



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2017 - GENERELL INFORMASJON

Enheten

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

Regnskapsår

Årsregnskapets periode: 01.01.2017 - 31.12.2017

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: 30.07.2018

Grunnlag for avgivelse

År 2017: Årsregnskapet er elektronisk innlevert
År 2016: Tall er hentet fra elektronisk innlevert årsregnskap fra 2017

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, 10.10.2019



Resultatregnskap

| Beløp i: NOK | Note | 2017 | 2016 |
|--|------|--------------------|--------------------|
| RESULTATREGNSKAP | | | |
| Inntekter | | | |
| Salgsinntekt | | 500 | 34 238 |
| Sum inntekter | | 500 | 34 238 |
| Kostnader | | | |
| Varekostnad | | 200 288 | -3 421 243 |
| Annen driftskostnad | | 388 532 | 605 281 |
| Sum kostnader | | 588 820 | -2 815 962 |
| Driftsresultat | | -588 320 | 2 850 200 |
| Finansinntekter og finanskostnader | | | |
| Inntekt på investering i datterselskap og tilknyttet selskap | | | 660 000 |
| Renteinntekt fra foretak i samme konsern | | 18 136 571 | 24 199 534 |
| Annen finansinntekt | | 1 072 | 7 582 |
| Sum finansinntekter | | 18 137 643 | 24 867 116 |
| Nedskrivning av finansielle eiendeler | | -81 814 866 | 85 137 433 |
| Rentekostnad til foretak i samme konsern | | | 451 287 |
| Annen finanskostnad | | 151 412 | 1 805 556 |
| Sum finanskostnader | | -81 663 454 | 87 394 276 |
| Netto finans | | 99 801 097 | -62 527 160 |
| Ordinært resultat før skattekostnad | | 99 212 778 | -59 676 960 |
| Skattekostnad på ordinært resultat | | | 6 600 000 |
| Ordinært resultat etter skattekostnad | | 99 212 778 | -66 276 960 |
| Årsresultat | | 99 212 778 | -66 276 960 |
| Årsresultat etter minoritetsinteresser | | 99 212 778 | -66 276 960 |
| Totalresultat | | 99 212 778 | -66 276 960 |
| Overføringer og disponeringer | | | |



Resultatregnskap

| Beløp i: NOK | Note | 2017 | 2016 |
|--|-------------|-------------------|--------------------|
| Konsernbidrag | | | 339 340 000 |
| Overføringer til/fra annen egenkapital | | 99 212 778 | -405 616 960 |
| Sum overføringer og disponeringer | | 99 212 778 | -66 276 960 |



Balanse

| Beløp i: NOK | Note | 2017 | 2016 |
|--|------|--------------------|--------------------|
| BALANSE - EIENDELER | | | |
| Anleggsmidler | | | |
| Immaterielle eiendeler | | | |
| Finansielle anleggsmidler | | | |
| Investering i annet foretak i samme konsern | | | 7 302 059 |
| Lån til foretak i samme konsern | | 338 327 399 | 46 698 483 |
| Sum finansielle anleggsmidler | | 338 327 399 | 54 000 542 |
| Sum anleggsmidler | | 338 327 399 | 54 000 542 |
| Omløpsmidler | | | |
| Varer | | | |
| Fordringer | | | |
| Kundefordringer | | 18 180 895 | 53 825 418 |
| Andre fordringer | | 25 409 | |
| Sum fordringer | | 18 206 304 | 53 825 418 |
| Bankinnskudd, kontanter og lignende | | | |
| Bankinnskudd, kontanter og lignende | | 7 602 368 | 157 968 524 |
| Sum bankinnskudd, kontanter og lignende | | 7 602 368 | 157 968 524 |
| Sum omløpsmidler | | 25 808 672 | 211 793 943 |
| SUM EIENDELER | | 364 136 071 | 265 794 485 |
| BALANSE - EGENKAPITAL OG GJELD | | | |
| Egenkapital | | | |
| Innskutt egenkapital | | | |
| Selskapskapital | | 5 000 000 | 331 000 000 |
| Sum innskutt egenkapital | | 5 000 001 | 331 000 001 |
| Opptjent egenkapital | | | |



Balanse

| Beløp i: NOK | Note | 2017 | 2016 |
|---------------------------------|-------------|--------------------|--------------------|
| Annen egenkapital | | 2 849 676 | -66 276 961 |
| Sum opptjent egenkapital | | 2 849 676 | -66 276 961 |
| Sum egenkapital | | 7 849 677 | 264 723 040 |
| Sum langsiktig gjeld | | 0 | 0 |
| Kortsiktig gjeld | | | |
| Leverandørgjeld | | 200 254 | 1 071 445 |
| Utbytte | | 356 086 141 | |
| Sum kortsiktig gjeld | | 356 286 395 | 1 071 445 |
| Sum gjeld | | 356 286 395 | 1 071 445 |
| SUM EGENKAPITAL OG GJELD | | 364 136 071 | 265 794 485 |



Skattedirektoratet

MOTTATT
11 JAN. 2016

| | | |
|--|-----------------------------------|------------------------------|
| 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

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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





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DeepOcean Shipping IV AS
976 854 020
ANNUAL REPORT
2017

DEEPOCEAN



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DeepOcean Shipping IV AS

Balance Sheet

| Note | ASSETS | 31.12.2017 | 31.12.2016 |
|------|-------------------------------------|--------------------|--------------------|
| | Fixed assets | | |
| | Total intangible assets | <u>0</u> | <u>0</u> |
| | Financial fixed assets | | |
| 1 | Investment in other shares | 0 | 7 302 059 |
| 3 | Loan to group companies | 338 327 399 | 46 698 483 |
| | Total financial fixed assets | <u>338 327 399</u> | <u>54 000 542</u> |
| | Total fixed assets | <u>338 327 399</u> | <u>54 000 542</u> |
| | Current assets | | |
| | Receivables | | |
| 3 | Receivables from group companies | 18 180 895 | 53 634 321 |
| | Other current assets | 25 409 | 191 097 |
| | Total receivables | <u>18 206 304</u> | <u>53 825 418</u> |
| 9 | Bank and cash | 7 602 368 | 157 968 524 |
| | Total current assets | <u>25 808 672</u> | <u>211 793 943</u> |
| | TOTAL ASSETS | <u>364 136 071</u> | <u>265 794 485</u> |

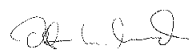




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DeepOcean Shipping IV AS

| Note | EQUITY AND LIABILITIES | 31.12.2017 | 31.12.2016 |
|------|-------------------------------------|--------------------|--------------------|
| | Equity | | |
| 5 | Share capital | 5 000 000 | 331 000 000 |
| | Total paid-in-capital | 5 000 000 | 331 000 000 |
| | Other equity | 2 849 677 | -66 276 961 |
| | Total retained earnings | 2 849 677 | -66 276 961 |
| 4 | Total equity | 7 849 677 | 264 723 039 |
| | Liabilities | | |
| | Non-current liabilities | | |
| | Current liabilities | | |
| | Accounts payable | 30 103 | 891 816 |
| 4 | Liabilities to group companies | 170 150 | 179 629 |
| 4 | Accrued dividend/group contribution | 356 086 141 | 0 |
| | Total current liabilities | 356 286 395 | 1 071 445 |
| | Total liabilities | 356 286 395 | 1 071 445 |
| | TOTAL EQUITY AND LIABILITIES | 364 136 072 | 265 794 484 |

Haugesund, 30. July 2018


Ottar Mæland
Chairman of the Board

 
John Baxter Kjetil Ramstad
Board Member/ Board Member
Managing Director



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DeepOcean Shipping IV AS

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 Shipping IV 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 Shipping IV AS

Notes to the financial statements

Note 1 Investment in shares

The shares in DeepOcean Shipping AS were sold to DeepOcean AS in 2017.

Note 2 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 11 for more details regarding Group financing.

Note 3 Transactions and balances with group companies

Related party transactions:

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

| Revenue | 2017 | 2016 |
|--|-------------------|--------------------|
| Total | - | - |
| Expenses | 2017 | 2016 |
| Personnel charges | 112 | -3 750 596 |
| Management fee | 231 726 | 337 173 |
| Total | 231 838 | -3 413 422 |
| Financial items | 2017 | 2016 |
| Interest income | 18 136 571 | 24 199 534 |
| Interest costs | 0 | -451 287 |
| Impairment of financial assets | 81 814 866 | -85 137 433 |
| Net financial items | 99 951 437 | -61 389 186 |
| Balance sheet | 2017 | 2016 |
| Loans to group companies | 338 327 399 | 129 855 173 |
| Impairment loans to group companies | 0 | -83 156 690 |
| Group contribution payable | -356 086 141 | 0 |
| Short term Receivables group companies | 18 180 895 | 53 053 609 |
| Short term Payables group companies | -170 150 | 401 083 |
| Total | 252 002 | 100 153 175 |

Repayment plans for Intercompany loans are signed.



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DeepOcean Shipping IV AS

Notes to the financial statements

Note 4 Equity

| Change in equity | Share Capital | Share premium | Other Equity | Total |
|--------------------------|------------------|---------------|------------------|------------------|
| Equity 01.01 | 331 000 000 | | -66 276 960 | 264 723 040 |
| Write-down share capital | -326 000 000 | | 326 000 000 | 0 |
| Profit (loss) this year | 0 | 0 | 99 212 778 | 99 212 778 |
| Group contribution given | | | -356 086 142 | -356 086 142 |
| Equity 31.12 | 5 000 000 | 0 | 2 849 676 | 7 849 676 |

Note 5 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 6 Taxes

| | Change | 2017 | 2016 |
|--|--------|--------------|--------------|
| Temporary differences | | | |
| Provisions | 0 | 0 | 0 |
| Net temporary differences | 0 | 0 | 0 |
| Tax losses carried forward | | -233 698 916 | -258 499 395 |
| Net result this year | | 17 397 912 | 24 800 479 |
| Basis for deferred tax/tax assets | | -216 301 005 | -233 698 916 |
| Deferred tax assets based on nominal rate | | 49 749 231 | 56 087 740 |
| Deferred tax asset not recorded | | -49 749 231 | -56 087 740 |
| Deferred tax/tax asset in the balance sheet | | 0 | 0 |
| Basis for income tax expense, changes in deferred tax and tax payable | | | |
| Result before taxes | | 99 212 778 | -59 676 960 |
| Permanent differences | | -81 814 866 | 84 477 439 |
| Basis for the tax expense for the year | | 17 397 912 | 24 800 479 |
| Utilize tax losses carried forward | | -17 397 912 | -24 800 479 |
| Taxable income (basis for payable taxes in the balance sheet) | | 0 | 0 |
| Components of the income tax expense | | 2017 | 2016 |
| Payable tax on this year's result | | 0 | 0 |
| Total payable tax | | 0 | 0 |
| Change in deferred tax | | 0 | 6 600 000 |
| Tax expense | | 0 | 6 600 000 |
| Payable taxes in balance sheet | | | |
| Payable tax in the charge | | 0 | 0 |
| Payable tax in the balance sheet | | - | - |



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DeepOcean Shipping IV AS

Notes to the financial statements

Note 7 Payroll expenses, employees, remuneration, loans to employees, etc.

| Auditor | 2017 | 2016 |
|-----------------------------------|----------------|---------------|
| Allocation of auditor fee: | | |
| Statutory audit excl VAT | 56 500 | 64 000 |
| Other assurance services excl VAT | 323 705 | |
| Total fee auditor excl VAT | 380 205 | 64 000 |

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 8 Specification of financial income and expenses

| Foreign exchange gains and losses | 2017 | 2016 |
|---------------------------------------|-----------------|-------------------|
| Foreign exchange gains | 929 560 | 1 548 862 |
| Foreign exchange losses | -1 080 969 | -3 354 429 |
| Net financial gains and losses | -151 409 | -1 805 567 |

Note 9 Restricted cash

The Company has no restricted cash as of 31.12.17.

Note 10 Group information

DeepOcean Shipping IV 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 registered with the Registre de Commerce et des Sociétés under number B210246.

Note 11 Group financing

On 27 February 2013 DeepOcean Group secured a Credit Facility. Subsequently on 6 November 2013 and 16 December 2015 an amendment to this Credit Facility was signed to better fit with our business activities. The amended Credit Facility of EUR 155 million, consists of a EUR 80.0 million revolving loan facility (the 'Facility A'), a EUR 45.0 million ancillary facility for performance guarantees (the 'Facility C'), and a EUR 30.0 million term loan facility (the 'Facility B'). The purpose of the Credit Facility is to finance our working capital, a part of our capital expenditures and for general corporate purposes. In addition, there is an option to exercise a EUR 20.0 million accordion facility to the Facility A.

As of 10 January 2017 the contractual terms of the Group's Credit Facility have been revised and the main changes are summarized as follows: a) Amortization profile amended with reduced amortizations until end of February 2018 b) Maturity of Credit Facility is extended to February 2021.

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

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

Note 12 Basis for preparation

The Financial statements have been prepared on the basis of historical cost, except for financial instruments (including derivative instruments) at fair value through profit or loss, which are stated at fair value. Income and expenses are accounted for on an accrual basis.

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

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

The financial statements have been prepared on a going concern basis. Based on our current forecast, the leverage covenant, for which the Group has obtained a covenant holiday until 1 July 2018, may not be met as from 30 September 2018. Additionally, the equity and liquidity covenant may not be met as from 31 December 2018. These conditions indicate the existence of a material uncertainty, which may cast significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. To reduce the risk of covenant breach, the Group will remain focused on stringent cash management and further cost reductions. In addition, discussions will continue throughout 2018 with the Group's lenders and shareholders regarding the Group's outlook, additional funding and required changes of financial covenants. Management is confident that the outcome of these discussions will be positive. Based on the above, management believes it is appropriate to prepare the financial statements using the going concern assumption.



To the General Meeting of DeepOcean Shipping IV AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of DeepOcean Shipping IV AS showing a profit of NOK 99 212 778. The financial statements comprise the balance sheet as at 31 December 2017, 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 accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 December 2017, 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 as required by laws and regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 12 in the financial statements, which indicates that the group which the Company is part of may not meet certain financial covenants. As stated in Note 12, 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 the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (management) are responsible for the preparation in accordance with law and regulations, including 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. The

PricewaterhouseCoopers AS, Kanalsletta 8, Postboks 8017, NO-4068 Stavanger

T: 02316, org. no.: 987 009 713 MVA, www.pwc.no

Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Independent Auditor's Report - DeepOcean Shipping IV AS

financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with laws, regulations, and auditing standards and practices generally accepted 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. We 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 the Board of Directors 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.

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Independent Auditor's Report - DeepOcean Shipping IV AS

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 produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Other Matters

The Company's financial statements have been submitted after the expiry of the statutory time limit for preparation of financial statements.

Stavanger, 31 July 2018
PricewaterhouseCoopers AS

Tom Notland
State Authorised Public Accountant