



## **Aqualis Offshore Holding ASA**

(A public limited liability company organised under the laws of Norway)

Org.no. 913 757 424

### **Listing of 43,190,544 shares in Aqualis Offshore Holding ASA (the “Shares”) on the Oslo Stock Exchange (the “Listing”)**

The first day of listing of Aqualis Offshore Holding ASA (“**New Aqualis**” or the “**Company**”, together with its subsidiaries the “**New Aqualis Group**” or the “**Group**”) on the Oslo Stock Exchange is expected to be 13 August 2014 and trading in the shares will commence on the date of listing, under the trading symbol AQUA.

**Investing in the Shares involves a high degree of risk. See section 2 “Risk Factors” beginning on page 15.**

THIS PROSPECTUS SERVES AS A LISTING PROSPECTUS ONLY, AS REQUIRED BY NORWEGIAN LAW AND REGULATION. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO BUY, SUBSCRIBE OR SELL ANY OF THE SECURITIES DESCRIBED HEREIN, AND NO SECURITIES ARE BEING OFFERED OR SOLD PURSUANT TO IT.

Manager:



12 August 2014

### IMPORTANT INFORMATION

For the definitions of terms used throughout this Prospectus, see section 17 "Definitions and glossary of terms" of this Prospectus.

This prospectus (the "**Prospectus**") has been prepared to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75 (the "**Norwegian Securities Trading Act**") and related secondary legislation, including the Commission Regulation (EC) no. 809/2004 implementing Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 regarding information contained in prospectuses (the "**Prospectus Directive**") as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements (hereafter "**EC Regulation 809/2004**"). This Prospectus has been prepared solely in the English language.

The Financial Supervisory Authority of Norway (Nw. *Finanstilsynet*) (the "**Norwegian FSA**") has reviewed and approved this Prospectus in accordance with sections 7-7 and 7-8 of the Norwegian Securities Trading Act. The Norwegian FSA's control and approval in this respect is limited to whether the issuer has included descriptions according to a pre-defined list of content requirements. The Norwegian FSA has not verified or approved the accuracy or completeness of the information provided in this Prospectus. It is the Company's responsibility to ensure that the information in the prospectus is accurate and complete. Furthermore, the Norwegian FSA has not made any sort of control or approval of the corporate matters described in or otherwise included in the prospectus.

The information contained herein is current as of the date hereof and subject to change, completion and amendment without notice. In accordance with section 7-15 of the Norwegian Securities Trading Act, significant new factors, material mistakes or inaccuracies relating to the information included in this Prospectus, which are capable of affecting the assessment of the Shares between the time when this Prospectus is approved and the date of admission to trading of the Shares on the Oslo Stock Exchange, will be included in a supplement to this Prospectus. Neither the publication nor distribution of this Prospectus, nor any delivery of Shares, shall under any circumstances create any implication that there has been no change in the Group's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

The Company has engaged Carnegie AS as manager (the "**Manager**") in connection with the listing of the Shares on the Oslo Stock Exchange. The Manager makes no representation or warranty, whether express or implied, as to the accuracy or completeness of the information contained in this Prospectus, and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation by the Manager.

No person is authorised to give information or to make any representation in connection with the Spin-Off (as defined in section 5.1) or distribution of the Shares or the listing of the Shares on the Oslo Stock Exchange other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorised by the Company or the Managers or by any of the affiliates or advisors of any of the foregoing.

The distribution of this Prospectus and the delivery of the Shares in certain jurisdictions may be restricted by law. The Company and the Manager require persons in possession of this Prospectus to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer or solicitation to buy, subscribe or sell the securities described herein, and no securities are being offered or sold pursuant to this Prospectus.

The Shares may, in certain jurisdictions, be subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The Shares to be issued pursuant to the Spin-Off described in this Prospectus have not been, and will not be, registered under the United States Securities Act of 1933 or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered or sold within the United States or to a U.S. person except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the United States Security Act of 1933 and in compliance with any application state securities laws. This Prospectus has not been approved nor reviewed by the U.S. Securities and Exchange Commission and is not for general distribution in the United States.

For certain restrictions on transfer of the Shares, see section 16 "Selling and transfer Restrictions".

This Prospectus does not constitute an offer document or an offer of transferable securities to the public in the UK to which section 85 of the Financial Services and Markets Act 2000 of the UK (“**FSMA**”) applies and should not be considered as a recommendation that any person should purchase any of the Shares. This Prospectus is not being distributed by, nor has it been approved for the purposes of section 21 of FSMA, by a person authorised under FSMA.

Any reproduction or distribution of this Prospectus, in whole or in part, and any disclosure of its contents is prohibited.

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## 1. EXECUTIVE SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".

### Section A – Introduction and warnings

<b>A.1</b>	<b>Warnings</b>	<p>This summary should be read as an introduction to the Prospectus.</p> <p>Any decision to invest in the Shares should be based on consideration of the Prospectus as a whole by the investor.</p> <p>Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation in its Member State, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.</p>
<b>A.2</b>	<b>Resale and final placement by financial intermediates</b>	<p>Not applicable. No resale will take place. No financial intermediaries will be used for the final placement of the offer.</p>

### Section B - Issuer

<b>B.1</b>	<b>Name</b>	<p>Aqualis Offshore Holding ASA (to be renamed Aqualis ASA)</p>
<b>B.2</b>	<b>Registered office, legal form and country of incorporation</b>	<p>Aqualis Offshore Holding ASA is a public limited liability company pursuant to the Norwegian Public Limited Liability Companies Act, incorporated under the laws of Norway. The Company was incorporated on 2 June 2014 by Aqualis ASA solely for the purpose of the Spin-Off and the Listing. The Company's organisation number is 913 757 424, and its registered office is Sjølyst plass 2, 0278 Oslo, Norway with telephone number: +47 23 01 49 90.</p>
<b>B.3</b>	<b>Business description</b>	<p>Aqualis Offshore Holding ASA (to be renamed Aqualis ASA) was incorporated 2 June 2014 as a wholly-owned subsidiary of Aqualis ASA (to be renamed Weifa ASA), a publicly listed company on the Oslo Stock Exchange which operates in the offshore and marine industry as well as the pharmaceutical industry.</p> <p>On 5 August 2014, the EGM of Aqualis ASA passed the resolution to distribute all 43,190,544 Shares in the Company to Aqualis ASA's existing shareholders, through a share capital decrease and distribution of paid in capital. The share capital decrease was registered with the Norwegian Register of Business Enterprises on 11 August 2014.</p> <p>The Group includes the three separate businesses Aqualis Offshore Ltd and subsidiaries (Aqualis Offshore Group), Tristein AS (Tristein) and Offshore Wind Consultants Ltd (Offshore Wind Consultants).</p>

		<p>Aqualis Offshore Group provides marine &amp; engineering consultancy services to the offshore oil &amp; gas industry worldwide. Its multi-disciplinary marine &amp; engineering teams are recognized in the industry for their competence and experience. Aqualis Offshore Group works closely with clients to understand their requirements, identify solutions and to execute their projects and marine operations in a timely, cost effective and safe manner.</p> <p>Tristein is a highly respected player on the Norwegian continental shelf, and has through years of experience within complex marine operations, marine engineering and logistic strategies identified several areas with high potential for new and more cost-efficient solutions to the offshore oil &amp; gas and wind industries, as reflected in a number of long-term client relationships and frame agreements. With solid experience from harsh environments in the North Sea, Tristein has capabilities to handle projects in any region, and Tristein has ambitions to continue its geographical expansion. Since Tristein was established in 2007, Tristein has advised on more than 100 rig moves and performed more than 270 vessel inspections.</p> <p>Offshore Wind Consultants, based in London, England, is a well-recognised global provider of independent consultancy services for offshore wind projects. The company's core team possess strong industry expertise which dates back to the first offshore wind farm development project in the UK. Since then, the key members of Offshore Wind Consultant's team have been involved in the majority of the major offshore wind projects which have been developed in the UK and the rest of Europe. Offshore Wind Consultants, currently engage nine staff, of which five are full-time employees. The company has a number of long-term contracts with a strong pipeline of secured work throughout Europe for the remainder of 2014 and beyond.</p>
<b>B.4a</b>	<b>Trend information</b>	The Company is not aware of trends, uncertainties, demands, commitments or events that could have a material effect on the Group's prospects for the current financial year.
<b>B.5</b>	<b>Organisational structure</b>	As of the date of this Prospectus, the Group consists of the holding company, Aqualis Offshore Holding ASA, and its three main subsidiaries Aqualis Offshore Ltd, Tristein AS and Offshore Wind Consultants Ltd.
<b>B.6</b>	<b>Major shareholders</b>	<p>The following shareholders owned more than 5% of the issued share capital as of the date of this Prospectus:</p> <p>Strata Marine &amp; Offshore AS (5,450,973 shares representing 12.62% of the share capital); Gross Management AS (2,350,639 shares representing 5.44% of the share capital) and Aqualis Holdco Limited (2,187,500 shares representing 5.06% of the share capital). Gross Management AS, Strata Marine &amp; Offshore AS, Ferncliff DAI, AS Ferncliff and Ricin Invest AS, all companies associated with Ferncliff, combined own 10,323,212 Shares representing 23.90% of the share capital. Aqualis Holdco Limited and Hanekamb Invest AS, all companies associated with Martin Nes (former chairman of the Company), combined own 2,224,557 Shares representing 5.15% of the share capital.</p> <p>As far as the Company is aware of, there is no other natural or legal person other than the above mentioned, which indirectly or directly has a shareholding in the Company above 5% which must be notified under Norwegian law.</p>
<b>B.7</b>	<b>Summary financial information</b>	<p>To facilitate the Spin-Off, the Company and Aqualis Offshore Holding ASA entered into and executed the Transfer Agreement of 24 July 2014, wherein all the shares in Aqualis Offshore Ltd, Tristein AS and Offshore Wind Consultants Ltd were transferred from Aqualis ASA to Aqualis Offshore Holding ASA together with NOK 65,000,000 (USD 10.8 million) in cash, NOK 49,944,965 (USD 8.3 million) in interest bearing loans to Aqualis Offshore Ltd and its subsidiaries, and NOK 55,000,000 (USD 9.2 million) in financial assets representing a part interest in the prepayment in relation to Aqualis ASA's acquisition of Weifa AS.</p> <p>The purchase price (equity value) for the three companies were NOK 125,418,165, whereas the shares in Aqualis Offshore Ltd were allocated NOK 70,000,000, the shares in Tristein AS were allocated NOK 46,750,000 and the shares in Offshore</p>

	<p>Wind Consultants Ltd were allocated NOK 8,668,165. The purchase will be accounted for as a transaction under common control at consolidated book values.</p> <p>As consideration for the shares in the three companies and the cash and other financial assets contributed by Aqualis ASA, the Company has issued 33,190,544 new Shares in the Company on 24 July 2014, at a subscription price of NOK 8.90 (rounded off) per Share to Aqualis ASA. Following this share capital increase, which was registered in the Norwegian Register of Business Enterprises on 29 July 2014, the Company has a share capital of NOK 4,319,054.4 divided on 43,190,544 shares each with a nominal value of NOK 0.10.</p> <p>Pursuant to the Transfer Agreement of 24 July 2014, Aqualis ASA has warranted the legal standing of the three transferred companies, that it is competent to enter into the Transfer Agreement and that the Transfer Agreement includes all the outstanding shares in the three companies. No other warranties follow from the Transfer Agreement. The Transfer Agreement furthermore constitutes an assignment from Aqualis ASA to the Company of all its rights and obligations under the share purchase agreements that Aqualis ASA entered into when it acquired Aqualis Offshore Ltd (in 2013), Tristein AS (in 2014) and Offshore Wind Consultants Ltd (in 2014).</p> <p>Aqualis Offshore Holding ASA is a newly incorporated entity, thus the following financial information has been presented in this Prospectus:</p> <ul style="list-style-type: none"> <li>i) Audited financial information for the newly incorporated entity Aqualis Offshore Holding ASA for the period from 2 June 2014 to 30 June 2014 prepared in accordance with IFRS, presented throughout chapter 8;</li> <li>ii) Unaudited pro forma financial information incorporating the transfer of 100% of the shares in Aqualis Offshore Ltd, Tristein AS and Offshore Wind Consultants Ltd, together with NOK 49,944,965 (USD 8.3 million) to Aqualis Offshore Ltd and its subsidiaries and NOK 55,000,000 (USD 9.2 million) in financial assets representing a part interest in the prepayment in relation to Aqualis ASA's acquisition of Weifa AS as a contribution in kind, and the contribution of NOK 65,000,000 (USD 10.8 million) in cash to Aqualis Offshore Holding ASA, presented in chapter 9; and</li> <li>iii) Available historical information for subsidiaries of Aqualis Offshore Holding ASA, presented in appendices to this Prospectus and further explained below.</li> </ul> <p>The most important driver for the Group's revenue growth is the number of employees. Increased number of employees combined with new contracts results in economies of scale, reduces the dependency on key individuals and increases the system value for the Group. Each employee has a total salary cost, and the profit of the Group will be driven by the utilization of each employee and the rate for each employee working for the Group's clients.</p> <p>As of the date of this Prospectus, the Group has approximately USD 20 million in available liquidity to finance continued growth, both organically and through potential acquisitions. The Group's business model is very capital-light, and involves limited capital expenditures to expand the business. As of the date of this Prospectus, the Group is not cash flow positive, however, in the Group's liquidity prognosis working capital, capital expenditures and tax payments only marginally exceeds EBITDA. The Group has no interest bearing debt, and an expected equity ratio above 90% following the Spin-Off.</p>
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<b>B.8</b>	<b>Pro forma financial information</b>	<p>The information is prepared solely for illustrative purposes, and describes a hypothetical situation. The unaudited pro forma condensed financial information has been prepared for illustrative purposes only to show how the transfer of Aqualis Offshore Ltd and subsidiaries, Tristein AS and subsidiaries, Offshore Wind Consultants Ltd, together with NOK 49,944,965 (USD 8.3 million) to Aqualis Offshore Ltd and its subsidiaries and NOK 55,000,000 (USD 9.2 million) in financial assets representing a part interest in the prepayment in relation to Aqualis ASA's acquisition of Weifa AS as a contribution in kind, and the contribution of NOK 65,000,000 (USD 10.8 million) in cash to Aqualis Offshore Holding ASA (together the Contribution), might have affected Aqualis Offshore Holding ASA's consolidated condensed statement of comprehensive income for 2013 as if the Contribution had occurred on 1 January 2013, the unaudited consolidated condensed statement of comprehensive income for the period 1 January to 31 March 2014 as if the Contribution had occurred on 1 January 2014 and the unaudited consolidated financial position as of 31 March 2014 as if the Contribution had occurred at the balance sheet date. Because of its nature, the unaudited pro forma condensed financial information addresses a hypothetical situation and, therefore, does not represent the company's actual financial position or results if the Contribution had in fact occurred on those dates and is not representative of the results of operations for any future periods. Investors are cautioned not to place undue reliance on this unaudited pro forma financial information. The pro forma financial information therefore does not reflect the Group's actual financial position and results. The pro forma information must not be considered final or complete, and may be amended in future publications of accounts etc. The pro forma information has not been audited. The pro forma financial information does not include all of the information required for financial statements under IFRS. The pro forma financial information does not represent the actual combination of the financial statements of the companies included in the pro forma statements in accordance with IFRS, since certain simplifications and assumptions have been made as set out.</p> <p>The unaudited pro forma financial information for 2013 has been compiled based on the unaudited consolidation schedule for the Tristein Group in NOK, the unaudited financial information for Offshore Wind Consultants Ltd in GBP, the unaudited consolidation schedule for the Aqualis Offshore Group in local currencies for the period 1 January to 31 October 2013, and the consolidation schedule for Aqualis Offshore Group in Aqualis ASA for the period 1 November to 31 December 2013.</p> <p>The unaudited pro forma financial information for Q1 2014 has been compiled based on the unaudited interim trial balances as of 31 March 2014 for Tristein AS in NOK and Offshore Wind Consultants Ltd in GBP, and the unaudited consolidation schedules for Aqualis Offshore in Aqualis ASA in local currencies.</p> <p>See section 9 for further information and notes to the pro forma financial information.</p>
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**Unaudited pro forma statement of comprehensive income for the three months ended 31 March 2014**

USD 1,000	Unaudited AO Group Q1 2014	Unaudited Tristein AS Q1 2014	Unaudited OWC Q1 2014	Unaudited IFRS adjustments	Unaudited pro forma adjustments	Unaudited Pro forma Q1 2014
Revenue	4 521	1 511	331		(39)	6 324
Government grants	-	-	-			-
Other income	-	-	-			-
<b>Total operating income</b>	<b>4 521</b>	<b>1 511</b>	<b>331</b>		<b>(39)</b>	<b>6 324</b>
Payroll and payroll related costs	(3 048)	(884)	(183)		(91)	(4 206)
Depreciation, amortization and impairment	(200)	-	-			(200)
Other operating costs	(1 754)	(589)	(121)		(69)	(2 533)
<b>Total operating expenses</b>	<b>(5 002)</b>	<b>(1 473)</b>	<b>(304)</b>		<b>(160)</b>	<b>(6 939)</b>
<b>Operating profit / loss (EBIT)</b>	<b>(481)</b>	<b>38</b>	<b>27</b>		<b>(199)</b>	<b>(615)</b>
Finance income	81	4	-			85
Finance costs	(44)	(1)	-			(45)
<b>Loss before tax</b>	<b>(444)</b>	<b>41</b>	<b>27</b>		<b>(199)</b>	<b>(575)</b>
Income tax expense	(5)	-	(5)		29	19
<b>Profit/(Loss) for the period</b>	<b>(449)</b>	<b>41</b>	<b>22</b>		<b>(170)</b>	<b>(556)</b>
<b>Other comprehensive income</b>						
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>						
Currency translation differences	490	30	(14)			506
Income tax effect	-	-	-			-
<b>Total comprehensive income of the year</b>	<b>41</b>	<b>72</b>	<b>8</b>		<b>(170)</b>	<b>(49)</b>
<b>Total comprehensive income from the year, net tax attributable to:</b>						
Equity holders of the parent company	41	72	8		(170)	(49)
Non-controlling interest	-	-	-			-
<b>Total</b>	<b>41</b>	<b>72</b>	<b>8</b>		<b>(170)</b>	<b>(49)</b>

**Unaudited pro forma statement of comprehensive income for the year ended 31 December 2013**

USD 1,000	Unaudited AO Group <sup>1</sup> Nov-Dec 2013	Unaudited AO Group <sup>2</sup> Jan-Oct 2013	Unaudited Tristein Group <sup>3</sup> 2013	Unaudited OWC <sup>4</sup> 2013	Unaudited IFRS adjustments	Unaudited pro forma adjustments	Unaudited Pro forma 2013
Revenue	2 241	3 953	7 576	1 225			14 995
Government grants	-	-	-	-			-
Other income	-	-	-	-			-
<b>Total operating income</b>	<b>2 241</b>	<b>3 953</b>	<b>7 576</b>	<b>1 225</b>			<b>14 995</b>
Payroll and payroll related costs	(1 790)	(3 212)	(3 664)	(565)		(372)	(9 604)
Depreciation, amortization and impairment	(110)	(77)	(16)	-		(100)	(303)
Other operating costs	(1 278)	(2 778)	(3 034)	(516)		(108)	(7 714)
<b>Total operating expenses</b>	<b>(3 178)</b>	<b>(6 067)</b>	<b>(6 714)</b>	<b>(1 081)</b>		<b>(580)</b>	<b>(17 621)</b>
<b>Operating profit /loss (EBIT)</b>	<b>(938)</b>	<b>(2 114)</b>	<b>862</b>	<b>144</b>		<b>(580)</b>	<b>(2 626)</b>
Finance income	124	1	52	-			178
Finance costs	(60)	(67)	(7)	(3)			(137)
<b>Loss before tax</b>	<b>(874)</b>	<b>(2 180)</b>	<b>908</b>	<b>141</b>		<b>(580)</b>	<b>(2 586)</b>
Income tax expense	-	-	-	(28)		56	28
<b>Profit/(Loss) for the period</b>	<b>(874)</b>	<b>(2 180)</b>	<b>908</b>	<b>113</b>		<b>(524)</b>	<b>(2 557)</b>
<b>Other comprehensive income</b>							
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>							
Currency translation differences	65	(228)	(113)	9			(267)
Income tax effect	-	-	-	-		-	-
<b>Total comprehensive income of the year</b>	<b>(808)</b>	<b>(2 408)</b>	<b>795</b>	<b>122</b>		<b>(524)</b>	<b>(2 825)</b>
<b>Total comprehensive income from the year, net tax attributable to:</b>							
Equity holders of the parent company	(808)	(2 408)	795	122		(524)	(2 825)
Non-controlling interest	-	-	-	-		-	-
<b>Total</b>	<b>(808)</b>	<b>(2 408)</b>	<b>795</b>	<b>122</b>		<b>(524)</b>	<b>(2 825)</b>

Unaudited pro forma financial position as of 31 March 2014

USD 1,000	Unaudited AO Group	Unaudited Tristein AS <sup>1</sup>	Unaudited OWC <sup>2</sup>	Unaudited IFRS adjustments	Unaudited pro forma adjustments	Unaudited Pro forma
	31.03.2014	31.03.2014	31.03.2014			31.03.2014
<b>ASSETS</b>						
<b>Non-current assets</b>						
Equipment	431	34	1			467
Intangible assets	15 688	-	-		7 984	23 671
Deferred tax assets	83	6	-			88
Investments in associated companies	-	35	-			35
<b>Total non-current assets</b>	<b>16 202</b>	<b>75</b>	<b>1</b>		<b>7 984</b>	<b>24 261</b>
<b>Current assets</b>						
Trade receivables	2 619	943	110			3 671
Other receivables	2 284	61	84		9 186	11 615
Funds	-	206	-			206
Cash and cash equivalents	1 517	1 683	377		11 024	14 601
<b>Total current assets</b>	<b>6 420</b>	<b>2 893</b>	<b>570</b>		<b>20 210</b>	<b>30 093</b>
<b>Total assets</b>	<b>22 622</b>	<b>2 968</b>	<b>571</b>		<b>28 194</b>	<b>54 354</b>
<b>EQUITY AND LIABILITIES</b>						
<b>Equity</b>						
Share capital	100	17	-		604	721
Share premium	-	2	-		48 777	48 779
Other paid in capital	15 584	-	-		(14 603)	981
Retained earnings	(3 439)	1 904	230			(1 305)
<b>Total Equity</b>	<b>12 245</b>	<b>1 923</b>	<b>230</b>		<b>34 778</b>	<b>49 176</b>
<b>Non-current liabilities</b>						
Deferred tax liabilities	104	-	-		270	374
Borrowings	6 774	-	-		(6 774)	-
Other long-term liabilities	220	-	41		-	261
<b>Total non-current liabilities</b>	<b>7 098</b>	<b>-</b>	<b>41</b>		<b>(6 504)</b>	<b>635</b>
<b>Current liabilities</b>						
Trade payables	476	145	58		-	680
Taxes payable	-	134	-		-	134
Other current liabilities	2 802	766	242		(80)	3 729
<b>Total current liabilities</b>	<b>3 278</b>	<b>1 045</b>	<b>300</b>		<b>(80)</b>	<b>4 543</b>
<b>Total liabilities</b>	<b>10 377</b>	<b>1 045</b>	<b>341</b>		<b>(6 584)</b>	<b>5 178</b>
<b>Total equity and liabilities</b>	<b>21 622</b>	<b>2 968</b>	<b>571</b>		<b>28 194</b>	<b>54 354</b>

<b>B.9</b>	<b>Profit forecast or estimate</b>	Not applicable, the Company has not made any profit forecasts or estimates.
<b>B.10</b>	<b>Qualifications in the audit report</b>	Ernst & Young AS was appointed as the Company's auditors on 2 June 2014 and has audited the Company's interim financial statements for the period from 2 June 2014 to 30 June 2014. The auditor's report for this period was issued without qualifications.
<b>B.11</b>	<b>Working capital</b>	Not applicable. In the opinion of the Company, its working capital is sufficient to cover the Group's present requirements, that is, for a period of at least 12 months from the date of this Prospectus. The Company does not have any material restrictions on the Group's access or possibility to use its cash and cash equivalents.

### Section C – Securities

<b>C.1</b>	<b>Type of securities and ISIN number</b>	The Company's tradable Shares carry the securities number ISIN NO 001 0715394
<b>C.2</b>	<b>Currency</b>	NOK
<b>C.3</b>	<b>Number of shares and par value</b>	The Company's current share capital is NOK 4,319,054.40 divided into 43,190,544 ordinary shares, each with a nominal value of NOK 0.10. The Company has one class of shares, and each share carries one vote. All the shares are validly issued and fully paid. All of the Company's shareholders have equal voting rights.
<b>C.4</b>	<b>Rights attached to the securities</b>	The Company has one class of shares, and each share carries one vote and has equal rights to dividend.
<b>C.5</b>	<b>Restrictions on free transferability</b>	The Shares are freely transferable and, and subject to any applicable securities law, there are no restrictions in the Company's securities.
<b>C.6</b>	<b>Listing and admission to trading</b>	The first day of listing of Aqualis Offshore Holding ASA on the Oslo Stock Exchange is expected to be 13 August 2014 and trading in the shares will commence on the date of listing, under the ticker symbol AQUA.
<b>C.7</b>	<b>Dividend policy</b>	It is an objective of the Company to generate high and stable returns, which is at least on the same level as other investment possibilities with comparable risk. This should be achieved, first and foremost, through strong and profitable growth within the Company's business areas. To support this growth the Company's earnings will be reinvested in the Company, and no dividend is expected to be paid in the near future. Longer term, the Company expects to generate significant free cash-flow and the intention is to pay 50% or more of net earnings as dividend.

### Section D – Risks

<b>D.1</b>	<b>Risks related to the Group</b>	<p><u>Business and industry-related risks</u></p> <ul style="list-style-type: none"> <li>- Dependence on the level of demand from oil &amp; gas and other offshore companies</li> <li>- Future economic downturns</li> <li>- Competitive industry</li> <li>- Political and regulatory risk</li> <li>- Risk related to managing the Group's growth</li> <li>- Access to key personnel and resources</li> <li>- Shortage of qualified engineers</li> <li>- Customer concentration</li> <li>- Cancellation of contracts</li> <li>- Contracts expiring and contract renewals</li> <li>- Counterparty risk</li> </ul>
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		<ul style="list-style-type: none"> <li>- Environmental risk</li> <li>- Insurance</li> <li>- Accidents</li> <li>- Legal claims and disputes</li> <li>- Seasonality</li> </ul> <p><u>Financial risks</u></p> <ul style="list-style-type: none"> <li>- Limited access to funds</li> <li>- Credit risk</li> <li>- Foreign exchange risk</li> <li>- Liquidity risk</li> </ul>
<b>D.3</b>	<b>Risks related to the Company's shares</b>	<p><u>Risk factors related to the ownership of the shares</u></p> <ul style="list-style-type: none"> <li>- Volatile market price</li> <li>- Future share issues and potential dilution</li> <li>- Issue of additional securities in relation to acquisitions, any share incentive or option plan may dilute existing shareholders</li> <li>- Sale of Shares may reduce the Share price and adversely affect the Company's ability to raise additional capital</li> <li>- The Company does not expect to pay any cash dividends for the foreseeable future</li> <li>- Limited liquidity in the trading market</li> <li>- Investors outside of Norway are subject to exchange rate risk</li> <li>- Holders of Shares that are registered in a nominee account may not be able to exercise voting rights and other shareholder rights</li> <li>- The transfer of Shares is subject to transfer restrictions</li> </ul>

**Section E – Offer**

<b>E.1</b>	<b>Net proceeds</b>	<p>Not applicable. The Company will not receive any proceeds as there will be no offering of Shares.</p> <p>Expenses incurred in connection with the Spin-Off, the intra-group restructurings in preparation of the Spin-Off and the admission to trading of the Shares on the Oslo Stock Exchange, which are expenses to be borne by the Company, are in the aggregate expected to amount to between NOK 9 million and NOK 9.5 million and comprise of fees to Ferncliff, legal and other advisors, auditors, accountants and providers of transaction advisory services and other direct expenses (such as printing, distribution etc.) and fees to the Oslo Stock Exchange and the Norwegian FSA.</p>
<b>E.2a</b>	<b>Reasons for the Listing</b>	<p>Through the Listing, the Company will be able to provide a regulated market place for trading of its Shares, involving continuous market pricing of, and liquidity in, the Shares. In addition, the Listing will facilitate the use of capital markets in order to effectively raise equity to support future growth strategies and operations.</p>
<b>E.3</b>	<b>Terms and conditions of the Spin-Off</b>	<p>On the evening of 16 June 2014, Aqualis ASA (to be renamed Weifa ASA) entered into a share purchase agreement with Weifa Holding AS regarding the acquisition of all of the shares in Weifa AS, a Norwegian pharmaceutical company. Furthermore, Aqualis ASA announced that the Acquisition is expected to be completed on or about 15 August 2014, and that it prior to the completion of the Acquisition, intended to:</p> <ul style="list-style-type: none"> <li>(i) spin-off of its marine &amp; offshore operations into the Company;</li> <li>(ii) distribute the shares in the Company to Aqualis ASA's shareholders; and</li> <li>(iii) list the Company separately on the Oslo Stock Exchange.</li> </ul> <p>On 5 August, the EGM of Aqualis ASA passed the resolution to distribute all 43,190,544 Shares in the Company to Aqualis ASA's existing shareholders, through a share capital decrease and distribution of paid in capital. The share capital decrease was registered with the Norwegian Register of Business Enterprises (Nw. Foretaksregisteret) on 11 August 2014.</p>

		<p>Pursuant to the resolution passed on Aqualis ASA's EGM on 5 August 2014, the Aqualis ASA shares are to be traded ex right to the Company's Shares on the Oslo Stock Exchange from and including 12 August 2014, and the shareholders of Aqualis ASA will receive shares in the Company pro rata to their shareholding in Aqualis ASA based on their registered holding of shares in Aqualis ASA in the VPS as per end of 14 August (the Record Date), less any shares issued by Aqualis ASA in the NOK 700 million private placement (the Private Placement) as approved on Aqualis ASA's EGM on 5 August 2014.</p> <p>The Aqualis ASA shareholders as per the Record Date (the Eligible Shareholders) will receive one (1) Share per each fourth (4) share held in Aqualis ASA on the Record Date, less any shares acquired in the Private Placement. The Shares are expected to be registered on each Eligible Shareholder's VPS account on or about 15 August 2014. No fractional Shares will be delivered. At delivery, each Eligible Shareholder's entitlement for Shares will be rounded up to the nearest whole Share. The required number of shares to do the rounding up will be provided by the Company's main shareholder.</p> <p>Following the Spin-Off, the Eligible Shareholders will hold shares both in Aqualis ASA (to be renamed Weifa ASA) and the Company (to be renamed Aqualis ASA). The simultaneous name changes are expected to be registered with the Norwegian Register of Business Enterprises (Nw. Foretaksregisteret) as soon as possible after Aqualis ASA has completed the Acquisition (expected on 15 August 2014).</p>
<b>E.4</b>	<b>Material interest in the Listing</b>	<p>Ferncliff provided transaction assistance in connection with Aqualis ASA's acquisition of Weifa AS, including assistance in negotiations with the seller, and will be paid a success fee of NOK 5 million. There are no material interests to the Listing involving any directors or senior management of the Company. The Manager and its affiliates have provided from time to time, and may provide in the future, investment banking services to the Company and its affiliates in the ordinary course of business, for which they have received and may continue to receive customary fees and commissions. The Manager, its employees and any affiliate may currently own Shares in the Company. The Managers do not intend to disclose the extent of any such investments otherwise than in accordance with any legal or regulatory obligation to do so. The Company is not aware of any other interests, including conflicting ones that are considered material to the listing.</p>
<b>E.5</b>	<b>Selling shareholders and lock-up</b>	<p>Not applicable. There will be no selling shareholders, nor will there be any lock-up agreements.</p>
<b>E.6</b>	<b>Dilution</b>	<p>Not applicable. There will be no dilution since shareholders of Aqualis ASA will receive the consideration Shares on a pro rata basis.</p>
<b>E.7</b>	<b>Estimated expenses charged to the investor</b>	<p>Not applicable. No expenses will be charged to shareholders by the Company.</p>

## **2. RISK FACTORS**

*An investment in the Shares involves a number of risks. If any of the following risks and uncertainties actually occurs, the Group's cash flows, business, results of operations and financial position could be adversely affected. In that case, the trading price of the Shares could decline and potential investors could lose all or part of their investments. The order in which the risks are presented does not necessarily reflect the likelihood of their occurrence or the magnitude of their potential impact on the Group's cash flows, business, results of operations and financial position.*

*Potential investors should carefully consider the risk factors set out below and the information set out in section 4 "Cautionary note regarding forward looking statements" in addition to the other information contained herein before making an investment decision.*

### **2.1 BUSINESS AND INDUSTRY-RELATED RISKS**

#### **2.1.1 Dependence on the level of demand from oil & gas and other offshore companies**

The Group's operations will over time depend on the level of activity and capital spending by oil & gas and offshore companies. The demand for the Group's services is affected by declines in maritime and offshore activity associated with depressed oil & gas prices. The demand for offshore exploration, development and production has been closely linked to the price of oil & gas. Even the perceived risk of a decline in the oil or natural gas prices often causes exploration and production companies to reduce their spending. Historically, oil & gas prices have been very volatile depending on the actual and expected changes in the supply of, and demand for, oil & gas, changes in economic growth and political uncertainty in oil producing countries. There is a risk associated with a possible long-term drop in the oil price, affecting the profitability of the development of new offshore fields. Any prolonged periods of reduced capital expenditures by oil & gas and offshore companies would likely reduce the demand for the services offered by the Group. Furthermore, the Group is also heavily involved in day to day offshore operations which provide recurring day to day income. Generally, as overall conditions in the oil & gas and offshore industries deteriorate, demand for the services offered by the Group may decrease.

#### **2.1.2 Future economic downturns**

The offshore oil & gas industries are exposed to the general global economic activity. A worldwide economic downturn could reduce the availability of credit to fund offshore business operations globally. This could again lower the demand for the Group's services and lead to an austerity approach from the oil & gas and offshore companies. Furthermore, a sustained or deep recession could further limit economic activity and thus result in an additional decrease in energy consumption, which in turn could cause the Group's revenues and margins to decline and limit its future growth prospects.

#### **2.1.3 Competitive industry**

The global offshore consultancy market is highly competitive, which may limit the Group's ability to maintain or increase its market share. Its current and future competitors may have greater financial and other resources and may be better positioned to withstand and adjust to changing market conditions. Hence, the Group may not be able to maintain its competitive position in the market. Additionally, the Group also competes with several smaller companies capable of performing effectively on a regional or local basis. These competitors may be able to better withstand economic and/or industry downturns and compete on the basis of price, all of which could affect the Group's position in the market which, in turn, could lead to reduction in revenues and profit margins.

#### **2.1.4 Political and regulatory risk**

Changes in the political, legislative, fiscal and/or regulatory framework governing the activities of the Group, the oil & gas companies, oil service companies, offshore companies, construction yards and/or important suppliers or service providers on which the Group depends, could have a material impact on its business, the markets in which it operates, and its financial condition.

#### **2.1.5 Risk related to managing the Group's growth**

As the Group executes on its strategy, it expects that there will be a need for additional managerial, operational, marketing, financial and other resources. As a result, members of management would face added responsibilities, including:

- Identifying, recruiting, maintaining, motivating and integrating additional skilled personnel;
- Managing the Group's internal development efforts effectively while complying with its contractual obligations to customers, suppliers, partners, and other third parties; and
- Improving the Group's managerial, development, operational and finance systems.

The Group's results of operations, financial condition and business as a whole will depend, in part, on its ability to manage its future growth effectively. Hence, it must manage its growth efforts and hire, train and integrate additional management, administrative and marketing personnel as required. However, no assurance can be given that the Group will successfully identify and retain these personnel. If the Group is unable to accomplish these tasks, it could be prevented from successfully obtaining its growth. The scalability of the Group's business will be an important factor going forward.

#### **2.1.6 Access to key personnel and resources**

The Group's business and prospects depend to a significant extent on the continued services of its key personnel in its various business areas. Hence, the Group is dependent on its ability to retain key personnel to ensure successful integration of new personnel into existing operations. The loss of any of the current members of its senior management or other key personnel or the inability to attract or retain a sufficient number of qualified employees could adversely affect its business and results of operations.

#### **2.1.7 Shortage of qualified engineers**

The current market for attracting highly qualified engineers is challenging and the challenging market affects the Group, as it is dependent on the highly skilled employees. Due to the shortage of skilled and qualified engineers, the Group may not be able to identify and attract, nor retain, qualified engineers in the future. This could adversely affect its business and results of operations.

#### **2.1.8 Customer concentration**

The Group has already established a relatively broad customer base, and is only to a limited extent dependent upon a few large customers within the offshore oil & gas industries. However, the Group's financial condition and results of operations could be damaged if these customers interrupt or curtail their activities or terminate their contracts with the Group, fail to renew existing contracts or refuse to award new contracts to the Group while, at the same time, the Group is not able to enter into new contracts with new customers at comparable terms.

#### **2.1.9 Cancellation of contracts**

The cancellation (due to late delivery, non-performance or otherwise) or postponement of one or more contracts, can have a material adverse impact on the earnings of the Group.

#### **2.1.10 Contracts expiring and contract renewals**

The Group has few long term commitments, and the long term commitments that the Group has can be terminated on a relatively short notice. Hence, the Group is dependent on continuously winning and retaining business. Furthermore, the Group's contract structure implies that there is limited visibility for the Group's future revenue. There can be no assurance that the Group will be able to renew its existing customer contracts, or that any such future agreements will be on terms equally favourable to the Group as is currently the case. During depressed market conditions, a customer may no longer need the services that are currently under contract, or may be able to obtain comparable service at a lower rate. As a result, customers may seek to renegotiate the terms of their existing contracts, or avoid their obligations under those contracts. Hence, the Group's inability to compete successfully may reduce its profitability.

#### **2.1.11 Counterparty risk**

If the Group's contracting counterparties are unable or unwilling to honour their contractual obligations, the Group may have to seek alternative employment for its personnel. There is no guarantee that it will be able to obtain the same rates from another party.

#### **2.1.12 Environmental risk**

Environmental and energy matters have been the focus of increased scientific and political scrutiny and are subject to various legal requirements. Legal requirements concerning these issues could potentially reduce demand for oil & gas, which again could affect the demand for the Group's services. Furthermore, the activities of the Group are subject to environmental rules and regulations pursuant to international conventions and



national legislation in relevant jurisdictions. Failure to comply with environmental rules and regulations may cause damage to the external environment, suspend operations and may result in fines, penalties and/or claims by authorities and customers. To the extent the Group is held liable for such breach of environmental rules and regulations, it may have an adverse effect on its operations and financial conditions.

### **2.1.13 Insurance**

The Group's business is subject to a number of risks, including human error or misjudgements. There is no assurance that insurance or indemnifications agreements will adequately protect the Group against liability from all the consequences of such events. The occurrence of an event for which the Group is not fully insured or indemnified against, could result in substantial losses. In addition, the Group may not be able to procure adequate insurance coverage at commercially reasonable rates in the future and any particular insurance claim may not be reimbursed.

### **2.1.14 Accidents**

An accident involving one or more of the Group's personnel, and most importantly its consequence and indirect effect, could adversely affect its business, financial condition, results of operation and liquidity.

### **2.1.15 Legal claims and disputes**

The numerous hazards inherent in the Group's business increase its exposure to additional claims and disputes in the ordinary course of business which could materially adversely affect its business, financial condition, results of operation and liquidity.

### **2.1.16 Seasonality**

The Group's business is seasonal in certain parts of the world. Many of its customers reduce demand for the Group's services during the winter months, hurricane seasons or monsoon periods due to the possibility of adverse weather conditions. As a result, the Group's revenues and profitability typically are lower during these times. Consequently, the existence of any condition that adversely affects the Group's operations would have a negative effect on its results of operations for the full year.

## **2.2 RISK FACTORS RELATED TO THE OWNERSHIP OF THE SHARES**

### **2.2.1 The market price of the Shares may be highly volatile**

The market price of the Shares could fluctuate significantly in response to a number of factors, including the following:

- actual or anticipated variations in operating results
- changes in financial estimates or recommendations by stock market analysts regarding the Company
- announcements by the Company of significant acquisitions, partnerships, joint ventures or capital commitments
- sales or purchases of substantial blocks of Shares
- additions or departures of key personnel
- future equity or debt offerings by the Company and its announcements of these offerings
- general market and economic conditions

Moreover, in recent years, the stock market in general has experienced large price and volume fluctuations and these broad market fluctuations may adversely affect the share price, regardless of its operating results.

### **2.2.2 Shareholders not participating in future offerings of Shares or other equity investments may be diluted**

Shareholders not participating in future offerings of Shares or other equity instruments may be diluted. Unless otherwise resolved or authorised by the general meeting of the Company, shareholders in Norwegian public companies such as the Company have pre-emptive rights proportionate to the aggregate amount of the Shares they hold with respect to new Shares and other equity investments issued by the Company. However, shareholders that do not exercise such pre-emptive right may experience dilution of their shareholding.

**2.2.3 The issue of additional securities by the Company in connection with future acquisitions, any Share incentive or option plan or otherwise may dilute all other shareholdings**

The Company may seek to issue additional equity or convertible equity securities to fund future acquisitions and other growth opportunities, or in connection with share incentives and option plans. Exercising options may also cause a dilution of existing shareholders. To the extent that the Company issues additional securities, the existing shareholders' ownership interest in the Company at that time may be diluted.

**2.2.4 Future sales of Shares could reduce the market price of the Shares and adversely affect the Company's ability to raise additional capital**

Sales of substantial amounts of the Shares, or the perception that such sales could occur, could have an adverse effect on the market value of the Shares and the Company's ability to raise capital through future capital increases.

**2.2.5 The Company does not expect to pay any cash dividends for the foreseeable future**

The Company does not intend to pay any dividends for the foreseeable future. Instead, the Company plans to retain any earnings to maintain and expand its existing operations. In addition, any future debt financing arrangement may contain terms prohibiting or limiting the amount of dividends that may be declared or paid on the Shares. Accordingly, investors must rely on sales of their Shares after price appreciation, which may never occur, as the only way to obtain return on their investment.

**2.2.6 The limited liquidity in the trading market for the Shares could have a negative impact on the market price and ability to sell Shares**

The Company's Shares will subsequent to the Listing be listed on the Oslo Stock Exchange. This, however, does not imply that there will always be a liquid market for the Company's Shares, which have also historically had a relatively low liquidity. An investment in the Shares may thus be difficult to realise. Investors should be aware that the value of the Shares may be volatile and may go down as well as up. In the case of low liquidity of the Shares, or limited liquidity among the Company's shareholders, the share price can be negatively affected and may not reflect the underlying asset value of the Company. Investors may, on disposing of the Shares, realise less than their original investment or lose their entire investment.

**2.2.7 The Company's investors outside of Norway are subject to exchange rate risk**

The Shares are traded in NOK and any investor outside of Norway that wishes to invest in the Shares, or to sell Shares, will be subject to an exchange rate risk which may cause additional costs to the investor.

**2.2.8 Holders of Shares that are registered in a nominee account may not be able to exercise voting rights and other shareholder rights as readily as shareholders whose Shares are registered in their own names with the VPS**

Beneficial owners of Shares that are registered in a nominee account (e.g., through brokers, dealers or other third parties) may not be able to vote such Shares unless their ownership is re-registered in their names with the VPS prior to the Company's general meetings. The Company cannot guarantee that such beneficial owners of Shares will receive the notice for a general meeting in time to instruct their nominees to either effect a re-registration of their Shares or otherwise vote their Shares in the manner desired by such beneficial owners. Further, beneficial owners of Shares that are registered in a nominee account may not be able to exercise other shareholder rights under the Norwegian Public Limited Companies Act (such as e.g. the entitlement to participate in a rights offering) as readily as shareholders whose Shares are registered in their own names with the VPS.

**2.2.9 The transfer of Shares is subject to transfer restrictions**

The transfer of Shares is subject to restrictions under the securities laws of the United States and other jurisdictions. The Shares have not been registered under the U.S. Securities Act of 1933 or any U.S. state securities laws or any other jurisdiction outside Norway and are not expected to be registered in the future. As such, the Shares may not be offered or sold in the United States or to a U.S. person except pursuant to an exemption from the registration requirements of the US Securities Act and applicable securities laws.

## **2.3 FINANCIAL RISK**

### **2.3.1 Limited access to funds**

The Company may be dependent on obtaining future financing and/or new equity to enable the contemplated future growth of the Group. No assurance can be given that it will be able to obtain future financing, or that it will be able to raise new equity capital.

### **2.3.2 Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and money-market funds.

### **2.3.3 Foreign exchange risk**

The presentation currency of the Group is USD. The functional currency of Aqualis Offshore Holding ASA is NOK, while the functional currency of the subsidiaries is the currency in the country of incorporation, which may give rise to foreign currency translation gains or losses. The Group has secured, or may secure, income under contracts in currencies other than USD, such as NOK, GBP and EUR. This income, relative to USD, will be affected by changes in currency exchange rates or exchange control regulations when the Group does not hedge an exposure to these currencies. It may also incur losses as a result of an inability to collect revenues because of a shortage of convertible currency available to the country of operation, controls over currency exchange or controls over the repatriation of income or capital. Currency exchange rates are determined by forces of supply and demand on the currency exchange markets, which again are affected by the international balance of payments, economic and financial conditions, government intervention, speculation and other factors. If the Group is not able or fails to take actions to limit its exposure to local currencies, changes in currency exchange rates relative to the USD will affect the USD value of the Group's assets and thereby impact upon its total return on such assets.

### **2.3.4 Liquidity risk**

Liquidity risk is the potential loss arising from the Group's inability to meet its contractual obligations when due. The operation of the Group's business requires significant capital, and there can be no assurance that it will be able to obtain the necessary liquidity to meet its financial liabilities as they fall due. The Group's future liquidity needs depend on a number of factors, and is subject to uncertainty with respect to inter alia future earnings, outcome of legal claims and disputes, etc. A limited liquidity position may have an adverse effect on the Group's business, financial condition, results of operation and liquidity, and as a worst case, force the Company to cease its operations.

**3. STATEMENT OF RESPONSIBILITY**

The Board of Directors of Aqualis Offshore Holding ASA (the “**Board**” or “**Board of Directors**”) accepts responsibility for the information contained in this Prospectus and hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omissions likely to affect its import.

Oslo, 12 August 2014

**The Board of Directors of Aqualis Offshore Holding ASA**

Glen Rødland  
Chairman

Yvonne Litsheim Sandvold  
Board member

Reuben Segal  
Board member

Øystein Stray Spetalen  
Board member

Synne Syrrist  
Board member

#### 4. CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This Prospectus includes forward-looking statements, including, without limitation, projections and expectations regarding the Group's future financial position, business strategy, plans and objectives. All forward-looking statements included in the Prospectus are based on information available to the Company, and views and assessments of the Company, as of the date of this Prospectus. Except as required by the applicable stock exchange rules or applicable law, the Company does not intend, and expressly disclaims any obligation or undertaking, to publicly update, correct or revise any of the information included in this Prospectus, including forward-looking information and statements, whether to reflect changes in the Company's expectations with regard thereto or as a result of new information, future events, changes in conditions or circumstances or otherwise on which any statement in this Prospectus is based.

When used in this document, the words "anticipate", "believe", "estimate", "expect", "seek to", "will", "may", "might", "would", "can", "could", "should", "intends", "assumes" "projects", "forecasts", "plans", or other words of similar meaning and similar expressions or the negatives thereof, as they relate to the Company, its subsidiaries or its management, are intended to identify forward-looking statements. The Company can give no assurance as to the correctness of such forward-looking statements and investors are cautioned that any forward-looking statements are not guarantees of future performance. By their nature, forward-looking statements involve and are subject to known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties, assumptions and other factors, the actual results, performance or achievements of the Company and its subsidiaries, or, as the case may be, the industry, may materially differ from any future results, performance or achievements expressed or implied by forward-looking statements in this Prospectus. Furthermore, forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Company and its subsidiaries operate.

Prospective investors in the Shares are cautioned that forward-looking statements are not guarantees of future performance and that the Group's actual financial position, operating results and liquidity, and the development of the industry in which the Group operates, may differ materially from those made in or suggested by the forward-looking statements contained in this Prospectus. The Company cannot guarantee that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur. Given the aforementioned uncertainties, prospective investors are cautioned not to place undue reliance on any of these forward-looking statements.

In particular, section 6.5 "Business strategy" and 7 "Market overview" of this Prospectus contains statements regarding the Group's strategy going forward.

**5. DESCRIPTION OF THE CONTRIBUTION AND THE LISTING**

**5.1 DECISION TO SEPARATE THE COMPANY FROM AQUALIS ASA**

The Company was incorporated on 2 June 2014 as a wholly-owned subsidiary of Aqualis ASA, a publicly listed company on the Oslo Stock Exchange which prior to Spin-Off (as defined below) operated in the offshore and marine industry as well as the pharmaceutical industry.

On the evening of 16 June 2014, Aqualis ASA (to be renamed Weifa ASA) entered into a share purchase agreement with Weifa Holding AS regarding the acquisition of all of the shares in Weifa AS, a Norwegian pharmaceutical company (the “**Acquisition**”). Furthermore, Aqualis ASA announced that the Acquisition is expected to be completed on or about 15 August 2014, and that it prior to the completion of the Acquisition, intended to:

- (i) spin-off of its existing marine & offshore operations into the Company;
- (ii) distribute the shares in the Company to Aqualis ASA's shareholders (the “**Spin-Off**”); and
- (iii) list the Company separately on the Oslo Stock Exchange (the “**Listing**”).

On 5 August 2014, the EGM of Aqualis ASA passed the resolution to distribute all 43,190,544 Shares in the Company to Aqualis ASA's existing shareholders, through a share capital decrease and distribution of paid in capital. The share capital decrease was registered with the Norwegian Register of Business Enterprises (Nw. *Foretaksregisteret*) on 11 August 2014.

Pursuant to the resolution passed on Aqualis ASA's EGM on 5 August 2014, the Aqualis ASA shares are traded ex right to the Company's Shares on the Oslo Stock Exchange from and including 12 August 2014, and the shareholders of Aqualis ASA will receive shares in the Company pro rata to their shareholding in Aqualis ASA based on their registered holding of shares in Aqualis ASA in the Norwegian Central Securities Depository (“**VPS**”) as per end of 14 August (the “**Record Date**”), less any shares issued by Aqualis ASA in the NOK 700 million private placement (the “**Private Placement**”) as approved on Aqualis ASA's EGM on 5 August 2014.

The Aqualis ASA shareholders as per the Record Date (the “**Eligible Shareholders**”) will receive one (1) Share per each fourth (4) share held in Aqualis ASA on the Record Date, less any shares acquired in the Private Placement. The Shares are expected to be registered on each Eligible Shareholder’s VPS account on or about 15 August 2014. No fractional Shares will be delivered. At delivery, each Eligible Shareholder’s entitlement for Shares will be rounded up to the nearest whole Share. The required number of Shares to do the rounding up will be provided by the Company's main shareholder.

The Spin-Off will provide dedicated leadership and increased focus to spur the marine & offshore business transferred to the Company and enables further development of its strong position in its current markets as well as accelerated growth.

The below timetable sets out certain key dates for the Spin-Off:

The EGM of Aqualis ASA resolved to distribute all the Shares through a share capital decrease and distribution of paid in capital.....	<b>5 August 2014</b>
Last day of trading in the Aqualis ASA shares incl. right to 1 (one) Share per four (4) Aqualis ASA shares .....	<b>11 August 2014</b>
The share capital decrease in Aqualis ASA is registered in the Norwegian Register of Business Enterprises (Nw. <i>Foretaksregisteret</i> )...	<b>11 August 2014</b>
First day of trading in the Aqualis ASA shares excl. right to 1 (one) Share per four (4) Aqualis ASA shares .....	<b>12 August 2014</b>
Listing and first day of trading of the Shares on Oslo Børs.....	<b>13 August 2014</b> (expected)
Record Date.....	<b>14 August 2014</b>
Date of delivery of the Shares in the shareholders' VPS accounts.....	<b>15 August 2014</b> (expected)

The above dates are indicative and subject to change.

Following the Spin-Off, the Eligible Shareholders will hold shares both in Aqualis ASA (to be renamed Weifa ASA) and the Company (to be renamed Aqualis ASA). The simultaneous name changes are expected to be

registered with the Norwegian Register of Business Enterprises (Nw. *Foretaksregisteret*) as soon as possible after Aqualis ASA has completed the Acquisition (expected on 15 August 2014).

## 5.2 THE CONTRIBUTION AND THE TRANSFER AGREEMENT

To facilitate the Spin-Off, the Company and Aqualis ASA entered into and executed a transfer agreement of 24 July 2014 (the "**Transfer Agreement**"), wherein all the shares in Aqualis Offshore Ltd, Tristein AS and Offshore Wind Consultants Ltd were transferred from Aqualis ASA to Aqualis Offshore Holding ASA together with NOK 65,000,000 (USD 10.8 million) in cash, NOK 49,944,965 (USD 8.3 million) in interest bearing loans to Aqualis Offshore Ltd and its subsidiaries, and NOK 55,000,000 (USD 9.2 million) in financial assets representing a part interest in the prepayment in relation to Aqualis ASA's acquisition of Weifa AS (together the "**Contribution**").

The purchase price (equity value) for the three companies were NOK 125,418,165, whereas the shares in Aqualis Offshore Ltd were allocated NOK 70,000,000, the shares in Tristein AS were allocated NOK 46,750,000 and the shares in Offshore Wind Consultants Ltd were allocated NOK 8,668,165. The purchase will be accounted for as a transaction under common control at consolidated book values.

As consideration for the shares in the three companies and the cash and other financial assets contributed by Aqualis ASA, the Company has issued 33,190,544 new Shares in the Company on 24 July 2014, at a subscription price of NOK 8.90 (rounded off) per Share to Aqualis ASA. Following this share capital increase, which was registered in the Norwegian Register of Business Enterprises on 29 July 2014, the Company has a share capital of NOK 4,319,054.4 divided on 43,190,544 shares each with a nominal value of NOK 0.10.

Pursuant to the Transfer Agreement, Aqualis ASA has warranted the legal standing of the three transferred companies, that it is competent to enter into the Transfer Agreement and that the Transfer Agreement includes all the outstanding shares in the three companies. No other warranties follow from the Transfer Agreement. The Transfer Agreement furthermore constitutes an assignment from Aqualis ASA to the Company of all its rights and obligations under the share purchase agreements that Aqualis ASA entered into when it acquired Aqualis Offshore Ltd (in 2013), Tristein AS (in 2014) and Offshore Wind Consultants Ltd (in 2014).

## 5.3 BACKGROUND AND REASONS FOR THE LISTING

Through the Listing, the Company will be able to provide a regulated market place for trading of its Shares, involving continuous market pricing of, and liquidity in, the Shares. In addition, the Listing will facilitate the use of capital markets in order to effectively raise equity to support future growth strategies and operations.

## 5.4 ADMISSION TO TRADING OF THE SHARES; TRADING MARKET; TRADING SYMBOL; SHAREHOLDERS REGISTER

On 5 August 2014, the Company applied for admission to trading of its Shares on the Oslo Stock Exchange through a fast-track process. On 8 August 2014, the Board of Directors of the Oslo Stock Exchange resolved to approve the Company's listing application for a listing on Oslo Børs, subject to satisfaction of the following conditions:

- a) The Company shall have in excess of 500 shareholders, each holding Shares with a value of more than NOK 10,000.
- b) There shall be a minimum free float of the Shares of 25 percent.
- c) This Prospectus shall have been published.

Conditions (a) and (b) were satisfied upon registration of the capital decrease in Aqualis ASA with the Norwegian Register of Business Enterprises (Nw. *Foretaksregisteret*) on 11 August 2014.

It is expected that the Shares will be delivered and made available to each Eligible Shareholder's VPS account on or about 15 August 2014. Trading in the Shares on the Oslo Stock Exchange is expected to commence on or about 13 August 2014. Trades during the period until delivery of the Shares to Eligible Shareholders' VPS accounts will be settled on a T+3 basis. No account-to-account transactions and no transactions with settlement prior to 18 August 2014 will be allowed in this period. The Shares will trade on the Oslo Stock Exchange under the trading symbol "AQUA".

All Shares of the Company will be registered in the VPS in book-entry form under the International Securities Identification Number (“**ISIN**”) NO 0010715394, rank in parity with one another and carry one vote per Share. The Company’s register of shareholders with the VPS is administrated by Nordea Bank Norge ASA, Securities Services/Issuer Services, P.O. Box 1166 Sentrum, 0107 Oslo. For further information, see section 11 "Share capital".

The Company has not applied for admission to trading of the Shares on any other stock exchange or regulated market.

Based on the observed market value of Aqualis ASA prior to the announcement of the Acquisition of Weifa AS on 17 June 2014, and the pre-money valuation of Aqualis ASA’s healthcare business of approximately NOK 109 million (based on the share price of NOK 0.63 set in the Private Placement), the Company expects the Shares to have a market value above NOK 10 per share following the Listing.

## **5.5 PUBLICATION OF INFORMATION**

The Company intends to use the Oslo Stock Exchange information system to publish information with respect to the Spin-Off and the admission to trading of its Shares, such as any changes in the indicative timing of consummation of the Spin-Off and first day of trading.

## **5.6 INTEREST OF NATURAL AND LEGAL PERSONS INVOLVED IN THE LISTING**

For more information about the transaction assistance provided by Ferncliff in connection with Aqualis ASA’s acquisition of Weifa AS, see section 13.2 “Related party transactions”.

There are no material interests to the Listing involving any directors or senior management of the Company.

The Manager and its affiliates have provided from time to time, and may provide in the future, investment banking services to the Company and its affiliates in the ordinary course of business, for which they have received and may continue to receive customary fees and commissions. The Manager, its employees and any affiliate may currently own Shares in the Company. The Managers do not intend to disclose the extent of any such investments otherwise than in accordance with any legal or regulatory obligation to do so.

The Company is not aware of any other interests, including conflicting ones that are considered material to the listing.

## **5.7 EXPENSES**

Expenses incurred in connection with the Spin-Off, the intra-group restructurings in preparation of the Spin-Off and the admission to trading of the Shares on the Oslo Stock Exchange, which are expenses to be borne by the Company, are in the aggregate expected to amount to between NOK 9 million and NOK 9.5 million and comprise of fees to Ferncliff, legal and other advisors, auditors, accountants and providers of transaction advisory services and other direct expenses (such as printing, distribution etc.) and fees to the Oslo Stock Exchange and the Norwegian FSA.

Ferncliff provided transaction assistance in connection with Aqualis ASA’s acquisition of Weifa AS, including assistance in negotiations with the seller, and will be paid a success fee of NOK 5 million. Since the assistance was supplied to help existing shareholders of Aqualis ASA prior to the acquisition of Weifa realise the value of the company’s healthcare operations, the agreement has been entered into with the Company (thus the same shareholder base). For more information about the NOK 5.0 million success-based fees to be paid to Ferncliff, see section 13.2 “Related party transactions”.

The Manager does not receive any direct compensation connected to the Spin-Off, but will receive success-based fees in connection with the related transactions completed by Aqualis ASA in connection with the Spin-Off, including the Acquisition and the financing of the Acquisition.

## **5.8 MANAGER AND ADVISOR**

The Company has engaged Carnegie AS, Postboks 684 Sentrum, 0106 Oslo, Norway, as manager for the listing process. The legal advisor to the Company for the listing process is Advokatfirmaet Wiersholm AS, Ruseløkkveien 26, Postboks 1400, Vika 0115 Oslo, Norway.



## 6. PRESENTATION OF AQUALIS OFFSHORE

### 6.1 CORPORATE INFORMATION

Aqualis Offshore Holding ASA is a public limited liability company pursuant to the Norwegian Public Limited Liability Companies Act (Nw: *Allmennaksjeloven*), incorporated under the laws of Norway. The Company was incorporated on 2 June 2014 by Aqualis ASA solely for the purpose of the Spin-Off and the Listing. The Company’s organisation number is 913 757 424, and its registered office is Sjølyst plass 2, 0278 Oslo, Norway with telephone number: +47 23 01 49 90.

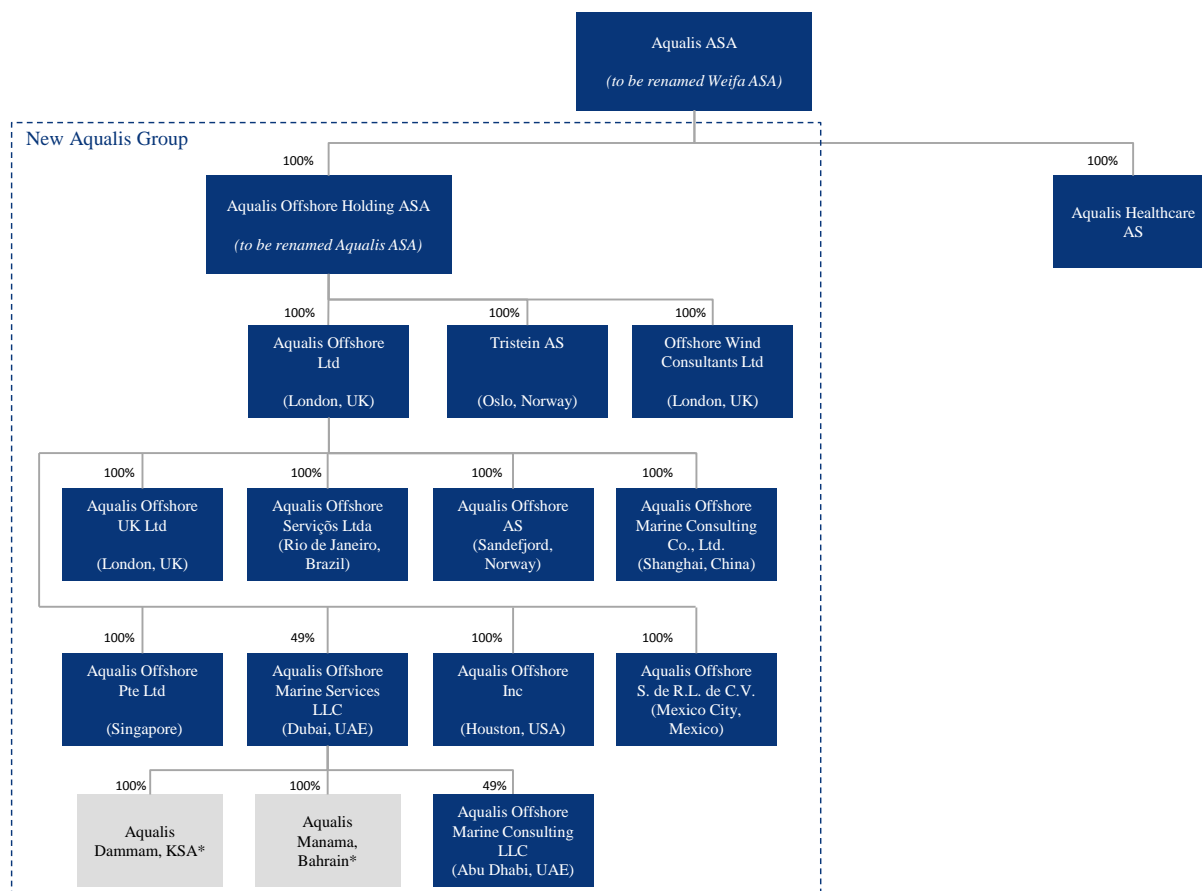
Following the completion of Aqualis ASA’s acquisition of Weifa (expected on 15 August 2014), and Aqualis ASA subsequently being renamed Weifa ASA, the Company will be renamed Aqualis ASA, pursuant to the resolution by the EGM of Aqualis Offshore Holding ASA held on 24 July 2014. The name changes are expected to be registered in the Norwegian Register of Business Enterprises on or about 20 August 2014.

### 6.2 LEGAL STRUCTURE

The Group’s legal structure as of the date of this Prospectus is illustrated in the below figure. The holding company, Aqualis Offshore Holding ASA, has three wholly owned subsidiaries; Aqualis Offshore Ltd (“**Aqualis Offshore**” and together with its subsidiaries “**Aqualis Offshore Group**”), Tristein AS (“**Tristein**”) and Offshore Wind Consultants Ltd (“**Offshore Wind Consultants**” or “**OWC**”).

Prior to the Spin-Off, the Group was a wholly owned subsidiary of Aqualis ASA (to be renamed Weifa ASA).

The holding company, Aqualis Offshore Holding ASA, does not have any operating activities as of the date of this Prospectus. The subsidiaries are responsible for the Company’s activities in the various geographical regions. For more information about each subsidiary, see the description of each subsidiary below.



\* In KSA / Bahrain, Aqualis operates through agency agreement with AET

The table below sets out the address of the holding company and each of the Group's subsidiaries.

Company	Owner ship	Address
Aqualis Offshore Holding ASA	100%	Sjølyst Plass 2, 0278 Oslo
Aqualis Offshore Ltd	100%	Suite 115, 150 Minorities, London EC3N 1LS
Aqualis Offshore AS	100%	Østre Kullerud 5, 3241 Sandefjord, Norway
Aqualis Offshore Pte Ltd	100%	51 Goldhill Plaza #12-08, Singapore 308900
Aqualis Offshore UK Ltd	100%	Suite 115, 150 Minorities, London EC3N 1LS
Aqualis Offshore Inc.	100%	1250 Wood Branch Park Rd., Step 650, Houston, TX 77079
Aqualis Offshore Serviços Ltda	100%	Rua Teofilo Otoni, 15 sala 916 Centro 20090-080, Rio de Janeiro, Brazil
Aqualis Offshore Marine Services LLC	49%*	Office 609, SIT Tower, Dubai Silicon Oasis, Dubai, UAE
Aqualis Offshore Marine Consulting LLC	49%*	Office 104, Floor 1, Al Aryam Tower, Mina Road, Abu Dhabi, UAE
Aqualis Offshore Marine Consulting Co., Ltd	100%	Room 1128 Qilu Building, No. 836, 838 Dong Fang Road, Pudong District, Shanghai Municipality, PRC
Aqualis Offshore S. de R.L. de C.V.	100%	Av. Tecamachalco, No. 35, Rosedal y M. Avila Camacho, Reforma Social Mexico D.F., CP 11000
Tristein AS	100%	Blekerveien 17, 1387 Asker
Offshore Wind Consultants Ltd	100%	80 Coleman Street, London EC23 5BJ

\*Aqualis Offshore Marine Services LLC and Aqualis Offshore Marine Consulting LLC is 100% controlled by the Company

#### Aqualis Offshore Holding ASA

Aqualis Offshore Holding ASA (to be renamed Aqualis ASA) is the holding company of the Group. The company has no operating activities as of the date of this Prospectus. The Group's CFO will be employed in Aqualis Offshore Holding ASA.

#### Aqualis Offshore Group

Aqualis Offshore Ltd is the holding company for the Aqualis Offshore Group. The Group's CEO is employed in Aqualis Offshore Ltd. Aqualis Offshore Group's subsidiaries are responsible for the following regions:

- Aqualis Offshore AS is responsible for the operations co-ordinated from Norway
- Aqualis Offshore Pte Ltd is responsible for the operations co-ordinated from Singapore
- Aqualis Offshore UK Ltd is responsible for the operations co-ordinated from the UK
- Aqualis Offshore Inc. is responsible for the operations co-ordinated from the USA
- Aqualis Offshore Serviços Ltda is responsible for the operations co-ordinated from Brazil
- Aqualis Offshore Marine Services LLC is responsible for operations co-ordinated from the Middle East
- Aqualis Offshore Marine Consulting LLC is 100% owned by Aqualis Offshore Marine Services LLC and is responsible for operations co-ordinated from the Middle East
- Aqualis Offshore Marine Consulting Co., Ltd is responsible for the operations co-ordinated from China
- Aqualis Offshore S. de R.L. de C.V. is responsible for the operations co-ordinated from Mexico

#### Tristein

Until 1 January 2014, Tristein AS was the holding company of the Tristein Group (as defined in 6.3) with Tristein Marine Operations & Logistics AS, Tristein Renewable Energy AS and Tristein Engineering & Survey AS and Tristein Stavanger AS as its subsidiaries. Effective from 1 January 2014, all of Tristein AS' subsidiaries were merged into Tristein AS.

#### Offshore Wind Consultants

Offshore Wind Consultants Ltd does not have any subsidiaries.

In 2013, on a pro forma basis, the Group was most dependent on Tristein AS, Offshore Winds Consultants Ltd, Aqualis Offshore AS, Aqualis Offshore Pte Ltd and Aqualis Offshore Marine Services LLC, as reflected in the 2013 pro forma financials. As of the date of this Prospectus, the Company considers this situation to be in line with 2013. The Company recognises that the business in Singapore and the Middle East is growing fastest within the Group, and thus can be considered as more important to the Group today than in 2013. In general, the Company becomes less dependent on single companies within the Group through diversification across the increased number of global offices.

### **6.3 HISTORICAL BACKGROUND AND COMPANY DEVELOPMENT**

Aqualis Offshore Holding ASA (to be renamed Aqualis ASA) was incorporated 2 June 2014 with a share capital of NOK 1 million. The Company was prior to completion of the Spin-Off a wholly-owned subsidiary of Aqualis ASA (to be renamed Weifa ASA), a publicly listed company on the Oslo Stock Exchange, which prior to the Spin-Off operated in the offshore and marine industry, as well as the pharmaceutical industry.

On 24 July 2014, Aqualis ASA made a cash contribution of NOK 65,000,000 (USD 10.8 million) and transferred all of its shares in the subsidiaries Aqualis Offshore Ltd, Tristein AS and Offshore Wind Consultants Ltd to the Company as a contribution in kind, together with NOK 49,944,965 (USD 8.3 million) in interest bearing loans to Aqualis Offshore Ltd and its subsidiaries and NOK 55,000,000 (USD 9.2 million) in financial assets representing a part interest in the prepayment in relation to Aqualis ASA's acquisition of Weifa AS. In accordance with International Financial Reporting Standards ("IFRS"), the transaction will be recorded as a transaction under common control at consolidated book values.

In November 2013, Aqualis ASA acquired Aqualis Offshore Ltd, a provider of marine & engineering consultancy services for the offshore oil & gas industry. Aqualis Offshore Ltd was established in November 2012 by Strata Marine & Offshore AS, a company controlled by the Company's board member Øystein Stray Spetalen. Aqualis Offshore Group's Norwegian subsidiary Aqualis Offshore AS was established in May 2012 under the name Standard Engineering AS before being acquired in 2013. Since then Aqualis Offshore Group has established offices in all the world's key oil & gas regions.

On 27 February 2014, Aqualis ASA announced that it had entered into a memorandum of understanding to acquire Tristein AS, a provider of marine & engineering consultancy services for the offshore oil & gas and wind industries. The transaction was completed in April 2014. Tristein AS was founded in 2007 by six former sea captains with background from the oil & gas industry, and commenced operations in 2008. Effective from 1 January 2014, Tristein AS and its four subsidiaries (the "**Tristein Group**") were merged to reduce administrative and financial costs.

On 19 May 2014, Aqualis ASA announced that it had entered into a memorandum of understanding to acquire Offshore Wind Consultants Ltd, a provider of marine & engineering consultancy services to the offshore wind industry. The transaction was completed in June 2014. Offshore Wind Consultants was established in November 2011.

The following summarizes the important events in the history and development of the New Aqualis Group.

<b>Year</b>	<b>Key milestones &amp; events</b>
24 September 2007 .....	Tristein AS established
28 August 2009.....	Establishment of the Tristein Group, including Tristein Operations & Logistics AS
1 October 2009 .....	Tristein Engineering & Survey AS established
27 November 2009 .....	Tristein Renewable Energy AS established
24 May 2011 .....	Tristein Stavanger AS established
25 November 2011 .....	Offshore Wind Consultants Ltd established
13 May 2012.....	Standard Engineering AS established
17 December 2012.....	Aqualis Offshore Ltd established by Strata Marine & Offshore AS <sup>1</sup>
14 January 2013.....	Aqualis Offshore Pte Ltd (Singapore) established
1 February 2013.....	Aqualis Offshore UK Ltd (London) established
13 March 2013.....	Aqualis Offshore Inc. (Houston) established
18 March 2013.....	Aqualis Offshore Serviços Ltda (Rio De Janeiro) established
25 April 2013 .....	Aqualis Offshore Marine Services LLC (Dubai) established
26 June 2013	Standard Engineering AS acquired by Aqualis Offshore Ltd and renamed to Aqualis Offshore AS
8 November 2013 .....	Aqualis Offshore Ltd acquired by Aqualis ASA
1 January 2014.....	Tristein Marine Operations & Logistics AS, Tristein Renewable Energy AS and Tristein Engineering & Survey AS and Tristein Stavanger AS merged into Tristein AS
9 February 2014 .....	Aqualis Offshore Marine Consulting LLC (Abu Dhabi) established
28 March 2014 .....	Aqualis Offshore Marine Consulting Co., Ltd (Shanghai) established
29 April 2014 .....	Tristein AS acquired by Aqualis ASA
2 June 2014 .....	Aqualis Offshore Holding ASA established
27 June 2014 .....	Offshore Wind Consultants Ltd acquired by Aqualis ASA
10 July 2014 .....	Aqualis Offshore S. de R.L. de C.V. (Mexico) established

24 July 2014 .....	All the shares in Aqualis Offshore Ltd., Tristein AS and Offshore Wind Consultants Ltd. transferred from Aqualis ASA to the Company together with NOK 65,000,000 (USD 10.8 million) in cash, NOK 49,944,965 (USD 8.3 million) in interest bearing loans to Aqualis Offshore Ltd and its subsidiaries, and NOK 55,000,000 (USD 9.2 million) in financial assets representing a part interest in the prepayment in relation to Aqualis ASA's acquisition of Weifa AS
5 August 2014.....	The distribution of the Company's Shares approved by the EGM of Aqualis ASA
11 August 2014.....	The Shares in the Company distributed to Eligible Shareholders in Aqualis ASA
12 August 2014.....	Aqualis ASA shares trading ex right to the Company's Shares (dividend)
12 August 2014.....	Date of this Prospectus
Exp. 13 August 2014 ...	First day of trading for Aqualis Offshore Holding ASA
Exp. 15 August 2014 ...	The Shares registered on each Eligible Shareholder's VPS account
Exp. 20 August 2014 ...	Following the completion of Aqualis ASA's Acquisition of Weifa AS, Aqualis ASA changes name to Weifa ASA and Aqualis Offshore Holding ASA changes name to Aqualis ASA

<sup>1</sup>Strata Marine & Offshore AS is controlled by the Company's Board member Øystein Stray Spetalen. The business address of Strata Marine & Offshore AS is Sjølyst Plass 2, 0278 Oslo, Norway.

## 6.4 DESCRIPTION OF THE COMPANY'S THREE BUSINESS UNITS

The New Aqualis Group consists of three business units with largely similar service offerings and business models; Aqualis Offshore Group, Tristein and Offshore Wind Consultants. The services provided by the three business units can generally be divided into marine & engineering consultancy services.

Marine consultancy services include inter alia rig/asset moves, towing operations, heavy lift, anchor handling procedures, dynamic positioning and pilotage.

Engineering consultancy services includes inter alia technical verification, design, structural assessments and analyses, site assessment, construction supervision, surveys, audits and trials.

For more detailed overview of the separate units' services see section 6.4.1, 6.4.2 and 6.4.3 below.

### 6.4.1 Aqualis Offshore Group

Aqualis Offshore Group provides marine & engineering consultancy services to the offshore oil & gas industry worldwide. Its multi-disciplinary marine & engineering teams are recognized in the industry for their competence and experience. Aqualis Offshore Group works closely with clients to understand their requirements, identify solutions and to execute their projects and marine operations in a timely, cost effective and safe manner.

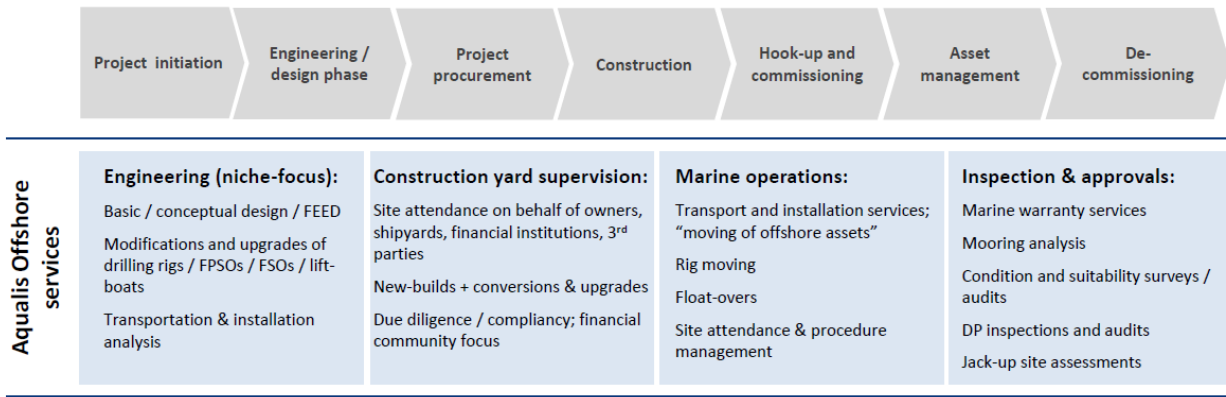
Aqualis Offshore Group specializes in the following marine & engineering consultancy services;

- Front-end engineering design ("FEED") and basic design for new-builds and vessel upgrades
- Deep and shallow water installation engineering and related marine operations
- Marine operations and surveying including rig moving and tow master services together with relevant engineering support services
- Vessel construction supervision and owner representation
- Third party approvals on behalf of owners and underwriters such as marine warranty and audits of dynamic positioning systems

Although highly competent within several types of offshore installations and floating structures, the jack-up market has historically been, and still is Aqualis Offshore Group's most important target segment for its services. The jack-up market is described in section 7.1.

The figure below illustrates Aqualis Offshore Group's key services across the life cycle of a marine project/asset.

Marine project / asset life cycle



With offices strategically located near the world’s major shipping and offshore energy centres, Aqualis Offshore Group has a strong global presence. The company is headquartered in London, UK and has regional offices in the following locations: Norway (Oslo/Asker/Sandefjord/Kristiansund), USA (Houston), United Arab Emirates (Dubai and Abu Dhabi), Brazil (Rio de Janeiro), Singapore, Saudi Arabia (Dammam), Bahrain (Manama), Mexico (Mexico City) and China (Shanghai). This widespread global presence allows the business to respond quickly when high-end marine or engineering consultancy services are required. Although some of the offices have special focus on certain areas of operations, all service offerings are provided across all regions.



Aqualis Offshore Group’s services are split into eight business lines as further described below.

Engineering solutions

Aqualis Offshore Group provides a solutions-based approach to engineering. Its engineers are aiming to work with the client as a one-stop-shop to find efficient solutions to their engineering projects. Due to its independence, Aqualis Offshore Group is able to concentrate on cost-effective solutions that are fit for purpose and tailored to suit the specific needs and constraints of the client. Its offshore engineering expertise covers the life-cycle of an offshore facility from concept and basic design through to installation and marine operations and ultimately onto ageing asset integrity management and, finally, the decommissioning phase. Aqualis Offshore Group is involved in both the shallow and deep water ends of the offshore oil & gas industry and operates in the major centres of the offshore industry.

Aqualis Offshore Group’s team of highly qualified engineers can provide unique solutions for various platform types such as:

- Mobile offshore drilling units (“**MODU**”)
- Mobile offshore production units (“**MOPU**”)
- Fixed offshore installations as well as floating production storage and offloading units (“**FPSOs**”)
- Floating storage and offloading units (“**FSOs**”)
- Floating liquefied natural gas units (“**FLNGs**”)
- Wind turbine installation vessels and lift boats
- Other floating platforms

Aqualis Offshore Group’ engineering solutions range from:

- Concept design
- Basic design
- FEED and pre-FEED solutions
- Upgrade and modification engineering
- Structural assessments and analyses
- Other advanced engineering solutions

#### Transportation & installation

Aqualis Offshore Group’s multi-disciplined teams of engineers, surveyors and master mariners have many years of experience in the offshore industry. It specializes in complicated marine operations and can provide valuable early planning and advice to optimize the solutions with regards to:

- Vessel and equipment selection
- Structural design
- Other offshore transportation & installation procedures

Subsequent engineering comprises analysis and design associated with all temporary phases of a marine operation from load-out and transportation to installation or discharge/offload of high-value offshore assets. Such calculations include:

- Vessel ballasting
- Global and local vessel strength
- Vessel motions and stability
- Grillage and sea fastening design
- Dynamic lifting and rigging
- Hydrodynamic analysis
- Jacket launch and upending
- Dynamic analysis for float-over installations (“**Float-overs**”)
- Geotechnical analysis etc.
- Production of appropriate documentation

Aqualis Offshore Group also offers offshore operation supervision and support from its qualified and experienced marine superintendents and project engineers. The company draws on the services of external companies where supplementary skills or input are required, e.g. metocean data for transportation assessment and planning.

#### Marine warranty

Aqualis Offshore Group provides independent third party review and approval of offshore projects on behalf of underwriters. The employees have extensive experience in a wide range of offshore activities from simple marine operations to more complex and challenging projects requiring engineering services.

Typical activities include:

- Document reviews
- Verification of engineering calculations
- Suitability surveys of offshore marine spreads
- Approval of towages, heavy lifts and installations
- Subsea operations
- Decommissioning and removal of offshore structures
- Acting as marine advisors to oil companies and their contractors

### Rig moving

Aqualis Offshore Group offers a full range of rig moving support for both jack-ups and floating units (including semisubmersibles and drillships). The company offers full engineering assessments for site-specific location approvals and provides marine warranty surveyors and rig movers / tow masters for offshore attendance during rig moves. The following services are provided:

- Site specific rig deployment consultancy
- Pre-contract rig suitability engineering analyses
- Geotechnical leg-penetration analyses
- Site-specific location approvals
- Mooring analyses
- Marine warranty services
- Dry transportation approvals and consultancy
- Towage approvals
- Provision of tow-master services
- Turnkey rig moves
- General rig moving consultancy
- Training courses

### Construction supervision

Aqualis Offshore Group provides site teams to work with the client throughout the construction or conversion of an offshore asset (including drilling rigs, FPSOs, FSOs etc.). The project team monitors the project to ensure that it is carried out in accordance with the contract, the specifications, client's expectations, flag and class requirements.

Aqualis Offshore Group provides teams of engineers and inspectors of various disciplines to be utilized at different stages of the project. In addition, dedicated planning and document control functions are provided throughout the duration of the construction phase.

Key activities within construction supervision include:

- Development and implementation of project procedures
- Review of machinery and equipment purchase orders and specifications
- Development and implementation of project execution plans
- Monitoring of work progress and testing activity
- Monitoring of quality control of each activity throughout the construction
- Attendance at formal safety meetings
- Attendance at FAT
- Audits of subcontractor's facilities
- Attendance during sea trials and inclining experiments
- Reporting to the client on a weekly and monthly basis
- Tracking of site queries, observing safety policy, monitoring quality control measures
- Maintaining electrical & mechanical completion and commissioning records and database
- Monitoring and reporting on extras and credits

### Dynamic positioning

Aqualis Offshore Group provides an experienced multidisciplinary team of engineering and operational resources to support the dynamic positioning (“DP”) industry. It aims to assist its clients to operate and validate according to their units' specific industrial mission. Furthermore, the company aims to provide clients with independent technical reviews to enhance safe operations. It can also provide analyses of cranes, bilge and ballast systems, pipe-lay systems, and many more complex systems.

Aqualis Offshore Group's DP services include:

- Failure mode, effects and criticality analysis (“FME(C)A”)
- DP failure mode and effects analysis (“FMEA”) proving & annual trials
- DP design review / redundancy analysis
- DP suitability / condition surveys
- DP gap analysis
- Development of well specific operating guidelines (“WSOG”) & ordering guidelines (“ASOG”)
- DP incident investigation

- DP manuals & procedures
- DP operator competence assessment & verification
- DP project management & sea trials management.
- Planning for DP conversions & life extensions
- Common Marine Inspection Document (“**CMID**”) & Offshore Vessel Inspection Database (“**OVID**”) surveys
- Witness factory acceptance testing (“**FATs**”) & customer acceptance testing (“**CATs**”)

#### Marine consultancy

Aqualis Offshore Group aims to assist its clients in finding practical solutions to their marine operations and projects and / or protect their interests when sub-contracting or making asset investments. Aqualis Offshore offers the following services within marine consultancy:

- Provision of tow masters and rig movers
- Provision of marine advisors
- Dry transportation consultancy and operations
- Pilotage operations
- Rig move procedures
- Suitability surveys
- Pre-charter audits / surveys
- Pre-purchase surveys
- Bollard pull certification
- Drafting and review of offshore project related procedures
- Mooring patterns
- Anchor handling procedures
- Witnessing equipment trials and tests
- DP inspections and audits

#### Technical due diligence services

As part of Aqualis Offshore Group’s construction services and prior to any involvement with the construction phase or even during a construction project, it can assist with the due diligence process to provide the following services:

- Yard audits
- Pre-contract evaluation
- Post contract evaluation
- Equipment procurement assessment
- Construction monitoring / site attendance
- Financial review and assessment
- Payment milestone audits
- Risk assessment and management
- Design review

Aqualis Offshore Group’s independence and in depth experience of asset type and construction facilities allows it to act as an advisor on all aspects of any construction contract either pre- or post-execution.

#### **6.4.2 Tristein**

Tristein is a highly respected player on the Norwegian continental shelf, and has through years of experience within complex marine operations, marine engineering and logistic strategies identified several areas with high potential for new and more cost-efficient solutions to the offshore oil & gas and wind industries, as reflected in a number of long-term client relationships and frame agreements. With solid experience from harsh environments in the North Sea, Tristein has capabilities to handle projects in any region, and Tristein has ambitions to continue its geographical expansion. Since Tristein was established in 2007, Tristein has advised on more than 100 rig moves and performed more than 270 vessel inspections.

The combination of Aqualis Offshore and Tristein is a particular good match in the oil & gas sector. Additionally, Tristein possesses valuable expertise within the offshore wind segment. Through inter alia knowledge sharing and cross selling, the New Aqualis Group will be able to provide an even better service offering to its customers on both the Norwegian continental shelf and abroad.



Tristein's marine & engineering consultancy services are split into three business lines as further described below.

#### Marine operations & logistics

The marine operations & logistics business line includes consultancy services and personnel to the offshore and shipping industry, provided by highly experience master mariners and marine engineers ensuring an excellent combination of practical / operational experience and technical / theoretical know-how. The services are offered both as stand-alone services and as part of turn-key solutions.

The business line constituted approximately 88% of Tristein's 2013 revenues, and provides the following key services:

- Marine operations
  - o Rig moves
  - o Towing operations
  - o Offshore heavy lift
  - o DP services
  - o Subsea pipe laying & removal
- FPSO & mooring services
- Base management & logistics services

#### Engineering & survey

Engineering & survey constituted approximately 10% of Tristein's 2013 revenues. The engineering & survey business line consists of highly-skilled engineers and master mariners with experience from survey and engineering companies offering a wide range of services, including:

- Engineering
  - o Transport / sea-fastening design
  - o Technical analysis / verification
  - o Development of installation methods
- Survey
  - o Operational vessel surveys
  - o Compliance audits and verifications
  - o DP trials
  - o Insurance Condition Survey
  - o Protection and indemnity ("P&I") co-insurers cargo inspections

#### Renewable energy (offshore wind)

Tristein has worked systematically in the European offshore wind market since 2008, with the aim at becoming an entrepreneur within wind turbine generator ("WTG") foundations and substation platform installation. Installation of WTG foundations, whether based on piles, suction buckets or gravity bases, represents exciting challenges in all aspects of the marine operation trades. Foundation installation projects have clear installation tolerance requirements, but fewer interfaces than WTG installation and in-field cable installation projects. With a good standing in the market, Tristein is now in a position to succeed as an entrepreneur in a steadily growing industry. Offshore wind constituted approximately 2% of Tristein's 2013 revenues. The segment is expected to grow significantly the coming years, and includes the following services:

- Offshore wind
  - o High-voltage, direct current ("HVDC") platform tow & installation
  - o Advisory and management support to developers
  - o Foundation and MODU handling & installation
  - o Feasibility studies
  - o Concept design
  - o Method statements
  - o Base management

#### **6.4.3 Offshore Wind Consultants**

Offshore Wind Consultants, based in London, England, is a well-recognised global provider of independent consultancy services for offshore wind projects. The company's core team possess strong industry expertise which dates back to the first offshore wind farm development project in the UK. Since then, the key members of Offshore Wind Consultant's team have been involved in the majority of the major offshore wind projects which

have been developed in the UK and the rest of Europe. Offshore Wind Consultants currently engage nine staff, of which five are full-time employees (“FTEs”). The company has a number of long-term contracts with a strong pipeline of secured work throughout Europe for the remainder of 2014 and beyond.

Offshore Wind Consultants is fully focused on the offshore wind industry, and thus offers the Group broader access to the offshore wind industry. In combination with the Group’s other services, including Tristein’s offshore wind segment, Offshore Wind Consultants will be able to deliver enhanced services to their clients by sharing knowledge, expertise, and resources across the Group, particularly where engineering and offshore attendances are required. The Group will further be able to exploit its global footprint and network to increase the reach of its broad spectrum of services.

Offshore Wind Consultant’s business comprises the following services:

- Consultancy services: Offshore Wind Consultants has experience in providing consultancy advice through the project life cycle of an offshore wind farm development. The company assists with developing strategies for projects and site selection. The company also advises in terms of procurement strategies, design and construction methodologies, installation and commissioning, development of financial models and risk mitigation.
- Due diligence: Due diligence services to potential offshore renewables investors as well as investors who may be looking to acquire a stake in organisations within the supply chain of the industry. Due diligence services are provided to partners planning to undertake equity risk in projects or on behalf of banks and lenders who are looking to provide debt facility to projects.
- Project management support services: Offshore Wind Consultants offers project management services through all stages of an offshore wind farm project, from early stages planning through design and engineering to construction and installation.
- Engineering services: Offshore Wind Consultants’ engineering services include site evaluation, geotechnical and geophysical site investigations and evaluations, foundation structures, health and safety management, marine operations, offshore installation, special assessments and subsea cable installation and protection.
- Expert witness: Offshore Wind Consultants can leverage on its knowledge of the offshore wind farm industry to act as an expert witness in assignments where the company has no conflicts of interest. Expert witness services are typically provided for wind farm commercial evaluations and also in cases of failure or damage of subsea cable systems.

## 6.5 BUSINESS STRATEGY

The Group’s target markets for its marine & engineering consultancy services are the global offshore oil & gas industry and the European offshore wind industry. As it expands globally, the Group primarily focuses on developing economies and emerging markets. The Group’s strategy is to expand the marine & engineering consultancy services through a growing network of global offices and a significant increase in the number of employees, combined with potential acquisitions of similar businesses.

## 6.6 CONTRACT STRUCTURE

The Group has contractual obligations with various companies in the offshore industry concerning engineering and consultancy services. The Group’s contracts are generally structured in line with industry standards. The Group has few long term commitments, and the long term commitments that the Group has can be terminated on a relatively short notice. Hence, the Group is dependent on continuously winning and retaining business. Furthermore, the Group’s contract structure implies that there is limited visibility for the Group’s future revenue.

## 6.7 CUSTOMERS

The Group already has a diverse client base comprising the following types of companies: National Oil Companies (“NOCs”) (clients include companies such as Petrobras, ONGC, Statoil, Saudi ARAMCO), International Oil Companies (“IOCs”) (clients include companies such as Shell, Chevron, Lundin Energy, Newfield Exploration), rig owners (clients include companies such as Seadrill, Noble Drilling, Rowan Drilling, Hercules Offshore, ENSCO, EDC, Aban Offshore), vessel owners (clients include companies such as

Tidewater, Posh Teresea, Ezion), underwriters (clients include companies such as Catlin Torus, Zurich, Beazley, Gard, QBE), shipyards (clients include companies such as Samsung Heavy Industries, Lamprell, Malaysia Marine Heavy Industry), offshore contractors (clients include companies such as Technip, Nexans, Saipem, Odebrecht) and financial institutions (clients include companies such as ABN-AMRO, Mantiq). The Group's wide customer base and product offering means that, going forward, its business model is, in general, not dependent upon any key customers or any key segments of the industry. Through the combination of Aqualis Offshore Group, Tristein and Offshore Wind Consultants, the Group has exposure to a wide range of niche segments within the marine & offshore industry, with a broad portfolio of customers across the global oil & gas regions, as well as a foothold within the European offshore renewable market.

## **6.8 FACTORS AFFECTING THE GROUP**

The Group's business and operations, including the demand for its services, will over time be affected by various factors including the following:

- The level of activity and capital spending by oil & gas and other offshore companies as this affects the demand for the Group's services.
- Public emphasis on sustainable energy sources and political dedication to the use of clean and sustainable energy sources driving investments in European offshore wind parks, as this affects the demand for the Group's services.
- Economic fluctuations: The energy sector is exposed to the general global economic environment. An economic downturn could e.g. reduce the availability of credit to fund the marine & offshore business operations globally, and hereby reduce the demand for the Group's services.
- Industry competition: The global offshore consultancy market is highly competitive, and any new competitors entering the market, or e.g. new pricing or product initiatives from existing competitors, may have an effect on the Group.
- Political- and regulatory amendments: Any changes in the political, legislative, fiscal and/or regulatory framework governing the activities of the Group and/or its customers could have a significant impact on the Group's offshore operations.
- Access to competent personnel, resources and customers: The current market for attracting highly qualified engineers is challenging and thus affects the Group, as it is dependent on a retaining and recruiting highly skilled employees. Any major changes in the availability of qualified mariners and engineers in the regions in which the Group operates will affect the company.
- Demand fluctuations related to seasonality: the Group's business is seasonal in certain parts of the world. Many of its customers reduce demand for the Group's services during the winter months, hurricane seasons or monsoon periods due to the possibility of adverse weather conditions.

Investors should also note that any potential future changes in the regulatory framework legislation applicable to the Group, in particular tax legislation in the various jurisdictions in which the Group operates, could have a material effect on the Group's business, financial position and results.

## **6.9 TREND INFORMATION AND EXTERNAL FACTORS**

The Company is not aware of trends, uncertainties, demands, commitments or events that could have a material effect on the Group's prospects for the current financial year.

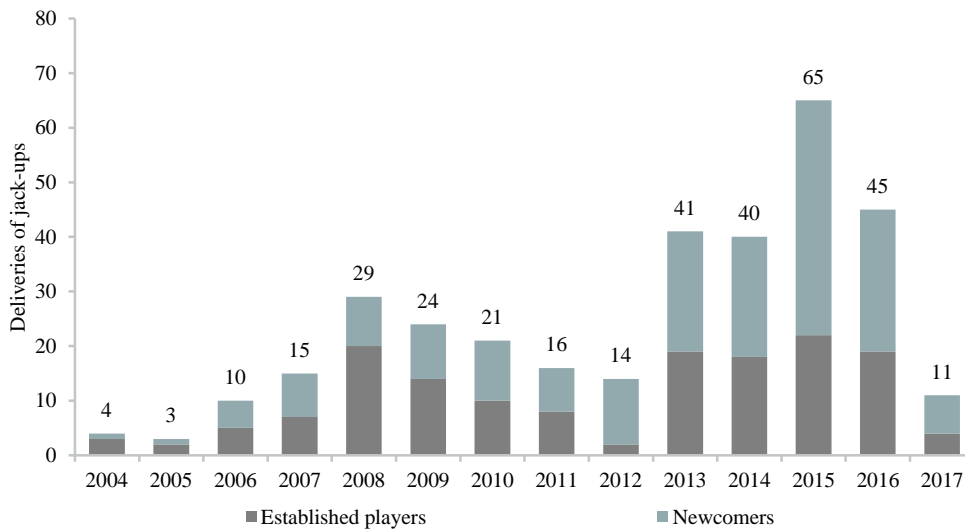
**7. MARKET OVERVIEW**

The Group provides a wide range of services in the marine & offshore industry, as further described in section 6. The principal market for Aqualis Offshore Group’s consultancy services has historically been, and still is, the jack-up market. Equivalently, the market for floaters, more specifically semisubmersibles and drillships, is an important market for Tristein’s consultancy service offering. Lastly, the European offshore wind market is the principal market for all the services offered by Offshore Wind Consultants, and also for the services Tristein targets within this segment. The following sections highlight the most important trends and drivers within the jack-up market, the market for semisubmersibles, the drillship market and the European offshore wind market.

**7.1 JACK-UP MARKET**

*The information in this sub-section is based on information from Carnegie Research and is not publicly available.*

The jack-up market has been characterized by high and increasing construction activity in recent years, with a total of 40 rigs scheduled for delivery in 2014 and 65 in 2015. The order backlog is currently 141 rigs. The below graph depicts deliveries of jack-ups per year, including the current order book and its expected year of deliveries, that is jack-ups which already have been ordered. As can be seen from the graph, newcomers cover an increasing share of the market.



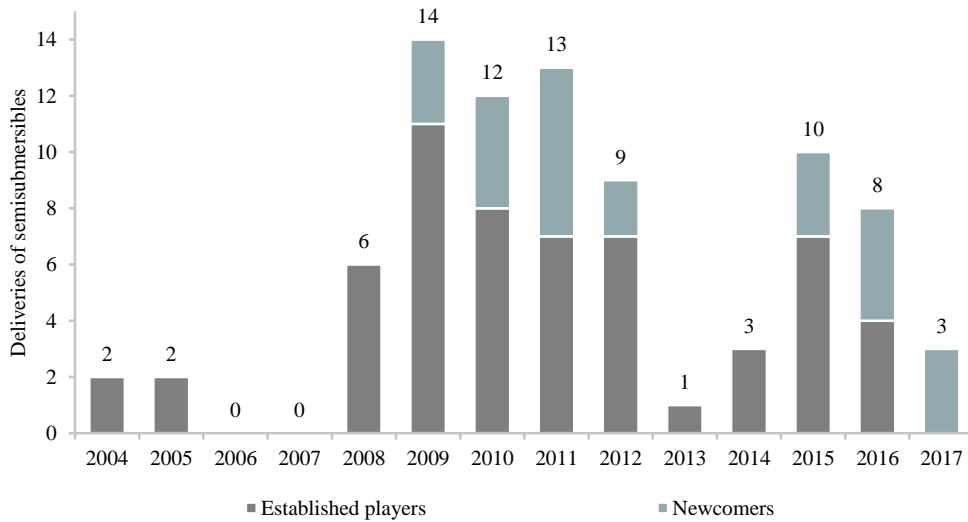
Growth in the jack-up market is increasingly driven by new rig owners with small organisations and limited knowledge of specialized operations, like rig moves. This plays straight into the hands of Aqualis Offshore, i.e. to provide specialized marine & engineering consultancy services. Further on, the ageing jack-up fleet provides Aqualis Offshore with engineering opportunities including upgrades and modifications for new offshore roles, e.g. MOPUs and accommodation units.

Marine & offshore operations require an increasing number of roles, such as rig owner representative, oil company representative, creditor representative, and insurer’s representative. This creates a requirement for an increasing number of independent companies like New Aqualis.

**7.2 SEMISUBMERSIBLE MARKET**

*The information in this sub-section is based on information from Carnegie Research and is not publicly available.*

The semisubmersible market experienced a surge in deliveries between 2008 and 2012. After only one delivery in 2013, activity is scheduled to increase again in the coming years with 24 semisubmersibles currently in the order backlog. The graph below depicts deliveries of semisubmersibles per year including the current order book grouped between established players and newcomers.

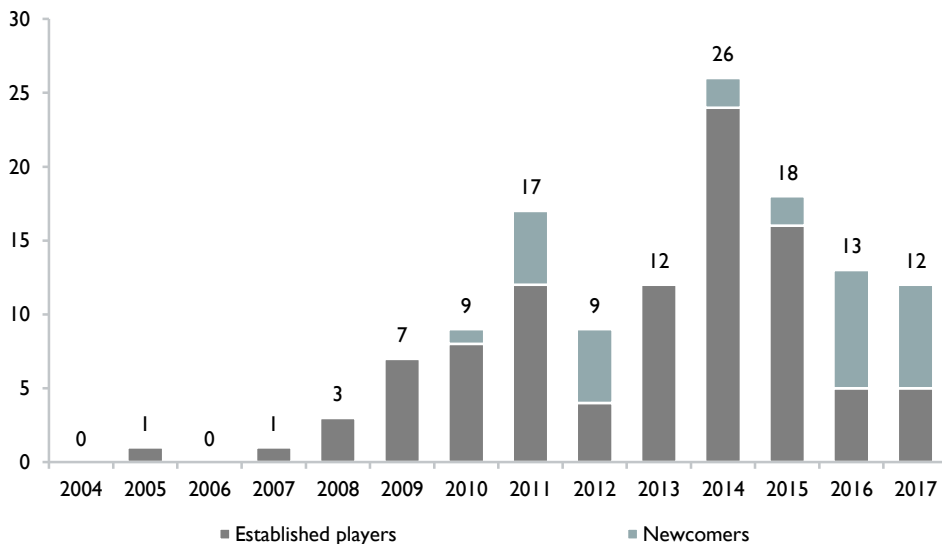


Established players have historically, and are scheduled through 2015, to comprise the majority of deliveries of semisubmersibles. Given the current scheduled deliveries, this will even out in 2016, and for 2017 there are only scheduled deliveries to newcomers.

### 7.3 DRILLSHIP MARKET

*The information in sub-section is based on information from Carnegie Research and is not publicly available.*

Deliveries of drillships have grown strongly the last 10 years, with scheduled deliveries of 26 drillships in 2014. The order backlog is currently 59 drillships. The graph below depicts historical and scheduled deliveries of drillships.



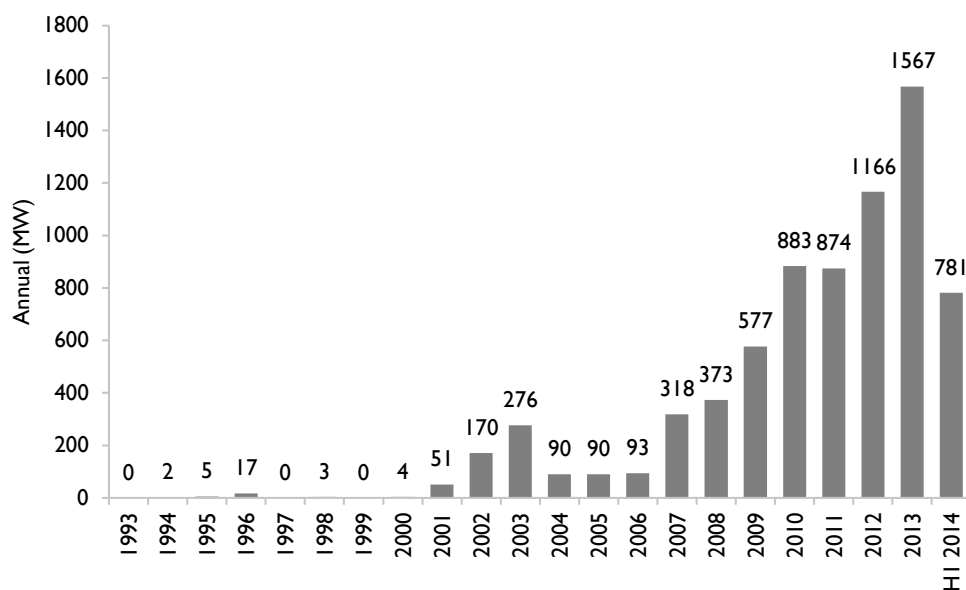
Except for 2012, established players have historically dominated the number of deliveries of drillships. Given current scheduled deliveries, the established players will continue to constitute the majority of deliveries through 2015. In 2016 and 2017, this trend is reversed given current scheduled deliveries. The newcomers are often smaller operators without fully developed marine operation departments, and hence are likely customers of services such as provided by Tristein.

## 7.4 THE EUROPEAN OFFSHORE WIND MARKET

The information in sub-section is based on public available information from the European Wind Energy Association (“EWEA”).

In 2013, 418 new offshore wind turbines divided among 13 wind farms were fully grid connected, totalling to 1,567 MW in added capacity. During the first half of 2014, 224 offshore wind turbines spread across 16 commercial wind farms and one offshore demonstration site were fully grid connected. Total added capacity was 781 MW (the equivalent number was 1,045 MW in 2013). UK, where Offshore Wind Consultants is based, comprised 68% of the new capacity. The corresponding share for UK in 2013 was 47%.

According to EWEA, 310 wind turbines are awaiting to be grid connected. Including demonstration sites, there were 2,304 offshore wind turbines with a combined capacity of 7,343 MW fully grid connected in 73 wind farms spread across 11 European countries 30 June 2014. The graph below depicts annual installed offshore wind capacity in Europe (MW) from 1993 through the first six months of 2014.



Source: EWEA – *The European offshore wind industry – key trends and statistics 2013* and *The European offshore wind industry – key trends and statistics 1st half of 2014*

EWEA estimates that between EUR 4.6 billion and EUR 6.4 billion was invested in offshore wind farms in 2013. Project costs can vary significantly depending on size and location of the wind farms.

In its 2013 full-year report published January 2014, EWEA reported for the 2014 and 2015 outlook that 12 offshore projects were under construction, and that total capacity would increase to 9.4 GW upon completion compared to 6.6 GW by the end of 2013. In addition, EWEA has identified 22 GW of consented offshore wind farms in Europe and future plans totalling to over 133 GW.

At the end of 2013, the average distance to shore for wind farms was 29 km. This distance is likely to increase in the future, a positive underlying driver to Offshore Wind Consultants and Tristein’s renewables business as this will demand even more in terms of consultancy, engineering and project management support.

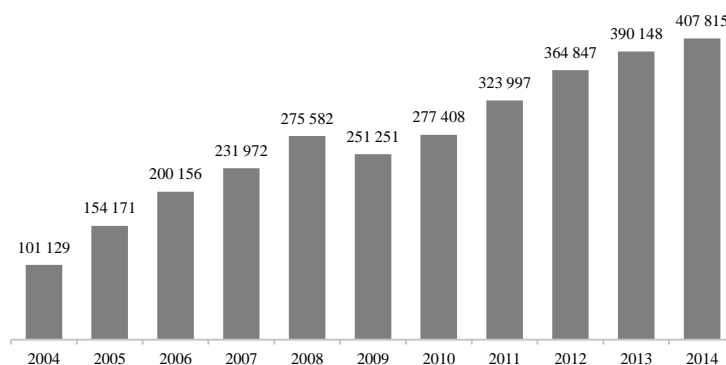
## 7.5 INCREASED SAFETY REGULATIONS

Other services supplied by the Group include third party verification in all parts of the exploration & production (“E&P”) value chain. The increased safety regulations and increasing focus on risk management from owners, customers, lenders and insurers following several costly delays and accidents (e.g. Macondo, Yme) will affect the demand for the Group’s services. On 12 June 2013, the European Council and Parliament signed a directive (Directive of the European Parliament and of the Council on safety of offshore oil & gas operations – Directive 2013/30/EU) that entered into force on 18 July 2013. The purpose of this directive was to increase the safety of offshore oil & gas operations, as it aims to assure that best practices are implemented across all active offshore regions in Europe. Among the various articles, article 17 requires independent verification in the preparing and carrying out offshore oil & gas operations.

## 7.6 E&P SPENDING

*The information in this sub-section is based on information from Carnegie Research and is not publicly available.*

E&P spending budgets are a natural indicator for the level of future investments in the oil service industry. High E&P spending budgets normally implies high activity levels, and hence high investment levels; the opposite is true for low E&P spending budgets. Consequently, the E&P spending budgets are a useful gauge for the investment levels in the industry where the Group delivers the majority of its services. The graph below sets out historical and 2014 estimated E&P spending (in USD million) by 52 companies in the oil and energy industry. As depicted in the figure, the E&P spending budgets have been rising steadily since 2009 when there was an austerity approach to investing among the E&P companies in the aftermath of the financial crisis in 2008. The E&P spending budgets are estimated to grow further in 2014, although at a slower rate compared to recent years.



## 7.7 COMPETITIVE LANDSCAPE

The Group is competing in a globally consolidated landscape of companies offering competing marine engineering consultancy services. The main competitors and global industry players include: DNV GL Group (merger between Det Norske Veritas and GL Group, owner of GL Noble Denton), LOC Marine & Engineering Consultants, Global Maritime, Mathews Daniel and Braemar Offshore.

The Aqualis Offshore Group has a growing local presence in the global market for marine & engineering consultancy services, with offices in all key oil & gas regions in the world, but is still a small player compared to most of its more established competitors.

Through the acquisition of Tristein, the Group now has an increased foothold on the Norwegian continental shelf, with Tristein having a particularly strong position as an independent supplier of rig movement services and vessel inspections – particularly for oil companies without in-house competencies within these areas.

Although a small share of the Group's overall business as of date, the Company has through the acquisition of Offshore Wind Consultants obtained a strong position within the European offshore wind market, particularly in the UK – with key team members having been involved in the majority of the major offshore wind projects which have been developed in the UK and the rest of Europe.

## 8. FINANCIAL INFORMATION FOR AQUALIS OFFSHORE HOLDING ASA

Aqualis Offshore Holding ASA was incorporated 2 June 2014 with a share capital of NOK 1 million. The Company is currently a wholly-owned subsidiary of Aqualis ASA, a publicly listed company on the Oslo Stock Exchange which operates in the offshore and marine industry as well as the pharmaceutical industry.

On 24 July 2014, Aqualis ASA made a cash contribution of NOK 65,000,000 (USD 10.8 million) and transferred all of its shares in the subsidiaries Aqualis Offshore Ltd, Tristein AS and Offshore Wind Consultants Ltd to the Company as a contribution in kind, together with NOK 49,944,965 (USD 8.3 million) in interest bearing loans to Aqualis Offshore Ltd and its subsidiaries and NOK 55,000,000 (USD 9.2 million) in financial assets representing a part interest in the prepayment in relation to Aqualis ASA's acquisition of Weifa AS. In accordance with IFRS, the transaction will be recorded as a transaction under common control at the consolidated book values of Aqualis ASA.

Aqualis Offshore Ltd was established in November 2012 and acquired by Aqualis ASA in November 2013.

Tristein AS was established in September 2007, acquired by Aqualis ASA in April 2014.

Offshore Wind Consultants Ltd was incorporated in November 2011 and acquired by Aqualis ASA in June 2014.

Aqualis Offshore Holding ASA is a newly incorporated entity and the Company has prepared unaudited pro forma condensed financial information including the parent company, Aqualis Offshore Group, Tristein Group, and Offshore Wind Consultants Ltd.

The following financial information has been presented in this Prospectus:

- iv) Audited financial information for the newly incorporated entity Aqualis Offshore Holding ASA for the period from 2 June 2014 to 30 June 2014 prepared in accordance with IFRS, presented throughout chapter 8;
- v) Unaudited pro forma financial information incorporating the contribution of 100% of the shares in Aqualis Offshore Ltd, Tristein AS, Offshore Wind Consultants Ltd, and financial assets, in addition to the contribution of capital to Aqualis Offshore Holding ASA, presented in chapter 9; and
- vi) Available historical information for subsidiaries of Aqualis Offshore Holding ASA, presented in appendices to this Prospectus and further explained below.

### Aqualis Offshore Ltd

Aqualis Offshore Group represented 41% of the Group's pro forma revenues for 2013. Aqualis Offshore Ltd was established in November 2012, and was acquired by Aqualis ASA in November 2013.

Aqualis Offshore AS was established in 2012 and is the only subsidiary of Aqualis Offshore Ltd with significant operations prior to 2013. Subsequently, Aqualis Offshore Marine Services LLC and Aqualis Offshore Pte Ltd have developed significant operations. As of date, these three subsidiaries have the most significant operations of the Aqualis Offshore Group's subsidiaries.

Audited financial statements for the year ended 31 December 2013 and 2012 for Aqualis Offshore AS prepared in accordance with the Norwegian Accounting Act and Norwegian Generally Accepted Accounting Principles ("NGAAP") are incorporated by reference to this Prospectus.

Aqualis Offshore Marine Services LLC was established in April 2013. Audited financial statements for the year ended 31 December 2013 for this company according to IFRS (and the applicable provisions of the articles of association of the company and the UAE Commercial Companies Law of 1984) are incorporated by reference to this Prospectus.

Aqualis Offshore Pte Ltd was established in January 2013. Audited financial statements for the year ended 31 December 2013 for this company according to Singapore Companies Act and Singapore Financial Reporting Standards are incorporated by reference to this Prospectus.

Other than the abovementioned three subsidiaries, none of the subsidiaries of Aqualis Offshore Ltd has been required to prepare audited financial statements for the year ended 31 December 2013.



Tristein AS

Tristein Group represented 51% of the Group's pro forma revenue for 2013. Following the exception for small entities, Tristein AS has not prepared consolidated financial statements for the years ended 31 December 2013, 2012 and 2011. Unaudited condensed consolidated financial information for Tristein AS for the year ended 2013 and Q1 2014 was presented in section 9.3 of the information memorandum as of 6 June 2014. Audited financial statements for the years ended 31 December 2013, 2012 and 2011 for Tristein AS and its four subsidiaries Tristein Marine Operations & Logistics AS, Tristein Renewable Energy AS and Tristein Engineering & Survey AS and Tristein Stavanger AS according to the Norwegian Accounting Act and the NGAAP are incorporated by reference to this Prospectus. In January 2014, Tristein AS and its four subsidiaries were merged into one entity Tristein AS.

Offshore Wind Consultants Ltd

Offshore Wind Consultants represented 8% of the Group's pro forma revenue for 2013. Offshore Wind Consultants Ltd was incorporated on 25 November 2011, and the financial statements for the year ended 31 December 2012 include the period 25 November 2011 to 31 December 2012. The financial statements for the year ended 31 December 2013 includes the period 1 January 2013 to 31 December 2013. Unaudited financial statements for Offshore Wind Consultants Ltd since incorporation in accordance with UK GAAP and the Financial Reporting Standard for Smaller Entities (effective 2008) are incorporated by reference to this Prospectus. Following an exception for small entities, the financial statements of Offshore Wind Consultants Ltd are not audited.

The information incorporated by reference in this Prospectus shall be read in connection with the cross-reference list set out in section 15.2.

**8.1 HISTORICAL FINANCIAL INFORMATION**

The financial statements for Aqualis Offshore Holding ASA have been prepared in accordance with IFRS as adopted by the EU.

The following financial information has been derived from the newly incorporated Aqualis Offshore Holding ASA's audited interim financial statements as of 30 June 2014 presented in NOK, based on the period from incorporation on 2 June 2014. Since the Group's reporting currency is USD, the financial information in the following tables has been translated to USD based on the relevant exchange rate from Norges Bank.

The selected financial information set forth below should be read in conjunction with the Company's financial statements incorporated by reference to this Prospectus and the accompanying notes attached hereto.

**8.1.1 Statement of comprehensive income**

Set out below is the Company's statement of comprehensive income for the period 2 June 2014 to 30 June 2014.

USD 1,000	2 June 2014 – 30 June 2014
Revenue.....	0
Other income.....	0
<b>Total operating income .....</b>	<b>0</b>
Payroll and related costs.....	0
Depreciation & Impairment.....	0
Other operating costs.....	0
<b>Operating profit/loss .....</b>	<b>0</b>
Financial income.....	0
Financial expenses.....	0
<b>Loss before tax.....</b>	<b>0</b>
Income tax expense.....	0
<b>Profit/(Loss) for the period .....</b>	<b>0</b>
<b>Other comprehensive income</b>	
Other comprehensive income to be reclassified to profit or loss in subsequent periods	0
Currency translation differences.....	0
Income tax effect.....	0
<b>Total comprehensive income .....</b>	<b>0</b>

Source: The Company's audited interim financial statements for the period 2 June 2014 to 30 June 2014.

**8.1.2 Statement of financial position**

Set out below is the Company's statement of financial position as of 30 June 2013.

USD 1,000	30 June 2014
<b>ASSETS</b>	
Plant and equipment .....	0
Intangible assets .....	0
<b>Total non-current assets .....</b>	<b>0</b>
Trade receivables .....	0
Other receivables.....	0
Cash and cash equivalents .....	163
<b>Total current assets .....</b>	<b>163</b>
<b>Total assets.....</b>	<b>163</b>
<b>EQUITY AND LIABILITIES</b>	
Share capital .....	163
Share premium .....	0
Other paid-in capital.....	0
Loss of the period.....	0
<b>Total equity .....</b>	<b>163</b>
Deferred revenue .....	0
Borrowings.....	0
Other non-current liabilities .....	0
<b>Total non-current liabilities .....</b>	<b>0</b>
Trade payables .....	0
Deferred revenue .....	0
Other current liabilities.....	0
<b>Total current liabilities .....</b>	<b>0</b>
Total liabilities .....	0
<b>Total equity and liabilities .....</b>	<b>163</b>

*Source: The Company's audited interim financial statements for the period 2 June 2014 to 30 June 2014. The figures have been translated from NOK to USD based upon an NOK/USD exchange rate of 6.1528 as of 30 June 2014 based on exchange rate figures published by Norges Bank.*

### 8.1.3 Cash flow statement

The table below summarises the Company's statement of cash flow for the period 2 June 2014 to 30 June 2014.

USD 1,000	2 June 2014 – 30 June 2014
<b>Cash flow from operating activities</b>	
Loss before income tax.....	0
Non-cash adjustment to reconcile profit before tax to cash flow:	
Calculated value of employee share options.....	0
Loss on disposal of plant & equipment .....	0
Depreciation .....	0
Unrealised foreign currency (gains)/losses .....	0
Changes in working capital:	
Changes in trade receivables and trade creditors .....	0
Changes in deferred revenue .....	0
Changes in other accruals.....	0
Net interest (income/expense) .....	0
<b>Net cash flow from operating activities.....</b>	<b>0</b>
<b>Cash flow from investing activities</b>	
Proceeds for sale of plant & equipment.....	0
Purchase of fixed assets.....	0
Interest received .....	0
<b>Net cash flow from investing activities.....</b>	<b>0</b>
<b>Cash flow from financing activities</b>	
Proceeds from share issue .....	163
Proceeds from exercise of share options.....	0
Transaction costs on share issue.....	0
Proceeds from borrowings.....	0
Repayment of borrowings .....	0
Interest paid.....	0
<b>Net cash flow from financing activities.....</b>	<b>163</b>
Net change in cash and cash equivalents .....	163
Cash and cash equivalents beginning period .....	0
Net foreign exchange difference.....	0
<b>Cash and cash equivalents end period .....</b>	<b>163</b>

Source: The Company's audited interim financial statements for the period 2 June 2014 to 30 June 2014. The figures have been translated from NOK to USD based upon an NOK/USD exchange rate of 6.1528 as of 30 June 2014 based on exchange rate figures published by Norges Bank.

### 8.1.4 Statement of changes in equity

The table below shows the Company's reconciliation of equity as of 30 June 2014.

USD 1,000	Share capital	Share premium	Other paid-in capital	Retained earnings	Total equity
<b>Equity as at 02.06.2014.....</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Capital increase .....	163	0	0	0	163
<b>Equity as at 30.06.2014.....</b>	<b>163</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>163</b>

Source: The Company's audited interim financial statements for the period 2 June 2014 to 30 June 2014. The figures have been translated from NOK to USD based upon an NOK/USD exchange rate of 6.1528 as of 30 June 2014 based on exchange rate figures published by Norges Bank.

## 8.2 AUDITOR

The Company's auditor is Ernst & Young AS, Dronning Eufemias gate 6, 0154 Oslo, Norway. The Company's auditor is member of The Norwegian Institute of Public Accountants.

Ernst & Young AS was appointed as the Company's auditors on 2 June 2014 and has audited the Company's interim financial statements for the period from 2 June 2014 to 30 June 2014. The auditor's report for this period was issued without qualifications.

Ernst & Young AS has issued an Independent Assurance report on the unaudited pro forma condensed financial information included as Appendix B. Ernst & Young AS has not audited, reviewed or produced any report on any other information provided in this Prospectus.

## 8.3 SEGMENT REPORTING

The Company expects to report the marine & offshore operations including Aqualis Offshore Group, Tristein and Offshore Wind Consultants, and report revenues by geographical regions, similar to what has been done as a part of Aqualis ASA.

## 8.4 MANAGEMENT DISCUSSION AND ANALYSIS

### 8.4.1 Drivers for the Group's results of operations

The most important driver for the Group's revenue growth is the number of employees. Increased number of employees combined with new contracts results in economies of scale, reduces the dependency on key individuals and increases the system value for the Group. Each employee has a total salary cost, and the profit of the Group will be driven by the utilization of each employee and the rate for each employee working for the Group's clients.

Since Aqualis Offshore Ltd was established in November 2012, the Aqualis Offshore Group has had a strategic emphasis on organic growth within key markets, through new and existing clients. At the same time, the Aqualis Offshore Group has opportunistically followed M&A targets on a selective basis, as evidenced by the acquisitions of Tristein and Offshore Wind Consultants in 2014. The Company continues to see significant engineering opportunities globally, and the Aqualis Offshore Group has in the last two years established offices in all the world's key oil & gas regions.

As a result of continued good activity in all market segments, and limited signs of slowdown, the Company expects quarterly top-line growth throughout 2014.

### 8.4.2 The Group's Current financial position

As of the date of this Prospectus, the Group has approximately USD 20 million in available liquidity to finance continued growth, both organically and through potential acquisitions. The Group's business model is very capital-light, and involves limited capital expenditures to expand the business. As of the date of this Prospectus, the Group is not cash flow positive, however, in the Group's liquidity prognosis working capital, capital expenditures and tax payments only marginally exceeds EBITDA. The Group has no interest bearing debt, and an expected equity ratio above 90% following the Spin-Off.

### 8.4.3 Operating results and cash flow of the Company's subsidiaries

#### Aqualis Offshore Group

In 2012, Aqualis Offshore AS was the only subsidiary of the Aqualis Offshore Group with operations. The company had revenues of approximately USD 250,000 and a net loss of approximately USD 200,000 due to the company being in a start-up phase with its first commercial business in September 2012.

In 2013, Aqualis Offshore Group established offices in Singapore, London, Houston, Rio de Janeiro, Dammam and Dubai. In 2013, Aqualis Offshore Group's pro forma consolidated revenue was approximately USD 6 million, with an operating loss of approximately USD 3 million, as further detailed in section 9.3. The growth has continued in 2014, with new offices in Abu Dhabi, Manama and Shanghai established in Q1 2014. Q1 2014 consolidated revenue was USD 4.5 million, close to the annual figure for 2013, with an operating loss of approximately 0.5 million, significantly less than the average quarterly operating loss for 2013. In the period following Q1 2014, Aqualis Offshore Group has also established operations in Mexico.

Aqualis Offshore Group has not been cash flow positive since its inception, and growth is expected to be the continued focus going forward.

### Tristein

The Tristein Group has experienced strong revenue growth as the organisation has grown since inception in 2007, with an estimated CAGR from 2008 to 2013 above 20%, and normalised EBITDA margins in the area of 15-20%, with some volatility in the period. In 2010, the Tristein Group experienced an EBITDA margin of approximately 10%, due to the effects from the financial crisis, some long contracts completed creating a gap, as well as expansion of the organisation to meet the expected market growth going forward. Going forward, a normalised EBITDA margin is estimated at approximately 20%, backed by a more mature and less volatile revenue model. In 2013, Tristein expanded its organisation further, to be able to take on larger projects. This resulted in an EBITDA margin below 15%, but is expected to yield results going forward. Tristein has historically been cash flow positive, and is expected to continue to generate cash from operations going forward.

### Offshore Wind Consultants

Offshore Wind Consultants represents a limited share of the Group's historical pro forma revenues (8% in 2013). However, since its inception in November 2011, Offshore Wind Consultants has shown strong growth – with revenue growth of close to 100% from 2012 to 2013. Operating margins in 2012 and 2013 have been steady around 35-40%, and the company has been cash flow positive since day one.

## **8.5 INVESTMENTS**

### **8.5.1 Historical investments**

With the exception of the Contribution, Aqualis Offshore Holding ASA has not completed any material investments since incorporation and up until the date of this Prospectus. For more information about the Contribution and the Transfer Agreement, see section 5.2.

However, the following historical investments of Aqualis ASA are relevant for the Company going forward. Aqualis ASA has assigned to the Company its rights and obligations under the share purchase agreements that Aqualis ASA entered into when it acquired Aqualis Offshore Ltd (in 2013), Tristein AS (in 2014) and Offshore Wind Consultants Ltd (in 2014).

### Acquisition of Aqualis Offshore Ltd

In November 2013, Aqualis ASA acquired Aqualis Offshore Ltd for a consideration of NOK 70 million on an equity basis, with settlement in Aqualis ASA shares valued at NOK 1.60 per share. The fair value of the shares issued at the date of the actual acquisition, was set at NOK 1.907 per share, which was the closing share price on the day prior to the acquisition, adjusted for the dilutive effect of a cash issue completed in connection with the acquisition, giving a total purchase consideration of NOK 83.4 million.

35 million consideration shares are subject to a lock-up period of two years from the date of closing of the transaction, while 8.75 million shares are subject to a lock-up period of three to six years from the date of closing.

The purchase price allocation identified fair value adjustments on intangible assets only of NOK 93.5 million, of which NOK 2.9 million relates to customer contracts, and the remaining relates to goodwill, including the value of employees with special skills and expected synergies with the existing business of the Company. These intangible assets do not fulfil the recognition criteria under IAS 38 and are therefore not recognised separately. The preliminary purchase price allocation analysis was performed internally.

### Acquisition of Tristein AS

On 27 February 2014, Aqualis ASA announced that it had entered into a memorandum of understanding to acquire Tristein AS, a provider of marine operations for the offshore oil, gas and wind industries.

Tristein is a highly respected player on the Norwegian continental shelf. Its position within both offshore oil & gas and renewables is reflected in a number of long-term client relationships and frame agreements. The combination of Aqualis Offshore and Tristein is a particular good match in the oil & gas sector. Additionally, Tristein possesses valuable expertise within the renewables and offshore wind segment. Combining the competence of Tristein and Aqualis Offshore will allow the Group to provide an even better service offering to its customers on both the Norwegian continental shelf and abroad. In 2013, the Tristein Group had revenues of NOK 44.5 million (approximately USD 7.6 million).

The actual purchase price for 100% of the shares in Tristein was NOK 23 million in cash plus a consideration of 9.5 million new shares in Aqualis ASA valued at a price of NOK 2.50 per share. The actual share price at closing was NOK 2.58 per share, resulting in an increase in the purchase consideration for IFRS purposes of NOK 0.8 million. Thus, the total consideration was NOK 47.51 million, or USD 7.9 million. The cash portion of the purchase price was paid by cash at hand.

The 9.5 million consideration shares in Aqualis ASA are subject to a lock-up period of a minimum of three years from the date of closing of the transaction.

Furthermore, the sellers who are employees in Tristein were given the right to acquire in total 2 million shares in Aqualis ASA at a strike price of NOK 3.00 per share. Such options can be exercised three years after the completion date, at the earliest, and is subject to the relevant employee not having terminated its employment. Following the Spin-Off, these options will give the right to acquire shares in the Company.

The transaction was completed on 29 April 2014 and the 9,500,000 shares issued in Aqualis ASA in connection with the transaction were formally registered on 6 May 2014.

The purchase price allocation identified fair value adjustments on intangible assets only of NOK 36 million, of which NOK 6 million related to customer contracts, while the residual value of the purchase price of NOK 30 million was allocated to goodwill. Included in goodwill is the value of employees with special skills and expected synergies with the existing business of Aqualis Offshore Group. These intangible assets do not fulfil the recognition criteria under IAS 38 and was therefore not recognised separately, while the customer contracts do fulfil the recognition criteria under IAS 38 and was thus recognised separately. The purchase price allocation analysis was performed internally.

#### Acquisition of Offshore Wind Consultants Ltd

On 19 May 2014, Aqualis ASA announced that it had entered into a memorandum of understanding to acquire Offshore Wind Consultants Ltd, a provider of consultancy services to the offshore renewables industry.

The acquisition of Offshore Wind Consultants offers the Group access to the offshore wind and renewables industry. In addition, the combination of Aqualis Offshore and Offshore Wind Consultants will be able to deliver enhanced services to their clients by sharing expertise and resources, particularly where engineering and offshore attendances are required.

Offshore Wind Consultants, based in London, England, currently engage nine staff, of which five are full-time employees. In 2013, Offshore Wind Consultants had revenues of over GBP 780,000 (approximately USD 1.2 million). The company has a number of long-term contracts with a strong pipeline of secured work throughout Europe for the remainder of 2014 and beyond.

The transaction was completed on 27 June 2014. The actual purchase price for 100% of the shares in Offshore Wind Consultants was GBP 125,238 in cash, plus a consideration of 2,675,056 shares in Aqualis ASA valued at a price of NOK 2.75 per share. The actual share price at closing was NOK 3.94 per share, resulting in an increase in the purchase consideration for IFRS purposes of NOK 3.2 million. Total consideration was NOK 11.85 million, or USD 1.9 million based on the exchange rate on the transaction date. The cash portion of the purchase price was paid by cash at hand.

The consideration shares in Aqualis ASA are subject to a lock-up period of a minimum of three years from the date of closing of the transaction.

Furthermore, the five full-time employees, including the sellers, of Offshore Wind Consultants were given the right to acquire a total of 1,000,000 shares in Aqualis ASA at a strike price of NOK 3.00 per share. Such options can be exercised two years after the completion date, at the earliest, and is subject the relevant employee not having terminated its employment in the company. Following the Spin-Off, these options will give the right to acquire shares in the Company.

The preliminary purchase price allocation identified fair value adjustments on intangible assets only of NOK 10 million, of which all relates to goodwill, including the value of employees with special skills and expected synergies with the existing business of Aqualis Offshore Group and Tristein. These intangible assets do not fulfil the recognition criteria under IAS 38 and are therefore not recognised separately. The preliminary purchase price allocation analysis was performed internally.

### 8.5.2 Investments in progress

As of the date of this Prospectus, Aqualis Offshore Holding ASA and its subsidiaries have no significant ongoing investments, and have not committed to any future investments.

## 8.6 CAPITALISATION AND INDEBTEDNESS

The following tables below set forth information about the Group's capitalisation and indebtedness as of 30 June 2014, and the changes following the Spin-Off and related transactions. The tables should be read together with the financial statements and the notes related hereto, as well as the information included in this section 8 "Financial Information" and section 9 "Unaudited Pro Forma Consolidated Financial Information".

The table below sets forth the Group's capitalisation as of 30 June 2014, and the changes following the Contribution and related transactions.

USD 1,000	30.06.14 <sup>1</sup>	Changes resulting from the Contribution from Aqualis ASA <sup>2</sup> (unaudited)	After the Contribution from Aqualis ASA (unaudited)
<b>Shareholders' Equity</b>			
Share Capital.....	163	558	721
Share Premium.....	0	48 779	48 779
Legal Reserves .....	0	0	0
Other Reserves .....	0	981	981
Other Equity.....	0	(1 305)	(1 305)
<b>Total Equity (A).....</b>	<b>163</b>	<b>49 013</b>	<b>49 176</b>
<b>Indebtedness</b>			
<b>Current debt</b>			
Guaranteed loans.....	0	0	0
Secured loans .....	0	0	0
Unguaranteed/unsecured .....	0	4 543	4 543
<b>Total current debt .....</b>	<b>0</b>	<b>4 543</b>	<b>4 543</b>
<b>Non-current debt</b>			
Guaranteed loans.....	0	0	0
Secured loans .....	0	0	0
Unguaranteed/unsecured .....	0	635	635
<b>Total non-current debt.....</b>	<b>0</b>	<b>635</b>	<b>635</b>
<b>Total indebtedness (B).....</b>	<b>0</b>	<b>5 178</b>	<b>5 178</b>
<b>Total capitalisation (A+B).....</b>	<b>163</b>	<b>54 191</b>	<b>54 354</b>



The table below sets forth the Group's net indebtedness as of 30 June 2014, and the changes following the contribution and related transactions.

USD 1,000	30.06.14 <sup>1</sup>	Changes resulting from the contribution from Aqualis ASA <sup>2</sup> (unaudited)	After the Contribution from Aqualis ASA (unaudited)
A. Cash.....	163	14 438	14 601
B. Cash equivalents.....	0	206	206
C. Trading securities.....	0	0	0
<b>D. Liquidity (A+B+C).....</b>	<b>163</b>	<b>14 644</b>	<b>14 807</b>
<b>E. Current financial receivables.....</b>	<b>0</b>	<b>9 186</b>	<b>9 186</b>
F. Current bank/bond debt.....	0	0	0
G. Current portion of non-current debt.....	0	0	0
H. Other current financial debt.....	0	0	0
<b>I. Current financial debt (F+G+H).....</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>J. Net current financial indebtedness (I- E-D).....</b>	<b>(163)</b>	<b>(23 830)</b>	<b>(23 993)</b>
K. Non-current bank loans.....	0	0	0
L. Bonds issued.....	0	0	0
M. Other non-current loans.....	0	0	0
<b>N. Non-current financial indebtedness (K+L+M).....</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>O. Net financial indebtedness (J+N).....</b>	<b>(163)</b>	<b>(23 830)</b>	<b>(23 993)</b>

### 1) Source of financial information prior to the Contribution and related transactions

The financial information for the Company as of 30 June 2014 has been extracted from the Company's audited financial statements as of 30 June 2014. The figures have been translated from NOK to USD based upon an NOK/USD exchange rate of 6.1528 as of 30 June 2014 based on exchange rate figures published by Norges Bank.

### 2) Source of changes resulting from the Contribution and related transactions

The financial information has been derived from the unaudited pro forma financial position for the Company, as set out in section 9.3 in this Prospectus. Below is an explanation of each change to the capitalization and indebtedness, based on necessary estimates made by the Company:

- *USD 49.3 million increase in total equity includes:*
  - o USD 0.6 million increased share capital as a result of 33,190,544 new Shares each with a nominal value of NOK 0.10 being issued in connection with the contribution in kind and the cash capital increase defined as the Contribution, as further described in section 5.2
  - o USD 48.8 million increased share premium as a result of 33,190,544 new Shares each with a subscription price of NOK 8.90 being issued in connection with the contribution in kind and the cash capital increase defined as the Contribution, as further described in section 5.2
  - o USD 1.0 million in other paid in capital as a result of the difference in value of the shares in Tristein AS and Offshore Wind Consultants Ltd which is basis for the contribution in kind
  - o USD 1.3 million in retained losses in the acquired companies
- *USD 5.2 million increase in total indebtedness includes:*
  - o USD 0.3 million in deferred tax liabilities recognised in purchase accounting related to Tristein
  - o USD 0.4 million in other non-current liabilities in the three subsidiaries
  - o USD 4.5 million in total current liabilities in the three subsidiaries
- *USD 14.6 million increase in cash and cash equivalents includes:*
  - o USD 3.6 million in cash in the three subsidiaries
  - o USD 10.8 million in cash transferred from Aqualis ASA
  - o USD 0.2 million in cash equivalents in Tristein AS
- *USD 9.2 million increase in current financial receivables includes:*

- USD 9.2 million representing the part interest in the prepayment in relation to Aqualis ASA's acquisition of Weifa AS, to be repaid on 15 August in connection with the closing of the Acquisition

The Group does not have any indirect or known contingent liabilities.

## **8.7 CAPITAL RESOURCES**

The Group is in a build-up phase and currently the strategy is to fund the growth of the business through existing cash reserves and if needed, by raising additional equity capital. The Company is not aware of any material restrictions on the Group's access or possibility to use its cash and cash equivalents.

## **8.8 WORKING CAPITAL**

In the opinion of the Company, its working capital is sufficient to cover the Group's present requirements, that is, for a period of at least 12 months from the date of this Prospectus. The Company does not have any material restrictions on the Group's access or possibility to use its cash and cash equivalents.

## **8.9 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Group's principal financial liabilities comprise trade and other payables, and the Group has no borrowings as of the date of this Prospectus. The Group has trade and other receivables, and cash and cash equivalents, including investments in money market funds. The main risks arising from the Group's financial instruments are interest rate risk, credit risk, foreign currency risk and liquidity risk. The Group's senior management oversees the management of these risks, which is being reviewed by the Board of Directors. Please see section 2.3 for a further description of the abovementioned risk factors.

The primary objective of the Company's capital management is to ensure that the Group maintains a solid capital structure enabling it to develop and build its business to maximise shareholder value. The Group's objective is to maintain a balance of financial assets that reflects the cash requirement of its operations and investments for at least the next 12 - 24 months.

Customer credit risk is managed by each subsidiary in the Group, subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed on an individual basis, and outstanding customer receivables are regularly monitored. The requirement for impairment is analysed at each reporting date on an individual basis for major customers. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The counter parties for cash deposits are Norwegian and large international commercial banks, while the counter parties for money-market funds are (indirectly) predominantly Norwegian commercial and savings banks and government entities and municipalities.

The Group monitors its risk to a shortage of funds using cash flow forecasts. The Group is in a build-up phase and currently the strategy is to fund the growth of the business through existing cash reserves and if needed, by raising additional equity capital. Based on the current cash position, the Group assesses the liquidity risk to be low.

## **8.10 SIGNIFICANT CHANGES IN THE GROUP'S FINANCIAL OR TRADING POSITION SINCE 30 JUNE 2014**

For more information about the Spin-Off, the Contribution, the Transfer Agreement and the Listing, see section 5.

Except for the abovementioned, there has been no significant change in the financial or trading position of the Company since 30 June 2014.

## 9. UNAUDITED PRO FORMA CONDENSED FINANCIAL INFORMATION

### 9.1 INTRODUCTION

Aqualis Offshore Holding ASA was established 2 June 2014 by Aqualis ASA as a fully-owned subsidiary. On 24 July 2014, Aqualis ASA made a cash contribution of NOK 65,000,000 (USD 10.8 million) and transferred all of its shares in the subsidiaries Aqualis Offshore Ltd, Tristein AS and Offshore Wind Consultants Ltd to Aqualis Offshore Holding ASA, together with NOK 49,944,965 (USD 8.3 million) in interest bearing loans to Aqualis Offshore Ltd and its subsidiaries and NOK 55,000,000 (USD 9.2 million) in financial assets representing a part interest in the prepayment in relation to Aqualis ASA's acquisition of Weifa AS as a contribution in kind (together the Contribution). The shareholders of Aqualis ASA will receive shares in Aqualis Offshore Holding ASA for the contribution in kind and the cash contribution. In accordance with IFRS, the transaction will be recorded as a transaction under common control at consolidated book values. Aqualis ASA acquired Aqualis Offshore Ltd in November 2013, Tristein AS in April 2014 and Offshore Wind Consultants Ltd in June 2014.

### 9.2 BASIS FOR PREPARATION

The information incorporated by reference in this Prospectus shall be read in connection with the cross-reference list set out in section 15.2.

The unaudited pro forma condensed financial information has been prepared for the year ended 31 December 2013, and the three months ended 31 March 2014.

The unaudited pro forma condensed financial information has been compiled in connection with the listing of the shares of Aqualis Offshore Holding ASA on Oslo Børs (Oslo Stock Exchange) to comply with the Norwegian Securities Trading Act and the applicable EU-regulations including EU Regulation No 809/2004 pursuant to section 7-7 of the Norwegian Securities Trading Act. This information is not in compliance with SEC Regulation S-X, and had the securities been registered under the U.S. Securities Act of 1933, this unaudited pro forma financial information, including the report by the auditor, would have been amended and/or removed from the Prospectus.

The information is prepared solely for illustrative purposes, and describes a hypothetical situation. The unaudited pro forma condensed financial information has been prepared for illustrative purposes only to show how the transfer of Aqualis Offshore Ltd and subsidiaries, Tristein AS and subsidiaries, Offshore Wind Consultants Ltd, together with NOK 49,944,965 (USD 8.3 million) to Aqualis Offshore Ltd and its subsidiaries and NOK 55,000,000 (USD 9.2 million) in financial assets representing a part interest in the prepayment in relation to Aqualis ASA's acquisition of Weifa AS as a contribution in kind, and the contribution of NOK 65,000,000 (USD 10.8 million) in cash to Aqualis Offshore Holding ASA (together the Contribution), might have affected Aqualis Offshore Holding ASA's consolidated condensed statement of comprehensive income for 2013 as if the Contribution had occurred on 1 January 2013, the unaudited consolidated condensed statement of comprehensive income for the period 1 January to 31 March 2014 as if the Contribution had occurred on 1 January 2014 and the unaudited consolidated financial position as of 31 March 2014 as if the Contribution had occurred at the balance sheet date. Because of its nature, the unaudited pro forma condensed financial information addresses a hypothetical situation and, therefore, does not represent the company's actual financial position or results if the Contribution had in fact occurred on those dates and is not representative of the results of operations for any future periods. Investors are cautioned not to place undue reliance on this unaudited pro forma financial information. The pro forma financial information therefore does not reflect the Group's actual financial position and results. The pro forma information must not be considered final or complete, and may be amended in future publications of accounts etc. The pro forma information has not been audited. The pro forma financial information does not include all of the information required for financial statements under IFRS. The pro forma financial information does not represent the actual combination of the financial statements of the companies included in the pro forma statements in accordance with IFRS, since certain simplifications and assumptions have been made as set out.

#### **Basis for the Q1 2014 pro forma financial information**

The unaudited pro forma financial information for Q1 2014 has been compiled based on the unaudited interim trial balances as of 31 March 2014 for Tristein AS in NOK and Offshore Wind Consultants Ltd in GBP, and the unaudited consolidation schedules for Aqualis Offshore Group (in the tables referred to as "**AO Group**") in Aqualis ASA in local currencies, as further described below:

- *Aqualis Offshore Group*: The consolidation schedule presented in appendix C1a has been prepared based on unaudited trial balances in local currencies for all subsidiaries in the Aqualis Offshore Group,

where inter-company transactions are eliminated and the figures are prepared in accordance with IFRS. Group continuity is used with regard to balance sheet in the pro forma balance sheet 31 March 2014. The currency translation table for Q1 2014 is presented in appendix C1b.

- *Tristein*: The currency translation table for Tristein AS for Q1 2014 is presented in appendix C2a.
- *Offshore Wind Consultants*: The currency translation table for Offshore Wind Consultants Ltd for Q1 2014 is presented in appendix C3a.
- Note that neither Aqualis Offshore Group (including its individual subsidiaries), Tristein nor Offshore Wind Consultants have been required to prepare quarterly reports for Q1 2014. Aqualis Offshore Group and its subsidiaries were consolidated in Aqualis ASA's quarterly report for Q1 2014.

#### **Basis for the 2013 pro forma financial information**

The unaudited pro forma financial information for 2013 has been compiled based on the unaudited consolidation schedule for the Tristein Group in NOK, the unaudited financial information for Offshore Wind Consultants Ltd in GBP, the unaudited consolidation schedule for the Aqualis Offshore Group in local currencies for the period 1 January to 31 October 2013, and the consolidation schedule for Aqualis Offshore Group in Aqualis ASA for the period 1 November to 31 December 2013, as further described below:

- *Aqualis Offshore Group*: The consolidation schedule for the period 1 January to 31 October 2013 presented in appendix C1g has been prepared based on unaudited trial balances in local currencies for the Aqualis Offshore Group prior to it being acquired by Aqualis ASA. The consolidation schedule for the period 1 November to 31 December 2013 presented in appendix C1e were part of the audited financial statement of Aqualis ASA. The aggregated consolidation schedule for the full-year 2013 has been provided in appendix C1c. The financial statements of the most significant subsidiaries are incorporated by reference to this Prospectus. The currency translation tables for the respective periods have been presented in appendix C1d, C1f and C1h.
- *Tristein*: The consolidation schedule for 2013 presented in appendix C2b has been based on audited financial statements in NOK for all companies in the Tristein Group with intercompany transactions being eliminated to form consolidated unaudited figures. The audited financial statements for Tristein AS ("**TAS**"), Tristein Renewable Energy AS ("**TRE**"), Tristein Engineering & Survey AS ("**TES**"), Tristein Marine Operations & Logistics AS ("**TMOL**") and Tristein Stavanger AS ("**TSA**") are incorporated by reference to this Prospectus.
- *Offshore Wind Consultants*: The currency translation table for Offshore Wind Consultants Ltd for 2013 is presented in appendix C3b, based on the unaudited financial statements in GBP for 2013, incorporated by reference to this Prospectus.

The financial information of the Tristein Group and Offshore Wind Consultants Ltd was prepared in accordance to NGAAP and the Financial Reporting Standard for Smaller Entities in UK, respectively. Based on a review of the applied accounting principles for 2013 and 2014 no material differences between local accounting, and the accounting policies of the Company were identified and no IFRS adjustments were required in the pro forma financial information.

#### **Currency translation**

The presentation currency for the Group is USD. Assets and liabilities are translated from the local functional currencies into USD at the relevant closing rates of exchange. Trading results were translated from the local functional currencies into USD at the relevant average rates of exchange. Differences arising from the retranslation of the opening net assets and/or the results for the year have been recognised in the foreign currency translation reserve.

**Purchase accounting Tristein AS**

The actual purchase price for 100% of the shares in Tristein AS was NOK 23 million in cash plus a consideration of 9.5 million new shares in Aqualis ASA valued at a price of NOK 2.50 per share. The actual share price at closing was NOK 2.58 per share, resulting in an increase in the purchase consideration for IFRS purposes of NOK 0.8 million. The total consideration was USD 7.9 million based on the exchange rate and share price on the transaction date.

Purchase price allocation

USD 1,000	Unaudited Tristein AS 31.03.2014	Unaudited fair value adjustments	Unaudited fair value of assets and liabilities 31.03.2014
<b>ASSETS</b>			
<b>Non-current assets</b>			
Equipment	34	-	34
Intangible assets	-	6 280	6 280
Deferred tax assets	6	-	6
Investments in associated companies	35	-	35
<b>Total non-current assets</b>	<b>75</b>	<b>6 280</b>	<b>6 355</b>
<b>Current assets</b>			
Trade receivables	943	-	943
Other receivables	61	-	61
Funds	206	-	206
Cash and cash equivalents	1 683	-	1 683
<b>Total current assets</b>	<b>2 893</b>	<b>-</b>	<b>2 893</b>
<b>Total assets</b>	<b>2 968</b>	<b>6 280</b>	<b>9 248</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	-	270	270
<b>Total non-current liabilities</b>	<b>-</b>	<b>270</b>	<b>270</b>
<b>Current liabilities</b>			
Trade payables	145	-	145
Taxes payable	134	-	134
Other current liabilities	766	-	766
<b>Total current liabilities</b>	<b>1 045</b>	<b>-</b>	<b>1 045</b>
<b>Total liabilities</b>	<b>1 045</b>	<b>270</b>	<b>1 315</b>
<b>Total net assets</b>	<b>1 923</b>	<b>6 010</b>	<b>7 933</b>

Exchange rates: USD/NOK 5.987

The preliminary purchase price allocation identified fair value adjustments on intangible assets. The adjustment to intangible assets consists of contracts (USD 1 million), goodwill (USD 5 million) and deferred tax liabilities (USD 0.3 million). The goodwill reflects the value of assembled workforce with special skills and expected synergies with the existing business of Aqualis Offshore. The purchase price allocation and the allocation of the total consideration may change in the future, as the assessment of intangibles and consideration elements is not finalised.

**Purchase accounting Offshore Wind Consultants Ltd**

The actual purchase price for 100% of the shares in Offshore Wind Consultants Ltd was GBP 125,238 in cash, plus a consideration of 2,675,056 shares in Aqualis ASA valued at a price of NOK 2.75 per share. The actual share price at closing was NOK 3.94 per share, resulting in an increase in the purchase consideration for IFRS purposes of NOK 3.2 million. The total consideration was USD 1.9 million based on the exchange rate and the stock price on the transaction date.

Purchase price allocation

USD 1,000	Unaudited OWC 31.03.2014	Unaudited fair value adjustments	Unaudited Fair value of assets and liabilities 31.03.2014
<b>ASSETS</b>			
<b>Non-current assets</b>			
Equipment	1	-	1
Intangible assets	-	1 704	1 704
Deferred tax assets	-	-	-
Investments in associated companies	-	-	-
<b>Total non-current assets</b>	<b>1</b>	<b>1 704</b>	<b>1 705</b>
<b>Current assets</b>			
Trade receivables	110	-	110
Other receivables	84	-	84
Funds	-	-	-
Cash and cash equivalents	377	-	377
<b>Total current assets</b>	<b>570</b>	<b>-</b>	<b>570</b>
<b>Total assets</b>	<b>571</b>	<b>1 704</b>	<b>2 275</b>
<b>Long term liabilities</b>			
	<b>41</b>	<b>-</b>	<b>41</b>
<b>Current liabilities</b>			
Trade payables	58	-	58
Taxes payable	-	-	-
Other current liabilities	242	-	242
<b>Total current liabilities</b>	<b>300</b>	<b>-</b>	<b>300</b>
<b>Total liabilities</b>	<b>341</b>	<b>-</b>	<b>341</b>
<b>Total net assets</b>	<b>230</b>	<b>1 704</b>	<b>1 934</b>

Exchange rates: GBP/USD 1.666

The preliminary purchase price allocation identified fair value adjustments on intangible assets. The adjustment of intangible assets consists of goodwill (USD 1.7 million). The goodwill reflects the value of assembled workforce with special skills and expected synergies with the existing business of Aqualis Offshore. The purchase price allocations and the allocation of the total consideration may change in the future, as the assessment of intangibles consideration elements is not finalised.

**9.3 UNAUDITED PRO FORMA FINANCIAL INFORMATION**

**9.3.1 Unaudited pro forma statements of comprehensive income**

Q1 2014

USD 1,000	Note	Unaudited AO Group <sup>1</sup> Q1 2014	Unaudited Tristein AS <sup>2</sup> Q1 2014	Unaudited OWC <sup>3</sup> Q1 2014	Unaudited IFRS adjustments	Unaudited pro forma adjustments	Unaudited Pro forma Q1 2014
Revenue	1	4 521	1 511	331		(39)	6 324
Government grants		-	-	-			-
Other income		-	-	-			-
<b>Total operating income</b>		<b>4 521</b>	<b>1 511</b>	<b>331</b>		<b>(39)</b>	<b>6 324</b>
Payroll and payroll related costs	3	(3 048)	(884)	(183)		(91)	(4 206)
Depreciation, amortization and impairment		(200)	-	-			(200)
Other operating costs	1,2	(1 754)	(589)	(121)		(69)	(2 533)
<b>Total operating expenses</b>		<b>(5 002)</b>	<b>(1 473)</b>	<b>(304)</b>		<b>(160)</b>	<b>(6 939)</b>
<b>Operating profit / loss (EBIT)</b>		<b>(481)</b>	<b>38</b>	<b>27</b>		<b>(199)</b>	<b>(615)</b>
Finance income		81	4	-			85
Finance costs		(44)	(1)	-			(45)
<b>Loss before tax</b>		<b>(444)</b>	<b>41</b>	<b>27</b>		<b>(199)</b>	<b>(575)</b>
Income tax expense	4	(5)	-	(5)		29	19
<b>Profit/(Loss) for the period</b>		<b>(449)</b>	<b>41</b>	<b>22</b>		<b>(170)</b>	<b>(556)</b>
<b>Other comprehensive income</b>							
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>							
Currency translation differences		490	30	(14)			506
Income tax effect		-	-	-			-
<b>Total comprehensive income of the year</b>		<b>41</b>	<b>72</b>	<b>8</b>		<b>(170)</b>	<b>(49)</b>
<b>Total comprehensive income from the year, net tax attributable to:</b>							
Equity holders of the parent company		41	72	8		(170)	(49)
Non-controlling interest		-	-	-			-
<b>Total</b>		<b>41</b>	<b>72</b>	<b>8</b>		<b>(170)</b>	<b>(49)</b>

1) For the consolidation schedule, figures in local currency and exchange rates used for the Aqualis Offshore Group, see appendix C1a-b.

2) The figures for Tristein AS has been translated from NOK to USD using an average NOK/USD exchange rate of 6.030 for the period based on exchange rate figures published by Norges Bank. For figures in local currency, see appendix C2a.

3) The figures for Offshore Wind Consultants Ltd has been translated from GBP to USD using an average GBP/USD exchange rate of 1.672 for the period based on exchange rate figures published by Norges Bank. For figures in local currency, see appendix C3a.

Pro forma adjustments

*Note 1*

Sales of USD 39 thousand in Q1 between Aqualis Offshore AS and Tristein AS prior to the acquisition of Tristein AS have been eliminated since the two companies are considered to be part of the same group in the pro forma period. As a result, both revenue and other operating costs have been reduced by this figure. This pro forma adjustment will not have continuing impact.

*Note 2*

Transaction costs of USD 158 thousand related to the acquisitions of Aqualis Offshore Ltd (USD 50 thousand), Tristein AS (USD 100 thousand) and Offshore Wind Consultants Ltd (USD 8 thousand) have been added to other operating costs. This pro forma adjustment will not have continuing impact.

*Note 3*

Share based payment related to option agreements in Tristein AS and Offshore Wind Consultants Ltd. The sellers who are employees in Tristein were given the right to acquire a total of 2,000,000 shares in Aqualis ASA at a strike price of NOK 3.00 per share. Such options can be exercised three years after the completion date, at the earliest, and is subject to the relevant employee not having terminated its employment. Furthermore, the five full-time employees, including the sellers, of Offshore Wind Consultants were given the right to acquire a total of 1,000,000 shares in Aqualis ASA at a strike price of NOK 3.00 per share. Such options can be exercised two

years after the completion date, at the earliest, and is subject to the relevant employee not having terminated its employment in the company. The pro forma adjustments for Tristein AS and Offshore Wind Consultants Ltd are USD 33 thousand and USD 58 thousand, respectively, giving a total of USD 91 thousand. This pro forma adjustment has been made based on the Black-Scholes option pricing model and will have continuing impact.

*Note 4*

Adjustment for tax effect of transaction costs related to acquisition of Tristein AS and Offshore Wind Consultants Ltd (see note 2). Transaction costs of USD 108 thousand and a corporate tax rate of 27% give a tax reducing effect of USD 29 thousand. This pro forma adjustment will not have continuing impact.

Year ended 31 December 2013

USD 1,000	Note	Unaudited AO Group <sup>1</sup> Nov-Dec 2013	Unaudited AO Group <sup>2</sup> Jan-Oct 2013	Unaudited Tristein Group <sup>3</sup> 2013	Unaudited OWC <sup>4</sup> 2013	Unaudited IFRS adjustments	Unaudited pro forma adjustments	Unaudited Pro forma 2013
Revenue		2 241	3 953	7 576	1 225			14 995
Government grants		-	-	-	-			-
Other income		-	-	-	-			-
<b>Total operating income</b>		<b>2 241</b>	<b>3 953</b>	<b>7 576</b>	<b>1 225</b>			<b>14 995</b>
Payroll and payroll related costs	7	(1 790)	(3 212)	(3 664)	(565)		(372)	(9 604)
Depreciation, amortization and impairment	5	(110)	(77)	(16)	-		(100)	(303)
Other operating costs	6	(1 278)	(2 778)	(3 034)	(516)		(108)	(7 714)
<b>Total operating expenses</b>		<b>(3 178)</b>	<b>(6 067)</b>	<b>(6 714)</b>	<b>(1 081)</b>		<b>(580)</b>	<b>(17 621)</b>
<b>Operating profit /loss (EBIT)</b>		<b>(938)</b>	<b>(2 114)</b>	<b>862</b>	<b>144</b>		<b>(580)</b>	<b>(2 626)</b>
Finance income		124	1	52	-			178
Finance costs		(60)	(67)	(7)	(3)			(137)
<b>Loss before tax</b>		<b>(874)</b>	<b>(2 180)</b>	<b>908</b>	<b>141</b>		<b>(580)</b>	<b>(2 586)</b>
Income tax expense	8	-	-	-	(28)		56	28
<b>Profit/(Loss) for the period</b>		<b>(874)</b>	<b>(2 180)</b>	<b>908</b>	<b>113</b>		<b>(524)</b>	<b>(2 557)</b>
<b>Other comprehensive income</b>								
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>								
Currency translation differences		65	(228)	(113)	9			(267)
Income tax effect		-	-	-	-		-	-
<b>Total comprehensive income of the year</b>		<b>(808)</b>	<b>(2 408)</b>	<b>795</b>	<b>122</b>		<b>(524)</b>	<b>(2 825)</b>
<b>Total comprehensive income from the year, net tax attributable to:</b>								
Equity holders of the parent company		(808)	(2 408)	795	121122		(524)	(2 825)
Non-controlling interest		-	-	-	-		-	-
<b>Total</b>		<b>(808)</b>	<b>(2 408)</b>	<b>795</b>	<b>122</b>		<b>(524)</b>	<b>(2 825)</b>

1) For the consolidation schedule, figures in local currency and exchange rates used, see appendix C1e-f.

2) For the consolidation schedule, figures in local currency and exchange rates used, see appendix C1g-h.

3) For the consolidation schedule, figures in local currency and exchange rates used, see appendix C2b.

4) The figures for Offshore Wind Consultants Limited has been translated from GBP to USD using an average GBP/USD exchange rate of 1.565 for the period based on exchange rate figures published on exchange rate figures published by Norges Bank. For figures in local currency, see appendix C3.

Pro forma adjustments:

*Note 5*

Aqualis Offshore Ltd was acquired by Aqualis ASA on 8 November 2013 and consolidated from that date. As part of the purchase, customer contracts were recognised. The pro forma adjustments constitute the amortisation of USD 100 thousand in customer contracts as if Aqualis Offshore Ltd was acquired and contributed to Aqualis Offshore ASA on 1 January 2013. The pro forma adjustment will have continuing impact as the offshore operations in Aqualis ASA are contributed to Aqualis Offshore Holding ASA and the contracts will continue to be amortised in the Aqualis Offshore Holding ASA Group.



*Note 6*

USD 108 thousand in transaction costs related to the acquisitions of Tristein AS (USD 100 thousand) and Offshore Wind Consultants Ltd (USD 8 thousand) have been added to other operating costs. This pro forma adjustment will not have continuing impact.

*Note 7*

Share based payment related to option agreements in Tristein AS and Offshore Wind Consultants Ltd. The sellers who are employees in Tristein were given the right to acquire in total 2 million shares in Aqualis ASA at a strike price of NOK 3.00 per share. Such options can be exercised three years after the completion date, at the earliest, and is subject to the relevant employee not having terminated its employment. Furthermore, the five full-time employees, including the sellers, of Offshore Wind Consultants were given the right to acquire a total of 1,000,000 shares in Aqualis ASA at a strike price of NOK 3.00 per share. Such options can be exercised two years after the completion date, at the earliest, and is subject the relevant employee not having terminated its employment in the company. This pro forma adjustment will have continuing impact.

*Note 8*

Adjustment for tax effect on amortisation of customer contracts (see note 5) and transaction costs related to acquisition of Tristein AS and Offshore Wind Consultants Ltd (see note 6). Amortisation of customer contracts (USD 100 thousand) and transaction costs (USD 108 thousand) gives a total of USD 208 thousand. Using a corporate tax rate of 27 percent gives a tax reducing effect of USD 56 thousand. The pro forma tax effect related to amortisation of customer contracts will have continuing impact. The pro forma tax effect related to transaction cost will not have continuing impact.

**9.3.2 Unaudited pro forma financial position**

USD 1,000	Note	Unaudited AO Group <sup>1</sup>	Unaudited Tristein AS <sup>2</sup>	Unaudited OWC <sup>3</sup>	Unaudited IFRS adjustments	Unaudited pro forma adjustments	Unaudited Pro forma
		31.03.2014	31.03.2014	31.03.2014			31.03.2014
<b>ASSETS</b>							
<b>Non-current assets</b>							
Equipment		431	34	1			467
Intangible assets	9	15 688	-	-		7 984	23 671
Deferred tax assets		83	6	-			88
Investments in associated companies		-	35	-			35
<b>Total non-current assets</b>		<b>16 202</b>	<b>75</b>	<b>1</b>		<b>7 984</b>	<b>24 261</b>
<b>Current assets</b>							
Trade receivables		2 619	943	110			3 671
Other receivables	10	2 284	61	84		9 186	11 615
Funds		-	206	-			206
Cash and cash equivalents	11	1 517	1 683	377		11 024	14 601
<b>Total current assets</b>		<b>6 420</b>	<b>2 893</b>	<b>570</b>		<b>20 210</b>	<b>30 093</b>
<b>Total assets</b>		<b>22 622</b>	<b>2 968</b>	<b>571</b>		<b>28 194</b>	<b>54 354</b>
<b>EQUITY AND LIABILITIES</b>							
<b>Equity</b>							
Share capital	12	100	17	-		604	721
Share premium	13	-	2	-		48 777	48 779
Other paid in capital	14	15 584	-	-		(14 603)	981
Retained earnings		(3 439)	1 904	230			(1 305)
<b>Total Equity</b>		<b>12 245</b>	<b>1 923</b>	<b>230</b>		<b>34 778</b>	<b>49 176</b>
<b>Non-current liabilities</b>							
Deferred tax liabilities	15	104	-	-		270	374
Borrowings	16	6 774	-	-		(6 774)	-
Other long-term liabilities		220	-	41			261
<b>Total non-current liabilities</b>		<b>7 098</b>	<b>-</b>	<b>41</b>		<b>(6 504)</b>	<b>635</b>
<b>Current liabilities</b>							
Trade payables		476	145	58			680
Taxes payable		-	134	-			134
Other current liabilities	16, 17	2 802	766	242		(80)	3 729
<b>Total current liabilities</b>		<b>3 278</b>	<b>1 045</b>	<b>300</b>		<b>(80)</b>	<b>4 543</b>
<b>Total liabilities</b>		<b>10 377</b>	<b>1 045</b>	<b>341</b>		<b>(6 584)</b>	<b>5 178</b>
<b>Total equity and liabilities</b>		<b>22 622</b>	<b>2 968</b>	<b>571</b>		<b>28 194</b>	<b>54 354</b>

1) Exchange rates 31 March 2014: GBP/USD 1.666, NOK/USD 0.167, SGD/USD 0.794, BRL/USD 0.442, AED/USD 0.272

2) Exchange rates 31 March 2014: NOK/USD 0.167

3) Exchange rates 31 March 2014: GBP/USD 1.666

Pro forma adjustments:

*Note 9 – Intangible assets:* Pro forma adjustment of intangible assets related to the acquisition of Tristein AS with USD 6.280 million (see purchase accounting in 9.2) and intangible assets related to acquisition of Offshore Wind Consultants Ltd with USD 1.704 million (see purchase accounting in 9.2). The intangible assets consist of contracts and goodwill. The goodwill reflects the value of assembled workforce with special skills and expected synergies with the existing business of Aqualis Offshore Group. These intangible assets do not fulfil the recognition criteria under IAS 38 and are therefore not recognized separately. The intangible assets of USD 15.688 million in the column for AO Group are values based on group continuity from Aqualis ASA related to Aqualis Offshore Group.

*Note 10 - Other receivables:* USD 9.2 million in financial assets representing a part interest in the prepayment in relation to Aqualis ASA's acquisition of Weifa AS, received through contribution in kind from Aqualis ASA.

*Note 11 - Cash and cash equivalents:* The cash from foundation equity capital in Aqualis Offshore Holding ASA of USD 0.167 million and the cash contribution from Aqualis ASA of USD 10.8 million. Total pro forma adjustment is USD 11.0 million.

*Note 12 - Share capital:* The foundation capital of USD 0.167 million in Aqualis Offshore Holding ASA, the share capital element of the contribution in kind and the cash contribution from Aqualis ASA of USD 0.554 million, and elimination of the USD 0.117 thousand in share capital in acquired companies. Total pro forma adjustment is USD 0.6 million.

*Note 13 - Share premium:* The share premium related to the contribution in kind and the cash contribution on 24 July from Aqualis ASA of USD 48.8 million, and elimination of USD 2 thousand in share premium in acquired companies. Total pro forma adjustment is USD 48.8 million.

*Note 14 - Other paid in capital:* Reduction of intangible assets of USD 15.6 million recognized under other paid in capital in the pro forma balance sheet for Aqualis Offshore Group based on group continuity, now reflected in share capital and share premium through the contribution in kind. Increase of USD 0.9 million for the difference in value of the shares in Tristein AS and Offshore Wind Consultants Ltd which is basis for the contribution in kind, and the consideration used in the purchase accounting where stock price at transaction date is used and not nominal values for issued capital. Total pro forma adjustment is 14.6 million.

*Note 15 - Deferred tax liabilities:* Pro forma adjustment of USD 0.270 is a deferred tax liability related to customer contracts of USD 1.0 million recognised in purchase accounting for Tristein AS. As the activities related to the customer contract are postponed to 2015, amortization is zero in section 9.3.1.

*Note 16 - Borrowings:* The amount of USD 7.0 million with USD 6.8 for borrowings and USD 0.2 for other current liabilities represents a loan from Aqualis ASA to Aqualis Offshore subsidiaries, which is transferred to Aqualis Offshore Holding ASA as contribution in kind. As the lender and borrower are within the same group, the loan is eliminated in the pro forma table. The value of the loan at the date of the contribution in kind 24 July 2014 was USD 8.3 million.

*Note 17 - Other current liabilities:* USD 0.108 million in other current liabilities related to the pro forma transaction costs for the acquisition of Tristein AS and Offshore Wind Consultants Ltd.

## 10. BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND EMPLOYEES

### 10.1 BOARD OF DIRECTORS

#### 10.1.1 Overview

In accordance with Norwegian law, the Board of Directors is responsible for administering the Company's affairs and ensuring that the Company's operations are organised in a satisfactory manner.

The Company's Articles of Association provide that the Board of Directors shall consist of three to eight members.

As of the date of this Prospectus, the Company's Board of Directors consists of the following, with all five board members prior board members of Aqualis ASA constituting the new board of Aqualis Offshore Holding ASA subsequent to the Spin-Off:

Name of director	Director since	Current term expires	Business address:
Glen Rødland	10.07.2014	AGM 2016	c/o Ferncliff, Sjølyst Plass 2, 0278 Oslo
Øystein Stray Spetalen	10.07.2014	AGM 2015	c/o Ferncliff, Sjølyst Plass 2, 0278 Oslo
Yvonne Litsheim Sandvold	10.07.2014	AGM 2015	c/o Frognerbygg AS, Sørkedalsveien 7, 0369 Oslo
Synne Syrrist	10.07.2014	AGM 2015	Rundhaugveien 5A, 0495 Oslo
Reuben Segal	10.07.2014	AGM 2016	Office 609, SIT Tower, Dubai Silicon Oasis, PO Box 128078, Dubai, United Arab Emirates

#### 10.1.2 Brief biographies of the Board members

##### Glen Rødland, Chairman

Mr. Rødland is a director and co-investor of Direct Active Investments in Ferncliff TIH AS, where he has been a partner since 2006. Before joining Ferncliff he worked for 15 years with portfolio management, financial analysis and investment banking for DNB (formerly Vital) and Swedbank First Securities (formerly Elcon Securities). Mr. Rødland has also worked as a market and investment analyst at JEBSENS, a Norwegian shipping company, as a management consultant in PWC, and as a research assistant at the Norwegian school of economics and business administration (NHH). He has PhD studies in Finance from NHH and UCLA. Mr. Rødland is a Norwegian citizen and resides in Oslo, Norway.

Current directorships and senior management position ..... Spectrum ASA (chairman), Strata Marine & Offshore AS (chairman), Nordic Construction Barges II AS (chairman), Corona Maritime Holding AS (chairman), Nordic Construction Barges III AS (chairman), Nordic Construction Barges IV AS (chairman), Nordic Construction Barges I AS (chairman), Corona Maritime AS (chairman), Gross Management AS (board member), Grøndalselva AS (board member), Van Severen & CO AS (board member), Namdalen Træsliberi AS (board member), Namdal Skoger AS (board member), Prospector Offshore Drilling SA (chairman), Aqualis ASA (chairman)

Previous directorships and senior management positions last five years ..... Ferndrill Management AS (board member), Spectrum ASA (board member), Akland Property AS (chairman), Akland Eiendom AS (chairman), Standard Investerings AS (chairman), Gerox AS (chairman), Standard Holding AS (chairman), Strata Key Invest AS (chairman), Namdal Transitt AS (board member), NEL Hydrogen AS (board member), Strata Marine & Offshore AS (board member), Hydrogen Technologies Holding AS (board member), Ferncliff Asset Management Holding AS (board member), Skeie Capital Investment AS (board member), Eiken Mekaniske Verksted AS (chairman), Stugaard Invest AS (chairman), Berganodden Båtservice AS (chairman), Hydrogen Technologies Holding AS (chairman), Enerquip AS (chairman), SD Standard Drilling Plc (board member), Noble Denton Ltd (board member)

##### Øystein Stray Spetalen, Board member

Mr. Spetalen is chairman and owner of investment firm Ferncliff TIH AS. He is an independent investor. He has worked in the Kistefos Group as an investment manager, as corporate advisor in different investment banks and as a portfolio manager in Gjensidige Forsikring. Mr. Spetalen is a chartered petroleum's engineer from NTNU. Mr. Spetalen is a Norwegian citizen and resides in Oslo, Norway.

Current directorships and senior management position ..... Gardermoen Media AS (chief executive officer), Ferncliff TIH 1 AS (chairman), Saga Tankers ASA (chairman), Tycoon Industrier AS (chairman), Tymar AS (chairman), Gross Management AS (chairman), Ferncliff TIH AS (chairman), Ferncliff (chairman), Dasut AS (chairman), AS Simask (chairman), Unified AS (chairman), Krøs AS (chairman), Tycoon Trading 2 AS (chairman), Allum Holding AS (chairman), Renewable Energy Corporation AS (board member), Hydrogen Technologies Holding AS (board member), Namdalen Træsliberi AS (board member), Van Severen & Co AS (board member), Bangdal Brug AS (board member), Skorovas Gruber AS (board member), Visitfonna AS (board member), Grøndalselva AS (board member), Strata Marine & Offshore AS (board member), Vallhall Fotballhall AS (board member), Sjølyst Kontorfellesskap AS (board member), Vallhall Fotballhall KS (board member), Vallhall Fotballhall Drift AS (board member), Namdal Skoger AS (board member), Namdal Bruk AS (board member), Namdal Kraft AS (board member), Spectrum ASA (board member), Aqualis ASA (board member)

Previous directorships and senior management positions last five years ..... Jetfly KS (chairman), Jetfly AS (chairman), Strata AS (chairman), Ferncliff Asset Management Holding AS (chairman), Singapore Drilling AS (chairman), Connect Venture AS (chairman), Maross Invest AS (chairman), AS Ferncliff (chairman), Global Små Mellomstore Bedrifter AS (chairman), Televekst AS (chairman), Sirius Simask AS (chairman), Standard Drilling ASA (chairman), Ferndrill Management AS (chairman), Pesoss AS (chairman), Gyoss Invest AS (chairman), Ferncliff Invest AS (board member), Gardermoen Media AS (board member), Global Geo Services ASA (board member), Standard Holding AS (board member), HT Lufttransport AS (board member), Unionen AS (board member), Aktiv Kapital ASA (board member), Kverneland ASA (board member), Norske Skog ASA (board member), Standard Drilling ASA (board member), Bank 2 ASA (board member), B2 Holding AS (board member), Salmar ASA (board member), Altinex ASA (board member), Allum Marine AS / Noble Denton Sandefjord AS (board member), VIF ASA (board member)

**Yvonne Litsheim Sandvold, Board member**

Ms. Sandvold is the Chief Operating Officer of Frognerbygg AS, and has extensive experience from the Norwegian real estate industry. Ms. Sandvold currently serves on the Board of several private companies. Ms. Sandvold holds a cand. psychol. degree from the University of Oslo. Ms. Sandvold is a Norwegian citizen and resides in Oslo, Norway.

Current directorships and senior management position .... Frognerbygg AS (chief operating officer and deputy board member), YLS Næringseiendom AS (chief executive officer and chairman of the board), Bjørn Farmanns gate 8 AS (chief executive officer and chairman of the board), Octopus Eiendom AS (chairman of the board), AS Naturbetong (deputy board member), Sandvold Holding AS (deputy board member), Seilduksgt. 17 AS (deputy board member), Bogstadveien 62 AS (deputy board member), Schønings gate 7 AS (deputy board member), Aksjevold AS (Deputy board member), Aqualis ASA (board member)

Previous directorships and senior management positions last five years ..... None

**Synne Syrrist, Board member**

Ms. Syrrist is an independent business consultant, and has extensive experience as a non-executive director of both private and public companies. She was previously a partner and financial analyst at First Securities and financial analyst at Elcon Securities ASA. Ms. Syrrist currently serves on the Board of several public companies, including Norwegian Property ASA, Awilco Drilling Ltd and Eidesvik Offshore ASA. Ms. Syrrist holds an MSc from the Norwegian University of Science and Technology, and qualified as an authorised financial analyst at the Norwegian School of Economics and Business Administration. Ms. Syrrist is a Norwegian citizen and resides in Oslo, Norway.

Current directorships and senior management position .... Awilco Drilling Ltd (board member), Awilco LNG ASA (board member), Eidesvik Offshore ASA (board member), Castelar Corporate Finance AS (board member), Global Rig Company ASA (board member), Norwegian Property ASA (board member), Global Rig Active AS (board member), Global Rig Active 2 AS (board member), Global Rig Active 3 AS (board member), Global Rig Active 4 AS (board member), Global Rig Active 5 AS (board member), Global Rig Active 6 AS (board member), Noram Drilling Company Inc. (board member), Aqualis ASA (board member)

Previous directorships and senior management positions last five years ..... Cecon ASA (member of the board of directors), Camposol Holding Plc (member of the board of directors), Camposol AS (member of the board of directors), DNB NOR Skipseiende 3 AS (chairman of the board of directors), DNB NOR Skipseiende 4 AS (chairman of the board of directors), DNB NOR Skipseiende 5 AS (chairman of the board of directors), DNB NOR Skipseiende 6 AS (chairman of the board of directors), DNB NOR Skipseiende 7 AS (chairman of the board of directors), DNB NOR Skipseiende 8 AS (chairman of the board of directors), DNB NOR Profesjonell Shippinginvestor I AS (chairman of the board of directors), Sector Epsilon AS (member of the board of directors), Cetix Group AS (member of the board of directors), Vetro Solar AS (member of the board of directors), Gregoire ASA/AS (member of the board of directors), Scana Industrier ASA (member of the board of directors), DNB ShippingInvest I ASA (chairman), IP SkipsHolding I AS (chairman), IP Shipping I AS (chairman), IP Skipseiende 2 AS (chairman), LPG Ships 1 AS (chairman)

**Reuben Segal, Board member**

Mr. Segal is the Director Middle East for Aqualis Offshore Ltd. and has almost 20 years’ experience in the offshore and shipping sectors covering both engineering design and ship surveying. He is a naval architect, and has extensive recent global business development experience with focus on design and construction of offshore oil & gas assets, including MODU and MOPU units from FEED through to yard delivery. Mr. Segal holds a master’s degree in Engineering from the University of Newcastle. Mr. Segal is a British citizen and resides in Dubai, UAE.

Current directorships and senior management position .... AmAn Marine Limited (director)

Previous directorships and senior management positions last five years ..... GL Noble Denton (group director design & construction), GL Noble Denton (group director execution services), GL Noble Denton (director design & construction), Aqualis ASA (board member)

**10.2 EXECUTIVE MANAGEMENT**

**10.2.1 Overview**

The table below sets forth the members of the Executive Management as of the date of this Prospectus.

<b>Name</b>	<b>Position</b>	<b>Business address:</b>
David Wells	Chief Executive Officer	150 Minorities, EC3N 1LS London, UK
Christian Opsahl	Chief Financial Officer	Sjølyst Plass 2, 0278 Oslo
Dr. Bader Diab	Director of Engineering and North America	15915 Katy Freeway #150, Houston TX 77024, US
Phil Lenox	Director Asia Pacific	51 Goldhill Plaza #12-08, Singapore 308900
Dr. Andrew Theophanatos	Director South Americas	Rua Teofilo Otoni, 15 sala 916 Centro, RJ, Brazil
Reuben Segal	Director Middle East	Office 609, SIT Tower, Dubai Silicon Oasis, Dubai
Santosh George	Group QHSE Manager	Office 609, SIT Tower, Dubai Silicon Oasis, Dubai
Bjørn Håvard Brænden	Director Norway	Østre Kullerød 5, 3241 Sandefjord, Norway
Torbjørn Rogde	Managing Director, Tristein AS	Blekerveien 17, 1387 Asker
Ian Bonnon	Managing Director, Offshore Wind Consultants	80 Coleman Street, London EC23 5BJ

## 10.2.2 Brief biographies of the Executive Management

### David Wells, Chief Executive Officer

David Wells is a Master Mariner and has more than 30 years of experience in the offshore sector with particular focus on offshore operations, MWS and marine consultancy. He is a specialist on jack-up operations, location approvals and all aspects of rig moving. He has more recently been involved in senior management duties. Mr. Wells is based in London, UK.

Current directorships and senior management position .... Alsto Consultancy Ltd (Director)

Previous directorships and senior management positions last five years..... Greatship Global Energy Services (non-executive director), GL Noble Denton (managing director), Noble Denton (regional managing director)

### Christian Opsahl, Chief Financial Officer

Christian Opsahl has extensive international finance, investment banking and private equity experience within the global financial markets, together with industrial experience from companies servicing the offshore oil & gas markets. Mr. Opsahl is based in Oslo, Norway.

Current directorships and senior management position .... None

Previous directorships and senior management positions last five years..... Strata Marine & Offshore AS (investment director)

### Dr. Bader Diab, Director of Engineering and North America

Dr. Bader Diab is a structural and global performance engineer. He has 25 years offshore engineering global experience covering both shallow and deep water sectors with extensive structural design experience of MODUs, mooring systems, motions, installation engineering and familiarity with shipyards. Dr. Bader Diab is based in Houston, US.

Current directorships and senior management position .... None

Previous directorships and senior management positions last five years..... Offshore Mechanics, Inc. (president)

### Phil Lenox, Director of Asia Pacific

Phil Lenox is a structural engineer and has over 40 years of onshore/offshore experience with both contractors and consultancies including conceptual design, detailed structural analysis and design through to construction and installation. He specialises transportation and installation projects including use of HLVs, topside floatovers and has extensive MWS experience. Mr. Lenox is based in Singapore.

Current directorships and senior management position .... None

Previous directorships and senior management positions last five years..... Noble Denton Singapore (Director), GL Noble Denton (country manager – Singapore)

### Dr. Andrew Theophanatos, Director of South Americas

Dr. Andrew Theophanatos is a naval architect with over 30 years of experience in offshore engineering and project management around the world and latterly in Brazil. He specialises on offshore engineering projects in both consultancy and MWS capacities for services related to all recent deepwater field development projects. Dr. Andrew Theophanatos is based in Rio de Janeiro, Brazil.

Current directorships and senior management position .... None

Previous directorships and senior management positions last five years..... GL Noble Denton (country manager – Brazil)

### Reuben Segal, Director of Middle East

See section 10.1.

**Santosh George, Group QHSE Manager**

Mr. George is a specialist QHSE consultant and auditor with extensive risk analysis experience covering shipyards and offshore assets together with implementation of Group Management systems and ISO accreditations. Mr. George is based in Dubai, UAE.

Current directorships and senior management position .... None

Previous directorships and senior management positions last five years ..... GL Noble Denton (regional brand protection manager), Noble Denton Middle East (regional brand protection manager)

**Bjørn Håvard Brænden, Director of Norway**

Mr. Brænden is a M.Sc. in Naval Architecture and Marine Engineering with more than 20 years of experience in engineering and offshore sectors. He has specialized in design and worked as project manager for projects involving ships, semi submersibles, offshore service vessel, tankers and conversions to FSU/FPSO including offshore construction and marine installation. The last ten years, he has been heavily involved in business development and played a key role in building up several companies. Mr. Brænden is a Norwegian citizen and resides in Sandefjord, Norway.

Current directorships and senior management position .... None

Previous directorships and senior management positions last five years ..... NLI Engineering AS (managing director), NLI Solutions AS (division director, offshore & marine), GL Noble Denton AS (managing director), GL Noble Denton (regional managing director, responsible for Norway and Poland)

**Torbjørn Rogde, Managing Director of Tristein AS**

Mr. Rogde was born 1963 in Bergen, Norway. He was educated at the Norwegian Naval Academy executive branch in 1986. Held various positions in the navy until 2001 when starting as International Product Manager AMOS Academy and later continued as HR manager in Grieg Logistics from 2002 to 2006. Until taking the position as Managing Director of Tristein AS, he was running his private company, supporting development of HSEQ systems and conducting management and leadership training for seafarers. Mr. Rogde is based in Asker, Norway.

Current directorships and senior management position .... None

Previous directorships and senior management positions last five years ..... Tristein AS (Chairman of the Board)

**Ian Bonnon, Managing Director of Offshore Wind Consultants**

Mr. Bonnon has over 30 years of experience in the offshore wind, oil & gas, marine & subsea cable industries. He is a specialist in provision of consultancy services to offshore wind farm developers and investors for full life cycle of projects. He is a Chartered Civil Engineer who continues to have direct involvement on project work whilst combining this role with senior management. Mr. Bonnon is based in London, UK.

Current directorships and senior management position .... None

Previous directorships and senior management positions last five years ..... GL Garrad Hassan (head of offshore renewables), Noble Denton (southern Europe operations director)

**10.3 CONFLICTS OF INTERESTS, FAMILY RELATIONSHIP, DIRECTORSHIPS ETC.**

There are no potential conflicts of interests between any duties to the Company, of any of the Board members or members of the Executive Management and their private interests and or other duties, except as described below.

Glen Rødland, Chairman of the Board

Mr. Rødland is a board member in and the owner of 50% of the shares in Gross Management AS, which as of the date of this Prospectus owns approximately 5.44% of total shares outstanding in the Company. In addition, he is the chairman of the board in the Company's largest shareholder, Strata Marine & Offshore AS, which as of the date of this Prospectus owns approximately 12.62% of total shares. He is thus not considered as independent from the Company's larger shareholders.



Øystein Stray Spetalen, member of the Board

Companies controlled by Mr. Spetalen hold approximately 23.70% of total shares outstanding as of the date of this Prospectus. He is thus not considered as independent from the Company's larger shareholders.

There are no family relations between any of the Company's Board members or Executive Management. Egil Stray Spetalen, the brother of Øystein Stray Spetalen, is currently the chairman of the election committee.

**10.4 DETAILS OF ANY CONVICTIONS FOR FRAUDULENT OFFENCES, BANKRUPTCY ETC.**

In June 2013, NEL Hydrogen AS filed for bankruptcy, with Ferncliff and associated companies being the largest shareholders of the company. Øystein Stray Spetalen and Glen Rødland acted as chairman and board member, respectively. Following the bankruptcy, the company was restructured and restarted, with four former employees taking over the management of the company. Ferncliff and associated companies remain the largest shareholders of New NEL Hydrogen AS.

Other than the abovementioned, no member of the Board of Directors or the Executive Management have for at least the previous five years preceding the date of this Prospectus been;

- Convicted in relation to any fraudulent offences;
- Involved in any bankruptcies, receiverships or liquidations when acting in the capacity of member of an administrative, management or supervisory body;
- Subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies), or been disqualified by a court from acting as a member of the administrative, management or supervisory body of an issuer or from acting in the management or conduct of the affairs of any issuer.

**10.5 REMUNERATION AND BENEFITS**

The table below sets out the remuneration paid to the Board of Directors of Aqualis ASA in 2013. Aqualis Offshore Holding ASA was established 2 June 2014, but the Board of Directors of the Company will consist of the same board members after the Spin-Off from Aqualis ASA.

Name	Board fee (NOK 1,000)
Glen Rødland (Chairman) .....	-
Øystein Stray Spetalen .....	-
Yvonne L. Sandvold.....	-
Synne Syrrist.....	-
Reuben Segal.....	-
Martin Nes (former Chairman).....	-
Anders P. Wiklund (former Chairman) .....	450
Annette Clancy (former Board member) .....	222
Hilde H. Steineger (former Board member) .....	222
Geir Storkmoen (former Board member) .....	222
Hilde Furberg (former Board member) .....	222
Karol Sikora (former Board member) .....	222
Robert J. Spiegel (former Board member).....	222
<b>Total .....</b>	<b>1 782</b>

**10.5.1 Remuneration of the executive management**

The table below sets out the remuneration paid to the executive management of Aqualis ASA in 2013. Aqualis Offshore Holding ASA was established 2 June 2014, but the executive management team will to a certain extent consist of the same team members after the Spin-Off from Aqualis ASA, and the following information is deemed relevant for prospective investors.

Name	Salary	Pension contributions	Other <sup>1</sup>	Share options	Total
Gunnar Manum .....	1 353	61	19	486 <sup>2</sup>	1 919
Christian Opsahl (Nov-Dec).....	176	-	20	-	196
David Wells.....	1 765	-	246	-	2 011
Ole Henrik Eriksen.....	1 358	61	23	486 <sup>2</sup>	1 928
Nicholas Adams (Jan-Jun).....	1 020	106	225	-	1 351
Athos Gianella-Borradori (Jan-Sep).....	1 944	230	180	-	2 354
Olav Hellebø (Jan-May).....	3 536	270	381	-	4 187
Tone Veiteberg (Jan-Sep).....	1 142	50	11	-	1 203
<b>Total .....</b>	<b>12 294</b>	<b>778</b>	<b>1 105</b>	<b>972</b>	<b>15 149</b>

<sup>1</sup> Car allowance and other minor items related to Aqualis ASA such as personnel insurance and electronic communication

<sup>2</sup> The share options granted to Mr. Manum and Mr. Eriksen in 2013 were related to the Company's employee share option plan, further described in section 9.5.4. They received 60,000 share options each with an exercise price of NOK 10 per share and expiry 2 January 2016

### **10.5.2 Termination benefits**

At the date of this Prospectus, no member of the administrative, management or supervisory bodies' has contracts with the Company or any of its subsidiaries providing benefits upon termination of employment.

### **10.5.3 Share purchase plan**

The employee share purchase plan implemented by Aqualis ASA in 2014 will be transferred to the Company in connection with the Spin-Off. Under the share purchase plan, employees can buy shares in the Company at a discount to the prevailing market price, either through the issue of new shares, or the purchase of treasury shares held by the Company. The aggregate number of shares over which the Board may grant in a calendar year, shall not exceed five per cent (5%) of the issued shares of the Company prior to the issue of any new shares. Shares purchased under the share purchase plan will be subject to a lock-up period. As of the date of this Prospectus, no shares have been granted under the share purchase plan.

## **10.6 CORPORATE GOVERNANCE**

### **10.6.1 Audit committee**

The function of the audit committee is to prepare matters to be considered by the Board and to support the Board in the exercise of its management and supervisory responsibilities relating to financial reporting, statutory audit and internal control. Currently, the Company's full Board constitutes the audit committee. Reuben Segal, a member of the executive management team, will disqualify himself from participating in the audit committee.

### **10.6.2 Remuneration committee**

The remuneration committee, appointed by the Board, makes proposals to the Board on the employment terms and conditions and total remuneration of the CEO, and other members of the Executive Management, as well as the details of the employee share option plan. These proposals are also relevant for other management entitled to variable salary payments. Currently, the Company's full Board constitutes the remuneration committee.

### **10.6.3 Corporate Governance compliance**

The Company complies with the Norwegian Code of Practice for Corporate Governance issued by the Norwegian Corporate Governance Board, latest edition of 23 October 2012 with the exception of the following:

#### Increases in share capital and purchase of its own shares

The Company has a general authority to issue new shares of up to 50% of the existing share capital, for general corporate purposes. The Company is in a development and investment phase and the Board believes that a general authority, without a specific purpose, is necessary to give the Company the required flexibility to secure the necessary financing at the lowest possible costs and that this is in the best interest of the Company's shareholders.

#### Chairman of the general meeting

Considering the Company's organisation and shareholder structure, the Company considers it unnecessary to appoint an independent chairman for the Company's general meetings, and this task will for practical purposes normally be performed by the Chairman of the Board. However, the need for an independent chairman is evaluated in advance of each meeting based on the items to be considered at the general meeting.

#### Audit Committee

In accordance with the Company's Articles of Association, the Company has elected to have the full Board constitute the Audit Committee. The Board is of the opinion that this will be in the best interest of the Company in an initial stage as it will allow the Company to utilise the competence of all the board members in the committee work. Reuben Segal, a member of the executive management team, will disqualify himself from participating in the audit committee.

#### Management represented on the Board

Mr. Reuben Segal is both a member of the Company's Board of Directors and a member of the Company's executive management team as Director, Middle East. The background for this is that Mr. Segal will be a significant shareholder in Company, and also represents the interest of other employees that will hold shares in the Company. Approximately 25% of the shares in the Company are currently estimated to be held by employees.

## 10.7 EMPLOYEES

The following table sets out the number of employees in Aqualis Offshore Ltd, as of 27 June 2014, split by the various geographic regions. Contractors and freelancers have been accounted for on a 100% utilization basis.

	Group	Adm	Tech	Contractors/site (100% basis)	Total
Middle East	4	6	18	5	33
Asia Pacific	0	4	10	18	32
Rio	0	2	10	5	17
Houston	0	2	7	1	10
Norway	1	3	10	1	15
London	3	0	0	0	3
<b>Total</b>	<b>8</b>	<b>17</b>	<b>55</b>	<b>30</b>	<b>110</b>

Tristein AS employs 15 FTEs and four independents (on a 100% utilization basis), all based in Norway.

Offshore Wind Consultants Ltd employs five employees, all based in the UK.

Following the acquisitions of Tristein AS and Offshore Wind Consultants Ltd., the Group employs approximately 133 FTEs including contractors and freelancers.

## 10.8 PENSIONS AND OTHER OBLIGATIONS

### 10.8.1 Pensions

The Company has a defined contribution plan. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans, the Company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

In 2013, the Group's three subsidiaries combined paid pension contribution of approximately USD 200 thousand.

### 10.8.2 Loans and guarantees

The Company has no outstanding loans or guarantees to any member of the executive management.

## 10.9 SHAREHOLDINGS

### 10.9.1 Board of Directors

The table below presents the overview of Shares and options owned by the Board of Directors as of the date of this Prospectus:

	Number of Shares	Number of options
Glen Rødland .....	10 323 212 <sup>1</sup>	0
Øystein Stray Spetalen .....	10 323 212 <sup>1</sup>	0
Yvonne Litsheim Sandvold .....	0	0
Synne Syrrist .....	0	0
Reuben Segal.....	693 869	0

<sup>1</sup>Shares held through Gross Management AS (2,350,639 shares), Strata Marine & Offshore AS (5,450,973 shares), Ferncliff Listed DAI (1,340,963 shares), AS Ferncliff (1,093,750 shares) and Ricin Invest AS.

The members of the Board are subject to the following lock-up restrictions:

	Number of Shares	Expiration of lock-up period
Glen Rødland .....	5 632 813	8 November 2015
Øystein Stray Spetalen .....	5 632 813	8 November 2015
Reuben Segal.....	72 412	8 November 2014
	164 063	8 November 2015
	328 125	8 November 2016 – 8 November 2019 <sup>1</sup>

<sup>1</sup> 1/4 of the shares to be released from lock up in 8 November in each year; 2016, 2017, 2018 and 2019.

### 10.9.2 Executive Management

The table below presents the overview of Shares and options owned by the Executive Management and related parties as of the date of this Prospectus:

	Number of Shares	Number of options
David Wells.....	598 122	0
Christian Opsahl.....	1 014 087	0
Dr. Bader Diab .....	814 648	0
Phil Lenox .....	702 289	0
Dr. Andrew Theophanatos.....	512 188	0
Reuben Segal.....	693 869	0
Santosh George .....	67 892	0
Bjørn Håvard Bränden.....	283 911	0
Torbjørn Rogde .....	30 567	83 334 <sup>1</sup>
Ian Bonnon.....	555 074	172 500 <sup>1</sup>

<sup>1</sup> Based on the number of options granted in Aqualis ASA, and the Aqualis ASA shareholders receiving one Share per each fourth share held in Aqualis ASA prior to the Spin-Off. The number of options and the exercise price of the share options will be adjusted based on the relative valuation of the two companies, as well as the results of the rights issue to be completed by Aqualis ASA (to be renamed Weifa ASA). The adjustments will be made according to Oslo Stock Exchange's derivative rules.

The Executive Management including related parties is subject to the following lock-up restrictions:

	Number of Shares	Expiration of lock-up period
David Wells.....	81 934	8 November 2014
	164 063	8 November 2015
	328 125	8 November 2016 – 8 November 2019 <sup>1</sup>
Christian Opsahl.....	89 819	8 November 2014
	109 375	8 November 2015
	328 125	8 November 2016 – 8 November 2019 <sup>1</sup>
Dr. Bader Diab .....	54 461	8 November 2014
	164 063	8 November 2015
	328 125	8 November 2016 – 8 November 2019 <sup>1</sup>
Phil Lenox .....	81 722	8 November 2014
	164 063	8 November 2015
	328 125	8 November 2016 – 8 November 2019 <sup>1</sup>
Dr. Andrew Theophanatos.....	20 000	8 November 2014
	164 063	8 November 2015
	328 125	8 November 2016 – 8 November 2019 <sup>1</sup>
Reuben Segal.....	72 412	8 November 2014
	164 063	8 November 2015
	328 125	8 November 2016 – 8 November 2019 <sup>1</sup>
Bjørn Håvard Bränden.....	43 581	8 November 2014
	218 750	8 November 2016 – 8 November 2019 <sup>1</sup>
Torbjørn Rogde .....	7 664	29 April 2017
	22 903	29 April 2018 – 29 April 2020 <sup>2</sup>
Ian Bonnon.....	138 769	27 June 2017
	416 305	27 June 2018 – 27 June 2020 <sup>3</sup>

<sup>1</sup> 1/4 of the shares to be released from lock up in 8 November in each year; 2016, 2017, 2018 and 2019.

<sup>2</sup> 1/3 of the shares to be released from the lock-up 29 April in each year, 2018, 2019 and 2020

<sup>3</sup> 1/3 of the shares to be released from the lock-up 27 June in each year, 2018, 2019 and 2020

## 11. SHARE CAPITAL

### 11.1 SHARE CAPITAL AND SHARE CAPITAL HISTORY

The Company's current share capital is NOK 4,319,054.40 divided into 43,190,544 ordinary shares, each with a nominal value of NOK 0.10. The Company has one class of shares, and each share carries one vote and has equal rights to dividend. All the shares are validly issued and fully paid. All of the Company's shareholders have equal voting rights.

The following changes in the share capital of the company have taken place since incorporation in June 2014:

Date	Type of change	Share capital increase (NOK)	Share capital (NOK)	Subscription price (NOK/share)	Par value (NOK/share)	Issued shares	Total shares
02.06.14	Incorporation	1 000 000	1 000 000	0.10	0.10	10 000 000	10 000 000
24.07.14	Consideration shares	2 588 636.40	3 588 636.40	0.10	8.90	25 886 364	26 886 364
24.07.14	Consideration shares	730 418	4 319 054.40	0.10	8.90	7 304 180	43 190 544

### 11.2 OWN SHARES

As of the date of this Prospectus, the Company does not own any treasury shares.

### 11.3 SHAREHOLDER AGREEMENTS

The Board is not aware of any shareholder agreements by and among the Company's shareholders relating to the Company.

### 11.4 STOCK EXCHANGE LISTING, SHARE REGISTRAR AND SECURITIES NUMBER

Aqualis Offshore Holding ASA is a Norwegian public limited liability company and the Shares are issued pursuant to the Norwegian Public Limited Companies Act.

The Shares will be listed on the Oslo Stock Exchange under the ticker symbol "AQUA". The Shares are registered in the Norwegian Central Securities Depository (VPS). The Company's registrar is Nordea Bank Norge ASA, Securities Services/Issuer Services, P.O. Box 1166 Sentrum, 0107 Oslo. The Shares carry the securities number ISIN NO 001 0715394.

### 11.5 OUTSTANDING AUTHORIZATIONS

On 24 July 2014, the Board was granted the following authorisation to resolve the issue of new shares:

- (i) *The Board is authorised to increase the share capital with up to NOK 2,159,527.20 through one or more share issues.*
- (ii) *This authorisation expires on the date of the 2015 annual general meeting, however no later than 30 June 2015.*
- (iii) *The preferential right of the existing shareholders may be set aside.*
- (iv) *The authorisation includes the issue of shares in exchange for non-cash payment and the right to charge the company with special obligations.*
- (v) *The authorisation comprises a resolution to resolve a merger.*
- (vi) *The authorisation may be used for the following purposes:*
  - a. *Investments, acquisitions and mergers; and/or*
  - b. *To give the company financial flexibility; and/or*
  - c. *Up to 5 % of the authorisation may be used to issue shares in connection with share-/option arrangements with employees of the company.*
- (vii) *Price and other terms for subscriptions shall be determined by the Board in connection with each share issue paying attention to the company's need and the market value of the shares at the relevant time.*
- (viii) *The Board is authorised to amend the articles of association as required by share issues resolved pursuant to this authorisation.*

On 24 July 2014, the Board was granted the following authorisation to resolve the purchase of own shares:

- (i) Pursuant to section 9-4 of the Public Limited Liability Companies Act, the Board is authorised to resolve the acquisition of the company's own shares with an aggregate par value of up to NOK 431,905. If the company sells own shares, this amount shall be increased with an amount equal to the aggregate par value of the shares being sold.
- (ii) Under no circumstance shall the company acquire own shares if the aggregate par value of its holding of own shares would exceed 10% of the company's share capital at the relevant time. This limitation shall not apply if the acquisition is carried out pursuant to the exceptions set out in section 9-6 (1) of the Public Limited Liability Companies Act.
- (iii) The purchase price for own shares to be acquired by the company cannot be less than NOK 0.10 or higher than NOK 40.00.
- (iv) The Board decides in which ways the company may acquire and sell own shares.
- (v) This authorisation expires on the date of the 2015 annual general meeting, however no later than 30 June 2015.
- (vi) This authorisation is conditional upon that the share capital of the company is increased to minimum NOK 4.319.054,40 simultaneously with the granting of this authorisation

## 11.6 SHARE OPTIONS

In connection with Aqualis ASA's acquisition of Offshore Wind Consultant's Limited, the sellers of Offshore Wind Consultant's Limited were granted 1,000,000 options to subscribe shares in Aqualis ASA at an exercise price of NOK 3.00 per share. In connection with the subsequent transfer of Offshore Wind Consultant's Limited to the Company in connection with the Spin-Off, these options will be converted to options to subscribe shares in the Company. The number of options and the exercise price of the share options will be adjusted based on the relative valuation of the two companies, as well as the results of the rights issue to be completed by Aqualis ASA (to be renamed Weifa ASA). The adjustments will be made according to Oslo Stock Exchange's derivative rules.

In connection with Aqualis ASA's acquisition of Tristein AS, the sellers of Tristein AS were granted 2,000,000 options to subscribe shares in Aqualis ASA at an exercise price of NOK 3.00 per share. In connection with the subsequent transfer of Tristein AS to the Company in connection with the Spin-Off, these options will be converted to options to subscribe shares in the Company. The number of options and the exercise price of the share options will be adjusted based on the relative valuation of the two companies, as well as the results of the rights issue to be completed by Aqualis ASA (to be renamed Weifa ASA). The adjustments will be made according to Oslo Stock Exchange's derivative rules.

Except for the abovementioned options, the Company has no outstanding share options.

## 11.7 CONVERTIBLE INSTRUMENTS AND WARRANTS

As of the date of this Prospectus, the Company has no outstanding convertible instruments or warrants.

## 11.8 DIVIDEND POLICY

It is an objective of the Company to generate high and stable returns, which is at least on the same level as other investment possibilities with comparable risk. This should be achieved, first and foremost, through strong and profitable growth within the Company's business areas. To support this growth the Company's earnings will be reinvested in the Company, and no dividend is expected to be paid in the near future. Longer term, the Company expects to generate significant free cash-flow and the intention is to pay 50% or more of net earnings as dividend.

## 11.9 SHAREHOLDERS

The table below sets out Aqualis ASA's 20 largest shareholders as registered in VPS as of 28 July 2014 with total outstanding shares of 152,762,173 in addition to an adjustment made for the 20,000,000 shares that was temporarily issued on a separate ISIN in connection with the private placement in Aqualis ASA 18 June 2014. Furthermore, the number of shares has been adjusted to reflect that each shareholder of Aqualis ASA has received four shares in New Aqualis, and thus that the total shares outstanding is 43,190,544. The below table has not been adjusted for the effect resulting from the shares provided by the Company's main shareholder to effect the rounding up of shares.

Name	Number of shares	Percentage (%)
Strata Marine & Offshore AS .....	5 450 973	12.62%
Gross Management AS .....	2 350 639	5.44%
Aqualis Holdco Limited.....	2 187 500	5.06%
Arctic Funds Plc .....	1 669 646	3.87%
Verdipapirfondet DNB SMB .....	1 600 000	3.70%
Deutsche Bank AG .....	1 527 500	3.54%
Ferncliff Listed DAI AS .....	1 340 963	3.10%
Portia AS .....	1 131 500	2.62%
AS Ferncliff .....	1 093 750	2.53%
Binkley Capital AS .....	999 702	2.31%
Diab Badreddin.....	814 648	1.89%
MP Pensjon.....	675 000	1.56%
Lenox Philip Alan .....	653 928	1.51%
Aman Marine Limited .....	644 599	1.49%
Alsto Consultancy Ltd .....	598 122	1.38%
Bonnon Ian Dennis .....	555 074	1.29%
Theofanatos Andreas .....	512 188	1.19%
Rewal AS.....	468 594	1.08%
Sah Holding AS .....	436 594	1.01%
Offshore & Marine Consulting AS .....	418 594	0.97%

The following shareholders owned more than 5% of the issued share capital based on the table above; Strata Marine & Offshore AS (5,450,973 shares representing 12.62% of the share capital); Gross Management AS (2,350,639 shares representing 5.44% of the share capital) and Aqualis Holdco Limited (2,187,500 shares representing 5.06% of the share capital). Gross Management AS, Strata Marine & Offshore AS, Ferncliff DAI, AS Ferncliff and Ricin Invest AS, all companies associated with Ferncliff, combined own 10,323,212 Shares representing 23.90% of the share capital. Aqualis Holdco Limited and Hanekamb Invest AS, all companies associated with Martin Nes (former chairman of the Company), combined own 2,224,557 Shares representing 5.15% of the share capital.

Shareholders with ownership exceeding 5% must comply with disclosure obligations according to the Norwegian Securities Trading Act section 4-3. For more detailed description please see section 12.7.

As far as the Company is aware of, there is no other natural or legal person other than the above mentioned, which indirectly or directly has a shareholding in the Company above 5% which must be notified under Norwegian law.

To the knowledge of the Company, no person, entity or group directly or indirectly controls the issuer to such extent that special measures is considered necessary to ensure abuse of such control.

## 12. SHAREHOLDER MATTERS AND NORWEGIAN COMPANY AND SECURITIES LAW

The following is a summary of certain information relating to the Shares and certain shareholder matters, including the Company's articles of association and a summary of applicable Norwegian law in effect as of the date of this Prospectus. The summary does not purport to be complete and is qualified in its entirety by the Company's Articles of Association and Norwegian law.

Under Norwegian law, all shares are to provide equal rights in a company. However, Norwegian law permits a company's articles of association to provide for different types of shares (e.g., several classes of shares). In such case, a company's articles of association must specify the different rights, preferences and privileges of the classes of shares and the total par value of each class of shares. The Company's articles of association provide for a single class of shares with equal rights.

There are no restrictions affecting the right of Norwegian or non-Norwegian residents or citizens to own the Shares. The Company's articles of association do not contain any provisions restricting the transferability of Shares.

### 12.1 THE GENERAL MEETING OF SHAREHOLDERS

Under Norwegian law, a company's shareholders are to exercise supreme authority in the Company through the general meeting.

In accordance with Norwegian law, the annual general meeting of the Company's shareholders is required to be held each year on or prior to 30 June. The following business must be transacted and decided at the annual general meeting:

- approval of the annual accounts and annual report, including the distribution of any dividend;
- the Board of Directors' declaration concerning the determination of salaries and other remuneration to senior executive officers;
- any other business to be transacted at the general meeting by law or in accordance with the Company's articles of association

In addition to the annual general meeting, EGMs of shareholders may be held if deemed necessary by the Board. An EGM must also be convened for the consideration of specific matters at the written request of the Company's auditors or shareholders representing a total of at least 5% of the share capital.

Norwegian law requires that written notice of general meetings needs be sent to all shareholders whose addresses are known at least three weeks prior to the date of the meeting. The notice shall set forth the time and date of the meeting and specify the agenda of the meeting. It shall also name the person appointed by the Board to open the meeting. See Article 9 of the Company's articles of association for further details. A shareholder may attend the general meeting either in person or by proxy. The Company will include a proxy form with its notices of general meetings.

A shareholder is entitled to have an issue discussed at a general meeting if such shareholder provides the Board with notice of the issue within seven days before the three week notice period, together with a proposal to a draft resolution or a basis for putting the matter on the agenda.

### 12.2 VOTING RIGHTS

Subject to the terms of a company's articles of association to the contrary, Norwegian law provides that each outstanding share shall represent a right to one vote. All of the Company's Shares have an equal right to vote at general meetings. No voting rights can be exercised with respect to treasury shares held by a company.

In general, decisions that shareholders are entitled to make under Norwegian law or the Company's articles of association may be made by a simple majority of the votes cast. In the case of elections, the persons who obtain the most votes are elected. However, as required under Norwegian law, certain decisions, including resolutions to waive preferential rights to subscribe in connection with any share issue, to approve a merger or demerger, to amend the Company's articles of association, to authorise an increase or reduction in the share capital, to authorise an issuance of convertible loans or warrants or to authorise the board of directors to purchase shares and hold them as treasury shares or to dissolve the Company, must receive the approval of at least two-thirds of



the aggregate number of votes cast as well as at least two-thirds of the share capital represented at a general meeting of shareholders. Norwegian law further requires that certain decisions, which have the effect of substantially altering the rights and preferences of any shares or class of shares, receive the approval by the holders of such shares or class of shares as well as the majority required for amending the Articles of Association. Decisions that (i) would reduce the rights of some or all shareholders in respect of dividend payments or other rights to assets or (ii) restrict the transferability of shares, require that at least 90 percent of the share capital represented at the general meeting of shareholders in question vote in favour of the resolution, as well as the majority required for amending the articles of association. Certain types of changes in the rights of shareholders require the consent of all shareholders affected thereby as well as the majority required for amending the articles of association. There are no quorum requirements for general meetings.

In general, in order to be entitled to vote at a general meeting, a shareholder must be registered as the owner of shares in the Company's share register kept by the VPS, or alternatively, report and show evidence of the shareholder's share acquisition to the Company prior to the general meeting.

Under Norwegian law, a beneficial owner of shares registered through a VPS-registered nominee may not be able to vote the beneficial owner's shares unless ownership is re-registered in the name of the beneficial owner prior to the relevant general meeting. Investors should note that there are varying opinions as to the interpretation of Norwegian law in respect of the right to vote nominee-registered shares. For example, Oslo Børs has in a statement made on 21 November 2003 taken the position that "nominee-shareholders" may vote in general meetings if they actually prove their shareholding prior to the general meeting.

### **12.3 ADDITIONAL ISSUANCES AND PREFERENTIAL RIGHTS**

If the Company issues any new Shares, including bonus shares (i.e. new Shares issued by a transfer from funds that the company is allowed to use to distribute dividend), the Company's articles of association must be amended, which requires a two-thirds majority of the votes cast as well as at least two-thirds of the share capital represented at a general meeting.

In addition, under Norwegian law, the Company's shareholders have a preferential right to subscribe for the new Shares on a pro rata basis in accordance with their then-current shareholdings in the Company. Preferential rights may be derogated from by resolution in a general meeting of shareholders passed by the same vote required to approve amending the articles of association. A derogation of the shareholders' preferential rights in respect of bonus issues requires the approval of all outstanding Shares.

The general meeting may, in a resolution supported by at least two-thirds of the votes cast and share capital represented, authorize the Board to issue new Shares. Such authorisation may be effective for a maximum of two years, and the nominal value of the Shares to be issued may not exceed 50% of the nominal share capital as at the time the authorization is registered with the Norwegian Register of Business Enterprises. The shareholders' preferential right to subscribe for Shares issued against consideration in cash may be set aside by the Board only if the authorization includes such possibility for the Board.

Any issue of Shares to shareholders who are citizens or residents of the United States upon the exercise of preferential rights may require the Company to file a registration statement in the United States under U.S. securities law. If the Company decides not to file a registration statement, these shareholders may not be able to exercise their preferential rights.

Under Norwegian law, bonus shares may be issued, subject to shareholder approval and provided, amongst other requirements, that the transfer is made from funds that the Company is allowed to use to distribute dividend. Any bonus issues may be effectuated either by issuing Shares or by increasing the nominal value of the Shares outstanding. If the increase in share capital is to take place by new Shares being issued, these new Shares must be allocated to the shareholders of the Company in proportion to their current shareholdings in the Company.

### **12.4 MINORITY RIGHTS**

Norwegian law contains a number of protections for minority shareholders against oppression by the majority, including but not limited to those described in this and preceding and following paragraphs. Any shareholder may petition the courts to have a decision of the Board or general meeting declared invalid on the grounds that it unreasonably favours certain shareholders or third parties to the detriment of other shareholders or the Company itself. In certain grave circumstances, shareholders may require the courts to dissolve the Company as a result of such decisions. Shareholders holding in the aggregate 5% or more of the Company's share capital have a right to

demand that the Company holds an EGM to discuss or resolve specific matters. In addition, any shareholder may demand that the Company places an item on the agenda for any general meeting as further described in section 12.1 above.

## **12.5 LEGAL CONSTRAINTS ON THE DISTRIBUTION OF DIVIDENDS**

Dividends may be paid in cash or in some instances in kind. The Norwegian Public Limited Liability Companies Act provides several constraints on the distribution of dividends:

- Pursuant to section 8-1 of the Norwegian Public Limited Liability Companies Act the Company may only distribute dividend to the extent that the Company's net assets following the distribution covers (i) the Company's share capital, (ii) the reserve for valuation differences and (iii) the reserve for unrealized gains. In the amount that may be distributed, a deduction shall be made for the aggregate nominal value of treasury shares that the Company has purchased for ownership or as security before the balance day. It shall also be made a deduction for credit and collateral etc. according to sections 8-7 to 8-10 from before the balance day which after these provisions shall lay within the scope of the funds the company may distribute as dividend. It shall however not be made a deduction for credit and collateral etc. that is reimbursed or settled before the time of decision, or credit to a shareholder to the extent that the credit is settled by a netting in the dividend.
- The calculation of the distributable equity shall be made on the basis of the balance sheet in the approved annual accounts for the last financial year, but so that the registered share capital as of the date of the resolution to distribute dividend shall apply. Following the approval of the annual accounts for the last financial year, the general meeting may also authorise the Board of Directors to declare dividend on the basis of the Company's annual accounts.
- Dividend may also be distributed by the general meeting based on an interim balance sheet which has been prepared and audited in accordance with the provisions applying to the annual accounts and with a balance sheet date not further into the past than six months before the date of the general meeting's resolution.
- Dividend may only be distributed to the extent that the Company after the distribution has a sound equity and liquidity.
- The amount of distributable dividends is calculated on the basis of the Company's separate financial statements and not on the basis of the consolidated financial statements of the Company and its subsidiaries.
- Distribution of dividends is resolved by a majority vote at the general meeting, and on the basis of a proposal from the Board. The general meeting cannot distribute a larger amount than what is proposed or accepted by the Board.

The Norwegian Public Limited Liability Companies Act does not provide for any time limit after which entitlement to dividends lapses. Subject to various exceptions, Norwegian law provides a limitation period of three years from the date on which an obligation is due. There are no dividend restrictions or specific procedures for non-Norwegian resident shareholders to claim dividends. For a description of withholding tax on dividends applicable to non-Norwegian residents, see Chapter 14 "Norwegian taxation".

## **12.6 MANDATORY TAKEOVER BIDS, SQUEZZE OUT, ETC.**

The Norwegian Securities Trading Act requires any person, entity or consolidated group who becomes the owner of Shares representing more than 1/3 of the voting rights of the Company to, within four weeks, make an unconditional general offer for the purchase of the remaining Shares in the Company. A mandatory offer obligation may also be triggered where a party acquires the right to become the owner of Shares which, aggregated with the party's own shareholding, represent more than 1/3 of the voting rights in the Company, and Oslo Børs decides that acquiring such rights must be regarded as effectively being an acquisition of the Shares in question.

The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the Shares that exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

In the mandatory offer, all shareholders shall be treated equally and the price to be paid per Share shall be at least as high as the highest price paid or agreed by the acquirer during the last 6 months prior to the date the threshold was exceeded. However, if it is clear that the market price was higher when the mandatory offer obligation was triggered, the Norwegian Securities Trading Act states that the offer price shall be at least as high as the market price. If the acquirer acquires or agrees to acquire additional Shares at a higher price prior to the expiration of the mandatory offer period, the acquirer is obliged to restate its offer at such higher price. The offer must be made in cash or contain a cash alternative at least equal in value to any non-cash offer. Pursuant to the Norwegian Securities Trading Act section 6-6, a repeated bid obligation applies when passing 40% and 50% of the votes of the Company.

In the event of a failure to make a mandatory offer or to sell the portion of the Shares that exceeds the threshold within four weeks, Oslo Børs may force the acquirer to sell the Shares exceeding the threshold by public auction. Moreover, a shareholder who fails to make an offer may not, as long as the mandatory offer obligation remains in force, exercise rights in the Company, such as voting at a general meeting, without the consent of a majority of the remaining shareholders. The shareholder may, however, exercise its 89s and pre-emption rights in the event of a share capital increase. If the shareholder neglects its duty to make a mandatory offer, Oslo Børs may impose a cumulative daily fine that runs until the circumstance has been rectified.

Any person, entity or consolidated group who has passed any of the above-mentioned relevant thresholds for a mandatory offer without triggering such an obligation due to an applicable exemption, and who has therefore not previously made an offer for the remaining Shares in the Company in accordance with the mandatory offer rules, is, as a main rule, obliged to make a mandatory offer in the event of a subsequent acquisition of Shares in the Company (subsequent offer obligation).

Pursuant to the Norwegian Public Limited Companies Act, compulsory acquisition (squeeze out) of the remaining shares may be initiated by a purchaser who has acquired 90 per cent or more of the shares (and corresponding voting rights). If the shareholders being squeezed out do not accept the purchaser's offer price, the price shall be determined through a valuation by the court. The purchaser will in any event obtain title to the shares immediately. Each of the minority shareholders have a corresponding right to require that the majority shareholder representing 90 per cent or more of the shares/votes, acquire their shares. Unless agreed, the price shall be determined through a valuation by the court.

## **12.7 DISCLOSURE OBLIGATIONS**

If a person's, entity's or consolidated group's proportion of the total issued shares and/or rights to shares in a company listed on a regulated market in Norway (with Norway as its home state, which will be the case for the Company) reaches, exceeds or falls below the respective thresholds of 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 or 90% of the share capital or the voting rights of that company, the person, entity or group in question has an obligation under the Norwegian Securities Trading Act to notify Oslo Børs and the issuer immediately. The same applies if the disclosure thresholds are passed due to other circumstances, such as a change in the Company's share capital.

The disclosure obligation also requires an investor to disclose agreements giving an investor voting rights over another party's shares if the total holding of shares and voting rights cross any of the mentioned thresholds.

## **12.8 RIGHTS OF REDEMPTION AND REPURCHASE OF SHARES**

The Company has not issued redeemable shares (i.e., shares redeemable without the shareholder's consent). The Company's share capital may be reduced by reducing the par value of the Shares. Such a decision requires the approval of two-thirds of the votes cast and share capital represented at a general meeting. Redemption of individual Shares requires the consent of the holders of the Shares to be redeemed.

The company may purchase its own Shares if an authorization to the Board to do so has been given by the shareholders at a general meeting with the approval of at least two-thirds of the aggregate number of votes cast and share capital represented. The aggregate nominal value of treasury shares so acquired and held by the Company is not permitted to exceed 10% of the Company's share capital, and treasury shares may only be acquired if the Company's distributable equity, according to the latest adopted balance sheet, exceeds the consideration to be paid for the shares. The authorization by the shareholders at the general meeting cannot be given for a period exceeding 18 months. At the date of this Prospectus, the Company has not granted such authorization to the Board and does not hold any treasury shares. A Norwegian public limited company may not subscribe for its own shares.

## **12.9 SHAREHOLDER VOTE ON CERTAIN REORGANISATIONS**

A decision to merge with another company or to demerge requires a resolution of the Company's shareholders at a general meeting passed by at least two-thirds of the votes cast and share capital represented. A merger plan or demerger plan signed by the Board along with certain other required documentation must be sent to all shareholders and registered with the Register of Business Enterprises at least one month prior to the general meeting.

## **12.10 DISTRIBUTION OF ASSETS ON LIQUIDATION**

Under Norwegian law, a company may be liquidated by a resolution of the company's shareholders in a general meeting passed by the same vote as required with respect to amendments to the articles of association. The shares rank equally in the event of a return on capital by the Company upon liquidation or otherwise.

## **12.11 ARTICLES OF ASSOCIATION**

The Company's articles of association do not contain more rigid procedures for changing shareholder rights than what is included in the Norwegian Public Limited Liability Companies Act.

The Memorandum and articles of association of Aqualis Offshore are as follows:

### **Article 1. Name**

The name of the company is Aqualis Offshore Holding ASA. The company is a public limited company.

### **Article 2. Registered Office**

The Company's registered office is located in the City of Oslo.

### **Article 3. Purpose**

The Company's purpose is to offer services to the marine & offshore industry and related industries, on its own or through ownership in other companies.

### **Article 4. Share capital**

The Company's share capital is NOK 4,319,054.40 divided into 43,190,544 shares at a par value of NOK 0.10. The shares shall be registered with the Norwegian Central Securities Depository.

### **Article 5. Board of Directors**

The Board of the Company shall be composed of 3 to 8 members.

The Board will be elected for two years at the time and the members of the Board may be re-elected. If as a result of a Board vote there is an equality of votes, the Chairman of the Board shall have the casting vote.

### **Article 6. Election Committee**

The Company shall have an Election Committee. The committee shall consist of up to three members. The members of the Committee shall be elected by the Company's General Meeting, who also appoints the Committee's Chairperson. Remuneration to the members of the Election Committee shall be determined by the Company's General Meeting. The General Meeting shall also adopt the rules of procedure for the Committee's work.

### **Article 7. Audit Committee**

The entire Board of The Company shall serve as the Company's Audit Committee provided that the Board complies with the requirements of the second sentence of the first paragraph and the second paragraph of section 6-42 of the Public Limited Liability Companies Act.

**Article 8. Signature**

The Company's signature is held jointly by two of the members of the Board. The Board may grant power of procuration.

**Article 9. Ordinary General Meeting**

The Board shall give notice of the general meeting in accordance with applicable law

The following items must be considered at the general meeting;

1. Adoption of the annual accounts and the Director's report, including the declaration of dividend.
2. Stipulation of remuneration to the Board and approval of remuneration to the auditor.
3. Election of the Chairman of the Board, members of the Board and auditor.
4. Other matters specified by statute for consideration by the general meeting.

**Article 10. Electronic distribution of annual accounts and other documents for general meetings**

Documents relating to matters which shall be considered at a general meeting does not need to be sent to the shareholders if the documents have been made available to the shareholders on the Company's website. This also includes documents that according to law shall be incorporated into or be attached to the notice of the general meeting. A shareholder may require that a document which shall be considered at a general meeting is sent to the shareholder.

**Article 11. Approval of advance voting at a general meeting**

The Board may decide that the shareholders may vote in writing, including by way of electronic communication, in a period before the general meeting. Voting in writing requires an adequately secure method to authenticate the sender.

### 13. LEGAL MATTERS

#### 13.1 LEGAL PROCEEDINGS

There are no governmental, legal or arbitration proceedings, including any such proceedings which are pending or threatened, during a period covering at least the previous 12 months which may have, or have had in the recent past significant effects on the Group's financial position or profitability.

#### 13.2 RELATED PARTY TRANSACTIONS

Ferncliff TIH AS and associated companies ("**Ferncliff**") are companies controlled by Øystein Stray Spetalen. Mr Spetalen is a Board member of the Company and, indirectly, holds approx. 23.70% of the shares in the Company. The following historical transactions related to the subsidiaries of the Group relates to Ferncliff:

##### Acquisition of Aqualis Offshore Ltd

In November 2013, when Aqualis ASA acquired 100% of the shares in Aqualis Offshore Ltd for NOK 70 Million, Ferncliff owned approx. 51% of Aqualis Offshore Ltd. The value of the consideration paid was verified by an independent expert in accordance with the Norwegian Public Limited Liability Companies Act, and approved by the shareholders of Aqualis ASA at an extraordinary general meeting.

##### Acquisition of 60% of the shares in Aqualis Offshore AS

In June 2013, Aqualis Offshore Ltd entered into an agreement to purchase 60% of the shares in Aqualis Offshore AS from Ferncliff. The purchase price was NOK 1.0 million in total, plus a future earn-out consideration. The earn-out consideration was settled in January 2014 for an amount of NOK 1.2 million, which was in accordance with the original purchase agreement and considered to be on normal market terms.

##### Interest bearing loan

In December 2013, Aqualis Offshore Ltd repaid an interest bearing loan of USD 4 million, provided by Ferncliff and other lenders. The loan carried an annual interest rate of 3 months USD LIBOR plus 2%. In December 2013, Aqualis Offshore AS repaid a loan of NOK 3 million provided by Ferncliff, which carried an annual interest rate of 3 months NIBOR plus 2%. A total interest of NOK 0.1 million was paid to Ferncliff in 2013 relating to these two loans. The loans were provided on normal market terms and repaid in accordance with the terms of the loan agreements.

##### Consultancy services

Ferncliff provided consultancy services in connection with the start-up of Aqualis Offshore Ltd during 2013. The total amount paid by Aqualis ASA to Ferncliff for consultancy services in 2013 was NOK 0.4 million. The consultancy services have been provided on normal market terms.

##### Transaction assistance

Ferncliff provided transaction assistance in connection with Aqualis ASA's acquisition of Weifa AS, including assistance in negotiations with the seller, and will be paid a success fee of NOK 5 million. Since the assistance was supplied to help existing shareholders of Aqualis ASA prior to the acquisition of Weifa realise the value of the company's healthcare operations, the agreement has been entered into with the Company (thus the same shareholder base). The fee payable by the Company 14 calendar days after Aqualis ASA's acquisition of Weifa AS has been completed. The transaction assistance has been provided on normal market terms.

##### Office space

In 2013, Aqualis ASA entered into an agreement with Ferncliff to rent office space at Sjølyst Plass 2 in Oslo and to receive certain administrative services. The agreement has a six months termination period. The total amount paid to Ferncliff under the agreement during 2013 was approx. NOK 0.1 million. The contract was entered into on normal market terms. Following the Spin-Off, the Company expects to continue to rent office space for certain members of the executive management at Sjølyst Plass 2.

#### 13.3 MATERIAL CONTRACTS OUTSIDE THE ORDINARY COURSE OF BUSINESS

For more information about the Contribution and the Transfer Agreement, see section 5.2.

## 14. NORWEGIAN TAXATION

*The following is a summary of certain Norwegian tax considerations relevant to the acquisition, ownership and disposition of shares by holders that are residents of Norway for purposes of Norwegian taxation ("**resident Shareholders**") and holders that are not residents of Norway for such purposes ("**non-resident Shareholders**").*

*The summary is based on applicable Norwegian laws, rules and regulations as they exist as at the date of this Prospectus. Such laws, rules and regulations may be subject to changes after this date, possibly on a retroactive basis for the same tax year. The summary is of a general nature and does not purport to be a comprehensive description of all the tax considerations that may be relevant to the Shareholders and does not address foreign tax laws.*

*Each Shareholder should consult with and rely upon their own tax advisor to determine the particular tax consequences for him or her and the applicability and effect of any Norwegian or foreign tax laws and possible changes in such laws.*

### 14.1 TAXATION OF DIVIDENDS

#### 14.1.1 Resident corporate Shareholders

Norwegian corporate shareholders (i.e. limited liability companies and similar entities resident in Norway for tax purposes) are generally exempt from tax on dividends received on shares in Norwegian limited liability companies and similar entities, pursuant to the participation exemption (Norwegian: *Fritaksmetoden*). However, 3% of dividend income is deemed taxable as general income at a flat rate of 27%, implying that dividends distributed from the Company to resident corporate Shareholders are effectively taxed at a rate of 0.81%.

#### 14.1.2 Resident personal Shareholders

Personal shareholders tax resident in Norway are in general tax liable to Norway for their worldwide income. Dividends distributed to personal Shareholders who are individuals resident in Norway for tax purposes, are taxed as ordinary income at a flat rate of 27 % to the extent the dividends exceed a statutory tax-free allowance (Norwegian: *Skjermingsfradrag*).

The allowance is calculated on a share-by-share basis, and the allowance for each share is equal the cost price of the share multiplied by a determined risk-free interest rate based on the effective rate after tax of interest on treasury bills (Norwegian: "*Statskasseveksler*") with three months maturity. The allowance one year will be allocated to the Shareholder owning the share on 31 December the relevant income year. Norwegian personal shareholders who transfer shares during an income year will thus not be entitled to deduct any calculated allowance related to the year of transfer. The Directorate of Taxes announces the risk free-interest rate in January the year after the income. The risk-free interest rate for 2013, announced in January 2014, was 1.1%.

Any part of the calculated allowance one year exceeding dividend distributed on the same share ("**excess allowance**") can be carried forward and set off against future dividends received on, or capital gains upon realisation of the same share. Furthermore, excess allowance can be added to the cost price of the share and included in basis for calculating the allowance on the same share the following year.

#### 14.1.3 Non-resident Shareholders

Dividends distributed to Shareholders not resident in Norway for tax purposes are in general subject to withholding tax at a rate of 25%, unless otherwise provided for in an applicable tax treaty or the recipient is covered by the specific regulations for corporate shareholders tax-resident within the European Economic Area ("**EEA**") (ref. the section below for more information on the EEA exemption). The company distributing the dividend is responsible for the withholding of tax. Norway has entered into tax treaties with approximate 80 countries. In most tax treaties the withholding tax rate is reduced to 15%.

In accordance with the present administrative system in Norway, the Norwegian distributing company will normally withhold tax at the regular rate or reduced rate according to an applicable tax treaty, based on the information registered with the VPS with regard to the tax- residence of the Foreign Shareholder. Dividends paid to Foreign Shareholders in respect of nominee- registered shares will be subject to withholding tax at the general rate of 25% unless the nominee, by agreeing to provide certain information regarding beneficial owners, has obtained approval for a reduced or zero rate from the Central Office for Foreign Tax Affairs (Norwegian: *Sentralskattekontoret for utenlandssaker*).

Non-resident Shareholders who are exempt from withholding tax and Shareholders who have been subject to a higher withholding tax than applicable in the relevant tax treaty, may apply to the Norwegian tax authorities for a refund of the excess withholding tax. The application is to be filed with the Central Office for Foreign Tax Affairs.

If a Foreign Shareholder is engaged in business activities in Norway, and the shares are effectively connected with such business activities, dividends distributed to such shareholder will generally be subject to the same taxation as that of Norwegian Shareholders, cf. the description of tax issues related to Norwegian Shareholders above.

Foreign Shareholders should consult their own advisers regarding the availability of treaty benefits in respect of dividend payments, including the ability to effectively claim refunds of withholding tax.

#### **14.1.4 Foreign Shareholders tax-resident within the EEA**

Foreign Shareholders who are individuals tax-resident within the EEA (“**Foreign EEA Personal Shareholders**”) are upon request entitled to a deductible allowance. The shareholder shall pay the lesser amount of (i) withholding tax according to the rate in an applicable tax treaty or (ii) withholding tax at 25% of taxable dividends after allowance. Foreign EEA Personal Shareholders may carry forward any unused allowance, if the allowance exceeds the dividends.

Foreign Shareholders that are corporations tax-resident within the EEA for tax purposes (“**Foreign EEA Corporate Shareholders**”) are exempt from Norwegian tax on dividends distributed from Norwegian limited liability companies, provided that the Foreign EEA Corporate Shareholder in fact is genuinely established within the EEA and manages a real economic activity within the EEA.

## **14.2 TAXATION UPON REALIZATION OF SHARES**

### **14.2.1 Resident corporate Shareholders**

Norwegian corporate Shareholders are generally exempt from tax on capital gains upon the realization of shares in Norwegian limited liability companies and similar entities. Losses upon the realization and costs incurred in connection with the purchase and realization of such shares are not deductible for tax purposes.

### **14.2.2 Resident personal Shareholders**

Norwegian individual shareholders are taxable in Norway for capital gains upon the realisation of shares, and have a corresponding right to deduct losses that arise upon such realisation. The tax liability applies irrespective of time of ownership and the number of shares realised. Gains are taxable as general income in the year of realisation, and losses can be deducted from general income in the year of realisation. The tax rate for general income is currently 27%.

The taxable gain or loss is calculated per share as the difference between the consideration received and the cost price of the share, including any costs incurred in relation to the acquisition or realization of the share. Any unused allowance on a share (see above) may be set off against capital gains related to the realization of the same share, but may not lead to or increase a deductible loss i.e. any unused allowance exceeding the capital gain upon the realization of the share will be annulled. Furthermore, unused allowance may not be set off against gains from realization of other shares.

If a Shareholder disposes of shares acquired at different times, the shares that were first acquired will be deemed as first sold (the FIFO-principle) when calculating a taxable gain or loss.

Costs incurred in connection with the purchase and sale of shares may be deducted in the year of sale.

### **14.2.3 Non-resident Shareholders**

Gains from the sale or other disposition of shares by a non-resident Shareholder will not be subject to taxation in Norway unless (i) the shares are effectively connected with business activities carried out or managed in Norway, or (ii) the shares are held by an individual who has been a resident of Norway for tax purposes with unsettled/postponed exit tax calculated on the shares at the time of cessation as Norwegian tax resident.



### **14.3 NET WEALTH TAX**

A resident Shareholder that is a joint stock company or a similar entity is exempted from net wealth tax.

For other resident Shareholders (personal Shareholders), the shares will form part of the basis for the calculation of net wealth tax. The marginal net wealth tax rate is 1% of taxable values.

Listed shares are valued at 100% of their quoted value on 1 January in the assessment year.

A non-resident Shareholder is not subject to Norwegian net wealth tax with respect to the shares, unless his shareholding is effectively connected with a business carried out by the Shareholder in Norway.

### **14.4 INHERITANCE TAX**

As of 1 January 2014 the Norwegian Inheritance Tax was abolished. However, the heir acquires the donor's tax input value of the shares based on principles of continuity. Thus, the heir will be taxable for any increase in value in the donor's ownership, at the time of the heir's realisation of the shares. However, in the case of gifts distributed to other persons than heirs according to law or testament, the recipient will be able to revalue the received shares to market value.

### **14.5 STAMP DUTY**

There is currently no Norwegian stamp duty or transfer tax on the transfer or issuance of shares.

## 15. ADDITIONAL INFORMATION

### 15.1 DOCUMENTS ON DISPLAY

Copies of the following documents will be available for inspection at the Company's business address at Sjølyst plass 2, 0278 Oslo, Norway for a period of twelve months from the date of this Prospectus.

- The Company's Articles of Association and Certificate of Incorporation
- Audited financial statements for Aqualis Offshore Holding ASA for the interim period 2 June 2014 to 30 June 2014
- Audited financial statements for Aqualis Offshore AS for the years ended 31 December 2013, 2012 and 2011
- Audited financial statements for Aqualis Offshore Marine Services LLC for the year ended 31 December 2013
- Audited financial statements for Aqualis Offshore Pte Ltd for the year ended 31 December 2013
- Audited financial statements for the years ended 31 December 2013, 2012 and 2011 for the following companies:
  - Tristein AS
  - Tristein Marine Operations & Logistics AS
  - Tristein Renewable Energy AS
  - Tristein Engineering & Survey AS
  - Tristein Stavanger AS
- Unaudited financial statements for Offshore Wind Consultants Ltd for the years ended 31 December 2013 and 2012
- Independent assurance report on pro forma financial information

### 15.2 DOCUMENTS INCORPORATED BY REFERENCE

The information incorporated by reference in this Prospectus should be read in connection with the cross reference list as set out in the table below. Except as provided in this section, no other information is incorporated by reference into this Prospectus.

Section in Prospectus	Incorporated by reference	Reference document and link
8.1	The Company's financial statements for the interim period from 2 June 2014 to 30 June 2014	<a href="http://aqualisoffshore.com/_public/prospectus/1.pdf">http://aqualisoffshore.com/_public/prospectus/1.pdf</a>
8 (introduction), 9.2, appendix C1d	Aqualis Offshore AS' financial statements for the year ended 31 December 2013 and 2012	<a href="http://aqualisoffshore.com/_public/prospectus/2.pdf">http://aqualisoffshore.com/_public/prospectus/2.pdf</a>
8 (introduction), 9.2, appendix C1d	Aqualis Offshore Marine Services LLC's financial statements for the year ended 31 December 2013	<a href="http://aqualisoffshore.com/_public/prospectus/3.pdf">http://aqualisoffshore.com/_public/prospectus/3.pdf</a>
8 (introduction), 9.2, appendix C1d	Aqualis Offshore Pte Ltd's financial statements for the year ended 31 December 2013	<a href="http://aqualisoffshore.com/_public/prospectus/4.pdf">http://aqualisoffshore.com/_public/prospectus/4.pdf</a>
8 (introduction), 9.2, appendix C2b	Tristein AS' financial statements for the year ended 31 December 2013, 2012 and 2011	<a href="http://aqualisoffshore.com/_public/prospectus/5.pdf">http://aqualisoffshore.com/_public/prospectus/5.pdf</a>
8 (introduction), 9.2, appendix C2b	Tristein Engineering & Survey AS' financial statements for the year ended 31 December 2013, 2012 and 2011	<a href="http://aqualisoffshore.com/_public/prospectus/6.pdf">http://aqualisoffshore.com/_public/prospectus/6.pdf</a>
8 (introduction), 9.2, appendix C2b	Tristein Marine Operations & Logistics AS' financial statements for the year ended 31 December 2013, 2012 and 2011	<a href="http://aqualisoffshore.com/_public/prospectus/7.pdf">http://aqualisoffshore.com/_public/prospectus/7.pdf</a>
8 (introduction), 9.2, appendix C2b	Tristein Renewable Energy AS' financial statements for the year ended 31 December 2013, 2012 and 2011	<a href="http://aqualisoffshore.com/_public/prospectus/8.pdf">http://aqualisoffshore.com/_public/prospectus/8.pdf</a>
8 (introduction), 9.2, appendix C2b	Tristein Stavanger AS' financial statements for the year ended 31 December 2013, 2012 and 2011	<a href="http://aqualisoffshore.com/_public/prospectus/9.pdf">http://aqualisoffshore.com/_public/prospectus/9.pdf</a>
8 (introduction), 9.2, appendix C3b	Offshore Wind Consultants Ltd's financial statements for the year ended 31 December 2013 and 2012	<a href="http://aqualisoffshore.com/_public/prospectus/10.pdf">http://aqualisoffshore.com/_public/prospectus/10.pdf</a>

### 15.3 STATEMENT REGARDING SOURCES

The Company confirms that when information in this Prospectus has been sourced from a third party it has been accurately reproduced and as far as the Company is aware and is able to ascertain from the information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

**16. SELLING AND TRANSFER RESTRICTIONS**

The Shares may, in certain jurisdictions, be subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of any investment in the Shares for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

***United States***

The Shares to be issued in connection with the Spin-Off as described in this Prospectus have not been and will not be registered under the United States Securities Act of 1933 or under the securities laws of any state of the United States. Accordingly, the shares may not be offered, pledged, sold, resold, granted, delivered, allotted or otherwise transferred, as applicable, in the United States or to a U.S. person, except only in transactions that are exempt from, or in transactions not subject to, registration under the U.S. Securities Act of 1933 and in compliance with any applicable state securities laws.

Because of the foregoing restrictions on the securities of Aqualis Offshore received by shareholders upon completion of the Spin-Off, all holders of such securities of Aqualis Offshore are urged to consult their legal advisors prior to disposing of Shares received in the Spin-Off to determine the extent of all applicable resale provisions.

## 17. DEFINITIONS AND GLOSSARY OF TERMS

The following definitions and glossary apply in this Prospectus unless otherwise dictated by the context, including the foregoing pages of this Prospectus.

Acquisition	On 17 June 2014, Aqualis ASA, announced that it had entered into a share purchase agreement with Weifa Holding AS on the evening of 16 June 2014 regarding the acquisition of all of the shares in Weifa AS, a Norwegian pharmaceutical company
AO Group	Aqualis Offshore Ltd and its subsidiaries
Aqualis Offshore	Aqualis Offshore Ltd
Aqualis Offshore Group	Aqualis Offshore Ltd and its subsidiaries
ASOG	Ordering guidelines
Board or Board of Directors	The board of directors of the Company
Carnegie	Carnegie AS
CAT	Customer acceptance testing
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CET	Central European Time
Company	Aqualis Offshore Holding ASA
Contribution	The transfer of all the shares in Aqualis Offshore Ltd, Tristein AS and Offshore Wind Consultants Ltd together with NOK 49,944,965 (USD 8.3 million) in interest bearing loans to Aqualis Offshore Ltd and its subsidiaries and NOK 55,000,000 (USD 9.2 million) in financial assets representing a part interest in the prepayment in relation to Aqualis ASA's acquisition of Weifa AS, all as a contribution in kind, and the contribution of NOK 65,000,000 (USD 10.8 million) in cash to Aqualis Offshore Holding ASA
DP	Dynamic positioning
EBITDA	Earnings before interest, taxes, depreciation and amortisation
EC Regulation 809/2004	Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council, as amended from time to time
E&P	Exploration & production
EEA	European Economic Area
EGM	Extraordinary general meeting
Eligible Shareholders	The Aqualis ASA shareholders as per the Record Date, less any shares issued by Aqualis ASA in the NOK 700 million private placement as approved on Aqualis ASA's extraordinary general meeting on 5 August
EU	European Union
EUR	Euro, the single currency of the European Union member states participating in the European Monetary Union
EWEA	European Wind Energy Association
Excess allowance	The calculated allowance one year exceeding dividend distributed on the same share
FAT	Factory acceptance testing
FEED	Front-end engineering design
Ferncliff	Ferncliff TIH AS and associated companies
FMEA	Failure mode and effects analysis
FME(C)A	Failure mode, effects and criticality analysis
FLNG	Floating liquefied natural gas units
Float-overs	Method for installing large topside decks onto fixed or floating platforms.
Foreign EEA Corporate Shareholders	Foreign Shareholders that are corporations tax-resident within the EEA for tax purposes
Foreign EEA Personal Shareholders	Foreign Shareholders who are individuals tax-resident within the EEA
FPSO	A floating production, storage and offloading unit
FSMA	The Financial Services and Markets Act 2000 of the UK
FSO	A floating storage and offloading unit
FTE	Full-time employee
GBP	Pound Sterling, the lawful currency of the United Kingdom
Group	Aqualis Offshore Holding ASA and its subsidiaries
HVDC	High-voltage, direct current
IFRS	International Financial Reporting Standards
IOC	International Oil Company
ISIN	Securities number in the Norwegian Central Securities Depository (VPS)
Jack-up	Mobile drilling platform with long support legs that is lowered to the sea floor
Listing	The listing of the Company's shares on Oslo Stock Exchange
Ltd	Limited

Manager	Carnegie AS
MODU	Mobile Offshore Drilling Units
MOPU	Mobile Offshore Production Units
New Aqualis	Aqualis Offshore Holding ASA
New Aqualis Group	Aqualis Offshore Holding ASA and its subsidiaries
NGAAP	Norwegian Generally Accepted Accounting Principles
NOC	National Oil Company
NOK	Norwegian Kroner, the lawful currency of the Kingdom of Norway
Non-resident Shareholders	Shareholders that are not residents of Norway
Norwegian FSA	The Financial Supervisory Authority of Norway (Nw: <i>Finanstilsynet</i> )
Norwegian Public Limited Companies Act	The Norwegian Public Limited Liability Companies Act of 13 June 1997 no. 45, as amended from time to time (Nw: <i>Allmennaksjeloven</i> )
Norwegian Securities Trading Act	The Norwegian Securities Trading Act of June 29, 2007 no. 75 as amended from time to time (Nw: <i>Verdipapirhandelloven</i> )
Offshore Wind Consultants	Offshore Wind Consultants Ltd
OWC	Offshore Wind Consultants Ltd
P&I	Protection and indemnity
The Private Placement	The NOK 700 million private placement in Aqualis ASA completed on 24 June 2014 to part finance the Acquisition of Weifa
Prospectus	This Prospectus dated 12 August 2014
Prospectus Directive	Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended from time to time
Record Date	14 August 2014
Resident Shareholders	Shareholders that are residents of Norway for purposes of Norwegian taxation
Shareholder	A holder of a Share
Shares	The ordinary shares in the capital of Aqualis Offshore, each with a par value of NOK 0.10
Spin-Off	The spin-off of Aqualis ASA's marine & offshore operations into the Company and the distribution of the shares in the Company to Aqualis ASA's shareholders
TAS	Tristein AS
TES	Tristein Engineering & Survey AS
TMOL	Tristein Marine Operations & Logistics AS
Transfer Agreement	The agreement of 24 July 2014 to transfer all the shares in Aqualis Offshore Ltd, Tristein AS and Offshore Wind Consultants Ltd from Aqualis ASA to Aqualis Offshore together with NOK 169,944,965 in cash and other financial assets
TRE	Tristein Renewable Energy AS
Tristein	Tristein AS
Tristein Group	Tristein AS and its previous subsidiaries. Effective from 1 January 2014, Tristein AS and its four subsidiaries were merged to reduce administrative and financial costs
TSA	Tristein Stavanger AS
US	United States of America
USD	United States Dollars, the lawful currency of the United States of America.
VPS	The Norwegian Central Securities Depository, which organises the Norwegian paperless securities registration system (Nw: <i>Verdipapirsentralen</i> ).
WAEP	Weighted average exercise price
WSOG	Well specific operating guidelines
WTG	Wind turbine generator

**Articles of Association  
for  
Aqualis Offshore Holding ASA  
(as amended 24 July 2014)**

**§ 1. Name**

The name of the company is Aqualis Offshore Holding ASA. The company is a public limited company.

**§ 2. Registered Office**

The Company's registered office is located in the City of Oslo.

**§ 3. Purpose**

The Company's purpose is to offer services to the marine and offshore industry and related industries, on its own or through ownership in other companies.

**§ 4. Share capital**

The Company's share capital is NOK 4,319,054.40 divided into 43,190,544 shares at a par value of NOK 0.10. The shares shall be registered with the Norwegian Central Securities Depository.

**§ 5. Board of Directors**

The Board of the Company shall be composed of 3 to 8 members.

The Board will be elected for two years at the time and the members of the Board may be re-elected. If as a result of a Board vote there is an equality of votes, the Chairman of the Board shall have the casting vote.

**§ 6. Election Committee**

The Company shall have an Election Committee. The committee shall consist of up to three members. The members of the Committee shall be elected by the Company's General Meeting, who also appoints the Committee's Chairperson. Remuneration to the members of the Election Committee shall be determined by the Company's General Meeting. The General Meeting shall also adopt the rules of procedure for the Committee's work.

**§ 7. Audit Committee**

The entire Board of The Company shall serve as the Company's Audit Committee provided that the Board complies with the requirements of the second sentence of the first paragraph and the second paragraph of section 6-42 of the Public Limited Liability Companies Act.

**§8 Signature**

The Company's signature is held jointly by two of the members of the Board. The Board may grant power of procuration.

**§ 9. Ordinary General Meeting**

The Board shall give notice of the general meeting in accordance with applicable law

The following items must be considered at the general meeting;

1. Adoption of the annual accounts and the Director's report, including the declaration

of dividend.

2. Stipulation of remuneration to the Board and approval of remuneration to the auditor.
3. Election of the Chairman of the Board, members of the Board and auditor.
4. Other matters specified by statute for consideration by the general meeting.

**§ 10. Electronic distribution of annual accounts and other documents for general meetings**

Documents relating to matters which shall be considered at a general meeting does not need to be sent to the shareholders if the documents have been made available to the shareholders on the Company's website. This also includes documents that according to law shall be incorporated into or be attached to the notice of the general meeting. A shareholder may require that a document which shall be considered at a general meeting is sent to the shareholder.

**§ 11. Approval of advance voting at a general meeting**

The Board may decide that the shareholders may vote in writing, including by way of electronic communication, in a period before the general meeting. Voting in writing requires an adequately secure method to authenticate the sender.



Statsautoriserte revisorer  
Ernst & Young AS

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Medlemmer av den norske revisorforening

*To the Board of Directors of Aqualis Offshore Holding ASA*

## **Independent Practitioners' Assurance Report on the Compilation of Pro Forma Financial Information Included in a Prospectus**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Aqualis Offshore Holding ASA (the "Company"). The pro forma financial information consists of the unaudited pro forma condensed financial position as at 31 March 2014, the unaudited pro forma condensed statement of comprehensive income for the twelve months ended 31 December 2013 and the three months ended 31 March 2014, and related description and notes as set out in section 9 of the prospectus dated 12 August 2014 (the "Prospectus") issued by the Company. The applicable criteria on the basis of which the Company has compiled the pro forma financial information are specified in EU Regulation No 809/2004 and described in section 9 of the Prospectus (the "applicable criteria").

The pro forma financial information has been compiled for illustrative purposes only to provide information about how the contribution of Aqualis Offshore Ltd and subsidiaries (Aqualis Offshore), Tristein and subsidiaries (Tristein) and Offshore Wind Consultants Ltd., together with cash, interest bearing loans and receivables by Aqualis ASA as described in section 9 of the Prospectus (the Contribution) and the issuing of Consideration Shares as set out in section 9 of the Prospectus might have affected the Company's consolidated financial position as at 31 March 2014 and the Company's consolidated financial performance for the twelve months ended 31 December 2013 and the three months ended 31 March 2014 as if the Contribution and issuance of Consideration Shares had taken place at 31 December 2013 and 1 January 2014. As part of this process, the Company has extracted financial information related to Aqualis Offshore from Aqualis ASA's consolidated financial statements and the financial statements of Tristein AS, Tristein Renewable Energy AS, Tristein Engineering & Survey AS, Tristein Marine Operations & Logistics AS, Tristein Stavanger AS and Offshore Wind Consultants Ltd for the period ended 31 December 2013 and Aqualis Offshore's, Tristein AS' and Offshore Wind Consultants Ltd unaudited condensed consolidated financial information for the three months ended 31 March 2014. No audit or review reports have been issued on the unaudited condensed consolidated financial information of the Company, Aqualis Offshore, Tristein AS or Offshore Wind Consultants Ltd for the twelve months ended 31 December 2013 or the three months ended 31 March 2014.

### *The Board of Directors' and Management's Responsibility for the Pro Forma Financial Information*

The Board of Directors and Management are responsible for compiling the pro forma financial information on the basis of the requirements of EU Regulation No 809/2004 as included in the Norwegian Securities Trading Act.



### *Practitioner's Responsibilities*

Our responsibility is to express an opinion, as required by Annex II item 7 of EU Regulation No 809/2004 about whether the pro forma financial information has been compiled by the Company on the basis stated and that this basis is consistent with the accounting policies of the Company.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board. This standard requires that the practitioner comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Company has compiled the pro forma financial information on the basis of the applicable criteria and whether this basis is consistent with the accounting policies of the Company. Our work primarily consisted of comparing the unadjusted financial information with the source documents as described in section 9 of the Prospectus, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with management of the Company.

The aforementioned opinion does not require an audit of historical unadjusted financial information, the adjustments to conform the accounting policies of Aqualis Offshore, Tristein and Offshore Wind Consultants Ltd to the accounting policies of the Company, or the assumptions summarized in section 9 of the prospectus. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in a prospectus is solely to illustrate how the contribution and the issuing of Consideration Shares might have impacted the unadjusted financial information of the entity if the transaction had been undertaken at an earlier date. Because of its nature, the Pro Forma Financial Information addresses a hypothetical situation and, therefore, does not represent the Company's actual financial position or performance. Accordingly, we do not provide any assurance that the actual outcome of the contribution of Aqualis Offshore, Tristein, Offshore Wind Consultants Ltd, together with cash, interest bearing loans and receivables from Aqualis ASA and the issuing of Consideration Shares would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled on the basis stated involves performing procedures to assess whether the applicable criteria used by the Company in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria;
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information; and
- The pro forma financial information has been compiled on a basis consistent with the accounting policies of the Company.

The procedures selected depend on the practitioner's judgment, having regard to the practitioner's understanding of the nature of the company, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Opinion*

In our opinion:

- a) The pro forma financial information has been properly compiled on the basis stated in section 9 of the Prospectus
- b) That basis is consistent with the accounting policies of the Company.

This report is issued for the sole purpose of the listing of shares on Oslo Børs (Oslo Stock Exchange) and other regulated markets in the European Union or European Economic Area, as set out in the Prospectus approved by the Financial Supervisory Authority of Norway. Therefore, this report is not appropriate in other jurisdictions and should not be used or relied upon for any purpose other than the listing described above. We accept no duty or responsibility to and deny any liability to any party in respect of any use of, or reliance upon, this report in connection with any type of transaction, including the sale of securities other than the listing of the shares on Oslo Børs as set out in the Prospectus approved by the Financial Supervisory Authority of Norway.

Oslo, 12 August 2014  
ERNST & YOUNG AS



Rolf Berge  
State Authorised Public Accountant (Norway)

## APPENDIX C - APPENDIX TO THE PRO FORMA FINANCIAL INFORMATION

### APPENDIX C1 – Aqualis Offshore Group consolidation and currency translation schedules

In appendix C1, the abbreviations below have the following meaning:

UK, HQ:	Aqualis Offshore Ltd
UK:	Aqualis Offshore UK Ltd
Norway:	Aqualis Offshore AS
Singapore:	Aqualis Offshore Pte Ltd
Brazil:	Aqualis Offshore Serviços Ltda
UAE:	Aqualis Offshore Marine Services LLC
US:	Aqualis Offshore Inc.

The information incorporated by reference in this Prospectus shall be read in connection with the cross-reference list set out in section 15.2.

#### C1a: Aqualis Offshore Group Q1 2014 - USD

USD 1,000	Note	Unaudited UK, HQ Jan-Mar 2014	Unaudited UK Jan-Mar 2014	Unaudited Norway Jan-Mar 2014	Unaudited Singapore Jan-Mar 2014	Unaudited Brazil Jan-Mar 2014	Unaudited UAE Jan-Mar 2014	Unaudited US Jan-Mar 2014	Eliminations	Unaudited AO Group Jan-Mar 2014
Revenue	1	-	2	519	1 599	783	1 529	446	(357)	4 521
Government grants		-	-	-	-	-				-
Other income		-	-	-	-	-				-
<b>Total operating income</b>		-	2	519	1 599	783	1 529	446	(357)	4 521
Payroll and payroll related costs		(356)	-	(550)	(508)	(351)	(897)	(387)		(3 048)
Depreciation, amortization and impairment	2	(1)	(5)	(6)	(40)	(1)	(26)	(24)	(96)	(200)
Other operating costs	1	(196)	(4)	(153)	(875)	(274)	(543)	(66)	357	(1 754)
<b>Total operating expenses</b>		<b>(553)</b>	<b>(9)</b>	<b>(709)</b>	<b>(1 423)</b>	<b>(626)</b>	<b>(1 466)</b>	<b>(477)</b>	<b>261</b>	<b>(5 002)</b>
<b>Operating profit /loss (EBIT)</b>		<b>(553)</b>	<b>(7)</b>	<b>(190)</b>	<b>176</b>	<b>157</b>	<b>63</b>	<b>(31)</b>	<b>(96)</b>	<b>(481)</b>
Finance income		30	-	1	55	1	(5)	(1)		81
Finance costs		(26)	-	(4)	(3)	(1)	(8)	(2)		(44)
<b>Loss before tax</b>		<b>(549)</b>	<b>(7)</b>	<b>(193)</b>	<b>228</b>	<b>157</b>	<b>50</b>	<b>(34)</b>	<b>(96)</b>	<b>(444)</b>
Income tax expense		-	-	-	(31)	-	-	-	26	(5)
<b>Profit/(Loss) for the period</b>		<b>(549)</b>	<b>(7)</b>	<b>(193)</b>	<b>197</b>	<b>157</b>	<b>50</b>	<b>(34)</b>	<b>(70)</b>	<b>(449)</b>
					0					
<b>Other comprehensive income</b>										
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>										
Currency translation differences										490
Income tax effect										
<b>Total comprehensive income of the year</b>										<b>41</b>
<b>Total comprehensive income from the year, net tax attributable to:</b>										
Equity holders of the parent company										15
Non-controlling interest										-
<b>Total</b>										<b>15</b>

Note 1: Elimination of intercompany sales

Note 2: Amortisation of customer contracts from acquisition of Aqualis Offshore Ltd.

*Exchange rates:*

	Jan	Feb	March
GBP	1.648	1.662	1.663
NOK	0.160	0.165	0.167
SGD	0.784	0.787	0.792
BRL	0.420	0.425	0.435
AED	0.272	0.273	0.272

For figures in local currencies, see appendix C1b.

C1b: Aqualis Offshore Group Q1 2014 – local currency

1,000	Unaudited UK, HQ Jan-Mar 2014 GBP	Unaudited UK Jan-Mar 2014 GBP	Unaudited Norway Jan-Mar 2014 NOK	Unaudited Singapore Jan-Mar 2014 SGD	Unaudited Brazil Jan-Mar 2014 BRL	Unaudited UAE Jan-Mar 2014 AED	Unaudited US Jan-Mar 2014 USD
Revenue	-	1	3 142	2 028	1 834	5 614	446
Government grants	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-
<b>Total operating income</b>	<b>-</b>	<b>1</b>	<b>3 142</b>	<b>2 028</b>	<b>1 834</b>	<b>5 614</b>	<b>446</b>
Payroll and payroll related costs	(214)	-	(3 349)	(645)	(823)	(3 292)	(387)
Depreciation, amortization and impairment	(1)	(3)	(38)	(50)	(2)	(97)	(24)
Other operating costs	(118)	(2)	(932)	(1 109)	(639)	(1 994)	(66)
<b>Total operating expenses</b>	<b>(333)</b>	<b>(5)</b>	<b>(4 319)</b>	<b>(1 804)</b>	<b>(1 465)</b>	<b>(5 383)</b>	<b>(477)</b>
<b>Operating profit /loss (EBIT)</b>	<b>(333)</b>	<b>(4)</b>	<b>(1 177)</b>	<b>224</b>	<b>369</b>	<b>232</b>	<b>(31)</b>
Finance income	18	-	6	70	2	(18)	(1)
Finance costs	(16)	-	(24)	(4)	(3)	(29)	(2)
<b>Loss before tax</b>	<b>(331)</b>	<b>(4)</b>	<b>(1 195)</b>	<b>290</b>	<b>368</b>	<b>184</b>	<b>(34)</b>
Income tax expense	-	-	-	39	-	-	-
<b>Profit/(Loss) for the period</b>	<b>(331)</b>	<b>(4)</b>	<b>(1 195)</b>	<b>251</b>	<b>368</b>	<b>184</b>	<b>(34)</b>

The figures above have been based on unaudited trial balances for each subsidiary.

## C1c: Aqualis Offshore Group for the period 1 January to 31 December 2013 - USD

USD 1,000	Note	Unaudited UK, HQ Jan-Dec 2013	Unaudited UK Jan-Dec 2013	Unaudited Norway Jan-Dec 2013	Unaudited Singapore Jan-Dec 2013	Unaudited Brazil Jan-Dec 2013	Unaudited UAE Jan-Dec 2013	Unaudited US Jan-Dec 2013	Eliminations	Unaudited AO Group Jan-Dec
Revenue	1	-	274	1 413	1 905	911	1 371	618	(299)	6 194
Government grants		-	-	-	-	-	-	-	-	-
Other income		-	-	-	-	-	-	-	-	-
<b>Total operating income</b>		<b>-</b>	<b>274</b>		<b>1 905</b>	<b>911</b>	<b>1 371</b>	<b>618</b>	<b>(299)</b>	<b>6 194</b>
Payroll and payroll related costs		(210)	(115)	(1 314)	(1 098)	(638)	(1 157)	(470)		(5 002)
Depreciation, amortization and impairment	2	(1)	(2)	(16)	(62)	(2)	(27)	(13)	(64)	(187)
Other operating costs	1, 3	(531)	(219)	(665)	(1 189)	(600)	(747)	(204)	(99)	(4 056)
<b>Total operating expenses</b>		<b>(742)</b>	<b>(336)</b>	<b>(1 995)</b>	<b>(2 349)</b>	<b>(1 240)</b>	<b>(1 931)</b>	<b>(687)</b>	<b>(163)</b>	<b>(9 245)</b>
<b>Operating profit /loss (EBIT)</b>		<b>(742)</b>	<b>(62)</b>	<b>(582)</b>	<b>(444)</b>	<b>(328)</b>	<b>(560)</b>	<b>(69)</b>	<b>(264)</b>	<b>(3 051)</b>
Finance income		124	-	1	-	-	-	-		125
Finance costs		(51)	(9)	(15)	(26)	(3)	(17)	(6)		(127)
<b>Loss before tax</b>		<b>(669)</b>	<b>(71)</b>	<b>(596)</b>	<b>(470)</b>	<b>(331)</b>	<b>(577)</b>	<b>(73)</b>	<b>(264)</b>	<b>(3 053)</b>
Income tax expense		-	-	-	-	-	-	-		-
<b>Profit/(Loss) for the period</b>		<b>(669)</b>	<b>(71)</b>	<b>(596)</b>	<b>(470)</b>	<b>(331)</b>	<b>(557)</b>	<b>(73)</b>	<b>(264)</b>	<b>(3 053)</b>
<b>Other comprehensive income</b>										
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>										
Currency translation differences										(163)
Income tax effect										
<b>Total comprehensive income of the year</b>										<b>(3 216)</b>
<b>Total comprehensive income from the year, net tax attributable to:</b>										
Equity holders of the parent company										(3 216)
Non-controlling interest										-
<b>Total</b>										<b>(3 216)</b>

Note 1: Elimination of intercompany sales (USD 299)

Note 2: Amortisation of customer contracts from acquisition of Aqualis Offshore Ltd. (USD 64)

Note 3: Historical transaction costs related to acquisition of Aqualis Offshore Ltd. (USD 200)

### Exchange rates (12 months):

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
GBP	1.577	1.513	1.519	1.551	1.516	1.521	1.517	1.550	1.614	1.605	1.635	1.651
NOK	0.180	0.180	0.173	0.173	0.172	0.170	0.166	0.164	0.167	0.170	0.164	0.164
SGD	0.810	0.807	0.803	0.808	0.801	0.793	0.788	0.784	0.795	0.807	0.797	0.791
BRL	0.491	0.506	0.503	0.499	0.492	0.460	0.444	0.423	0.443	0.457	0.430	0.423
AED	0.272	0.272	0.272	0.272	0.272	0.272	0.272	0.272	0.272	0.272	0.272	0.272
USD	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

For figures in local currencies, see appendix C1d.

**C1d: Aqualis Offshore Group for the period 1 January to 31 December 2013 – local currency**

1,000	Note	Unaudited UK, HQ Jan-Dec 2013 GBP	Unaudited UK Jan-Dec 2013 GBP	Unaudited Norway Jan-Dec 2013 NOK	Unaudited Singapore Jan-Dec 2013 SGD	Unaudited Brazil Jan-Dec 2013 BRL	Unaudited UAE Jan-Dec 2013 AED	Unaudited US Jan-Dec 2013 USD
Revenue		-	176	8 616	2 399	2 088	5 037	618
Government grants		-	-	-	-	-	-	-
Other income		-	-	-	-	-	-	-
<b>Total operating income</b>		<b>-</b>	<b>176</b>	<b>8 616</b>	<b>2 399</b>	<b>2 088</b>	<b>5 037</b>	<b>618</b>
Payroll and payroll related costs		(146)	(74)	(7 143)	(1 316)	(1 442)	(4 249)	(504)
Depreciation, amortization and impairment		(1)	(1)	(85)	(78)	(5)	(100)	(13)
Other operating costs		(339)	(160)	(4 642)	(1 618)	(1 556)	(2 903)	(205)
<b>Total operating expenses</b>		<b>(486)</b>	<b>(235)</b>	<b>(11 872)</b>	<b>(3 012)</b>	<b>(3 003)</b>	<b>(7 252)</b>	<b>(722)</b>
<b>Operating profit /loss (EBIT)</b>		<b>(486)</b>	<b>(59)</b>	<b>(3 254)</b>	<b>(613)</b>	<b>(915)</b>	<b>(2 215)</b>	<b>(104)</b>
Finance income		76	-	51	-	-	-	-
Finance costs		(32)	(6)	(128)	(31)	(6)	(61)	(6)
<b>Loss before tax</b>		<b>(442)</b>	<b>(65)</b>	<b>(3 331)</b>	<b>(644)</b>	<b>(921)</b>	<b>(2 276)</b>	<b>(110)</b>
Income tax expense		-	-	-	-	-	-	-
<b>Profit/(Loss) for the period</b>		<b>(442)</b>	<b>(65)</b>	<b>(3 331)</b>	<b>(644)</b>	<b>(921)</b>	<b>(2 276)</b>	<b>(110)</b>

Audited financial statements for the year ended 31 December 2013 for Aqualis Offshore AS (Norway in the table above) prepared in accordance with the Norwegian Accounting Act and NGAAP are incorporated by reference to this Prospectus.

Audited financial statements for the year ended 31 December 2013 for Aqualis Offshore Marine Services LLC (UAE in the table above) according to IFRS (and the applicable provisions of the articles of association of the company and the UAE Commercial Companies Law of 1984) are incorporated by reference to this Prospectus.

Audited financial statements for the year ended 31 December 2013 for Aqualis Offshore Pte Ltd (Singapore in the table above) according to Singapore Companies Act and Singapore Financial Reporting Standards are incorporated by reference to this Prospectus.

Other than the abovementioned three subsidiaries, none of the subsidiaries of Aqualis Offshore Ltd has been required to prepare audited financial statements for the year ended 31 December 2013.

## C1e: Aqualis Offshore Group for the period 1 November to 31 December 2013 – USD

USD 1,000	Note	Unaudited UK, HQ Nov-Dec 2013	Unaudited UK Nov-Dec 2013	Unaudited Norway Nov-Dec 2013	Unaudited Singapore Nov-Dec 2013	Unaudited Brazil Nov-Dec 2013	Unaudited UAE Nov-Dec 2013	Unaudited US Nov-Dec 2013	Eliminations	Unaudited AO Group Nov-Dec 2013
Revenue	1	-	8	280	805	456	581	240	(126)	2 241
Government grants		-	-	-	-	-	-	-	-	-
Other income		-	-	-	-	-	-	-	-	-
<b>Total operating income</b>		-	<b>8</b>	<b>280</b>	<b>805</b>	<b>456</b>	<b>581</b>	<b>240</b>	<b>(126)</b>	<b>2 241</b>
Payroll and payroll related costs		(95)	(3)	(317)	(376)	(245)	(509)	(243)	-	(1 790)
Depreciation, amortization and impairment	2	(1)	(2)	(4)	(22)	(1)	(10)	(8)	(64)	(110)
Other operating costs	1	(125)	(36)	(192)	(488)	(228)	(252)	(84)	(126)	(1 278)
<b>Total operating expenses</b>		<b>(221)</b>	<b>(41)</b>	<b>(513)</b>	<b>(886)</b>	<b>(474)</b>	<b>(771)</b>	<b>(334)</b>	<b>(180)</b>	<b>(3 178)</b>
<b>Operating profit /loss (EBIT)</b>		<b>(221)</b>	<b>(33)</b>	<b>(235)</b>	<b>(81)</b>	<b>(18)</b>	<b>(190)</b>	<b>(95)</b>	<b>(64)</b>	<b>(938)</b>
Finance income		124	-	-	-	-	-	-	-	124
Finance costs		(10)	(5)	(8)	(13)	(3)	(17)	(6)	-	(60)
<b>Loss before tax</b>		<b>(106)</b>	<b>(38)</b>	<b>(243)</b>	<b>(94)</b>	<b>(20)</b>	<b>(206)</b>	<b>(100)</b>	<b>(64)</b>	<b>(874)</b>
Income tax expense		-	-	-	-	-	-	-	-	-
<b>Profit/(Loss) for the period</b>		<b>(106)</b>	<b>(38)</b>	<b>(243)</b>	<b>(94)</b>	<b>(20)</b>	<b>(206)</b>	<b>(100)</b>	<b>(64)</b>	<b>(874)</b>
<b>Other comprehensive income</b>										
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>										
Currency translation differences										65
Income tax effect										
<b>Total comprehensive income of the year</b>										<b>(808)</b>
<b>Total comprehensive income from the year, net tax attributable to:</b>										
Equity holders of the parent company										(808)
Non-controlling interest										-
<b>Total</b>										<b>(808)</b>

Note 1: Elimination of intercompany sales

Note 2: Amortisation of customer contracts from acquisition of Aqualis Offshore Ltd.

	Nov	Dec
GBP	1.635	1.651
NOK	0.164	0.164
SGD	0.797	0.791
BRL	0.430	0.423
AED	0.272	0.272
USD	1.000	1.000

For figures in local currencies, see appendix C1f.

**C1f: Aqualis Offshore Group for the period 1 November to 31 December 2013 – local currency**

1,000	Note	Unaudited UK, HQ Nov-Dec 2013 GBP	Unaudited UK Nov-Dec 2013 GBP	Unaudited Norway Nov-Dec 2013 NOK	Unaudited Singapore Nov-Dec 2013 SGD	Unaudited Brazil Nov-Dec 2013 BRL	Unaudited UAE Nov-Dec 2013 AED	Unaudited US Nov-Dec 2013 USD
Revenue		-	5	1 709	1 015	1 069	2 134	240
Government grants		-	-	-	-	-	-	-
Other income		-	-	-	-	-	-	-
<b>Total operating income</b>		<b>-</b>	<b>5</b>	<b>1 709</b>	<b>1 015</b>	<b>1 069</b>	<b>2 134</b>	<b>240</b>
Payroll and payroll related costs		(57)	(2)	(1 932)	(411)	(485)	(1 871)	(243)
Depreciation, amortization and impairment		(1)	(1)	(22)	(28)	(2)	(35)	(8)
Other operating costs		(76)	(43)	(1 472)	(733)	(727)	(1 084)	(84)
<b>Total operating expenses</b>		<b>(134)</b>	<b>(49)</b>	<b>(3 425)</b>	<b>(1 172)</b>	<b>(1 214)</b>	<b>(2 990)</b>	<b>(334)</b>
<b>Operating profit /loss (EBIT)</b>		<b>(134)</b>	<b>(44)</b>	<b>(1 716)</b>	<b>(157)</b>	<b>(145)</b>	<b>(856)</b>	<b>(95)</b>
Finance income		76	-	-	-	-	-	-
Finance costs		(7)	(3)	(47)	(16)	(6)	(61)	(6)
<b>Loss before tax</b>		<b>(65)</b>	<b>(47)</b>	<b>(1 763)</b>	<b>(173)</b>	<b>(151)</b>	<b>(917)</b>	<b>(100)</b>
Income tax expense		-	-	-	-	-	-	-
<b>Profit/(Loss) for the period</b>		<b>(65)</b>	<b>(47)</b>	<b>(1 763)</b>	<b>(173)</b>	<b>(151)</b>	<b>(917)</b>	<b>(100)</b>

The figures above have been based on unaudited trial balances for each subsidiary.



## C1g: Aqualis Offshore Group for the period 1 January to 31 October 2013 – USD

USD 1,000	Note	Unaudited UK, HQ Jan-Oct 2013	Unaudited UK Jan-Oct 2013	Unaudited Norway Jan-Oct 2013	Unaudited Singapore Jan-Oct 2013	Unaudited Brazil Jan-Oct 2013	Unaudited UAE Jan-Oct 2013	Unaudited US Jan-Oct 2013	Eliminations	Unaudited AO Group Jan-Oct 2013
Revenue	1	-	266	1 137	1 100	455	790	378	(173)	3 953
Government grants		-	-	-	-	-	-	-	-	-
Other income		-	-	-	-	-	-	-	-	-
<b>Total operating income</b>		-	<b>266</b>	<b>1 137</b>	<b>1 100</b>	<b>455</b>	<b>790</b>	<b>378</b>	<b>(173)</b>	<b>3 953</b>
Payroll and payroll related costs		(139)	(112)	(892)	(722)	(438)	(648)	(261)		(3 212)
Depreciation, amortization and impairment		-	-	(12)	(40)	(2)	(18)	(5)		(77)
Other operating costs	1,2	(406)	(183)	(473)	(701)	(372)	(495)	(121)	(27)	(2 778)
<b>Total operating expenses</b>		<b>(545)</b>	<b>(295)</b>	<b>(1 376)</b>	<b>(1 463)</b>	<b>(813)</b>	<b>(1 160)</b>	<b>(386)</b>	<b>(27)</b>	<b>(6 067)</b>
<b>Operating profit /loss (EBIT)</b>		<b>(545)</b>	<b>(29)</b>	<b>(240)</b>	<b>(363)</b>	<b>(357)</b>	<b>(370)</b>	<b>(8)</b>	<b>(200)</b>	<b>(2 114)</b>
Finance income		-	-	1	-	-	-	-		1
Finance costs		(41)	(4)	(9)	(13)	-	-	-		(67)
<b>Loss before tax</b>		<b>(586)</b>	<b>(33)</b>	<b>(247)</b>	<b>(376)</b>	<b>(357)</b>	<b>(370)</b>	<b>(8)</b>	<b>(200)</b>	<b>(2 180)</b>
Income tax expense		-	-	-	-	-	-	-		-
<b>Profit/(Loss) for the period</b>		<b>(586)</b>	<b>(33)</b>	<b>(247)</b>	<b>(376)</b>	<b>(357)</b>	<b>(370)</b>	<b>(8)</b>	<b>(200)</b>	<b>(2 180)</b>
<b>Other comprehensive income</b>										
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>										
Currency translation differences										(228)
Income tax effect										
<b>Total comprehensive income of the year</b>										<b>(2 408)</b>
<b>Total comprehensive income from the year, net tax attributable to:</b>										
Equity holders of the parent company										(2 408)
Non-controlling interest										-
<b>Total</b>										<b>(2 408)</b>

Note 1: Elimination of intercompany sales (USD 173)

Note 2: Historical transaction costs related to acquisition of Aqualis Offshore Ltd (USD 200)

*Exchange rates (10 months):*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
GBP	1.577	1.513	1.519	1.551	1.516	1.521	1.517	1.550	1.614	1.605
NOK	0.180	0.180	0.173	0.173	0.172	0.170	0.166	0.164	0.167	0.170
SGD	0.810	0.807	0.803	0.808	0.801	0.793	0.788	0.784	0.795	0.807
BRL	0.491	0.506	0.503	0.499	0.492	0.460	0.444	0.423	0.443	0.457
AED	0.272	0.272	0.272	0.272	0.272	0.272	0.272	0.272	0.272	0.272
USD	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

For figures in local currencies, see appendix C1h.

**C1h: Aqualis Offshore Group for the period 1 January to 31 October 2013 – local currency**

USD 1,000	Unaudited UK, HQ Jan-Oct 2013 GBP	Unaudited UK Jan-Oct 2013 GBP	Unaudited Norway Jan-Oct 2013 NOK	Unaudited Singapore Jan-Oct 2013 SGD	Unaudited Brazil Jan-Oct 2013 BRL	Unaudited UAE Jan-Oct 2013 AED	Unaudited US Jan-Oct 2013 US
Revenue	-	171	6 907	1 384	1 019	2 903	378
Government grants	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-
<b>Total operating income</b>	-	171	<b>6 907</b>	<b>1 384</b>	<b>1 019</b>	<b>2 903</b>	<b>378</b>
Payroll and payroll related costs	(89)	(72)	(5 211)	(905)	(957)	(2 378)	(261)
Depreciation, amortization and impairment	-	-	(63)	(50)	(3)	(65)	(5)
Other operating costs	(263)	(117)	(3 171)	(885)	(829)	(1 819)	(121)
<b>Total operating expenses</b>	<b>(352)</b>	<b>(189)</b>	<b>(8 445)</b>	<b>(1 840)</b>	<b>(1 789)</b>	<b>(4 262)</b>	<b>(386)</b>
<b>Operating profit /loss (EBIT)</b>	<b>(352)</b>	<b>(18)</b>	<b>(1 538)</b>	<b>(456)</b>	<b>(770)</b>	<b>(1 359)</b>	<b>(8)</b>
Finance income	-	-	6	-	-	-	-
Finance costs	(25)	(3)	(54)	(15)	-	-	-
<b>Loss before tax</b>	<b>(377)</b>	<b>(21)</b>	<b>(1 586)</b>	<b>(471)</b>	<b>(770)</b>	<b>(1 359)</b>	<b>(8)</b>
Income tax expense	-	-	-	-	-	-	-
<b>Profit/(Loss) for the period</b>	<b>(377)</b>	<b>(21)</b>	<b>(1 586)</b>	<b>(471)</b>	<b>(770)</b>	<b>(1 359)</b>	<b>(8)</b>

The figures above have been based on unaudited trial balances for each subsidiary.

## APPENDIX C2 – Tristein AS consolidation and currency translation tables

### C2a: Tristein AS Q1 2014

1,000	Unaudited Tristein AS Q1 2014 NOK	Unaudited Tristein AS Q1 2014 USD
Revenue	9 111	1 511
Government grants	-	-
Other income	-	-
<b>Total operating income</b>	<b>9 111</b>	<b>1 511</b>
Payroll and payroll related costs	(5 332)	(884)
Depreciation, amortization and impairment	-	-
Other operating costs	(3 551)	(589)
<b>Total operating expenses</b>	<b>(8 883)</b>	<b>(1 473)</b>
<b>Operating profit / loss (EBIT)</b>	<b>228</b>	<b>38</b>
Finance income	24	4
Finance costs	(4)	(1)
<b>Loss before tax</b>	<b>248</b>	<b>41</b>
Income tax expense	-	-
<b>Profit/(Loss) for the period</b>	<b>248</b>	<b>41</b>
<b>Other comprehensive income</b>		
Currency translation differences	-	30
Income tax effect	-	-
<b>Total comprehensive income of the year</b>	<b>248</b>	<b>72</b>
Equity holders of the parent company	248	72
Non-controlling interest	-	-
<b>Total</b>	<b>248</b>	<b>72</b>

The figures for Tristein AS has been translated from NOK to USD using an average NOK/USD exchange rate of 6.030 for the period based on exchange rate figures published by Norges Bank.

## C2b: Tristein Group 2013

1,000	Note	Audited TAS 2013 NOK	Audited TMOL 2013 NOK	Audited TES 2013 NOK	Audited TRE 2013 NOK	Audited TSA 2013 NOK	Unaudited Elimination	Unaudited Tristein Group 2013 NOK	Unaudited Tristein Group 2013 USD
Revenue	1	9 652	38 220	6 399	2 279	5 081	(17 109)	44 522	7 576
Government grants		-	-	-	-	-	-	-	-
Other income		-	-	-	-	-	-	-	-
<b>Total operating income</b>		<b>9 652</b>	<b>38 220</b>	<b>6 399</b>	<b>2 279</b>	<b>5 081</b>	-	<b>44 522</b>	<b>7 576</b>
Purchase sub-contractors	1	(27)	(16 672)	(1 492)	(481)	(1 475)	20 147	-	-
Payroll and payroll related costs		(5 554)	(9 393)	(3 090)	(1 386)	(2 107)	-	(21 530)	(3 664)
Depreciation, amortization and impairment		(44)	(22)	(11)	-	(20)	-	(96)	(16)
Other operating costs		(4 027)	(6 261)	(2 255)	(937)	(1 311)	(3 038)	(17 831)	(3 034)
Other income		-	-	-	-	-	-	-	-
<b>Total operating expenses</b>		<b>(9 653)</b>	<b>(32 348)</b>	<b>(6 848)</b>	<b>(2 804)</b>	<b>(4 914)</b>	-	<b>(39 457)</b>	<b>(6 714)</b>
<b>Operating profit /loss (EBIT)</b>		<b>(1)</b>	<b>5 872</b>	<b>(449)</b>	<b>(524)</b>	<b>168</b>	-	<b>5 065</b>	<b>862</b>
Finance income	2	5 391	132	6	29	20	(5 271)	307	52
Finance costs		(26)	(6)	(6)	(1)	(0)	-	(38)	(7)
<b>Loss before tax</b>		<b>5 365</b>	<b>5 998</b>	<b>(450)</b>	<b>(496)</b>	<b>188</b>	-	<b>5 335</b>	<b>908</b>
Income tax expense	2	(1 504)	(1 685)	1	-	(53)	1 476	1 766	-
<b>Profit/(Loss) for the period</b>		<b>3 861</b>	<b>4 313</b>	<b>(449)</b>	<b>(496)</b>	<b>135</b>	-	<b>3 569</b>	<b>908</b>
<b>Other comprehensive income</b>									
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>									
Currency translation differences		-	-	-	-	-	-	-	(113)
Income tax effect		-	-	-	-	-	-	-	-
<b>Total comprehensive income of the year</b>		<b>3 861</b>	<b>4 313</b>	<b>(449)</b>	<b>(496)</b>	<b>135</b>		<b>3 569</b>	<b>795</b>
<b>Total comprehensive income from the year, net tax attributable to:</b>									
Equity holders of the parent company		3 861	4 313	(449)	(496)	135		3 569	795
Non-controlling interest		-	-	-	-	-		-	-
<b>Total</b>		<b>3 861</b>	<b>4 313</b>	<b>(449)</b>	<b>(496)</b>	<b>135</b>		<b>3 569</b>	<b>795</b>

Note 1: Elimination of intercompany sales

Note 2: Eliminations of group contribution

Audited financial statements for the years ended 31 December 2013, 2012 and 2011 for Tristein AS and its four subsidiaries Tristein Marine Operations & Logistics AS, Tristein Renewable Energy AS and Tristein Engineering & Survey AS and Tristein Stavanger AS according to the Norwegian Accounting Act and the NGAAP are incorporated by reference to this Prospectus. In January 2014, Tristein AS and its four subsidiaries were merged into one entity Tristein AS.

The figures for the Tristein Group has been translated from NOK to USD using an average NOK/USD exchange rate of 5.8768 for the period based on exchange rate figures published by Norges

## APPENDIX C3 – Offshore Wind Consultants Ltd currency translation tables

### C3a: Offshore Wind Consultants Ltd Q1 2014

1,000	Unaudited OWC Q1 2014 GBP	Unaudited OWC Q1 2014 USD
Revenue	198	331
Government grants	-	-
Other income	-	-
<b>Total operating income</b>	<b>198</b>	<b>331</b>
Payroll and payroll related costs	(109)	(183)
Depreciation, amortization and impairment	-	-
Other operating costs	(72)	(121)
<b>Total operating expenses</b>	<b>(182)</b>	<b>(304)</b>
<b>Operating profit / loss (EBIT)</b>	<b>16</b>	<b>27</b>
Finance income	-	-
Finance costs	-	-
<b>Loss before tax</b>	<b>16</b>	<b>27</b>
Income tax expense	(3)	(5)
<b>Profit/(Loss) for the period</b>	<b>13</b>	<b>22</b>
<b>Other comprehensive income</b>		
Currency translation differences	-	(14)
Income tax effect	-	-
<b>Total comprehensive income of the year</b>	<b>13</b>	<b>8</b>
Equity holders of the parent company	13	8
Non-controlling interest	-	-
<b>Total</b>	<b>13</b>	<b>8</b>

The figures for Offshore Wind Consultants Ltd has been translated from GBP to USD using an average GBP/USD exchange rate of 1.672 for the period based on exchange rate figures published by Norges Bank.

### C3b: Offshore Wind Consultants 2013

Local currency (1,000)	Unaudited OWC 2013 GBP	Unaudited OWC 2013 GBP
Revenue	783	1 225
Government grants	-	-
Other income	-	-
<b>Total operating income</b>	<b>783</b>	<b>1 225</b>
Payroll and payroll related costs	(361)	(565)
Depreciation, amortization and impairment	-	-
Other operating costs	(330)	(516)
<b>Total operating expenses</b>	<b>(691)</b>	<b>(1 081)</b>
<b>Operating profit /loss (EBIT)</b>	<b>92</b>	<b>144</b>
Finance income	-	-
Finance costs	(2)	(3)
<b>Loss before tax</b>	<b>90</b>	<b>141</b>
Income tax expense	18	28
<b>Profit/(Loss) for the period</b>	<b>72</b>	<b>113</b>
<b>Other comprehensive income</b>		
Currency translation differences	-	9
Income tax effect	-	-
<b>Total comprehensive income of the year</b>	<b>72</b>	<b>121</b>
Equity holders of the parent company	72	121
Non-controlling interest	-	-
<b>Total</b>	<b>72</b>	<b>121</b>

The figures for Offshore Wind Consultants Ltd has been translated from GBP to USD using an average GBP/USD exchange rate of 1.565 for the period based on exchange rate figures published by Norges Bank.

Offshore Wind Consultants Ltd was incorporated on 25 November 2011, and the financial statements for the year ended 31 December 2012 include the period 25 November 2011 to 31 December 2012. The financial statements for the year ended 31 December 2013 includes the period 1 January 2013 to 31 December 2013. Unaudited financial statements for Offshore Wind Consultants Ltd since incorporation in accordance with UK GAAP and the Financial Reporting Standard for Smaller Entities (effective 2008) are incorporated by reference to this Prospectus. Following an exception for small entities, the financial statements of Offshore Wind Consultants Ltd are not audited.



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