



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	980 722 805
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	DEEPOCEAN AS
Forretningsadresse:	Karmsundgata 74 5529 HAUGESUND

Regnskapsår

Årsregnskapets periode:	01.01.2020 - 31.12.2020
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Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Nei

Regnskapsregler

Regler for små foretak benyttet:	Nei
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:	21.05.2021

Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 21.02.2023



Resultatregnskap

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		2 607 339 592	2 277 067 377
Annen driftsinntekt		-517 215	177 315
Sum inntekter		2 606 822 378	2 277 244 692
Kostnader			
Varekostnad		1 922 922 320	1 660 455 506
Lønnskostnad		296 851 952	283 672 297
Avskrivning av driftsmidler og immaterielle eiendeler		75 895 394	74 594 877
Nedskrivning av varige driftsmidler og immaterielle eiendeler		34 592 488	
Annen driftskostnad		40 757 036	67 835 968
Sum kostnader		2 371 019 191	2 086 558 649
Driftsresultat		235 803 187	190 686 043
Finansinntekter og finanskostnader			
Inntekt på investering i tilknyttet selskap		4 215 115	4 179 135
Renteinntekt fra foretak i samme konsern		12 924 857	14 065 945
Annen renteinntekt		411 459	963 790
Annen finansinntekt		-28 092 888	-3 075 716
Sum finansinntekter		-10 541 457	16 133 154
Nedskrivning av finansielle eiendeler		126 828 725	357 088 697
Rentekostnad til foretak i samme konsern		1 370 368	22 315 393
Annen rentekostnad		8 780 045	9 971 220
Annen finanskostnad		-33 105 659	2 105 586
Sum finanskostnader		103 873 478	391 480 896
Netto finans		-114 414 936	-375 347 742
Ordinært resultat før skattekostnad		121 388 251	-184 661 699
Skattekostnad på ordinært resultat		58 235 385	16 427 218
Ordinært resultat etter skattekostnad		63 152 866	-201 088 917
Årsresultat		63 152 866	-201 088 917



Resultatregnskap

Beløp i: NOK	Note	2020	2019
Årsresultat etter minoritetsinteresser		63 152 866	-201 088 917
Totalresultat		63 152 866	-201 088 917
Overføringer og disponeringer			
Avsatt til annen egenkapital		63 152 866	-201 088 917
Sum overføringer og disponeringer		63 152 866	-201 088 917



Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel		38 448 917	45 614 838
Sum immaterielle eiendeler		38 448 917	45 614 838
Varige driftsmidler			
Maskiner og anlegg		191 781 124	252 868 009
Sum varige driftsmidler		191 781 124	252 868 009
Finansielle anleggsmidler			
Investering i datterselskap		598 958 314	654 218 644
Lån til foretak i samme konsern		70 852 029	92 647 555
Investeringer i aksjer og andeler		5 236 933	5 189 587
Sum finansielle anleggsmidler		675 047 277	752 055 787
Sum anleggsmidler		905 277 318	1 050 538 634
Omløpsmidler			
Varer			
Sum varer		10 240 851	13 157 590
Fordringer			
Kundefordringer		344 781 641	252 581 873
Andre kortsiktige fordringer		136 508 525	131 217 239
Sum fordringer		481 290 166	383 799 112
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter o.l.		337 297 769	192 352 067
Sum bankinnskudd, kontanter og lignende		337 297 769	192 352 067
Sum omløpsmidler		828 828 786	589 308 769
SUM EIENDELER		1 734 106 104	1 639 847 403



Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital		118 961 802	118 961 802
Overkurs		683 759 726	715 711 022
Sum innskutt egenkapital		802 721 529	834 672 824
Annen egenkapital			
Sum egenkapital		802 721 529	834 672 824
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser		6 418 019	9 291 848
Sum avsetninger for forpliktelser		6 418 019	9 291 848
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner		61 958 119	105 506 907
Sum annen langsiktig gjeld		61 958 119	105 506 907
Sum langsiktig gjeld		68 376 138	114 798 755
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner		46 519 412	67 049 262
Leverandørgjeld		433 768 712	355 853 059
Betalbar skatt			1
Skyldig offentlige avgifter		18 304 073	19 235 219
Utbytte		219 788 638	89 902 583
Annen kortsiktig gjeld		144 627 603	158 335 700
Sum kortsiktig gjeld		863 008 437	690 375 823
Sum gjeld		931 384 575	805 174 578
SUM EGENKAPITAL OG GJELD		1 734 106 104	1 639 847 403



MOTTATT

11 JAN. 2016

Skattedirektoratet

Saksbehandler
Torstein Kinden Helleland

Deres dato
05.01.2016

Vår dato
07.01.2016

Telefon
22078139

Deres referanse
Øyvind Apeland

Vår referanse
2012/430841

DEEPOCEAN NORWAY AS
Postboks 2144
5504 HAUGESUND

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

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

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

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

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

Bakgrunn

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

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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





Vedlegg til årsregnskap 2020

Selskapsnavn	Organisjonsnummer
DeepOcean AS	980 722 805

Informasjon om konsernregnskap

Det utarbeides ikke konsernregnskap for DeepOcean AS.

I vedlagt årsregnskap note 15 framkommer informasjon om hvilket konsernselskap i DeepOcean gruppen det utarbeides konsernregnskap for.

Konsernregnskapet for DeepOcean Group Holding BV er vedlagt i årsregnskapet for DeepOcean Norway AS (org nr 896 696 262).



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DeepOcean AS
980 722 805
ANNUAL REPORT
2020



DEEPOCEAN



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DeepOcean AS

Directors Report 2020

The Company

These are the annual report and audited financial statements for DeepOcean AS (DeepOcean) for the year ending 31 December 2020. DeepOcean's office is in Haugesund, and it is an indirect subsidiary of DeepOcean Group Holding BV ("DOGH"), which is a private limited company under Dutch law.

DeepOcean has 10 subsidiaries and two joint ventures.

For further details regarding the subsidiaries and joint ventures reference is made to Note 2.

DeepOcean is an integrated provider of safe, high quality, innovative services and technologies for the subsea industry. Demonstrating an extensive track record, DeepOcean offers a breadth of subsea services including Survey and Seabed-mapping, Subsea Construction, Seabed Intervention, Inspection, Maintenance and Repair (IMR), and Decommissioning.

DeepOcean is operating in the oil and gas, offshore renewables and electrical power transmission industries. Our two main operational offices are located in Haugesund (Norway) and Aberdeen (United Kingdom).

Operations summary

General

The activity level in DeepOcean has in general been high in 2020, with operations for a number of clients, both in the Norwegian and British sector of the North Sea and also in the Mediterranean area. Operations were disrupted by the COVID-19 pandemic throughout the year, despite of this we managed to secure decent amount of work for the fleet and particularly Q3 and Q4 was characterized by high activity.

Innovation

An onshore control center facilitating remote control of offshore operations from our onshore base in Haugesund west coast Norway has been implemented in our operations and we have performed commercial remote operations for our customers in 2020. We have also taken further steps in the innovation program for development of a USV – Unmanned Surface Vehicle equipped with an ROV to deliver more cost efficient and carbon friendly operations to the market.

The Company is continually working to improve the current product/service portfolio and is developing several new products and services in order to stay competitive (reduced project costs, increased efficiencies, improved operational results) in the markets serviced by DeepOcean (e.g. Unmanned Surface Vessels, autonomous ROVs and automation of data handling). In addition, these developments will support DeepOcean in potentially entering new markets, by being able to provide an additional range of services (e.g. Deep Sea Mineral Harvesting). The Remote Operations Centre in Haugesund is now fully operational and adoption by clients is progressing satisfactory. The Autonomous Inspection Drone will be tested out Q3 2021 in the north sea during live operations. The company is also progressing well on the Ocean Challenger project, a combination of Unmanned Surface Vessel and Work Class ROV. The project intends to deliver the first vessel for qualification and testing in 2022. This project will be an important contributor to making the company able to deliver cost efficient services with and extreme low carbon footprint.

Fleet

DeepOcean has a fleet consisting of owned and chartered vessels, where the main vessels used by the Company in 2020 has been Edda Freya, Normand Ocean, Deep Helder, Edda Flora, Edda Fauna, Deep Vision and Maersk Forza. DeepOcean also chartered the vessels North Sea Giant, Dina Star and Normand Jarstein during the season.

Operational highlights

Below are some highlights for some of the projects performed during 2020. DeepOcean AS conducted over 1600 day's work of Offshore Subsea Operations through the year.



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DeepOcean AS

Equinor IMR – Inspection, Maintenance and Repair

The vessel Normand Ocean performed the yearly seasonal IMR call-off on the long-term IMR frame agreement with Equinor. 2020 was another year with high uptime for the vessel spread, great performance and good feedback from the client. Work has mainly consisted of traditional Inspection, Maintenance and Repair work, but also larger and more complex work packages has been carried out under this contract

Equinor Pipeline Inspection

The vessel Edda Flora equipped with DeepOcean's specialized fast survey ROV Superior has been utilized for this contract performing pipeline inspection, construction support and light construction work services.

Aker BP

DeepOcean holds an IMR frame agreement with Aker BP to provide inspection maintenance and repair services of all Aker BP facilities in NCS. Edda Fauna was the main vessel for this work 2020. In addition Edda Freya, Edda Flora and Normand Ocean worked for Aker BP during the year.

VÅR Energi

DeepOcean continued the IMR frame agreement with VÅR Energi for the Goliat field in the North part for Norway and performed construction work on VÅR Energi's Balder field. The Edda Fauna, Edda Freya, Normand Ocean, North Sea Giant and Maersk Forza were used to perform the work.

Shell

DeepOcean performed first phase of a decommissioning project removing oil from concrete platform foundations on the Brent field for Shell with the vessel Maersk Forza.

Equinor

DeepOcean performed several riser replacements on the SLM – Subsea Line Modification Project 2019 / 2020 for Equinor on the Åsgard, Snorre and Vigdis fields mainly with the vessel Edda Freya.

DeepOcean has worked on the Snorre Expansion and Troll Phase 3 field development projects for Equinor and also been working for several other clients in 2020, amongst others Repsol, TechnipFMC, CNR International (UK) Limited, Neptune Energy, ConocoPhillips and others.

The strong portfolio of services, coupled with a fleet of owned and controlled vessel with specialized mission equipment, enables DeepOcean to bundle its subsea services to deliver cost-effective, tailored solutions to meet individual client's needs.

Operating within a challenging industry, DeepOcean is committed to protecting the health and safety of all people involved in its activities, and thus achieving a safe and incident free workplace, with high standards of environmental responsibility and pollution prevention. DeepOcean strives for relentless customer focus and operational excellence, which is supported by a global team of highly professional and experienced project teams. DeepOcean delivers innovative engineering solutions and turnkey project management for complex offshore operations.

DeepOcean's operational strategy is to achieve high utilization of its resources, in order to have the most effective and efficient operations and to maintain control of contract risk in projects. Furthermore, DeepOcean aims to balance its portfolio of day-rate and lump-sum priced work to achieve its long- and short-term financial goals.



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DeepOcean AS

Going concern

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

2020 was a challenging year for the Group, due to a number of factors including the continuing COVID-19 pandemic, the sharp decline of commodity prices in Q1 2020 and the challenging market for the UK business (DeepOcean 1 UK Limited, Enshore Subsea Limited & DeepOcean Subsea Cables Limited) of the Group. DeepOcean executed several measures to ensure the future viability of the Group including reduction in employees (specifically eliminating SG&A positions), reduced investment plans, negotiated reduced vessel rates on long term charters and initiated a full restructuring of the UK business. However, despite the challenging conditions there was no breach of the bank covenants (Liquidity & LTM EBITDA) in 2020.

The Company is a subsidiary in DeepOcean Group and is impacted by the Group's financing and intercompany loans and borrowings. The Company is also an obligor in the Credit Facility arrangement and all assets are pledged.

The restructuring plan procedure under Corporate Insolvency and Governance Act 2020 (an "RPP") of the UK business was not simply a liquidation of certain entities, but has a multitude of interlinked elements that cover the legal, financial and commercial spheres – which in its entirety have ensured the future viability of the Group and will make it increasingly competitive in the years to come. The process follows an extended period of loss-making operations by the UK business and reflects changes in the industry's procurement strategies and available installation capacity, as well as a mismatch between the UK business contractual commitments and market conditions. The RPP has been approved in court and the UK business is in the process of a solvent wind down. This court approved process has given the Group certainty for ongoing operations and future activities. The key outcomes of the RPP are as follows:

- The UK business has been released of all their liabilities as of 22nd April 2021 (Except a certain % of creditor recovery)
- The liabilities included long term charter vessels with out of market rates
- The solvent wind down of the UK business
- Stops the major cash drain of the Group
- The Group will have more funding headroom, allowing it to be more aggressive towards growth areas and focus on growth in the right areas.
- The retention of the trenching assets to either operate or monetize
- Removes the UK Business which has been the major budget deviation and underperforming business for the Group over the last 36 months

In addition, to the RPP process in the UK business, the Group has continued multiple processes to further safeguard operations and provide the business with stability for the future. These processes include the following:

- Amendment and restatement of the current syndicated credit facility – including a maturity extension and other concessions from the lenders such as lower margins (reduced finance cost), and changes to the bank covenants
- \$15M new equity from majority shareholder Triton (March 2021) which shows – renewed commitment to their investment in DeepOcean and confidence in DeepOcean's future
- Significantly reduced charter rates for the Group's long-term charters in the Norway region

These activities and processes have been the main focus of the Group's management in 2020 to ensure a solid going concern for the wider DeepOcean Group and are the key anchor and preparation for this process of management assessment.

For further details reference is made to note 19.



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DeepOcean AS

Health, Safety, Environment and Security

DeepOcean has a clear responsibility to its stakeholders and Society to ensure it conducts its business activities in a responsible manner, in compliance with all applicable legislation and regulatory requirements. The Company endeavours to support fundamental human rights throughout all of its activities, ensuring a high focus on health, safety, security and environmental best practice.

Significant focus and high standards are placed on proactive HSE performance indicators. The Company has a proven performance history of exceeding industry benchmarks in relation to proactive HSE performance.

Behavioural safety practices and HSEQS Culture is embedded into Company operations through the active application of the 'ACT for HSEQS Programme'. Throughout 2020 DeepOcean has continued to develop and apply relevant campaigns in support of the programme.

Focus areas for campaigns delivered in 2020 are as follows:

- Q2 – ACT for Health, 'ACT for a healthy balance' with a specific effort on mental challenges and balancing work / home life challenges during the COVID-19 pandemic.

With regards to lagging performance indicators, performance was trending down compared to previous year:

- 2020 Lost Time Injury Frequency (LTIF) per million hours worked – 0.32
- 2020 Total Recordable Injury Frequency (TRIF) per million hours worked – 0.49

The 2020 absence rate for DeepOcean AS was 8,01%.

Total exposure hours recorded in 2020 were 6 293 270. This figure are inclusive of offshore and onshore activities for the DeepOcean group, the day to day working hours depend on the nature of the role and do not differ for male and female employees.

DeepOcean continues to consult with employees through evaluation meetings with employee representatives and monitors the working environment to ensure continuous compliance with the Norwegian Working Environment Act.

DeepOcean has a clear responsibility to its stakeholders and Society to ensure it conducts its business activities in a responsible manner, in compliance with all applicable legislation and regulatory requirements. The Company endeavours to support fundamental human rights throughout all of its activities, ensuring a high focus on health, safety, security and environmental best practice.

Equality opportunities in DeepOcean

Our policy is that all employees should have the same opportunities for personal and professional development and that everyone should be treated equally, regardless of gender, age, ethnicity and disabilities. Human Resource procedures and HSE procedures are designed to meet the requirements of Discrimination and Accessibility Act.

DeepOcean strives to have a business culture characterized by:

- Trust and respect
- Openness and honesty
- Empowerment
- No Blame
- Innovation and entrepreneurialism
- Can do
- Dynamic
- Inclusive with equal opportunity for all
- Fun



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DeepOcean AS

Equal opportunity is a key characteristic although we, due to the fact that industry is traditionally dominated by men, have some way to go. The continued recruitment of qualified women in both ordinary and trainee positions within the fleet will continue. DeepOcean employee count is 252 in total of which 241 men and 11 women. The Board of Directors consists of seven (7) men, three of which are representatives elected by and amongst the employees.

External environment

The Offshore Service industry includes risk of accidents that may cause environmental pollution. In order to minimize DeepOcean's impact on the environment DeepOcean operates according to stringent operation and reporting routines according to company's ISO 14001 certified Environmental Management System.

DeepOcean operates a modern vessel fleet with fuel efficient systems to minimize emissions. NOX reducing systems are installed on some of the vessels to meet strict Norwegian NOX regulations.

Throughout 2020, compliance was maintained in accordance with our accreditation to Environmental Management System Standard, ISO 14001:2015.

55 Environmental Release Incidents from our operating Assets occurred in 2020 in comparison to 64 in 2019. Of the release volume 47 % was related to Biodegradable Fluid as opposed to 53 % Hydraulic Fluid.

It has been identified, that consistent focus needs to remain within the Assets Department to continue work on the overall reduction in the total number of releases and environmental protection moving forward.

Research and development activities

DeepOcean has 2 ongoing research and development project.

Market outlook

After an extended downturn period over several years there were indications of oil & gas market recovery during 2019 and into 2020. The offshore wind and renewables market have also seen increased activity leading to increased utilisation of vessels and equipment in both markets. The market outlook became however significantly more negative when the COVID-19 crisis developed in parallel with drop in the oil price early 2020. The COVID-19 effects are expected to continue throughout 2021. The Norwegian authorities granted in 2020 tax incentives to encourage investments in new projects leading to a number of field developments being sanctioned. The market recovery in oil & gas is expected to continue in the North Sea in the years to come supported by accelerated growth in the offshore wind and renewables market.

Entry of remote technology and the trend of transferring work tasks and people from offshore to onshore is expected to continue and subsequently over time change conventional ways of working.

Focus on cost reduction, technology development, innovation and reduction of carbon footprint is expected remain high in the oil and gas, renewables and offshore wind market going forward.

During the previous year's downturn DeepOcean has run rigorous cost reduction exercises and will continue to cut cost and leverage operational efficiencies in order to achieve acceptable financial results as well as to ensure competitiveness under periods of prolonged low oil price.

DeepOcean's strategy, focused on IMR will further de-risk DeepOcean from the volatility of the oil price, as a large portion of DeepOcean's service offering is geared towards optimizing and maintaining existing infrastructure and thus supporting operators in reduction of their CAPEX spend.



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DeepOcean AS

Market and currency risk

DeepOcean's activities expose it to a variety of financial risks, which can be categorised as market risk, credit risk and liquidity risk. Whereas market risk includes foreign exchange risks and interest rate risks. Management policies have been established to identify, analyse and monitor these risks, and to set appropriate risk limits and controls. Financial risk management is carried out in accordance with the Group Risk Management policy approved by the Executive Management. The written principles and policies are reviewed periodically to reflect changes in market conditions, the activities of the business and laws and regulations affecting the business.

DeepOcean's revenues are mainly earned in NOK, which is the entity's functional currency and reflects the primary economic environment in which the Company operates. However, the Company is also exposed to USD, GBP, and EUR. Sales and expenses in the same currency contribute to mitigating a large part of the currency risk. The Company continually assesses its exposure, including if the Company is hedged naturally on a Group level. If deemed necessary the risk can be offset using derivative financial instruments.

DeepOcean is exposed to interest-rate risk to borrowings and cash deposits. Primarily, floating interest rate loans under the Group's financing scheme. DeepOcean assesses its interest rate sensitivity at a fair value through profit or loss, and similarly to the currency risk, the interest rate risk can be offset with interest derivative instruments.

For further details, reference is made to Notes 2, 3, 4, 16, 17 and 18.

Credit risk

Credit risk arises primarily from cash and cash equivalents held at financial institutions, and to certain extent, from trade receivables.

Cash balances are only held with large recognised financial institutions in each demographic area where the Group operates.

DeepOcean's exposure to trade receivables is managed through continuous credit risk assessments of each individual customer. DeepOcean's principal customers are major integrated oil companies, large independent oil and gas companies, large utilities, large multinational companies that provide engineering, procurement, construction and installation (EPCI) services. These companies are mostly large and financially solid; however the risk of non-payment exists. For further details, reference is made to Note 4.

The liquidity risk

Liquidity risk is the risk that the Group will be unable to fulfil its operational and financial obligations as they fall due. Liquidity risk has become the most significant risk, both for DeepOcean and the business in general. The Subsea business has been through a severe downturn, which has had a major impact on cash flow and cash reserves. Previous strategies with goals for the Group's leverage ratio, have been replaced by a reality where minimum cash covenants in the credit facility agreement being the measuring point. The Group monitors the risk of lack of available capital/cash and cash equivalents through continued evaluations of its liquidity position combined with a rolling cash flow forecast of its operational activities, including the servicing of its financial obligations.

DeepOcean relies primarily on cash flow from operating activities, available cash and cash equivalents and any borrowings under the Group's Credit Facility to pay the direct and indirect costs and to finance the maintenance and investment capital expenditures and working capital. In addition, some investment capital expenditure are financed through financial leases.

For further details reference is made to Notes 3, 4, 8, 16 and 17.



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DeepOcean AS

Subsequent events

2020 was a challenging year for the Group, due to a number of factors including the continuing COVID-19 pandemic, the sharp decline of commodity prices in Q1 2020 and the challenging market for the UK business (DeepOcean 1 UK Limited, Enshore Subsea Limited & DeepOcean Subsea Cables Limited) of the Group. DeepOcean executed several measures to ensure the future viability of the Group including reduction in employees (specifically eliminating SG&A positions), reduced investment plans, and initiated a full restructuring of the UK business. However, despite the challenging conditions there was no breach of the bank covenants (Liquidity & LTM EBITDA) in 2020.

Subsequent to the end of 2020, the executive management have continued multiple processes to further safeguard operations and provide the business with stability for the future. Key subsequent events include:

- Approved restructuring plan procedure under Corporate Insolvency and Governance Act 2020 (an "RPP") of the UK business (DeepOcean 1 UK Ltd, DeepOcean Subsea Cables Ltd and Enshore Subsea Ltd)
- Amendment and restatement of the current syndicated credit facility – including a maturity extension and other concessions from the lenders such as lower margins (reduced finance cost), and changes to the bank covenants
- \$15M new equity from majority shareholder Triton (March 2021) which shows – renewed commitment to their investment in DeepOcean and confidence in DeepOcean's future
- Renegotiated reduced charter rates for the Group's long-term charters in the Norway region

Cash flow

Net cash from operating activities in 2020 positive with NOK 205.771.820 compared to NOK 440.224.926 in 2019. The major changes is related to intercompany transactions.

Net investment in fixed assets was NOK 49.400.997 in 2020 compared with NOK 7.152.281 in 2019.

Repayment of external borrowings in 2020 was NOK 30.969.712 compared with NOK 19.492.440 in 2019.

Financial Information

Gross revenues increased with 14 % to NOK 2.607.339.593 compared with previous year.

DeepOcean has spent substantial time working with rightsizing of the organization in accordance with activity. DeepOcean generated a positive operating profit of NOK 238.750.203 compared with a positive operating profit of NOK 190.686.042 in previous year.

DeepOcean has impaired the values of shares in subsidiaries with NOK 133.939.897. For further details reference is made to note 2.

DeepOcean equity ratio was 46,3 % as of 31.12.2020 compared to 48,4 % as of 31.12.2019.

The total capital was NOK 1.734.106.15 at the end of 2020, compared to NOK 1.639.847.403 by the end of 2019.

Net income and Disposals

The Board of Directors proposes that the profit of NOK 63.152.867 be treated as follows:

Transferred from share premium:	NOK 31.842.271
Group contribution given	(NOK 94.995.138)
Total transfers:	<u>NOK 63.152.867</u>




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DeepOcean AS

Haugesund, 21.May 2021
The Board of DeepOcean AS


Ottar Mæland
Board Member



Frode Garlid
Chairman of the Board


Øyvind Mikaelen
Board Member


Geir Åge Nesse
Board Member


Ove Medhaug Herøy
Board Member


Odd Bjarte Eie
Board Member


Olaf A. Hansen
Managing Director/Board Member



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Income statement			
Note	2020	2019	
Operating revenues and expenses			
4,9	Sales revenues	2 607 339 592	2 277 067 377
	Profit from sales of assets	0	177 315
	Gross operating revenues	2 607 339 593	2 277 244 692
4	Project costs	1 917 982 338	1 656 846 688
10	Personnel costs	301 791 934	287 281 116
1	Ordinary depreciation	75 895 394	74 594 877
1	Write-down fixed assets	34 592 488	0
4	Impairment of Intercompany receivables	-2 947 017	17 407 368
4,10	Other operating costs	41 274 251	50 428 600
	Operating expenses	2 368 589 389	2 086 558 649
	Operating result	238 750 203	190 686 042
Finance income and expenses			
4	Interest income from group companies	12 924 857	14 065 945
	Interest income	411 459	963 790
11	Other financial income	0	-2 109
	Dividend/Group contribution received	13 204 628	775 906
4,18	Derivative non-hedge cost	-41 297 516	-3 849 513
4,18	Derivative non-hedge income	74 406 442	1 126 259
	Income from JV	4 215 115	4 179 135
4	Interest expenses to group companies	-1 370 368	-22 315 393
11	Net foreign exchange gain/loss	-40 774 823	-2 607 872
	Other interest expenses	-8 780 045	-9 971 220
4	Impairment of intercompany loans	4 164 155	-53 402 447
2	Impairment of financial assets	-133 939 897	-303 686 250
11	Other financial expenses	-525 959	-623 973
	Net financial items	-117 361 952	-375 347 742
	Profit/(loss) before tax	121 388 251	-184 661 699
8	Tax	58 235 384	16 427 218
	Net profit/(loss)	63 152 867	-201 088 917
	Transfer from share premium	31 842 271	197 809 834
	Transfer from other paid in capital		34 403 098
	Group contribution	-94 995 138	-31 124 015
5	Allocations	-63 152 867	201 088 917



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DeepOcean AS

Balance Sheet

Note	ASSETS	31.12.2020	31.12.2019
	Fixed assets		
8	Deferred tax asset	38 448 917	45 614 838
	Total intangible assets	38 448 917	45 614 838
1,3	Machinery, equipment etc	188 604 625	247 208 715
1	Assets under construction	3 176 499	5 659 294
	Total tangible fixed assets	191 781 124	252 868 009
	Financial fixed assets		
2	Investment in subsidiaries	598 958 314	654 218 644
2	Investment in shares	5 236 933	5 189 587
4	Loan to group companies	70 852 029	92 647 555
	Total financial fixed assets	675 047 277	752 055 787
	Total fixed assets	905 277 318	1 050 538 634
	Current assets		
14	Inventories	10 240 851	13 157 590
	Total inventories	10 240 851	13 157 590
	Receivables		
3	Accounts receivables	227 348 300	157 054 047
4,18	Receivables from group companies	117 433 341	95 527 826
3,8	Other current assets	136 508 525	131 217 239
	Total receivables	481 290 166	383 799 112
12	Bank and cash	337 297 769	192 352 067
	Total current assets	828 828 786	589 308 769
	TOTAL ASSETS	1 734 106 105	1 639 847 403




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Note	EQUITY AND LIABILITIES	31.12.2020	31.12.2019
	Equity		
6	Share capital	118 961 802	118 961 802
	Share premium	683 759 727	715 711 023
	Total paid-in-capital	802 721 530	834 672 826
	Total retained earnings	0	0
5	Total equity	802 721 530	834 672 826
	Liabilities		
	Non-current liabilities		
3	Liabilities to financial institutions	61 958 119	105 506 907
7	Pension liabilities	6 418 019	9 291 848
	Total non-current liabilities	68 376 138	114 798 755
	Current liabilities		
	Accounts payable	230 257 305	163 373 955
3	Liabilities to financial institutions	43 589 303	31 010 227
4,18	Liabilities to group companies	203 511 407	195 276 104
	Public duty payable	18 304 073	19 235 219
4	Accrued group contribution	219 788 638	89 902 583
18	Current derivative financial liability	2 930 109	36 039 035
	Other current liabilities	144 627 603	155 538 699
	Total current liabilities	863 008 437	690 375 822
	Total liabilities	931 384 575	805 174 577
	TOTAL EQUITY AND LIABILITIES	1 734 106 105	1 639 847 403


Haugesund, 21.May 2021


Ottar Mæland
Board Member



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Cash flow statement

NOTE	Cash flow from operational activities	2020	2019
	Result before taxes	121 388 251	-184 661 699
8	Paid/received tax in the period	-2 685 213	-5 822 750
1	Ordinary depreciation	75 895 394	74 594 877
1	Write down fixed assets	34 592 488	0
	Write down/-reversal of earlier write down subsidiaries	133 939 897	303 686 250
	Changes in stocks and goods	2 916 739	7 901 039
	Changes in accounts receivables	-70 294 253	-18 646 932
	Changes in accounts payable	66 883 350	21 866 917
	Changes in current receivables/payables to related parties	-78 454 792	212 468 522
	Change in pension liabilities/OCI	-3 013 605	4 744 279
	Income from investments in JV and associates	-4 215 115	-4 179 135
	Dividend from JV and associates	4 179 136	7 567 301
	Changes in other current assets and liabilities	-75 360 457	20 706 257
	Net cash flow from operational activities	205 771 820	440 224 926
	Cash flows from investment activities		
	Sale of fixed assets	2 417 215	16 478 538
1	Acquisitions of fixed assets	-51 818 212	-23 630 819
4	Incorporation and acquisitions of subsidiaries	-2 239 567	47 098 271
4	Capital injections and group contributions from subsidiaries	0	0
4	Cash from merger with subsidiary	0	831 080
2	Acquisitions in shares in associated companies	-11 367	0
	Net cash flow from investment activities	-51 651 931	40 777 070
	Cash flows from financing activities		
4	Net change in financing received from group companies	21 795 526	-429 096 756
	Net borrowings	-30 969 712	-19 492 440
	Net cash flow from financing activities	-9 174 186	-448 589 196
	Net (decrease)/increase in cash	144 945 704	32 412 799
	Cash and cash equivalents at the beginning of the period	192 352 067	159 939 267
	Cash and cash equivalents at the end of the period	337 297 770	192 352 067



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DeepOcean AS

Accounting principles

The annual accounts have been prepared in compliance with the Accounting Act and accounting principles generally accepted in Norway.

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

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

Use of estimates

The preparation of financial statements in compliance with the Accounting Act requires the use of estimates. The application of the company's accounting principles also require management to apply assessments. Areas which to a great extent contain such assessments, a high degree of complexity, or areas in which assumptions and estimates are significant for the financial statements, are described in the notes.

Revenues

Income from sale of goods and services are recognised at fair value of the consideration, net after deduction of VAT, returns, discounts and reductions. Sales are taken to income when the company has delivered its products to the customer and there are no unsatisfied commitments which may influence the customer's acceptance of the product. Delivery is not completed until the products have been sent to the agreed place, and risks relating to loss and obsolescence have been transferred to the customer. Historical data is applied to estimate and recognise provisions for quantity rebates and returns at the sales date. Provisions for expected guarantee work are recognised as expenses. Services are recognised in proportion to the work performed.

Classification of balance sheet items

Assets intended for long term ownership or use have been classified as long term assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's instalment on external long term liabilities are classified as short term liabilities.

Purchase costs

The purchase cost of assets includes the cost price for the asset, adjusted for bonuses, discounts and other rebates received. Purchases in foreign currencies are reflected in the balance sheet at the exchange rate at the transaction date.

For fixed assets and intangible assets purchase cost also includes direct expenses to prepare the asset for use, such as expenses for testing of the asset.

Fixed assets

Other fixed assets are reflected in the balance sheet and depreciated to residual value over the asset's expected useful life on a straight-line basis. If changes in the depreciation plan occur the effect is distributed over the remaining depreciation period. Direct maintenance of an asset is expensed under operating expenses as and when it is incurred. Additions or improvements are added to the asset's cost price and depreciated together with the asset. The split between maintenance and additions/improvements is calculated in proportion to the asset's condition at the purchase date.

Leased assets are reflected in the balances sheet as assets if the leasing contract is considered a financial lease.



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DeepOcean AS

Accounting principles

Investments in other companies

Except for short term investments in listed shares, the cost method is applied to investments in other companies. The cost price is increased when funds are added through capital increases or when group contributions are made to subsidiaries. Dividends received are initially taken to income. Dividends exceeding the portion of retained equity after the purchase are reflected as a reduction in purchase cost. Dividend/group contribution from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount. Dividend from other companies are reflected as financial income when it has been approved.

Joint ventures

The Company has two joint ventures, in which both parties own 50%. The parties have joint control over the investment, and in accordance with IFRS 11 these are accounted for as joint ventures using the equity method.

Asset impairments

Impairment tests are carried out if there is indication that the carrying amount of an asset exceeds the estimated recoverable amount. The test is performed on the lowest level of fixed assets at which independent cashflows can be identified. If the carrying amount is higher than both the fair value less cost to sell and recoverable amount (net present value of future use/ownership), the asset is written down to the highest of fair value less cost to sell and the recoverable amount.

Previous impairment charges, except writedown of goodwill, are reversed in later periods if the conditions causing the write-down are no longer present.

Inventories

Inventories are valued at the lower of purchase cost (according to the FIFO principle) and fair value. Recoverable amount has been used as approximation to net realisable value for raw materials and work in progress. For finished goods and work in progress purchase cost comprises cost of product design, material consumption, direct payroll expenses and other direct and indirect production expenses (based on normal capacity). Fair value is estimated sales costs less expenses for completion and sale. Only variable expenses are considered necessary to sell finished goods, whilst fixed production expenses are also included as necessary for not finished goods.

Long term contracts

Work in progress on long term fixed-price contracts is valued according to the percentage of completion method. The degree of completion is calculated as expenses incurred as a percentage of estimated total expense. Total expenses are reviewed on a regular basis. If projects are expected to result in losses, the total estimated loss is recognised immediately.

Debtors

Trade debtors are recognised in the balance sheet after provision for bad debts. The bad debts provision is made on basis of an individual assessment of each debtor and an additional provision is made for other debtors to cover expected losses. Significant financial problems at the customers, the likelihood that the customer will become bankrupt or experience financial restructuring and postponements and insufficient payments, are considered indicators that the debtors should be written down.

Other debtors, both current and long term, are recognised at the lower of nominal and net realisable value. Net realisable value is the present value of estimated future payments. When the effect of a writedown is insignificant for accounting purposes this is, however, not carried out. Provisions for bad debts are valued the same way as for trade



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DeepOcean AS

Accounting principles

Foreign currencies

Assets and liabilities in foreign currencies are valued at the exchange rate on the balance sheet date. Exchange gains and losses relating to sales and purchases in foreign currencies are recognised as financial income or expenses.

Liabilities

Liabilities, with the exception of certain liability provisions, are recognised in the balance sheet at nominal amount.

Guarantee commitments/complaints

Guarantee commitments relating to completed sales are valued at the estimated cost of such work. The estimate is made on the basis of historical figures for guarantee work, but adjusted for expected differences due to, for instance, changes in quality assurance routines and changes in product range. The provision is recognised under 'Other short term liabilities' and changes in the provision are recognised in income.

Pensions

The company has various pension schemes. The pension schemes are financed through payments to insurance companies, with the exception of the early retirement pension scheme (AFP). The company has both defined contribution plans and defined benefit plans.

Defined contribution plan

With a defined contribution plan the company pays contributions to an insurance company. After the contribution has been made the company has no further commitment to pay. The contribution is recognised as payroll expenses. Prepaid contributions are reflected as an asset (pension fund) to the degree the contribution can be refunded or will reduce future payments.

Defined benefit plan

A defined benefit plan is a pension scheme which is not a defined contribution plan. A defined benefit plan is a pension scheme which defines a pension payment which an employee will receive at pension age. The pension payments are normally dependent on one or more factors such as age, number of years in the company, and salary. The commitment relating to the defined benefit plan on the balance sheet is the present value of the defined benefits at the balance sheet date less fair value of the pension funds (amount paid to an insurance company), adjusted for estimate differences and expenses relating to former period's pension earnings not recognised in the income statement. The pension commitments are calculated annually by an independent actuary on a straight-line earning profile basis.

The amended IAS19R "employee benefits" implies that the previous corridor approach is eliminated and all actuarial gains and losses will be recognized in other comprehensive income as they occur and all past service cost will be recognized immediately in the income statement.



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DeepOcean AS

Accounting principles

Taxes

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 carryforward 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 carryforward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

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).

Deferred tax is reflected at nominal value.

Cash flow statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.

Derivative financial instruments

Financial assets at fair value through profit or loss are acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Derivatives are classified as current liability or current asset if they are expected to be settled within 12 months, otherwise they are classified as non-current. Changes in fair value of the derivatives, which are not used as hedging instrument, are recorded in the statement of profit or loss and presented under other finance (expense)/income.



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DeepOcean AS

Notes to the financial statements

Note 1 Fixed Assets

Fixed Assets	Machinery and equipment	Furnitures and fixtures	Assets under construction	Total
Purchase cost 01.01	963 958 315	9 921 921	5 659 294	979 539 529
Additions	44 971 925	9 329 082	-2 482 795	51 818 212
Write down				0
Disposals	-87 339 406			-87 339 406
Purchase cost 31.12	921 590 834	19 251 003	3 176 499	944 018 336
Accumulated depreciation and write down				
01.01	-718 290 926	-8 380 595		-726 671 520
Disposals	84 922 191		0	84 922 191
Write down	-34 592 488			-34 592 488
Depreciation this year	-76 766 112	870 717		-75 895 394
Accumulated depreciation and write down 31.12	-744 727 334	-7 509 877	0	-752 237 212
Book value 31.12	176 863 499	11 741 126	3 176 499	191 781 124
Depreciation this year	-76 766 112	870 717	0	-75 895 394
Economic useful life	5 - 10 years	3 years		
Depreciation plan	Linear	Linear		

Management has reviewed the net book value of all the fixed assets in the company and compared with an estimated fair value of the assets at year end 2020.

An impairment of NOK 34.592.488 has been recognized in 2020 profit and loss account based on the fair value estimates.

Yearly rental of fixed assets not in balance sheet:

	2020	2019
External vessel charter	634 938 100	509 994 177
Internal vessel charter	14 965 000	14 965 000
Property rentals	17 343 528	17 022 457

Commitments and lease obligations	External vessel charter	Internal vessel charter	Property rentals	Vehicles	Printers & office machines
2021	379 549 850	14 965 000	17 110 987	29 465	543 218
2022	195 200 000		17 157 260	-	139 199
2023	-		17 414 619		-
>2024			16 712 262		

There are no options to purchase the rented assets.



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DeepOcean AS

Notes to the financial statements

Note 2 Subsidiaries, associated companies and joint ventures

Subsidiaries	Location	Ownership	Equity current year (100 %)	Net income current year (100 %)	Book value
DeepOcean Management AS	Haugesund, Norway	100 %	46 540 681	13 156 214	13 042 881
DeepOcean Maritime AS	Haugesund, Norway	100 %	97 036 918	-1 641 009	97 036 918
DeepOcean Shipping AS	Haugesund, Norway	100 %	182 735 453	-2 887 677	182 735 453
DeepOcean Shipping II AS	Haugesund, Norway	100 %	67 336 824	6 049 545	67 336 824
DeepOcean Shipping III AS	Haugesund, Norway	100 %	139 076 888	54 134 873	24 230 814
DeepOcean Shipping V AS	Haugesund, Norway	100 %	33 977 808	6 884 020	33 977 808
DeepOcean de Mexico S. De R.L. de C.V	Ciudad del Carmen, Mexico	99 %	-65 334 232	-35 561 000	28 812
DeepOcean Subsea Services Ltd	Aberdeen, UK	100 %	-44 020 547	23 742 858	0
Delta Subsea LLC	Houston, US	100 %	180 568 803	-29 350 106	180 568 804
DeepOcean 1 UK Ltd	Darlington, UK	100 %	54 618 023	-63 065 432	0
Book value 31.12.20			692 536 618		598 958 313

1) The book value of shares in DeepOcean Maritime AS is impaired with NOK 1.951.343 per 31.12.20 to reflect the fair value of the company.

2) The book value of shares DeepOcean Shipping AS is impaired with NOK 13.102.748. The book value of the shares represents the fair value of the company per 31.12.20.

3) The book value of shares DeepOcean Shipping II AS is impaired with NOK 37.374.373. The book value of the shares represents the fair value of the company per 31.12.20.

4) Previous impairment of the book value of shares DeepOcean Shipping V AS is reversed with NOK 5.117.808 to reflect the fair value of the company per 31.12.20.

5) The book value of the shares in Delta Subsea LLC is impaired with NOK 28.968.872. The book value of shares represents the equity value of the company per 31.12.2020.

6) The book value of the shares in DeepOcean 1 UK Ltd is impaired with NOK 57.660.369. The book value of shares represents the equity value of the company per 31.12.2020.

Joint ventures	Location	Ownership	Equity current year (100 %)	Net income current year (100 %)	Book value
Technip - DeepOcean PRS JV DA	Haugesund, Norway	50 %	9 441 133	8 430 229	4 720 566
Level Offshore AS	Haugesund, Norway	50 %	8 493 920	5 740 779	505 000
Book value 31.12.20					5 225 566



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DeepOcean AS

Notes to the financial statements

Note 3 Assets and liabilities

	2020	2019
Accrued, not invoiced revenues are included in other current assets	227 081 176	168 068 610
Leasing contracts		
Short term finance leases	-43 589 303	-31 010 227
Long term finance leases	-61 958 119	-105 506 907
Total finance leases	-105 547 422	-136 517 134

The Company has long-term leasing agreements. No financial leases are due 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 17 for more details regarding Group financing.

Note 4 Transactions and balances with group companies

Related party transactions:

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

	2020	2019
Revenue		
Charter hire	138 962 562	136 865 980
Equipment hire	59 060 780	51 051 369
Personnel charges	53 295 882	57 781 837
Other revenue	82 699 867	164 899 393
Total	334 019 091	410 598 580
Expenses		
Charter hire	14 128 880	13 671 478
Equipment hire	8 293 328	4 763 585
Personnel charges	415 272 236	345 789 877
Management fee	91 281 923	84 906 892
Other costs	8 814 414	1 445 663
Total	537 790 780	450 577 495
Financial items		
Interest income	12 924 857	14 065 945
Dividend received	13 204 628	775 906
Interest costs	-1 370 368	-22 315 393
Net financial items	24 759 117	-7 473 542
Balance sheet		
Loans to group companies	274 836 340	300 796 021
Provision doubtful loan to group companies	-203 984 311	-208 148 466
Group contributions to group companies	-219 788 638	-89 902 583
Group contributions/Dividends from group companies	13 204 628	775 906
Short term Receivables group companies	128 983 310	147 571 537
Bad debt provision group companies	-24 754 597	-27 701 613
Short term Payables group companies	-203 511 407	-195 276 104
Total	-235 014 675	-71 885 303

The Company has made a bad debt provision for intercompany loan and accounts receivables from AXA Engenharia Submarina Ltda with NOK 154.746.019 and NOK 14.843.785, respectively.

The Company has also made a bad debt provision for intercompany loan from DeepOcean Subsea Services Ltd with NOK 49.238.292.

The Company has also made a bad debt provision for intercompany receivables from DeepOcean 1 UK Ltd, DeepOcean Subsea Cables Ltd and Enshore Subsea Ltd with NOK 9.910.811. These companies are in a "wind-down" process and total intercompany receivables will not be recoverable.

Repayment plans for Intercompany loans are signed.



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DeepOcean AS

Notes to the financial statements

Note 5 Equity

	Share Capital	Share premium	Other paid in Capital /Capital increase not registered	Other equity	Total
Change in equity					
Equity 01.01	118 961 802	715 711 022	0	0	834 672 825
IAS 19R actuarial gains/losses		-109 025			-109 025
Given group contributions		-94 995 138			-94 995 138
Profit (loss) this year	0	63 152 867			63 152 867
Equity 31.12	118 961 802	683 759 726	0	0	802 721 529

Note 6 Share Capital and shareholder information

The Share Capital of NOK 118.961.802,30 comprises of 108.147.094 shares with par value NOK 1,10. All shares have equal rights.

Shareholders	Shares	Total	Share
DeepOcean Norway AS	108 147 094	108 147 094	100,0 %

Note 7 Pensions

The Company has pension schemes which cover a total of 231 persons. The schemes give right to defined future benefits. These are mainly dependent on the number of qualifying employment years, salary level at pension age, and the amount of benefits from the National Insurance Scheme. The commitment related to the group pension scheme is covered through an insurance company. The company's pension schemes meet the requirements of the law on compulsory occupational pension. Calculations are in accordance with IAS 19R Employee Benefits and the Norwegian Society of Actuaries standards for actuarial calculations.

	31.12.2020	31.12.2019
Present value of accrued pension obligations at 01.01. (PBO)	76 573 601	78 790 470
Pension fund assets at 01.01.	-68 430 000	-78 480 000
Net pension obligations at 01.01.	8 143 601	310 470
Employer's National Insurance contributions	1 148 248	43 776
Net pension obligations at 01.01. posted in BS incl NIC	9 291 849	354 246
Service costs	6 719 183	8 176 332
Capital cost of previously accrued pensions	1 380 740	2 027 655
Gross pension cost for the year	8 099 923	10 203 987
Expected return on pension fund assets	-1 301 575	-2 062 297
Administration cost	172 200	171 000
Net pension cost for the year after adm cost	6 970 548	8 312 690
Apportioned employer's Nat Ins contr for the period		
Net pension cost for the year incl employers NIC	6 970 548	8 312 690
Pensions paid during the year	-818 655	-1 278 178
Investment in pension fund assets	-8 750 353	-3 127 442
Estimated present value of accrued pension obl at 31.12	82 705 908	76 573 601
Estimated pension fund assets at 31.12.	-77 081 000	-68 430 000
Net pension obligations at 31.12.	5 624 908	8 143 601
Employer's National Insurance contributions	793 112	1 148 248
Net pension obligations at 31.12. posted in BS incl NIC	6 418 020	9 291 849
Estimate divergence not posted in P&L account		
Net pension obligations at 31.12. posted in BS incl NIC	6 418 020	9 291 849
No of active members	231	237
No of pensioners	12	10
Financial assumptions:		
Discount rate	1,70 %	1,80 %
Expected return on pension fund assets	1,70 %	1,80 %
Anticipated rise in salaries	2,25 %	2,25 %
Anticipated rise in National Insurance base rate	2,00 %	2,00 %
Anticipated rise in pensions	0,00 %	0,70 %
Turnover	5,00 %	5,00 %
Employer's National Insurance contributions	14,10 %	14,10 %

The actuarial assumptions relating to demographic factors are based on assumptions generally applied to insurance.
Actuarial loss of NOK 109.025 (net after tax) is recognized in equity in 2020.



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DeepOcean AS

Notes to the financial statements

Note 8 Taxes

	Change	2020	2019
Temporary differences			
Fixed assets	23 608 215	-29 943 910	-6 335 695
Receivables	-12 857 828	-14 843 785	-27 701 613
Provisions	-5 963 706	-14 117 452	-20 081 159
Profit & loss account	-11 883 596	-47 534 383	-59 417 979
Financial instruments	-33 108 926	-2 930 109	-36 039 035
Leasing agreements	11 574 481	-58 980 146	-47 405 664
Pensions	-2 873 829	-6 418 020	-9 291 849
Net temporary differences	-	-31 505 188	-174 767 805
Interest restrictions	0	-1 336 631	-1 336 631
Tax losses carried forward		0	0
Basis for deferred tax	-31 505 188	-176 104 436	-207 609 625
Deferred tax asset based on nominal tax rate (22%)		-38 742 976	-45 674 117
Deferred tax assets not recognized		294 059	294 059
Deferred tax in the balance sheet	-6 931 141	-38 448 917	-45 380 059
Basis for income tax expense, changes in deferred tax and tax payable		2020	2019
Result before taxes		121 388 251	-184 661 699
Permanent differences (1)		129 905 576	353 005 307
Basis for the tax expense for the year	55 284 642	251 293 827	168 343 608
Change in temporary differences		-31 505 188	16 111 106
Basis for payable taxes in the income statement		219 788 639	184 454 714
Interest restrictions	-	0	0
Tax losses carried forward		0	-94 552 131
+/- Group contributions received/given		-219 788 638	-89 902 583
Taxable income (basis for payable taxes in the balance sheet)		1	0
Components of the income tax expense		2020	2019
Payable tax on this year's result		48 353 500	19 778 568
Adjustment from prior years		0	0
Total payable tax		48 353 500	19 778 568
Change in taxes prior year		638 130	0
Change in deferred tax		6 931 141	-10 096 632
Tax effect on pension estimates direct in equity		30 751	922 531
Change deferred tax temp diff PRS JV		234 779	
Withholding tax		2 047 082	5 822 750
Tax expense		58 235 384	16 427 218
Payable taxes in the balance sheet			
Payable tax in the tax charge		48 353 500	19 778 568
Tax effect of group contribution		-48 353 500	-19 778 568
Tax receivable regarding previous years		0	0
Payable tax in the balance sheet		0	0
1) Specification of permanent differences:		2020	2019
Technip DeepOcean PRS JV - taxable gain incl 3%		212 050	0
Non-deductible representation/gifts and subscriptions		71 319	132 071
Tax free interest income		-13 759	-22 138
Actuarial profit/loss IAS 19R		-139 776	-4 193 323
Impairment of intercompany loans (ref note 4)		-4 164 155	53 402 447
Impairment of shares in subsidiaries (ref note 2)		133 939 897	303 686 250
Total permanent differences		129 905 576	353 005 307



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DeepOcean AS

Notes to the financial statements

Note 9 Sales revenues

Segments	2020	2019
Subsea Services	2 607 339 592	2 277 067 377
Total	2 607 339 592	2 277 067 377

Geographical segments		
Norway	1 732 184 961	1 718 851 229
Outside Norway	875 154 631	558 216 148
Total	2 607 339 592	2 277 067 377

Note 10 Payroll expenses, number of employees, remuneration, loans to employees, etc.

Payroll expenses	2020	2019
Salaries/wages	230 779 615	220 831 543
Social security fees	35 610 501	33 959 354
Pension expenses	14 358 370	15 632 906
Pension expenses OTP	10 299 282	9 435 490
Other remuneration	10 744 166	7 421 823
Total	301 791 934	287 281 116

Average number of employees	250	254
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Auditor	2020	2019
Allocation of auditor fee:		
Statutory audit excl VAT	1 315 000	1 660 514
Other assurance services excl VAT	197 907	
Total fee auditor excl VAT	1 512 907	1 660 514

The General Manager and the Board of Directors receive remuneration in other group companies.
No loans/sureties have been granted to the general manager, Board chairman or other related parties.

Note 11 Specification of financial income and expenses

Foreign exchange gains and losses	2020	2019
Foreign exchange gains	1 182 360	5 133 187
Foreign exchange losses	-41 957 183	-7 741 059
Net financial gains and losses	-40 774 823	-2 607 872

Financial expenses		
Other financial expenses	-525 959	-623 973

Note 12 Restricted cash

	2020	2019
Withheld employee taxes	9 298 721	9 350 213
Total restricted cash	9 298 721	9 350 213

Note 13 Guarantees

Creditor	2020	2019
Equinor Energy AS	5 970 752	5 970 752
Equinor Energy AS	11 215 470	11 215 470
Total	17 186 222	17 186 222



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DeepOcean AS

Notes to the financial statements

Note 14 Inventories

Inventories consist of fuel to be consumed in the rendering of services. Fuel is measured at the lower of costs and net realizable value. The cost is based on the First-in-First-out (FIFO) principle.

	2020	2019
Fuel on chartered vessels	10 240 851	13 157 590

Note 15 Group information

The Company is a subsidiary of DeepOcean Norway AS. The ultimate parent company and ultimate controlling party is Tricer HoldCo S.C.A. The smallest group for which group financials are prepared is DeepOcean Group Holding BV, Overtoom 141, 1054 HG Amsterdam, The Netherlands.

Note 16 Financial risk management

Overview

The Group's activities expose it to a variety of financial risks, which can be categorised as market risk, credit risk and liquidity risk. Whereas market risk includes foreign exchange risks and interest rate risks. Management policies have been established to identify, analyse and monitor these risks, and to set appropriate risk limits and controls. Financial risk management is carried out in accordance with the Group Risk Management policy approved by the Executive Management. The written principles and policies are reviewed periodically to reflect changes in market conditions, the activities of the business and laws and regulations affecting our business.

Market risk - Foreign exchange risk

The Company operates internationally and conducts its business in multiple currencies, and is primarily exposed to foreign exchange risks with respect to the US Dollar (USD), British Pound (GBP) and Euro (EUR).

Management has evaluated the foreign exchange risks of the Company against its functional currency Norwegian Kroner (NOK). Cash inflows and outflows of the Company are offset if they are denominated in the same currency. This means that revenue generated in a particular currency typically balances out costs in the same currency, even if the revenues arise from a different transaction than that in which the costs are incurred. As a result, only the unmatched amounts are subject to foreign exchange risk.

The Company has signed forward foreign exchange contracts in USD, and is exposed to changes in the USD/NOK currency exchange rate. For details reference is made to note 18.

Market risk - Interest rate risk profile

The Company's interest rate risk arises primarily from the Intercompany loans; refer to note 4 for the details of the loans. The loans has a floating interest based on LIBOR + 5 % or NIBOR +4,49 % depending on the the currency of the loan.

Credit risk

Credit risk arises primarily from cash and cash equivalents held at financial institutions, and to a certain extent, from trade receivables.

Cash balances are only held with large recognised financial institutions.

The Company's exposure of trade receivables is managed through Group established proper credit limits, continuous credit risk assessments for each individual customer. If customers are independently rated, these ratings are used. If there is no independent rating, the credit quality is based on past experience, their financial position and other factors. The utilisation of the credit limits is regularly monitored.

Liquidity risk

The Group's approach to managing liquidity is to ensure that there are sufficient funds to meet the financial obligations when they fall due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to its reputation.

To ensure it is sufficient cash to meet expected operational expenses, including the servicing of financial obligations the Group continuously monitor the actual and future cash flow requirements taking into account the maturity profiles of financial assets and liabilities and the rolling forecast of the Group's liquidity reserve, which comprises cash and cash equivalents and an undrawn credit facility.



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DeepOcean AS

Notes to the financial statements

Note 17 Group financing

At 31 December 2020, total interest-bearing debt amounted to US\$99.5M (2019 US\$101.6M), consisting of the drawn amount on the multi-currency Revolving Credit Facility (RCF) of US\$87.9M and US\$11.6 of the term loan. The borrowing base under the credit facility shows an availability of USD 9.8 million. The Group has an ancillary facility of EUR45.0M that can conditionally be increased up to EUR70.0M, with a non-reversible transfer of commitment from the RCF. In addition, there is an option to request a EUR20.0M accordion facility to the RCF. For information about terms on the credit facilities, see note 21. Cash and cash equivalents totalled US\$71.1M (2019 US\$66.5M) at the end of the year.

Financially, the Group's took precautionary measures when Covid-19 hit with full strength in March 2020 by keeping the RCF fully utilised and closely monitoring the liquidity situation. As per 31st of December 2020, separate financial covenants for the Group's debt instruments and liquidity were defined in the Lock-up Agreement. The group were within the applicable thresholds.

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

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

Note 18 Derivative financial instruments

The notional principal amount of outstanding forward foreign exchange contracts at 31 December 2020 USD 2.000.000

The fair value of the foreign contract reflects the credit risk of the instrument and include adjustments to take account of the credit risk of the Company and counterparty when appropriate. Fair value obligations of the derivatives per 31 December 2020 are NOK 2.930.108.

The fair value of the forward currency exchange contracts and currency options are primarily based on the fair value quote given by the specialised counterparty. Those quotes are tested for reasonableness by comparison with the Group's own valuation models.

The input for the liability is not based on observable marked data and the net change in fair value is posted through profit and loss. Total profit in 2020 in DeepOcean AS was NOK 33.108.926.

Note 19 Basis for preparation - Going Concern

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

2020 was a challenging year for the Group, due to a number of factors including the continuing COVID-19 pandemic, the sharp decline of commodity prices in Q1 2020 and the challenging market for the UK business (DeepOcean 1 UK Limited, Enshore Subsea Limited & DeepOcean Subsea Cables Limited) of the Group. DeepOcean executed several measures to ensure the future viability of the Group including reduction in employees (specifically eliminating SG&A positions), reduced investment plans, negotiated reduced vessel rates on long term charters and initiated a full restructuring of the UK business. However, despite the challenging conditions there was no breach of the bank covenants (Liquidity & LTM EBITDA) in 2020.

The Company is a subsidiary in DeepOcean Group and is impacted by the Group's financing and intercompany loans and borrowings. The Company is also an obligor in the Credit Facility arrangement and all assets are pledged.

The restructuring plan procedure under Corporate Insolvency and Governance Act 2020 (an "RPP") of the UK business was not simply a liquidation of certain entities, but has a multitude of interlinked elements that cover the legal, financial and commercial spheres – which in its entirety have ensured the future viability of the Group and will make it increasingly competitive in the years to come. The process follows an extended period of loss-making operations by the UK business and reflects changes in the industry's procurement strategies and available installation capacity, as well as a mismatch between the UK business contractual commitments and market conditions. The RPP has been approved in court and the UK business is in the process of a solvent wind down. This court approved process has given the Group certainty for ongoing operations and future activities. The key outcomes of the RPP are as follows:

- The UK business has been released of all their liabilities as of 22nd April 2021 (Except a certain % of creditor recovery)
- The liabilities included long term charter vessels with out of market rates
- The solvent wind down of the UK business
- Stops the major cash drain of the Group
- The Group will have more funding headroom, allowing it to be more aggressive towards growth areas and focus on growth in the right areas.
- The retention of the trenching assets to either operate or monetize
- Removes the UK Business which has been the major budget deviation and underperforming business for the Group over the last 36 months



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DeepOcean AS

Notes to the financial statements

In addition, to the RPP process in the UK business, the Group has continued multiple processes to further safeguard operations and provide the business with stability for the future. These processes include the following:

- Amendment and restatement of the current syndicated credit facility – including a maturity extension and other concessions from the lenders such as lower margins (reduced finance cost), and changes to the bank covenants
- \$15M new equity from majority shareholder Triton (March 2021) which shows – renewed commitment to their investment in DeepOcean and confidence in DeepOcean’s future
- Significantly reduced charter rates for the Group’s long-term charters in the Norway region

These activities and processes have been the main focus of the Group’s management in 2020 to ensure a solid going concern for the wider DeepOcean Group and are the key anchor and preparation for this process of management assessment.

Note 20 Subsequent events

2020 was a challenging year for the Group, due to a number of factors including the continuing COVID-19 pandemic, the sharp decline of commodity prices in Q1 2020 and the challenging market for the UK business (DeepOcean 1 UK Limited, Enshore Subsea Limited & DeepOcean Subsea Cables Limited) of the Group. DeepOcean executed several measures to ensure the future viability of the Group including reduction in employees (specifically eliminating SG&A positions), reduced investment plans, and initiated a full restructuring of the UK business. However, despite the challenging conditions there was no breach of the bank covenants (Liquidity & LTM EBITDA) in 2020.

Subsequent to the end of 2020, the executive management have continued multiple processes to further safeguard operations and provide the business with stability for the future. Key subsequent events include:

- Approved restructuring plan procedure under Corporate Insolvency and Governance Act 2020 (an “RPP”) of the UK business (DeepOcean 1 UK Ltd, DeepOcean Subsea Cables Ltd and Enshore Subsea Ltd)
- Amendment and restatement of the current syndicated credit facility – including a maturity extension and other concessions from the lenders such as lower margins (reduced finance cost), and changes to the bank covenants
- \$15M new equity from majority shareholder Triton (March 2021) which shows – renewed commitment to their investment in DeepOcean and confidence in DeepOcean’s future
- Renegotiated reduced charter rates for the Group’s long-term charters in the Norway region



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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of DeepOcean AS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of DeepOcean AS, which comprise the balance sheet as at 31 December 2020, the income statement, and statements of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Norway, and we have fulfilled our ethical responsibilities as required by law and regulations. We have also complied with our other ethical obligations in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Other information consists of the information included in the Company's annual report other than the financial statements and our auditor's report thereon. The Board of Directors and Chief Executive Officer (management) are responsible for the other information. Our opinion on the audit of the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management for the financial statements

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

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

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



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2

includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

Report on other legal and regulatory requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption and proposal for the allocation of the results consistent with the financial statements and complies with the law and regulations.

Opinion on registration and documentation

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

Independent auditor's report - DeepOcean AS

A member firm of Ernst & Young Global Limited

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Bergen, 21 May 2021
ERNST & YOUNG AS

The auditor's report is signed electronically

Truls Nesslin
State Authorised Public Accountant (Norway)

Pemneo document key: S321O-EFLP-VX5LI-A21ZE-QD65W-16QQA

Independent auditor's report - DeepOcean AS

A member firm of Ernst & Young Global Limited



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"By my signature I confirm all dates and content in this document."

Truls Nesslin

Statsautorisert revisor

On behalf of: Ernst & Young AS

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