



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 995 962 349
Organisasjonsform: Aksjeselskap
Foretaksnavn: DOF SUBSEA CHARTERING AS
Forretningsadresse: Thormøhlens gate 53C
5006 BERGEN

Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

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: Gustav Kvalsund Nybø
Dato for fastsettelse av årsregnskapet: 26.08.2021

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, 19.07.2022



Resultatregnskap

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
Inntekter			
Operating revenue	4, 13	731 593 000	928 929 000
Sum inntekter		731 593 000	928 929 000
Kostnader			
Payroll expenses	5, 13	116 036 000	187 372 000
Other operating expenses	13, 14	576 217 000	741 846 000
Sum kostnader		692 253 000	929 218 000
Driftsresultat		39 340 000	-289 000
Finansinntekter og finanskostnader			
Financial income	6, 12	4 817 000	760 000
Realised gain on financial derivatives and currency positions	6	0	2 423 000
Unrealised gain on financial derivatives and currency position	6	0	373 000
Sum finansinntekter		4 817 000	3 556 000
Financial expenses	6, 12	5 699 000	1 589 000
Realised loss on financial derivatives and currency positions	6	31 000	0
Unrealised loss on financial derivatives and currency position	6	3 808 000	
Sum finanskostnader		9 538 000	1 589 000
Netto finans		-4 721 000	1 967 000
Ordinært resultat før skattekostnad			
Income tax expense	7	9 064 000	12 996 000
Ordinært resultat etter skattekostnad		25 555 000	-11 318 000
Årsresultat		25 555 000	-11 318 000
Overføringer og disponeringer			
Avgitt konsernbidrag			0
To other equity		25 555 000	-11 138 000
Sum overføringer og disponeringer		25 555 000	-11 138 000



Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Non-current receivable sublease	12	125 462 000	
Other non-current receivables		8 245 000	
Sum finansielle anleggsmidler		133 707 000	
Sum anleggsmidler		133 707 000	0
Omløpsmidler			
Varer			
Fordringer			
Trade receivables	8	37 614 000	40 214 000
Current receivables from Group companies	10, 13	121 999 000	96 298 000
Current receivable sublease	12	156 598 000	
Other current receivables	9	24 895 000	46 245 000
Sum fordringer		341 106 000	182 757 000
Bankinnskudd, kontanter og lignende			
Restricted cash	10	11 468 000	0
Unrestricted cash and cash equivalents	10	234 000	108 000
Sum bankinnskudd, kontanter og lignende		11 702 000	108 000
Sum omløpsmidler		352 808 000	182 865 000
SUM EIENDELER		486 515 000	182 865 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	11	100 000	100 000



Balanse

Beløp i: NOK	Note	2020	2019
Annen innskutt egenkapital	11	88 530 000	88 530 000
Sum innskutt egenkapital		88 630 000	88 630 000
Opptjent egenkapital			
Other equity		-21 178 000	-46 733 000
Sum opptjent egenkapital		-21 178 000	-46 733 000
Sum egenkapital		67 452 000	41 897 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	7	9 032 000	495 000
Sum avsetninger for forpliktelser		9 032 000	495 000
Annen langsiktig gjeld			
Lease liabilities	12	125 463 000	0
Sum annen langsiktig gjeld		125 463 000	0
Sum langsiktig gjeld		134 495 000	495 000
Kortsiktig gjeld			
Leverandørgjeld		23 059 000	15 916 000
Tax payable	7	3 107 000	2 579 000
Current liabilities to Group companies	10, 13	101 802 000	89 896 000
Other current liabilities		2 000	32 082 000
Lease liabilities	12	156 598 000	
Sum kortsiktig gjeld		284 568 000	140 473 000
Sum gjeld		419 063 000	140 968 000
SUM EGENKAPITAL OG GJELD		486 515 000	182 865 000



Directorate of Taxes

Inquiries to Torstein Kinden Helleland	Your date 01.12.2011	Our date 20.12.2011
Telephone 22078139	Your reference Petter O. Pharo	Our reference 2009/276917

DOF Subsea Holding
Thormøhlens gate 53 C
5006 BERGEN

Permission to make the annual report and directors' report in English language

Dear Mr Petter O. Pharo

With reference to your letter of 1 December 2011, 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 Chartering AS	org. nr. 995 962 349
DOF Subsea ROV Holding AS	org. nr. 997 301 242
DOF Subsea Rederi AS	org. nr. 996 394 565

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.

Background

The above mentioned companies are subsidiaries of DOF ASA. The DOF ASA Group is an international group of companies which owns and operates a modern fleet of offshore-/subsea vessels, and owns engineering capacity to service the subsea market. Other group companies have in decisions (2009/276917) of 17 June 2010 and 4 January 2011 been given permission to make the directors' report and annual accounts in English language.

The working language in the group is English. The DOF ASA Group operate within the international offshore-/subsea industry, where English is clearly the dominant language. The group is highly international in the sense that it operates throughout the world, and the group has several legal entities and companies in different countries. A number of these companies are as well taxable or can be taxable in other jurisdictions due to inter alia international operations. It follows that the accounts for these companies as well will have to be presented in different jurisdictions. Almost all of the companies' users, including financial institutions, contracting parties, customers and suppliers are foreign/international companies or institutions. The companies' users, who are

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0134 Oslo	Org. nr: 996250318	Telefax
For elektronisk henvendelse se www.skatteetaten.no		22 17 08 60



not foreign/international companies or institutions, master and use English language. The annual report and financial statements of the companies are required to be prepared each year in the Norwegian language only in order to satisfy the requirements of the Norwegian Accounting Act.

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

According to the Norwegian Accounting Act § 3-4, third paragraph shall "*the directors' report and annual accounts ... be in Norwegian. The Ministry can in an individual decision decide that the directors' report and/or annual accounts may be in another language*".

Ot. prp. nr. 42 (1997-1998) About Act about annual accounts etc., says the following about the purpose of the Accounting Act, refer section 1.1:

"The aim of the Government with respect to the Accounting Act is that it shall contribute towards providing informative accounts for different users of accounts. The users of accounts include investors and creditors which provide capital for the companies. Other groups include those who have an interest in knowing how the companies are operated, for example employees and the local community. The information to the capital market is an important basis for the correct pricing of financial instruments. The correct pricing of stocks is an important factor in securing the best possible allocation of resources in the economy. High quality accounts will also make it more difficult for market participants to obtain speculative gains as a result of non-publicly available information."

Hence, one of the main aims of the Accounting Act is to contribute to "informative accounts for different users of accounts". The users of the accounts will include investors, creditors, employees and the local community.

Hence, it is the view of the Ministry that it is crucial that the question of dispensation from the general rule that the annual accounts and/or directors' report should be done in Norwegian, not in any significant way deviate from the consideration of users of the accounts.

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. Internal, English is also only language used for reporting purpose. Furthermore, it is emphasized that non in the Board of directors speaks Norwegian.



We kindly request you to mention “our reference” in all written communication with The Norwegian Tax Authorities.

Best regards

Rune Tystad
Senior Adviser
Legal Department
Directorate of Taxes

Torstein Kinden Helleland



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DOF SUBSEA CHARTERING AS
ANNUAL REPORT

2020





Board of Directors report

DOF Subsea Chartering AS (the Company) was founded in September 2010. The Company's headquarter is located in Bergen, Norway.

In summary, 2020 has been a challenging year due to the continued downturn in the markets. In addition, the COVID-19 virus has had a major impact on the Company's operations.

The Group has, since Q2 2020, entered into standstill agreements (including deferral of interest payments and instalments) with its secured lenders. Debt restructuring proposals have been presented to the lenders and discussions to agree on a long-term refinancing of the DOF Subsea Group are ongoing. The Group is dependent on continued standstill agreements with its creditors until a long-term and sustainable financial solution is agreed to maintain as going concern. The Company has not been part of the standstill agreements. However, the Company is an integrated part of the Group's operation and the Company is therefore dependent on a long-term sustainable financial solution for the Group.

In 2020, the operating revenue was NOK 731 593 thousand (NOK 928 929 thousand in 2019) with an operating profit before depreciation and impairment (EBITDA) of NOK 39 340 thousand (loss of NOK 289 thousand). The total assets amounted to NOK 486 515 thousand (NOK 182 865 thousand) with a total equity of NOK 67 452 thousand (NOK 41 897 thousand).

Business overview and strategy

DOF Subsea Chartering AS's core business is chartering of vessels. The vessels are chartered to and from DOF Subsea Group companies and to external charterers.

The Company is a part of the DOF Subsea Group and is working under DOF Subsea AS's certification and Business Management System. In 2020 DOF Management has provided ship management services to the Company.

For further reading, reference is given to the annual report for the parent company DOF Subsea AS and the DOF Subsea Group.

Operational events

In 2020, the Company has chartered vessels on bareboat and time charter basis from and to companies in the DOF Subsea Group and to external parties. The company has no employees or ownership of vessels. The chartered-in vessels have been operated by DOF Management under Ship Management Contracts.

In May 2020, DOF Subsea Chartering received notification from Subsea 7 that they would terminate their contract for the Skandi Acergy. The early termination of the contract occurred in July 2020, with 2 years remaining on the contract. Subsea 7 paid an early termination fee, equivalent to 6 months of charterhire. Skandi Acergy then worked in the spot market via the Atlantic Region for the remainder of 2020.

In October 2020 the Company entered a 2-year extension of the contract with Technip FMC for Skandi Africa. The contract has 5 x 1 year options.

The market

The oil prices and the demand trend remain uncertain, as globally additional lockdown measures continue to be rolled out. However, the arrival of new COVID-19 vaccines and production cuts from OPEC+ countries have brightened the oil market outlook and since year end 2020 the oil price has reached a level above USD 60/ bbl. On the assumption that the activities in the OECD countries will come back to normal by year-end 2021, most analysts predict the oil demand to get back to 100 mb/d in 2022.

The capex cuts in the global offshore industry have been far more than expected, falling by 29% in 2020. Only a few projects were sanctioned, and total investments dropped by approximately USD 140 billion. Most of the oil companies have started to increase their capex budgets and the total number of FIDs (Final investment decisions). According to Rystad Energy, greenfield capex sanctioning is expected to increase by more than 30% in 2021 and 70% in 2022 and 30% in 2023. Brazil and Norway are expected to be the strongest subsea regions over the next three years.

The offshore drilling market with close to 50 rigs being retired from the market in 2020, the sector as a whole is expected to be focused on restructuring through 2021. With the assumption on a successful rebalancing of the market a positive impact on rates should at the earliest be expected in 2022.

The OSV sector remain oversupplied and the outlook for 2021 is negative. As for the drilling sector, most of the companies are focusing on closing ongoing restructuring agreements, including disposal of assets. The utilisation rates are expected to be higher in 2021 versus 2020, but there is high uncertainty on rate levels.



In 2020 the energy transition has become high on the agenda and several of the large oil companies are expected to play a key role as these companies have extensive experience in project management and key technologies. Several "green" contracts have been signed lately and new targets both in terms of CO2 emissions and revenue contributing from green activities have accelerated the energy transition. In addition, various JVs and partnerships have been set up with technological/ industrial companies to reinforce and develop the new competencies. Renewables (Offshore Wind) are expected to surpass oil & gas investments in 2023 and 2024 which may increase demand for AHTS and subsea vessels longer term.

External environment

The DOF Subsea Group's environmental management system ensures that the operations are effectively managed, and that continuous improvement of environmental performance is achieved. The energy efficiency program of the Group is continuously challenged with the aim to improve environmental performance.

During the year, the focus on energy efficiency has increased by implementing key performance indicators related to environmental performance, e.g. energy consumption and CO2 emissions. There have been no major spills and no spills that resulted in fines or other non-monetary sanctions from local governments.

The Group promotes transparency and standard disclosure of information relating to key sustainability aspects. As part of this, the Group reports key environmental performances through the Carbon Disclosure Project and the Global Reporting Initiative. For detailed reporting on these matters please find the Group's Sustainability Report on www.dof.com.

For further reading please also refer to the Annual Report for the DOF Subsea Group on www.dofsubsea.com.

Shareholders, Board of Directors and employees

DOF Subsea AS owns 100% of the shares in the Company. The Board of Directors of DOF Subsea Chartering AS consists of two women and one man and there were no employees at year-end 2020.

Corporate governance

Risk management and internal control is based on principles established in the Norwegian Code of Practice for Corporate Governance, available at www.nues.no.

The Board of Directors is responsible for ensuring a satisfactory monitoring of risk and internal control. This includes

focus on business opportunities and establishing cost efficient solutions. In addition, focus on operational and financial reporting provides comprehensive information for decision making and risk assessment.

Both operational and financial processes are standardised, and the same reporting and control structures are in use for all companies within the Group. These processes are integrated in the Group's ERP system and supported by Group policies, guidelines and standards in the Business Management System. To strengthen the awareness surrounding the Groups compliance activities, an overall guideline and a training program have been developed, using E-learning followed up by workshops and training.

Every year, the Management carries out a detailed and thorough budgeting process. The next year's budget is submitted to and approved by the Board of Directors. The Board of Directors receives weekly, monthly and quarterly operational and financial reports, including information on investments, financing, cash flow, liquidity, HSEQ, HR, Tax and Legal performance.

The Board of Directors is of the opinion that the Company's reporting procedures and quality are at a high standard and sufficient to fulfil the requirements of the Board of Directors for risk management and financial control. For further details on Corporate Governance, see the Corporate Governance section of the Annual Report for the DOF Subsea Group.

Financial performance

DOF Subsea Chartering AS has prepared the financial statement in accordance with the Norwegian Accounting Act § 3-9 and Finance Ministry's prescribed regulations on simplified IFRS.

The Company's operating revenue was in 2020 NOK 731 593 thousand compared to an operating revenue of NOK 928 929 thousand for 2019. Operating profit before depreciation and impairment (EBITDA) was NOK 39 340 thousand (operating loss NOK 289 thousand).

NOK thousand	2020	2019	Change
Operating revenue	731 593	928 929	-21%
EBITDA	39 340	-289	-

Net financial loss was NOK 4 720 thousand (income of NOK 1 967 thousand), the profit before tax was NOK 34 619 thousand (NOK 1 678 thousand) and the profit for the year was NOK 25 555 thousand compared with a loss of NOK 11 318 thousand in 2019.



DOF Subsea Chartering AS

Total assets were NOK 486 515 thousand (NOK 182 865 thousand) where non-current assets amounted to 133 707 thousand (nil). Current assets were NOK 341 106 thousand (NOK 182 865 thousand) of which NOK 11 703 thousand (NOK 108 thousand) was cash and cash equivalents. 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.

The total equity was NOK 67 452 thousand (NOK 41 897 thousand), giving a book equity ratio of 14% compared to 23% in 2019. Current liabilities were NOK 284 568 thousand (NOK 140 473 thousand).

NOK thousand	2020	2019	Change
Cash and cash equivalents	11 703	108	
Total equity	67 452	41 897	61%

Net cash flow from operating activities during the year was NOK 11 595 thousand (NOK -11 thousand).

Risk

Financial and liquidity risk

The Company is exposed to financial and liquidity risk through its operations and the requirement for financing of working capital. Financing, capital structure and liquidity are monitored closely. Liquidity risk is monitored on short, medium and long-term, focusing on funding and liquidity requirements. Liquidity has been made available through DOF Subsea Group's cash pool arrangement.

The Company's operation is integrated part of DOF Subsea Group and as such dependent on the Group's performance and financing. During 2019 the Group faced financial difficulties and since 2019 the Group been given waivers in order to find a short-term and long-term financial solution. Available liquidity has been and will be dependent on the DOF Subsea Group's cash pool arrangement.

Currency risk

The Company has global operations, and a significant portion of the income and costs are denominated in foreign currencies, mainly USD and GBP. Fluctuations in foreign exchange rates against the NOK have impact on the Company's financial statements. The currency fluctuations in 2020 have been extreme and at levels never experienced before.

The Company aims to be naturally hedged by matching income and costs for the relevant currencies. In addition, the Company has a derivative strategy using derivatives to reduce the exchange rate risk exposure. However, due to the current financial position for the Group, entering into

forward contracts or commercial transactions have become more challenging. Hence, the Company's liquidity risk has increased if the currencies fluctuate.

Credit risk

The Company has established policies and guidelines for follow-up and collection of outstanding receivables. Historically, the portion of receivables not being collectable has been low. The sustained challenging market situation has resulted in changes to the credit ratings for some of the Company's customers, and thereby increased the credit risk. Companies in the Group are dependent on a robust refinancing solution to maintain as a going concern. To reflect the increased risk of loss on receivables, the Company has booked a loss provision in 2020 of NOK 7 110 thousand, the accumulated loss provision is NOK 55 626 thousand at year end 2020. The loss provision is mainly related to companies in the Group. The impacts from Covid-19 and the challenging market situation, may increase the credit risk going forward. The Company continuously evaluates the financial strength and credit worthiness of customers and suppliers including DOF Subsea Group companies.

Market and price risk

The Company is exposed to market fluctuations which may result in lower utilisation and reduced earnings for the Company's vessels. The Company attempt to hedge this risk by hire in vessels only to the extent that there is a corresponding contract with clients.

The oil price is an important driver for the global demand for vessels and services within the subsea industry. The development of the oil price over the last couple of years has reduced the demand for both subsea services and vessels.

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'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



DOF Subsea Chartering AS

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.

Allocation of the result

The Company's profit for the year was NOK 25 555 thousand in 2020. The Board of Directors recommends that the profit for the year is allocated to other equity.

The Board of Directors propose to the annual General Meeting that a group contribution of NOK 41 054 thousand is distributed as a taxable group contribution to the parent company DOF Subsea AS.

Events after balance date

The restructuring of the Group's debt is ongoing and standstill agreements have been agreed until the 31st of August 2021 with 88% of the secured lenders within the DOF Subsea Group. The standstill agreements do not include the DOFCON Brasil JV and DOF Subsea Brasil. The standstill agreements further assume payment of principal and interest of a NOK 100 million credit facility provided by certain lenders in March 2020. The outstanding amount of this facility is NOK 48 million by end of June. The relevant Group companies have imposed unilateral standstill to the lenders not participating in the standstill agreements. One of the secured lenders has requested repayment of approximately USD 47 million and has enforced account pledge on the earnings account for the relevant vessel. Another secured lender has enforced account pledge for one loan facility. The bondholders in DOFSUB07, DOFSUB08 and DOFSUB09 have further accepted a standstill until the 31st of August 2021. An Ad-hoc group of bondholders can extend the standstill until the 30th of September.

Outlook

The challenging markets are expected to continue in 2021. There are signs of increased activity from 2022, however the timing of a recovery is highly uncertain. Hence, future earnings and asset values are difficult to forecast. Continued weak markets will increase the risk for reduced earnings and further strain the Company's financial position. If a robust long-term refinancing solution is not achieved for the Group, the Company's asset will be further impaired.

Despite continued challenging markets the Company will maintain its strategy to secure long-term contracts and is actively working on keeping the firm employment of the fleet as high as possible. The Company will further continue to adapt its capacity to the challenging markets. However, a continuing weak market will further reduce the backlog, reduce the earnings and increase the liquidity risk for the Company.

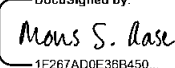
As mentioned above the Group has entered into standstill agreements with its lenders. The proposals currently discussed include a comprehensive restructuring of the Group's balance sheet including conversion of debt. The dialogue with the lenders is challenging, but constructive and a refinancing solution 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 beyond the Company's control and therefore subject to risks and uncertainties.

The Board of Directors confirms that, 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 position, assets and liabilities.

Bergen, 26 August 2021

The Board of Directors of DOF Subsea Chartering AS

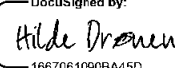
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Marianne Møgster

Director

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Hilde Drønen

Director



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DOF Subsea Chartering AS



DOF Subsea Chartering AS

Amounts in NOK thousand

Statement of comprehensive income

	Note	2020	2019
Operating revenue	4, 13	731 593	928 929
Payroll expenses	5, 13	-116 036	-187 372
Other operating expenses	13, 14	-576 217	-741 846
Operating profit before depreciation and impairment (EBITDA)		39 340	-289
Operating profit (EBIT)		39 340	-289
Financial income	6, 12	4 819	760
Financial expenses	6, 12	-5 699	-1 589
Realised gain / loss on financial derivatives and currency positions	6	-31	2 424
Unrealised gain / loss on financial derivatives and currency positions	6	-3 808	373
Net financial income / loss	6	-4 720	1 967
Profit / loss before tax		34 619	1 678
Income tax expense	7	-9 064	-12 996
Profit / loss for the year		25 555	-11 318
Other comprehensive income / loss, net of tax		-	-
Total comprehensive income / loss for the year, net of tax		25 555	-11 318



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DOF Subsea Chartering AS

Amounts in NOK thousand

Statement of financial position

	Note	2020	2019
Assets			
Non-current receivable sublease	12	125 463	-
Other non-current receivables		8 245	-
Total non-current assets		133 707	-
Trade receivables	8	37 614	40 214
Current receivables from Group companies	10, 13	121 999	96 298
Current receivable sublease	12	156 598	-
Other current receivables	9	24 895	46 245
Current assets		341 106	182 757
Restricted cash	10	11 469	-
Unrestricted cash and cash equivalents	10	234	108
Cash and cash equivalents	10	11 703	108
Total current assets		352 809	182 865
Total assets		486 515	182 865



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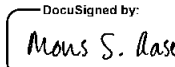
DOF Subsea Chartering AS

Amounts in NOK thousand

	Note	2020	2019
Equity and liabilities			
Paid-in equity	11	88 630	88 630
Other equity		-21 178	-46 733
Total equity		67 452	41 897
<hr/>			
Deferred taxes	7	9 032	495
Lease liabilities	12	125 463	-
Total non-current liabilities		134 495	495
<hr/>			
Lease liabilities	12	156 598	-
Trade payables		23 059	15 916
Tax payable	7	3 107	2 579
Current liabilities to Group companies	10, 13	101 802	89 896
Other current liabilities		2	32 082
Total current liabilities		284 568	140 473
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Total liabilities		419 063	140 968
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Total equity and liabilities		486 515	182 865

Bergen, 26 August 2021

The Board of Directors of DOF Subsea Chartering AS

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Mons S. Aase
Chairman

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Marianne Møgster
Director

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Hilde Drønen
Director



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DOF Subsea Chartering AS

Amounts in NOK thousand

Statement of changes in equity

Changes in equity	Share capital	Other paid-in capital	Total paid-in capital	Other equity	Total equity
Equity at 01.01.2020	100	88 530	88 630	-46 733	41 897
Profit for the year	-	-	-	25 555	25 555
Other comprehensive income	-	-	-	-	-
Total comprehensive income / loss for the year	-	-	-	25 555	25 555
Group contributions given	-	-	-	-3 713	-3 713
Group contributions received	-	-	-	3 713	3 713
Equity at 31.12.2020	100	88 530	88 630	-21 178	67 452
Equity at 01.01.2019	100	88 530	88 630	-35 416	53 215
Profit for the year	-	-	-	-11 318	-11 318
Other comprehensive income	-	-	-	-	-
Total comprehensive income / loss for the year	-	-	-	-11 318	-11 318
Equity at 31.12.2019	100	88 530	88 630	-46 773	41 897

The Board of Directors propose to the annual General Meeting that a group contribution of NOK 41 054 thousand is distributed as a taxable group contribution to the parent company DOF Subsea AS.



DOF Subsea Chartering AS

Amounts in NOK thousand

Statement of cash flows

	Note	2020	2019
Operating profit (EBIT)		39 340	-289
Change in trade receivables	8	2 600	26 846
Change in trade payables		7 143	10 063
Changes in other working capital	9, 13	-32 768	-41 615
Exchange rate effect on operating activities		-3 839	2 797
Cash flow from operating activities		12 476	-2 198
Interest received	6	4 656	760
Interest paid	6	-5 536	-1 589
Tax received	7	-	3 017
Net cash flow operating activities		11 595	-11
Changes in other receivable	12	37 877	-
Cash flow from investing activities		37 877	-
Installments on non-current liabilities	12	-37 877	-
Cash flow from financing activities		-37 877	-
Net change in cash and cash equivalents		11 595	-11
Cash and cash equivalents at 01.01.	10	108	119
Cash and cash equivalents at 31.12.	10	11 703	108



DOF Subsea Chartering AS

Amounts in NOK thousand

Notes to the financial statements

1 Corporate information and going concern

DOF Subsea Chartering AS, the Company, was founded 15th of September 2010. The main purpose of the Company is to conduct business within the shipping-, offshore- and energy sectors.

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

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

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'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.

2 Accounting policies

Summary of significant accounting principles

The financial statements of the Company have been prepared in accordance with the Norwegian Accounting Act § 3-9 and Finance Ministry's prescribed regulations on simplified IFRS. Principally this means that recognition and measurement complies with the International 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 ASA companies are defined as DOF ASA and its subsidiaries excluding companies within the DOF Subsea Group. DOF Subsea AS companies are defined as DOF Subsea AS and its subsidiaries. Group companies are defined as both DOF ASA and DOF Subsea AS companies.

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 that makes strategic decisions.

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 thousand.

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 held for trading; or
- the asset is expected to be realised within 12 months after the reporting period

All other assets are classified as non-current assets.

Liabilities are classified as current 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.

Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Contract asset are presented together with trade receivables. A contract asset is the right to consideration in exchange for services transferred to the customer. If the Company performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

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



DOF Subsea Chartering AS

Amounts in NOK thousand

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.

Day rate contracts

A day rate contract is a contract where the Company is remunerated by the customer at an agreed daily rate for each day of use of the vessel, equipment, crew and other resources and service utilised on the contract. Such contracts may also include certain lump sum payments.

The right to use the vessel fall in under the scope of IFRS 16 'Leases', and revenue is recognised over the lease period on a straight-line basis.

Distinct service components in a contract are accounted for separately from other promises in the contract. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the stand-alone selling prices. Revenue is recognised over time as the services are provided. The stage of completion for determining the amount of revenue to recognise is assessed based on an input or output method. The method applied is the one that most faithfully depicts the Company's progress towards complete satisfaction of the performance obligation. Progress is usually measured based on output methods such as days.

The Company does not recognise revenue during periods when the underlying vessel is off-hire. In contracts where the Company is remunerated for maintenance days the revenue is recognised over the contract period. The maintenance days are recognised as receivables, and invoiced during off-hire.

Costs incurred relating to future performance obligations are deferred and recognised as assets in the consolidated statement of financial position. The costs incurred will be expensed in line with the satisfaction of the performance obligation.

Mobilisation

In contracts where the Company is remunerated for mob- or demobilisation of vessel the remuneration is classified as prepayment and amortised over the contract time.

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 statement of financial position date in the countries where the Company operate and generate taxable income. The tax change 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 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.

Management periodically evaluated positions taken in tax returns where applicable tax regulation is subject to interpretation and they establish provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Tax reduction on group contributions given and tax on group contribution received, booked as a reduction of cost price or taken directly to equity, are booked directly against tax in the statement of financial position (offset against payable taxes if the group contributions had effected deferred taxes). Group contributions is booked in the year when it is approved by the annual general meeting.

Leases

Where assets are financed through finance leases, under which substantially all the risks and rewards of ownership are transferred to the Company, the assets are treated as if they had been purchased outright. The amount included in the cost of tangible assets represents the aggregate of the capital elements payable during the lease. The corresponding obligation, reduced by the appropriate proportion of lease or hire purchase payments made, is included in borrowings. The amount included in the cost of property, plant and equipment is depreciated on the basis described in the preceding paragraphs and the interest element of lease payments made is included in interest expense in the statement of comprehensive income.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee, are classified as operating leases. Payments made under operating leases (net of an incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

Lease income from operating leases where the Company is a lessor is recognised as operating revenue on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

Events after period end

New information and other events that provide evidence of conditions that existed at the end of the reporting period is included in the accounts. Events occurring after the reporting period, which do not impact the Company's financial position, but which have a significant impact on future periods, are disclosed in the notes.

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 flows is prepared in accordance with the indirect model.

3 Financial risk management

Financial and liquidity risk

The Company is exposed to financial and liquidity risk through its operations and the requirement for financing of working capital. Financing, capital structure and liquidity are monitored closely. Liquidity risk is monitored on short, medium and long-term, focusing on funding and liquidity requirements. Liquidity has been made available through DOF Subsea Group's cash pool arrangement.



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DOF Subsea Chartering AS

Amounts in NOK thousand

The Company's operation is integrated part of DOF Subsea Group and as such dependent on the Group's performance and financing. During 2019 the Group faced financial difficulties and since 2019 the Group been given waivers in order to find a short-term and long-term financial solution. Available liquidity has been and will be dependent on the DOF Subsea Group's cash pool arrangement.

Currency risk

The Company has global operations, and a significant portion of the income and costs are denominated in foreign currencies, mainly USD and GBP. Fluctuations in foreign exchange rates against the NOK have impact on the Company's financial statements. The currency fluctuations in 2020 have been extreme and at levels never experienced before.

The Company aims to be naturally hedged by matching income and costs for the relevant currencies. In addition, the Company has a derivative strategy using derivatives to reduce the exchange rate risk exposure. However, due to the current financial position for the Group, entering into forward contracts or commercial transactions have become more challenging. Hence, the Company's liquidity risk has increased if the currencies fluctuate.

Credit risk

The Company has established policies and guidelines for follow-up and collection of outstanding receivables. Historically, the portion of receivables not being collectable has been low. The sustained challenging market situation has resulted in changes to the credit ratings for some of the Company's customers, and thereby increased the credit risk. Companies in the Group are dependent on a robust refinancing solution to maintain as a going concern. To reflect the increased risk of loss on receivables, the Company has booked a loss provision in 2020 of NOK 7 110 thousand, the accumulated loss provision is NOK 55 626 thousand at year end 2020. The loss provision is mainly related to companies in the Group. The impacts from Covid-19 and the challenging market situation, may increase the credit risk going forward. The Company continuously evaluates the financial strength and credit worthiness of customers and suppliers including DOF Subsea Group companies.

Market and price risk

The Company is exposed to market fluctuations which may result in lower utilisation and reduced earnings for the Company's vessels. The Company attempt to hedge this risk by hire in vessels only to the extent that there is a corresponding contract with clients.

The oil price is an important driver for the global demand for vessels and services within the subsea industry. The development of the oil price over the last couple of years has reduced the demand for both subsea services and vessels.



DOF Subsea Chartering AS

Amounts in NOK thousand

4 Operating revenue

Country						
2020	UK	Norway	US	Brazil	Other	Total
Operating revenue	636 503	92 950	2 136	-	4	731 593
2019	UK	Norway	US	Brazil	Other	Total
Operating revenue	726 556	139 529	32 092	30 750	2	928 929

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

In May 2020, DOF Subsea Chartering received notification from Subsea 7 that they would terminate their contract for the Skandi Acergy. The early termination of the contract occurred in July 2020, with 2 years remaining on the contract. Subsea 7 paid an early termination fee, equivalent to 6 months of charterhire. Skandi Acergy then worked in the spot market via the Atlantic Region for the remainder of 2020.

5 Payroll expenses

Payroll expenses	2020	2019
Personnel hire	116 036	187 372
Total payroll expenses	116 036	187 372
Average number of employees	0	0

The Company has no employees. Personnel are hired from DOF Sjø, DOF Management Pte Ltd and external suppliers.

6 Financial income and expenses

Financial income and expenses	2020	2019
Interest income	4 656	760
Other financial income	163	-
Financial income	4 819	760
Interest expenses	-5 668	-1 554
Other financial expenses	-31	-35
Financial expenses	-5 699	-1 589
Realised gain / loss on financial derivatives	-53	-
Realised gain / loss on currencies	22	2 424
Realised gain / loss on financial derivatives and currency positions	-31	2 424
Unrealised gain / loss on currencies	-3 808	373
Unrealised gain / loss on financial derivatives and currency positions	-3 808	373
Net financial income / loss	-4 720	1 967



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DOF Subsea Chartering AS

Amounts in NOK thousand

7 Tax

	2020	2019
Income tax expense		
Current tax on profit for the year, Norway	-9 032	-
Current tax on profit for the year, foreign countries	-	-2 504
Change in deferred tax, Norway	495	-10 492
Withholding tax foreign countries	-527	-
Impact of change in tax rate	-	-
Total income tax expense	-9 064	-12 996
Reconciliation of nominal and effective tax rate		
Profit before tax	34 619	1 678
Expected income tax expense 22%	-7 616	-369
Tax effect of		
Expenses not deductible for tax purposes	-	-
Unrecognized tax losses and temporary differences	-921	-10 673
Effect of different tax regimes and effect of changes in estimates	-527	-1 953
Correction of previous periods	-	-
Impact on change in tax rate	-	-
Total income tax expense	-9 064	-12 996
Basis for deferred tax		
Current receivables	-55 626	-48 515
Other differences	-	2 250
Current year group contribution given (IFRS)	41 054	-
Total temporary differences	-14 572	-46 265
Total temporary differences not included in deferred tax	55 626	48 515
Total temporary differences included in deferred tax	41 054	2 250
Tax loss carry-forward	-	-43 939
Tax loss not included in deferred tax assets	-	43 939
Tax loss included as deferred tax assets	-	-
Basis for calculation deferred tax (-) / tax assets	41 054	2 250
Deferred tax / tax assets (-)	9 032	495
Deferred tax	2020	2019
At 01.01	495	-9 997
Adjustment of prior years	322	-
Income statement change	-817	10 492
Current year group contribution given (IFRS)	9 032	0
At 31.12	9 032	495

The Company has tax payable of NOK 3 107 thousand related to accrued tax payable for permanent establishments in foreign entities. Taxable profit in Norway of NOK 41 054 thousand (tax expense of NOK 9 032 thousand) will be eliminated when group contribution is approved in 2021.



DOF Subsea Chartering AS

Amounts in NOK thousand

8 Trade receivables

Trade receivables	2020	2019
Trade receivables at nominal value	37 750	40 214
Provision for bad debts	-136	
Trade receivables at 31.12	-37 614	40 214

Historically, the portion of receivables not being collectable has been low. The sustained challenging market situation has resulted in changes to the credit ratings for some of the Company's customers, and thereby increased the credit risk. The impacts from Covid-19 and a low oil price may increase the credit risk going forward.

9 Other current receivables

Other current receivables	2020	2019
Government taxes receivable	484	4 836
Prepaid expenses and insurance claims	10 473	13 895
Fuel reserves and other inventory	7 337	12 454
Other current receivables	6 600	15 060
Other current receivables at 31.12	24 895	46 245

10 Cash and cash equivalents

Cash and cash equivalents	2020	2019
Restricted deposits	11 469	-
Bank deposits	234	108
Cash pooling system deposit DOF Subsea AS	42 786	3 408

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 varisk management'. Pricing on deposits in the respective currencies is based on the Group's internal transfer pricing policy.

At year-end 2020 a bank balance of NOK 45 114 thousand has been classified as receivables to Group companies. The bank balance is restricted cash serving as security for loans in a vessel owning company. Some lenders have exercised their right to set off cash balances toward the outstanding loans. The Company has therefore chosen to present all restricted cash serving as security for loans, as receivable to Group companies.

The amounts in the cash pooling system deposit of the DOF Subsea Group are recognised as current receivables/liabilities to Group companies.



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DOF Subsea Chartering AS

Amounts in NOK thousand

11 Share capital and share information

Share capital

The share capital in the Company at 31 December 2020 was NOK 100 000 comprising 1 000 shares, each with a nominal value of NOK 100.

Shareholder overview

Shareholders at 31.12.2019 / 31.12.2020	No. of shares	Proportion of ownership	Share capital
DOF Subsea AS	1 000	100%	100 000

The members of the Board of Directors and senior executives owns shares in related companies, and thus have indirect ownership stakes in DOF Subsea Chartering AS. Please refer to the DOF ASA annual report for further information.

Board of Directors	Title
Mons S. Aase	Chairman
Marianne Møgster	Director
Hilde Drønen	Director

12 Leases

The Company entered into a new sublease agreement for Skandi Africa in October 2020. The vessel is hired from DOF Subsea Rederi AS and the Company has entered a 2-year firm contract with TechnipFMC. The contract arrangement is presented as a sublease.

2020	Balance 31.12.2019	New lease debt	Proceeds lease debt	Currency effect	Balance 31.12.2020
Lease liabilities	0	344 670	-37 877	-24 732	282 061

Payment profile	2021	2022	Total
Lease liabilities	-156 598	-125 463	282 061
Receivable sublease	156 598	125 463	282 061

Interest related to the contract is presented as interest income and interest cost.



DOF Subsea Chartering AS

Amounts in NOK thousand

13 Related parties

DOF Subsea Chartering AS is owned 100% by DOF Subsea AS. DOF ASA is the only shareholder in DOF Subsea AS with a 100% holding.

Transactions with Group companies relates to rental of vessels and crewing- and administrative services.

The operating revenue from DOF Subsea Group is mainly related to vessel hire, while the cost relates to crew and other operational items. For DOF ASA Group revenue relates to vessel hire, while the cost relates to crew, operational items and some administration, including management fee to DOF Management of NOK 22 391 thousand for 2020 (NOK 25 985 thousand).

Operating revenue	2020	2019
DOF Subsea Group	105 321	206 482
DOF ASA	5 907	836
Total	111 227	207 318

Operating expenses	2020	2019
DOF Subsea Group	460 593	627 301
DOF ASA	113 148	167 526
Total	573 741	794 827

Financial expenses	2020	2019
Interest expense of right to use asset	4 485	-
Total	4 485	-

Current receivables from Group companies	2020	2019
DOF Subsea Group	109 718	83 897
Current receivable sublease	156 598	-
DOF ASA	12 281	12 401
Total	278 597	96 298

Non-current receivables from Group companies	2020	2019
Non-current receivable sublease	125 463	-
Total	125 463	-

Current liabilities to Group companies	2020	2019
DOF Subsea Group	95 202	77 086
DOF ASA	6 600	12 810
Total	101 802	89 896

The company has recognised impairment loss of NOK 7 110 thousand on current receivables from Group companies in 2020.

For further information see the financial statements for DOF ASA and DOF Subsea AS.



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14 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)	2020	2019
Fee for audit of financial statements	273	256
Fee for other tax consultancy	-	12
Total	273	269

15 Events occurring after period end

The restructuring of the Group's debt is ongoing and standstill agreements have been agreed until the 31st of August 2021 with 88% of the secured lenders within the DOF Subsea Group. The standstill agreements do not include the DOFCON Brasil JV and DOF Subsea Brasil. The standstill agreements further assume payment of principal and interest of a NOK 100 million credit facility provided by certain lenders in March 2020. The outstanding amount of this facility is NOK 48 million by end of June. The relevant Group companies have imposed unilateral standstill to the lenders not participating in the standstill agreements. One of the secured lenders has requested repayment of approximately USD 47 million and has enforced account pledge on the earnings account for the relevant vessel. Another secured lender has enforced account pledge for one loan facility. The bondholders in DOFSUB07, DOFSUB08 and DOFSUB09 have further accepted a standstill until the 31st of August 2021. An Ad-hoc group of bondholders can extend the standstill until the 30th of September.



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To the General Meeting of DOF Subsea Chartering AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of DOF Subsea Chartering AS, which comprise the statement of financial position as at 31 December 2020, the statement of comprehensive income, 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 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 1 in the financial statements and the Board of Directors' report, which indicates that the Company is dependent on that 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 1 and the Board of Directors' report, these events or conditions, along with other matters as set forth in Note 3 and 15 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 DOF Subsea Group will not reach an agreement with the lenders, and in such an event the Company could be forced to realise its assets at a significantly lower value than their carrying amount. Our opinion is not modified in respect of this matter.

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



Independent Auditor's Report - DOF Subsea Chartering AS



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>

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Independent Auditor's Report - DOF Subsea Chartering AS



Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

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

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to 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, 26 August 2021
PricewaterhouseCoopers AS

Sturle Døsen
State Authorised Public Accountant

(This document is signed electronically)

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Revisjonsberetning

Signers:

Name	Method	Date
Døsen, Sturle	BANKID	2021-08-26 15:43

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