



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 918 849 998
Organisasjonsform: Aksjeselskap
Foretaksnavn: DOF SUBSEA NORWAY OFFSHORE AS
Forretningsadresse: Thormøhlens gate 53C
5006 BERGEN

Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Knut søråsdekkan
Dato for fastsettelse av årsregnskapet: 26.06.2023

Grunnlag for avgivelse

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

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

Brønnøysundregistrene, 04.07.2024



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Operating revenue	4,11	163 829 000	123 876 000
Sum inntekter		163 829 000	123 876 000
Kostnader			
Cost of goods	11	74 693 000	50 666 000
Wage expenses	5	79 629 000	69 452 000
Other operating expenses		1 037 000	730 000
Rounding error			-1 000
Sum kostnader		155 359 000	120 847 000
Driftsresultat		8 470 000	3 029 000
Finansinntekter og finanskostnader			
Annen renteinntekt	7	135 000	2 000
Realised net gain on currency position		5 933 000	
Unrealised net gain on currency position		81 000	
Sum finansinntekter		6 149 000	2 000
Financial expenses	7	18 000	14 000
Sum finanskostnader		18 000	14 000
Netto finans		6 131 000	-12 000
Ordinært resultat før skattekostnad		14 601 000	3 017 000
Skattekostnad på ordinært resultat		5 914 000	652 000
Ordinært resultat etter skattekostnad		8 687 000	2 365 000
Årsresultat		8 687 000	2 365 000



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Sum anleggsmidler		0	0
Omløpsmidler			
Varer			
Fordringer			
Other current receivables		319 000	335 000
Konsernfordringer		122 359 000	88 731 000
Sum fordringer		122 678 000	89 066 000
Sum omløpsmidler		122 678 000	89 066 000
SUM EIENDELER		122 678 000	89 066 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share equity	10	100 000	100 000
Sum innskutt egenkapital		100 000	100 000
Opptjent egenkapital			
Retained earnings	10	11 008 000	2 321 000
Sum opptjent egenkapital		11 008 000	2 321 000
Sum egenkapital		11 108 000	2 421 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt		2 266 000	
Sum avsetninger for forpliktelser		2 266 000	



Balanse

Beløp i: NOK	Note	2022	2021
Annen langsiktig gjeld			
Sum langsiktig gjeld		2 266 000	0
Kortsiktig gjeld			
Leverandørgjeld		2 326 000	1 972 000
Income tax payable	8	0	652 000
Kortsiktig konserngjeld	11	99 915 000	80 628 000
Other current liabilities		7 063 000	3 393 000
Sum kortsiktig gjeld		109 304 000	86 645 000
Sum gjeld		111 570 000	86 645 000
SUM EGENKAPITAL OG GJELD		122 678 000	89 066 000



To the General Meeting of DOF Subsea Norway Offshore AS

Independent Auditor's Report

Opinion

We have audited the financial statements of DOF Subsea Norway Offshore AS (the Company), which comprise the statement of financial position as at 31 December 2022, statement of comprehensive income and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

Basis for Opinion

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

Other Information

The Board of Directors (management) is responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

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

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

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

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Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with simplified application of International Accounting Standards according to the Norwegian Accounting Act section 3-9, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Bergen, 26 June 2023

PricewaterhouseCoopers AS

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



 Securely signed with Brevio

Revisjonsberetning 2022

Signers:

Name	Method	Date
Olsen, Marius Kaland	BANKID	2023-06-26 21:00

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- The electronic signatures. These are not visible in the document, but are electronically integrated.



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DOF Subsea Norway Offshore AS

DOF SUBSEA NORWAY OFFSHORE AS ANNUAL REPORT 2022



DOF Subsea Norway Offshore AS Directors Report 2022

The Company

DOF Subsea Norway Offshore AS (the Company) is part of the DOF Group (the Group), and was founded in February 2017. The Company changed name from DOF Rederi III AS to DOF Subsea Norway Offshore AS in the General Meeting on 30th October 2020. As from 01.01.2021, the Company has been a provider of project crew services. The Company's headquarter is located in Bergen, Norway,

Business concept and vision

The Company is a vendor of project crew services and support projects carried in other DOF Group entities with offshore crew. This can be survey personnel, ROV pilots, geologist/experts on seabed mapping, field engineers, offshore managers/shift supervisors and deck personnel.

The Company is a part of the DOF Subsea Group and has developed a long-term strategy aligned with the Group's strategy and vision: 'The DOF Group is a trusted and leading partner, delivering services globally for a sustainable utilisation of offshore energy and other resources.'

The Company is part of the DOF Subsea Atlantic Region. This Business Area consists of five operating legal entities in the DOF Subsea Group located in UK, Angola and Ghana, in addition to Norway.

Operational events

During 2022, the Company has delivered offshore personnel to various projects carried out by legal entities in the Atlantic region. The personnel has carried out work on Skandi Seven in Angola, Skandi Skansen and Skandi Iceman in Norway (Hywind Tampen project), Skandi Constructor in Ireland and Skandi Acergy on several projects in UK/Norway.

In addition, the Company has delivered offshore personnel to several projects carried out by legal entities in the DOF Group outside the Atlantic region. The personnel has carried out work on Skandi Skansen (Trinidad and Guyana), Skandi Constructor (Canada and Equatorial Guinea).

Shareholders

The Company is owned 100% by DOF Subsea Atlantic AS. DOF Subsea Atlantic AS is 100 % owned by DOF Subsea AS, the parent company of the DOF Subsea Group.

D&O insurance has been signed on behalf of the board members and executive management to protect against

claims which may arise from the decisions and actions taken within the scope of their regular duties. The insurance policy is signed with international reputable companies.

Social and environmental sustainability

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

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

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

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

The Company promotes transparency and standard disclosure of information relating to key sustainability aspects. As part of this, the Group reports key environmental performances through the Carbon Disclosure Project and the Global Reporting Initiative.

For detailed reporting on social and environmental sustainability, please find the DOF Subsea Integrated Annual Report on www.dof.com.

Employees

The employees are the Company's most important resource. Human Resources are recognized as the key business enabler, and the Company is committed to continuously improve the process which support managing the Company's human capital.

The global oil and gas industry has experienced several



DOF Subsea Norway Offshore AS

years with downturn, but the industry showed signs of improvement in 2022. Demand has started to increase and the demand for employees are gradually increasing.

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

Equal opportunities and anti-discrimination

The Company has a high focus on diversity and equal opportunities. The Board of Directors supports the promotion of diversity among the Company's employees and has a clear goal of employing the best employees based on their attitude, skills and qualifications.

The Company strives to create equal opportunities for all employees, regardless of their ethnic, background, nationality, descent, colour, language, religion, lifestyle or gender. The Company has a zero-tolerance policy for workplace harassment.

Human rights and labor standards

The Company embraces practices consistent with international human rights and operates its business in compliance with fundamental as well as local labor standards. The Company's policies and standards are based on International Labor Organization (ILO) conventions and they prohibit any use of forced or child labour. The Company recognizes and respects employees' right to freely associate, organize and bargain collectively and the Company's policies are compliant with working hour's requirements as established by local laws.

Several initiatives have been taken during the year to ensure that slavery and human trafficking are not occurring within the supply chain nor in any part of the Group's activities. The Group's human rights and slavery statement is available on the Group's website. In 2022, Amnesty International ranked DOF in the top five global companies based in the Nordics with the best score related to human rights and responsible employer.

Business integrity and ethics

Integrity is the core of the Company's business model, both from an internal and external perspective. As one of our governing core values, we continue to focus on integrity

throughout our organisation. This ensures sound business practices and decisions determined and executed in accordance with the Code of Business Conduct, promoting everyone to display professional competence, due-diligence, confidentiality and professional behaviour at all times and in everything they do on behalf of the Company.

Anti-corruption and anti-bribery

The Company has a zero tolerance to bribery and corruption. The policy is to conduct all business in an honest and ethical manner. The Code of Business Conduct sets clear expectations for all employees and is supplemented by internal training. It is the Board of Directors' intention that the Company shall be recognized by a high ethical standard. The Group's anticorruption and anti-bribery measures are regularly evaluated in order to ensure that sufficient measures are in place.

Compliance to law

The Company acknowledges, for its internal and external stakeholders, the importance of being a reliable partner, and that is why compliance is a key topic. For the Company, compliance with law and industry standard is important.

External environment

The Group's environmental management system ensures that the operations are effectively managed, and that continuous improvement of environmental performance is achieved. The energy efficiency program of the Group is continuously challenged with the aim to improve environmental performance. During 2022, the focus on energy efficiency has increased by implementing Key Performance Indicators (KPIs) related to environmental performance, e.g. energy consumption and CO2 emissions. During the year, there have been one loss of secondary containment spills that exceeded the 50-litre threshold to environment in the Group. The DOF Group's total volume of all spills during 2022 was 3,575 litres, whereby 2,112 litres was considered loss of secondary containment.

Health, safety and working environment

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

There has been regular communication to employees with recommendations for physical and mental well-being. The



Company has established a HSEQ-system that is founded on Group policies.

The Company worked hard throughout 2022 to improve records and plans. Although the adverse market situation has challenged the cost awareness in the company, Health, Environment and Safety still have the highest priority. If any conflict arises between HSE and commercial interests HSE is given priority. The Company focuses to reduce any negative environmental effect from the Company's operations, and annual environmental targets are set and measured.

Alignment towards Norwegian Transparency Act

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

Financial performance

The financial statements of the Company have been prepared in accordance with the Norwegian accounting act § 3-9 and Finance Ministry's prescribed regulations from November 3, 2014 on simplified IFRS. All amounts are in NOK thousand.

The activity in 2022 has been higher than the previous years due to market conditions, resulting in an increase in operating income of 32%. The Company achieved an operating income for the fiscal year 2022 of NOK 163 829 thousand (NOK 123 876 thousand). From 2021, all offshore employees have been transferred from its sister company, DOF Subsea Norway AS and employed by the Company, resulting in an increase in the operating expenses. The total operating expenses at year end were NOK 155 359 thousand (NOK 120 847 thousand). Total operating profit before depreciation (EBITDA) was NOK 8 470 thousand (NOK 3 029 thousand). Net financial result was NOK 6 131 thousand (NOK -13 thousand).

Profit before tax was NOK 14 601 thousand (NOK 3 017 thousand) and profit after tax was NOK 8 687 thousand (NOK 2 365 thousand). Other comprehensive income for the year was NOK 0 thousand (NOK 0 thousand). Total comprehensive income for the year was NOK 8 687 thousand (NOK 2 365 thousand).

The Company's total assets amounted to NOK 122 678 thousand (NOK 89 066 thousand), representing the total current assets.

The Company's total equity was NOK 12 974 thousand (NOK 2 421 thousand). The total liabilities was NOK 111 570 thousand (NOK 86 644 thousand), representing the total current liabilities.

The Company's net cash flow from operations was NOK 0 thousand (NOK -57 thousand). Net cash flow from investing activities was NOK 0 thousand (NOK 0 thousand). Net cash flow from financing activities was NOK 0 thousand (NOK 0 thousand). As a result, the Company's net cash flow for the year was NOK 0 thousand (NOK -57 thousand).

The Company is part of the Group's cash pool system. The cash pool accounts equal to NOK 31 877 thousand at year end 2022 presented as current receivable from Group companies (NOK 16 595 thousand).

The Board believes that the information presented in the Directors' report provides a true and fair view of the Company's assets and liabilities, financial position and performance and the Board is continuously evaluating the cash flow and equity situation in the Company.

Financial market risk

A portion of the Company's income in 2022 was denominated in foreign currencies. The Norwegian kroner (NOK) have been volatile during the year against the major income currencies, such as USD and GBP.

The Company does not have financial exposure to the changes in the raw materials market for such products as oil and refined-oil products, and to the extent the Company has exposure to such risk it is intended minimised through escalation clauses in the contracts.

The oil price is important for the global demand for the vessels within the subsea industry. The decline in oil price in the years before 2021 decreased the demand for Subsea Services, but with the increase in oil price through 2021 and into 2022 the demand for Subsea Services is now increasing.

The Company's trade debtors are primarily large companies and subsea contractors. The portion of receivables that were uncollectable is immaterial and the Board evaluates that the Company's customers have the financial strength to meet their obligations. The Company has a risk related to working capital derived from delayed collection of receivables.



DOF Subsea Norway Offshore AS

The Company does not take part in any agreements related to interest hedges or foreign exchange hedges.

Please refer to note 3 for further information about the Company's financial market risks.

Going concern

The financial statements are prepared on the assumption of going concern. The Company's and the Group's financial position has since 2019 not been sustainable and standstill agreements with the financial creditors have been applicable for the debt since 2nd Quarter 2020. The RA with the financial creditors was signed in June 2022 and the restructuring was completed in March 2023. Based on the 12 months budget and that the restructuring of the Group is now done, the Board is of the opinion that the Company is in compliance with going concern.

Transfer of profit

The Company's profit for the year was NOK 8 687 thousand (NOK 2 365 thousand). The Board proposes to transfer the profit of NOK 8 687 thousand to retained earnings.

The Board of Directors propose to the annual General Meeting that a group contribution of NOK 14 601 thousand is distributed as a taxable group contribution to the group company DOF Subsea Norway AS.

Events occurring after the balance sheet date

On the 23rd of February 2023 the bondholders meeting in each of the DOFSUB07, DOFSUB08 and DOFSUB09 bond issues approved the required changes to the Restructuring Agreement following the commencement of bankruptcy proceeding of DOF ASA.

On the 22nd of March 2023 the restructuring of Group was completed including effectuating of new loan facilities in DOF Subsea Group and conversion of approximately NOK 3 billion of bond loans to equity.

From 22 June 2023 shares in DOF Group ASA was re-listed and traded on Oslo Stock Exchange.

Outlook

The Board is expecting the market in the Subsea/IMR and Renewables market segments to improve in 2023. The risk of lower utilization of the Company's personnel is considered small.

The business strategy for 2023 is to adapt the Company's business to the market situation. Tendering activity is given high priority by the contracting entities in the DOF Subsea Atlantic region, along with continued cost focus and work to retain and develop competence. There is also a focus on repeat business from existing customers, and achieve optimal utilization of the Company's personnel resources. In addition, the Company will focus on strengthening the cooperation with the companies within the DOF Group in order to increase efficiency and quality of services. The Company will continue to develop and optimize utilization of its resources.

The activity in the DOF Subsea Atlantic region has been higher in the beginning of 2023 than the corresponding period in 2022. This has a direct impact on the activity in the Company. The Company is continuously evaluating the organization structure and the manning based on updated market forecasts.

The Company emphasize that the information included in this annual report contains certain forward-looking statements that address activities or developments that the Company anticipates will or may occur in the future. The statements are based on assumptions and estimates, and some of them are out of the Company's control and therefore subject to risks and uncertainties.




DOF Subsea Norway Offshore AS


The Board of Directors confirm, to the best of its knowledge, the information contained in the Annual Report, gives a true and fair view of the Company's results, financial positions, assets and liabilities.

Bergen, 26.06.2023


The Board of DOF Subsea Norway Offshore AS


Marianne Møgster (Jun 26, 2023 18:19 GMT+2)

Marianne Møgster
Chairman



Jan-Kristian Haukeland
Director


Martin Lundberg (Jun 26, 2023 19:06 GMT+2)

Martin Lundberg
Director



DOF Subsea Norway Offshore AS

Amounts in NOK thousand

Financial statements

DOF SUBSEA NORWAY OFFSHORE AS



DOF Subsea Norway Offshore AS

Amounts in NOK thousand

Statement of comprehensive income

	Note	2022	2021
Operating revenue	4, 11	163 829	123 876
Total operating revenue		163 829	123 876
Cost of goods	11	-74 693	-50 666
Wage expenses	5	-79 629	-69 452
Other operating expenses		-1 037	-730
Total operating expenses		-155 359	-120 847
Operating profit (EBIT)		8 470	3 029
Financial income	7	135	2
Financial expenses	7	-18	-14
Realised net gain / loss on currency position		5 933	-
Unrealised net gain / loss on currency position		81	-
Net financial income / loss		6 131	-13
Profit / loss before tax		14 601	3 017
Income tax expense	8	-5 914	-652
Profit / loss for the year		8 687	2 365
Other comprehensive income		-	-
Items that will not be reclassified to profit or loss		-	-
Total components not subject to reclassification through profit or loss		-	-
Items subject to reclassification through profit or loss		-	-
Total components subject to reclassification through profit or loss		-	-
Total comprehensive income		8 687	2 365




DOF Subsea Norway Offshore AS

Statement of financial position

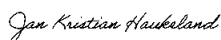
	Note	2022	2021
Assets			
Current receivables from Group companies	9, 11	122 359	88 731
Other current receivables		319	335
Cash and cash equivalents	9	-	-
Total current assets		122 678	89 066
Total assets		122 678	89 066
Equity and liabilities			
Share equity	10	100	100
Total paid-in capital		100	100
Retained earnings	10	11 008	2 321
Total equity		11 108	2 421
Defered tax liabilities		2 266	-
Total non-current liabilities		2 266	-
Income tax payable	8	-	652
Current liabilities to Group companies	11	99 915	80 628
Trade payables		2 326	1 972
Other current liabilities		7 063	3 393
Total current liabilities		109 304	86 644
Total liabilities		111 570	86 644
Total equity and liabilities		122 678	89 066

Bergen, 26.06.2023

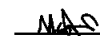
The Board of DOF Subsea Norway Offshore AS


Marianne Møgster (Jun 26, 2023 18:19 GMT+2)

Marianne Møgster
Chairman



Jan-Kristian Haukeland
Director


Martin Lundberg (Jun 26, 2023 19:06 GMT+2)

Martin Lundberg
Director



DOF Subsea Norway Offshore AS

Amounts in NOK thousand

Statement of cash flows

	Note	2022	2021
Cash flow from operating activities			
Operating profit (EBIT)		8 470	3 029
Change in trade payables		354	-
Changes in other working capital		-14 955	-3 073
Exchange rate effect on operating activities		6 014	-
Cash flow from operating activities		-117	-45
Interest received		135	2
Interest paid		-18	-14
Net cash flow from operating activities		-	-57
Cash flow from investing activities			
Net cash flow from investing activities		-	-
Cash flow from financing activities			
Net cash flow from financing activities		-	-
Net change in cash and cash equivalents		-	-57
Cash and cash equivalents at 01.01		-	57
Exchange rate effect on cash and cash equivalents		-	-
Cash and cash equivalents at 31.12		-	-



Notes to the financial statements

DOF Subsea Norway Offshore AS

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Notes to the financial statements

1 Corporate information

DOF Subsea Norway Offshore AS was established on February 1, 2017.

The company changed its name from DOF Rederi III AS to Dof Subsea Norway Offshore AS at the general meeting on October 30, 2020.

The company provides personnel leasing services in offshore shipping and related activities.

The company's address is Thormøhlens gate 53C in Bergen, Norway.

Dof Subsea Norway Offshore AS is 100% owned by DOF Subsea Atlantic AS, a wholly-owned subsidiary of DOF Subsea AS.

2 Accounting policies

Summary of significant accounting principles

The financial statements of the Company have been prepared in accordance with the Norwegian accounting act § 3-9 and Finance Ministry's prescribed regulations on simplified IFRS. Principally this means that recognition and measurement complies with the International Accounting Standards (IFRS) and presentation and note disclosures are in accordance with the Norwegian Accounting Act and generally accepted accounting principles. The financial statements have been prepared in accordance with the historical cost convention with the following exception: financial instruments at fair value through profit or loss are subsequently carried at fair value. All amounts are in NOK million.

The fiscal year is the same as the calendar year.

Going concern

The financial statements for the Company have been prepared on the basis of going concern assumption in accordance with the Norwegian Accounting Act § 3-3a.

The going concern assumption is based on the refinancing that was completed on 22nd March 2023, strong operational performance and the contract coverage. Approximately NOK 5.2 billion of debt in the ultimate parent company, DOF Group ASA, was converted into equity. NOK 3.1 billion of the NOK 5.2 billion has been given effect on equity in DOF Subsea Group.

Conversion of foreign currency

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

Classification of assets and liabilities

Assets are classified as current assets when:

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

All other assets are classified as non-current assets.

Liabilities are classified as current when:

- the liability forms part of the entity's operating cycle, and is expected to be realised or consumed over the course of the entity's normal operations; or
- the liability is held for trading; or
- settlement of the liability has been agreed upon within 12 months after the reporting period; or

the entity does not have an unconditional right to postpone settlement of the liability until at least 12 months after the reporting period

All other liabilities are classified as non-current liabilities.

Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. In addition to invoiced amounts, trade receivable also includes accrued not invoiced revenues when the amounts are independent of future performance.

Trade receivables are recognised initially at nominal amount. An impairment analysis is performed at each reporting period to measure expected credit losses.

Revenue recognition

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

Defined contribution plan

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual, or voluntary basis. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The contributions are recognised as an employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Current and deferred income tax

Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carry-forward losses for tax purposes at year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carry-forward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the statement of financial position are presented net. Deferred tax is reflected at nominal value.

Tax reductions from distributed group contributions and tax on received group contributions are recorded as a reduction in cost or directly recognized as income against equity, or directly offset against tax in the balance sheet (offset against payable tax if the group contribution has affected payable tax, and offset against deferred tax if the group contribution has affected deferred tax). Group contributions are recorded in the year they are approved in the ordinary general meeting.

Events after period end

New information regarding the Company's financial position at period end is included in the financial statements. Events occurring after period end, which do not impact the Company's financial position, but which have a significant impact on future periods, are presented in the notes.



Statement of cash flows

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

3 Financial risk management

The Company is exposed to various types of financial risk relating to its ongoing business operations: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's governing risk management strategy focuses on minimising the potential negative effects on the Company's results. The Company consider at all times use of financial derivatives to hedge against certain types of risk. The Company does not use financial derivatives linked to ordinary activities such as trade receivables, trade payables and similar.

Foreign exchange risk

The company's functional currency are in Norwegian Kroner (NOK). The company operates globally but has limited exposure to currency risk since the majority of its transactions are denominated in Norwegian Kroner.

Credit and liquidity risk

Credit and liquidity risk arise from cash and cash equivalents, financial derivative instruments and deposits with banks as well as credit exposures to clients. The Company has a policy of limiting the credit exposure to any single financial institution and bank, and actively manages its exposure to achieve this. Credit exposures are to clients that traditionally have good financial position to meet their obligations. Historically there have been no losses on outstanding receivables to clients. Risk of losses is considered to be low.

The Company continuously evaluates credit and liquidity risk and have in place policies and guidelines for follow-up and collection of outstanding receivables.

Liquidity risk management implies maintaining sufficient cash, marketable securities, available funding through committed and uncommitted credit facilities and ability to close market positions. The Company aims to maintain flexibility in its liquidity risk management by keeping credit lines available.

There is implemented routines to monitor and report cash flow forecasts on a regular basis.

Capital structure and equity

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



DOF Subsea Norway Offshore AS

Amounts in NOK thousand

4 Operating revenue

Operating revenue	2022	2021
Revenue from internal services	163 829	123 876
Totale operating revenue	163 829	123 876

The company operates within one business area, which is labor leasing.

The company's operations are spread across different geographical regions where risk and expected returns vary. The company divides its business into different geographic regions based on the nationality of the customers.

Geographic distribution of operating revenues	2022	2021
Europe and West Africa (excluding Norway)	88 370	85 398
Norway	69 452	37 550
America	3 119	928
Asia Pacific	2 888	-
Total	163 829	123 876

5 Operating expenses

Payroll expenses	2022	2021
Salary	63 592	54 746
Employer's social security contributions	8 257	7 459
Pension expenses	5 616	5 390
Government subsidies	-487	-571
Other allowances	2 651	2 428
Total payroll expenses	79 629	69 452

Average number of employees	63	62
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The managing director is remunerated by DOF Subsea Norway AS.

No loans or guarantees have been provided to the benefit of the managing director, the board, or other related parties

Specification of Auditor's fee	2022	2021
Fee for audit of financial statements	74	31
Fee for other attestation services	-	10
Fee for other tax consultancy	-	-
Total	74	41



DOF Subsea Norway Offshore AS

Amounts in NOK thousand

6 Pension

As of December 31, 2022, the company's pension agreements covered a total of 59 (61) individuals.

For offshore workers who qualify, the company has a collective pension insurance for seafarers. At the end of 2022, 59 (61) seafarers were covered by this arrangement. The agreement is in accordance with the maximum rates set by law. The company's contributions to the scheme in 2022, amounting to NOK 1 390 thousand (NOK 1 345 thousand), are charged to the income statement.

For offshore workers who do not qualify for seafarers' pensions, the company has established a defined contribution pension scheme administered by Zurich International Life Limited. A total of 10 (10) employees are covered by the scheme.

The total cost for the defined contribution pension scheme in 2022 was NOK 5 616 thousand (NOK 5 390 thousand).

7 Financial income and expenses

Financial income and expenses	2022	2021
Interest income	135	2
Financial income	135	2
Other financial expenses	-18	-14
Financial expenses	-18	-14
Realised foreign currency net gain / loss current receivables / liabilities	5 933	-
Realised net gain / loss on currency position	5 933	-
Unrealised currency gain / loss on current receivables / liabilities	81	-
Unrealised net gain / loss on currency position	81	-
Net financial income / loss	6 131	-13

8 Tax

Income tax expense	2022	2021
Current tax on profit for the year	-3 212	-652
Withholding tax	-4 300	-
Effect of Withholding tax liability treated as temporary difference	946	-
Effect of Group contributions approved in 2022	652	-
Income tax expense	-5 914	-652
Reconciliation of nominal and effective tax rate		
Profit / loss before tax	14 601	3 017
Tax estimated by use of domestic tax rates (22%)	-3 212	-664
Tax effect of:		
Withholding tax (net of tax)	-3 354	-
Group contribution approved in 2022	652	-
Utilisation of previously unrecognised tax losses	-	12
Income tax expense	-5 914	-652



DOF Subsea Norway Offshore AS

Amounts in NOK thousand

	2022	2021
Basis for deferred tax		
Proposed Group contributions to DOF Subsea Norway AS	14 601	-
Liabilities	-4 300	-
Total temporary differences	10 301	-
Temporary differences not included as deferred tax (+)	-	-
Total temporary differences included as deferred tax	10 301	-
Tax loss carried forward	-	-
Tax loss not included as deferred tax asset	-	-
Total loss included as deferred tax assets (-)	-	-
Basis for calculating deferred tax / tax asset (-)	10 301	-
Total deferred tax / tax asset (-) recognised in the statement of financial position	2 266	-

Taxable profit in Norway of NOK 3 212 thousand will be eliminated when group contribution is approved in 2023.

In tax papers for 2021, the Company gave Group Contributions with tax effect to DOF Subsea Norway AS of NOK 2 963 thousand. The tax effect was 22% NOK 652 thousand. At the same time, the Company received Group Contributions from DOF Subsea Norway AS of the same amount.

Note 9 Cash and cash equivalents

Cash and cash equivalents	2022	2021
Bank deposits*	-	-
Deposits in the group cash pooling arrangement with DOF Subsea AS**	31 877	16 595
Total	31 877	16 595

*There are no restricted cash deposits in the company as of December 31, 2022.

**The Company is part of the Group's cash pooling system and has at all times access to cash available in the Group's cash pool. For further reading about liquidity risk, please refer to note 3 'Financial risk management'. Pricing on deposits in the respective currencies is based on the Group's internal transfer pricing policy. The amounts in the cash pooling system deposit of the DOF Subsea Group are recognised as current receivables from/liabilities to Group companies.



DOF Subsea Norway Offshore AS

Amounts in NOK thousand

Note 10 Share capital and share information

The number of shares is 1,000 with a nominal value of NOK 0.1. DOF Subsea Atlantic AS holds a 100% ownership and voting interest.

For further information regarding the board of directors and key management personnel's shares in the parent company, please refer to DOF Group ASA's Integrated Annual Report. The consolidated financial statements of DOF Group ASA can be obtained by contacting the company's office in Storebø or accessed at www.dof.com.

Statement of changes in equity:

Changes in equity	Share capital	Other capital	Total equity
Equity at 31.12.2021	100	2 321	2 421
Profit for the year	-	8 687	8 687
Group contribution received	-	2 963	2 963
Group contribution given	-	-2 963	-2 963
Equity at 31.12.2022	100	11 008	11 108

In 2022 the Board of Directors approved a group contribution, with tax effect, of NOK 2 963 thousand to the group company DOF Subsea Norway AS. A group contribution without tax effect was received from the same entity. Tax effects are included in income tax expense.

The Board of Directors propose to the annual General Meeting that a group contribution of NOK 14 601 thousand is distributed as a taxable group contribution to the group company DOF Subsea Norway AS.

Board of Directors	Title
Marianne Møgster	Chairman
Jan-Kristian Haukeland	Director
Martin Lundberg	Director

Note 11 Related parties

DOF Subsea Norway Offshore AS is 100% owned by DOF Subsea Atlantic AS, and DOF Subsea Atlantic AS is 100% owned by DOF Subsea AS.

DOF Group ASA owns 100% of the shares in DOF Subsea AS. Services to companies within the Group are primarily related to personnel leasing.

For further information see the financial statements for DOF Group ASA and DOF Subsea AS at www.dof.com.

Operating revenue	2022	2021
DOF Subsea Group	163 822	123 876
DOF ASA Group	7	-
Total	163 829	123 876

Operating expenses	2022	2021
DOF Subsea Group	50 902	32 299
DOF ASA Group	16 407	20 174
Total	67 309	52 473



Current receivables from Group companies	2022	2021
DOF Subsea Group	90 475	72 136
Cash pooling system deposit DOF Subsea AS	31 877	16 595
DOF ASA Group	7	-
Total	122 359	88 730

Current liabilities to Group companies	2022	2021
DOF Subsea Group	97 787	60 729
DOF ASA Group	2 128	19 899
Total	99 915	80 628

Note 12 Events after period end

On the 23rd of February 2023 the bondholders meeting in each of the DOFSUB07, DOFSUB08 and DOFSUB09 bond issues approved the required changes to the Restructuring Agreement following the commencement of bankruptcy proceeding of DOF ASA.

On the 22nd of March 2023 the restructuring of Group was completed including effectuating of new loan facilities in DOF Subsea Group and conversion of approximately NOK 3 billion of bond loans to equity.

From 22 June 2023 shares in DOF Group ASA was re-listed and traded on Oslo Stock Exchange.













DOF SUBSEA Norway Offshore AS Annual Report 2022

Final Audit Report

2023-06-26

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Skatteetaten

Vår dato
20.10.2022

Din/Deres dato
04.10.2022

Saksbehandler
Nina Gulbrandsen

800 80 000
Skatteetaten.no

Din/Deres referanse
AR509484971

Telefon
99796636

Org.nr
974761076

Vår referanse
2022/5830943

Postadresse
Postboks 9200 Grønland
0134 OSLO

DOF SUBSEA NORWAY OFFSHORE AS

U.off.

Dispensasjon fra kravet om å utarbeide årsregnskap på norsk

Vi viser til DOF Subsea Norway Offshore AS søknad om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk for følgende selskap i samme konsern:

DOF Subsea Norway Offshore AS, org.nr. 918 849 998

DOF Subsea UK Ltd, org.nr. 982 810 213

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering selskapet dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Fra søknaden siteres:

«DOF Subsea Norway Offshore AS overtok den 1. januar 2021 alle offshore-ansatte fra DOF Subsea Norway AS.

Selskapet har som vedtektsfestet formål å leie ut arbeidstakere innen offshore shipping- og rederivirksomhet, samt det som naturlig står i forbindelse med dette.

DOF Subsea Norway Offshore AS er heleid datterselskap av DOF Subsea Atlantic AS som igjen er heleid datterselskap av DOF Subsea AS, og inngår i DOF Subsea-Gruppen.

DOF Subsea AS har noterte obligasjoner på Oslo Børs. Selskapet og Gruppen driver i en internasjonal bransje der brukerne av regnskapet i stor grad er internasjonale. Selskapet har all sin omsetning til interne selskaper i konsernet, og over 2/3 av omsetningen i 2021 var til konsernselskaper utenfor Norge.»



Underveis i saksbehandlingen, ble det i e-post av 20. oktober 2022 avtalt med selskapet at søknaden også skulle gjelde det norskregistrerte utenlandske foretaket DOF Subsea UK Ltd. Foretaket inngår også i DOF Subsea-Gruppen, og det ble argumentert for dispensasjon med at foretaket er engelskspråklig og opererer i en internasjonal bransje.

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, kunder 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.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I dette tilfellet er det opplyst at begge selskap tilhører DOF Subsea -Gruppen som driver i en internasjonal bransje der brukerne av regnskapet i stor grad er internasjonale. En betydelig andel av selskapets interessenter er engelskspråklige og vil ikke ha mulighet for å forstå årsregnskap og årsberetning på norsk. Skattekontoret finner at disse forholdene samlet tilsier at dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk kan gis.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen



Lene Bjørkevoll
Underdirektør
Innsats, storbedrift
Skatteetaten

Nina Gulbrandsen

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.