



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 996 732 851
Organisasjonsform: Norskreg. utenlandsk foretak
Foretaksnavn: SEADRILL NORWAY OPERATIONS LTD. NUF
Forretningsadresse: Finnestadveien 28
4029 STAVANGER

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

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: Livar Voll
Dato for fastsettelse av årsregnskapet: 28.06.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

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, 14.08.2025



Resultatregnskap

Beløp i: USD	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Operating revenues		211 452 807	296 891 078
Reimbursable income		7 684 432	12 866 371
Sum inntekter		219 137 239	309 757 449
Kostnader			
Avskrivning på varige driftsmidler og immaterielle eiendeler		0	118 641
Other operating expenses		185 481 467	291 199 222
Reimbursable expenses		7 180 254	12 279 320
Sum kostnader		192 661 721	303 597 183
Driftsresultat		26 475 518	6 160 266
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern		4 627 978	536 395
Annen renteinntekt		3 471	72 848
Other financial items		13 077	118 455
Sum finansinntekter		4 644 526	727 698
Rentekostnad til foretak i samme konsern		57 674	74 024
Annen rentekostnad		1 762 366	267 069
Foreign exchange loss		493 100	2 852 648
Sum finanskostnader		2 313 140	3 193 741
Netto finans		2 331 386	-2 466 043
Ordinært resultat før skattekostnad		28 806 904	3 694 223
Corporate tax payable		6 586 227	68 118
Change in deferred tax			22 368
Ordinært resultat etter skattekostnad		22 220 677	3 603 737
Årsresultat		22 220 677	3 603 737
Overføringer og disponeringer			
Avgitt konsernbidrag		22 184 847	6 274 715



Resultatregnskap

Beløp i: USD	Note	2023	2022
Overføringer til/fra annen egenkapital		35 830	-2 872 277
Sum overføringer og disponeringer		22 220 677	3 402 438



Balanse

Beløp i: USD	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Sum anleggsmidler		0	0
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer		42 089 248	31 270 441
Andre fordringer		4 953 310	8 385 472
Konsernfordringer		87 179 977	91 296 252
Sum fordringer		134 222 535	130 952 165
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende			16 789
Sum bankinnskudd, kontanter og lignende			16 789
Sum omløpsmidler		134 222 535	130 968 954
SUM EIENDELER		134 222 535	130 968 954
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		50 000 000	50 000 000
Sum innskutt egenkapital		50 000 000	50 000 000
Opptjent egenkapital			
Annen egenkapital		-33 632 630	-33 668 461
Sum opptjent egenkapital		-33 632 630	-33 668 461
Sum egenkapital		16 367 370	16 331 539



Balanse

Beløp i: USD	Note	2023	2022
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Øvrig langsiktig gjeld		7 671 783	6 086 179
Sum annen langsiktig gjeld		7 671 783	6 086 179
Sum langsiktig gjeld		7 671 783	6 086 179
Kortsiktig gjeld			
Leverandørgjeld		5 409 352	12 122 923
Betalbar skatt		17 614 772	15 792 941
Kortsiktig konserngjeld		72 054 321	64 996 400
Annen kortsiktig gjeld		15 104 938	15 638 971
Sum kortsiktig gjeld		110 183 383	108 551 235
Sum gjeld		117 855 166	114 637 414
SUM EGENKAPITAL OG GJELD		134 222 536	130 968 953



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 609547

Enheten

Organisasjonsnummer: 996 732 851
Organisasjonsform: Norskreg. utenlandsk foretak
Foretaksnavn: SEADRILL NORWAY OPERATIONS LTD.
Forretningsadresse: Finnestadveien 28
4029 STAVANGER

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

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: Livar Voll
Dato for fastsettelse av årsregnskapet: 28.06.2024

Grunnlag for avgivelse

År 2023: Årsregnskap er elektronisk innlevert.
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023.

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, 02.08.2024



Organisasjonsnr: 996 732 851
SEADRILL NORWAY OPERATIONS LTD.

RESULTATREGNSKAP

Beløp i: USD	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Operating revenues		211 452 807	296 891 078
Reimbursable income		7 684 432	12 866 371
Sum inntekter		219 137 239	309 757 449
Kostnader			
Avskrivning på varige driftsmidler og immaterielle eiendeler		0	118 641
Other operating expenses		185 481 467	291 199 222
Reimbursable expenses		7 180 254	12 279 320
Sum kostnader		192 661 721	303 597 183
Driftsresultat		26 475 518	6 160 266
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern		4 627 978	536 395
Annen renteinntekt		3 471	72 848
Other financial items		13 077	118 455
Sum finansinntekter		4 644 526	727 698
Rentekostnad til foretak i samme konsern		57 674	74 024
Annen rentekostnad		1 762 366	267 069
Foreign exchange loss		493 100	2 852 648
Sum finanskostnader		2 313 140	3 193 741
Netto finans		2 331 386	-2 466 043
Ordinært resultat før skattekostnad			
Corporate tax payable		6 586 227	68 118
Change in deferred tax			22 368
Ordinært resultat etter skattekostnad		22 220 677	3 603 737
Årsresultat		22 220 677	3 603 737
Overføringer og disponeringer			
Avgitt konsernbidrag		22 184 847	6 274 715
Overføringer til/fra annen egenkapital		35 830	-2 872 277
Sum overføringer og disponeringer		22 220 677	3 402 438



Organisasjonsnr: 996 732 851
SEADRILL NORWAY OPERATIONS LTD.

BALANSE

Beløp i: USD	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Sum anleggsmidler		0	0
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer		42 089 248	31 270 441
Andre fordringer		4 953 310	8 385 472
Konsernfordringer		87 179 977	91 296 252
Sum fordringer		134 222 535	130 952 165
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende			16 789
Sum bankinnskudd, kontanter og lignende			16 789
Sum omløpsmidler		134 222 535	130 968 954
SUM EIENDELER		134 222 535	130 968 954
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		50 000 000	50 000 000
Sum innskutt egenkapital		50 000 000	50 000 000
Opptjent egenkapital			
Annen egenkapital		-33 632 630	-33 668 461
Sum opptjent egenkapital		-33 632 630	-33 668 461
Sum egenkapital		16 367 370	16 331 539
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Øvrig langsiktig gjeld		7 671 783	6 086 179
Sum annen langsiktig gjeld		7 671 783	6 086 179
Sum langsiktig gjeld		7 671 783	6 086 179



Kortsiktig gjeld		
Leverandørgjeld	5 409 352	12 122 923
Betalbar skatt	17 614 772	15 792 941
Kortsiktig konserngjeld	72 054 321	64 996 400
Annen kortsiktig gjeld	15 104 938	15 638 971
Sum kortsiktig gjeld	110 183 383	108 551 235
Sum gjeld	117 855 166	114 637 414
SUM EGENKAPITAL OG GJELD	134 222 536	130 968 953



Organisasjonsnr: 996 732 851
SEADRILL NORWAY OPERATIONS LTD.

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note

Antall årsverk i regnskapsåret
0.00

<u>Sum</u>	<u>Beløp</u>
<u>Balanseført verdi 31.12.</u>	<u>Varige driftsmidler Immaterielle eiend.</u>

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

<u>Samlet beløp - tilknyttet selskap</u>	<u>Årets</u>	<u>Fjorårets</u>
--	--------------	------------------

<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
---	--------------	------------------

<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
---	--------------	------------------

<u>Samlet beløp - felles kontrollert virksomhet</u>	<u>Årets</u>	<u>Fjorårets</u>
---	--------------	------------------

<u>Pantstillelse</u>	<u>Beløp</u>
----------------------	--------------

<u>Beholdning av egne aksjer</u>	<u>Antall</u>	<u>Pålydende</u>	<u>Andel av aksjek.</u>
----------------------------------	---------------	------------------	-------------------------



Skattedirektoratet

Saksbehandler
Rune Tystad

Deres dato
01.10.2012

Vår dato
12.10.2012

Telefon
977 59 464

Deres referanse
Maren Thu

Vår referanse
2012/760008

NORTH ATLANTIC MANAGEMENT AS
Postboks 109
4001 STAVANGER

Dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk språk for norske datterselskaper av North Atlantic Drilling Limited

Vi viser til deres brev av 14. september 2012 til Fiansdepartementet hvor dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper:

North Atlantic Management AS,	org.nr. 996 411 370
North Atlantic Crew AS,	org.nr. 996 540 812
North Atlantic Norway Ltd,	org.nr. 996 732 851

Søknaden er oversendt Skattedirektoratet for behandling.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de ovennevnte selskapene 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.

Bakgrunn

Fra søknaden gjengis:

North Atlantic Drilling Ltd (Bermuda) er konsernspiss for North Atlantic konsernet som er notert på OTC i Norge. Konsernregnskapet avlegges i henhold til US GAAP (amerikanske regnskapsprinsipper), mens de norske datterselskapene avlegger sine selskapsregnskaper i henhold til den norske regnskapsloven.

De viktigste brukerne av North Atlantic sine norske årsregnskap er:

- Banker og banksyndikat, inkl, utenlandske banker
- Oljeselskaper som har North Atlantic Norway Ltd som kontraktspartner
- Offentlige organ i land hvor North Atlantic Norway Ltd har virksomhet eller filial

På grunn av at all kommunikasjon med våre regnskapsbrukere skjer på engelsk vil vi med dette søke om at enkelte av de norske datterselskapene i North Atlantic konsernet får utarbeide sine årsregnskap kun på engelsk iht. unntaksbestemmelsene i regnskapsloven § 3-4. 3 ledd. Det vil medføre vesentlig merarbeid for North Atlantic å utarbeide et fullstendig årsregnskap på norsk som deretter må oversettes av sertifiserte translatørselskaper for å bli akseptert av utenlandske brukere. Dette er både en dyr og tidkrevende prosess.

Postadresse
Postboks 9200 Grønland
0134 Oslo
For elektronisk henvendelse se www.skatteetaten.no

Besøksadresse
Se www.skatteetaten.no
Org. nr: 996250318

Sentralbord
800 80 000
Telefaks
22 17 08 60



Vi mener at regnskapsbrukernes informasjonsbehov vil være dekket gjennom engelske årsregnskaper for de norske selskapene, ettersom all vår kommunikasjon med både banker, kunder og leverandører skjer på engelsk. Videre vil den viktigste allmenne kilden til informasjon om North Atlantic være konsernregnskapet som publiseres via Oslo Børs.

Skattedirektoratets 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 m.v., 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 og lokalsamfunnet.

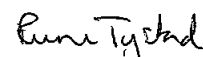
Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapenes virksomhet er utpreget internasjonal og arbeidsspråket er engelsk. Videre er det vektlagt at selskapene er datterselskap av et utenlandsk selskap.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen


Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet


Rune Tystad



SEADRILL NORWAY OPERATIONS LIMITED

Norwegian Controlled Foreign entity

Annual Report 2023

Business description

Seadrill Norway Operations Limited is a foreign company, tax resident to Norway. The Company has operational responsibility for drilling units operating on the Norwegian Continental Shelf (NCS).

The Company works under contracts with major oil and gas companies. The Company also has bareboat charter agreements with rig-owning companies within the Seadrill Group.

At the end of 2023, the Company had the operational responsibility for two operating drilling units; West Phoenix and West Elara.

The Company conducts its business from rented offices in Stavanger, Norway.

Activities in 2023

Economic utilization of the mobile units (while under contract) was on average 93.6 percent in 2023 compared to 94.1 percent in 2022.

The jack-up rig West Elara continue to operate for ConocoPhillips in the North Sea. West Elara commenced the ConocoPhillips contract in March 2018, and the contract expires in March 2028. Its current day rate is a market indexed rate which is adjusted every 6 months. This procedure is applicable until the end of contract.

In August 2021, West Phoenix commenced a new contract with Vaar Energy for 16 firm wells, there were also options for a further 2 wells which haven't been exercised by the client. Base case is now that the contract with Vaar Energy will be completed during 3Q 2024. The Company is actively marketing West Phoenix for new contracts – both on the Norwegian Continental Shelf and internationally.

Revenues and result - 2023

Total revenues generated by the Company in 2023 were USD 219.1 million, compared to USD 309.8 million in 2022. The decrease of USD 90.6 million in operating revenue is primarily due to less drilling units in operation compared to 2022.

In 2023, operating expenses totalled USD 192.6 million, leading to a net operating profit of USD 26.4 million. In 2022 the respective numbers were USD 303.6 million of operating expenses and USD 6.2 million of operating profit. The increase in operating profit during 2023 is primarily caused by a loss position for West Hercules in 2022. In addition, West Elara had lower operating income in 2022, primarily due to a scheduled special periodic survey (SPS) performed during 2022.

The Company had a net financial income of USD 2.3 million in 2023, compared to a net financial loss of USD 2.5 million in 2022. The Company has reported higher interest income as well as foreign exchange gain in 2023.

Due to a new tax assessment related to the year 2017 received in 2024 amounting to USD 0.6 million, the Company has made a provision for increased payable taxes. Net income after taxes for 2023 was a profit of USD 22.2 million, compared to a profit of USD 3.4 million in 2022.



The Board proposes that the profit should be distributed as follows:

Provided group contribution less of tax:	USD 22.18 million
Transfer to retained earnings:	USD 0.04 million
Net allocated:	USD 22.22 million

The Board is of the opinion that the financial statements have been prepared in accordance with applicable laws and regulations and that all known facts have been taken into account and that they therefore give a true and fair view of the Company's financial position as of December 31, 2023 as well as its profits during 2023.

The financial statements are prepared under the assumption of going concern. The Board of Directors confirms this condition is currently applicable.

Financial outlook

In 2017 the Company was awarded a long-term contract with ConocoPhillips for West Elara, which forms a solid base for future operations of West Elara. West Phoenix has been working under a drilling contract with Vaar Energy since the summer of 2021. This contract has been extended until 3Q 2024. The market for harsh-environmental rigs has in general tightened somewhat. Nevertheless, the Company is of the opinion that it will be challenging to conclude a new contract in direct continuation with the completion of the Vaar contract.

Cash-flow

Net cash provided by operating activities was positive by USD 21.4 million. The difference versus operating income is mainly caused by changes in working capital. Net cash spent in investment activities was zero. Net cash flow from financing activities was negative by USD 21.4 million.

Relevant risk factors

Financial risk

The Company is exposed to credit risk, interest rate risk and currency risk in its ordinary business operations. The Company's customers are large international oil companies with sound balance sheets. The credit risk is therefore considered to be low. The Company's revenues are mainly in US dollars. The Company has no long-term interest-bearing liabilities and is therefore not exposed to interest rate changes except through the cash pool agreement.

Operational risk and market risk

The Company's results are mainly dependent on the market conditions for the oil and gas industry and oil companies' demand for drilling services for exploration and production. Offers of drilling capacity from other drilling contractors are also essential. The Company is exposed to operational risks associated with drilling of oil and gas wells. Occasionally, operations may also be delayed as a result of abnormal drilling conditions, equipment repair, or failure of delivery of goods or services from suppliers.

Liquidity risk

The Company participates in a cash pool arrangement within the Seadrill Group and thus enjoys the benefit of this in relation to the financing of its activities. The Company is therefore dependent on the financing from the Seadrill Group. For further detail on liquidity



information for Seadrill, it is referred to the relevant sections of the 2023 annual report for Seadrill Ltd. on form 20-F.

Research and development

The Company has currently no research and development projects.

Working environment

As of the end of 2023, the Company had no employees. The work force is mainly being hired from Seadrill Norway Crew AS.

Transparency Act

You can find more information about how the Company proceed to the new Transparency Act by accessing <https://www.seadrill/transparency-act-report/>.

Gender equality

The Company's Board of Directors consists of men only. The Board is conscious of the overall expectation that exist to promote gender equality.

Director Liability Insurance

The directors are covered by Seadrill Liability Insurance. This insurance covers personal legal liabilities including defense- and legal costs. The directors of the parent company and all subsidiaries globally owned (owned more than 50 percent) are covered by this insurance.

External environment

The Company's operations within exploration and production drilling entail a certain emission of exhaust gas and other emissions to air and emissions of certain chemicals into the sea. In addition to these ongoing and planned operational emissions, the Company's operations always involve risks of accidental discharges that could cause environmental damage. The Company is working continuously to achieve the goal of avoiding any unforeseen emissions.

The Company's ambition is to be at the forefront of the industry with respect to preventing damage to the external environment. It has carried out a systematic registration of emissions and works actively to select the chemicals that cause the least environmental damage. The Company conducts training to stay focused on the risk of accidental discharge of our operations and motivational measures to limit the environmental impact of on- and offshore waste disposal (recycling). The Company has taken steps to ensure that its activities are in compliance with the requirements and expectations being set by various authorities, customers and partners. Oil companies have established contingency plans to limit the damage to the environment if unforeseen emissions occur.

During 2023 no events occurred causing significant damage to the environment.



Stavanger, June 28, 2024

The Board of Seadrill Norway Operations Ltd

Marcel Wieggers
Board Member

Jon Olav Østhus
Chairman of the Board

Livar Voll
Board Member

Martyn Svensen
Board Member

Roger Aserød
Board Member



To the Board of Directors of Seadrill Norway Operations Ltd NUF

Independent Auditor's Report

Opinion

We have audited the financial statements of Seadrill Norway Operations Ltd NUF (the Company), which comprise the balance sheet as at 31 December 2023, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable statutory requirements, and the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and 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 International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

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

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

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

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with 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.

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. The financial statements use 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

PricewaterhouseCoopers AS, Kanalsletta 8, Postboks 8017, NO-4068 Stavanger
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisionsberetninger>

Stavanger, 28 June 2024

PricewaterhouseCoopers AS

Arne Birkeland
State Authorised Public Accountant
(This document is signed electronically)



 Securely signed with Brevio

Revisjonsberetning

Signers:

Name	Method	Date
Birkeland, Arne	BANKID	2024-07-03 14:05

This document package contains:

- Closing page (this page)
- The original document(s)
- The electronic signatures. These are not visible in the document, but are electronically integrated.



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.



Seadrill Norway Operations Ltd NUF

Income Statement 2023

USD	Notes	2023	2022
Operating revenue			
Operating revenues	2	211 452 807	296 891 078
Reimbursable income	2	7 684 432	12 866 371
Total operating revenue		219 137 239	309 757 449
Operating expenses			
Other Operating expenses	3,4,5	(185 481 467)	(291 199 222)
Reimbursable expenses		(7 180 254)	(12 279 320)
Depreciation and amortization		0	(118 641)
Total operating expenses		(192 661 721)	(303 597 183)
Operating income / (loss)		26 475 518	6 160 267
Financial items			
Interest Income, group companies	6	4 627 978	536 395
Interest Income, other		3 471	72 848
Foreign exchange gains/(losses)	7	(493 100)	(2 852 648)
Interest expense, group companies	6	(57 674)	(74 024)
Interest expenses, other		(1 762 366)	(267 069)
Other financial items		13 077	118 455
Total financial items		2 331 387	(2 466 043)
Income / (loss) before taxes		28 806 905	3 694 223
Income taxes			
Corporate payable tax	8	(6 586 227)	(68 118)
Change deferred tax	8	-	(223 668)
Income taxes		(6 586 227)	(291 786)
Net income/ (loss)		22 220 677	3 402 437
Attributable to:			
Transferred from/to other equity		35 830	(2,872,277)
Group contribution		22 184 847	6,274,715





Seadrill Norway Operations Ltd NUF

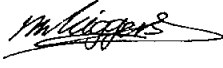
Balance Sheet

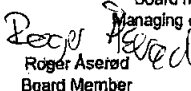
USD	Note	2023	2022
ASSETS			
Non-current assets			
Intangible assets			
Deferred tax assets	8	0	0
Total intangible assets		0	0
Current Assets			
Accounts Receivable	9	42 089 248	31 270 441
Intercompany receivables	10	87 179 977	91 296 252
Other current assets	11	4 953 310	8 385 472
Cash and Cash Equivalents	12	0	16 789
Total current assets		134 222 535	130 968 954
Total assets		134 222 535	130 968 954
LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholders' equity			
Paid-in capital			
Share capital		50 000 000	50 000 000
Total paid-in capital		50 000 000	50 000 000
Other Equity	13	(33 632 630)	(33 668 461)
Total Retained Earnings		(33 632 630)	(33 668 461)
Total shareholders' equity		16 367 370	16 331 539
Liabilities			
Non-current liabilities			
Other non-current liabilities	14	7 671 783	6 086 179
Deferred taxes	8	-	-
Total non-current liabilities		7 671 783	6 086 179
Current liabilities			
Accounts payable		5 409 352	12 122 923
Tax payable	8	17 614 772	15 792 941
Payables to group companies	10	72 054 321	64 996 400
Other current liabilities	15	15 104 936	15 638 971
Total current liabilities		110 183 383	108 551 235
Total liabilities and shareholder's equity		134 222 535	130 968 954


Stavanger, June 28th, 2024
The Board of Seadrill Norway Operations Ltd


Livar Voll
Board Member


Jon Olav Østhus
Chairman


Marcel Wleggers
Board member


Roger Aserød
Board Member


Martyn Svensen
Board Member



Seadrill Norway Operations Ltd NUF
Cash Flow Statement

USD	2023	2022
Cash flow from operating activities		
Income before tax	28 806 905	3 694 223
<i>Adjustments to reconcile net income to net cash provided by operating activities:</i>		
Depreciation	-	118 641
Loss on impairment		-
Financial gains/loss without cash effect	229 784	50 194
Taxes paid	-	-
<i>Changes in working capital items:</i>		
Accounts receivable	(10 818 808)	49 292 199
Other current receivables	4 705 087	12 018 875
Other non-current liabilities	1 585 604	(3 471 553)
Accounts payable	(6 713 571)	19 071
Other current liabilities	3 572 400	(11 380 190)
Net cash provided by operating activities	21 367 401	50 341 461
Cash flow from investment activities		
Investments in fixed assets	-	-
Net cash used in investment activities	-	-
Cash flow from financing activities		
Change in group cash pool		
Change in other payables and receivables group companies	(21 384 189)	(81 040 214)
Net cash from / to financing activities	(21 384 189)	(81 040 214)
Net increase (decrease) in cash and cash equivalents	(16 789)	(30 698 753)
Cash at the beginning of the reporting period	16 789	30 715 541
Cash and cash equivalents at the end of the reporting period	(0)	16 789



Seadrill Norway Operations Ltd NUF

Notes to the financial statements for the period ending December 31, 2023

Note 1 - Accounting principles

Main activity

Seadrill Norway Operations Ltd is a foreign company resident to Norway. The Company was incorporated at March 23, 2011, and has its office address in Bermuda.

The Company is a provider of services to the oil and gas industry. The Company specifically provides these services within the field of offshore drilling and drilling related services.

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

The majority of the Company's transactions is in US Dollars. For that reason, the Company's functional currency is US Dollar.

Revenue recognition

The bulk of the Company's revenues are derived from daily rates computed from drilling contracts. Revenue is recognized in the period that services are provided. Certain drilling contracts have bonus incentives that are paid out if the Company fulfills certain criteria specified in the contract. If any uncertainty of the validity of such bonus payments arise during the contracted work, the revenue will only be recognized at the end of the contract. Expenses are recognized in the same period as the corresponding income is recognized.

Reimbursable income

Reimbursements received for the purchases of supplies, personnel services and other services provided on behalf of and at the request of our customers in accordance with a contract or agreement are recorded as revenue. The related costs are recorded as reimbursable expenses in the same period.

Balance sheet classification

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities. Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value. Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value.

Ongoing maintenance

Actual cost will be recognized as operating expense when the maintenance occurred. Recognition of periodic and long term maintenance will be explained further under long term maintenance.

Foreign currency translation

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into USD using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into USD using the exchange rate applicable on the transaction date. Changes to exchange rates are recognized in the income statement as they occur during the accounting period.

Other non-current assets

Non-current assets are recorded at historic cost less accumulated depreciation. Fixed assets are depreciated on a straight line basis over their useful lifetime. Furniture and office equipment are depreciated over its useful life, usually expected to be between three and ten years, depending on the classification and the use of the asset.

Leases

Leaseholds are recognized as operational leases and expensed in the corresponding periods from the date the lease agreement has been signed.

Receivables

Receivables, including accounts receivable, are recorded in the balance sheet at their nominal amount less an allowance for doubtful accounts. The Company establishes reserves for doubtful accounts on a case-by-case basis when it is unlikely that required payments of specific amounts will occur. In establishing these reserves, the Company considers the financial condition of the customer as well as specific circumstances related to the receivable, such as customer disputes. Receivable amounts determined as being unrecoverable are written off.

Cash and cash equivalents

Cash and cash equivalents includes cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

Tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22 % of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that they will be utilized.

Cash flow statements

The Company uses the indirect method for the presentation of the cash flow statements. Cash and cash equivalents are defined as cash, cash deposits, and other short-term liquid investments.



Note 2 - Segment information

Revenues are attributed to geographical segments based on the country of operations for drilling activities. That is, the country where the revenues are generated. The following present the Company's revenue by geographic areas:

USD	2023	2022
Norway	219 137 239	309 757 449
Total	219 137 239	309 757 449

Note 3 - Other operating expenses

USD	2 023	2 022
Repair and maintenance costs	29 196 528	40 370 338
Administration costs and management fees	30 013 774	34 639 229
Bareboat charter	40 490 145	66 110 644
Hire of personnel	66 454 721	119 180 073
Other expenses	19 326 298	30 898 938
Total	185 481 467	291 199 222

Note 4 - Salaries, personnel costs and number of employees

There are no employees in Seadrill Norway Operations Ltd. Personnel is hired from Seadrill Norway Crew AS according through long term agreements.

Note 5 - Compensation to General Managers, the Board of Directors and auditor

Remuneration to the General Manager is recognized in Seadrill Norway Operations Ltd through a management fee from Seadrill Europe Management AS.

Fees to Directors and auditors

No Directors fees have been paid in 2023.

Auditor fee has been recognized in Seadrill Europe Management AS and allocated to Seadrill Norway Operations Ltd through management fees.

Note 6 - Intercompany transactions

The Company has entered into various long-term agreement with group companies regarding management services, provision of personnel, lease of rigs etc. related to the operation of rigs on the Norwegian continental shelf. Under these agreements, the following transactions have been conducted:

USD	2023	2022
Revenues:		
Other recharged expenses	3 506 607	1 480 172
Interest income	4 627 978	536 395
Costs:		
Interest expenses	57 674	74 024
Bareboat fees	40 490 145	66 110 644
Management fees	30 013 774	34 639 229
Crew costs	66 454 721	119 180 073

Note 7 - Agio/Disagio

USD	2 023	2 022
Unrealized foreign exchange gain/(loss)	(196 236)	(1 496 876)
Realized foreign exchange gain/(loss)	(296 864)	(1 355 772)
Total gain	(493 100)	(2 852 648)



Note 8 - Taxes

Reconciliation of difference between net income before tax and basis for income tax:

USD	2023	2022
Income before tax - current year	28 806 905	3 694 223
Prior year income before tax recognized in current year (see note 19)	-	-
+ Other permanent differences	-	-
Cap on interests	-	-
Prior year Cap on interests recognized in current year	-	-
+ Change in temporary differences current year	-	(1 016 674)
+ Prior year Change in temporary differences recognized in current year	-	-
NOL brought forward	-	-
Translation difference	(1 409 267)	5 595 112
Prior year Translation difference recognized in current year	-	-
Basis for taxes payable - Norway	27 397 638	8 272 661

Income tax expense in the income statement includes the following elements:

Tax payable on net income	6 027 480	1 819 985
Uncertain Tax Position	-	-
Prior year tax payable recognized in current year	-	-
Current year effect on deferred tax as of 31.12 due to change in corporate tax rate *	-	-
Change in deferred tax (excl. effect of change in tax rate)	-	223 668
Tax effect net operating loss brought forward	-	-
Tax effect of group contribution from sister company	-	-
Translation difference deferred tax	-	-
Reassessment from previous years	558 747	(1 751 868)
Tax expense	6 586 227	291 786

Tax payable in the balance sheet consists of the following elements:

USD	2023	2022
Estimated owed taxes payable - Norway	6 257 265	1 769 791
Reassessment from previous years including calculated interest	17 056 026	14 023 150
Reassessed tax from 2017 - paid in 2024	558 747	-
Tax reduction due to group contribution	(6 257 265)	-
Unpaid taxes payable in the balance sheet	17 614 772	15 792 941

Deferred tax:

USD	14.07.1905	Change
Long-term maintenance	-	-
Receivables	-	-
Provisions	-	-
Total temporary differences	-	-
Corporate tax rate	22 %	-
Deferred tax liability	-	-
Net operating loss brought forward	-	-
Deferred tax asset	-	-
Net Deferred tax liability	-	-

Reconciliation of tax expense to the nominal tax rate:

USD	2023	2022
Income before taxes	28 806 905	3 694 223
Actual tax expense	6 586 227	291 786
Tax expense at corporate tax rate	6 337 519	812 729
Difference	248 708	(520 943)

Explanation of the difference:

Currency differences on deferred tax	-	1 230 925
Effect on deferred tax as of 31.12 due to change of corporate tax rate	-	-
currency difference on taxes payable	(310 039)	-
Tax reassessment previous years	558 747	(1 751 868)
Total	248 708	(520 943)

Tax payable

Over the last couple of years the Company has had a dispute with the Norwegian Tax Authorities. During 2022 the Company has received an assessment where the Company has to pay an amount of approximately USD 16 million related to the outstanding issues. The Company do not agree in the assessment and an appeal has been submitted. Even though the Company disagree in the assessment a provision has been made in the accounts. The Company is also making accrual of interest related to the assessment. At the end of 2023 the total amount including accrued interest amounts to USD 17,1 million.



Note 9 - Accounts receivables

Accounts receivable include unbilled receivables and are presented net of allowances for doubtful accounts. The allowance for doubtful accounts receivables at December 31, 2023 and 2022 were USD 0, respectively.

The Company did not recognize any bad debt expense in 2023 or 2022.

Note 10 - Related parties

The Company has the following intercompany balances at year end:

USD	2023	2022
Short term receivable intercompany	87 179 977	91 296 252
Short term liabilities intercompany*	72 054 321	64 996 400
Net receivable/liability	15 125 656	26 299 852

\$40,078,000 of Intercompany receivable falls under the Cash pooling arrangement that the Company participates in. These amounts are unsecured, repayable on demand and carried an interest of SOFR (O/N)+ 0.015% on loans in USD during the year.

Note 11 - Other current assets

USD	2023	2022
Prepaid expenses	1 605 300	1 587 596
VAT receivable	714 148	672 432
Rechargeables West Hercules	(261)	-
Rechargeables West Phoenix	899 781	646 049
Rechargeables West Elara	329 989	844 795
Rechargeables West Linus	305 863	(96 126)
Deferred mobilization cost	-	4 402 117
Other receivables	1 088 491	328 609
Total	4 953 310	8 385 472

Note 12 - Cash, cash equivalents and tax funds

The Company is part of a cash pool arrangement for the Seadrill Group with DnB, where cash is transferred to the cash pool owner (Seadrill treasury UK Ltd.) and the Company will this have an intercompany balance with the cash pool owner.

USD	2023	2022
Cash and Cash Equivalents	0	16 789

Note 13 - Equity

USD	Share capital	Retained earnings	Total equity
Equity as of December 31, 2022	50 000 000	(33 668 461)	16 331 539
Net income		22 220 677	22 220 677
Group contribution, net of tax		(22 184 847)	(22 184 847)
Translation difference			-
Equity as of December 31, 2023	50 000 000	(33 632 630)	16 367 370



Note 14 - Other non-current liabilities

USD	2023	2022
Deferred revenues	7 671 783	6 086 179
Total	7 671 783	6 086 179

The amount will be amortized over the remaining contract period, which is until 2028.

Note 15 - Other current liabilities

USD	2023	2022
Provision for accrued expenses West Elara	2 731 577	5 820 948
Provision for accrued expenses West Linus	309 464	1 076 744
Provision for accrued expenses West Phoenix	5 128 015	5 163 025
Provision for accrued expenses West Aquarius	2 161 231	-
Provision for accrued expenses West Hercules	1 218 984	-
Deferred revenues	3 506 607	3 471 553
Accrual for Fearnley Offshore Commission, West Phoenix	49 060	106 701
Total	15 104 938	15 638 971

Note 16 - Lease agreements

The Company has signed leases with other group companies and related parties for rental of drilling units. The lease agreements are so-called back to back agreement for the period Seadrill Norway Operations Ltd has a contract with a third party and are designed so that the Company pays a fixed day rate. Both these lease agreement are defined are operational lease agreements.

In 2023, the Company had the following leases (excluding options):

Rig	Lease valid until
West Elara	March 2028
West Phoenix	August 2024

Total expense for lease of rigs in 2023 was USD 40 490 145

In addition to day rates the operating company will cover the insurance for the rigs.

The Company has the following estimated future lease commitments under the above mentioned lease agreements:

	2024	2025	2026	2027	2028
Lease commitment	45 542 500	21 133 500	21 133 500	21 133 500	5 211 000

Note 17 - Consolidation

Seadrill Norway Operations Ltd, is a fully owned subsidiary of Seadrill Ltd.
Seadrill Ltd has its office address at Park Place, 55 Par la Ville Road, Hamilton, HM 11, Bermuda.