>	<u>84 051 805</u>




**North Ocean 105 AS**

**Balance sheet as of December 31**

USD	Note	2020	2019
<b>Equity</b>			
<i>Paid-in capital</i>			
Share capital	3, 4	23 710	23 710
Share premium reserve	3	<u>22 141 887</u>	<u>22 141 887</u>
Total paid-in capital		<u>22 165 597</u>	<u>22 165 597</u>
<i>Retained earnings</i>			
Other equity	3	<u>-7 344 081</u>	<u>40 288 131</u>
Total retained earnings		<u>-7 344 081</u>	<u>40 288 131</u>
Total equity		<u>14 821 516</u>	<u>62 453 728</u>
<b>Liabilities</b>			
<i>Other long-term liabilities</i>			
Other long-term liabilities	7	<u>10 323 429</u>	<u>12 461 614</u>
Total other long term liabilities		<u>10 323 429</u>	<u>12 461 614</u>
<i>Current liabilities</i>			
Liabilities to financial institutions		0	8 169 776
Tax payable	5	2 402	2 402
Other short-term liabilities		<u>954 979</u>	<u>964 285</u>
Total current liabilities		<u>957 381</u>	<u>9 136 463</u>
Total liabilities		<u>11 280 810</u>	<u>21 598 077</u>
Total equity and liabilities		<u>26 102 326</u>	<u>84 051 805</u>

Oslo, 18 October 2021

  
Tareq Kawash  
Board member

  
Anthony C. Brown  
Chairman



**North Ocean 105 AS**

**Cash flow statement 01.01-31.12**

USD	Note	2020	2019
<b>Cash flow from operating activities</b>			
Profit/(loss) before tax		-47 629 810	8 328 455
Taxes paid		-2 402	-2 402
Depreciation and amortisation		3 090 939	5 034 659
Changes in trade receivables and trade payables		-3 564 743	0
Changes in other current balance sheet items		-9 307	-36 689
Write-down of fixed asset		58 422 459	0
Net cash flow from operating activities		<u>10 307 136</u>	<u>13 324 023</u>
<b>Cash flow from investing activities</b>			
Net cash flow from investing activities		<u>0</u>	<u>0</u>
<b>Cash flow from financing activities</b>			
Repayment of long term loans		<u>-10 307 960</u>	<u>-13 338 530</u>
Net cash flow from financing activities		<u>-10 307 960</u>	<u>-13 338 530</u>
Net change in cash and cash equivalents		-824	-14 507
Cash and cash equivalents at 01.01		<u>227 943</u>	<u>242 450</u>
Cash and cash equivalents at 31.12		<u>227 119</u>	<u>227 943</u>



## North Ocean 105 AS

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### Notes to the accounts for 2020

USD

#### Note - 1 Accounting Principles

The annual report is prepared according to the Norwegian Accounting Act 1998 and generally accepted accounting principles. All amounts are presented in USD.

The financial statements have been prepared based on the fundamental principles governing historical cost accounting, comparability, going concern and prudence. Transactions are recorded at their value at the time of the transaction. Income is recognized at the time of delivery of goods and services. Costs are expensed in the same period as the income to which they relate.

Assets/liabilities related to current business activities and items which fall due within a year are classified as current assets/liabilities. Current assets/short-term debts are recorded at the lowest/highest of acquisition cost and fair value. For current assets, the fair value is defined as future sales value less expected sales expenses. Other assets are classified as non-current assets. Non-current assets are recorded at cost. Non-current assets with a finite useful life are depreciated. In the case of an impairment that is not temporary, the asset is written down.

In the application of accounting principles and the presentation of transactions and other circumstances, emphasis is made to reflect economic reality, not only legal form. Contingent liabilities that are likely, can be measured reliably, are recorded.

#### *Time recording of income*

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

The mobilization of a vessel is the period for planning and preparation before construction of work is expected to start on site. The demobilization is the period when all the special equipment for a project are being taken off until the vessel is ready for a new project. Mobilization (demobilization) fees are invoiced to the client and recognized over the mobilization (demobilization) period.

#### *Time of recording of costs*

Expenses are matched with, and are recorded at the same time as, related income. Expenses not related to income, are recorded when occurred.

#### *Other operating income (-expenses)*

Substantial income and costs that are not related to the company's ordinary activity, are classified as "other operating income and expenses". Unusual, irregular and substantial items are specified as separate items in the accounts.

#### *Trade and other receivables*

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

#### *Functional and presentation currency*

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

#### *Foreign currency translation*

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in foreign currency are valued to the exchange rate at the end of the fiscal year. Monetary items include accounts receivable and liabilities that are to be settled with cash. Changes to exchange rates are

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## North Ocean 105 AS

### Notes to the accounts for 2020

USD

USD recognized in the income statement as they occur during the accounting period.

#### *Tangible fixed assets*

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

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

#### *Periodic maintenance*

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

#### *Income tax*

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

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

#### *Cash flow statement*

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

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

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

<i>Auditor fee has been divided as follows</i>	2020	2019
Audit fee	18 911	21 628
Fee for technical preparation of financial statement	3 500	0
Total	<u>22 411</u>	<u>21 628</u>

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

### Note 3 - Equity

	Share	Share	Other	Total
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**North Ocean 105 AS**

**Notes to the accounts for 2020**

USD

	capital	premium reserve	equity	
Owners equity 01.01.2020	23 710	22 141 887	40 288 131	62 453 728
Profit for the year	0	0	-47 632 212	-47 632 212
Owners equity 31.12.2020	23 710	22 141 887	-7 344 081	14 821 516

**Note 4 - Share capital and shareholder information**

Share capital:

	Number of shares	Face value	Book value
A-shares	119	142,13	16 913
B-shares	19 000	0,36	6 797
Total	19 119		23 710

North Ocean 105 AS per 31 December comprise the classes of shares in the table above. All shares do not have the same voting right and privileges.

Shareholders per 31.12.20:

	A-shares	B-shares
J.Ray McDermott (Norway) AS	119	19 000

**Note 5 - Income taxes**

<i>Income tax expenses</i>	2020	2019
Tonnage tax	2 402	2 402
Total income tax expense	2 402	2 402
<i>Tax base estimation</i>	2020	2019
Interest income	16	36
Interest deduction	-35 427	-22 638
Foreign exchange gain/-loss	-302 713	-79 577
Net taxable income (before loss carried forward)	-338 124	-102 179
Tonnage tax	2 402	2 402
Total tax payable	2 402	2 402

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

**Note 6 - Tangible assets**

	Vessels	Total
Acquisition cost 01.01.	121 375 311	121 375 311



**North Ocean 105 AS**

**Notes to the accounts for 2020**

USD

Acquisition cost 31.12.	121 375 311	121 375 311
Acc.depreciation 31.12.	-100 279 210	-100 279 210
Net carrying amount at 31.12.	21 096 101	21 096 101
Depreciation for the year	3 090 939	3 090 939
Write-downs for the year	58 422 459	58 422 459
Useful economic life	5-25 years	
Amortization plan	Linear	

**Note 7 - Intercompany balance group company and associate**

<i>Receivables</i>	2020	2019
Accounts receivables to Eastern Marine Services (EMS)	4 779 106	1 214 363
<i>Payables</i>	2020	2019
Liabilities to JRay McDermott SA, (Panama)	-10 323 429	-12 461 614
Liabilities to McDermott International Inc, (USA)	-5 114	-4 360
Liabilities to JRay McDermott AS, (Norway)	-883 798	-883 798
Total	<u>-11 212 341</u>	<u>-13 349 772</u>

Shareholders loan agreements have been made with reference to the accrued dividend. The dividend will be paid according to the terms in these loan agreements.

**Note 8 - Net finance**

	2020	2019
Other interest expense	-402 537	-876 991
Other financial expense	-4 479	-1 913
Other interest income	16	36
Net financial expense	<u>-407 000</u>	<u>-878 868</u>

**Note 9 - Transactions with closely related parties**

	2020		2019	
	Revenue	Expense	Revenue	Expense
Eastern Marine Services	14 337 318	0	14 298 145	0
JRSA Main Office	0	230 917		
North Ocean 105 BNP Loan	0	171 620		
	<u>14 337 318</u>	<u>402 537</u>	<u>14 298 145</u>	<u>0</u>



Skattetolaten

Vår dato 23.08.2019	Din dato 13.08.2019	Saksbehandler Berte Halvorsen
800 80 000 Skattetolaten.no	Din referanse AR332012908	Telefon 97180380
Org.nr Skattetolaten	Vår referanse 2019/6298304	Postadresse Postboks 9200 Grønland 0134 OSLO

NORTH OCEAN 105 AS  
c/o Wikborg Rein Advokatfirma AS  
0250 OSLO

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for North Ocean 105 AS, org.nr. 995 357 321

Vi viser til deres brev av 13. august 2019 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for North Ocean 105 AS. 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 North Ocean 105 AS 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. Det pålegges den regnskapspliktige å dokumentere ved dette brev at tillatelse er gitt.

### Bakgrunn

North Ocean 105 AS er heleid av et norsk selskap som igjen er heleid av et selskap registrert i Panama. Selskapet er et shippingsselskap i en bransje av sterk internasjonal karakter med en konsernintern kunde. Engelsk er selskapets og konsernets arbeidsspråk. Alle sentrale aktører og samarbeidspartnere innen bransjen behersker og benytter 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

Side 1 / 2



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 har kun en eier og er i et internasjonalt konsern. 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

Bente Halvorsen  
spesialrevisor  
Brukerdialog, juridisk stab, gruppe 1  
Skatteetaten

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



Statsautoriserte revisorer  
Ernst & Young AS

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Postboks 1156 Sentrum, NO-0107 Oslo

Foretaksregisteret: NO 976 389 387 MVA  
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Fax:

www.ey.no

Medlemmer av Den norske revisorforening

## INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of North Ocean 105 AS

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of North Ocean 105 AS, which comprise the balance sheet as at 31 December 2020, the income statement and statements of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

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

#### Basis for opinion

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

#### Other information

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

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

#### Responsibilities of management for the financial statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an



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

As part of an audit in accordance with law, regulations and generally accepted auditing principles in Norway, including ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also

- ▶ identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ▶ obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- ▶ evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- ▶ conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- ▶ evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

## Report on other legal and regulatory requirements

### Opinion on the Board of Directors' report

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

### Opinion on registration and documentation

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

### Other matters

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

Independent auditor's report - North Ocean 105 AS

A member firm of Ernst & Young Global Limited

Penneo Dokumentnøkkel: S10TB-X2HL8-AJTOC-W2HB4-H25DF-TNS07



Oslo, 01 November 2021  
ERNST & YOUNG AS

*The auditor's report is signed electronically*

Tore Sørli  
State Authorised Public Accountant (Norway)

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

Penneo Dokumentnøkkel: S0TB-X2HL8-AJTOQ-W2HB4-H25DF-TNS07

Independent auditor's report - North Ocean 105 AS

A member firm of Ernst & Young Global Limited



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## Tore Sørli

Partner

På vegne av: Ernst & Young AS

Serienummer: 9578-5995-4-774812

IP: 46.9.xxx.xxx

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**J.Ray Mcdermott (norway), AS**

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## **Annual report 2020**

### **Board of directors' report**

#### **Annual accounts**

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

### **Auditors' report**



## J.Ray Mcdermott (norway), AS

### Income statement 01.01-31.12

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



**J.Ray Mcdermott (norway), AS**

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**Balance sheet as of December 31**

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

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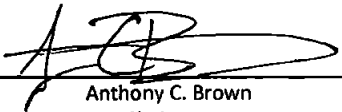


## J.Ray Mcdermott (norway), AS

### Balance sheet as of December 31

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

Oslo, 19 October 2021

  
Anthony C. Brown  
Chairman

\_\_\_\_\_  
Tareq Kawash  
Board member



## J.Ray Mcdermott (norway), AS

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### Cash flow statement 01.01-31.12

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



## J.Ray Mcdermott (norway), AS

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### Notes to the accounts for 2020

USD

#### Note - 1 Accounting Principles

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

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

#### Operating income

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

#### Balance sheet classification

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

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

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

#### Trade and other receivables

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

#### Functional and presentation currency

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

#### Foreign currency translation

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

#### Tangible fixed assets

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

#### Depreciation

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

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**J.Ray Mcdermott (norway), AS**

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**Notes to the accounts for 2020**

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appropriated, each component is depreciated separately.

**Periodic maintenance**

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

**Income tax**

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

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

**Cash flow statement**

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



## J.Ray Mcdermott (norway), AS

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### Notes to the accounts for 2020

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

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

#### Auditor fee has been divided as follows

	2020	2019
Audit fee	18 910	18 553
Fee for technical preparation of financial statement	3 500	0

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

#### Note 3 - Investment in subsidiaries and associate

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

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

#### Note 4 - Share capital and shareholder information

Share capital:

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

Shareholders per 31.12:

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

#### Note 5 - Equity

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

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## J.Ray Mcdermott (norway), AS

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### Notes to the accounts for 2020

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#### Note 6 - Inter-company balances

##### Current assets

##### Receivables from group companies

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

##### Non-current assets

##### Long term liabilities

##### Group companies

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

Liabilities that in more than 5 years is 0.

#### Note 7 - Income taxes

Income tax expenses	2020	2019
Tonnage tax	2 402	2 402
Total income tax expense	<u>2 402</u>	<u>2 402</u>

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

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



## J.Ray Mcdermott (norway), AS

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### Notes to the accounts for 2020

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#### Note 8 - Tangible fixed assets

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

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

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

#### Note 9 - Transactions with closely related parties

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

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

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