Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	915 872 662
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	DOF SUBSEA REDERI III AS
Forretningsadresse:	Thormøhlens gate 53C 5006 BERGEN

Regnskapsår

Årsregnskapets periode:	01.01.2024 - 31.12.2024

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:	Kamilla Rekdal
Dato for fastsettelse av årsregnskapet:	30.04.2025

Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

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

Brønnøysundregistrene, 03.07.2025

Resultatregnskap

Beløp i: NOK	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Operating revenue	5	141 000 000	289 000 000
Gain on sale of tangible assets	8	0	148 000 000
Sum inntekter		**141 000 000**	**437 000 000**
Kostnader			
Payroll expenses	6	9 000 000	43 000 000
Depriciation and impairment (-)/ reversal of impairment	8	55 000 000	-79 000 000
Other operating expenses	7	100 000 000	134 000 000
Sum kostnader		**164 000 000**	**98 000 000**
Driftsresultat		**-23 000 000**	**339 000 000**
Finansinntekter og finanskostnader			
Realised gain on derivative instruments	10	5 000 000	-128 000 000
Financial income	10	3 000 000	4 000 000
Sum finansinntekter		**8 000 000**	**-124 000 000**
Financial expenses	10	101 000 000	122 000 000
Unrealised loss on currencies	10	92 000 000	-53 000 000
Rounding corrections		1 000 000	
Sum finanskostnader		**194 000 000**	**69 000 000**
Netto finans		**-186 000 000**	**-193 000 000**
Resultat før skattekostnad		**-209 000 000**	**146 000 000**
Income tax expenses	11	-54 000 000	-194 000 000
Rounding corrections		1 000 000	
Årsresultat		**-156 000 000**	**340 000 000**

Balanse

Beløp i: NOK	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Tangible assets	8	572 000 000	537 000 000
Sum varige driftsmidler		**572 000 000**	**537 000 000**
Finansielle anleggsmidler			
Investeringer i tilknyttet selskap	9	4 000 000	4 000 000
Deferred tax benefit	11	257 000 000	204 000 000
Sum finansielle anleggsmidler		**261 000 000**	**208 000 000**
Sum anleggsmidler		**833 000 000**	**745 000 000**
Omløpsmidler			
Varer			
Fordringer			
Trade receivables	12	7 000 000	6 000 000
Current receivables from Group companies and associate partners	13,17	34 000 000	31 000 000
Other current receivables	14	92 000 000	40 000 000
Sum fordringer		**133 000 000**	**77 000 000**
Bankinnskudd, kontanter og lignende			
Unrestricted cash and cash equivalents	15,17	0	1 000 000
Rounding corrections			-1 000 000
Sum bankinnskudd, kontanter og lignende		**0**	**0**
Sum omløpsmidler		**133 000 000**	**77 000 000**
SUM EIENDELER		**966 000 000**	**822 000 000**

BALANSE - EGENKAPITAL OG GJELD

Balanse

Beløp i: NOK	Note	2024	2023
Egenkapital			
Innskutt egenkapital			
Paid-in equity	16	60 000 000	60 000 000
Sum innskutt egenkapital		**60 000 000**	**60 000 000**
Opptjent egenkapital			
Other equity		-602 000 000	-446 000 000
Rounding corrections		1 000 000	
Sum opptjent egenkapital		**-601 000 000**	**-446 000 000**
Sum egenkapital		**-541 000 000**	**-386 000 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig konserngjeld	13,17	1 068 000 000	1 054 000 000
Lease liabilities	13,17	3 000 000	0
Sum annen langsiktig gjeld		**1 071 000 000**	**1 054 000 000**
Sum langsiktig gjeld		**1 071 000 000**	**1 054 000 000**
Kortsiktig gjeld			
Leverandørgjeld	18	21 000 000	63 000 000
Tax payable	11	1 000 000	1 000 000
Current liabilities to Group companies	13,17	411 000 000	88 000 000
Other current liabilities	19	2 000 000	2 000 000
Rounding corrections		1 000 000	
Sum kortsiktig gjeld		**436 000 000**	**154 000 000**
Sum gjeld		**1 507 000 000**	**1 208 000 000**
SUM EGENKAPITAL OG GJELD		**966 000 000**	**822 000 000**


DOF Subsea Rederi III AS
ANNUAL REPORT
2 0 2 4
DOF Subsea

2024

DOF Subsea Rederi III AS Annual Report

Board of Directors report

Key notes

DOF Subsea Rederi III AS ("the Company") is 100% owned by DOF Subsea AS and is part of the DOF Group ASA ("the Group"). The consolidated annual report for the Group can be found at www.dof.com. The Company's head office is at Thormøhlens gate in Bergen.

Business overview & strategy

DOF Subsea Rederi III AS' core business is ownership of subsea vessels, and by year-end the Company owned one vessel, Skandi Seven. The vessel is chartered to the DOF Subsea Group and to external charterers. Two vessels, Skandi Neptune and Skandi Constructor, were sold in 2023.

The Company has no employees. The management services are delivered from companies within the Group. All crew onboard the vessel and the management services delivered from companies within the Group, works under the Group's Business Management System (BMS), For further reading about how DOF Group works with Environmental, Social and Governance (ESG) matters, reference is made to the Annual Report for DOF Group ASA.

Operational events

The Company achieved an average utilisation of 84 % in 2024, compared to 92 % in 2023. The vessel have been on charter contract within in the DOF Group, operating in the Subsea/IMR Projects segment.

Social and environmental sustainability

At the core of the Group's sustainability strategy is the principle of 'Safe the RITE way.'. This philosophy serves as the cornerstone of the Group's safety program, aligning the core values of Respect, Integrity, Teamwork, and Excellence (RITE) and strategically driving sustainable operations forward.

Furthermore, the Group upholds its commitment to governance frameworks, including the articles of association, enterprise risk management system, and Group policies, alongside the organisation's Code of Business Conduct. For detailed insights into the Groups progress in sustainability, stakeholders can refer to the sustainability statement in the Group's Annual Report.

The certification of the Group companies to ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 standards underscore a commitment to quality, environmental management, and occupational health and safety.

From the reporting year 2024, DOF Group reports its sustainability statement according to the European Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Standards for Reporting (ESRS). Part of this process is conducting a thorough double materiality assessment, identifying impacts, risk and opportunities material to DOF. This assessment covers subsidiaries in the Group.

Employees and people

The Company has no employees as ship management services are hired in from DOF Management and Norskan Offshore Ltda. All crew onboard the vessel works under the Group's Business Management System (BMS). For further reading about employees, equal opportunities, human rights, labour standards and anti-discrimination, reference is made to the consolidated annual report for the Group.

Health, safety, and the working environment

The Group's ambition is to be an incident free organisation. The Group strives to improve safety and environmental performance across all worksites, globally. Through the 'Safe the RITE way' program, the Group has cultivated a unified safety culture across the Group's operations. Surveys and feedback among offshore employees have demonstrated a strong and unified safety culture rooted in the Group's values and commitment to safety.

Detailed information about the Group`s HSEQ performance is available the annual report for DOF Group ASA.

The global sick-leave absence in the Group was 3,55 % for 2024 The working environment is monitored by various means of activities, including working environment surveys.

Business Integrity and Ethics

Embedded as a core value, integrity is upheld through training across the organisation, ensuring that all business practices and decisions adhere to the Group's Code of Business Conduct. The Group has established the Ethics Helpline, operated by a third-party, which provides a confidential platform for reporting unacceptable conduct when regular reporting channels are not feasible. It enables communication with reporters, also in cases where the reporter wants to remain anonymous.

External environment

The Group continues to uphold its commitment to environmental stewardship through the implementation of its environmental management system. This system ensures the effective management of operations and facilitates continuous improvement in environmental performance.

There were no incidents of loss of secondary containment spills exceeding the 50-litre threshold to the environment during the year. The total volume of spills reported in 2024 amounted to 214 litres, with 114 litres classified as loss of secondary containment. The Group did not incur any fines or other non-monetary sanctions from local governments related to spills to the external environment.

Climate change and emissions to the air

The Group recognises the pressing need to address climate change and reduce emissions across its operations. Through the Groups enterprise risk management model, the Group have integrated climate scenario analysis to better understand and mitigate climate-related risks. The Group recognise climate change and energy use as key material topics for the business, aligning with a commitment to sustainability and responsible corporate citizenship. A decarbonisation roadmap has been developed to outline different measures that can be implemented to reduce our energy consumption and emissions.

Risk Management and Compliance

The Group maintains robust enterprise risk management protocols and compliance frameworks aligned with global standards, such as the COSO framework. By leveraging reporting mechanisms and existing risk management processes the Group continues to proactively identify and address emerging threats. The Groups commitment to due diligence extends to evaluating geopolitical risks and implementing targeted strategies to navigate complex landscapes effectively.

Aligned with the Norwegian Code of Practice for Corporate Governance, the Group's risk management and internal controls are founded on principles aimed at ensuring efficient operations in line with stakeholders' expectations. Routine reporting on operations, liquidity, financing, HSEQ, HR, taxes, and legal performance ensures transparency and accountability. Additionally, comprehensive financial forecasts and budget processes provide insight into market assumptions and guide strategic decision-making. The Groups focus remains on liquidity, profit/loss forecast control, and financial compliance.

Transparency act statement

The Norwegian Transparency Act entered into force on 1st of July 2022 and DOF published its first annual statement June 2023 and outlined steps taken to ensure safeguarding of fundamental human rights and decent working conditions. The statement is publicly available on the Groups webpage and the statement is subject to yearly updates within 30th of June each year.

Shareholders, Board of Directors

DOF Subsea AS owns 100 % of the shares in the Company. The Board of Directors of the Company consists of one woman and two men.

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

Financial Performance

Operating income totalled NOK 141 million (NOK 289 million) and payroll and other total operating expenses were NOK 109 million (NOK 177 million). The operating profit before depreciation (EBITDA) was NOK 32 million (NOK 112 million). Operating profit (EBITDA) is reduced in 2024 compared to 2023 due to sale of two vessels during 2023. The operating profit (EBIT) was NOK -23 million (NOK 339 million), included depreciation of NOK 55 million (NOK 63 million) and reversal of previous impairment of zero in 2024 (NOK 142 million). Net financial items were NOK -186 million (NOK -193 million). Profit for the year is NOK -156 million compared with NOK 340 million in 2023.

Total assets was NOK 966 million (NOK 822 million) of which NOK 833 million (NOK 745 million) represent non-current assets. Current assets were NOK 133 million (NOK 77 million), of which zero in 2024 (NOK 1 million in 2023) was cash and cash equivalents.

Total equity was NOK -541 million (NOK -386 million). Total liabilities was NOK 1 507 million (NOK 1 208 million) and mainly comprise of liabilities to group companies NOK 1 480 million (NOK 1 142 million).

Net cash from operating activities was NOK -140 million (NOK -171 million). Cash flow from investing activities was NOK -83 million (NOK 379 million). Net cash from financing activities was NOK 212 million (NOK -219 million).

The cash pool account at year end 2024 was NOK -182 million (NOK 1 million) and is included in current liabilities from Group companies.

Financing and capital structure

The Company's interest-bearing debt by 31 December 2024 was NOK 1 419 million (NOK 1 080 million), all debt secured and nominated in USD.

Risk

Climate risk

Managing GHG emissions is integral to the Group's ESG profile, as it directly impacts competitiveness and investor sentiment. The Group's ability to offer a vessel fleet and services with reduced GHG emissions will serve as a value proposition for clients and investors. However, failure to meet evolving stakeholder expectations regarding GHG emissions from ships poses significant risk to reputation and market positioning. The main concern is the Group's ability to meet changing stakeholder expectations associated with Greenhouse Gas emission from ships, including Nitrogen Oxides (NOX), Sulphur Oxides (SOX) and Particulate Matter (PM) in harbour areas.

In the context of the Groups enterprise risk management framework, it acknowledges the importance of incorporating climate scenarios to assess and mitigate risks associated with GHG emissions. By aligning risk management protocols with climate-related scenarios, the Group aims to anticipate and address potential challenges arising from changing regulatory requirements, stakeholder preferences, and market dynamics.

Financial risk and liquidity risk

The Company is exposed to financial and liquidity risk through its operations and the existing or future debt arrangements could limit the Company's liquidity and flexibility in obtaining additional financing, in pursuing other business opportunities. The Company is part of the DOF Subsea Group's cash pooling system and has at all times access to cash available in the DOF Subsea Group's cash pool.

The Company is funded with internal loans from DOF Subsea Group.

Interest risk

The Company is exposed to changes in interest rates as the Company's liabilities have a floating rate of interest.

Currency risk

The Company operates its fleet globally and is to a certain extent exposed to foreign exchange risk.

The Company's functional currency and reporting currency are in NOK. Foreign exchange risk arises when future commercial transactions, contractual obligations (assets) and liabilities are in different currencies than the functional currency. The Company aims to achieve a natural hedge between cash inflows and cash outflows to secure the debt funding in equivalent currency as the committed earnings from the charter contracts, and further to manage the remaining foreign exchange risk arising from commercial transactions, through forward contracts and similar instruments as appropriate. Foreign exchange rate changes in receivables, liabilities and currency swaps are recognised as a financial income/expense in the profit or loss statement. Fluctuation in foreign exchange rates will therefore have an effect on the future results and balances.

Credit risk

The Company's credit risk has historically been low as the customers traditionally have had good financial capability to meet their obligations. The Company's customers are mainly companies in the DOF Subsea Group supported by DOF Subsea AS.

Market risk

The markets for the offshore service industry and the rates the Company can charge have been, and are, cyclical and volatile. Fluctuations in rates are caused by changes in the global supply of offshore services, number of available vessels and the global demand for offshore support vessels and subsea services. Number of available vessels are influenced by factors such as the number of newbuilds ordered and delivered, the number of vessels being scrapped, conversion of vessels to other uses and the number of vessels that are out of service and lay-ups due to market situations. An increase in the supply of offshore support vessels could have a material adverse effect on the Company's revenues, profitability, liquidity, cash, and financial position.

The Company's strategy is to focus on long term relationships with the clients and firm contracts for its fleet.

Price risk

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

Tax risk

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

Cyber risk

The ongoing digitalization of routines and operations heightens the vulnerability of the Group's business information and communication systems to both external and internal cyber-attacks. To manage this risk, the Group works systematically to make the organization more resistant to cyberattacks and reduce the consequences of breaches. Cyber Security is an integrated part of the organization and internal training material.

Allocation of the result

The Company's loss for the year was NOK 156 million. The Board of Directors proposes to allocate the loss to other equity.

Going concern

The financial statements are prepared on the assumption of going concern. Equity was negative with NOK 541 million as of 31st December 2024. The Company is financed with internal loans to the DOF Subsea AS and has only operational debt to external parties. The Company is part of DOF Subsea Group`s cash pooling system and has at all times access to cash available in the cash pool.

The markets have been strong during 2024 and based on the Group's high backlog and the budgets for the next 12 months, the Board of Directors is of the opinion that the Company is a going concern. DOF Subsea AS has in March 2025 sold the shares and receivables in DOF Subsea Rederi III AS to DOF Offshore Holding AS and DOF Group has completed a refinancing of its externals loans. After this restructuring The board of directors will evaluate different alternatives to improve equity.

Events after balance date

On March 2027, 205, DOF Group successfully refinanced its debt. As part of the refinancing shares in the Company were sold from DOF Subsea AS to DOF Offshore Holding AS. In addition the internal loan that DOF Subsea had provided to the Company was sold to DOF Offshore Holding AS. The vessel has been pledged as security in the new loan agreement in DOF Offshore Holding AS.

Outlook

The market has improved throughout 2024, and the company has achieved good fleet utilization. The Company has a strong backlog which gives a good visibility on the earnings in 2025. Based on the backlog and the current markets the Company expect the earnings for 2025 to be satisfactory.

Bergen, 30 April 2025

The Board of Directors of DOF Subsea Rederi III AS

Mons S. Aase	Marianne Møgster	Martin Lundberg
Chair	Director	Director

Amounts in NOK million

Financial statements
DOF Subsea Rederi III AS

DOF Subsea Rederi AS

Amounts in NOK million

Statement of profit or loss

	Note	2024	Restated 2023
Operating revenue	5	**141**	**289**
Payroll expenses	6	-9	-43
Other operating expenses	7	-100	-134
Operating profit before depreciation and impairment (EBITDA)		**32**	**112**
Depreciation and Impairment (-)/ reversal of impairment (+)	8	-55	79
Gain on sale of tangible assets	8	-	148
Operating profit (EBIT)		**-23**	**339**
Financial income	10	3	4
Financial expenses	10	-101	-122
Realised currency gain (loss)	10	5	-128
Unrealised currency gain (loss)	10	-92	53
Net financial income / loss		**-186**	**-193**
Profit before tax		**-209**	**146**
Income tax expense	11	54	194
Profit for the year		**-156**	**340**
Total comprehensive income for the year, net of tax		**-156**	**340**

DOF Subsea Rederi AS

Amounts in NOK million

Balance sheet

	Note	31.12.2024	31.12.2023
Assets			
Tangible assets	8	572	537
Investments in associates	9	4	4
Deferred tax benefit	11	257	204
Total non-current assets		**833**	**745**
Trade receivables	12	7	6
Current receivables from Group companies and associate partners	13, 17	34	31
Other current receivables	14	92	40
Current receivables		**133**	**76**
Unrestricted cash and cash equivalents	15, 17	-	1
Cash and cash equivalents		**-**	**1**
Total current assets		**133**	**77**
Total assets		**966**	**822**

DOF Subsea Rederi III AS

Amounts in NOK million

Balance sheet

	Note	31.12.2024	31.12.2023
Equity and liabilities			
Paid-in equity	16	60	60
Other equity		-602	-446
Total equity		**-541**	**-386**
Lease liabilities	13, 17	3	-
Debt to Group companies	13, 17	1 068	1 054
Total non-current liabilities		**1 071**	**1 054**
Current liabilities to Group companies	13, 17	411	88
Trade payables	18	21	63
Other current liabilities	19	2	2
Tax payables	11	1	1
Total current liabilities		**436**	**154**
Total liabilities		**1 507**	**1 208**
Total equity and liabilities		**966**	**822**

Bergen, 30 April 2025

The Board of Directors of DOF Subsea Rederi III AS

Mons S. Aase	Marianne Møgster	Martin Lundberg
Chair	Director	Director

DOF Subsea Rederi AS

Amounts in NOK million

Statement of changes in equity

Changes in equity	Share capital	Other equity	Total equity
Equity at 01.01.2024	**60**	**-446**	**-386**
Profit for the year	-	-156	-156
Total comprehensive income net of tax	**-**	**-156**	**-156**
Equity at 31.12.2024	**60**	**-601**	**-541**
Equity at 01.01.2023	**60**	**-877**	**-817**
Adjustment impairment 01.01.2023	-	76	76
Restated opening balance 01.01.2023	**60**	**-801**	**-741**
Profit for the year	-	340	340
Total comprehensive income net of tax	**-**	**340**	**340**
Refinancing effect*	-	15	15
Equity at 31.12.2023	**60**	**-446**	**-386**

* As part of the refinancing interest cost not claimed by the lenders with NOK 15 million was recognised against equity.

DOF Subsea Rederi AS

Amounts in NOK million

Statement of cash flows

	Note	2024	Restated 2023
Operating profit (EBIT)		-23	339
Depreciation and impairment	8	-55	-79
Profit from sale of non-current assets		-	-148
Change in trade receivables	12	-1	-1
Change in trade payables	18	-42	43
Changes in other working capital including intercompany balances		-53	-169
Exchange rate effect on operating activities		-1	-11
Cash flow from operating activities		**-65**	**-25**
Interest and other financial costs paid		-78	-150
Interest received		3	4
Net cash flow operating activities		**-140**	**-171**
Purchase of tangible assets	8	-84	-106
Sale of tangible assets		-	453
Disposal contract cost		-	3
Change in cash pool receivables from Group companies	15	1	30
Cash flow from investing activities		**-83**	**379**
Proceeds from borrowings		237	-
Instalments on debt to Group companies		-207	-207
Repayment of lease borrowing		-	-12
Change in cash pool debt to Group companies	15	182	-
Cash flow from financing activities		**212**	**-219**
Net change in cash and cash equivalents		**-12**	**-10**
Cash and cash equivalents at 01.01		**1**	**-**
Exchange rate gain / loss on cash and cash equivalents		11	12
Cash and cash equivalents at 31.12		**-**	**1**

DOF Subsea Rederi AS

Amounts in NOK million

Notes to the financial statements

DOF Subsea Rederi AS

Amounts in NOK million

Notes to the financial statements

1. Corporate information and going concern

Corporate information

DOF Subsea Rederi III AS, (the Company), was founded on 18th of August 2015. The main purpose of the Company is to conduct business within the shipping-, offshore- and energy sectors. The Company own a modern high-end subsea vessel, Skandi Seven.

The Company is 100% owned by DOF Subsea AS and is part of DOF Group ASA ("The Group"). The consolidated annual report for the Group can be found at www.dof.com.

The Company's head office is at Thormøhlens gate in Bergen, Norway.

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.

2. Summary of material accounting policies

General

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 Financial Reporting 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.

The fiscal year is the same as the calendar year.

Group companies

DOF Group ASA companies are defined as DOF Group ASA and its subsidiaries, including companies within the DOF Subsea Group.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

The Company has only one business segment, Chartering of vessels.

Conversion of foreign currency

a) Foreign currency

The functional currency is NOK. The statements are presented in NOK million.

b) Transactions and balances

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 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 liabilities 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.

Provisions

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

Use of estimates

The preparation of financial statements in conformity with simplified IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Changes in accounting estimates are recognised in profit or loss for the period in which they occur. If the changes also apply to future periods, the effect of the change is distributed over current and future periods.

Statement of cash flows

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

New standards, amendments and interpretations

There are no new material or amended standards, or interpretations, that are relevant for the Company in 2024.

New standards, amendments and interpretations not yet adopted

There are no new material or amended standards, or interpretations not yet adopted, that are relevant for the Company in 2024.

Other material accounting policies

Other material accounting policies are presented directly in the relevant disclosures.

3. Financial risk management

Financial risk factors

The Company is exposed to various types of financial risk relating to its ongoing business operations: foreign exchange risk, interest rate risk, price risk, credit and liquidity risk and cyber risk. The Company's governing risk management strategy focuses on minimising the potential negative effects on the Company's results.

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

Foreign exchange risk

The Company operates globally and is exposed to foreign exchange risk arising from various currency exposures, mainly with respect to USD. Foreign exchange risk arises when future commercial transactions, contractual obligations (assets), liabilities and investments are in different currencies than the functional currency.

The Company aims to achieve a natural hedge between cash inflows and cash outflows to secure the debt funding in equivalent currency as the committed earnings from the charter contracts, and further to manage the remaining foreign exchange risk arising from commercial transactions, through forward contracts and similar instruments as appropriate. However, these forward contracts are limited in the exciting loan facilities. Hence, the Company's liquidity risk will increase if the currencies fluctuate.

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

Interest rate risk

The Company's existing debt arrangements are loans at floating interest rates. Movements in interest rates will have effects on the Company's cash flow and financial condition.

Price risk

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

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

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

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

Credit and liquidity risk

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

The Company's counterparty credit risk has been low as the Company's end clients traditionally have had good financial capability to meet their obligations and have had high credit ratings. Historically, there have been no losses on trade receivables.

The Company's financing, capital structure and liquidity are monitored closely. Liquidity risk is monitored on short, medium and long-term, focusing on funding and liquidity requirements.

Cyber risk

The ongoing digitalisation of routines and operations heightens the vulnerability of the Company's business information and communication systems to both external and internal cyber-attacks. Such attacks pose the risk of business disruption and potential data breaches and remains a material topic for the Company. To effectively manage this risk, the Company implements systematic measures to enhance its resilience against cyber-attacks and mitigate the impact of potential breaches. Cyber-security is integrated into the organisation's framework, with internal training programmes aimed at equipping employees with the knowledge and skills necessary to recognise and respond to cyber threats effectively. Through these proactive efforts, the Group aims to strengthen its cyber-security posture and safeguard its business operations and sensitive information against evolving cyber risks.

Capital structure and equity

The Company's interest-bearing debt by 31 December 2024 was NOK 1 419 million (NOK 1 080 million as of 31 December 2023).

The Company is part of DOF Subsea Group`s cash pooling system and has at all times access to cash available in the cash pool.

4. Climate Risk

Climate risk has evolved significantly over the past decade, emerging as a critical aspect of DOF's overall enterprise risk management. DOF and its stakeholders face a range of short-, medium-, and long-term climate risks, varying in significance. While some pose low consequences and probabilities, others are materially significant due to their financial, social, or environmental impacts. These topics intersect DOF's business continuity and revenue base by altering the physical and market environments in which DOF operate and generating transition risks, necessitating the establishment of resilience measures. As with any material issue, our approach to addressing these topics is guided by transparency and integrity in communication and reporting.

DOF has incorporated climate change risk management into its operations, following the Corporate Sustainability Reporting Directive (CSRD). This involves actively identifying, assessing, and prioritising climate-related risks and opportunities. This integration is part of DOF's broader enterprise risk management process. Within this framework, DOF has undertaken climate change risk analysis aligned with Intergovernmental Panel on Climate Change (IPCC's) long-term emission scenarios. Relevant risks and opportunities have been systematically transferred through the corporate risk and opportunity register and, where necessary, recognised as material topics as part of CSRD reporting.

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

Climate Risk and Impairment test

Analysis of which measures will be necessary to achieve DOF decarbonisation ambitions has been used as basis for the impairment test for vessels.

Amounts in NOK million

Potential implementation of battery systems together with other measures such as minor efficiency upgrades, digital tools, and hull cleaning, are the key elements taken into account in the impairment model for vessels. The technical and commercial feasibility of decarbonisation measures have, in general, a high degree of uncertainty in comparison to conventional maintenance and upgrade programmes for vessels. Cash flow effects related to risk and opportunities in a climate risk context, therefore, come with a higher degree of uncertainty

For cash flow, the key climate change risks for our operations comprise cost increases following the introduction of carbon pricing, a contraction in carbon-intensive operations in a push to decarbonise the economy, as well as increasing severity and rate of occurrence of extreme weather events. Nevertheless, there remains uncertainty around the form and the trajectory these risks shall take and what effect this will have on cash flows over different time horizons. The fleet might be subject to emissions taxes, in the future. To the extent that this is introduced, the assumption is that these costs will be compensated by the clients.

A general transformation to a low-carbon economy can also affect future revenue for the Company's vessel. There will be risks and opportunities in the energy transition to a low-carbon economy. These have to the best of our ability been outlined within DOF's Climate Scenario Analysis. However, limited knowledge is available about future cash flow effects on revenue. Hence, it has not been possible to quantify or measure these effects on the cash inflows. The impairment test has, therefore, not included any potential effect on future income cash flow related to energy transition.

Climate Risk and Useful Lives of Vessels

The business model is founded on the principle of maximising the value of vessel assets across its operational lifespan. With this objective comes increased business sustainability through maximising material value and reduced exposure to asset write-down.

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

The economic life of the vessels will in a climate risk & opportunities context be dependent on the Group's ability to reach and to meet the markets and the stakeholder's expectation to sustainable operation. Additionally, the growing emphasis on the circular economy can positively impact both the economic and useful life of the Company's vessel.

A shorter or longer economic life might affect the value of the Company's vessel and equipment as well as future depreciation.

5. Operating revenue

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.

The Company has only one business segment.

Geographical distribution

Geographical distribution of revenue from contracts with customers is based on the location of clients.

2024	Norway	US	Brazil	Total
Operating revenue	148	-	-8	141

2023	Norway	US	Brazil	Total
Operating revenue	141	84	64	289

6. Payroll expenses

The Company has no employees. Payroll expenses relates to crew hire from other companies. The vessel is operated by DOF Management AS.

Payroll expenses	2024	2023
Personnel hire	9	43
Total payroll expenses	**9**	**43**

Amounts in NOK million

7. Remuneration to Board of Directors, Executives, and Auditor

No salaries or other remuneration have been paid to the Company's Board of Directors. No loans or guarantees have been provided for the Company's Board of Directors or close associates.

Specification of auditor's fee (excl. VAT)	2024	2023
Fee for audit of financial statements	177 920	168 100
Fee for attestation services	-	7 753
Total	**177 920**	**175 853**

8. Tangible assets - restated

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

Depreciation is calculated on a modified straight-line basis over the useful life of the asset. The depreciable amount equals historical cost less residual value. Depreciation commences when the asset is ready for its intended use. The useful lives of tangible assets and the depreciation method are reviewed periodically in order to ensure that the method and period of depreciation are consistent with the expected pattern of financial benefits expected to be derived from the assets.

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

2024	Vessels	Periodical maintenance	ROVs	Right-of-use property	Total
Cost at 01.01	**739**	**162**	**25**	**-**	**926**
Additions	-	85	-	4	89
Cost at 31.12	**739**	**247**	**25**	**4**	**1 015**
Depreciation and impairment at 01.01	**-233**	**-130**	**-25**	**-**	**-388**
Depreciation for the year	-35	-19	-	-	-55
Depreciation and impairment at 31.12	**-269**	**-149**	**-25**	**-**	**-443**
Book value at 31.12	**471**	**98**	**-**	**3**	**572**
Asset lifetime (years)	30	2.5-5	12	10	
Depreciation schedule	Linear	Linear	Linear	Linear	

2023	Vessels	Periodical maintenance	ROVs	Total
Cost at 01.01	**1 882**	**162**	**95**	**2 139**
Additions	-	66	5	71
Disposals	-1 143	-66	-74	-1 284
Cost at 31.12	**739**	**162**	**25**	**926**
Depreciation and impairment at 01.01	**-911**	**-117**	**-25**	**-1 053**
Depreciation for the year	-49	-13	-2	-63
Depreciation on disposals	584	-	2	586
Reversal of impairment	142	-	-	142
Depreciation and impairment at 31.12	**-233**	**-130**	**-25**	**-388**
Book value at 31.12	**506**	**31**	**-**	**537**
Asset lifetime (years)	30	2.5-5	12	
Depreciation schedule	Linear	Linear	Linear	

Amounts in NOK million

Useful life

The level of depreciation depends on the vessels estimated useful lives. Useful life and economic life of the Company vessels are estimated to be 30 years. Useful life of vessels is based on knowledge of the market and years of operations of these types of vessels. For information about how climate risk can affect useful life of vessels, see note 4 'Climate risk'.

Periodic maintenance

Periodic maintenance is related to major inspections and overhaul costs which occur at regular intervals over the life of the vessel. The expenditure is capitalised and depreciated until the vessel enters the next periodical maintenance. Estimated life of each periodical maintenance program is normally five years. When new vessels are acquired, a portion of the cost price is classified as periodic maintenance based on best estimates.

Residual value of vessels

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

Sale of vessels

In 2023 the Company sold two vessels, Skandi Neptune, to an external party, and Skandi Constructor, to DOF Subsea Rederi AS.

Indication of impairment

In 2023 the impairment test resulted in reversal of impairment of NOK 142 million. The market for the Company's vessel has strengthened throughout 2024. Impairment indicator tests that have been performed concludes that there are no indicators for impairment. The Company uses "value in use" as recoverable amount in the reversal of impairment assessments. It is the Company's assessment that "values in use" represent the best estimate of recoverable amount. Whenever the recoverable amount exceeds the carrying amount of the vessel, a reversal of earlier impairment loss is recognised in the statement of comprehensive income. Estimated cash flows in the value in use calculation are based on next year's budgets per vessel and forecasted earnings. The budget process is a detailed and thorough bottom-up budgeting process at all levels of the organisation, with approval procedures on all levels. Estimated future cash flows are based on historical performance per vessel, in combination with current market situation and future expectations. Critical assumptions in the assessment are related to income rates, utilisation, operational and capital expenditure. The impairment test for vessels has included cost related to decarbonisation measures. For vessels fixed on firm long-term contracts, the assumption is that the contracts run up until expiry of the contracts. Options held by the customers are not assumed to be exercised, unless the options are at or below current market rates. For vessels without a contract, assumptions derived from the evaluation of broker estimates, combined with other market information are considered when estimating future revenues.

9. Investments in associates

The Company owns 42,3 % of the shares in Semar AS.

Investments in associates are measured at historical cost and tested for impairment. The investment has been written down with NOK 2 million in previous years.

Name of entity	Registered office	Ownership share	Carrying amount 31.12.2024	Equity 2024 (100 %)*	Results 2024 (100 %) *
Semar As	Lysaker, Norway	42,3 %	4	12	4

* Based on preliminary figures

Amounts in NOK million

10. Financial income and expenses

Financial income and expenses	2024	2023
Interest income	3	4
Financial income	**3**	**4**
Interest and guarantee expenses	-101	-117
Other financial expenses	-	-5
Financial expenses	**-101**	**-122**
Realised gain / loss on currencies	5	-128
Realised gain / loss on financial derivatives and currency positions	**5**	**-128**
Unrealised gain / loss on currencies	-92	53
Unrealised gain / loss on financial derivatives and currency positions	**-92**	**53**
Net financial income / loss	**-186**	**-193**

11. Tax

Current and deferred income tax

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

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements per IAS 12 'Income taxes'. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised in the balance sheet on the basis of unused tax losses carried forward or deductible temporary differences to the extent that it is probable there will be sufficient future earnings available against which the loss or deductible can be utilised.

Amounts in NOK million

The table below specifies the temporary differences between accounting and tax values, and calculation of deferred tax / tax asset at year-end. Deferred tax assets from tax losses carried forward are expected to be offset against taxable income and Group contribution within a period of 5-10 years.

Income tax expense	2024	2023
Withholding tax	-	1
Change in deferred tax	54	193
Total income tax expense	**54**	**194**

Reconciliation of nominal and effective tax rate		
Profit before tax	-209	146
Expected income tax expense (22%)	**46**	**-32**
Tax effect of		
Tax loss for which no deferred tax asset has been recognised	-	-7
Withholding tax and effect of different tax regimes	-	1
Change in temporary differences	7	233
Total income tax expense	**54**	**194**

Basis for deferred tax		
Non-current assets	531	472
Receivables	-1	-1
Liabilities	-116	-116
Total temporary differences	**415**	**355**
Tax loss carry-forward	-1 698	-1 428
Basis for calculation deferred tax (-) / tax assets	**-1 284**	**-1 074**
Deferred tax / tax assets (-)	**-282**	**-236**
Deferred tax assets not recognised	25	32
Total deferred tax / tax assets (-)	**-257**	**-204**

12. Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business and classified as current assets. In addition to invoiced amounts, trade receivable also includes accrued, not invoiced revenues. Historically, the portion of receivables not being collectable has been low. Trade receivables are recognised initially at nominal amount. An impairment analysis is performed at each reporting period to measure expected credit losses.

Trade receivables	2024	2023
Trade receivables at nominal value	7	6
Trade receivables at 31.12	**7**	**6**

Amounts in NOK million

13. Related parties

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

- DOF Group ASA is the owner of DOF Subsea AS with a 100% holding.
- DOF Subsea Rederi III AS is owned 100% by DOF Subsea AS.
- DOF Group delivers ship management services on the Company's vessel.
- The Company also partially owns Semar AS, with a 42.27% ownership stake.

The transactions and balances are as follow:

Operating revenue	2024	2023
DOF Group companies	143	342
Total	**143**	**342**

Operating expenses		
DOF Group companies	-66	-145
Total	**-66**	**-145**

Gain on sale of tangible assets		
DOF Group companies	-	148
Total	**-**	**148**

Net finance costs		
DOF Group companies	-184	-102
Total	**-184**	**-102**

Current receivables from Group companies and associated partners		
DOF Group companies	33	28
Semar AS	1	3
Total	**34**	**31**

Liabilities to Group companies		
Lease liabilities	3	-
Current liabilities	411	88
Non-current liabilities	1 068	1 054
Total	**1 483**	**1 142**

The Company provided to associate partner, Semar AS, a loan for NOK 2,5 million.

14. Other current receivables

Other current receivables	2024	2023
Stock	73	37
Prepaid expenses	4	2
Fuel	1	1
Insurance claims	14	-
Other current receivables at 31.12	**92**	**40**

DOF Subsea Rederi AS

Amounts in NOK million

15. Cash and cash equivalents

Cash pooling system

The Company, is part of the DOF Subsea 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 AS are recognised as current receivables/liabilities to Group companies. Per 31.12.2024 cash pool is negative with 182 million.

	2024	2023
Bank deposits	-	1
Cash pooling system deposit DOF Subsea AS	-	1
Total cash and cash equivalents at 31.12	**-**	**2**

16. Share capital and share information

Share capital

The share capital in the Company at 31 December 2024 was NOK 60 400 000 comprising 1 000 shares, each with a nominal value of NOK 60 400.

Share capital	No. of shares	Share capital
Share capital 01.01.2024	1 000	60 400 000
Share capital 31.12.2024	1 000	60 400 000

Shareholder overview

DOF Subsea Rederi III and DOF Subsea AS are companies within the DOF Group ASA. DOF Group ASA has its headquarters at Storebø in Austevoll municipal in Norway. For further information see the consolidated annual report for DOF Group ASA at www.dof.com.

Shareholders at 31.12	No. of shares	Proportion of ownership
DOF Subsea AS	1 000	100 %
Total	**1 000**	**100 %**

Board of Directors and senior executives

Board of Directors	Title
Mons S. Aase	Chair
Martin Lundberg	Director
Marianne Møgster	Director

Amounts in NOK million

17. Interest bearing debt

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

Debt is classified as a current liability unless it involves an unconditional right to postpone payment of the liability for more than 12 months from the reporting period.

Current portion of debt in the statement of financial position includes accrued interest. Accrued interest expenses, guarantee fees and other non-interest bearing liabilities are excluded in the figures below.

	2024	2023
Debt to Group companies	1 068	1 054
Lease debt right-of-use	3	-
Total non-current interest-bearing debt	**1 071**	**1 054**
Current debt to Group companies	166	26
Cash pooling system DOF Subsea AS	182	-
Total current interest bearing debt	**348**	**26**
Total non-current and current interest bearing debt	**1 419**	**1 080**
Cash and cash equivalents	-	2
Net interest bearing debt	**1 419**	**1 078**

Liabilities secured by mortgage

	2024	2023
Debt to Group companies	1 098	1 080
Total liabilities secured by mortgage	**1 098**	**1 080**
Asset provided as security		
Tangible assets	568	537
Cash	-	1
Trade receivables	7	6
Total assets provided as security	**575**	**543**

Repayment plan

In accordance with the repayment plan, the Company's annual instalment on the loan to DOF Subsea AS is NOK 26 million. The loan has maturity in January 2026. Loans to DOF Subsea AS has been sold to DOF Offshore Holding AS in 2025 and terms is subject to changes.

Amounts in NOK million

Financial covenants in loan agreements

There are no financial covenants at company level for DOF Subsea Rederi III. Applicable covenants are on DOF Subsea Group consolidated level. The most important financial covenants in the loan agreements concerning DOF Subsea Group (excluding DOF Subsea Brasil Ltda.) are as followed:

- DOF Subsea Group shall have available cash of at least NOK 600 million on each testing date.
- DOF Subsea Group shall have positive working capital (current assets less current liabilities excluded current portion of debt to credit institutions), on each testing date.
- DOF Subsea Group's interest coverage ratio (EBITDA / interest payable in period) shall be no less than the level set out that period. The interest coverage ratios are the following: from June 23-Dec 23, 2.0x, from March 24-Dec 24, 2.50x and from March 25-Dec 25, 3.25x.
- Fair value (based on 2 brokers valuations) for the vessels shall be at least 105% of the total outstanding loans related to the vessels. From March 2025 it shall be 110%.
- Testing date is set to be the last day in each quarter.

The DOF Subsea Group was in compliance with all financial covenants at year-end 2024. For further information see the consolidated annual report for DOF Group ASA at www.dof.com.

18. Trade payables

Trade payables	2024	2023
Supplier	11	11
Accrued expenses	10	52
Trade payables at 31.12	**21**	**63**

19. Other current liabilities

	2024	2023
Accrued expenses and prepaid income	2	2
Other current liabilities at 31.12	**2**	**2**

20. Contingencies

The Company is not involved in any legal disputes or on-going legal matters involving potential losses.

21. Events after period end

On March 27, 2025, DOF Group successfully refinanced its debt. As part of the refinancing all shares in the Company were sold from DOF Subsea AS to DOF Offshore Holding AS. In addition the internal loan that DOF Subsea AS had provided to the Company was sold to DOF Offshore Holding AS. The vessel has been pledged as security in the new loan agreement in DOF Offshore Holding AS.

Amounts in NOK million

22. Effect restating of the accounts year 2022 and 2023

Reference is made to the stock exchange notice published by the Financial Supervisory Authority of Norway (Finanstilsynet) on the 22nd of January 2025, regarding their review of certain matters related to DOF's financial reporting for 2022 and 2023.

Finanstilsynet's assessment is that the principles applied to measure the recoverable amount of the company's vessels were not in accordance with the requirements of IAS 36 'Impairment of Assets' in the annual financial statements for 2022. DOF takes Finanstilsynet's assessment into account.

Due to the significant uncertainty and complexity in calculation of decarbonisation cost in the impairment model, the Group had established a scenario model to reflect the uncertainty in the cash flows. The calculation of the present value was not free from systematic bias and did not reflect the expected present value of the future cash flows in line with IAS 36.

The adjusted value in use calculations for 31.12.2022 have used a scenario model that weights two different cost scenarios for decarbonisation with a 50% probability where a weighted average is used as the value in the value in use calculation. Effect of this change is an increase of book value of the company's vessels in 2022 of Nok 76 million.

The impact has effect on comparable figures for the Financial Statement for 2023. The Company has restated the opening balance as of January 1, 2023, and updated depreciation, impairment and gain on sale of tangible assets for 2023.

The net change to the opening balance as of 1 January 2023 is an increase in book value of vessels and equity by NOK 76 million. Effect to comparable figures for 2023 is a net negative effect in depreciation, reversal of impairment and gain on sale of tangible assets.

The changes made have no impact on reported figures for 2024.

Effect restating of the accounts year 2022 and 2023

	Result effect 2022	Result effect 2023
Depreciation	-	-4
Gain on sale of tangible assets	-	-40
Reversal of impairment	76	-32
Profit (loss) for the period	**76**	**-76**

Statement of profit or loss

	Reported accounts 2023	Restated accounts 2023
Operating revenue	289	289
Operating profit before depreciation and impairment - EBITDA	**112**	**112**
Depreciation and impairment (-) / reversal of impairment	115	79
Gain on sale of tangible assets	188	148
Operating profit - EBIT	**415**	**339**
Net financial costs	-193	-193
Profit (loss) before taxes	**222**	**146**
Taxes income (cost)	194	194
Profit (loss) for the period	**416**	**340**

DOF Subsea Rederi AS

Amounts in NOK million

Statement of balance sheet

	Reported accounts 31.12.2022	Reported accounts 31.12.2023	Restated accounts 31.12.2022	Restated accounts 31.12.2023
Tangible assets	1,010	537	1,086	537
Other non-current assets	19	208	19	208
Total non-current assets	1,029	745	1,105	745
Current assets	185	77	185	77
Total assets	**1,214**	**822**	**1,290**	**822**
Equity	-817	-386	-741	-386
Non-current liabilities	-	1,054	-	1,054
Current liabilities	2,031	154	2,031	154
Total equity and liabilities	**1,214**	**822**	**1,290**	**822**

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To the General Meeting of DOF Subsea Rederi III AS

Independent Auditor's Report

Opinion

We have audited the financial statements of DOF Subsea Rederi III AS (the Company), which comprise the balance sheet as at 31 December 2024, the statement of profit or loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable statutory requirements, and the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, 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.

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.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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, 30 April 2025
PricewaterhouseCoopers AS

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

Revisjonsberetning DOF Subsea Rederi III AS

Signers:

Name	*Method*	*Date*
Olsen, Marius Kaland	BANKID	2025-04-30 18:49

DOF SUBSEA Rederi III AS

Thormøhlens gate 53 C

5006 Bergen

NORWAY

DOF Subsea

MOTTATT

02 MARS 2016

Norwegian Directorate of Taxes

Inquiries to	Your date	Our date
Torstein Kinden Helleland	23.02.2016	29.02.2016
Telephone	Your reference	Our reference
22078139	Petter O. Pharo	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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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