



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2019 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 976 854 020
Organisasjonsform: Aksjeselskap
Foretaksnavn: DEEPOCEAN AFRICA AS
Forretningsadresse: Bygg 6
Skogstøstraen 37
4029 STAVANGER

Regnskapsår

Årsregnskapets periode: 01.01.2019 - 31.12.2019

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: Øyvind Apeland
Dato for fastsettelse av årsregnskapet: 23.06.2020

Grunnlag for avgivelse

År 2019: Årsregnskapet er elektronisk innlevert
År 2018: Tall er hentet fra elektronisk innlevert årsregnskap fra 2019

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, 24.06.2021



Resultatregnskap

Beløp i: NOK	Note	2019	2018
RESULTATREGNSKAP			
Inntekter			
Annen driftsinntekt		17 700 000	
Sum inntekter		17 700 000	
Kostnader			
Varekostnad		16 908 232	94 065
Annen driftskostnad		51 568	51 111
Sum kostnader		16 959 800	145 176
Driftsresultat		740 200	-145 176
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern		1 379 894	10 562 662
Annen finansinntekt		350	3 012
Sum finansinntekter		1 380 244	10 565 674
Annen finanskostnad		-787 789	-30 347
Sum finanskostnader		-787 789	-30 347
Netto finans		2 168 034	10 596 022
Ordinært resultat før skattekostnad		2 908 234	10 450 846
Skattekostnad på ordinært resultat		-44 647 223	
Ordinært resultat etter skattekostnad		47 555 457	10 450 846
Årsresultat		47 555 457	10 450 846
Årsresultat etter minoritetsinteresser		47 555 457	10 450 846
Totalresultat		47 555 457	10 450 846
Overføringer og disponeringer			
Avsatt til annen egenkapital		47 555 457	10 450 846
Sum overføringer og disponeringer		47 555 457	10 450 846



Balanse

Beløp i: NOK	Note	2019	2018
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel		44 647 223	
Sum immaterielle eiendeler		44 647 223	
Finansielle anleggsmidler			
Lån til foretak i samme konsern		10 142 471	
Sum finansielle anleggsmidler		10 142 471	
Sum anleggsmidler		54 789 694	0
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer		18 065 276	18 276 825
Sum fordringer		18 065 276	18 276 825
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter o.l.		12 951	68 748
Sum bankinnskudd, kontanter og lignende		12 951	68 748
Sum omløpsmidler		18 078 227	18 345 573
SUM EIENDELER		72 867 921	18 345 573
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital		5 000 000	5 000 000
Sum innskutt egenkapital		5 000 001	5 000 001
Opptjent egenkapital			



Balanse

Beløp i: NOK	Note	2019	2018
Annen egenkapital		60 855 979	13 300 522
Sum opptjent egenkapital		60 855 979	13 300 522
Sum egenkapital		65 855 979	18 300 522
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Leverandørgjeld		7 011 942	
Annen kortsiktig gjeld			45 050
Sum kortsiktig gjeld		7 011 942	45 050
Sum gjeld		7 011 942	45 050
SUM EGENKAPITAL OG GJELD		72 867 921	18 345 573



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DeepOcean Africa AS
976 854 020
ANNUAL REPORT
2019

DEEPOCEAN



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Income statement			
Note	2019	2018	
Operating revenues and expenses			
	Sales revenues	17 700 000	0
	Gross operating revenues	17 700 000	0
2	Project costs	16 908 232	94 065
6	Other operating costs	51 568	51 112
	Operating expenses	16 959 800	145 178
	Operating result	740 200	-145 178
Finance income and expenses			
2	Interest income from group companies	1 379 894	10 562 662
	Interest income	350	3 012
7	Net foreign exchange gain/loss	787 889	30 349
	Other financial expenses	-100	0
	Net financial items	2 168 034	10 596 023
	Profit /(loss) before tax	2 908 234	10 450 846
5	Tax	-44 647 223	0
	Net profit/(loss)	47 555 457	10 450 846
	Transfer from (to) other equity	-47 555 457	-10 450 846
3	Allocations	-47 555 457	-10 450 846



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Balance Sheet

Note	ASSETS	31.12.2019	31.12.2018
	Fixed assets		
5	Deferred tax asset	44 647 223	0
	Total intangible assets	44 647 223	0
	Financial fixed assets		
2	Loan to group companies	10 142 471	0
	Total financial fixed assets	10 142 471	0
	Total fixed assets	54 789 694	0
	Current assets		
	Receivables		
2	Receivables from group companies	18 057 819	18 276 825
	Other current assets	7 457	0
	Total receivables	18 065 276	18 276 825
8	Bank and cash	12 951	68 748
	Total current assets	18 078 227	18 345 573
	TOTAL ASSETS	72 867 921	18 345 573



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Note	EQUITY AND LIABILITIES	31.12.2019	31.12.2018
	Equity		
4	Share capital	5 000 000	5 000 000
	Total paid-in-capital	5 000 000	5 000 000
	Other equity	60 855 979	13 300 522
	Total retained earnings	60 855 979	13 300 522
3	Total equity	65 855 979	18 300 522
	Liabilities		
	Non-current liabilities		
	Current liabilities		
	Accounts payable	34 453	0
2	Liabilities to group companies	6 977 489	0
	Other current liabilities	0	45 050
	Total current liabilities	7 011 942	45 050
	Total liabilities	7 011 942	45 050
	TOTAL EQUITY AND LIABILITIES	72 867 920	18 345 573

Haugesund, 23. June 2020

Øyvind Mikaelson
Chairman of the Board

Frode Garlid
Board Member/
Managing Director



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Accounting principles

The Financial Statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles for Small Companies.

The Company has been given consent by the Norwegian Tax Directorate to prepare financial statements in English language.

DeepOcean Africa AS is a subsidiary of DeepOcean Norway AS with Tricer HoldCo S.C.A as the ultimate parent.

Foreign currency

Monetary items are translated using the exchange rates at the balance sheet date.

Sales revenue

Sales revenues are recognized upon delivery. Revenue from services are recognized upon performance.

Balance sheet classification

Fixed assets are comprised of assets intended for long term ownership and use. Fixed assets are recorded in the balance sheet and depreciated over the estimated useful economic life. Fixed assets are written down to recoverable amount when decreases in value are expected to be permanent.

Current assets and liabilities are comprised of items receivable/due within one year and items related to the inventory cycle. Current assets are valued at the lower of cost and market.

Receivables

Accounts receivables and other receivables are recorded in the balance sheet at nominal value less a provision for doubtful accounts. Provision for doubtful accounts is determined on the basis of an assessment of individual receivables.

Taxes

The income tax expense is comprised of both tax payable for the period, and changes in deferred tax. Deferred tax is determined on the basis of existing temporary differences between accounting net income and tax net income, including year-end loss carry-forwards, calculated at nominal tax rate. Temporary differences, both positive and negative, which will or are likely to reverse in the same period, are recorded as a net amount.

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 balance sheet are presented net.



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DeepOcean Africa AS

Notes to the financial statements

Note 1 Assets and liabilities

The Company has no long-term liabilities later than 5 years.

All assets in the subsidiaries in DeepOcean Group are pledged as security for the external debt. Further reference is made to note 1.1 for more details regarding Group financing.

Note 2 Transactions and balances with group companies

Related party transactions:

The Company entered into transactions with group companies, as summarised below.

Revenue	2019	2018
Management fee	17 700 000	0
Total	17 700 000	-
Expenses		
Management fee	16 246 158	103 692
Other costs	529 383	0
Total	16 775 541	103 692
Financial items		
Interest income	1 379 894	10 562 662
Net financial items	1 379 894	10 562 662
Balance sheet		
Loans to group companies	10 142 471	0
Short term Receivables group companies	18 057 819	18 276 825
Short term Payables group companies	-6 977 489	0
Total	21 222 800	18 276 825

Repayment plans for Intercompany loans are signed.



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DeepOcean Africa AS

Notes to the financial statements

Note 3 Equity

Change in equity	Share Capital	Share premium	Other Equity	Total
Equity 01.01	5 000 000	0	13 300 522	18 300 522
Profit (loss) this year	0	0	47 555 457	47 555 457
Group contribution given				0
Equity 31.12	5 000 000	0	60 855 979	65 855 979

Note 4 Share Capital and shareholder information

The Share Capital of NOK 5.000.000 includes 1 share with face value NOK 5.000.000. All shares have equal rights.

Shareholders	Shares	Total	Share
DeepOcean Norway AS	1	1	100 %

Note 5 Taxes

	Change	2019	2018
Temporary differences			
Provisions	0	0	0
Net temporary differences	0	0	0
Tax losses carried forward		-205 850 158	-216 301 004
Net result this year		2 908 234	10 450 846
Basis for deferred tax/tax assets		-202 941 925	-205 850 158
Deferred tax assets based on nominal rate (22%/23%)		44 647 223	45 287 035
Deferred tax asset not recorded			-45 287 035
Deferred tax/tax asset in the balance sheet		44 647 223	0
Basis for income tax expense, changes in deferred tax and tax payable			
Result before taxes		2 908 234	10 450 846
Permanent differences		0	0
Basis for the tax expense for the year		2 908 234	10 450 846
Utilize tax losses carried forward		-2 908 234	-10 450 846
Taxable income (basis for payable taxes in the balance sheet)		0	0
Components of the income tax expense			
Payable tax on this year's result		0	0
Total payable tax		0	0
Change in deferred tax		-44 647 223	0
Tax expense		-44 647 223	0
Payable taxes in balance sheet			
Payable tax in the charge		0	0
Payable tax in the balance sheet		-	-



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DeepOcean Africa AS

Notes to the financial statements

Note 6 Payroll expenses, employees, remuneration, loans to employees, etc.

Auditor	2019	2018
Allocation of auditor fee:		
Statutory audit excl VAT	15 375	25 000
Other assurance services excl VAT	0	25 500
Total fee auditor excl VAT	15 375	50 500

The Company has no employees and therefore no pension schemes to meet the requirements of the law on compulsory occupational pension.

There have been no salary or considerations to a general manager, board members or other related parties. No loans/securities have been granted to the general manager, board members or other related parties.

Note 7 Specification of financial income and expenses

Foreign exchange gains and losses	2019	2018
Foreign exchange gains	822 379	30 349
Foreign exchange losses	-34 490	0
Net financial gains and losses	787 889	30 349

Note 8 Restricted cash

The Company has no restricted cash as of 31.12.19.

Note 9 Group information

DeepOcean Africa AS is a subsidiary of DeepOcean Norway AS with Tricer HoldCo S.C.A as its ultimate shareholder. Tricer HoldCo S.C.A is having its statutory seat in Luxembourg, and is registrered with the Registre de Commerce et des Sociétés under number B210246.

Note 10 Group financing

At 31 December 2019, total interest-bearing debt for DeepOcean Group amounted to USD101.6M (2018 USD109.0M), consisting of the drawn amount on the Revolving Credit Facility (RCF) of USD84.6M and USD17.0M of the term loan. The borrowing base under the credit facility is fully drawn. The Group has an ancillary facility of EUR45.0M that can conditionally be increased up to EUR70.0M, with a non-reversible transfer of commitment from the RCF. In addition, there is an option to request a EUR20.0M accordion facility to the RCF. The purpose of the Credit Facility is to finance the Group's working capital.

Financially, the Group's liquidity situation has been stable after the agreement with the lenders of postponement of instalments on the term loan finalised on 30th of November 2018. As per 31st of December 2019, financial covenants for the Group's debt instruments were within the applicable thresholds.

The Company is a subsidiary in DeepOcean Group and is impacted by the Group's financing and intercompany loans and borrowings.

The Company is also an obligor in the Credit Facility arrangement and all assets are pledged.



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DeepOcean Africa AS

Notes to the financial statements

Note 11 Basis for preparation - Going Concern

The Financial statements have been prepared on the basis of historical cost through profit or loss. Income and expenses are accounted for on an accrual basis.

During the first quarter of 2020, the sharp decline in commodity prices, exacerbated by the COVID-19 pandemic caused global disruption, with significant negative consequences both for human health, economic activity and the energy sector. The potential impact on DeepOcean is yet to be seen as offshore activities in the North Sea and Africa continue without delay. The challenging commodity price environment together with the effects of the COVID-19 pandemic create unprecedented uncertainty and makes it challenging to firmly predict the long-term effects for DeepOcean.

DeepOcean has taken a number of measures already to mitigate substantial negative impact for the company including reduced investment plans, pushed vendor terms with all major suppliers and lessors, and planned major restructuring across the organisation. The restructuring plan is now approved and will be rolled out across the organisation immediately. This plan includes major reductions in SG&A staff, contractors and underutilised OPEX employees. Furthermore, management has engaged with vessel owners to instigate vessel rate reductions. This overall process is being aligned with close collaboration with customers, banks and financial institutions, suppliers and employees. The actions are an acknowledgement of current events as well as uncertainty around the timing and path of recovery. DeepOcean also has proactive dialogues with governments to ensure participation in financial relief measures aimed at containing economic effects of the COVID-19 (corona) virus outbreak.

Also, based on the current forecast/budget scenario, management does not see an immediate risk of breaking the bank covenants (Liquidity & LTM EBITDA) in 2020. However, there is a potential scenario where the EBITDA covenant is breached in Q1/Q2 2021. To mitigate this risk of covenant breach, DeepOcean as stated above is taking a number of measures to limit the potential negative impact of the sharp decline in commodity prices and the COVID-19 pandemic.

The high market volatility caused by the COVID-19 pandemic in conjunction with the collapse of the oil price, increases the risk regarding the going concern assumption for most companies, and this is also the case for DeepOcean. Although the risk has increased, the assessment is that DeepOcean has the resources, organization, competence, assets and customer base to continue being a going concern. Notwithstanding, all the mitigation measures implemented and the ongoing restructuring, there is material uncertainty for DeepOcean to continue as a going concern over the next 12 months due to the COVID-19 pandemic and the collapse of the oil price.

Note 12 Subsequent events

COVID-19 pandemic and Market Uncertainty During the first quarter of 2020, the spread of the COVID-19 virus caused global disruption, with negative consequences both for human health and economic activity. At the date of this report, employees in several DeepOcean offices worked from home. However, offshore activities in the North Sea and Africa are continuing as planned currently. The challenging commodity price environment together with the effects of the Covid-19 pandemic create unprecedented uncertainty and may have an adverse impact on both activity and financial performance of DeepOcean. Due to the high level of uncertainties at the time this report was finalized, it is still difficult to quantify more exactly the adverse effects and it is also too early to conclude on timing and path of recovery.

From a financial reporting perspective, the COVID-19 pandemic and the market uncertainty is expected to impact the execution of deliveries to clients and the performance of the company. However, as stated above this impact is hard to quantify currently due to offshore activities progressing as planned. Further, it could impact the long-term market outlook and future assessments of recoverable amounts of DeepOcean's assets. DeepOcean are working to restructure certain areas of the business, selectively lay-off staff and further streamline the business in anticipation of a prolonged market downturn.



MOTTATT

11 JAN. 2016

Skattedirektoratet

Saksbehandler
Torstein Kinden Helleland

Deres dato
05.01.2016

Vår dato
07.01.2016

Telefon
22078139

Deres referanse
Øyvind Apeland

Vår referanse
2012/430841

DEEPOCEAN NORWAY AS
Postboks 2144
5504 HAUGESUND

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

— Vi viser til deres brev av 5. januar 2016 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper;

DeepOcean Norway AS	org. nr. 896 696 262
DeepOcean AS	org. nr. 980 722 805
DeepOcean Management AS	org. nr. 987 538 880
DeepOcean Maritime AS	org. nr. 948 230 798
Deep Ocean Shipping AS	org. nr. 979 456 107
DeepOcean Shipping II AS	org. nr. 992 035 870
DeepOcean Shipping III AS	org. nr. 977 289 483
DeepOcean Shipping IV AS	org. nr. 976 854 020
DeepOcean Shipping V AS	org. nr. 914 883 164
DeepOcean Shipping VI AS	org. nr. 914 937 590
Northwest Maritime AS	org. nr. 966 250 380
DeepOcean 1 UK Ltd (norsk NUF)	org. nr. 997 914 775

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på 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

DeepOcean Norway AS (tidligere DeepOcean Group Holding AS) er nå det norske morselskapet i DeepOcean gruppen og 100 % datterselskap av konsernspissen DeepOcean Group Holding BV. DeepOcean Group Holding BV er 100 % eid av amerikanske obligasjonsfond. Konsernet fikk i vedtak av 15. august 2012 tillatelse til å benytte engelsk språk. Konsernet er et integrert oljeservicekonsern som driver internasjonal virksomhet innen områdene Subsea Services, Subsea Trenching and Protection. Konsernet driver innen en bransje hvor engelsk benyttes i

Postadresse
Postboks 9200 Grønland
0134 Oslo

Besøksadresse:
Se www.skatteetaten.no
Org.nr: 996250318
E-post: skatteetaten.no/sendepost

Sentralbord
800 80 000
Telefaks
22 17 08 60



all kommunikasjon med forretningsforbindelser. Det interne arbeidsspråket i selskapene er også engelsk og all intern rapportering skjer på dette språket. Alle selskapene har styreleder og/eller styremedlemmer som ikke er norskspråklige. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

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 kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapet er 100 % eid av amerikanske obligasjonsfond. Konsernet er tidligere innvilget dispensasjon. Det vesentlige av virksomheten foregår i utlandet. Selskapets arbeidsspråk er engelsk og all kommunikasjon skjer på engelsk. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle aktører behersker og benytter engelsk språk.



Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer





Statsautoriserte revisorer
Ernst & Young AS

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Medlemmer av Den norske revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of DeepOcean Africa AS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of DeepOcean Africa AS, which comprise the balance sheet as at 31 December 2019, the income 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 have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company as at 31 December 2019 and its financial performance 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, 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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in Norway, and we have fulfilled our ethical responsibilities as required by law and regulations. We have also complied with our other ethical obligations 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 including the uncertainty about Covid 19

We draw attention to note 10, 11 and 12 in the financial statements, which includes information relating to the going concern assumption while also considering the developments surrounding the Corona (COVID-19) virus. These developments have a profound impact on people's health and on our society as a whole, as well as on the operational and financial performance of organizations and the assessment of the ability to continue as a Going Concern. The financial statements and our auditor's report reflect the conditions at the time of preparation.

The situation changes on a daily basis giving rise to inherent uncertainty. DeepOcean Africa AS is confronted with this uncertainty as well, that is also disclosed in the note 10 and 11 to the financial statements and the disclosure about events after the reporting period in note 12. We draw attention to these disclosures.

These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of management for the financial statements

The Board of Directors and Chief Executive Officer (management) is 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



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working world

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 International Standards on Auditing (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.

As part of an audit in accordance with law, regulations and generally accepted auditing principles in Norway, including ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also

- ▶ identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ▶ obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- ▶ evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- ▶ conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- ▶ evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Opinion on registration and documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to ensure that the Company's accounting information is properly recorded and documented as required by law and bookkeeping standards and practices accepted in Norway.

Independent auditor's report - DeepOcean Africa AS

A member firm of Ernst & Young Global Limited

Pennco Dokumentnøkkel: YFZL8-SFD5A-44J8I-M1T46-TD17F-M7D7Y



Bergen, 24 June 2020
ERNST & YOUNG AS

The auditor's report is signed electronically

Øyvind Nore
State Authorised Public Accountant (Norway)

Penneo Dokumentnøkkel: YFZL8-SFDSA-44J8I-M1T46-TD17F-M7D7Y

Independent auditor's report - DeepOcean Africa AS

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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Øyvind Nore

Statsautorisert revisor

På vegne av: Ernst & Young AS

Serienummer: 9578-5994-4-485745

IP: 84.211.xxx.xxx

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