



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 915 006 515
Organisasjonsform: Aksjeselskap
Foretaksnavn: DOF SUBSEA ATLANTIC AS
Forretningsadresse: Thormøhlens gate 53C
5006 BERGEN

Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Daniel Brandsæter
Dato for fastsettelse av årsregnskapet: 16.07.2021

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, 31.07.2022



Resultatregnskap

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
Kostnader			
Other operating expenses	3	18 000	32 000
Sum kostnader		18 000	32 000
Driftsresultat		-18 000	-32 000
Finansinntekter og finanskostnader			
Income from associated companies			
Renteinntekt fra foretak i samme konsern		2 981 000	3 484 000
Financial expenses		-1 000	-1 000
Sum finansinntekter		2 981 000	3 483 000
Write-downs of long-term investments			
Write-downs of financial assets			134 527 000
Provision for doubtful debt intercompany receivables	7	81 750 000	
Rentekostnad til foretak i samme konsern		2 403 000	2 345 000
Annen rentekostnad			-6 207 000
Realized gain/loss on financial derivatives and currency positions		552 000	229 000
Sum finanskostnader		84 706 000	130 893 000
Netto finans		-81 725 000	-127 410 000
Ordinært resultat før skattekostnad		-81 743 000	-127 442 000
Tax expenses	4	-188 000	190 000
Ordinært resultat etter skattekostnad		-81 555 000	-127 632 000
Årsresultat		-81 555 000	-127 632 000
Årsresultat etter minoritetsinteresser		-81 555 000	-127 632 000
Totalresultat		-81 555 000	-127 632 000



Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	8	57 000	
Investeringer i tilknyttet selskap	9	23 000	23 000
Sum finansielle anleggsmidler		79 000	22 000
Sum anleggsmidler		79 000	22 000
Omløpsmidler			
Varer			
Fordringer			
Other current receivables		1 000	
Konsernfordringer	7		578 000
Sum fordringer		1 000	578 000
Bankinnskudd, kontanter og lignende			
Unrestricted cash and cash equivalents	5	1 126 000	600 000
Sum bankinnskudd, kontanter og lignende		1 126 000	600 000
Sum omløpsmidler		1 128 000	1 178 000
SUM EIENDELER		1 207 000	1 201 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	6	40 000 000	40 000 000
Sum innskutt egenkapital		40 000 000	40 000 000
Opptjent egenkapital			



Balanse

Beløp i: NOK	Note	2020	2019
Loss brought forward	6		
Udekket tap	6	120 555 000	39 000 000
Sum opptjent egenkapital		-120 555 000	-39 000 000
Sum egenkapital		-80 555 000	1 000 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	4		190 000
Sum avsetninger for forpliktelser			190 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		0	190 000
Kortsiktig gjeld			
Tax payable	4	2 000	
Kortsiktig konserngjeld	7	81 760 000	11 000
Other current liabilities	7		
Sum kortsiktig gjeld		81 761 000	11 000
Sum gjeld		81 761 000	200 000
SUM EGENKAPITAL OG GJELD		1 207 000	1 201 000



MOTTATT

02. FEBRUAR 2016

Norwegian Directorate of Taxes

Inquiries to
Torstein Kinden Helleland

Your date
23.02.2016

Our date
29.02.2016

Telephone
22078139

Your reference
Petter O. Pharo

Our reference
2016/170122

DOF SUBSEA AS
Thormøhlens gate 53C
5006 BERGEN

Permission to prepare the annual accounts and directors' report in English language

With reference to your letter of 23 February 2016, you apply for permission to keep annual accounts and directors' report in English language. The application in question concerns the companies mentioned below.

DOF Subsea Atlantic AS org. nr. 915 006 515
DOF Subsea Rederi III AS org. nr. 915 872 662
Canadian Subsea Shipping Company AS org. nr. 916 122 837

Conclusion

Based on a total evaluation, the view of The Directorate of Taxes is that the companies mentioned above may make the directors' report and annual accounts in English language according to the Norwegian Accounting Act § 3-4 third paragraph. The exemption requires that the information that the decision is based on, does not change significantly.

A copy of this letter must be sent to the Register of Company Accounts in Brønnøysund together with the financial statements. It is incumbent on the company to document by this letter that the permit is granted.

Background

Canadian Subsea Shipping Company AS is owned 45 % by DOF Subsea AS, 45 % by Vard Group AS and 10 % by Kanabus AS. DOF Subsea Atlantic AS and DOF Subsea Rederi III AS are 100 % owned by DOF Subsea AS. DOF Subsea AS is 100 % owned by DOF Subsea Holding 2 AS and DOF Subsea Holding AS. DOF Subsea Holding AS is in turn owned by DOF ASA (51 %) and First Reserve Corporation - FRC (49 %). DOF ASA is a public limited company listed on the Norwegian Stock Exchange, and FRC is a private equity fund located in US (New York). The companies are companies within the DOF Subsea Group. Other group companies have in previous decisions been given permission to make the directors' report and annual accounts in English language.

The DOF Subsea Group is a specialist subsea service business that provides survey, construction, inspection, repair, and maintenance service which involve complex and challenging engineering in

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Visiting address: Telephone
See www.skatteetaten.no 800 80 000
Org.nr: 996250318 Telefax
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As mentioned above it is particularly the consideration of the users of the account information which has to be taken into consideration when considering the application for permission. In this assessment, the Directorate of Taxes has emphasized that other group companies have in decisions been given permission to make the directors' report and annual accounts in English language. The companies operates in highly international branch, where English is the common languages used. Furthermore, English is the working language.

Please state "our reference" (see above) in all written communication with The Norwegian Tax Authorities.

Best regards

Rune Tystad
Senior Adviser
Legal Department
Norwegian Directorate of Taxes

Torstein Kinden Helleland

This document has been electronically approved and contains therefore no handwritten signatures



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DOF Subsea Atlantic AS
Financial Statements 2020



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DOF Subsea Atlantic AS

DIRECTORS REPORT FOR 2020

Amounts in NOK thousand

The Company

DOF Subsea Atlantic AS (the Company) was established on 18.11.2014. The purpose of the Company is to conduct business within the shipping and oil service sector. The Company can also invest in other companies.

The office address for the Company is Thormøhlens gate 53 C in Bergen, Norway.

Activities

DOF Subsea Atlantic AS is a holding company with the main activity to hold investments in subsidiaries and joint ventures. In 2019 the Company purchased 100 % of the shares of DOF Subsea Norway AS and DOF Subsea UK Ltd, and 50 % of the shares in KDS JV AS, a joint venture with Kværner AS, that has been engaged by Equinor to manufacture and install offshore windmills in the Hywind Tampen Project.

In 2020, the Company purchased 100 % of the shares in DOF Subsea Norway Offshore AS as part of a reorganisation of the Atlantic Region in the DOF Subsea Group. The purchase price was NOK 57.

DOF Subsea Atlantic AS has provided a loan to DOF Subsea UK Ltd, after taking up debt to parent company DOF Subsea AS. Due to the strained financial situation for DOF Subsea UK Ltd, a provision for doubtful debt has been recognized for 100 % of the balance of the loan including interests at the end of 2020.

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. However, the events described below give rise to significant doubt on the Company's ability to continue as going concern.

The Company has a negative equity as of December 31, 2020 and is dependent on financial support from the parent companies to continue as a going concern and to ensure sufficient working capital for the next 12 months.

The Company is affected by the work to find a long-term financial solution for DOF Subsea AS and the DOF Subsea Group. The Board of Directors and the Management in the DOF Subsea Group are working on a long-term financial solution. The Company's operations are an integrated part of the Group's operation and the Company's operation is therefore dependent on a long-term sustainable financial solution for the Group. Further, available liquidity has been and will be dependent on the DOF Subsea Group's cash pool arrangement.

The Group's financial position is not sustainable and standstill agreements with the majority of the Group's creditors have continued since 2nd quarter 2020. The Group is dependent on a robust refinancing solution and has presented a debt restructuring proposal to the secured lenders and bondholders. The refinancing proposal currently discussed include a comprehensive restructuring of the Group's balance sheet which include softer terms and conversion of debt. The dialogue with the lenders is challenging, but constructive and a refinancing solution is not yet in place. The Group is dependent on continued standstill agreements with its creditors until a long-term financial solution is agreed to maintain as going concern. If the Company cannot be treated as 'going concern', the valuation of the Company's asset will be further revised. Valuation of asset without the going concern assumption will result in impairment of the Company's assets.

Comprehensive income and financial position

Operating expenses was NOK 18 (NOK 32). Net financial income was NOK -81 725 (NOK -127 410). Result before tax was NOK -81 743 (NOK -127 442). Result after tax was NOK -81 555 (NOK -127 632).

The total assets at year end 2020 was NOK 1 207 (NOK 1 201), whereas unrestricted cash and cash equivalents was NOK 1 126 (NOK 600) and investments in subsidiaries and joint venture was NOK 79 (NOK 22). Total equity was NOK -80 555 (NOK 1 000).



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Cash flow from operating activities was NOK -20 (NOK -34). Cash flow from investing activities was NOK -82 027 (NOK 130) and cash flow from financing activities was NOK 82 542 (NOK 0). As a result, the Company's net cash flow for the year was NOK 526 (NOK 330).

Loss for the year and allocations

The loss for the year amounted to NOK -81 555 (NOK -127 632). The Board proposes to transfer the loss of NOK -81 555 to accumulated loss.

Working Environment and anti-discrimination

There are no employees in the Company.

External environment

To the Board's knowledge there has been no pollution of the external environment during 2020.

Financial market risk

The company has general financial market risk related to changes in value of investment in DOF Subsea Norway AS, DOF Subsea Norway Offshore AS, DOF Subsea UK Ltd and KDS JV AS.

Events occurring after the balance sheet date

On the 30th of June 2021 the Group agreed to extend the standstill agreements with the secured lenders representing in total 88 % of the secured debt of the Group excluding the joint venture with TechnipFMC and DOF Subsea Brasil Servicos Ltda. DOF Subsea AS has received confirmation from the ad hoc group of bondholders that they have agreed to further extend the suspension, deferral and standstill arrangement currently in place for the bond issues until 31st of August 2021.

Outlook

The Board is expecting the short-term market in the Subsea/IMR Projects segment to remain challenging in 2021. There are signs of increased activities from 2022, however the timing of the recovery is highly uncertain. The risk of lower utilization of the Company's equipment and personnel remains.

The business strategy for 2021 is to adapt the Company's business to the challenging market situation. Tendering activity is given high priority, along with continued cost focus and work to retain competence. There is also a focus on repeat business from existing customers, and achieve optimal utilization of the Company's equipment and 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 market outlook in the region for 2021 is considered to remain highly competitive as the extent of work from the operators both in the new field developments and maintenance of existing fields are considered moderate, combined with the high volume of available vessels in the market. The Region's activity in the beginning of 2021 has been higher compared to 2020. The Company is continuously evaluating the organization structure and the manning based on the latest updates of the market forecasts.

As mentioned above the Group has entered into standstill agreements with its lenders. The proposals currently discussed include a comprehensive restructuring of the Group's balance sheet including conversion of debt. The dialogue with the lenders is challenging, but constructive and a refinancing solution is not yet in place. The Group is dependent on continued standstill agreements with its creditors until a long-term financial solution is agreed to maintain as going concern.

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.

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.



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BERGEN, 16.07.2021
The Board of DOF Subsea Atlantic AS

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Marianne Møgster

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Marianne Møgster
Chairman of the Board

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Jan Kristian Haukeland

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Jan Kristian Haukeland
Board member

DocuSigned by:
Martin Lundberg

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Martin Lundberg
Board member



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DOF Subsea Atlantic AS

Statement of comprehensive income

	Note	2020	2019
Amounts in NOK Thousand			
Operating income and operating expenses			
Other operating expenses	3	18	32
Total operating expenses		18	32
Operating profit (EBIT)		-18	-32
Interest income from group companies		2 981	3 484
Realized gain / loss on financial instruments		0	6 207
Financial expenses		1	1
Realized gain/loss on financial derivatives and currency positions		552	229
Interest expense to group companies		2 403	2 345
Write-downs of financial assets		0	134 527
Provision for doubtful debt intercompany receivables	7	81 750	0
Net financial income / loss		-81 725	-127 410
Profit / loss before tax		-81 743	-127 442
Tax expenses	4	-188	190
Profit / loss for the year		-81 555	-127 632
Other comprehensive income		0	0
Total comprehensive income		-81 555	-127 632



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DOF Subsea Atlantic AS

Statement of financial position

Amounts in NOK Thousand

Assets	Note	2020	2019
Investments in subsidiaries	8	57	0
Investmenets in joint ventures	9	23	23
Total fixed assets		79	22
Current receivables from group companies	7	0	578
Other current receivables		1	0
Total receivables		1	578
Unrestricted cash and cash equivalents	5	1 126	600
Total current assets		1 128	1 178
Total assets		1 207	1 201



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DOF Subsea Atlantic AS

Statement of financial position

Amounts in NOK Thousand

Equity and liabilities	Note	2020	2019
Share capital	6	40 000	40 000
Total paid-in capital		40 000	40 000
Uncovered loss	6	-120 555	-39 000
Total equity		-80 555	1 000
Deferred taxes	4	0	190
Provisions for commitments		0	190
Tax payable	4	2	0
Current liabilities to Group companies	7	81 760	11
Current liabilities		81 761	11
Total liabilities		81 761	200
Total equity and liabilities		1 207	1 201

Bergen, 16.07.2021

The Board of DOF Subsea Atlantic AS

DocuSigned by:
Marianne Møgster

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Marianne Møgster
Chairman of the Board

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Jan Kristian Haukeland

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Jan Kristian Haukeland
Board member

DocuSigned by:
Martin Lundberg

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Martin Lundberg
Board member



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DOF Subsea Atlantic AS

Statement of cash flow

Amounts in NOK Thousand

	Note	2020	2019
Profit/loss before tax		-81 743	-127 442
Gain(-)/Loss(+) on shares in subsidiary at liquidation		0	-6 207
Write-downs of financial assets		0	134 527
Provision for doubtful debt IC receivables	7	81 750	0
Change in accounts receivable	7	578	-578
Items classified as investment or financing activities		-603	-332
Change in other accrual items		-1	-1
Net cash flows from operating activities		-20	-34
Net cash from operating activities		0	0
Proceeds from loans and liquidation of subsidiary		1 295	27 715
Payments to buy shares	8	57	27 585
Payments to give loans to subsidiaries	7	83 265	0
Net cash flows from investment activities		-82 027	130
Proceeds from the issuance of new current liabilities	7	83 265	0
Repayment of current liabilities		723	0
Net cash flows from financing activities		82 542	0
Effect of exchange rate fluctuations on cash		31	234
Net change in cash and cash equivalents		526	330
Cash and cash equivalents at the start of the period		600	270
Cash and cash equivalents at the end of the period	5	1 126	600



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1 Corporate information

DOF Subsea Atlantic AS (the Company) was founded on 18.11.2014. The purpose of the Company is to supply engineering services to the oil and gas industry in Norway. The Company can also invest in other companies.

The office address for the Company is Thormøhlens gate 53C in Bergen, Norway.

DOF Subsea Atlantic AS is 100% owned by DOF Subsea AS.

DOF Subsea Atlantic AS is included in the financial reporting for DOF Subsea Group. The consolidated financial statement can be found on www.dofsubsea.com or at the company address Thormøhlensgate 53C, 5006 Bergen.

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 from November 3, 2014 on simplified IFRS. All amounts are in NOK.

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. However, the events described below give rise to significant doubt on the Company's ability to continue as going concern.

The Company has a negative equity as of December 31, 2020 and is dependent on financial support from the parent companies to continue as a going concern and to ensure sufficient working capital for the next 12 months.

The Company is affected by the work to find a long-term financial solution for DOF Subsea AS and the DOF Subsea Group. The Board of Directors and the Management in the DOF Subsea Group are working on a long-term financial solution. The Company's operations are an integrated part of the Group's operation and the Company's operation is therefore dependent on a long-term sustainable financial solution for the Group. Further, available liquidity has been and will be dependent on the DOF Subsea Group's cash pool arrangement.

The Group's financial position is not sustainable and standstill agreements with the majority of the Group's creditors have continued since 2nd quarter 2020. The Group is dependent on a robust refinancing solution and has presented a debt restructuring proposal to the secured lenders and bondholders. The refinancing proposal currently discussed include a comprehensive restructuring of the Group's balance sheet which include softer terms and conversion of debt. The dialogue with the lenders is challenging, but constructive and a refinancing solution is not yet in place. The Group is dependent on continued standstill agreements with its creditors until a long-term financial solution is agreed to maintain as going concern. If the Company cannot be treated as 'going concern', the valuation of the Company's asset will be further revised. Valuation of asset without the going concern assumption will result in impairment of the Company's assets.

Classification of assets and liabilities

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's instalment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.

Investments

Investments in subsidiaries and joint ventures are recorded at historical cost. Investments are written down to fair value if impairment is not temporary.

Events after the balance sheet date

New information regarding the Company's financial standing on the balance sheet date is included in the accounts. Events occurring after balance sheet date, which do not impact the Company's financial standing on balance sheet date, but which have a significant impact on future periods, are presented in the notes to the accounts.

Statement of cash flows

The statement of cash flow is prepared in accordance to the indirect model.



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Current and deferred income tax

The tax charge in the income statement includes both payable taxes for the period and changes in deferred 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 the 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.

Group contribution is booked in the year when it is approved by the annual general meeting.

3 Remunition to Executives, Board of Directors and Auditor

Amounts in NOK Thousand

The Company has no employees. No salaries or other remuneration have been paid to the Company's Board or Managing Director. No loans, securities or guarantees have been provided for Board members or close associates.

Specification of audit fee (excl. VAT)	2020	2019
Statutory audit	11	5
Other assurance services	7	27
Total audit fee	18	32

4 Tax

Amounts in NOK Thousand

The income tax expense comprises:	2020	2019
Tax payable, Norway	2	190
Change in deferred tax, Norway	-190	0
Income tax expense	-188	190

Reconciliation of nominal and effective tax rate:	2020	2019
Profit before tax	-81 743	-127 442
Expected tax expense 22% (23%)	17 983	28 037
Difference between actual and expected income tax expense	-17 795	-28 227
Expenses not deductible for tax purposes	17 985	29 596
Income not taxable	-190	-1 366
Tax loss for which no deferred tax asset has been recognised	0	-3
Effect of change in tax rate	0	0
Total	0	0

Basis for deferred tax	2020	2019
Tax loss carry forward	0	0
Total temporary differences / basis for calculating deferred tax	0	0

Deferred tax / tax asset (-) (22%) recognized in the balance sheet	0	190
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Deferred tax asset is not recognised in the balance sheet.

In 2020 a group contribution was given to DOF Subsea AS with tax effect that eliminated the tax payable. A deferred tax liability was recognized in the balance sheet as of 2019 and no tax payable. In 2020 the deferred tax liability was reversed when the tax contribution was given and returned back to DOF Subsea Atlantic AS without tax effect.



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5 Cash and cash equivalents

Amounts in NOK Thousand

	2020	2019
Bank deposits*	1 126	600

* The Company has no restricted deposits at year end.

6 Share capital and share information

Amounts in NOK Thousand

Share capital:

The share capital in the Company at 31.12.2020 was NOK 40 000 comprising 1 000 shares, each with a nominal value of NOK 40

Shareholder overview:

At 31 December 2020 the shareholders in the Company (no shares owned by senior executives or board members, including share ownership via close relatives and companies) were as follows:

Shareholders at 31.12.2020	No. of shares	Proportion of ownership
DOF Subseas AS	1 000	100 %
Total	1 000	100 %

Board of directors

	Title
Marianne Møgster	Chairman of the Board
Jan Kristian Haukeland	Board member
Martin Lundberg	Board member

Share capital	No. of shares	Share capital
Share capital 01.01.2020	1 000	40 000
Share capital 31.12.2020	1 000	40 000

Changes in shareholder's equity

	Share capital	Share premium	Loss brought forward	Total equity
Equity at 01.01.2020	40 000	0	-39 000	1 000
Total comprehensive income	0	0	-81 555	-81 555
Equity at 31.12.2020	40 000	0	-120 555	-80 555

7 Related parties

Amounts in NOK Thousand

Detailed description of related parties and the Company's relationship to these:

DOF Subsea Atlantic AS is owned 100 % by DOF Subsea AS.

DOF Subsea Norway AS, DOF Subsea Norway Offshore AS and DOF Subsea UK Ltd are 100 % owned subsidiaries of DOF Subsea Atlantic AS.

Current receivables from group companies	2020	2019
DOF Subsea UK Ltd	0	577

Current liabilities to group companies	2020	2019
DOF Subsea Norway AS	10	11
DOF Subsea AS	81 750	0



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In July 2020, a short term loan amounting to GBP 7 million was issued from DOF Subsea AS to DOF Subsea Atlantic AS. At the same time a loan amounting to GBP 7 million was issued from DOF Subsea Atlantic AS to DOF Subsea UK Ltd. Both of the loan has been charged with 6,25 % interest rate. Total interests charged for the loans in 2020 were GBP 0,2 million. The nominal value of the loans including accrued interest were NOK 81 750 as of 31st December 2020.

A 100 % provision for doubtful debt in the amount of NOK 81 750 has been recognized for the receivable from DOF Subsea UK Ltd. DOF Subsea UK Ltd have a negative equity as of 31st December 2020, and do not have sufficient funds to repay the loan at the maturity date in the end of March 2021.

8 Investments in subsidiaries

Amounts in NOK Thousand

Subsidiary	Registered office	Equity	Result	Ownership and votes
DOF Subsea Norway AS	Bergen	-35 933	-23 942	100%
DOF Subsea UK Ltd*	Aberdeen	-98 408	-5 229	100%
DOF Subsea Norway Offshore AS**	Bergen	57	-18	100%

* Amounts are still subject to audit. Amounts in NOK Thousand are converted from GBP using a average currency rate for GBP/NOK of 12,0514 and a closing rate of 11,6462.

** 100 % of the shares in DOF Rederi III AS was aquired November 2, 2020, from DOF ASA with a purchase price of NOK 57. After the purchase, the company changed name from DOF Rederi III AS to DOF Subsea Norway Offshore AS. There was no activity in DOF Subsea Norway Offshore as of 31st December 2020.

9 Investments in joint ventures

Amounts in NOK Thousand

Company	Registered office	Equity	Result	Ownership and votes
KDS JV AS	Oslo	30	0	50%

KDS JV AS was established 29.10.2019 as a joint venture between Kværner AS and DOF Subsea Atlantic AS.

10 Events occurring after the balance sheet date

Amounts in NOK Thousand

On the 30th of June 2021 the Group agreed to extend the standstill agreements with the secured lenders representing in total 88 % of the secured debt of the Group excluding the joint venture with TechnipFMC and DOF Subsea Brasil Servicos Ltda. DOF Subsea AS has received confirmation from the ad hoc group of bondholders that they have agreed to further extend the suspension, deferral and standstill arrangement currently in place for the bond issues until 31st of August 2021.



To the General Meeting of DOF Subsea Atlantic AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of DOF Subsea Atlantic AS, which comprise the statement of financial position as at 31 December 2020, the statement of comprehensive income, and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 December 2020, 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by laws and regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial statements and the Board of Directors' report, which indicates that the Company is dependent on that the DOF Subsea Group is able to secure a long-term solution with banks and to secure satisfactory financing and liquidity for the Group. As stated in Note 10 and the Board of Directors' report, these events or conditions, along with other matters as set forth in Note 10 and the Board of Directors' report, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. There is a risk that the DOF Subsea Group will not reach an agreement with the lenders, and in such an event the Company could be forced to realize its assets, no assurance can be given that these assets will not be realized at a significantly lower value than their carrying amount. Our opinion is not modified in respect of this matter.

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Other information

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

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

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

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

Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors (management) is responsible for the preparation and a true and fair view of the financial statements 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Report on Other Legal and Regulatory Requirements

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

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(ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Bergen, 16 July 2021
PricewaterhouseCoopers AS

Sturle Døsen
State Authorised Public Accountant

(This document is signed electronically)

Note: This translation from Norwegian has been prepared for information purposes only.



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Revisjonsberetning

Signers:

Name	Method	Date
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