



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 918 953 698
Organisasjonsform: Aksjeselskap
Foretaksnavn: NEXANS SUBSEA OPERATIONS AS
Forretningsadresse: Freserveien 1
0195 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Ja
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Yngve Vollset
Dato for fastsettelse av årsregnskapet: 20.04.2021

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, 03.06.2022



Resultatregnskap

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
Kostnader			
Annen driftskostnad	3	2 517 927	2 724 598
Sum kostnader		2 517 927	2 724 598
Driftsresultat		-2 517 927	-2 724 598
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern	9	83 535	412 906
Annen finansinntekt		35 585 893	5 976 634
Sum finansinntekter		35 669 428	6 389 540
Rentekostnad til foretak i samme konsern	9	87 246	8 028
Annen finanskostnad		24 859 457	17 219 685
Sum finanskostnader		24 946 703	17 227 713
Netto finans		10 722 725	-10 838 173
Ordinært resultat før skattekostnad		8 204 798	-13 562 771
Skattekostnad på ordinært resultat	4	813 406	1 335 793
Ordinært resultat etter skattekostnad		7 391 392	-14 898 564
Årsresultat		7 391 392	-14 898 564
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital	10	7 391 392	-14 898 564
Sum overføringer og disponeringer		7 391 392	-14 898 564



Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Skip, rigger, fly og lignende	5	1 267 103 035	827 721 164
Sum varige driftsmidler		1 267 103 035	827 721 164
Sum anleggsmidler		1 267 103 035	827 721 164
Omløpsmidler			
Varer			
Fordringer			
Andre fordringer		654 383	77 964 810
Konsernfordringer	6.9	484 207	40 000 163
Sum fordringer		1 138 590	117 964 973
Investeringer			
Derivater	11	4 032	15 045 051
Sum investeringer		4 032	15 045 051
Sum omløpsmidler		1 142 622	133 010 024
SUM EIENDELER		1 268 245 657	960 731 188
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	8,10	2 100 000	2 000 000
Overkurs	10	1 264 960 000	945 060 000
Sum innskutt egenkapital		1 267 060 000	947 060 000
Opptjent egenkapital			



Balanse

Beløp i: NOK	Note	2020	2019
Annen egenkapital	10	-9 174 506	2 048 497
Sum opptjent egenkapital		-9 174 506	2 048 497
Sum egenkapital		1 257 885 494	949 108 497
Gjeld			
Langsiktig gjeld			
Utsatt skatt	4		391 077
Sum avsetninger for forpliktelser			391 077
Annen langsiktig gjeld			
Sum langsiktig gjeld		0	391 077
Kortsiktig gjeld			
Leverandørgjeld		2 076 514	1 397 706
Betalbar skatt	4	1 209 697	934 261
Kortsiktig konserngjeld	9	6 949 776	212 967
Annen kortsiktig gjeld		37 583	
Derivater	11	86 593	8 686 680
Sum kortsiktig gjeld		10 360 163	11 231 614
Sum gjeld		10 360 163	11 622 691
SUM EGENKAPITAL OG GJELD		1 268 245 657	960 731 188



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Journalnummer: 2021 234207

Enheten

Organisasjonsnummer: 918 953 698
Organisasjonsform: Aksjeselskap
Foretaksnavn: NEXANS SUBSEA OPERATIONS AS
Forretningsadresse: Innspurten 9
0663 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Ja
Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Yngve Vollset
Dato for fastsettelse av årsregnskapet: 20.04.2021

Grunnlag for avgivelse

År 2020: Årsregnskap er elektronisk innlevert.
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020.

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Brønnøysundregistrene, 20.05.2021



Organisasjonsnr: 918 953 698
NEXANS SUBSEA OPERATIONS AS

RESULTATREGNSKAP

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Sum langsiktig gjeld		0	391 077
Kortsiktig gjeld			
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Derivater	11	86 593	8 686 680
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SUM EGENKAPITAL OG GJELD		1 268 245 657	960 731 188



Organisasjonsnr: 918 953 698
NEXANS SUBSEA OPERATIONS AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
1

Regnskapsprinsipper

Note
8

Antall aksjer og aksjeeiere

<u>Aksjeklasse</u>	<u>Ant. aksjer</u>	<u>Pålydende</u>	<u>Bokført verdi</u>
Ordinære aksjer	1000.00	2100.00	2100000.00

<u>Aksjeeiere - fritekst</u>	<u>Antall</u>	<u>Eierandel</u>	<u>Aksjeklasse</u>
Nexans Norway AS	1000.00	100.00%	Ordinære aksjer

<u>Sum</u>	<u>Sum antall</u>	<u>Sum eierandel</u>	
	1000.00	100.00%	

Note

Ytelser til ledende personer
Er det gitt ytelser til ledende person: Nei

Ytelser til daglig leder

<u>Ytelser</u>	<u>Lønn</u>	<u>Pensj.forpl.</u>	<u>Andre godtgj.</u>
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Note

Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:
0.00

Note

Lån og sikkerhetsstillelse til ledende personer og aksjeeiere

Er det gitt lån eller sikkerhetsstillelse til ledende personer: Nei



Skatteetaten

Vår dato 24.09.2019	Din/Deres dato	Saksbehandler Joakim Engebretsen
800 80 000 Skatteetaten.no	Din/Deres referanse	Telefon 92251412
Org.nr 974761076	Vår referanse 2019/6413196	Postadresse Postboks 9200 Grønland 0134 OSLO

U.off. offl. § 13, sktfl. § 3-1

NEXANS SUBSEA OPERATIONS AS
Innspurten 9
0663 OSLO

Dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk

Vi viser til selskapets brev av 3. september 2019. I brevet ber Nexans Subsea Operations AS om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk.

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

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

Bakgrunn

Fra søknaden siteres:

"Nexans Subsea Operations AS er et heleid datterselskap av Nexans Norway AS, og en del av den franske Nexans gruppen, en av verdens største kabel produsenter. Selskapets virksomhet består i å eie, drifte, kjøpe, selge, samt inn- og utleie av maritime fartøyer og redskaper og utstyr tilknyttet slike, samt maritim transport og installasjon av kabler og kablingsystemer, og annen tilknyttet virksomhet.

Selskapet ble etablert med virkning fra 24.04.2017 og kjøpt av Nexans Norway AS 09.08.2017 med det formål å eie en byggekontrakt for et nybygg av skip. Nybygget er en kvalifiserende eiendel under det norske tonnasjeskatteregimet."

Morselskapet Nexans Norway AS og søsterselskapet Nexans Skagerak AS har dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på engelsk (se saksnr. 2014/160225). Fra søknaden som lå til grunn for morselskapets dispensasjon er det opplyst at språket som benyttes i formell kommunikasjon innad i Nexans-konsernet er i all hovedsak engelsk. Markedene selskapene opererer i er globale, og store deler av selskapenes inntekter, kostnader og forpliktelser opptjenes og pådras i utenlandsk valuta. Vesentlige kontrakter med kunder og leverandører forhandles og inngås i all hovedsak på engelsk og en



vesentlig andel av de norske selskaperes omsetning skjer til kunder utenfor Norge, hvor kontraktene i hovedsak utarbeides på engelsk.

Skattekontores vurdering

Etter regnskapsloven § 3-4 tredje ledd skal *”årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk.”*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

”Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *”informative regnskaper for ulike grupper av regnskapsbrukere”*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte, kunder og lokalsamfunnet.

Det er etter skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt vekt på at selskapet er indirekte eid av et utenlandsk selskap og at eierkretsen dermed er begrenset. Videre er det vektlagt at selskapet opererer i et globalt marked og at store deler av omsetning skjer til kunder utenfor Norge.

Vennligst oppgi vår referanse ved henvendelse i saken.



Med hilsen

Roar Thorbjørnsen
underdirektør
Innsats, storbedrift
Skatteetaten

Joakim Engebretsen

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



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Nexans

**NEXANS SUBSEA
OPERATIONS AS**

ANNUAL REPORT

2020



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DIRECTORS' REPORT

Nexans Subsea Operations AS is a wholly owned subsidiary of Nexans Norway AS and is part of the French Nexans Group – one of the world's leading cable manufacturers. Nexans Subsea Operations AS is engaged in transport, laying and installation of submarine power cables and owns the cable laying vessel CLV Nexans Aurora, currently being under construction. Nexans Subsea Operations' head office is in Oslo, Norway

The company was established on the 24th of April 2017 and purchased by Nexans Norway AS on the 9th of August 2017 with the purpose of owning a construction contract for a newbuilt vessel. The newbuilt vessel is a qualifying asset under the Norwegian tonnage tax regime.

Financial results

Nexans Subsea Operations AS has no revenues in 2020. Profit after tax is NOK 7,4 million, including operating costs and gains from currency hedging forward contracts, an increase of NOK 22,3 million from 2019. The company owns a construction contract for newbuild of a vessel. The construction contract is reported in the balance sheet as Construction of vessel in progress and has a book value of NOK 1.267,1 million at year-end 2020, an increase of NOK 439,4 million from 2019. A prepayment to the yard amounting to NOK 77,1 million was reported as other receivables in 2019. This prepayment is reduced to NOK 0 in 2020.

Total assets at year-end is NOK 1.268,2 million, compared to NOK 960,7 million in 2019. The equity amounts to NOK 1.257,9 million compared to NOK 949,1 million in 2019. The company is in 2020 financed through capital injections of NOK 320 million from its mother company, Nexans Norway AS.

The cash balance at the end of 2020 is NOK 0. The company takes part in the Nexans Group cash pool and the cash pool balance is included in current assets. Cash flow from operations is positive due to a decrease in working capital (payments from cash pool account and reduction in prepayments). Cash flow from investment activities is financed with cash flows from operations and short-term loans from the mother company, converted to equity.

The operational cash flow does not cover investments and short-term liabilities and the company is dependent on financing from the mother company and line of credit from the Nexans Group cash pooling agreement.

The company's prospects are considered secure, as the newbuild is a strategic asset in the group. Upon delivery of the vessel in 2021, it will be chartered out to Nexans Norway AS on a long-term basis. The company has a financially strong owner that will contribute with short-term financing. The main risk is related to the yard's ability to execute the construction of the new vessel.

There are no research and development activities performed in 2020.

Financial risk

Foreign currency risk

A portion of the acquisition cost of the vessel is in foreign currency. Exposure to foreign currency risk is hedged through currency forward contracts.

Liquidity risk

The company owns a newbuild of a custom designed cable laying and transport vessel. The newbuild is integral in the mother company's growth strategy. The company is financing this investment through equity increase from the mother company.

Market risk

The company is exposed towards future changes in the demand for transportation and installation of cables. This risk will be managed through entering into long-term leasing contracts.

Credit risk

The company is exposed towards the credit risk from the larger suppliers for the newbuild. This risk is managed through performed credit risk analyses of the suppliers before contract signing and updated once per year during the construction phase.

Risk concerning Covid-19

The risk is primarily for delays in delivery due to shortage of personnel either caused by authority-imposed travel restrictions or sick leave and quarantine obligations. Throughout 2020 this has been managed well by the parties to the newbuild contract. It is expected that the Covid-19 pandemic will continue into 2021 and still represent a risk to the delivery schedule of the newbuild.



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Operations

The construction activities of the newbuild has been progressing satisfactorily during the year despite challenges relating to Covid-19 imposed regulations. The hull was transferred to the main outfitting yard in Ulsteinvik in May 2020 and the main parts of the cable laying equipment was sent from UK before the onset of Brexit.

People and organization

Nexans Subsea Operations AS has no employees. The company's board of directors consists of two female and one male representatives.

Environment

There has been no activity in the company in 2020 as all business has been performed by suppliers. The company is committed to ensure low emissions from the newbuild.

Social responsibility

Nexans Subsea Operations AS is a wholly owned subsidiary of Nexans Norway AS and shares the same guidelines for social responsibility as the mother company.

Allocation of the results for the year

Pursuant to section 3-3 in the accounting act, it is duly confirmed that the annual accounts have been prepared under the going concern assumption, and the board of directors confirm that the going concern assumption is valid. The board of directors propose the net result of Nexans Subsea Operations AS, NOK 7.391.392 to be allocated to

Dividends	0
Other equity	7.391.392
Total	7.391.392

Oslo, 25. March 2021

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Ragnhild Katteland
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Ragnhild Apeland
Katteland
Chairman

DocuSigned by:
Frederique Madeleine
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Frederique Madeleine
Therese Moreve
Board member

DocuSigned by:
Bjørn Ivar Elmenhorst
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Bjørn Ivar Elmenhorst
Ladegård
Board member /
Managing director



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NEXANS SUBSEA OPERATIONS AS Income statement 01.01 - 31.12

	Note	2020	2019
Operating cost			
Other operating cost	3	-2 517 927	-2 724 598
Total operating cost		-2 517 927	-2 724 598
Operating profit		-2 517 927	-2 724 598
Interest income from associated companies	9	83 535	412 906
Interest expense to associated companies	9	-87 246	-8 028
Other financial income		35 585 893	5 976 634
Other financial expense		-24 859 457	-17 219 685
Net financial income(loss)		10 722 725	-10 838 173
Profit before tax		8 204 798	-13 562 771
Taxes	4	813 406	1 335 793
Net profit for the year		7 391 392	-14 898 564
Allocation of the result for the year			
Allocation to other equity	10	7 391 392	-14 898 564
Total allocation		7 391 392	-14 898 564



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NEXANS SUBSEA OPERATIONS AS Asset 31.12

	Note	2020	2019
Assets			
Fixed assets			
Construction of vessel in progress	5	1 267 103 035	827 721 164
Fixed assets non-current		1 267 103 035	827 721 164
Total non-current assets		1 267 103 035	827 721 164
Receivables			
Other receivables from group companies	6, 9	484 207	40 000 163
Other receivables		654 383	77 964 810
Total receivables		1 138 590	117 964 973
Financial assets			
Derivates	11	4 032	15 045 051
Total current assets		1 142 622	133 010 024
Total assets		1 268 245 657	960 731 188



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NEXANS SUBSEA OPERATIONS AS Equity and Liabilities

	Note	2020	2019
Paid-in capital			
Share capital	8,10	2 100 000	2 000 000
Other paid-in capital	10	1 264 960 000	945 060 000
Retain earnings:			
Other equity	10	-9 174 506	2 048 497
Shareholder's equity		1 257 885 494	949 108 497
Non current liabilities			
Deferred taxes	4	-	391 077
Total non current liabilities		-	391 077
Current liabilities			
Income tax payable	4	1 209 697	934 261
Account payable		2 076 514	1 397 706
Other short-term liabilities		37 583	-
Other short-term liabilities to group	9	6 949 776	212 967
Total current liabilities		10 273 570	2 544 933
Derivates	11	86 593	8 686 680
Total liabilities		10 360 163	11 622 691
Total equity and liabilities		1 268 245 656	960 731 188

Oslo, 25. March 2021

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Bjørn Ivar Elmenhorst Ladegård
Board member / Chief Executive Officer

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Ragnhild Apeland Katteland
Chairman

DocuSigned by:

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Frederique Madeleine Therese Moreve
Board member



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Cash flow statement 01.01 - 31.12

	Note	2020	2019
Cash flow from operating activities			
Profit before tax		8 204 798	-13 562 771
Tax paid		-1 096 003	-161 742
Depreciation of fixed assets		-	-
Net change in accounts payable and receivable	9	124 555 019	-30 724 617
Foreign exchange gains/losses on operating activities		-18 722 875	11 783 355
Net cash flow from operating activities		112 940 939	-32 665 775
Cash flow from investing activities			
Capital expenditure	5	-439 381 870	-760 841 326
Advance payment on capital expenditure		-	172 925 000
Net cash flow from investing activities		-439 381 870	-587 916 326
Cash flow from financing activities			
Capital injection	10	320 000 000	620 000 000
Foreign exchange gains/losses	11	6 440 931	582 101
Net cash flow from financing activities		326 440 931	620 582 101
Net change in cash and cash equivalents		-	-
Cash and cash equivalents 01.01		-	-
Cash and cash equivalents at 31 December		-	-



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Note 1 Accounting principles

The company was established 24.04.2017. The financial statement have been prepared according to accounting act rules and good accounting practice for small companies.

1- 1 Foreign currency

Foreign currency items are evaluated at the exchange rate at the end of the year.

1- 2 Taxes

Taxes in the income statement are comprised of payable tax and change in deferred tax liability / deferred tax asset. Deferred tax liability / deferred tax asset is calculated using 22 % based on taxable and deductible temporary differences between the carrying amount of assets or liabilities in the statement of financial position, and their tax basis.

A deferred tax asset is recorded in the balance sheet to the extent that it is most likely than not that the tax asset will be utilised. The company entered into the Tonnage Tax system in 2017 and is compliance with the requirements to qualify for taxation as a shipping company as stipulated by the Norwegian tax law §§ 8-10. The yearly tonnage tax is classified as other operating expenses.

1- 3 Classification and assessment of balance sheet items

Fixed assets include assets intended for long-term ownership and use. Fixed assets are valued at cost. Fixed assets are capitalized and depreciated over the economic life of the asset. Tangible fixed assets are written down to the recoverable amount in the event of impairment which is not expected to be transient. The recoverable amount is the higher of net sales value and value in use. Value in use is the present value of future cash flows associated with the asset. Impairment is reversed when the basis for the impairment is no longer present. Current assets and current liabilities normally include items that fall due for payment within one year of the balance sheet date, as well as items related to the product cycle. Current assets are valued at the lower of cost and estimated fair value.

1- 4 Fixed Asset

Fixed assets are valued at cost and reduced with cumulative amortisation and depreciation. When assets are sold, the cost and cumulative amortisation and depreciation are reversed in the accounts and any gain or loss from the sale is booked in the income statement.

The cost for the asset is the purchase price, including fees and taxes and direct purchasing cost related to enable the asset to be used. Expenses occurring after the asset is taken into use, like repairs and maintenance, are normally booked as cost in the income statement. If increased profitability can be shown as a result of repair and maintenance, the expenses are booked on the balance sheet as capital expenditure. Depreciation is calculated using the linear method over the following periods:

Vessels	7-35 years (based on expected lifetime of components)
Machinery and equipment	10-30 years
Software	3-5 years

The depreciation period and method is assessed yearly in order to secure that the method and the period used is in accordance with the economic realities for the asset. Equivalent assessment is made for the scrap value.

Fixed assets that are depreciated are assessed for impairment when indicators exist that future earnings cannot justify the value in the balance sheet. An impairment loss measured as the difference between the balance sheet value and the recoverable amount is booked in the income statement. Recoverable amount is the higher of actual value less estimated selling cost and the utility value. Reversals of impairment losses are done if assets previously impaired are put back in operation. The asset is then valued to the lower of the book value at that time of the write-down minus estimated depreciation in the period the asset was written down and utility value. Any remaining value at the next classification will be written down.

The cost associated with classification / periodic maintenance are capitalized when the ship leaves the dock. The capitalized amount is depreciated over the period until the next expected docking which is approximately between 3 to 5 years.

1- 5 Receivable

Accounts receivable and other receivables are stated at face value after deduction for provisions for expected losses. Provision for losses are made on the basis of an individual assessment of the individual receivables.

1- 6 Financial instruments

Financial derivatives are classified as financial assets or liabilities at fair value through the profit and loss, unless they qualify for hedge accounting. For derivatives that qualify for hedge accounting, changes in the market value of a hedging instrument which satisfies the requirements to be a very effective cash flow hedge are booked directly against the OCI. The ineffective part of the hedging instrument is booked in the income statement as financial income or cost.

1- 7 Cash flow statement

The cash flow statement is presented according to the indirect method.



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Note 2 Payroll and related cost

There are no employees in 2020 and no contribution to compulsory pension for employees.

Note 3 Remuneration to the board of directors, CEO and auditor of Nexans Subsea AS

The CEO and the board of directors have not received any remuneration for their services in the board during the year 2020. Reported cost for audit fees amount to NOK 46 300. Fee for other attestation service amount to NOK 20 000.

Note 4 Taxes

Tax expense comprises of:	2020	2019
Calculated tax 22%	1 209 697	934 261
Changes in deferred tax balance this year	-391 077	239 790
Effect due to change in tax rate	-	-
Prior year adjustment	-5 214	161 742
Total tax expense in the P&L	813 406	1 335 793

Tax base:

Income before tax	8 204 798	-13 562 771
Income tonnage tax system	-	-
Permanent differences	-8 204 798	13 562 771
Net taxable financial gain / loss	5 498 621	4 246 639
Tax base for the year	5 498 621	4 246 639

Temporary differences	31.12.2020	31.12.2019	Changes
Deferred tax related to items recognized through P&L	-	-	-
Deferred tax asset related to items recognized in Equity	77 848	-14 813 529	-14 891 377
Deferred tax asset/liability from temporary differences	77 848	-14 813 529	-14 891 377
3% (22%)Deferred tax	(0)	-391 077	-391 077
Effect from change in tax rate	-	-	-
Deferred tax	(0)	-391 077	-391 077

The company taxable income is related to financial items, financial items are not included in the shipping tax scheme. Deferred tax on items recognized in Equity is calculated based on estimated future tax on financial gains / losses.

Note 5 Tangible Fixed Assets

	Construction in progress	
	2020	2019
Acquisition cost 31.12.19	827 721 164	66 879 838
Capital expenditure	439 381 870	760 841 326
Disposal during the year	-	-
Acquisition cost 31.12.20	1 267 103 034	827 721 164
Accumulated depreciation 31.12.20	-	-
Net book value 31.12.20	1 267 103 034	827 721 164
Depreciation during the year	-	-

The year's capital expenditure is related to construction in progress.



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Note 6 Receivables and liabilities

The company has no long-term receivables with a maturity longer than 1 year, or liabilities with a maturity of more than 5 years. The company has no secured debts.

Note 7 Bank deposit / guarantee for social taxes

The company has no employees and no bank deposit or guarantee related to employees tax deductions.

Note 8 Share capital, shareholder m.v

Share capital	Share	Nominal Value	Share capital
Paid in capital	1000	2 100	2 100 000

The company's share capital is NOK 2,1 million, consisting of 1000 common shares with a nominal value of NOK 2 100 each. The shares are 100% owned by Nexans Norway AS.

Note 9 Related parties

	Nexans Norway AS	
	2020	2019
Liabilities		
Other short term liabilities to Nexans companies	484 207	212 967
	Nexans Services SA	
Receivables		
Loan to / from Nexans companies	(6 949 776)	40 000 163

Note 10 Equity

	Share capital	Other paid-in capital	Retained Earnings	Total
Balance at 31. desember 2019	2 000 000	945 060 000	2 048 497	949 108 497
Net profit of the year	-	-	7 391 392	7 391 392
Effect of cash flow hedging	-	-	-18 614 396	-18 614 396
Capital injection	1 000 000	319 000 000	-	320 000 000
Balance at 31. desember 2020	3 000 000	1 264 060 000	-9 174 506	1 257 885 494

The company was established by Nexans Norway AS to follow up and own newbuildings of cable laying vessels in line with the parent company's strategy. The parent company will strengthen the company's equity in parallel with the deposit payments to the yard, completely in line with the plans.

Note 11 Financial instruments

	2020	2019
Assets	4 032	15 045 051
Liabilities	(86 593)	(8 686 680)
Net value as 31. December	-82 561	6 358 370
Changes	2020	2019
Financial assets / liabilities at fair value through P&L	18 531 835	-
Recognized in Equity	-18 614 396	15 222 005
Changes	-82 561	15 222 005
Accumulative gain / loss not reversed from Equity	2020	2019
Unrealised financial gain / loss	-77 848	14 813 529
Realised financial gain / loss	2 483 337	6 206 356
Deferred tax in Equity	0	(391 077)
Total amount in Equity	2 405 489	20 628 808



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Fridtjof N:  Legally signed by
Rune Jalving
26.03.2021
0369 Oslo
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Tel: +47 23 19 63 00
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To the Shareholders' Meeting of
Nexans Subsea Operations AS

INDEPENDENT AUDITOR`S REPORT

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Nexans Subsea Operations AS (the Company), showing a profit of NOK 7 391 392. The financial statements comprise the balance sheet as at December 31, 2020, and the statement of income and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, included 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.

Other Information

Management is responsible for the other information. The other information comprises 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 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.

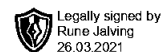
Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

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

Mazars AS
Org. no. 979 605 994



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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 insofar as it is not likely that the enterprise will cease operations.

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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Refer to <https://revisorforeningen.no/revisjonsberetninger> which contains a description of Auditor's responsibilities.

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 proposal for the allocation of the profit 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.

Oslo, 25. March 2021
Mazars AS

Rune Jalving
State Authorised Public Accountant



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Fridtjof N:  Legally signed by
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To the Shareholders' Meeting of
Nexans Subsea Operations AS

INDEPENDENT AUDITOR`S REPORT

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Nexans Subsea Operations AS (the Company), showing a profit of NOK 7 391 392. The financial statements comprise the balance sheet as at December 31, 2020, and the statement of income and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, included 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.

Other Information

Management is responsible for the other information. The other information comprises 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 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.

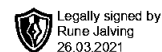
Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

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

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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 insofar as it is not likely that the enterprise will cease operations.

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.

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Report on Other Legal and Regulatory Requirements

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Oslo, 25. March 2021
Mazars AS

Rune Jalving
State Authorised Public Accountant