



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

| | |
|----------------------|-------------------------------------|
| Organisasjonsnummer: | 888 131 442 |
| Organisasjonsform: | Aksjeselskap |
| Foretaksnavn: | DOF SUBSEA NORWAY AS |
| Forretningsadresse: | Thormøhlens gate 53C 5006 BERGEN |

Regnskapsår

| | |
|-------------------------|-------------------------|
| Årsregnskapets periode: | 01.01.2021 - 31.12.2021 |
|-------------------------|-------------------------|

Konsern

| | |
|-----------------------|-----|
| Morselskap i konsern: | Nei |
|-----------------------|-----|

Regnskapsregler

| | |
|--|----------------|
| Regler for små foretak benyttet: | Nei |
| Benyttet ved utarbeidelsen av årsregnskapet til selskapet: | Forenklet IFRS |

Årsregnskapet fastsatt av kompetent organ

| | |
|--|-------------------|
| Bekreftet av representant for selskapet: | Daniel Brandsæter |
| Dato for fastsettelse av årsregnskapet: | 24.06.2022 |

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert

År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

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, 29.05.2026



Resultatregnskap

| Beløp i: NOK | Note | 2021 | 2020 |
|---|-------|--------------------|--------------------|
| RESULTATREGNSKAP | | | |
| Inntekter | | | |
| Operating income | 4, 15 | 482 751 000 | 467 590 000 |
| Sum inntekter | | 482 751 000 | 467 590 000 |
| Kostnader | | | |
| Time charter vessel | 15 | 84 863 000 | 123 763 000 |
| Purchase of goods and services | 15 | 272 116 000 | 182 480 000 |
| Payroll expenses | 6, 7 | 61 419 000 | 119 871 000 |
| Depreciation | 10 | 6 225 000 | 5 741 000 |
| Nedskrivning av varige driftsmidler og immaterielle eiendeler | 10 | | |
| Other expenses | 15 | 32 514 000 | 50 180 000 |
| Sum kostnader | | 457 137 000 | 482 036 000 |
| Driftsresultat | | 25 614 000 | -14 446 000 |
| Finansinntekter og finanskostnader | | | |
| Annen renteinntekt | | 189 000 | 187 000 |
| Realized gain / loss on financial instruments | | 5 588 000 | 2 886 000 |
| Sum finansinntekter | | 5 778 000 | 3 073 000 |
| Financial expenses | | 980 000 | 1 274 000 |
| Unrealized gain / loss on financial instruments | | 6 330 000 | -5 982 000 |
| Sum finanskostnader | | 7 310 000 | -4 707 000 |
| Netto finans | 8 | -1 532 000 | 7 781 000 |
| Ordinært resultat før skattekostnad | | 24 082 000 | -6 665 000 |
| Tax expenses | 9 | 21 946 000 | 17 277 000 |
| Ordinært resultat etter skattekostnad | | 2 136 000 | -23 942 000 |
| Årsresultat | | 2 136 000 | -23 942 000 |
| Årsresultat etter minoritetsinteresser | | 2 136 000 | -23 942 000 |
| Defined benefit plan actuarial gain/loss | | | |



Resultatregnskap

| Beløp i: NOK | Note | 2021 | 2020 |
|---------------------|-------------|-------------|-------------|
| Totalresultat | | 2 136 000 | -23 942 000 |



Balanse

| Beløp i: NOK | Note | 2021 | 2020 |
|---------------------------------------|--------|--------------------|--------------------|
| BALANSE - EIENDELER | | | |
| Anleggsmidler | | | |
| Immaterielle eiendeler | | | |
| Sum immaterielle eiendeler | 9 | | |
| Varige driftsmidler | | | |
| Vessel related work systems | 10, 11 | 8 291 000 | 7 897 000 |
| Machinery and other equipment | 10 | 307 000 | |
| Equipment and other movables | | 4 432 000 | 7 735 000 |
| Sum varige driftsmidler | | 13 030 000 | 15 632 000 |
| Sum anleggsmidler | | 13 030 000 | 15 632 000 |
| Omløpsmidler | | | |
| Varer | | | |
| Fordringer | | | |
| Trade receivables | | 129 693 000 | 42 923 000 |
| Accrued uninvoiced income | 5 | 35 606 000 | 18 055 000 |
| Other current receivables | | 1 128 000 | 3 296 000 |
| Konsernfordringer | 12, 15 | 84 620 000 | 93 954 000 |
| Sum fordringer | | 251 047 000 | 158 227 000 |
| Cash and cash equivalents | 12 | | |
| Sum omløpsmidler | | 251 047 000 | 158 227 000 |
| SUM EIENDELER | | 264 077 000 | 173 859 000 |
| BALANSE - EGENKAPITAL OG GJELD | | | |
| Egenkapital | | | |
| Innskutt egenkapital | | | |
| Share capital | 14 | 235 830 000 | 229 092 000 |
| Overkurs | 14 | | |
| Annen innskutt egenkapital | 14 | | |



Balanse

| Beløp i: NOK | Note | 2021 | 2020 |
|-----------------------------------|-------------|---------------------|---------------------|
| Sum innskutt egenkapital | | 235 830 000 | 229 092 000 |
| Opptjent egenkapital | | | |
| Udekket tap | 14 | 139 627 000 | 265 025 000 |
| Sum opptjent egenkapital | | -139 627 000 | -265 025 000 |
| Sum egenkapital | | 96 203 000 | -35 933 000 |
| Gjeld | | | |
| Langsiktig gjeld | | | |
| Pensjonsforpliktelser | 7 | | |
| Utsatt skatt | 9 | | |
| Annen langsiktig gjeld | | | |
| Other non-current liabilities | 11 | 2 435 000 | 4 756 000 |
| Sum annen langsiktig gjeld | | 2 435 000 | 4 756 000 |
| Sum langsiktig gjeld | | 2 435 000 | 4 756 000 |
| Kortsiktig gjeld | | | |
| Leverandørgjeld | | 1 355 000 | 7 615 000 |
| Tax payable | 9 | | |
| Public duties payable | | 2 068 000 | 7 195 000 |
| Kortsiktig konserngjeld | 15 | 132 662 000 | 162 599 000 |
| Other current liabilities | 11 | 29 354 000 | 27 628 000 |
| Sum kortsiktig gjeld | | 165 439 000 | 205 036 000 |
| Sum gjeld | | 167 874 000 | 209 792 000 |
| SUM EGENKAPITAL OG GJELD | | 264 077 000 | 173 859 000 |



MOTTAT



Skattedirektoratet

| | | |
|--|------------------------------------|------------------------------|
| Saksbehandler Torstein Kinden Helleland | Deres dato 21.12.2010 | Vår dato 04.01.2011 |
| Telefon 22078139 | Deres referanse Petter O. Pharo | Vår referanse 2009/276917 |

DOF Subsea Holding
Thormøhlens gt. 53 C
5006 BERGEN

Dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk språk

Det vises til brev av 21. desember 2010 samt telefonsamtaler i sakens anledning. Det søkes om tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for selskapene listet opp i uthevet skrift nedenfor.

Bakgrunn

DOF Subsea Holding AS eier DOF Subsea AS med 100 %. DOF Subsea Holding AS er igjen eid med 51 % av DOF ASA og 49 % av First Reserve Corporation hjemmehørende i Luxemburg. Dette selskapet er igjen eid av det amerikanske selskapet First Reserve Corporation. DOF Subsea Holding AS og DOF Subsea AS fikk i vedtak av 17. juni 2009 (2009/276917) tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk.

Selskapene det her søkes om dispensasjon for er enten hel eller del eid av DOF Subsea AS eller inngår i et Joint venture med DOF Subsea AS. Aksjonærstrukturen er således begrenset. Selskapene driver virksomhet innen internasjonal shipping og subsea service. Selskapene har engelsk som arbeidsspråk. De aller fleste av selskapenes kunder, leverandører og andre brukere av regnskapet har engelsk som sitt naturlige språk. Dette gjelder også selskapenes långivere.

Det er en engelsk språklig versjon som utarbeides og benyttet for alle praktiske formål både internt og eksternt, mens den norske oversettelsen kun utarbeides for å tilfredsstille regnskapslovens krav. Nytteten i forhold til kostnaden ved å utarbeide et norsk årsregnskap og årsberetning, vurderes derfor som liten. Det søkes derfor om dispensasjon.

Selskaper eid 100 % av DOF Subsea AS

Det søkes om dispensasjon for følgende heleide selskaper:

| | |
|-------------------------|---------------------|
| DOF Subsea Norway AS | org.nr. 888 131 442 |
| Geo Rederi AS | org.nr. 988 562 300 |
| Geo Rederi II AS | org.nr. 987 722 231 |
| Geoconsult AS | org.nr. 988 131 393 |
| DOFCON AS | org.nr. 989 583 395 |
| DOF Subsea Rederi II AS | org.nr. 995 921 723 |
| Geosund AS | org.nr. 992 067 942 |
| CSL Norge AS | org.nr. 994 192 841 |

CSL Norge AS er 100 % eid av CSL UK Ltd som igjen er eid 100 % av DOF Subsea AS.

| | | |
|-------------------------------------|---|------------------------|
| Postadresse | Besøksadresse | Sentralbord |
| Postboks 9200 Grønland 0134 Oslo | Se www.skatteetaten.no Org. nr: 996250318 | 800 80 000 Telefaks |
| | For elektronisk henvendelse se www.skatteetaten.no | 22 17 08 60 |



Selskaper del eid av DOF Subsea AS gjennom et brasiliansk selskap
Det søkes om dispensasjon for følgende del eide selskaper:

| | |
|---------------------------------|----------------------------|
| Geograph Shipping II AS | org.nr. 895 276 502 |
| DOF Subsea Shipowning AS | org.nr. 995 251 582 |
| DOF Subsea Rederi AS | org.nr. 995 251 558 |
| Geoholm AS | org.nr. 995 251 647 |
| Skandi Neptun AS | org.nr. 992 318 155 |
| DOF Subsea ROV AS | org.nr. 992 755 717 |

DOF Subsea Rederi AS er morselskapet for selskapene nevnt her og eier disse 100 %. DOF Subsea Rederi AS er eid av det brasilianske holding selskapet Norskan Offshore S.A. DOF Subsea AS har en eierandel på 38 % i dette selskapet. Eierandelen vil bli økt til 100 %. Regnskapsmessig blir selskapene behandlet som datterselskaper og blir konsolidert i regnskapet til DOF Subsea AS.

Selskaper som inngår i Joint venture mellom DOF Subsea AS og Technip Norge AS
Det søkes om dispensasjon for følgende selskaper:

| | |
|-------------------------|----------------------------|
| TECHDOF DA | org.nr. 992 546 034 |
| DOFCON Brasil AS | org.nr. 991 562 214 |
| DOFTECH DA | org.nr. 991 652 086 |

TECHDOF DA eier 100 % av DOFCON Brasil AS. TECHDOF DA og DOFTECH DA er eid av DOF Subsea Rederi AS og Technip Norge AS med 50 % hver. Eierskapet blir administrert gjennom Technip France i Frankrike, noe som innebærer at regnskapene utarbeides på engelsk.

Skattedirektoratets vurdering og konklusjon

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. Offentlige myndigheter må også anses som en sentral regnskapsbruker, idet ulike myndigheter, som lignings- og tilsynsmyndigheter, benytter regnskapene som et verktøy i sin kontrollvirksomhet.



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 negativt berørt ved en eventuell dispensasjon.


Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. Det fremgår av søknaden at selskapene har en begrenset aksjonærstruktur. Selskapene opererer inne en bransje med sterk internasjonal karakter og arbeidsspråket er engelsk. Alle sentrale aktører innen de bransjer selskapene driver, antas å måtte beherske og benytte engelsk språk.

Skattedirektoratet gir på bakgrunn av en 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 engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen


Jan Hoelstad
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet


Torstein Kinden Helleland



To the General Meeting of DOF Subsea Norway AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of DOF Subsea Norway AS (the Company), which comprise the statement of financial position as at 31 December 2021, the statement of comprehensive income and statement of cash flow 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 2021, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by laws and regulations 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial statements and the Board of Directors' report, which indicates that the Company is dependent on that DOF Subsea Group is able to secure a long-term solution with banks and to secure satisfactory financing and liquidity for the Group. As stated in Note 2 and the Board of Directors' report, these events or conditions, along with other matters as set forth in Note 16 and the Board of Directors' report, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. There is a risk that DOF Subsea Group will not reach an agreement with the lenders, and in such an event the company could be forced to realise its assets at a significantly lower value than their carrying amount. Our opinion is not modified in respect of this matter.

PricewaterhouseCoopers AS, Sandviksbodene 2A, Postboks 3984 - Sandviken, NO-5835 Bergen
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Independent Auditor's Report - DOF Subsea Norway AS



Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. 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 nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. 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 legal requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with simplified application of International Accounting Standards according to the Norwegian Accounting Act section 3-9, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

(2)



Independent Auditor's Report - DOF Subsea Norway AS



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to <https://revisorforeningen.no/revisjonsberetninger>

Bergen, 24 June 2022
PricewaterhouseCoopers AS

Marius Kaland Olsen
State Authorised Public Accountant

(This document is signed electronically)



 Securely signed with Brevio

Revisjonsberetning

Signers:

| Name | Method | Date |
|----------------------|---------------|------------------|
| Olsen, Marius Kaland | BANKID_MOBILE | 2022-06-28 08:05 |

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DOF Subsea Norway AS
Financial Statements 2021



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DOF SUBSEA NORWAY AS DIRECTORS REPORT FOR 2021

DOF Subsea Norway AS (the Company) is part of the DOF Subsea Group (the Group), and was founded in April 2005. During the years of operation, the Company has been a provider of subsea services. The Company's headquarter is located in Bergen, Norway.

In summary, 2021 has been a challenging year with respect to Covid-19. During 2021 the Oil and Gas markets have improved and the demand for vessels has increased.

DOF Subsea Group (The Group) has since 2nd quarter 2020 entered into standstill agreements (including deferral of interest payments and instalments) with the majority of its secured and unsecured lenders. The discussions with the lenders have continued through 2021 and 2022. On 22 June 2022, an agreement between the DOF Group and a substantial group of its creditors and other stakeholders was published. The effectiveness of this agreement remains subject to a number of conditions such as an approval from bond holders' meetings in the respective unsecured bond loans in DOF Subsea AS and a general meeting in DOF ASA to approved the agreement.

1. Business Concept and Vision

DOF Subsea Norway AS (the Company) is a vendor of subsea services and is performing advanced seabed mapping, subsea inspection and subsea construction services from state-of-the-art DP vessels with the latest available technology with competent and experienced project and marine manning.

The Company is a part of the DOF Subsea Group and has developed a long-term strategy aligned with the Group's strategy and vision: 'The DOF Group is a trusted and leading partner, delivering services globally for a sustainable utilisation of offshore energy and other resources.'

The Company is part of the DOF Subsea Atlantic Region. This Business Area consists of five operating legal entities in the DOF Subsea Group located in UK, Angola and Ghana, in addition to Norway.

2. Operational Events 2021

During 2021, the Company completed one FSV contract for an international company in Angola utilising Skandi Seven. The FSV contract was extended into January 2022. One IMR job was carried out in the North Sea with two vessels, Skandi Iceman and Skandi Acergy.

The Company has during the year prepared the onshore assembly and offshore installation of the Hywind Tampen floating wind turbines via the Aker Sololutions (former Kværner)/DOF Subsea (KDS) Joint Venture to Equinor.

In addition, the Company has worked under the 5 years IMR frame agreement for ConocoPhillips on the Ekofisk field, utilising Skandi Hugen.

3. Shareholders

The Company is owned 100% by DOF Subsea Atlantic AS. DOF Subsea Atlantic AS is 100 % owned by DOF Subsea AS, the parent company of the DOF Subsea Group.

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

4. Human Resources

The Company's business and operation of the vessels are administered from the offices at Thorsmøhlens gate 53C Bergen.

At year end 2021 the Company had 41 full time employees. All offshore personnel were transferred from DOF Subsea Norway AS to DOF Subsea Norway Offshore AS with effect from January 1, 2021, reducing number of employees in DOF Subsea Norway AS. Due to the continued challenging market situation in the oil and gas industry world-wide, the Company has seen the necessity to further adjust its workforce to the market conditions.



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It is a set goal for the DOF Subsea Group, as well as for the Company, to offer an equal opportunity workplace. Traditionally, the vessel crews are dominated by men, and the Company has set an objective to gradually increase the number and the portion of the female sea workers. The Board has not required the Company to take any specific initiative in addition to the set objective.

5. Social and environmental sustainability

Having sustainable operations is important for the Company. The successful balance between social, environmental and economic elements allows the Company to develop 'Sustainable Operations' and ensures that the Company remains commercially feasible, socially acceptable and works within the capacity of the external environment.

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

During 2022, the focus on energy efficiency has increased by implementing key performance indicators related to environmental performance, e.g. energy consumption and CO2 emissions. There have been no major spills to the external environment and no spills that resulted in fines or other non-monetary sanctions from local governments.

The Group promotes transparency and standard disclosure of information relating to key sustainability aspects. As part of this, the Group reports key environmental performances through the Carbon Disclosure Project and the Global Reporting Initiative.

For detailed reporting on social and environmental sustainability, please find the DOF Subsea Integrated Annual Report on www.dofsubsea.com.

5.1 Employees

The employees are the Company's most important resource. Human Resources are recognized as the key business enabler, and the Company is committed to continuously improve the process which support managing the Company's human capital.

The global oil and gas industry has experienced several years with downturn, but the industry showed signs of improvement in 2021. Demand has started to increase and the demand for employees are gradually increasing.

With a high degree of uncertainty surrounding the coming years, the Board of Directors are continuously monitoring the need for the Company to adapt to the market. The aim going forward will be to maintain a flexible work force and retain core competence.

5.1.1 Equal Opportunities and Anti-discrimination

The Company has a high focus on diversity and equal opportunities. The Board of Directors supports the promotion of diversity among the Company's employees and has a clear goal of employing the best employees based on their attitude, skills and qualifications.

The Company strives to create equal opportunities for all employees, regardless of their ethnical background, nationality, descent, colour, language, religion, lifestyle or gender. The Company has a zero-tolerance policy for workplace harassment.

5.1.2. Human Rights and Labor Standards

The Company embraces practices consistent with international human rights and operates its business in compliance with fundamental as well as local labor standards. The Company's policies and standards are based on International Labor Organization (ILO) conventions and they prohibit any use of forced or child labour. The Company recognizes and respects employees' right to freely associate, organize and bargain collectively and the Company's policies are compliant with working hour's requirements as established by local laws.

Several initiatives have been taken during the year to ensure that slavery and human trafficking are not occurring within the supply chain nor in any part of the Group's activities. The Group's human rights and slavery statement is available on the Group's website. Amnesty International has for the second year in a row acknowledged DOF as one of the top-five global companies based in the Nordics with the best score related to human rights and employer responsibility..



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5.2 Business Integrity and Ethics

Integrity is the core of the Company's business model, both from an internal and external perspective. As one of our governing core values, we continue to focus on integrity throughout our organisation. This ensures sound business practices and decisions determined and executed in accordance with the Code of Business Conduct, promoting everyone to display professional competence, due-diligence, confidentiality and professional behaviour at all times and in everything they do on behalf of the Company.

5.3 Anti-corruption and anti-bribery

The Company has a zero tolerance to bribery and corruption. The policy is to conduct all business in an honest and ethical manner. The Code of Business Conduct sets clear expectations for all employees and is supplemented by internal training.

It is the Board of Directors' intention that the Company shall be recognized by a high ethical standard. The Group's anti-corruption and anti-bribery measures are regularly evaluated in order to ensure that sufficient measures are in place.

5.4 Compliance to Law

The Company acknowledges, for its internal and external stakeholders, the importance of being a reliable partner, and that is why compliance is a key topic. For the Company, compliance with law and industry standard is important.

5.5 External environment

The Group's environmental management system ensures that the Company's operations are effectively managed and that continuous improvement of environmental performance is achieved. The energy efficiency program in the Group is continuously challenged with the aim of improving environmental performance.

The company continues to focus on energy efficiency, monitoring key performance indicators related to environmental performance on the operations of our vessels. Onshore, there are continued focus on KPIs regarding energy consumption and CO2 emissions. During the year, there have been no spills from the vessels to the external environment recorded that require reporting to local governments.

5.6 Climate Change & Emissions to Air

The Company has a number of processes which ensure that direct and indirect activities that influence policy are consistent with Group's overall approach to climate change.

Defining and measuring environmental sustainability risks associated with business activities is important for the Company. Investments in systems and equipment have been made in order to record, understand and improve environmental performance. This has been achieved through SEEMP, ISO 14001 and the Carbon Disclosure Project (CDP).

Since 2010, the DOF Group has reported key environmental performance through the Carbon Disclosure Project (CDP) and the reporting has directly influenced the development of our Business Management System and the programs established to manage our environmental performance.

Through continued focus on technologically advanced vessels and improved environmental culture on all levels of the organization, the Group and the Company strives to achieve the objective of a reduction in CO2 emissions through reduced fuel consumption.

5.7 Continuous improvement of our operations

It is the view of the Board of Directors that continuous improvement helps to reduce risk, improve performance and align ways of working. Through the Group's improvement program, DOF Subsea Norway AS has streamlined and systematised its improvement work. Based on thorough planning, improvement projects have been carried out through the Company's value chain, focusing on standardisation and improved efficiency. The improvement initiatives will continue in 2022.



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6. Health, Safety and Working Environment

Throughout 2021, the Group has experienced several Covid-19 cases among employees. Cases has been handled by regional emergency response teams, in close dialog with the corporate emergency response team and company doctors. The Group has facilitated "working from home" for all onshore employees. There has been regular communication to employees with recommendations for physical and mental well-being.

The Company has established a HSEQ-system that is founded on corporate policies. During the year, the Company once again followed up with very good scores from the annual DNV-GL audit. The Company worked hard throughout 2021 to improve records and plans. Executing Internal Audits had high Priority.

Although the adverse marked situation has challenged the cost awareness in the company, Health, Environment and Safety still have the highest priority. If any conflict arises between HSE and commercial interests – HSE is given priority. The Company focuses to reduce any negative environmental effect from the Company's operations, and annual environmental targets are set and measured.

Total sick-leave in 2021 has been 1.43 %.

7. Comprehensive income and financial position

The financial statements of the Company have been prepared in accordance with the Norwegian accounting act § 3-9 and Finance Ministry's prescribed regulations from November 3, 2014 on simplified IFRS. All amounts are in NOK thousand.

The activity in 2021 has been higher than the previous years due to local market conditions, resulting in an increase in operating income of 3%. The Company achieved an operating income for the fiscal year 2021 of NOK 482 751 thousand (NOK 467 590 thousand). From 2021, all offshore employees have been employed in the sister company DOF Subsea Norway Offshore AS, and hired in to DOF Subsea Norway AS projects, resulting in a reduced amount of employees in the Company, and increased purchase of services. Total operating expenses at year end were NOK 450 912 thousand (NOK 476 294 thousand). Total operating profit before depreciation (EBITDA) was NOK 31 839 thousand (NOK -8 705 thousand). Net financial result was NOK -1 532 thousand (NOK 7 781 thousand).

Profit before tax was NOK 24 082 thousand (NOK -6 665 thousand) and loss after tax was NOK 2 136 thousand (NOK -23 942 thousand). Other comprehensive income for the year was NOK 0 thousand (NOK 0 thousand). Total comprehensive income for the year was NOK 2 136 thousand (NOK -23 942 thousand).

The Company's total assets amounted to NOK 264 077 thousand (NOK 173 859 thousand), where total tangible assets amounted to NOK 13 030 thousand (NOK 15 632 thousand). Total current assets were NOK 251 047 thousand (NOK 158 227 thousand).

The Company's total equity was NOK 96 203 thousand (NOK -35 933 thousand). Total liabilities was NOK 167 874 thousand (NOK 209 792 thousand), of which total current liabilities were NOK 165 439 thousand (NOK 205 036 thousand). Pension liabilities amounted to NOK 0 thousand (NOK 0 thousand).

Cash flow from operations was NOK -126 377 thousand (NOK 206 thousand). Cash flow from investing activities was NOK -3 623 thousand (NOK -206 thousand). Cash flow from financing activities was NOK 130 000 thousand (NOK 0 thousand). As a result, the Company's net cash flow for the year was NOK 0 thousand (NOK 0 thousand).

The cash pool accounts equal to NOK -106 028 thousand at year end 2021 ar presented as current liability to Group companies compared to current receivable from Group companies in 2020 (NOK 48 510 thousand). The cash pool accounts were negative due to paying out intercompany payables in December 2021, before receiving a loan from DOF Subsea Atlantic AS of NOK 90 000 thousand in January 2022.

Due to the fact that a large portion of the outstanding liabilities are either short term liabilities to Group companies, intercompany cash pool accounts or not due, the cash position is considered satisfactory.

The Board believes that the information presented in the Directors' report provides a true and fair view of the Company's assets and liabilities, financial position and performance and the Board is continuously evaluating the cash flow and equity situation in the Company.



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8. Financial Market Risk

A portion of the Company's income in 2021 was denominated in foreign currencies. The Norwegian kroner (NOK) have been volatile during the year against the major income currencies, such as USD and GBP.

The Company does not have financial exposure to the changes in the raw materials market for such products as oil and refined-oil products, and to the extent the Company has exposure to such risk it is intended minimised through escalation clauses in the contracts.

The oil price is important for the global demand for the vessels within the subsea industry. The decline in oil price in the years before 2021 decreased the demand for Subsea Services, but with the increase in oil price through 2021 the demand for Subsea Services is now increasing.

The Company's trade debtors are primarily large companies and subsea contractors. The portion of receivables that were uncollectable is immaterial and the Board evaluates that the Company's customers have the financial strength to meet their obligations. The Company has a risk related to working capital derived from delayed collection of receivables.

The Company does not take part in any agreements related to interest hedges or foreign exchange hedges.

The Company has been integrated into the Group banking system for 100 % owned companies within the DOF Subsea Group. Participating companies have offered surety for any credit exposure in the Group.

Please refer to note 3 for further information about the Company's financial market risks.

9. Going Concern

The financial statements for the Company have been prepared on the basis of going concern assumption in accordance with the Norwegian Accounting Act § 3-3a. However, the events described below give rise to doubt on the Company's ability to continue as going concern.

The Company's operations are an integrated part of the Group's operations and the Company's operation is therefore dependent on a long-term sustainable financial solution for the Group. Further, available liquidity has been and will be dependent on the DOF Subsea Group's cash pool arrangement. The Group's financial position is not sustainable and there is material uncertainty related to going concern.

DOF Subsea Group (The Group) has since 2nd quarter 2020 entered into standstill agreements (including deferral of interest payments and instalments) with the majority of its secured and unsecured lenders. The discussions with the lenders have continued through 2021 and 2022. On 22 June 2022, an agreement between the DOF Group and a substantial group of its creditors and other stakeholders was published. The effectiveness of this agreement remains subject to a number of conditions such as an approval from bond holders' meetings in the respective unsecured bond loans in DOF Subsea AS and a general meeting in DOF ASA to approved the agreement.

The Group and the Company are dependent on continued standstill with its creditors until a long-term financial solution is implemented to maintain as going concern.

If the Company cannot be treated as 'going concern', the valuation of the Company's asset will be further revised. Valuation of asset without the going concern assumption will result in impairment of the Company's assets.

10. Transfer of profit

The Company's profit for the year was NOK 2 136 thousand (NOK -23 942 thousand). The Board proposes to transfer the profit of NOK 2 136 thousand to accumulated loss reducing the accumulated loss with the same amount.



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11. Events after the period end

On 22 June 2022, a restructuring agreement between DOF Group and a substantial group of its creditors and other stakeholders was published. The effectiveness of this agreement remains subject to a number of conditions such as an approval from bond holders' meetings in the respective unsecured bond loans in DOF Subsea AS and a general meeting in DOF ASA to approve the agreement. For further information see the press release on the Company website www.dofsubsea.com.

12. Outlook

The Board is expecting the short-term market in the Subsea/IMR Projects segment to improve in 2022 due to higher demand for such services. There are signs of increased activities from 2022, however the timing of the recovery is highly uncertain. The risk of lower utilization of the Company's equipment and personnel is decreasing.

The business strategy for 2022 is to adapt the Company's business to the market situation. Tendering activity is given high priority, along with continued cost focus and work to retain competence. There is also a focus on repeat business from existing customers, and achieve optimal utilization of the Company's equipment and personnel resources. In addition, the Company will focus on strengthening the cooperation with the companies within the DOF Group in order to increase efficiency and quality of services. The Company will continue to develop and optimize utilization of its resources.

The market outlook in the region for 2022 is considered to remain highly competitive as the extent of work from the operators both in the new field developments and maintenance of existing fields are considered moderate, combined with the high volume of available vessels in the market. The Region's activity in the beginning of 2022 has been higher compared to 2021. The Company is continuously evaluating the organization structure and the manning based on the latest updates of the market forecasts.

The Company emphasize that the information included in this annual report contains certain forward-looking statements that address activities or developments that the Company anticipates will or may occur in the future. The statements are based on assumptions and estimates, and some of them are out of the Company's control and therefor subject to risks and uncertainties.

The Board of Directors confirm, to the best of its knowledge, the information contained in the Annual Report, gives a true and fair view of the Company's results, financial positions, assets and liabilities.



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BERGEN, 24.06.2022
The Board of DOF Subsea Norway AS

DocuSigned by:
Marianne Møgster
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Marianne Møgster
Chairman of the board

DocuSigned by:
Hilde Drønen
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Hilde Drønen
Member of the board

DocuSigned by:
Martin Lundberg
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Martin Lundberg
Member of the board

DocuSigned by:
Elise Søyland
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Elise Søyland
Member of the board

DocuSigned by:
Andreas Morland
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Andreas Morland
Member of the board

DocuSigned by:
Jan Kristian Haukeland
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Jan Kristian Haukeland
General Manager



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DOF Subsea Norway AS

Statement of comprehensive income

Amounts in NOK thousand

| Operating income and operating expenses | Note | 2021 | 2020 |
|---|-------------|----------------|----------------|
| Operating income | 4, 15 | 482 751 | 467 590 |
| Total operating income | | 482 751 | 467 590 |
| Time charter vessel | 15 | 84 863 | 123 763 |
| Purchase of goods and services | 15 | 272 116 | 182 480 |
| Payroll expenses | 6, 7 | 61 419 | 119 871 |
| Other expenses | 15 | 32 514 | 50 180 |
| Total operating expenses | | 450 912 | 476 294 |
| Operating profit before depreciation (EBITDA) | | 31 839 | -8 705 |
| Depreciation | 10 | 6 225 | 5 741 |
| Operating profit (EBIT) | | 25 614 | -14 446 |
| Financial income | | 189 | 187 |
| Financial expenses | | -980 | -1 274 |
| Realized gain / loss on financial instruments | | 5 588 | 2 886 |
| Unrealized gain / loss on financial instruments | | -6 330 | 5 982 |
| Net financial income / loss | 8 | -1 532 | 7 781 |
| Profit / loss before tax | | 24 082 | -6 665 |
| Tax expenses | 9 | 21 946 | 17 277 |
| Profit / loss for the year | | 2 136 | -23 942 |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit / loss | | | |
| Defined benefit plan actuarial gain/loss | | 0 | 0 |
| Total comprehensive income | | 2 136 | -23 942 |



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DOF Subsea Norway AS

Statement of financial position

Amounts in NOK thousand

| Assets | Note | 2021 | 2020 |
|--|-------------|----------------|----------------|
| Vessel related work systems | 10, 11 | 8 291 | 7 897 |
| Machinery and other equipment | 10 | 307 | 0 |
| Equipment and other movables | | 4 432 | 7 735 |
| Tangible assets | | 13 030 | 15 632 |
| Total non-current assets | | 13 030 | 15 632 |
| Trade receivables | | 129 693 | 42 923 |
| Current receivables from Group companies | 12, 15 | 84 620 | 93 954 |
| Accrued uninvoced income | 5 | 35 606 | 18 055 |
| Other current receivables | | 1 128 | 3 296 |
| Total receivables | | 251 047 | 158 227 |
| Total current assets | | 251 047 | 158 227 |
| Total assets | | 264 077 | 173 859 |



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DOF Subsea Norway AS

Statement of financial position

Amounts in NOK thousand

| Equity and liabilities | Note | 2021 | 2020 |
|--|------|----------------|----------------|
| Share capital | 14 | 235 830 | 229 092 |
| Total paid-in capital | | 235 830 | 229 092 |
| Accumulated loss | 14 | -139 627 | -265 025 |
| Total equity | | 96 203 | -35 933 |
| Other non-current liabilities | 11 | 2 435 | 4 756 |
| Other non-current liabilities | | 2 435 | 4 756 |
| Trade payables | | 1 355 | 7 615 |
| Public duties payable | | 2 068 | 7 195 |
| Current liabilities to Group companies | 15 | 132 662 | 162 599 |
| Other current liabilities | 11 | 29 354 | 27 628 |
| Current liabilities | | 165 439 | 205 036 |
| Total liabilities | | 167 874 | 209 792 |
| Total equity and liabilities | | 264 077 | 173 859 |

Bergen, 24.06.2022

The Board of DOF Subsea Norway AS

DocuSigned by:

Marianne Møgster

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Marianne Møgster
Chairman of the board

DocuSigned by:

Hilde Drønen

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Hilde Drønen
Member of the board

DocuSigned by:

Martin Lundberg

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Martin Lundberg
Member of the board

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Elise Søyland

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Elise Søyland
Member of the board

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Andreas Morland

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Andreas Morland
Member of the board

DocuSigned by:

Jan Kristian Haukeland

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Jan Kristian Haukeland
General Manager



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DOF Subsea Norway AS

Statement of cash flow

| | Note | 2021 | 2020 |
|---|------|------------------------|--------------------|
| Amounts in NOK thousand | | | |
| Profit/loss before tax | | 24 082 | -6 665 |
| Loss/gain on the sale of fixed assets | | 0 | -2 947 |
| Ordinary depreciation | 10 | 6 225 | 5 741 |
| Change in inventory | | 0 | 4 402 |
| Change in accounts receivable | | -86 770 | -29 800 |
| Change in accounts payable | | -6 260 | 605 |
| Change in cost of pension obligations | 7 | 0 | -859 |
| Change in intercompany accounts | 15 | -20 603 | 30 237 |
| Change in other provisions | | -21 105 | 16 769 |
| Withholding tax | 9 | -21 946 | -17 277 |
| Net cash flows from operating activities | | <u>-126 377</u> | <u>206</u> |
| Proceeds from the sale of fixed assets | | 0 | 2 168 |
| Purchase of tangible assets | 10 | 3 623 | 2 374 |
| Net cash flows from investment activities | | <u>-3 623</u> | <u>-206</u> |
| Capital increase | 14 | 130 000 | 0 |
| Net cash flows from financing activities | | <u>130 000</u> | <u>0</u> |
| Net change in cash and cash equivalents | | 0 | 0 |
| Cash and cash equivalents at beginning of the period | 12 | 0 | 0 |
| Cash and cash equivalents at the end of the period | | <u>0</u> | <u>0</u> |



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1 Corporate information

DOF Subsea Norway AS (the Company) was founded on 15.04.2005. The Company is a vendor of subsea services and is performing advanced seafloor mapping, subsea inspection and subsea construction services from state-of-the-art DP vessels with the latest available technology and highly competent and experienced project and marine manning.

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

DOF Subsea Norway AS is 100% owned by DOF Subsea Atlantic AS, a fully owned subsidiary of DOF Subsea AS.

The financial statements for DOF Subsea Group can be downloaded from the website at www.dofsubsea.com.

2 Accounting policies

Summary of significant accounting principles

The financial statements of the Company have been prepared in accordance with the Norwegian Accounting Act § 3-9 and Finance Ministry's prescribed regulations on simplified IFRS. Principally this means that recognition and measurement complies with the International Financial Reporting Standards (IFRS) and presentation and note disclosures are in accordance with the Norwegian Accounting Act and generally accepted accounting principles. The fiscal year is the same as the calendar year.

Going concern

The financial statements for the Company have been prepared on the basis of going concern assumption in accordance with the Norwegian Accounting Act § 3-3a. However, the events described below give rise to doubt on the Company's ability to continue as going concern.

The Company's operations are an integrated part of the Group's operations and the Company's operation is therefore dependent on a long-term sustainable financial solution for the Group. Further, available liquidity has been and will be dependent on the DOF Subsea Group's cash pool arrangement. The Group's financial position is not sustainable and there is material uncertainty related to going concern.

DOF Subsea Group (The Group) has since 2nd quarter 2020 entered into standstill agreements (including deferral of interest payments and instalments) with the majority of its secured and unsecured lenders. The discussions with the lenders have continued through 2021 and 2022. On 22 June 2022, an agreement between the DOF Group and a substantial group of its creditors and other stakeholders was published. The effectiveness of this agreement remains subject to a number of conditions such as an approval from bond holders' meetings in the respective unsecured bond loans in DOF Subsea AS and a general meeting in DOF ASA to approved the agreement. The Group and the Company are dependent on continued standstill with its creditors until a long-term financial solution is implemented to maintain as going concern.

Group companies

DOF ASA companies are defined as DOF ASA and its subsidiaries excluding companies within the DOF Subsea Group. DOF Subsea AS companies are defined as DOF Subsea AS and its subsidiaries. DOF Subsea AS companies are defined as Group companies.

Group companies are defined as both DOF ASA companies and DOF Subsea companies.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions. The Company operates in one business segment, "Subsea/IMR projects".

Conversion of foreign currency

a) Foreign currency

The functional currency is NOK. The statements are presented in Norwegian Kroner (thousand).

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the conversion at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income as financial income or expenses.



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Classification of assets and liabilities

Assets are classified as current assets when:

- the asset forms part of the entity's operating cycle, and is expected to be realized or consumed over the course of the entity's normal operations; or
- the asset is held for trading; or
- the asset is expected to be realized within 12 months of balance sheet date

All other assets are classified as non-current assets.

Liabilities are classified as short-term when:

- the liability forms part of the entity's service cycle, and is expected to be settled in the course of normal production time; or
- liability is held for trading; or
- the entity does not have an unconditional right to postpone settlement of the liability until at least 12 months after balance sheet date.

All other liabilities are classified as non-current.

Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected within one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Contract asset are classified on a separate line as receivables. A contract asset is the right to consideration in exchange for services transferred to the customer. If the Company performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

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

Tangible assets

Tangible assets are recognised at cost less accumulated depreciation and accumulated impairment loss. The cost of tangible assets comprises its purchase price and any directly attributable costs of bringing the asset to working condition.

The carrying amount of an asset in the statement of financial position represents the cost less accumulated depreciation and any impairment charges. If significant, the total expenditures are separated into separate groups of components which have different expected useful lives.

Depreciation is calculated on a straight-line basis over the useful life of the asset. Depreciable amount equals historical cost less residual value.

Depreciation commences when the asset is ready for use. The useful lives of tangible assets and the depreciation method are reviewed periodically in order to ensure that the method and period of depreciation are consistent with the expected pattern of financial benefits from the assets.

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

Impairment of assets

All assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised in the income statement.

The recoverable amount is the higher of an asset's net selling price and value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction less the costs of disposal, while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Recoverable amounts are estimated for individual assets or, if this is not possible, for the cash-generating unit.

The value in use is determined on the basis of the total estimated discounted cash flow, excluding financing expenses and taxes. In determining impairment, management must make material judgments and estimates to determine whether the discounted cash flows generated by those assets are less than their carrying values, including determining the appropriate discount rate to use. The data necessary for the execution of the impairment test are based on management's estimates of future cash flows, which require estimates to be made for e.g. future day rates, utilization rates and profit margins.

The assumptions used in these cash flows are consistent with internal forecasts.

Reversals of impairment losses recognised in previous years are recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. The reversal is recorded in the income statement.



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Leases

Lease liabilities are measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2020. The right of use assets is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If ownership of the right of use assets transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. Lease income from operating leases where the Group is a lessor is recognised as operating revenue on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

Revenue recognition

The Company recognizes income in line with the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Operating revenues from services are recognized in proportion to the work performed and is shown net of discounts, value-added tax and other taxes on gross rates.

Some contracts are based on daily rates while others are lump sum/fixed price contracts. For lump sum projects, contract revenue and expenses are recognised over time in accordance with the stage of completion of a contract. The stage of completion is calculated by dividing contract costs incurred to date by total estimated contract costs. Revenue is recognised in line with the stage of completion.

The method relies on the Company's ability to estimate future costs in an accurate manner over the remaining life of a project. The process requires judgement, and changes to estimates or unexpected costs resulting in fluctuations in revenue recognition and probability. Cost forecasts are reviewed on a continuous basis and the project accounts are updated in a monthly project manager's report as a result of these reviews. The reviews monitor actual cost of work performed project to date, the estimate cost to complete and the estimate cost at completion. This enables a reliable estimate for the likely outcome in terms of profitability of each project.

As contract revenue, costs and the resulting profit are recognised as the work is performed, costs incurred relating to future activities are deferred and recognised as an asset in the consolidated statement of financial position. Conversely, where revenue is received in advance of costs being incurred, a deferred liability is recognised in the consolidated statement of financial position.

Where the outcome of a project cannot be reliably measured, revenue will be recognised only to the extent that costs are recoverable. Where it is probable that contract costs will not be recovered, it is only costs incurred that are recognised in the consolidated statement of comprehensive income.

Pensions

The Company has adopted IAS 19R.

The Company operates various post-employment schemes, including both defined benefit and defined contribution pension plans. As of 31st of December 2020 there are only defined contribution pension plans left as the defined benefit pension plan for offshore workers have been terminated as the offshore workers were employed in a new company called DOF Subsea Norway Offshore AS.

(a) Defined contribution plans

For defined contribution plans, the Company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Defined benefit plans

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of



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the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognized immediately in income.

Current and deferred income tax

The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carry-forward losses for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carry-forward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the statement of financial position are presented net. Deferred tax is reflected at nominal value.

Tax reduction on group contributions given and tax on group contribution received, booked as a reduction of cost price or taken directly to equity, are booked directly against tax in the balance sheet (offset against payable taxes if the group contribution has affected payable taxes, and offset against deferred taxes if the group contribution has affected deferred taxes).

Group contribution is booked in the year when it is approved by the annual general meeting.

Events after the balance sheet date

New information regarding the Company's financial standing on the balance sheet date is included in the accounts.

Events occurring after balance sheet date, which do not impact the Company's financial standing on balance sheet date, but which have a significant impact on future periods, are presented in the notes to the accounts.

Use of estimates

The preparation of financial statements in conformity with Norwegian accounting act § 3-9 and Finance Ministry's prescribed regulations from November 3, 2014 on simplified IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Changes in accounting estimates are recognized for the period in which they occurred. If the changes also apply to future periods, the effect of the change is distributed over current and future periods.

Statement of cash flows

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

New standards, amendments and interpretations not yet adopted

New standards and amendments mandatory for annual reporting periods after 31 December 2021 is expected to not be significant for the Company.

3 Financial risk management

The Company's operations include various types of financial risk: market risk (including foreign exchange risk and price risk), credit risk and liquidity risk. The Company's governing risk management strategy focuses on the predictability of the capital markets and seeks to minimize the potential negative effects of the Company's financial results and is handled through the Group parent company DOF Subsea AS and the parent Company DOF Subsea Atlantic AS. The Company consider at all times use of financial derivatives to hedge against certain types of risk.

The Company's risk management is conducted in line with guidelines approved by the Board of Directors in DOF Subsea Group. Accordingly, financial risk is identified, evaluated and hedged if appropriate. The Company has limited direct exposure to changes in raw material prices.

Foreign exchange risk

The Company operates globally and is exposed to foreign exchange risk arising from various currency exposures, basically with respect to USD, NOK and GBP. Foreign exchange risk arises from future commercial transactions, contractual obligations, liabilities and investments in foreign operations. A substantial portion of expenses are in the same currency as revenues, but a greater portion of expenses payable are denominated in NOK.

The Company's reporting currency is NOK. Foreign exchange risk arises when future commercial transactions, contractual obligations and liabilities are denominated in a currency that is not a subsidiaries functional currency. The Company aims to achieve a natural hedge between cash inflows and cash outflows and manages remaining foreign exchange risk arising from commercial transactions, assets and liabilities by forward contracts and similar instrument as appropriate.



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Credit and liquidity risk

Credit and liquidity risk arises from cash and cash equivalents and deposit with banks as well as credit exposures to clients. The Company has a policy that limits the amount of credit exposure to any single financial institution and bank and has limited concentration of credit risk towards single financial institution.

Credit exposures are mainly to customers that traditionally have good financial capability to meet their obligations and high credit rating. The Company's credit risk to clients is therefore considered as low and historical losses have been low.

Liquidity risk management implies maintaining sufficient cash, available funding through committed credit facilities and the ability to close market positions.

The impacts from Covid-19 and the situation in Ukraine may increase the credit risk going forward. The Company continuously evaluates the financial strength and credit worthiness of customers and suppliers including DOF Subsea. In addition, policies and guidelines for follow-up and collection of outstanding receivables have been established. Liquidity risk management implies maintaining sufficient cash, marketable securities, available funding through committed and uncommitted credit facilities and ability to close market positions. The Group has in consultation with its secured lenders initiated a process to take the necessary steps to secure a long-term financial solution. The process has been slowed down as a consequence of Covid-19, and the process is still ongoing. The Company is a part of the DOF Subsea Group and the Group's cash pool. Liquidity and financing are as such affected by the parent company's performance and the parent company guarantee obligations. On 22 June 2022, an agreement between the DOF Group and a substantial group of its creditors and other stakeholders was published, see note 2.

Capital structure and equity

The Company's business is capital intensive and the Company may need to raise additional funds through public or private debt or equity financing to execute the Company's strategy and to fund capital expenditures. The main objective in managing the Company's capital structure is to ensure that the Company maintains the best possible credit rating, thereby achieving favourable terms and conditions for the long-term funding of the Company's operations and investments. The Company manages its capital structure and carries out all necessary changes, based on continuous assessments of the economic conditions under which the operations take place. The Company has routines to report cash flow forecasts on a regular basis in order to monitor the Company's future cash positions.

The equity of the Company is positive as of year end 2021 with NOK 96 203 thousand. In 2021 new loans of total of NOK 130 000 thousand was converted to equity, significantly strengthening the financial position of the Company. The conversion of debt to equity has relieved the strained liquidity, and the Company is as of 2021 able to pay its short-term liabilities with its current assets. The Group is dependent on continued standstill agreements with its creditors until a long-term financial solution is effective, to maintain as going concern. On 22 June 2022, an agreement between the DOF Group and a substantial group of its creditors and other stakeholders was published, see note 2.



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4 Operating income and segment information

Amounts in NOK thousand

| Operating income | 2021 | 2020 |
|-------------------------------|----------------|----------------|
| Sales income | 371 509 | 266 906 |
| Revenue on internal services | 111 242 | 200 683 |
| Total operating income | 482 751 | 467 590 |

The Company operates in one business segment, "Subsea/IMR projects".

The business conduct is though spread on geographical regions where the risk and expected return are different. The Company divides its business into geographical regions dependent on the nationality of the customer.

| Geographical distribution of operating income | 2021 | 2020 |
|--|----------------|----------------|
| Europe and West Africa (ex. Norway) | 326 786 | 266 831 |
| Norway | 154 346 | 199 269 |
| Americas | 1 619 | 956 |
| Australasia | 0 | 534 |
| Total operating income | 482 751 | 467 590 |

5 Long term contracts

| Balance sheet value of projects | 2021 | 2020 |
|--|-------------|-------------|
| Accrued income, not invoiced | 35 606 | 18 055 |

There is a mixed portfolio of the contracts, where some are based on daily rates and some others are lump sum/fix price contracts. Lump sum contract income is recognized in accordance with the stage of completion of the contract.

Most of the revenue accrued at year end was invoiced and settled during the first quarter of 2022.

6 Payroll expenses, number of employees, remunerations, loans etc.

Amounts in NOK thousand

| Payroll expenses | 2021 | 2020 |
|-------------------------------|---------------|----------------|
| Salaries/wages | 50 510 | 97 018 |
| Social security fees | 6 185 | 13 404 |
| Pension expenses | 1 683 | 8 307 |
| Public grants | -1 167 | -2 525 |
| Other remuneration | 4 209 | 3 668 |
| Total payroll expenses | 61 419 | 119 871 |

| | | |
|-----------------------------|----|-----|
| Average number of employees | 41 | 107 |
|-----------------------------|----|-----|

From 1st of January 2021, all offshore personnel was transferred from DOF Subsea Norway AS to DOF Subsea Norway Offshore AS, reducing number of employees in DOF Subsea Norway AS.

| Remuneration to executives | General manager |
|-----------------------------------|------------------------|
| Salaries | 2 533 |
| Board fee | 0 |
| Other remuneration | 123 |

No loans or securities have been granted to the general manager, the Board or other related parties.

| Specification of auditor's fee (excl. VAT) | 2021 | 2020 |
|---|-------------|-------------|
| Statutory audit | 262 | 279 |
| Other assurance services | 15 | 13 |
| Tax advisory services | 45 | 68 |
| Total fees to the auditor | 322 | 360 |



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7 Pensions

Amounts in NOK thousand

As of 31 December 2021, the Company pension schemes covered a total of 41 persons.

In 2011, DOF Subsea Norway AS made a decision to terminate its defined benefit pension plan for onshore employees based on country regulations. Changes affected all employees under 52 years, where defined benefit plan was substituted with the defined contribution pension plan. All onshore employees, age 52 and above, actively employed on the date when the change took place, are still a part of the defined benefit plan. The onshore employees that are a part of defined benefit plan are not eligible for defined contribution plan. In 2019, DOF Subsea Norway AS made a decision to further terminate defined benefit pensions for offshore employees under 50 years, and in 2020 all of the defined benefit pension schemes has been terminated. Offshore employees that was part of the pension plan that was terminated, effective from 31. December 2020, were transferred to DOF Subsea Norway Offshore AS from 01.01.2021. The following disclosure of the defined benefit pension shows that there are no longer a obligations related to the plan.

| Net pension expenses | 2021 | 2020 |
|---|-------------|-------------|
| Present value of pensions accrued in the period | 0 | 0 |
| Capital cost of previously accrued pensions | 0 | 0 |
| Expected return on plan assets | 0 | 0 |
| Administrative expenses | 0 | 301 |
| Employer's contributions for the period | 0 | 0 |
| Shortening/Settlement of pension obligation | 0 | 0 |
| Net pension expenses | 0 | 301 |

| Spesification of pension obligation | 2021 | 2020 |
|--|-------------|-------------|
| Estimated pension obligations | 0 | 0 |
| Estimated plan assets | 0 | 0 |
| Accrued employer's contribution | 0 | 0 |
| Net pension liabilities | 0 | 0 |

| Total numbers of persons on the pension plan | 2021 | 2020 |
|---|-------------|-------------|
| Active | 0 | 0 |
| Pensioners | 0 | 0 |
| Total | 0 | 0 |

| Financial assumptions | 2021 | 2020 |
|---------------------------------|-------------|-------------|
| Discount rate | N/A | N/A |
| Salary increase | N/A | N/A |
| Pension increase | N/A | N/A |
| Expected raise in G-regulations | N/A | N/A |
| Expected return on funds | N/A | N/A |

The actuarial assumptions relating to demographic factors are based on assumptions generally applied to insurance (Table K 2013 BE).

| Reconciliation of incoming and outgoing payments | 2021 | 2020 |
|--|-------------|-------------|
| Net pension obligations recognized in balance sheet on 01.01. incl. employer's contribution | 0 | 859 |
| Estimate differences offset against shareholders' equity | 0 | 0 |
| Net pension cost for the year incl. employer's contribution | 0 | 0 |
| Pension payments, unsecured incl. employer's contributions | 0 | 0 |
| Settlement for part of the employees | 0 | -859 |
| Net pension obligations rec. in balance sheet on 31.12. incl. employer's contribution | 0 | 0 |

| Reconciliation of pension obligations (incoming payments - outgoing payments) | 2021 | 2020 |
|--|-------------|-------------|
| Present value of accrued pension obligations at 01.01. (PBO) | 0 | 14 702 |
| Gross pension cost | 0 | 0 |
| Payments | 0 | 0 |
| Differences (changes in assumptions/experiences) | 0 | 0 |
| Deduction/settlement | 0 | -14 702 |
| Estimated present value of accrued pension obligations at 31.12 | 0 | 0 |



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| Reconciliation of plan assets (incoming payments - outgoing payments) | 2021 | 2020 |
|--|-------------|-------------|
| Plan assets 01.01. | 0 | 13 843 |
| Expected return on plan assets | 0 | 0 |
| Administrative expenses | 0 | 0 |
| Payments | 0 | 0 |
| Investment in plan assets etc. | 0 | 0 |
| Differences (changes in assumptions/experiences) | 0 | 0 |
| Settlement | 0 | -13 843 |
| Estimated present value of accrued plan assets at 31.12 | 0 | 0 |

| Storebrand Liv Asset Mix | 2021 | 2020 |
|---------------------------------|-------------|-------------|
| Money markets | N/A | N/A |
| Bonds | N/A | N/A |
| Property | N/A | N/A |
| Equity | N/A | N/A |
| Other | N/A | N/A |
| Total financial assets | N/A | N/A |

Total cost for the defined contribution plan for 2021 was NOK 1 170 (NOK 4 426).

Total pension cost for the Company is presented in note 6; Payroll expenses, number of employees, remunerations, loans to employees etc. The Company total cost of all pension plans for 2021 was NOK 1 683 (NOK 8 307).

8 Financial income and expenses

Amounts in NOK thousand

| Financial income and expenses | 2021 | 2020 |
|--|---------------|---------------|
| Interest income | 189 | 187 |
| Other financial income | 0 | 0 |
| Financial income | 189 | 187 |
| Interest expenses | -581 | -840 |
| Other financial expenses* | -399 | -435 |
| Financial expenses | -980 | -1 274 |
| Realized gain/loss on currencies | 5 588 | 2 886 |
| Realized gain/loss on financial instruments | 5 588 | 2 886 |
| Unrealized gain/loss on currencies | -6 330 | 8 818 |
| Unrealized gain/loss on financial instruments | -6 330 | 8 818 |
| Net financial income/loss | -1 532 | 7 781 |

*Mainly related to guarantee fees to parent company.



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| 9 Tax | Amounts in NOK thousand | |
|---|-------------------------|-----------------|
| | 2021 | 2020 |
| Result before tax | 24 082 | -6 665 |
| Other comprehensive income | 0 | 0 |
| Permanent differences | -25 | -38 |
| Change in temporary differences | 501 | 19 608 |
| Basis for tax payable | 24 558 | 12 906 |
| Group contribution given with tax effect | 0 | 0 |
| Taxable income (basis for tax payables in the balance sheet) | 24 558 | 12 906 |
| The income tax expense comprises: | | |
| Tax payable, Norway | 0 | 0 |
| Tax payable foreign countries | 0 | 0 |
| Change in deferred tax, Norway* | 0 | 0 |
| Tax effect other comprehensive income | 0 | 0 |
| Other business taxes / withholding tax | 21 875 | 17 221 |
| Income tax expense | 21 875 | 17 221 |
| Reconciliation of nominal and effective tax rate: | | |
| Profit before tax | 24 082 | -6 665 |
| Expected tax expense 22% (22 %) | 5 298 | -1 466 |
| Difference between actual and expected income tax expense | -16 577 | -18 688 |
| Expenses not deductible for tax purposes | 5 | 8 |
| Tax loss for which no deferred tax asset has been recognised | 0 | 0 |
| Utilisation of previously unrecognised tax losses | 5 403 | 2 839 |
| Unreconized tax losses and temporary differences | -110 | -4 314 |
| Effect of other business taxes/withholding tax | -21 875 | -17 221 |
| Total | -16 577 | -18 688 |
| Basis for deferred tax | | |
| Fixed assets | -2 334 | -2 759 |
| Book value of Leasing Assets net of Lease liability | -323 | -369 |
| Accrual future obligations | 0 | 0 |
| Trade receivables | -28 724 | -28 162 |
| Gain/loss account | 1 639 | 2 048 |
| Provisions | 0 | 0 |
| Total temporary differences | -29 743 | -29 242 |
| Tax-loss carry forward** | -450 157 | -474 715 |
| Basis for deferred tax | -479 900 | -503 957 |
| Deferred tax / tax asset* (-) | -105 578 | -110 870 |
| Deferred tax asset not recognised in the balance sheet* | 105 578 | 110 870 |
| Total deferred tax / tax asset (-) | 0 | 0 |

* The Company does not recognise deferred tax asset.



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10 Tangible assets

Amounts in NOK thousand

| 2021 | Machinery and Systems | Office equipment | Right of use Asset | Total |
|--------------------------------------|-----------------------|------------------|--------------------|---------------|
| Cost at 01.01 | 73 814 | 5 817 | 14 476 | 94 108 |
| Additions | 3 316 | 307 | 0 | 3 623 |
| Disposals | 0 | 0 | 0 | 0 |
| Cost at 31.12 | 77 131 | 6 124 | 14 476 | 97 731 |
| Depreciation at 01.01 | 65 917 | 5 817 | 6 741 | 78 476 |
| Depreciation for the year | 2 922 | 0 | 3 303 | 6 225 |
| Depreciation eliminated on disposals | 0 | 0 | 0 | 0 |
| Depreciation at 31.12 | 68 839 | 5 818 | 10 044 | 84 701 |
| Impairment at 01.01 | 0 | 0 | 0 | 0 |
| Impairment for the year | 0 | 0 | 0 | 0 |
| Impairment at 31.12 | 0 | 0 | 0 | 0 |
| Book value at 31.12 | 8 291 | 307 | 4 432 | 13 030 |
| Asset lifetime (years) | 1-10 years | 1-5 years | 5-50 years | |
| Depreciation schedule | Linear | Linear | Linear | |

| 2020 | Machinery and Systems | Office equipment | Right of use Asset | Total |
|--------------------------------------|-----------------------|------------------|--------------------|---------------|
| Cost at 01.01 | 73 487 | 5 817 | 14 476 | 93 781 |
| Additions | 2 374 | 0 | 0 | 2 374 |
| Disposals | -2 048 | 0 | 0 | -2 048 |
| Cost at 31.12 | 73 814 | 5 817 | 14 476 | 94 108 |
| Depreciation at 01.01 | 65 025 | 5 817 | 3 371 | 74 213 |
| Depreciation for the year | 2 370 | 0 | 3 371 | 5 741 |
| Depreciation eliminated on disposals | -1 479 | 0 | 0 | -1 479 |
| Depreciation at 31.12 | 65 917 | 5 817 | 6 741 | 78 476 |
| Impairment at 01.01 | 1 000 | 0 | 0 | 1 000 |
| Impairment for the year | -1 000 | 0 | 0 | -1 000 |
| Impairment at 31.12 | 0 | 0 | 0 | 0 |
| Book value at 31.12 | 7 897 | 0 | 7 735 | 15 632 |
| Asset lifetime (years) | 1-10 years | 1-5 years | 5-50 years | |
| Depreciation schedule | Linear | Linear | Linear | |

11 Leasing

Amounts in NOK thousand

Assets held under finance leases are shown in note 10 Tangible Assets.

As of 31 December 2021, long term lease liability was NOK 2 435 (NOK 4 756).

As of 31 December 2021, short term lease liability was NOK 2 320 (NOK 3 348).

Repayment of lease debt is presented below:

| Year | 2022 | 2023 | 2024 | 2025 | 2026 | After 2026 | Total |
|-------------------------|-------|-------|------|------|------|------------|-------|
| Repayment of lease debt | 2 320 | 2 435 | 0 | 0 | 0 | 0 | 4 756 |



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12 Cash and cash equivalents

Amounts in NOK thousand

DOF Subsea Norway AS is covered by the Group cash pooling system agreement in which DOF Subsea AS is the formal account holder. For further reading about liquidity risk, please refer to note 3 'Financial risk management'.

| | 2021 | 2020 |
|---|----------|--------|
| Bank deposits* | 0 | 0 |
| Cash pooling system deposit DOF Subsea AS** | -106 028 | 48 510 |

* The Company has no restricted deposits at year end. Withheld employee taxes are secured by bank guarantee as of 2021.

** Interest is calculated on long term accounts related to companies within the same Group in accordance with the internal policy at the rate of NIBOR 3 months + margin. The margin has in 2021 been set according to Group policy. Liabilities in relation to Group companies are settled in accordance with internal loan agreements, alternatively upon receipt of a demand. The amounts in cash pooling system deposit DOF Subsea AS are recognised as short term receivables/liabilities to Group companies in the financial statement.

13 Guarantees

Amounts in NOK thousand

DOF Subsea Norway AS has at year end a bank guarantee of NOK 15 000 thousand in Nordea to ensure employee tax deduction and national insurance contributions.

The Group has commitments to clients to ensure proper performance of construction contracts. These commitments are mainly parent company guarantees or counter guarantees given by banks. The guarantees are limited to fulfillment of the contract and are released after delivery of the project. In some cases there is a warranty period after delivery of the project. Normally this warranty will have duration of 12-24 months.



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14 Share capital and share information

Amounts in NOK thousand

Share capital:

The share capital in the Company at 31.12.2021 was NOK 235 830 thousand comprising 112 300 shares, each with a nominal value of NOK 2 100.

Shareholder overview:

At 31 December 2021 the shareholders in the Company (no shares owned by senior executives or Board Members, including share ownership via close relatives and companies) were as follows:

| Shareholders at 31.12.2021 | No. of shares | Proportion of ownership |
|----------------------------|----------------|-------------------------|
| DOF Subsea Atlantic AS | 112 300 | 100 % |
| Total | 112 300 | 100 % |

Board of directors

| | Title |
|------------------------|-----------------------|
| Marianne Møgster | Chairman of the board |
| Hilde Drønen | Member of the board |
| Martin Lundberg | Member of the board |
| Elise Søylund | Member of the board |
| Andreas Morland | Member of the board |
| Jan Kristian Haukeland | General Manager |

| Share capital | No. of shares | Share capital |
|---|----------------|----------------|
| Share capital 01.01.2021 | 112 300 | 229 092 |
| Capital increase in kind, with conversion of debt, Dec 16, 2021 | 0 | 6 738 |
| Share capital 31.12.2021 | 112 300 | 235 830 |

Changes in shareholder's equity

| Changes in equity | Share capital | Share premium | Other paid-in capital | Accumulated loss | Total equity |
|---|----------------|---------------|-----------------------|------------------|---------------|
| Equity at 31.12.2020 | 229 092 | | 0 | -265 025 | -35 933 |
| Capital increase in kind, with conversion of debt, Dec 16, 2021 | 6 738 | | | 123 262 | 130 000 |
| Profit for the year | | 0 | 0 | 2 136 | 2 136 |
| Equity at 31.12.2021 | 235 830 | 0 | 0 | -139 627 | 96 203 |



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15 Related parties

Amounts in NOK thousand

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

DOF Subsea Norway AS is owned 100% by DOF Subsea Atlantic AS, and DOF Subsea Atlantic AS is 100% owned by DOF Subsea AS.

DOF ASA is the sole shareholder in DOF Subsea AS with a 100 % holding.

| Operating income | 2021 | 2020 |
|-------------------------------|----------------|----------------|
| DOF Subsea Group | 65 001 | 154 388 |
| DOF ASA Group | 46 241 | 46 296 |
| Total operating income | 111 242 | 200 683 |

| Operating expenses | 2021 | 2020 |
|---------------------------------|----------------|----------------|
| DOF Subsea Group | 196 881 | 252 055 |
| DOF ASA Group | 58 898 | 15 306 |
| Total operating expenses | 255 779 | 267 361 |

Remuneration to executives is disclosed in note 6, and balance with Group companies is specified in the financial statement.

Services that are provided to Group companies are mostly related to personnel hire on the projects as well as equipment hire. Purchase of goods and services from Group companies consists mainly of chartered vessels and ROVs, which are hired in to support execution of the subsea projects.

| Year-end balances arising from sales/purchases of goods/services | 2021 | 2020 |
|---|----------------|----------------|
| Current receivables from Group companies | | |
| DOF Subsea Group | 56 485 | 42 668 |
| Cash pooling system deposit DOF Subsea AS | 0 | 48 510 |
| DOF ASA Group | 28 135 | 2 776 |
| Total current receivables from Group companies | 84 620 | 93 954 |
| Current liabilities to Group companies | | |
| DOF Subsea Group | 25 194 | 154 239 |
| Cash pooling system deposit DOF Subsea AS | 106 028 | 0 |
| DOF ASA Group | 1 439 | 8 360 |
| Total current liabilities from Group companies | 132 662 | 162 599 |

All balances arising from sales/purchases of goods/services from Group companies are current.

Balance sheet value of assets placed as security for DOF Subsea AS:

| | | |
|---------------|---------|--------|
| Trade debtors | 129 693 | 42 923 |
|---------------|---------|--------|

16 Events occurring after the balance sheet date

On 22 June 2022, a restructuring agreement between DOF Group and a substantial group of its creditors and other stakeholders was published. The effectiveness of this agreement remains subject to a number of conditions such as an approval from bond holders' meetings in the respective unsecured bond loans in DOF Subsea AS and a general meeting in DOF ASA to approve the agreement. For further information see the press release on the Company website www.dofsubsea.com.