AQUALIS ASA

ANNUAL REPORT 2014

AQUALIS

AQUALIS
OFFSHORE

KEY FINANCIAL FIGURES

Key figures from P&L (USD 1 000)

	2014	2013*
Total operating income	31 937	2 241
Payroll and payroll related costs	18 563	1 790
Other operating costs	14 575	1 278
Proft/(Loss) after tax	-250	-873

Key figures from the balance sheet (USD 1 000)

Cash & cash equivalents	21 790	838
Borrowings	-	5 174
Total assets	51 348	19 901
Total equity	44 447	12 335

Share data

Earnings per share (USD)	-0.01
Number of shares outstanding as at 31.12	43 190 544
Number of employee share options outstanding at 31.12	750 000
Share price at 31.12 (NOK)	7.55

* Figures for FY 2013 represent historical figures from Weifa ASA's (former Aqualis ASA) group accounts related to the spin-off of the Aqualis Offshore business. Aqualis Offshore which is now part of Aqualis ASA group was acquired by Weifa ASA in November 2013. Thus, no financial data is shown for the period prior to the acquisition in November 2013. There are no share data available for 2013.

Financial calendar 2015

EVENT	DATE
First quarter results	28 April
Annual General Meeting	22 May
Second quarter results	26 August
Third quarter results	27 October

Ticker symbol

Oslo Børs	AQUA
Reuters	AQUA:OL
Bloomberg	AQUA:NO

HIGHLIGHTS 2014

In August 2014, the specialized marine and offshore engineering consultancy businesses of Weifa ASA (previously Aqualis ASA) was spun off and listed on the Oslo stock exchange (OSE) and subsequently took over the name of Aqualis ASA (OSE: AQUA). Although the listing as a dedicated marine and offshore consultancy business did not represent a material operational change for the company's employees or customers, it provided existing and potential shareholders with a much clearer investment profile for the "new" Aqualis ASA.

Marine & Offshore

Prior to the spin-off, Aqualis ASA completed two strategically important acquisitions. Other important milestones were also achieved:

- In February 2014, Aqualis signed a memorandum of understanding (MoU) to acquire Tristein AS, a leading provider of marine operations for the offshore oil, gas and renewables industries. The transaction was completed at the end of April 2014. Tristein operates through three main business areas: marine operations & logistics, engineering & survey, and renewable energy. The personnel of Tristein have a long track record from the offshore industry, serving as master mariners, offshore installation managers, offshore managers and logistic managers. The company's headquarter is in Asker, Norway, with a further office in Kristiansund, Norway. The combination of Aqualis Offshore and Tristein is a good match in the oil and gas sector. Additionally, Tristein possesses valuable expertise within the renewables and offshore wind segment.
- In May 2014, Aqualis announced its intention to acquire Offshore Wind Consultants Limited (OWC), a leading provider of consultancy services to the offshore renewables industry. OWC, based in London, England, engage nine staff, of which five are full-time employees. The core team within OWC has unrivalled expertise and experience in the industry, which dates back to the first offshore wind farm development project in the UK. The key members of the team have been involved in most of the major offshore wind projects that have been developed in the UK and the rest of Europe to date, and also have established reputations in both North America and the Far East. The acquisition of Offshore Wind Consultants offers Aqualis Offshore additional access to the offshore wind and renewables industry. The acquisition was completed at the end of June 2014.
- Aqualis Offshore opened three new offices in 2014: Abu Dhabi, UAE (February); Shanghai, China (March); and Mexico City, Mexico (July).
- In September 2014, Aqualis Offshore signed a landmark rig moving services contract with Saudi Aramco, the world's largest energy company. Under the deal, Aqualis Offshore will provide offshore rig moving services over the next three years for Saudi Aramco's jack-up rigs operating in the Arabian Gulf.

New Board Appointments

- As the "new" Aqualis ASA was listed as a separate company on OSE in August 2014, a new Board of Directors had to be formally elected by the shareholders. All five elected board members were prior board members of the "old" Aqualis ASA (now Weifa ASA) before the spin-off. The Board consists of Glen Rødland (Chairman), Yvonne L. Sandvold, Reuben Segal, Øystein Stray Spetalen and Synne Syrrist. The deputy board member is Martin Nes.

Other Corporate Highlights

- From 1 January 2015, the operations of Tristein AS merged into Aqualis Offshore AS, the Norwegian operation of Aqualis. The rationale was to streamline internal processes, reduce administrative work and give the company a more easily understandable operational profile.

INTRODUCING AQUALIS ASA

Aqualis ASA (OSE: AQUA) is a public company that, through its subsidiaries, offers marine and engineering consultancy services to the offshore oil, gas and renewables sectors globally. The group employs approximately 200 experienced consultants across 13 offices in 10 countries worldwide.

Brief group history

Aqualis Offshore was established by Strata Marine and Offshore AS in December 2012, and was owned by Strata Marine and Offshore, Gross Management, Ferncliff and key management, before the acquisition by Aqualis ASA (now Weifa ASA) in November 2013.

In April 2014 Aqualis completed the acquisition of Tristein AS, a leading provider of marine operations for the offshore oil, gas and wind industries.

In June 2014, Aqualis acquired Offshore Wind Consultants Ltd.

In August 2014, Aqualis ASA was spun off from its parent group and listed as a specialized marine and offshore engineering consultancy group on the Oslo stock exchange.

From 1 January 2015, the operations of Tristein AS was merged into Aqualis Offshore AS, the Norwegian operation of Aqualis.

The following sets out important events in the history and development of the "new" Aqualis Group

YEAR	KEY MILESTONES & EVENTS
24 September 2007	Tristein 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[1]
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 Serviçõs 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
13 August 2014	First day of trading for Aqualis Offshore Holding ASA
21 August 2014	Aqualis Offshore Holding ASA changes name to Aqualis ASA

Today's Aqualis ASA

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

Aqualis ASA operates under two different brands: Aqualis Offshore and Offshore Wind Consultants:

Aqualis Offshore is a specialized offshore marine and engineering consultancy firm, focusing on the shallow and deep-water offshore segments of the oil and gas industry. Its core services includes concept, FEED and basic design engineering for upgrades and conversion of jack-ups, FPSOs and rigs, marine warranty services, transportation and installation, rig moving, dynamic positioning, construction supervision and due diligence services.

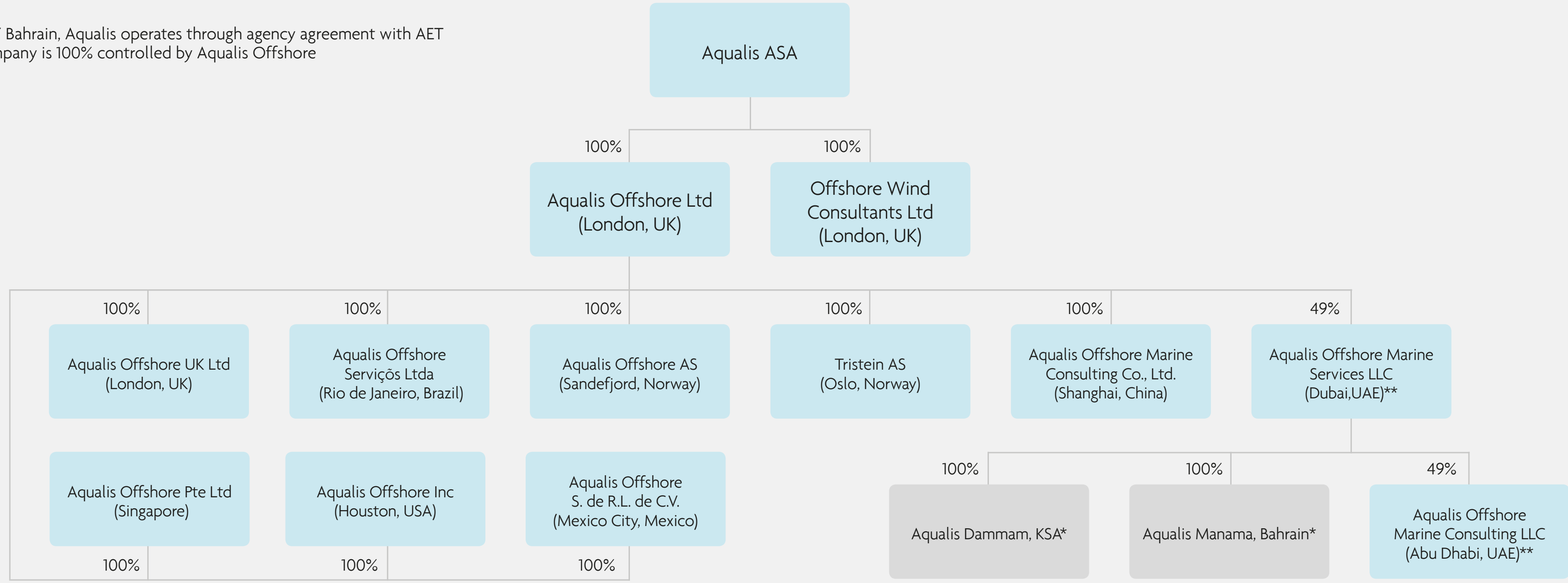
Offshore Wind Consultants is a globally focused consultancy providing consultancy services to the offshore renewables industry.

Group strategy

Aqualis ASA's target market is the offshore oil and gas, marine and renewables segments, in which it focuses on high-end niche consultancy. The Company's strategy is to offer its specialist marine and engineering consultancy services through a growing network of global offices. As it expands globally, Aqualis pursues its high growth ambitions primarily focusing on developing economies and emerging markets. The Group's strategy is to expand its marine and offshore activities through the establishment of new offices world-wide, through a significant increase in the number of employees, and through potential acquisitions of similar businesses such as Tristein and Offshore Wind Consultants.

Corporate Structure

* In KSA / Bahrain, Aqualis operates through agency agreement with AET
** The company is 100% controlled by Aqualis Offshore



Letter from the Chairman

IS THE OIL PRICE DECLINE AND THE OIL SERVICE INDUSTRY RECESSION CYCLICAL OR STRUCTURAL?

This is the key question for everybody involved in the industry.

Oil and gas and its service industry has always been cyclical, with fluctuations in the oil price and even bigger cyclical swings of rates/prices for suppliers (due to cycles in investments for capital equipment). Is this time different? Is this a normal cyclical downturn, or is it a combination of a cyclical and structural downturn where new technologies will replace oil and gas in the energy industry? To answer this question it is important to look at the big picture and not be too influenced by media, politicians (talking but not doing) or what is happening in the bus lane between Nesøya and Aker Brygge in Oslo (the lane is filled with Teslas and other electric cars).

The oil and gas industry produces about 90-91m barrels of liquids and more than 55m barrels (the equivalent of) gas daily. The total daily sale value by the oil and gas companies is approximately USD 12-13bn per day, or USD 4,600bn per year. The industry supplies 52% of the world's total energy needs and more than 97% of the energy needed for transportation worldwide. Economic growth is fuelled by access to low cost energy. Economic growth without energy is impossible.

The oil and gas industry is not only a major global industry, it is probably also the largest source of income/tax for governments' worldwide. In 2013, the average sales price of crude was USD 96 per barrel (average Brent was USD 103 per barrel). The average government take from production of crude oil was USD 54 per barrel – or 56% of the production value.

But this is not the only government revenue from the oil industry. The oil consumption is heavily taxed in the consuming countries (VAT, tax on CO_2 and other gasoline taxes). In Europe, the average gasoline price is in the region of USD 2 (in 2013) per liter. This translates to a price of USD 270 per barrel to the end-user. Adjusted for margin to the refinery, transportation and the margin of the gasoline station, the tax per barrel in Europe (consumer countries) is about USD 150 per barrel. In sum, every barrel of oil consumed in OECD Europe is taxed more than USD 200 per barrel, split with USD 54 per barrel to the producing country and about USD 150 per barrel to the consuming country.

Investment in exploration and production (E&P) and operational cost in the oil industry was in 2013 on average USD 28 per barrel (from USD 20 onshore to USD 88 for oil sand production). The total market for oil and gas service companies is therefore approximately USD 900 bn annually, plus further USD 300 bn for gas E&P investment and opex – translating to a total of USD 1,200 bn service market supporting 52% of the world's energy needs.

The purpose of the above analysis and figures is to put the oil price correction over the last 6-7 months into perspective.

The world economy and transportation, which is critical for all economic activity, is addicted to oil. Further, governments are also addicted to oil revenue. Not only the oil producers, but also for most consumer nations (OECD countries especially), the oil industry is a big tax/cash cow. In the short to medium term, the oil industry can live and grow its production in line with consumption-growth with an oil price of USD 40 to 50 per barrel. The "losing" party will be the government take in the oil producing countries. Government profit, oil taxes, royalties and bonuses will have to be reduced to the "new world"/new price regime if the oil price stays at the current level. At worst case, the oil and gas industry will become a "normal" industry where governments in oil producing countries only charge regular income tax and employee tax. The E&P and average OPEX cost for the industry was USD 28 per barrel in 2013, and is probably now (2015) around USD 24-25 per barrel (due to price deflation, rig rates, boat rates and so on). In addition, the oil companies require about USD 15 per barrel to service its capital/investment and other needs. Hence, an oil price of USD 40-50 per barrel could be sustainable, but most of the government "super profit tax" would then evaporate.

Further, total world car and truck sales set new records every year. In 2013, the production of new cars and commercial vehicles was 87 million and 22 million respectively. In total, the number of registered cars, trucks and buses in the world passed 1 billion in 2010 and is probably above 1,1 billion today. A lot is happening with alternative fuel for the transportation industry, with LPG, LNG, hydrogen and electricity as the most discussed, R&D-intensive alternatives. But the figures and impact on the oil consumption is still microscopic. I expect oil consumption to continue to grow based on growth in the developing world. Due to better technology and improving fuel economy, the developed nations' consumption of oil peaked 10-15 years ago. IEA and similar agencies expect that the annual oil consumption will continue to grow with about 0,5-1m barrels per day over the next few years. Ultimately, the consumption will probably peak (fuel economy and new technology), but this is probably 20-30 years into the future.

My answer to the "key question" is the following: This downturn is a normal cyclical downturn due to overinvestments in most segments of the oil industry. It is not a structural downturn. There are signs of new technology which could replace oil longer term in transportation. However, the challenges are many, and I believe any structural downturn in the oil industry created by a disruptive technological breakthrough in transportation is still years away. The big losers in the cyclical downturn will, as always, be the governments of the oil producing nations and the capital intensive part of the oil service industry (rig, boat owners and other). The winners will be those companies (and nations) that have a low debt level, flexible asset and cost base, and are thinking long term. The oil industry as an industry will continue to be cyclical with many profitable years ahead.

Aqualis in 2014 and the future

Based on my view that the current correction in the oil industry is a "normal" cyclical downturn and not the start of a structural downturn, I expect Aqualis to continue to grow in 2015. The market will be more difficult in 2015, but Aqualis' growth foundation is stronger going into 2015 than it was going into 2014. I expect the latter factor (micro factors) to overtake the macro factors (oil price and E&P investment climate).

Firstly, the Aqualis management team has more than doubled the number of employees during 2014 from less than 100 to about 200 employees at the end of 2014. Secondly, the global presence of Aqualis has been further developed with new trading offices in China, Mexico, London, Kristiansund, Asker and Abu Dhabi during 2014. The company has also started setting up new offices in Qatar and Malaysia. Thirdly, a majority of Aqualis' business is related to operation of assets, not investments in new assets. The impact of reduced E&P investments is therefore partly mitigated by a large share of revenue from operations of rigs, boats and similar. Finally, Aqualis' market share as a relatively new company is modest in most segments that we are targeting. Therefore, the strategy is to continue to grow our market share.

I would like to take this opportunity to thank the employees, the management and the board in Aqualis for their fantastic achievements during 2014. We achieved several milestones: 1) Aqualis has a balance sheet with no debt and significant cash after raising funding from the stock market. 2) In 2014 Aqualis made two acquisitions, Tristein and Offshore Wind Consultants. 3) The "old" Aqualis also acquired Weifa AS and subsequently spun off all the oil and gas related activity into today's Aqualis ASA. 4) Revenue ended at USD 32m in its first full operating year. Finally, the number of clients/customers increased substantially during 2014 with Aqualis gradually becoming more known/recognized in the industry.

Glen Rødland
Chairman, Aqualis ASA

OFFSHORE OIL & GAS

Aqualis ASA's offshore oil and gas activities are carried out by Aqualis Offshore. The company provides marine and engineering services to the offshore oil and gas industry worldwide. Its multi-disciplinary engineering and marine teams are recognized in the industry for their competence and experience. Aqualis Offshore 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's core services includes concept, FEED and basic design engineering for upgrades and conversion of jack-ups, FPSOs and rigs, marine warranty services, transportation and installation, rig moving, dynamic positioning, construction supervision and due diligence services. The group is currently operating out of 13 offices worldwide and employs approximately 200 people.

In April 2014 Aqualis completed the acquisition of Tristein AS, a leading provider of marine operations for the offshore oil, gas and renewables industries. From 1 January 2015, Tristein AS was merged into the operation of Aqualis Offshore AS.

Key services

Aqualis Offshore specializes in the following engineering and marine services:

- Engineering solutions
- Construction supervision
- Technical due diligence services
- Transportation and installation
- Rig moving
- Marine warranty
- Dynamic positioning
- Marine consultancy

Engineering Solutions

Aqualis Offshore provides a solution-based approach to engineering. Its engineers are aim to work with the client as a one-stop-shop to find efficient solutions to their engineering projects.

Due to the independent nature of Aqualis Offshore, all solutions are cost-effective, fit for purpose and tailored to suit the specific needs and constraints of the client. The company's offshore engineering expertise covers the life-cycle of an offshore facility from concept and basic design through installation and on to ageing platform integrity management and finally, decommissioning. We are involved in both the shallow and deep water ends of the offshore oil and gas industry and operate in the major centres of the offshore industry.

The team of highly qualified engineers can provide unique solutions for many platform types including Mobile Offshore Drilling Units (MODU), Wind Turbine Installation Vessels and Liftboats, Mobile Offshore Production Units (MOPU) including FPSO, FSO, FLNG, as well as other offshore installations and floating structures. These solutions range from:

- Concept design
- Basic design
- FEED and pre-FEED solution
- Upgrade and modification engineering
- Advanced engineering solutions

Transportation & Installation

Aqualis Offshore's multi-disciplined teams of engineers, surveyors and master mariners have many years of experience in the offshore industry. The company specialises in complex marine operations and can provide valuable early planning and advice to optimise the solutions with regard to vessel and equipment selection, structural design and offshore procedures. Subsequent engineering comprises analysis and design associated with all temporary phases of a marine operation from loadout and transportation to installation or discharge of high value offshore assets. Such calculations include:

- Vessel ballasting
- Global and local vessel strength
- Vessel motions and stability
- Grillage and seafastening design
- Dynamic lifting and rigging
- Hydrodynamic analysis
- Jacket launch and upending
- Dynamic analysis for floatover installations
- Geotechnical analysis etc.
- Production of appropriate documentation

Aqualis Offshore's services then extends to offshore operation supervision and support from qualified and experienced marine superintendents and project engineers.

Aqualis Offshore draws on the services of external companies where supplementary skills or input are required – for example metocean data for transportation assessment and planning.

These services are tailored to suit the clients' requirements and can be supplied as conceptual/feasibility studies, detailed engineering and operation, or verification.

Marine project/asset life cycle

Project initiation → Engineering/design phase → Project procurement → Construction → Hook-up and commissioning → Asset management → De-commissioning

Aqualis Offshore services

Engineering (niche-focus)
- Basic/conceptual design/FEED
- Modifications and upgrades of drilling rigs/FPSOs/FSOs/lift-boats
- Transportation & installation analysis

Construction yard supervision
- Site attendance on behalf of owners, shipyards, financial institutions, 3rd parties
- New-builds + conversions & upgrades
- Due diligence/ compliancy; financial community focus

Marine operations
- Transport and installation services; "moving of offshore assets"
- Rig moving
- Float-overs
- Site attendance & procedure management

Inspection & approvals
- Marine warranty services
- Mooring analysis
- Condition and suitability surveys/audits
- DP inspections and audits
- Jack-up site assessments

The figure above illustrates Aqualis Offshore's key services across a project/asset life cycle.

Marine Warranty

The Aqualis Offshore teams of marine warranty engineers, surveyors and master mariners act to protect the interests of underwriters or self-insured clients.

Aqualis Offshore provides provide independent third party review and approval of offshore projects. The teams have extensive experience in a wide range of offshore activities from simple marine operations to complex and challenging offshore projects.

Typical activities may include:

- Document reviews
- 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 offers a full range of rig moving support services, and its teams are fully experienced with both jack-up and floating units. The company offers full engineering assessments for site-specific location approvals and provide both marine warranty surveyors and rigmovers / towmasters for offshore attendance during rig moves. The following services are provided:

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

Construction Supervision

Aqualis Offshore provides teams to work with the client throughout the construction or conversion of an offshore asset. 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.

The project team consists of key personnel with the necessary skills to ensure that the construction meets the build schedule. Aqualis Offshore provides a group of engineers and inspectors of various disciplines to be utilised at different stages of the project. In addition, dedicated planning and document control functions are provided throughout the duration of the construction phase.

Key project control activities include, inter alia:

- 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 factory acceptance testing (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 services (DP)

Aqualis Offshore provides an experienced multidisciplinary team of engineering and operational resources to support the dynamic positioning (DP) industry. The company's aim is to assist clients to operate and validate according to their units' specific industrial mission. Whether identifying the critical activity mode or verifying the worst case failure mode through FME(C)A, Aqualis Offshore provides clients with independent technical reviews to enhance safe operations. Through experience with its DP FME(C)A work, Aqualis Offshore can also provide analyses of cranes, bilge and ballast systems, pipelay systems, and many more complex systems.

DP services include:

- FME(C)A
- DP FMEA proving & annual trials
- DP design review/ redundancy analysis
- DP suitability/condition surveys
- DP gap analysis
- Development of WSOG & ASOG
- DP incident investigation
- DP manuals & procedures
- DP operator competence assessment & verification
- DP project management & sea trials management.
- Planning for DP conversions & life extensions
- CMID & OVID surveys
- Witness FATs & CATs

Marine consultancy

Aqualis Offshore offers a wide range of marine capability to the oil & gas and maritime industries. The company's mariners have many years of experience associated with drilling rigs and offshore vessels. It aim to assist 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 can offer:

- Provision of towmasters and rigmovers
- Provision of marine advisors
- Dry transportation consultancy and operations
- Vessel inspections
- Rules & regulations compliance
- Inclining experiments
- 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'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'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.

OFFSHORE RENEWABLES

Aqualis ASA offers services in the offshore renewables sector through Offshore Wind Consultants and Aqualis Offshore.

In June 2014, Aqualis completed the acquisition of London based Offshore Wind Consultants Limited (OWC), a leading provider of consultancy services to the offshore renewables industry. The core team within OWC has unrivalled expertise and experience in the industry, which dates back to the first offshore wind farm development project in the UK. The key members of the team have been involved in most of the major offshore wind projects that have been developed in the UK and the rest of Europe to date, and also have established reputations in both North America and the Far East.

In combination with the Group's other services, OWC is able to deliver enhanced services to their clients by sharing knowledge, expertise, and resources, particularly where engineering and offshore attendances are required.

Key services

OWC Limited and Aqualis Offshore specialises in providing services to offshore wind farm developers and investors for offshore wind projects. The personnel in OWC Limited has a deep industry knowledge and unrivalled practical experience which can be applied to projects through their full life cycle. We align our services with our clients' business goals and strategies which enables us to deliver practical and innovative solutions, which ultimately yields tangible results for our clients. OWC and Aqualis Offshore provide the following services within the offshore renewables sector:

- Consultancy services
- Due diligence
- Project management and support services
- Engineering services
- Expert witness

Consultancy services

OWC 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 with selecting and assessing the most advantageous offshore sites from both a technical and commercial perspective. The company can provide the following consultancy services:

- Developing strategies for projects and site selection
- Procurement strategies
- Design and construction methodologies
- Installation and commissioning
- Development of financial models
- Risk mitigation
- Development interface registers

The team's experience also enables it to provide direct advice and support through the final installation and commissioning stage of the project. This is achieved with a thorough understanding of all logistical issues, combined with access to extensive databases of information on vessels, barges and equipment. This insight covers both the installation of foundations and turbines as well as the critical subsea cable installation works. The company also has direct experience of decommissioning work, which will be an important feature for consideration in the future for offshore wind farm development projects.

Due diligence

As OWC Limited has extensive knowledge and experience of the entire project life cycle of offshore wind farm projects, the company is positioned to provide due diligence services to potential investors into projects as well as investors who may be looking to take a stakeholding in organisations within the supply chain of the industry.

The company uses its extensive databases of project and company information which provides a vital reference for this type of work. It also has its own capital cost evaluation models for projects which can reliably predict the estimated capital expenditure of all the phases of an offshore wind farm project.

OWC can provide these services to either partners wishing to take equity in a project or on behalf of banks and lenders who are providing a debt facility for the project development.

Project management support services

OWC 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.

The company's reputation is based on early involvement in projects from the planning, design and engineering stages and then seeing our role expand to a project management service provider through the construction and installation phases.

The team can either undertake a leading role and manage a project directly on behalf of a developer, or more commonly, work as part of an integrated team with a client, managing specific work packages and providing support and advice to all other areas of the project.

Engineering services

OWC can provide engineering services for the following tasks connected to offshore wind farm developments:

- Site evaluation
- Geotechnical and geophysical site investigations and evaluations
- Foundation structures
- Health and safety management
- Marine operations
- Offshore installation
- Special assessments
- Subsea cable installation and protection.

Expert witness

OWC 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.

Any expert witness assignment will only be undertaken where there is a clearly established 'no conflict of interest'.

MEMBERS OF THE BOARD

GLEN RØDLAND

Chairman

Glen 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 and investment banking for DNB (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.

YVONNE L. SANDVOLD

Board member

Yvonne L. 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. She holds a cand. psychol. degree from the University of Oslo. Ms Sandvold is a Norwegian citizen and resides in Oslo, Norway.

REUBEN SEGAL

Board member

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

ØYSTEIN STRAY SPETALEN

Board member

Øystein Stray Spetalen is t he chairman and owner of investment firm Ferncliff TIH AS. Mr Spetalen 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 the Norwegian University of Science and Technology. He is a Norwegian citizen and resides in Oslo, Norway.

SYNNE SYRRIST

Board member

Synne Syrrist is an independent business consultant, and has extensive experience as a non-executive director of both private and public companies. Ms Syrrist was previously a partner and financial analyst at First Securities. She currently serves on the board of several public companies, including Awilco Drilling Plc, Awilco LNG ASA, Eidesvik ASA and Weifa ASA. She 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.

MARTIN NES

Deputy Board member

Martin Nes is CEO and partner of investment firm Ferncliff TIH AS, where he has worked since 2008.
Mr Nes has a law degree from University of Oslo and also holds a Master of laws' degree from University of Southampton, England.
He has previously worked several years for the Norwegian law firm Wikborg Rein, both in their Oslo and London offices, and for the shipping law firm Evensen & Co. Mr Nes' experience is especially within the shipping and offshore industry where he has been involved in and also led a number of projects.

THE EXECUTIVE MANAGEMENT

DAVID WELLS

Chief Executive Officer

David Wells, a Master Mariner, was a founding member of Aqualis Offshore. Mr Wells has more than 30 years' experience in the offshore consultancy sector with particular focus on offshore operations, MWS and marine consultancy. He is a specialist on jack up rig move operations, location approvals and all aspects of rig moving. Prior to joining Aqualis Offshore, Mr Wells was a specialist consultant to the offshore market, and previously held senior Global and Regional MD roles for a major leading global oil & gas consultancy. His focus during the latter was on Middle East and Africa and Indian sub-continental regions where he managed seven offices and a multi-cultural staff of some 200 employees.

CHRISTIAN OPSAHL

Chief Financial Officer

Christian Opsahl joined Aqualis Offshore as CFO in June 2013, and later as CFO for Aqualis in November 2013. Prior to this, he was Investment Director at Strata Marine & Offshore – a Ferncliff controlled investment vehicle. Mr Opsahl has extensive international finance experience within private equity, M&A advisory, equity capital markets, leveraged finance and debt restructuring. He has previously worked as Investment Professional with private equity firm Triton Partners, as well as within investment banking at Carnegie and Credit Suisse. Mr Opsahl holds a BBA in Finance (summa cum laude) from Southern Methodist University in Dallas, Texas.

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, USA.

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.

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.

REUBEN SEGAL

Director of Middle East

Reuben 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.

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 based in Sandefjord, Norway.

IAN BONNON

Managing Director of Offshore Wind Consultants

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, USA.

SANTOSH GEORGE

Group QHSE Manager

Santosh 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.

TORI WEIR

Group Legal Counsel

Tori Weir is responsible for all legal and compliance matters within the Aqualis group. Ms Weir has extensive experience advising on securities, corporate and M&A, and governance issues. She has practiced as a corporate and securities lawyer in the US and UK before joining the in-house legal team of an international oil and gas company. She earned her JD, cum laude, from the University of Pennsylvania Law School and her BA, cum laude, from Williams College.

ANETTE AASEN

Head of Group Accounting

Anette Aasen has 17 years' experience from accounting and auditing, including managerial positions in companies such as PwC, Mills DA, DNO International ASA and Storebrand ASA. She holds a Masters degree in Economy from the University of Agder and has studied for state authorized public accountant at the Norwegian School of Economics and Business Administration in Bergen, Norway. Anette Aasen joined Aqualis ASA in January 2015.

STUART MILL

Group Commercial Director

Stuart Mill is a fellow of The Royal Institution of Naval Architects (FRINA) with over 30 years' experience in ship-repair, shipbuilding, FPSO conversion and marine related oil and gas sectors. He has core expertise within project control, cost engineering, contracts and commercial management in large offshore construction projects. Mr Mill has experience from technical, commercial and managerial positions at major shipyards worldwide, working on all types of floating structures and vessels.

HEIDI LUND-NIELSEN

Group Recruitment Manager

Heidi Lund-Nilsen is a resourcing and HR professional broadly experienced in areas of in-house recruitment, resource planning, HR and personnel management. She is shipping educated with 17 years' recruiting and HR generalist practice in the shipping, offshore oil & gas and the airline industries. Her experience covers general HR management & consultancy, policies, procedures and full lifecycle recruitment across all levels in multinational environments from large to small owner managed businesses. Ms lund-Nielsen is based in Bahrain.

CORPORATE GOVERNANCE

Corporate Governance regulates the relationship between the Company's management, its Board of Directors and the shareholders of the Company. Aqualis believes that good corporate governance is an important component of sustainable business conduct and long-term value creation.

1. Implementation and reporting of Corporate Governance

In accordance with the Norwegian Code of Practice for Corporate Governance (NCPCG), cf. the latest version dated 30 October 2014, the Board of Directors of Aqualis ASA has prepared a Corporate Governance policy document. Aqualis aspires to follow the NCPCG as closely as possible and in situations where the Company's practice might diverge from the code, an explanation or comment will be provided.

The Company's compliance with the Code is detailed in this report and section numbers refer to the Code's articles. Aqualis' Corporate Governance guidelines are published in full at the Company's website.

2. Business

Aqualis ASA is a Norwegian public company focusing on building a profitable and successful business based on its key competences within the marine and offshore oil, gas and renewables sectors globally. Aqualis ASA operates under two brands: Aqualis Offshore and Offshore Wind Consultants:

- Aqualis Offshore is a specialized offshore marine and engineering consultancy firm, focusing on the shallow and deep-water offshore segments of the oil and gas industry. Its core services includes concept, FEED and basic design engineering for upgrades and conversion of jack-ups, FPSOs and rigs, marine warranty services, transportation and installation, rig moving, dynamic positioning, construction supervision and due diligence services.
- Offshore Wind Consultants is a globally focused consultancy providing consultancy services to the offshore renewables industry.

The scope of Aqualis' business is defined in its Articles of Association, published on the Company's website. The Company's objectives and strategies are presented in the Directors' report.

3. Equity and dividends

Equity

The Company's consolidated equity at 31 December 2014 was USD 44.4 million, representing an equity ratio of 86%. The Board aims to maintain an equity ratio that remains satisfactory in light of the Company's goals, strategy and risk profile.

Shares and share capital

At the end of 2014 Aqualis had 43 190 544 ordinary shares outstanding with a par value of NOK 0.10 per share (see note 12 to the Financial Statements). The Company has one share class, and each share carries one vote. At 31 December 2014, the Company had 2,167 shareholders, and 36.1% of the shares of the Company were held by foreign registered shareholders.

Increases in share capital

The Board will only propose increases in the share capital when this is beneficial over the long term for the shareholders of the Company.

The Board was given authority by the shareholders at the Extraordinary General Meeting held on 24 July 2014 to increase the share capital with up to NOK 2,159,527.20 through one or more share issues. This authorisation expires on the date of the 2015 annual general meeting, however no later than 30 June 2015. Under the authorization the Company may issue shares for the purposes of investments / M&A or general corporate purposes. Up to five percent of the authorization can be issued in connection with the share purchase programs for the company's employees.

Aqualis has a mandate to purchase its own shares, limited to 10% of the total shares outstanding. The mandate is given for two years, in accordance with the Norwegian Public Limited Liability Companies Act.

Dividend policy

It is the Company's objective to generate returns to the shareholders in the form of dividends and share appreciation, 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 while the company is still in its build-up phase.

4. Equal treatment of shareholders and transactions with close associates

The Company has only one class of shares and there are no voting restrictions. Any potential purchase of own shares shall be carried out via a stock exchange at market prices.

Where the Board resolves to carry out an increase in share capital on the basis of an authority given to the Board, and waive the pre-emption rights of existing shareholders, the justification will be publically disclosed in connection with the increase in share capital.

Transactions with related parties shall be at arm's length and at fair value which, in the absence of any other pertinent factors, shall be at market value. All material transactions with related parties shall be valued by an independent third party, unless assessed and resolved upon by the General Meeting. Transactions with related parties are described in note 21 and 22 to the Financial Statements.

5. Freely negotiable shares

There are no limitations on trading of shares and voting rights in the Company and each share gives the right to one vote at the Company's General Meeting.

6. General Meeting

Annual General Meeting

The General Meeting is the Company's supreme body and elects the members of the Board.

The call for the General Meeting

The Company observes the minimum notice period set out in the Norwegian Public Limited Companies Act, i.e. providing 21 days notice. The call for the General Meeting is issued in writing via mail, or electronically through VPS, to all shareholders with registered addresses. Transmitted with the summons are documents, which have sufficient detail for the shareholders to take a position on all the cases to be considered. However, documents relating to matters which shall be considered at a general meeting need not be sent to the shareholders if the documents have been made available to the shareholders on the Company's website. The summons also addresses the shareholder's right to propose resolutions to the matters to be resolved upon at the General Meeting, and gives information regarding the required steps necessary to exercise the shareholder's rights. The summons and the said documents are made available on the Company's web-site at least 21 days prior to the relevant General Meeting.

To register for the General Meeting, a shareholder is requested to submit a confirmation in writing via mail or fax, or by electronic registration directly through VPS.

Voting at the General Meeting

Any shareholder is entitled to vote at the General Meeting, and to cast a vote, a shareholder must attend or give a proxy to someone who is attending. The proxy form will be distributed with the summons to the General Meeting. A proxy will only be accepted if submitted by mail, fax, or e-mail (provided the proxy is a scanned document with signature), or registered directly through VPS. It is not possible to vote via the Internet or in any other way. For shareholders who cannot attend the General Meeting, the Board will nominate the Chairman and the CEO to vote on behalf of shareholders as their proxy. To the extent possible, the Company uses a form for the appointment of a proxy, which allows separate voting instructions to be given for each matter to be considered by the meeting and for each of the candidates nominated for election.

The attendance at the General Meeting

The Board and the management of the Company seek to facilitate the largest possible attendance at the General Meeting. The chairman of the Board, the chairman of the election committee and the Company's auditor will always attend the General Meeting. Other members of the Board and the election committee will also attend whenever practical.

Chairman of the meeting and minutes

The chairman of the Board, or another person nominated by the Board, will declare the General Meeting for open. Considering the Company's organisation and shareholder structure the Company considers it unnecessary to appoint an independent chairman for the General Meeting, and this task will for practical purposes normally be performed by the Chairman of the Board. The minutes from the General Meeting are made available at the Company's website on the day following the General Meeting.

7. Election Committee

The Election Committee is elected by the General Meeting. In addition, the Chairman of the Election Committee is also appointed by the General Meeting. The members of the Election Committee should be selected to ensure there is a broad representation of shareholders' interests. The Election Committee's task is to propose candidates for election to the Board of Directors and to suggest remuneration for the Board. The recommendations shall be justified. The Election Committee currently consists of two members, who shall be shareholders or representatives of the shareholders, and no more than one member of the Election Committee shall be a member of the Board. The members of the Election Committee are elected for a period of two years at a time. Any proposals to the Election Committee should be submitted in writing to the Chairman of the Election Committee no later than 15 April. Further information on the duties of the Election Committee can be found in the Instructions to the Election Committee, which has been approved by the General Meeting and made available on the Company's website.

Aqualis is not aware of the existence of any agreements or business partnerships between the Company and any third parties in which members of its Election Committee have direct or indirect interests. The Election Committee's composition is designed to maintain its independence from the Company's administration.

The Election Committee currently consists of the following members:

- Eigil Stray Spetalen, Chairman (member since 2013; up for election in 2015)
- Martin Nes (member since 2013; up for election in 2015, CEO of Ferncliff)

Further information on the membership is available on the Company's webpage.

8. The Board of Directors – composition and independence

The Chairman and the other members of the Board are elected for a period of two years at a time and currently comprises five members. All members of the Board may be re-elected for a period of up to two years at a time.

Board member Øystein Stray Spetalen is the owner of Ferncliff TIH AS, which directly or indirectly holds approx. 23.9% of the shares in the Company, and the Chairman, Glen Rødland, is a 50% owner of Gross Management, which holds approx. 5.4% of the shares in the Company. Board member Reuben Segal, is the Director Middle East for Aqualis Offshore. 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 is a significant shareholder in Company, and also represents the interest of other employees that will hold shares in the Company. Approximately 23% of the shares in the Company are currently estimated to be held by employees.

In electing members to the Board, it is emphasised that the Board has the required competence to independently evaluate the cases presented by the Executive Management as well as the Company's operations. It is also considered important that the Board functions well as a body of colleagues.

The current composition of the Board, including Board members' shareholding in Aqualis per the date of this annual report is detailed below.

The female representation among shareholder elected Board members is 40%.

9. The work of the Board

The Board's work follows an annual plan and it conducts an annual self-evaluation of its performance and expertise, which is made available to the Election Committee. The annual plan is devised after each Annual General Meeting, and includes the number of meetings to be held and specific tasks to be handled at the meetings. Typical tasks that are handled by the Board during the year includes an annual strategic review, review and approval of the following year's budget, evaluation of management and competence required, and continuous financial and risk reviews based on budget or prognosis. The Board has held seven meetings since the company was listed in August 2014. All Board members attended all the Board meetings during that period, either in person or by phone.

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.

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. Risk management and internal control

The Board and the Executive Management shall at all times see to that the Company has adequate systems and internal control routines to handle any risks relevant to the Company and its business, hereunder that the Company's ethical guidelines, corporate values and guidelines for corporate social responsibility are maintained and safeguarded.

The Board carries out an annual detailed review of the Company's most important areas of exposure to risk and its internal control systems. The risk areas, changes in risk levels and how the risk is being managed, are on the agenda at each regular Board meeting.

Aqualis, through its subsidiaries Aqualis Offshore, Tristein and Offshore Wind Consultants, provides marine and engineering services to the offshore sector. These services are provided in compliance with relevant international and local

The Board of Directors – composition and independence

NAME	POSITION IN THE BOARD	MEMBER SINCE (YEAR)	UP FOR ELECTION (YEAR)	COMMITTEE MEMBERSHIP	SHAREHOLDING IN AQUALIS*
Glen Rødland	Chairman	2014	2016		2,437,056 (1)
Yvonne L. Sandvold	Member	2013	2015	•	-
Reuben Segal	Member	2014	2016		704,128 (2)
Øystein Stray Spetalen	Member	2013	2015		10,322,742 (3)
Synne Syrrist	Member	2013	2015		-

* At the date of the Annual Report

1. The shares are owned through Gross Management AS, which is jointly controlled by Mr Rødland and Mr Spetalen. Mr Rødland is also the chairman of Strata Marine & Offshore AS, which owns 5,450,973 shares in Aqualis.
2. The shares are owned through AmAn Marine Ltd.l
3. The shares are owned through Ferncliff TIH AS and associated companies, including Gross Management AS.

laws and regulations governing this industry. The company has adopted a Corporate Code of Conduct and a QHSE system governing daily business practices.

11. Remuneration of the Board of Directors

Remuneration of Board members shall be reasonable and based on the Board's responsibilities, work, time invested and the complexity of the business. The remuneration needs to be sufficient to attract both Norwegian and foreign Board members with the right expertise and competence. The compensation shall be a fixed annual amount and shall be determined by the Annual General Meeting based on a proposal from the Election Committee. The remuneration for the Board in 2014 is for a period of 5 months and will be paid in 2015 after approval by the AGM.

For more information on remuneration of the Board see note 12 to the Financial Statements for Aqualis ASA.

12. Remuneration of the Executive Management

The Board decides the salary and other compensation of the CEO, pursuant to relevant laws and regulations, having references to the main principles for the compensation policy of the Company as well as markets norms and performance of the individual.

For more information on remuneration of the CEO and other members of Executive Management see note 12 to the Financial Statements for Aqualis ASA and the statement regarding the determination of salary and other remuneration to Executive Management.

13. Information and communication

Aqualis is strongly committed to maintaining an open dialogue with its shareholders, potential investors, analysts, investment banks and the financial markets in general. Our goal is for the share price to reflect the underlying value of the Company by providing all price-relevant information to the market on a timely basis.

The Board of Directors and the Executive Management of the Company assign considerable importance to giving the shareholders and the financial market in general timely, relevant and current information about the Company and its activities, while maintaining sound commercial judgement in respect of any information which, if revealed to competitors, could adversely influence the value of the Company.

The CEO and CFO are responsible for the Company's investor relations activities and all communication with the capital markets, and all information is provided in accordance with the laws and regulations imposed by the Norwegian Securities Trading Act and the Oslo Stock Exchange.

Regular information is published in the form of Annual Reports and interim reports and presentations. Aqualis distributes all information relevant to the share price to the Oslo Stock Exchange in accordance with applicable regulations. Such information is distributed without delay and simultaneously to the capital market, the media and on the Company website.

The Company publishes all information concerning the Annual General Meeting, quarterly reports and presentations and other presentations on the Company website, as soon as they are made publically available.

The Executive Management holds regular meetings with shareholders and other investors, and present at domestic and international investor conferences.

14. Take-overs

The Board shall not without specific reasons attempt to hinder or exacerbate any attempt to submit a takeover bid for the Company's activities or shares, hereunder make use of any proxy for the issue of new shares in the Company. In situations of takeover or restructuring, it is the Board's particular responsibility to ascertain that all shareholders' values and interests are protected. If a take-over offer is made, the Board will issue a statement making a recommendation as to whether shareholders should or should not accept the offer. The Board will arrange a valuation from an independent expert that shall be made public no later than the disclosure of the Board's recommendation.

15. Auditor

Ernst & Young AS was appointed as the Company's auditors on 2 June 2014. The Auditor participates in meetings of the Audit Committee and in the Board meeting that approves the annual financial statements, and otherwise when required. The Auditor meets with the Board, without the Company's Executive Management being present, at least once a year.

The Auditor each year presents a plan for the implementation of the audit work, and following the annual statutory audit presents a review of the Company's internal control procedures, including identified weaknesses and proposals for improvement.

Remuneration to the Auditor is disclosed in note 11 to the Financial Statements.

The full Corporate Governance Policy is published on Aqualis' home page: www.aqualis.no.

DIRECTORS' REPORT FOR 2014

In August 2014, the specialized marine and offshore engineering consultancy business of what was then called Aqualis ASA (now Weifa ASA), was spun off and listed on the Oslo stock exchange as a separate company under the temporary name Aqualis Offshore Holding ASA. Subsequent to the listing, Aqualis Offshore Holding ASA changed its name to Aqualis ASA (OSE: AQUA).

Although the listing as a dedicated marine and offshore consultancy business did not represent a material operational change for the company's employees or customers, it provided existing and potential shareholders with a much clearer investment profile for Aqualis ASA.

Prior to the spin-off, Aqualis ASA completed two strategically important acquisitions in Tristein AS, a leading provider of marine operations for the offshore oil, gas and wind industries, and Offshore Wind Consultants Limited, a leading provider of consultancy services to the offshore renewables industry.

AQUALIS ASA: SPUN OFF AND SEPARATELY LISTED

Aqualis Offshore Holding ASA (later renamed Aqualis ASA) was incorporated 2 June 2014 as a wholly-owned subsidiary of Aqualis ASA (later renamed Weifa ASA), a publicly listed company on the Oslo Stock Exchange which operated in the offshore and marine industry as well as the pharmaceutical industry. The plan was to spin-off Aqualis Offshore Holding ASA and list as a dedicated marine and offshore engineering consultancy on the Oslo stock exchange (OSE).

To facilitate the Spin-Off, Aqualis ASA (now Weifa ASA) and Aqualis Offshore Holding ASA (Now Aqualis ASA) entered into and executed a 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.

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.

13 August 2014, Aqualis Offshore Holding ASA was listed on OSE. The company subsequently changed its name to Aqualis ASA (ticker: AQUA) on 20 August 2014. The shares belong to the OB Match liquidity category and they are registered in the Norwegian Central Securities Depository (VPS) with Nordea Bank Issuer Service as registrar. The shares carry the securities number ISIN NO 001 0715394.

The Company's total capitalisation at 30 December 2014 was NOK 326 million, based on a closing share price on that day of NOK 7.55.

Principal shareholders

The top 20 shareholders of Aqualis are predominantly large Norwegian and international investors, and management and employees of the Company. Please see note 10 in Aqualis ASA for a table of the 20 largest shareholders.

AQUALIS ASA: A FULLY-FLEDGED OFFSHORE AND MARINE ENGINEERING CONSULTANCY

Following the spin-off from Aqualis ASA (now Weifa ASA), the Aqualis Group constituted three separate businesses: Aqualis Offshore Ltd and subsidiaries (Aqualis Offshore Group), Tristein AS (Tristein) and Offshore Wind Consultants Ltd

(Offshore Wind Consultants). From 1 January 2015, Tristein AS was merged into the operation of Aqualis Offshore AS. These businesses operate within two primary offshore industry segments: oil & gas and renewables.

Oil & Gas

Aqualis ASA's offshore oil and gas activities are carried out by Aqualis Offshore. The company provides marine and engineering services to the offshore oil and gas industry worldwide. Its multi-disciplinary engineering and marine team is recognized in the industry for their competence and experience. Aqualis Offshore 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.

Renewables

Aqualis ASA offers services in the offshore renewables sector through London-based Offshore Wind Consultants and Norway-based Aqualis Offshore AS.

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 many of the major offshore wind projects which have been developed in the UK and the rest of Europe. The team also has established reputations in both North America and the Far East.

The combined Aqualis Group

The Aqualis Group – consisting of Aqualis Offshore and Offshore Wind Consultants – has a significant global customer base including several major oil companies, rig owners and operators, vessel owners, offshore contractors, underwriters and financial institutions.

Within the past 18 months, the Aqualis Group has established a presence in all major shipping and offshore energy centres. The company is headquartered in London, UK, and has regional subsidiaries in the following locations: Norway (Oslo/Sandefjord, Asker and Kristiansund), Brazil (Rio de Janeiro), Mexico (Mexico City), USA (Houston), Bahrain (Manama), UAE (Dubai and Abu Dhabi), Kingdom of Saudi Arabia (Dammam), Singapore and China (Shanghai). The company is also in the process of setting up further subsidiaries in Qatar and Malaysia. This global presence allows the business to respond quickly when high-end marine or engineering consultancy is required. Although some of the offices have special focus on certain areas of operations, all service offerings are provided across all regions.

The Aqualis Group's target markets are the offshore oil and gas, marine and renewables segments, in which it focuses on high-end niche consultancy. The Group's strategy is to offer its specialist marine and engineering consultancy services through a growing network of global offices. As it expands globally, Aqualis pursues its high growth ambitions primarily focusing on developing economies and emerging markets. The Group's strategy is to expand its marine and offshore activities through the establishment of new offices world-wide, and through potential acquisitions of similar businesses such as Tristein and Offshore Wind Consultants.

Aqualis has a rapidly growing workforce, and employed 196 full time equivalent people at year-end 2014, an increase from 78 employees at the end of 2013. Throughout 2014, Aqualis has observed a noticeable increase in available high-quality senior engineers and mariners in the market. The company aims to capitalize on this and continue to selectively pick staff that will add value to the business.

The company has no research and development activities.

PRESENTATION OF FINANCIAL STATEMENTS

(Last year's figures in brackets)

Profit and loss

For 2014, total operating income amounted to USD 31.9 million (USD 2.2 million). Total operating costs for 2014 were USD 34 million (USD 3.2 million).

EBIT for 2014 was negative at USD 2.1 million (USD -0.9 million), including USD 1.4 million in one-off costs related to restructuring and listing of Aqualis ASA.

Profit after tax was negative at USD 0.3 million (USD -0.9 million), which includes unrealized foreign exchange gain of USD 2.1 million.

Cash flow

Aqualis had a net cash flow from operating activities at USD 0.2 million in 2014 (USD -1.7 million).

Net cash flow from financing activities ended at USD 19.4 million (USD 1.1 million), including 10.6 million in proceeds from share issues.

As of 31 December 2014, the group had cash and cash equivalents of USD 21.8 million (USD 0.8 million).

Balance sheet and financial situation

At 31 December 2014, total assets amounted to USD 51.4 million (USD 19.9 million), and the Company had no interest-bearing debt.

Cash and cash equivalents amounted to USD 21.8 million at 31 December 2014 (USD 0.8 million), representing 42% of total assets.

As of 31 December 2014, total equity amounted to USD 44.4 million (USD 12.3 million). The equity ratio at year-end was 86%.

The Consolidated Financial Statements of Aqualis ASA have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and are valid as at 31 December 2014. The Financial Statements have been prepared under the historical cost convention.

Based on Aqualis' cash position at 31 December 2014, and the estimated net cash flow for 2015, Aqualis has the necessary funds to meet its contractual obligations for the next 12 months.

In accordance with the Norwegian accounting act § 3-3a, the Board of Directors confirm that the Financial Statements have been prepared under the assumption of going concern and that this assumption is valid. Further information on going concern principles can be found in note 2 to the Financial Statements.

EVENTS AFTER THE BALANCE SHEET DATE

Aqualis concluded a delayed renewables project in January 2015. Cash compensation of approximately USD 405k was received in January 2015. The fair value of this compensation was recognized in the financial statements in relation to purchase price allocation at the time of acquisition and will consequently have no effect on the consolidated profit and loss in 2015.

Tristein AS merged into Aqualis Offshore AS – in order to streamline the Norwegian operations. Effective date of the merger is 1 Jan 2015.

ORGANISATIONAL MATTERS

Organisation

At the end of 2014, the Aqualis Group had a total work force of 196 full time equivalent people, including contractors on a 100% utilisation equivalent basis.

David Wells took on the role of CEO of Aqualis Offshore Holding ASA (later renamed Aqualis ASA) upon its incorporation on 17 September 2014.

Effective from 1 January 2015, Tristein AS merged into Aqualis Offshore AS, the Norwegian operation of Aqualis, in order to streamline the Norwegian operations.

Board of Directors

As the "new" Aqualis ASA was listed as a separate company on OSE in August 2014, a new Board of Directors had to be formally elected by the shareholders. All five elected board members were prior board members of the "old" Aqualis ASA (now Weifa ASA) prior to the spin-off. The Board consists of Glen Rødland (Chairman), Yvonne L. Sandvold, Reuben Segal, Øystein Stray Spetalen and Synne Syrrist. The deputy board member is Martin Nes.

Equal opportunities

In line with Norwegian legislation, Aqualis forbids any discrimination because of sexual orientation, gender identity, gender expression, ethnicity, religion, religious belief or disabilities.

Aqualis has established practices to ensure equal opportunities between female and male employees, as well as between different races. The large majority of Aqualis' workforce are either offshore staff, mariners or on-site workers – which are all professional groups that historically have had a significantly higher proportion male members of staff. That is still the case in both the oil & gas and renewables industries. However, at the end of 2014, Aqualis' total workforce consisted of approximately 15 percent female employees, which is on par with the industry average in the aforementioned sectors.

It has been a focus for the Aqualis Group to have a better gender balance in the executive management team. In 2014, the company has appointed three female managers to the executive management team.

The Board of Directors currently has two female members out of five. The Board does not consider it necessary to take further measures to ensure equal opportunities.

Health, safety and environment

Aqualis is committed to ensuring the safety of its operations and to protecting its people and the natural environment from harm. The people employed in the Aqualis Group are our most important resource for success, and the Company strive to create a healthy and safe environment for all employees and contractors. QHSE is an integral element of its business, and systems are in place to monitor and follow-up any accident incidents. In 2014, Aqualis continued its excellent personnel safety record with no accidents or lost time incidents (LTIs).

The total sick leave for Aqualis ASA for 2014 was 171 days, of which none were due to occupational illness. The total sick leave equates to approximately 1.9% of the total working hours, compared to 2.3% in the previous year.

The Company does not have any production or storage facilities. It is the Board's view that the Company's business does not materially contaminate the external environment.

Incentive programmes

As of 31 December 2014, there were 750 000 share options outstanding. All are related to share options issued to key personnel in Tristein AS and Offshore Wind Consultants Ltd at Weifa ASA's (former Aqualis ASA) acquisition of Tristein

AS and Offshore Wind Consultants Ltd, which have been transferred to Aqualis ASA. The exercise prices are adjusted according to the option agreements, in line with OSE derivatives regulations, in order to reflect the restructuring that has taken place.

The Board has approved an employee share purchase plan, which the company is in the process of implementing. Under the share purchase plan, employees can buy shares in the Company at a discount to the prevailing market price, either through authorized but unissued shares, treasury shares or shares purchased by Aqualis ASA on the open market or otherwise. 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 annual report, no shares have been granted under the share purchase plan.

Performance-based pay is seen as an attractive part of the total remuneration to employees, with the main aim of encouraging a strong and sustainable performance-based culture that supports growth in shareholder value. The Aqualis Group has an annual variable pay scheme that is awarded to all employees on the basis of the financial performance achieved by the group.

The Board evaluates the group's performance against defined targets and decides the size of the annual bonus payment to all employees.

RISKS

Risk exposure and risk management

Aqualis' regular business activities entail exposure to various types of risk. The Company proactively manages such risks and the Board regularly analyses its operations and potential risk factors and takes measures to reduce risk exposure. Aqualis places a strong emphasis on Quality Assurance and has quality systems implemented, or under implementation, in line with the requirements for its business operations.

Operational risk

The future growth and profitability of the Aqualis Group will largely depend on its ability to attract new clients, recruit a skilled workforce, and its ability to carry out its work effectively and at a high standard. A key part the development of Aqualis is the retention and recruitment of key personnel. 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.

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. Even the perceived risk of a decline in the oil or natural gas prices often causes exploration and production companies to reduce their spending. There is a risk associated with a 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 could reduce the demand for the services offered by the Group.

Financial risk

The Company is principally exposed to interest rate risk, credit risk, liquidity risk and foreign currency risk.

Interest rate risk

Aqualis has no interest-bearing debt as per 31 December 2014.

Credit risk

The Group has no major financial assets other than cash and cash equivalents and trade receivables. Cash and cash equivalents and trade receivables amounted to USD 21.8 million and USD 5.3 million respectively at 31 December 2014. The credit risk relating to these assets arises from default of the counter party. The counter parties for cash deposits are commercial banks. The trade receivables relate to customers of Aqualis Offshore, and the company is tightly managing these receivables. The Company's overall credit risk is considered moderate to low.

Liquidity risk

The group's policy is to maintain satisfactory liquidity at the corporate level. The Group has a very strong cash position and no interesting-bearing debt at year-end. The Group's cash and cash equivalents of USD 21.8 million at 31 December 2014. Based on the current cash position, the Company assesses the liquidity risk to be low.

Foreign currency risk

The Company's exposure to the risk of changes in foreign exchange rates relates primarily the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's presentation currency), the Company's net investments in foreign subsidiaries, and the Company's foreign currency denominated cash deposits. At 31 December 2014 the Company had an unrealized foreign exchange gain of USD 2.1 million.

Further details on financial risk can be found in note 24 to the Financial Statements.

CORPORATE SOCIAL RESPONSIBILITY

Aqualis is committed to conduct its business in a manner that adheres to the highest industry standards within its business segments, and strictly in accordance with international and local laws and regulations in the regions where the Company operates.

Standard operating procedures and other policy guidelines covering the conduct of the Company and its employees are in place for the holding company, Aqualis ASA. Aqualis has established a formal code of conduct, as well a set of QHSE policies and procedures, including a system for reporting and monitoring workplace accidents. Key safety indicators are monitored and reported on a monthly basis. The Company is committed to creating a work culture where prevention of harm is priority for everyone.

The Company is committed to a work environment where all employees feel safe and are valued for the diversity they bring to the business. The Company honour domestic and internationally accepted labour standards and support the protection of human rights. The Company does not tolerate any harassment or any act of violence of threatening behaviour in the workplace, including any sexual, age-related, religious or racial harassment.

The Code of Conduct prohibits giving anything of value, directly or indirectly, to officials of foreign governments or political candidates in order to obtain or retain business. It is strictly prohibited to make illegal payments to government officials, or any other person, of any country.

Aqualis has a Corporate Compliance Officer and employees are instructed to report violation of the company's Code of Conduct.

OUTLOOK

At the end of the fourth quarter Group backlog from fixed contracts stood at approx. USD 19.7 million, thereby maintaining the approximate USD 20 million level that we have held since June 2014. Increasing revenues are being derived from call out operational contracts such as marine operations, DP and MWS which do not get included in the company's backlog. The pipeline of work expected from call out contracts continues to look solid.

Looking at the regional markets; Asia Pacific and Middle East remain particularly buoyant and a number of good opportunities have been identified which the group is actively chasing. However, we expect the outlook in the Brazilian market to remain soft throughout 2015 following the fall-out from the Petrobras corruption scandal.

In general, the recent fall in the price of oil has created a certain level of nervousness in the market. Aqualis is monitoring closely to see how this may or may not affect the group. Whatever 2015 brings there will be opportunities and the Group will adapt, as appropriate, to focus on and develop the areas of the market that it believes will offer upside opportunities.

Aqualis feels that the Group is well placed at the moment as it continues to win market share from its competitors. The Group's strategy over the course of 2015 will be to maintain strategic growth through continued recruitment of experienced and respected staff to further enhance the reputation of our company.

STATEMENT OF CORPORATE GOVERNANCE

In accordance with Section 3-3b of the Norwegian Accounting Act, a statement of corporate governance has been prepared. The statement is included as a separate document in the annual report.

Statement of corporate social responsibility
In accordance with Section 3-3c of the Norwegian Accounting Act, a statement of corporate social responsibility has been prepared. The statement is featured in the Director's report.

PARENT COMPANY

The parent company, Aqualis ASA, reported a net profit in 2014 of NOK 10.7 million. Total assets as of 31 December 2014 were NOK 310.5 million. The long-term intercompany receivables were NOK 60.1 million at year-end 2014. The Company's cash balance at year-end 2014 was NOK 12.3 million. Total shareholders' equity at year-end 2014 was NOK 307.1 million. The equity ratio was 98.9% at year-end 2014.

The Board of Directors has proposed that the net profit of NOK 10.7 million should be transferred to retained earnings.

Oslo, 27 April 2015

Glen Rødland Chairman of the Board	Yvonne Litsheim Sandvold Board member	Reuben Segal Board member
Øystein Stray Spetalen Board member	Synne Syrrist Board member	David Wells CEO

RESPONSIBILITY STATEMENT

We confirm that, to the best of our knowledge, the Financial Statements 2014, which have been prepared in accordance with IFRS as adopted by EU, gives a true and fair view of the Company's assets, liabilities, financial position and results of operations, and that the management report includes a fair review of the information required under the Norwegian Securities Trading Act section 5-5.

Oslo, 27 April 2015

Glen Rødland Chairman of the Board	Yvonne Litsheim Sandvold Board member	Reuben Segal Board member
Øystein Stray Spetalen Board member	Synne Syrrist Board member	David Wells CEO

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Consolidated Statement of Profit and Loss for the year ended 31 December

(USD 1 000)	NOTE	2014	2013
Revenue	6	31 937	2 241
Total operating income		31 937	2 241
Payroll and payroll related costs	8	18 563	1 790
Depreciation, amortisation and impairment	13, 14	900	110
Other operating costs	9	14 575	1 278
Operating profit / -loss		-2 101	-937
Finance income	10	2 267	124
Finance costs	10	205	60
Profit / -loss before taxes		-39	-873
Taxes	11	211	-
Profit / -loss after taxes		-250	-873
Loss for the year attributable to:			
Equity holders of the parent company		-250	-873
Non-controlling interests		-	-
Total		-250	-873
Earnings per share (USD): basic and diluted	12	-0.01	-0.03

Consolidated Statement of Other Comprehensive Income for the year ended 31 December

(USD 1 000)	2014	2013
Profit/-loss for the year	-250	-873
Other comprehensive income		
Other comprehensive income to be reclassified to profit or loss in subsequent periods		
Currency translation differences	-8 834	65
Income tax effect	-	-
Other comprehensive income for the year, net of tax	-9 084	-808
Total comprehensive income for the year, net of tax	-9 084	-808
Total comprehensive income for the year, net of tax attributable to:		
Equity holders of the parent company	-9 084	-808
Non-controlling interests	-	-
Total	-9 084	-808

Consolidated Statement of Financial Position as at 31 December

(USD 1 000)	NOTE	2014	2013
ASSETS			
Non-current assets			
Equipment	13	629	372
Intangible assets	7, 14	20 710	15 364
Total non-current assets		21 339	15 736
Current assets			
Trade receivables	15	5 229	2 107
Other receivables	15	2 990	1 219
Cash and cash equivalents	16	21 790	838
Total current assets		30 009	4 165
Total assets		51 348	19 901

(USD 1 000)	NOTE	2014	2013
EQUITY AND LIABILITIES			
Equity			
Share capital	17	702	0
Share premium		47 058	0
Other paid in capital		178	0
Net losses		-3 491	12 335
Total equity		44 447	12 335
Non-current liabilities			
Borrowings	18	-	5 174
Total non-current liabilities		0	5 174
Current liabilities			
Trade payables	20	1 227	602
Income Tax payable	11	196	0
Other current liabilities	19, 20	5 478	1 789
Total current liabilities		6 901	2 391
Total liabilities		6 901	7 565
Total equity and liabilities		51 348	19 901

Oslo, 27 April 2015

Glen Rødland
Chairman of the Board

Yvonne Litsheim Sandvold
Board member

Reuben Seagal
Board member

Øystein Stray Spetalen
Board member

Synne Syrrist
Board member

David Wells
CEO

Consolidated Statement of changes in equity

(USD 1 000)	NOTE	SHARE CAPITAL	SHARE PREMIUM	OTHER PAID IN CAPITAL	RETAINED EARNINGS	FOREIGN CURRENCY TRANSLATION RESERVE	TOTAL EQUITY
Equity as at 01.11.2013		-	-	-	13 208	-65	13 143
Total comprehensive income					-873	65	-808
Equity as at 31.12.2013		-	-	-	12 335	-	12 335
Equity as at 01.01.2014					12 335		12 335
							-
Total comprehensive income					-250	-8 834	-9 084
Issue of share capital							-
Foundation capital, June	17	167					
Private placement, July	17	118	10 357				
Contribution in kind, July (group continuity)	17	417	36 701	-	-6 742		30 376
Share-based payment		-		178			178
Equity as at 31.12.2014		702	47 058	178	5 343	-8 834	44 447

Consolidated Statement of Cash flows for the year ended 31 December

(USD 1 000)	NOTE	2014	2013
Cash flow from operating activities			
Loss before income tax		-39	-873
Non-cash adjustment to reconcile profit before tax to cash flow:		-	
Estimated value of employee share options	17	178	-
Depreciation, amortisation and impairment	13, 14	900	110
Gain on disposal of plant & equipment		-	-
Unrealised foreign currency (gains)/losses		-	-
Changes in working capital:		-	
Changes in trade receivables and trade creditors		-2 497	143
Changes in deferred income		-	-
Changes in other accruals		1 570	-1 060
Effect related to acquisition of subsidiary		2 147	-
Net interest (income/expense)		-65	-64
Effects realted to currency /unrealized)		-2 050	
Net cash flow from operating activities		144	-1 744
Cash flow from investing activities			
Proceeds for sale of plant & equipment		-	-
Purchase of equipment	13	-691	-130
Acquisition of subsidiary, net of cash		1 997	-
Interest received		65	124
Net cash flow from investing activities		1 371	-6
Cash flow from financing activities			
Proceeds from share issue		10 642	-
Payments from Weifa (previous owner)		8 857	-
Transaction costs on share issue		-	-
Repayment of borrowings		-	1 174
Interest paid		-	-60
Net cash flow from financing activities		19 499	1 114
Net change in cash and cash equivalents		21 014	-636
Cash and cash equivalents beginning period	16	838	1 474
Net foreign exchange difference		-62	-
Cash and cash equivalents end period		21 790	838

Note 1: Corporate information

Aqualis ASA is a public company that, through its subsidiaries, offers marine and engineering consultancy services to the offshore oil, gas and renewable sectors globally.

The group employs approximately 200 highly experienced consultants across 13 offices in 10 countries worldwide, primarily focusing on developing economies and emerging markets.

Aqualis ASA operates under two different brands: Aqualis Offshore and Offshore Wind Consultants.

Aqualis Offshore is a specialized offshore marine and engineering consultancy firm, focusing on the shallow and deep-water offshore segments of the oil and gas industry. Its core services includes concept, FEED and basic design engineering for upgrades and conversion of jack-ups, FPSOs and rigs, marine warranty services, transportation and installation, rig moving, dynamic positioning, construction supervision and due diligence services.

Offshore Wind Consultants is a globally focused consultancy providing consultancy services to the offshore renewables industry.

Note 2: Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The consolidated financial statements and directors' report are prepared in English only.

Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the European Union, and are mandatory for fiscal years beginning on or after 1 January 2014, their interpretations adopted by the International Accounting Standards Board (IASB) and Norwegian disclosure requirements listed in the Norwegian Accounting Act. Furthermore, the consolidated financial statements have been prepared on a historical cost basis. The group has no assets or liabilities which have been recognised at fair value.

Group continuity

The Aqualis ASA Group was established when the owners of Weifa ASA established Aqualis ASA as a fully owned subsidiary and transferred the offshore business from Weifa ASA to this new company. The transfer of business within the group did not result in any change of economic substance and is therefore not considered a business combination. Accordingly, the consolidated financial statements of Aqualis ASA are a continuation of the group values transferred from Weifa ASA in the spin-off of the marine and offshore business.

Weifa ASA transferred 100 percent of the shares in the subsidiaries Aqualis Offshore Ltd, Tristein AS and Offshore Wind Consultants Ltd to Aqualis ASA on 24 July 2014. The ownership of the subsidiaries and the related excess values from the acquisitions of the subsidiaries are consequently continued in the group financial statement of Aqualis ASA.

Aqualis Offshore Ltd was acquired on 1 November 2013 and has been consolidated from that date. Tristein AS was aqcuired on 23 April 2014 and OWC Ltd was acquired on 26 June 2014. The companies have been consolidated from the date of control. See note 4 for more details. The spin-off and transfer of assets and liabilities from Weifa ASA to Aqualis ASA was done from 25 July 2014.

Consolidation principles

The Group's consolidated financial statements comprise the parent company and it's subsidiaries as of December 31, 2014. An entity has been assessed as being controlled by the Group when the Group is exposed for or have the rights to variable returns from its involvement with the entity, and has the ability to use its power over the entity to affect the amount of the Group's returns.

Thus, the Group controls an entity if and only if the Group has all the following:

- power over the entity;
- exposure, or rights, to variable returns from its involvement with the entity; and
- the ability to use its power over the entity to affect the amount of the Group's returns.

There is a presumption that if the Group has the majority of the voting rights in an entity, the entity is considered as a subsidiary. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over the entity. Including ownership interests, voting rights, ownership structure and relative power, as well as options controlled by the Group and shareholder's agreement or other contractual agreements. See note 3 for a more detailed description of the Group's assessments regarding control.

The assessments are done for each individual investment.

The Group re-assesses whether or not it controls an entity if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Business combinations are accounted for by using the acquisition method. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests is presented separately under equity in the Group's balance sheet.

Change in ownership interest without loss of control

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

The consideration is recognised at fair value and the difference between the consideration and the carrying amount of the non-controlling interests is recognised at the equity attributable to the parent.

Loss of control

In cases where changes in the ownership interest of a subsidiary lead to loss of control, the consideration is measured at fair value. Assets (including goodwill) and liabilities of the subsidiary and non-controlling interest at their carrying amounts are derecognized at the date when the control is lost.

The fair value of the consideration received is recognised and any investment retained is recognised at fair value. Gain or loss is recognised in profit and loss at the date when the control is lost.

Segment reporting

The Group has organised its activities into one operating segment, Marine and Offshore, which is based in different regions. The internal reporting provided to the Board of Directors of Aqualis, which is the Group's chief decision maker, is in accordance with this structure. The segment comprise the basis for the segment reporting presented in note 6. In addition, the regional operating units within Marine and Offshore form the basis for the geographical distribution in the segment.

Foreign currency translation

The Group's presentation currency is USD. The balance sheet figures of subsidiaries, with a different functional currency, are translated at the exchange rate prevailing at the end of the reporting period, while the statement of profit and loss figures are translated at the transaction exchange rate. The monthly average exchange rates are used as an approximation of the transaction exchange rate. Exchange differences are recognised in other comprehensive income ("OCI"). When investments in foreign subsidiaries are sold, the accumulated translation differences relating to the subsidiary attributable to the equity holders of the parent are recognised in the consolidated statement of profit and loss.

Transactions and balances

Foreign currency transactions are translated into the functional currency of the Group's enitities using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the consolidated statement of profit and loss. Monetary assets and liabilities are translated at the closing rate at the reporting date.

Any goodwill arising on the acquisition of a foreign entity, and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition, are treated as assets and liabilities of the foreign operation and translated at the closing rate at the reporting date.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measurred at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Rendering of services

The Group's operations mainly consist of engineering and marine consultancy work. Consequently, revenue recognition is based on hourly/daily rates and actual registered hours when the service is delivered. Revenue is recognised when it is probable that transactions will generate future economic benefits that will flow to the Group and revenue can be reliably estimated. Services rendered on fixed price contracts are recognised by reference to the stage of completion. Stage of completion is measured by reference to labour hours incurred to date as a percentage of the total estimated labour hours for each contract. For projects expected to generate a loss, the full estimated loss is recorded as cost immediately. When contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered. When services are performed by an indeterminate number of acts over a specified period of time, revenue is recognised on a straight-line basis over the specified period.

Income tax

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and taxation authority.

Balance sheet classification

The Group presents assets and liabilities in consolidated statement of financial position on current/non-current classification. An asset is current when it is expected to be realised or intended to sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current. A liability is current when it is expected to settle in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Equipment

Equipment is mainly made up of equipment acquired to render services, and consists of office related equipment as software, computer hardware, furniture and other.

All equipment are stated at cost, net of accumulated-depreciation and/or accumulated impairment losses, if any. Such cost includes expenditures that are directly attributable to the acquisition of the items. Costs accrued for major replacements and upgrades to equipment are added to cost if it is probable that the costs will generate future economic benefits and if the costs can be reliably measured. All other repairs and maintenance are charged to the income statement when incurred. Depreciation is calculated on a straight-line method to allocate their cost to their residual values over their estimated useful lives as follows:

Equipment: 2- 5 years.

The residual values, useful lives and methods of depreciation of production and lab equipment and other equipment are reviewed at each financial year end and adjusted, if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of an asset's net sales value and its value in use.

An item of equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line-basis over the period of the lease.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Customer contracts

Customer contracts represents the exess of cost of the contracts over the fair value at acquisition of subsidiaries at the date of acquisition. Customer contracts is included within intangible assets.

Goodwill

Goodwill represents the exess of cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on the acquisition of subsidiaries is included within intangible assets.

Goodwill that arises on the acquisition of subsidiaries is allocated to cash generating units (CGUs). For the measurement of goodwill at initial recognition, see note 4 Business combinations.

Goodwill is measured at cost (residual) less accumulated impairment losses. Goodwill is tested for impairment at least annually, or when there are indications of impairment. Impairment is determined for goodwill by assessing the recoverable amount of each CGU to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

When the Group disposes of an operation within a CGU or group of CGUs, to which goodwill has been allocated, a portion of the goodwill is included in the carrying amount of the operation disposed of when determining the gain of loss on disposal. The portion of the goodwill allocated is measured based on the relative values of the operation disposed of and the portion of the CGU retained at the date of the partial disposal, unless it can be demonstrated that another method better reflects the goodwill associated with the operation disposed of. The same principle is used for allocation of goodwill when the Group reorganises its businesses.

Financial assets - recognition and subsequent measurement

Financial assets within the scope of IAS 39 have been classified as financial assets at fair value through profit and loss or loans and receivables. The Group determines the classification of its financial assets at initial recognition. All financial assets are recognised initially at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss. The Group's financial assets include cash and short-term deposits, money market funds and trade and other receivables.

The Group's financial assets have mainly been classified as loans and receivables. These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method, less impairment. The EIR amortisation is included in finance income in the income statement. The losses arising from impairment are recognised in the income statement in finance costs for loans and in other operating expenses for receivables.

Financial assets at fair value through profit or loss would include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets at fair value through profit or loss are carried in the statements of financial position at fair value with net changes in fair value presented as finance cost or finance income in the income statement. The Group has not designated any financial assets at fair value through profit or loss, except for cash held in money-market funds.

Cash and cash equivalents

Cash and cash equivalents include cash at banks and on hand, and other short-term highly liquid investments with original maturities of three months or less.

Financial liabilities - recognition and subsequent measurement

Financial liabilities within the scope of IAS 39 have been classified as financial liabilities measured at amortised cost using the effective interest method. The Group determines the classification of its financial liability at initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of direct attributable transactions costs. The Group's financial liabilities include trade and other payables and borrowings, and a financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Trade payables

Trade payables are recognised at the original invoice amount, with the addition of any accrued interest.

Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction - net of tax - from the proceeds.

Employee benefits

a) Pension

The Group currently has defined contribution plans only. For defined contribution plans, contributions are paid to pension insurance plans and charged to profit and loss in the period to which the contributions relate. Once the contributions have been paid, there are no further payment obligations.

b) Share-options

In connection with acquisition of Tristein AS and Offshore Wind Consultants Ltd, key personnel was given share options. The fair value of the options granted to employees for services received have been recognised as an expense (payroll and payroll related costs) over the vesting period. The total amount to be expensed over the vesting period have been determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions. Non-market vesting conditions have been included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the income statement, with a corresponding adjustment to equity. The fair value of the options have been estimated at grant date and is not subsequently changed.

Provisions and contingent liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of the money and the risks specific to the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Events after the balance sheet date

New information on the Group's positions at the balance sheet date is taken into account in the annual financial statements. Events after the balance sheet date that do not affect the Group's position at the balance sheet date, but which will affect the Group's position in the future, are stated if significant.

IFRSs and IFRIC interpretations not yet effective

The accounting policies adopted are consistent with those of the previous financial year, except for the following amendments to IFRS effective as of 1 January 2014. IASB has published certain new standards and interpretations and amendments to existing standards and interpretations that are not effective for the annual period ending 31.12.2014 and that are not applied when preparing these financial statements. New and amended standards and interpretations expected to be relevant the Group's financial position, performance or disclosures are disclosed below. None of the changes disclosed are EU-approved.

IFRS 15 Revenue from Contracts with Customers

The IASB and the FASB have issued their joint revenue recognition standard, IFRS 15. The standard replaces existing IFRS and US GAAP revenue requirements. The core principle of IFRS 15 is that revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard applies to all revenue contracts and provides a model for the recognition and measurement of sales of some non-financial assets (e.g., disposals of property, plant and equipment). Mandatory date of implementation is at the earliest on 1.1.2017. Aqualis will evaluate the potential impact of the standard in the period until implementation.

IFRS 9 Financial Instruments

The standard was finalized in 2014 and involves changes related to classification and measurement, hedge accounting and impairment of financial instruments. The standard will replace IAS 39 Financial Instruments: Recognition and Measurement. No mandatory date of implementation is set, but will be 1.1.2018 at the earliest. Aqualis will evaluate the potential impact of the standard in the period until implementation.

There are no other IFRSs and IFRIC interpretations not yet effective, that are relevant for Aqualis Group.

Note 3: Critical accounting estimates and judgements in terms of accounting policies

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Goodwill

In accordance with the stated accounting policy, the Group tests annually whether goodwill has suffered any impairment or more frequently if impairment indicators are identified. The recoverable amount of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates and are consistent with the market valuation of the Group. The value-in-use calculation is based on a discounted cash flow model. The cash flows are derived from the budget and estimates for the next five years and do not include significant investments that will enhance the performance of the CGU being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model, as well as the expected future cash-inflows (sensitive to estimates of sales and cost levels) and the growth rate used for extrapolation purposes. Further details about goodwill and impairment reviews are included in note 7 Impairment.

Judgements in terms of accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements that have the most significant effect on the amounts recognised in the financial statements.

Consolidation of Aqualis Offshore Marine Services LLC:

The Group owns 49 % of Aqualis Offshore Marine Services LLC ("AOMS"), and the remaining shares are owned by a local sponsor in accordance with statutory regulations in Dubai, UAE. Through a trust agreement with the local sponsor, the Group controls 100% of the financial and ownership rights of AOMS. The Group has ownership over all the assets of AOMS, with all dividends, proceeds of sale etc. belonging solely to the Group. As the Group has full power of the investee, are fully exposed to variable returns from its involvement with the investee, and has the ability to use its power over the investee to affect the amount of the investor's returns, AOMS has been fully consolidated in the consolidated financial statements of the Group, and the 51% owned by the local sponsor has not been treated as a non-controlling interest. Payments to the local sponsor has been charged to the profit and loss as Other operating costs and presented as short term liability in the balance sheet.

Note 4: Business combinations

Business combinations:

On 27 April 2014, Aqualis acquired 100% of the voting shares in Tristein AS. Tristein AS is a specialised offshore marine operations business with head office in Asker. The acquisition was financed by issuing 9,500,000 new shares in Aqualis ASA at NOK 2.50 per share, which was approximately in line with the value per share in Aqualis at the time of entering into a Letter of Intent for the acquisition of Tristein AS. The fair value of the shares issued at the date of the actual acquisition, was NOK 2.58 per share, which was the closing share price on the day prior to the acquisition, giving a total purchase consideration of USD 7,933 thousand.

On 29 June 2014, Aqualis acquired 100 % of the voting shares in Offshore Wind Consultants Ltd. Offshore Wind Consultants Ltd. Offshore Wind Consultants Limited is a globally focused specialised consultancy providing independent services to the offshore renewables industry. Offshore Wind Consultants Limited is a globally focused specialised consultancy providing independent services to the offshore renewables industry with head office in London. The acquisition was financed by issuing 2,675,000 new shares in Aqualis ASA at NOK 2.75 per share, which was approximately in line with the value per share in Aqualis at the time of entering into a Letter of Intent for the acquisition of Offshore Wind Consultants Ltd. The fair value of the shares issued at the date of the actual acquisition, was NOK 3.94 per share, which was the closing share price on the day prior to the acquisition, giving a total purchase consideration of USD 1,932 thousand.

The fair values of the identifiable assets and liabilities of Tristein AS and Offshore Wind Consultants Ltd. at the date of acquisition were:

(USD 1 000)	TRISTEIN AS FAIR VALUE RECOGNISED ON ACQUISITION	OFFSHORE WIND CONSULTANTS LTD. FAIR VALUE RECOGNISED ON ACQUISITION
Assets		
Equipment	34	1
Investments	35	0
Deferred tax asset	6	0
Cash and cash equivalents	1 882	176
Trade accounts receivable	1 018	166
Other current assets	100	200
Customer contracts	520	0
	3 595	543
Liabilities		
Trade creditors	-240	-51
Other current liabilities	-781	-213
Total liabilities	**-1 021**	**-264**
Net identifiable assets and liabilities at fair value	**2 574**	**279**
Goodwill	5 359	1 653
Purchase consideration transferred	**7 933**	**1 932**
Shares issued, at fair value	4 093	1 718
Cash	3 840	215
Total consideration	**7 933**	**1 932**
Paid in cash	3 840	215
Cash received	1 882	176
Net change in cash	**-1 958**	**-39**

Tristein AS

The acquired unit has from the date of acquisition contributed to the Group's revenues and loss before taxes by USD 3.9 million and USD 0.2 million respectively.

If the acquisition had occurred at the beginning of 2014, revenues for 2014 and loss before taxes for 2014 for the Group would have been USD 6 million and USD 0.4 million respectively.

The fair value of the trade receiveables amounts to USD 1.0 million. The gross amount of the trade receivables is USD 1.0 million. However, none of the trade receivables have been impaired and it is expected that the full contractual amounts can be collected.

Included in goodwill is the value of employees with special skills and expected synergies with the existing business of Aqualis ASA. These intangible assets do not fulfill the recognition criteria under IAS 38 and are therefore not recognised separately. None of the goodwill recognised is expected to be deductible for income tax purposes.

The transaction costs in connection with the acqusition have been expenses in the profit and loss as finance expenses.

Offshore Wind Consultants Ltd

The acquired unit has from the date of acquisition contributed to the Group's revenues and loss before taxes by USD 1.4 million and USD 0.2 million respectively.

If the acquisition had occurred at the beginning of 2014, revenues for 2014 and loss before taxes for 2014 for the Group would have been USD 2.1 million and USD 0.3 million respectively.

The fair value of the trade receiveables amounts to USD 0.2 milllion. The gross amount of the trade receivables is USD 0.2 million. However, none of the trade receivables have been impaired and it is expected that the full contractual amounts can be collected.

Included in goodwill is the value of employees with special skills and expected synergies with the existing business of Aqualis ASA. These intangible assets do not fulfill the recognition criteria under IAS 38 and are therefore not recognised separately. None of the goodwill recognised is expected to be deductible for income tax purposes.

The transaction costs in connection with the acqusition have been expenses in the profit and loss as finance expenses.

Note 5: List of subsidiaries

The following subsidiaries are included in the consolidated financial statements:

COMPANY	COUNTRY OF INCORPORATION	MAIN OPERATIONS	OWNERSHIP INTEREST 2014	VOTING POWER 2014	OWNERSHIP INTEREST 2013	VOTING POWER 2013
Aqualis Offshore Ltd. (1)	UK	Marine & Offshore	100 %	100 %	100 %	100 %
Aqualis Offshore UK Ltd. (1)	UK	Marine & Offshore	100 %	100 %	100 %	100 %
Aqualis Offshore Pte. Ltd (1)	Singapore	Marine & Offshore	100 %	100 %	100 %	100 %
Aqualis Offshore Marine Services LLC (1)	UAE	Marine & Offshore	49 %	100 %	49 %	100 %
Aqualis Offshore, Inc. (1)	US	Marine & Offshore	100 %	100 %	100 %	100 %
Aqualis Offshore Servicos Ltda (1)	Brazil	Marine & Offshore	100 %	100 %	100 %	100 %
Aqualis Offshore AS (1)	Norway	Marine & Offshore	100 %	100 %	100 %	100 %
Aqualis Offshore S. de R.L. de C.V. (4)	Mexico	Marine & Offshore	100 %	100 %	0 %	0 %
Aqualis Offshore Marine Consulting (Shanghai) Co.,Ltd. (4)	China	Marine & Offshore	100 %	100 %	0 %	0 %
Tristein AS (2)	Norway	Marine & Offshore	100 %	100 %	0 %	0 %
Offshore Wind Consultants Ltd. (3)	UK	Marine & Offshore	100 %	100 %	0 %	0 %

(1) Companies consolidated from 8 November 2013.
(2) Tristein AS consolidated from 27 April 2014.
(3) Offshore Wind Consultants Ltd. conslidated from 29 June 2014.
(4) Companies established in 2014.

See note 7 in Aquailis ASA for further information on subsidiaries.

Note 6: Segment Information

The Group has organised its activities into one operating segment which are based in different regions all within Marine and Offshore, and the internal reporting provided to the Board of Directors of Aqualis, which is the Group's chief decision maker, is in accordance with this structure.

Aqualis delivers services to the marine and offshore sector. This includes services within engineering, transporation and installation, marine warranty, rig moving, constructions supervision, dynamic positioning and marine consultancy.

Segment performances are measured by operating profit before depreciation, amortisation and impairment (EBITDA) and operating profit (EBIT), as included in the internal management reports that are reviewed by management, and the Board of Directors.

Year ended 2014

(USD 1 000)	MARINE & OFFSHORE	TOTAL
Operating income		
Norway	6 836	**6 836**
Singapore	11 309	**11 309**
UAE	8 322	**8 322**
USA	3 746	**3 746**
Brazil	2 796	**2 796**
UK	2 015	**2 015**
China	51	**51**
Mexico	32	**32**
Elimination	-3 169	**-3 169**
Total operating income (loss)	**31 937**	**31 937**
Operating profit/-loss (EBIT)		
Norway	-2 015	**-2 015**
Singapore	1 703	**1 703**
UAE	-213	**-213**
USA	274	**274**
Brazil	-105	**-105**
UK	-629	**-629**
China	-407	**-407**
Mexico	-82	**-82**
Elimination	-626	**-626**
Total operating profit/-loss	**-2 101**	**-2 101**
EBITDA	**-1 201**	**-1 201**
Depreciation, amortisation and impairment	-900	**-900**
EBIT	**-2 101**	**-2 101**
Capex	**691**	**691**

There are no differences in the nature of measurement methods used on segment level compared with the consolidated financial statements.

Note 7: Impairment testing of goodwill

Recognised goodwill in the Group amounts to USD 20.190 million as of 31.12.2014 (USD 15.364 in 2013) derived from the acquisition of Aqualis Offshore Ltd., Tristein AS and Offshore Wind Consultants Ltd. Goodwill is tested for impairment for each cash-generating unit (CGU). The CGUs are listed below.

CARRYING AMOUNT OF GOODWILL USD MILLION:	2014	2013
Aqualis Offshore Pte. Ltd, Singapore	**6.6**	6.9
Aqualis Offshore Marine Services LLC, UAE	**5.7**	6.2
Aqualis Offshore AS, Norway	**5.3**	1.2
Aqualis Offshore Inc., USA	**0.1**	1.1
Offshore Wind Consultants Ltd.	**1.5**	0.1
Aqualis Offshore Servicos Ltda, Brazil	**1.0**	0.0
Total	**20.2**	**15.4**

Goodwill is tested for impairment at least annually, or when there are indications of impairment. The impairment test was performed by Aqualis management in fourth quarter of 2014.

The recoverable amount is set to the estimated value in use. The value in use is the net present value of the estimated cash flow before tax for each CGU, using a discount rate reflecting the timing of the cash flows and the expected risk.

The following assumptions were utilised when calculating the value in use as of 31 December 2014:

Cash flow projections and assumptions

A five year forecast of discounted cash flows plus a terminal value (Gordon's growth model) was used to determine net present value of each CGU. Discounted cash flows were calculated before tax.

Cash flow estimates covering the period 2015-2019 consist of budgets for 2015, and the strategic plan for the following years. The cash flows reflect a gradual improvement in margins to reach a margin level in line with other businesses within the industry, due to the fact that the CGUs are part of a newly started business. The projected cash flows are based on the expected growth in the total market, the CGUs market share and the prices of our services. According to the management these are reasonable assumptions based on the development of the business so far, and the long term strategic plan.

Management expects considerable organic growth in the 5 year forecast period, and the terminal growth rate after year 5 has been set to 0.5%. The estimated growth is dependent on the CGU's ability to recruit the right personnel and its ability create revenue growth through then proper utilisation of human resources.

The calculation of value in use for the cash generating units is most of all sensitive when it comes to the following assumptions:

Discount rate

The discount rate for each CGU is derived as the weighted average cost of capital (WACC) for a similar business in the same business environment. The input data is gathered from representative sources, peer groups etc, and this is used for management's best estimate of WACCs. The different WACCs were calculated pre tax. The same assumptions were used for all CGUs with the exception of country specific risk and risk free interest rates, which were differentiated based on country and the relevant currency. All parameters were set to reflect the long term period of the assets and time horizon of the forecast period of the cash flows.

Key inputs in determining the WACC:
- Risk free rate: USD 10yr swap rate.
- Beta: Based on peer group consisting of 8 companies with statistical data for the last 5 years (1.48)
- Capital structure: Equity ratio of 70 %.

The net cash flows have been discounted using individual discount rates as follows:

	DISCOUNT RATE
Aqualis Offshore Pte. Ltd, Singapore	12.22 %
Aqualis Offshore Marine Services LLC, UAE	12.74 %
Aqualis Offshore AS, Norway	12.22 %
Aqualis Offshore Inc., USA	12.22 %
Offshore Wind Consultants Ltd.	12.22 %
Aqualis Offshore Servicos Ltda, Brazil	14.21 %

Growth rate

The growth rate in the forecast period is based on management's expectations to the development in the market in general, and the strategic plans for the CGUs for the next 5 years. As the CGUs are relatively new businesses, there is a large degree of uncertainty regarding growth rates.

Sensitivity analysis for key assumptions

Sensitivity calculations are done for all CGUs that are tested for impairment.

As a basis for the sensitivity assessment, Aqualis uses the following assumption changes for each CGU:
- An increase of discount rate of 2.0% points (after tax)
- A reduction in the EBITDA margin of 3.0% points, for the each year in the forecast period (year 1-5)
- A reduction of nominal growth after year five of 0.5% point (to 0.0% growth)

A combined change of all three assumptions would not lead to any impairment write-down for the respective CGUs.

Impairment - test results and conclusion

The value in use exceeds the carrying amounts for all CGUs, and the impairment test did not indicate a requirement for any write downs.

Note 8: Payroll and payroll related costs

(USD 1 000)	2014	2013
Salaries	14 854	1 210
Bonus	959	204
Payroll tax	1 174	98
Estimated value of share options granted to employees	6	0
Pension costs - defined contribution plan	155	4
Other personal costs	1 415	274
Total payroll and payroll related costs	18 563	1 790
Average number of man-years:	196	78

The Group currently has defined contribution plans only. In 2014, a total of USD 155,5 thousand was expensed under the plans (2013: USD 4.0 thousand). The Group's obligations are limited to annual contributions. Aqualis meets the Norwegian requirements for mandatory occupational pension ("obligatorisk tjenestepensjon").

Note 9: Other operating costs

(USD 1 000)	2014	2013
Cost of listing	1 368	0
General & admin. expenses	13 208	1 278
Other operating costs	14 575	1 278

Remuneration to the Auditors

(USD 1 000)	2014	2013
Audit	77	14
Other assurance services	72	0
Tax advisory services	0	0
Total	149	14

All fees are exclusive of VAT.

Note 10: Financial items

(USD 1 000)	2014	2013
Interest income from bank deposits	35	124
Unrealised foreign currency gain	2 176	0
Other financial income	56	0
Total finance income	2 267	124
Interest on borrowings	0	31
Unrealised foreign currency loss	29	29
Other financial expenses	176	0
Total finance costs	205	60
Net finance	2 062	64

The unrealised foreign currency gain is related to bank accounts in Aqualis ASA and its subsidiaries, which have bank accounts in different currencies than their functional currency.

Long term loans to subsidiaries have been assessed to be a part of the net investments in the subsidiaries. In compliance with IAS 21, the currency effects related to these loans have been recognised in other comprehensive income as foreign currency translation reserve.

Note 11: Taxes

(USD 1 000)	2014	2013
Income taxes		
Income taxes Singapore	146	0
Income taxes UK	42	0
Income taxes other	8	0
Total income taxes (balance sheet)	**196**	**0**
Deferred tax		
Deferred tax Sinapore	15	0
Total deferred tax	**15**	**0**
Total taxes	**211**	**0**

(USD 1 000)	2014	2013
Changes in Temporary differences		
Current assets	98	20
Current liabilities	-67	2
Losses carried forward	-604	-832
Net income tax reduction temporary differences	**-574**	**-810**
Net deferred tax asset	-161	-155
Deferred tax assets not capitalised	161	155
Deferred tax assets capitalised	**-**	**-**

Deferred tax assets on tax losses have not been recognised due to the uncertainty of future use.
Tax losses are not time limited, and corporate tax rates used for calculation of net deferred tax assets not capitalised, ranges from 0 % to 34 %.
Goodwill is not deductible for tax purposes.

Note 12: Earnings per share

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, based on the following data:

(USD 1 000)	2014	2013
Loss for the year	-250	-873
Basic and diluted earnings per share (USD)	**-0,01**	**-0,03**
Weighted average number of shares	35 372 333	25 887 000

The following instruments that could potentially dilute basic earnings per share in the future, have not been included in the calculation of diluted earnings per share because they are antidilutive for the periods presented. See note 17 for further information.

(NUMBER OF INSTRUMENTS)	2014	2013
Employee share options	750 000	0
Total number of share options	**750 000**	**0**

Note 13: Equipment

2014

(USD 1 000)	EQUIPMENT	TOTAL
Cost		
At 1 January	420	420
Additions	691	691
Acquisition of subsidiaries	66	66
Transaction currency difference	90	90
At 31 December	**1 267**	**1 267**
Depreciation and impairment		
Accumulated depreciation at 1 January	49	49
Depreciation charge for the year	516	516
Accumulated depreciations disposals	32	32
Translation difference	42	42
Accumulated depreciation at 31 December	**639**	**639**
Net book value	**629**	**629**
Useful life	2-5 years	

2013

(USD 1 000)	EQUIPMENT	TOTAL
Cost		
At 1 January	-	-
Acquisition of Aqualis Offshore	420	420
Disposals		-
At 31 December	**420**	**420**
Depreciation and impairment		
Accumulated depreciation at 1 January	-	-
Depreciation charge for the year	46	46
Accumulated depreciations disposals	-	-
Translation difference	3	3
Accumulated depreciation at 31 December	**49**	**49**
Net book value	**372**	**372**
Useful life	2-5 years	

Note 14: Intangible assets

2014

(USD 1 000)	CUSTOMER CONTRACTS	GOODWILL	TOTAL
Cost			
At 1 January	547	14 881	15 428
Acquisition of subsidiaries	520	7 012	7 532
Additions	-	-	0
Translation difference	-99	-1 703	-1 802
At 31 December	**968**	**20 190**	**21 158**
Amortisation and impariment			
Accumulated amortisation at 1 January	64	-	64
Amortisation charge for the year	384	-	384
Accumulated amortisation at 31 December	**448**		**448**
Net book value	**520**	**20 190**	**20 710**
The customer contract will be terminated in 2015.			
Useful life	2 years	tested for impairment	

2013

(USD 1 000)	CUSTOMER CONTRACTS	GOODWILL	TOTAL
Cost			
At 1 January	-	-	-
Additions	-	-	-
Acquisition of subsidiary 8 November 2013	547	15 099	15 646
Translation difference	-	-218	-218
At 31 December	**547**	**14 881**	**15 428**
Amortisation and impariment			
Accumulated amortisation at 1 January	-	-	-
Amortisation charge for the year	64	-	64
Accumulated amortisation at 31 December	**64**		**64**
Net book value	**483**	**14 881**	**15 364**

See note 7 for impairment test related to goodwill. Amortisation of intangible assets is presented under the line item depreciation, amortisation and impairment in the consolidated statement of profit and loss.

Note 15: Trade and other receivables

Trade receivables

(USD 1 000)	2014	2013
Trade receivables	5 349	2 107
Provision for losses	-120	0
Total receivables	5 229	2 107

Trade receivables are non-interest bearing and are generally on terms of 30 to 45 days.

As at 31 December 2014, the ageing analysis of trade receivabels is as follows:

AGING	CURRENT	‹ 30 DAYS	30-60 DAYS	60- 90 DAYS	› 90 DAYS
Trade recievables	2 546	1 430	955	122	176

See note 24 on credit risk of trade receivables, which explains how the Group manages credit risk.

Other receivables

(USD 1 000)	2014	2013
Earned not invoiced	1 472	573
Deposits	298	193
VAT receivable	144	34
Prepayments	666	397
Other receivables	409	22
Total other receivables	2 990	1 219

Note 16: Cash and cash equivalents

(USD 1 000)	2014	2013
Cash at banks	21 790	838
Total	21 790	838

DISTRIBUTED IN FOLLOWING CURRENCY	LOCAL CURRENCY	USD
NOK	49 829	6 718
USD	14 051	14 051
BRL	809	304
AED	49	13
GBP	228	356
SGD	421	318
BHD	1	0.1
MXN	436	30
Total USD		21 790

Cash at banks earns interest at floating rates based on daily bank deposit rates.

The Group has restricted cash of USD 242,7 thousand per 31 December 2014 (2013: USD 70 thousand) of which all is unpaid withholding tax deducted from employees' salaries.

Note 17: Issued shares, share capital and reserves

	NUMBER OF SHARES (THOUSANDS)	SHARE CAPITAL (USD 1 000)
At 1 January 2014		
Foundation capital	10 000	167
Private placement, July	7 304	118
Contribution in kind, July	25 887	417
At 31 December 2014	43 191	702

Each share has a par value of NOK 0.10 per share.

Aqualis ASA was established 2 June 2014, thus no shares was issued neither 1 January 2014 or 31 December 2013.

Share-based payments

The company has used share-options for key personnel in connection with the acquisition of Tristein AS and Offshore Wind Consultants Ltd.

The total expense recognised for allotment of share options to employees in Tristein AS and Offshore Wind Consultants Ltd. was USD 178 thousand for the year ended 31 December 2014 (2013: USD 0 thousand).

During 2014, 750 000 options were granted at a weighted average exercise price of NOK 8.91 per share. The following table illustrates the numbers of options granted and their weighted average exercise price (WAEP):

Share option plan

	2014	
	NUMBER OF OPTIONS	WAEP (NOK)
Outstanding at the beginning of the year	0	0
Granted (1)	750 000	8.91
Exercised	0	0
Forfeited	0	0
Expired	0	0
Outstanding at the end of period	750 000	0
Exercisable at the end of period	0	0

(1) 2014: The share options was initially issued in Weifa ASA (former Aqualis ASA). As a consequence of the restructuring the option agreements has been transferred to Aqualis ASA which is the new ultimate parent of the group. The excersice price has in this connection been adjusted in accordance with the option agreements.

The fair value of the share options is estimated at the grant date using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the share options were granted. The weighted average fair value of share options granted to employees during the period was NOK 8.91 per option. The following table list the key inputs to the model used for the years ended 31 December 2014 and 2013:

THE WEIGHTED AVERAGE ASSUMPTIONS USED	2014
Expected volatility (%)	0.51
Risk-free interest rate (%)	1.52
Expected life of options (year)	2.3
Weighted average share price (NOK)	8.91

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility is estimated based on historical volatility of the Company's share price and reflects the assumption that the historical volatility over a period similar to the life of the share options is indicative of future volatility, which may not necessarily be the actual outcome. No dividends are expected during the remaining life of the share options.

Note 18: Borrowings

(USD 1 000)	2014	2013
Loan from Weifa ASA (previous parent)	-	5 174
Borrowings	-	5 174

The borrowings was offset during the carve out and capital increase in Aqualis ASA.

Note 19: Other current liabilities

(USD 1 000)	2014	2013
Social security taxes	338	167
Allowance for holiday pay	491	168
VAT	418	197
Other accrued expenses	582	1 153
Defered revenue	1 635	0
Other liabilities	2 014	103
Total	5 478	1 789

Note 20: Fair values of financial assets and financial liabilities

Set out below is a comparison by class of carrying amounts and fair values of all financial instruments that are carried in the financial statements:

			CARRYING AMOUNT		FAIR VALUE	
(USD 1 000)	FAIR VALUE HIERACHY LEVEL	CATEGORY	2014	2013	2014	2013
Financial assets						
Trade receivables		Loans and receivables	5 229	2 107	5 229	2 107
Other receivables		Loans and receivables	2 990	1 219	2 990	1 219
Cash and cash deposits		Loans and receivables	21 790	838	21 790	838
Total			30 009	4 164	30 009	4 164
Financial liabilities						
Borrowings		Other financial liabilities at amortised cost	0	5 174	0	5 174
Trade payables		Other financial liabilities at amortised cost	1 227	602	1 227	602
Other payables		Other financial liabilities at amortised cost	5 478	1 789	5 478	1 789
Total			6 705	7 565	6 705	7 565

The financial assets principally consist of cash and cash equivalents obtained through equity issues. The financial liabilities in 2013 principally consist of a long-term loan with Weifa ASA, which in 2014 was transferred to Aqualis ASA as contribution in kind. The long-term loan is paid in 2014. Trade and other payables is payables arising directly from operations.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Cash and bank deposits, trade and other current receivables and trade and other current payables approximate their carrying amounts due to the short-terms maturities of these instruments.

Note 21: Related parties disclosures

Compensation paid to Executive Management of the Group

(USD 1 000)	SALARY	BONUS EARNED IN 2014	PENSION CONTRI-BUTIONS	OTHER	TOTAL
Christian Opsahl, CFO Jul-Dec	93	25	6	0	112
Davis Wells; CEO	328	27	0	63	418
Total Executive Management	422	40	6	63	530

According to the Norwegian Public Limited Companies Act (the "Act) section 6-16a, the Board of Directors have prepared a statement on the establishment of wages and other remuneration for the Managing Director and other senior employees (see note 15 in Aqualis ASA).

At year end 2014 there are no loan or prepayments to Board of Directors, Executive Management or any other related parties.

The Board has approved a share program for all employees. The program will be effective in Q2 2015.

For further details on remuneration to board of directors and executive management refer to note 12 Related parties in Aqualis ASA.

Note 22: Transactions with related parties

Related party relationships are those involving control, joint control or significant influence. Related parties are in a position to enter into transactions with the company that would not be undertaken between unrelated parties. All transactions within the group have been based on arm's length principle.

Aqualis ASA is listed on Oslo Stock Exchange. The group's ulitmate parent is Aqualis ASA.

Related party transactions with parties of significant influence

Ferncliff TIH and associated companies ("Ferncliff") are companies controlled by Øystein Stray Spetalen. Mr Spetalen is a Board member of Aqualis and, indirectly, holds approx. 24% of the shares in the Company at year end 2014. The following transactions during 2014 relate to Ferncliff:

Aqualis ASA has paid NOK 5.0 million in structuring fee to Gross Management AS for services related to the structuring of the Weifa transaction, which is expensed under the operation cost. Gross Management AS is controlled by Øystein Stray Spetalen and Glen Rødland which through Ferncliff and assiciated companies holds approx. 24% of Aqualis ASA.

Aqualis ASA sold their shares in the fully owned subsidiary, Tristein AS, to Aqualis Offshore Ltd in December 2014. The transaction was done at marked price wich was the same as booked value. Aqualis ASA received NOK 46,8 million for the shares.

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 2014 was approx. NOK 51 thousands. The contract has been entered into on normal market terms.

The balance sheet includes the following receivables and payables resulting from transactions with parties of significant influence:

(USD 1 000)	2014
Receivables	
Account payables	
Total	0

See note 12 in Aqualis ASA for more information on remuneration to executive management and the board.

Note 23: Commitments and contingencies

Operating lease commitments

The Group leases premises, office and computer equipment under non-cancellable operating lease agreements. The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

LEASE COMMITMENTS (USD 1 000)	31.12.2014
Next 1 year	659
1 to 5 years	753
After 5 years	-
Future minimum lease payments	1 412

Note 24: Financial risk management objectives and policies

The Group's principal financial liabilities comprise trade and other payables, and the Group has no borrowings at 31 December 2014. The Group has trade and other receivables, and cash and cash equivalents. 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.

Interest rate risk

For cash deposits interest rate changes will only have an immaterial impact on the Group's financial statements.

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.

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 an 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. At December 2014 the Group had total trade receivables of USD 5.2 million (2013: USD 2.1).

The counter parties for cash deposits are Norwegian and large international commercial banks.

Liquidity risk

Liquidity risk is the potential loss arising from the Group's inability to meet its contractual obligations when due. 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. The Group had cash and cash equivalents of USD 21,8 million at 31 December 2014. Based on the current cash position, the Group assesses the liquidity risk to be low.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Year ended 31 December 2014

(NOK 1 000)	ON DEMAND	LESS THAN 3 MONTHS	3 TO 12 MONTHS	1 TO 5 YEARS	>5 YEARS	TOTAL
Borrowings	-	-	-	-	-	-
Trade payables	-	1 227	-	-	-	1 227
Other liabilities	-	5 674	-	-	-	5 674
Total	-	6 901	-	-	-	6 901

Year ended 31 December 2013

(USD 1 000)	ON DEMAND	LESS THAN 3 MONTHS	3 TO 12 MONTHS	1 TO 5 YEARS	>5 YEARS	TOTAL
Borrowings	-	-	5 174	-	-	5 174
Trade payables	-	602	-	-	-	602
Other liabilities	-	1 789	-	-	-	1 789
Total	-	2 391	5 174	-	-	7 565

Capital management

The primary objective of the Group's capital management is to ensure that the Company maintains a solid capital structure enabling it to develop and build the business units 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. No changes were made in the objectives, policies or process for managing capital during the years ended 31 December 2014 and 31 December 2013.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's presentation currency), the Group's net investments in foreign subsidiaries, and the Group's foreign currency denominated cash deposits. The operating revenue, and thus the trade receivables, of the Group is primarily denominated in USD, while operting expenses are generally denominated in the functional currency of the Group's enities.

The bank accounts in other currency than the functional currency in all entities, will expose the group for changes in the profit and loss. The major part of foreign bankaccounts is in Aqualis ASA. Changes in the USD will have following effect on the proft and loss of the group:

CHANGE IN USD VS LOCAL CURRENCY	NOTE	USD AMOUNT 31.12	+5% CHANGE IN USD	-5% CHANGE IN USD
USD bank account	9 (1)	12 113	606	-606
Change in profit and loss			**606**	**606**

(1) See note 9 in Aqualis ASA.

Furter the group will be exposed to changes in the equity due to changes in foreign currency. This effects will be recognies through the equity.

Note 25: Events after the reporting period

Aqualis ASA purchased Tristein AS in 2014, and related to the purchase there was an added value to a customer contract. See note 4 and note 14 for more information. This customer contract was terminated in 2015 and the cash compensation was received in January 2015. This payment will not be recognized in the profit and loss, since the added value of the contract was taken into account at the time of the aqusiation.

Tristein AS merged into Aqualis Offshore AS in order to steamline the Norwegian operations. Effective date of merger is 1st of January 2015.

AQUALIS ASA
FINANCIAL STATEMENTS AND NOTES

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Income Statement for the year ended 31 December

(NOK 1 000)	NOTE	2014
Revenue		0
Total operating income		**0**
Payroll expenses	2	1 714
Other operating expenses	3	10 629
Operating profit/-loss		**-12 343**
Finance income	5	38 669
Finance costs	5	14 908
Profit/-loss before taxes		**11 418**
Taxes	6	713
Profit/-loss after taxes		**10 705**

Balance sheet as at 31 December

(NOK 1 000)	NOTE	2014
ASSETS		
Non-current assets		
Deferred tax assets	6	0
Investment in subsidiaries	7	127 346
Group interest-bearing receivables	4	60 065
Total non-current assets		187 411
Current assets		
Other receivables		65
Cash and cash equivalents	9	123 031
Total current assets		123 097
Total assets		310 507

(NOK 1 000)	NOTE	2014
EQUITY AND LIABILITIES		
Equity		
Share capital	8, 10	4 319
Share premium	8	292 051
Retained earnings	8	10 705
Total equity		307 075
Current liabilities		
Trade payables		53
Other current liabilities	11	3 379
Total current liabilities		3 432
Total liabilities		3 432
Total equity and liabilities		310 507

Oslo, 27 April 2015

Glen Rødland
Chairman of the Board

Yvonne Litsheim Sandvold
Board member

Reuben Seagal
Board member

Øystein Stray Spetalen
Board member

Synne Syrrist
Board member

David Wells
CEO

Statement of Cash Flows for the year ended 31 December

(NOK 1 000)	NOTE	2014
Cash flow from operating activities		
Profit before income tax		11 418
Non-cash adjustment to reconcile profit before tax to cash flow:		
Taxes paid		
Changes in working capital:		-
Changes in other receivables and other liabilities		716
Changes in loans to subsidiaries		-9 527
Changes in other accruals		-
Net cash flow from operating activities		2 607
Cash flow from investing activities		
Loan payment from subsidiares		3 753
Loan to subsidiaries		-4 336
Net cash flow from investing activities		-583
Cash flow from financing activities		
Proceeds from share issue	8	66 007
Payment from previous owner (Weifa)		55 000
Net cash flow from financing activities		121 007
Net change in cash and cash equivalents		123 031
Cash and cash equivalents beginning period		-
Net foreign exchange difference		-
Cash and cash equivalents end period	9	123 031

Note 1: Accounting Principles

Aqualis ASA was established on 13th of June 2014. The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Foreign currency translation

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognised in the income statement as they occur during the accounting period.

Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 27 percent of temporary differences and the tax effect of tax losses carried forward.. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

Balance sheet classification

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities.

Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value.

Subsidiaries

Subsidiaries are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiary, less any impairment losses. An impairment loss is recognised if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a later period.

Dividends, group contributions and other distributions from subsidiaries are recognised in the same year as they are recognised in the financial statement of the provider. If dividends / group contribution exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet for the parent company.

Other receivables

Other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the different receivables. For the remaining receivables, a general provision is estimated based on expected loss.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

Note 2: Payroll expenses

(NOK 1 000)	2014
Salaries	650
Bonus	160
Social security costs	97
Pension costs - defined contribution plan	39
Personell expenses	392
Other social costs	376
Total payroll and payroll related costs	1 714
Average number of man-years:	1

The company has defined contribution plan for employees in the Company.
The company meets the requirements for an occupational pension plan in accordance with the Norwegian law on required occupational pensions.

Note 3: Other operating expenses

(NOK 1 000)	2014
Cost of listing	3 536
Consultants related to listing	5 000
General & admin. expenses	2 093
Other operating expenses	10 629

The Company was listed in 2014 and had one-off costs related to the listing.

Remuneration to the Auditors

(NOK 1 000)	2014
Audit	60
Other attestation service	410
Tax service	10
Total remuneration to the Auditors	480

All fees are exclusive of VAT.

Note 4: Intercompany balances and transactions with group companies

Long term loans to group companies

(NOK 1 000)	2014
Aqualis Offshore Ltd.	31 406
Aqualis Offshore UK Ltd.	1 499
Aqualis Offshore, Inc	3 813
Aqualis Offshore Marine Servises LLC	16 487
Aqualis Offshore AS	6 860
Total	60 065

The loans to Group companies carry an annual interest rate of 3 months USD LIBOR + 2%
Loans to subsidiaries have a long term perspective and does not have a specific due date.

Other current liabilities

(NOK 1 000)		2014
Aqualis Offshore AS	Group contribution	2 641
Total		2 641

Finance items

(NOK 1 000)	2014
Interest income from subsidiaries	606
Interest expenses	11
Net finance	594

Note 5: Financial items

(NOK 1 000)	2014
Interest income from bank deposits	221
Interest income from group companies	606
Unrealised foreign currency gain (agio)	37 842
Other financial income	
Total finance income	38 669
Unrealised foreign currency loss (disagio)	14 896
Other financial expenses	12
Total finance costs	14 908
Net finance	23 761

Note 6: Tax

(NOK 1 000)	2014
Tax payable	713
Tax effect of group contribution	-713
Income taxes payable	0

Reconciliation of income tax

(NOK 1 000)	2014
Profit before tax	11 418
Permanent differences [1]	-8 779
Income tax expense	713

(1) agio/disagio effects

There are no temporary differences in Aqualis ASA.

Note 7: Investment in subsidiaries

Subsidiaries directly owned by Aqualis ASA (All numbers presented in local currency, only net book value in NOK)

	REGISTERED OFFICE	LOCAL CURRENCY	SHARE CAPITAL	OWNERSHIP AND VOTING INTEREST	EQUITY AS OF 31.12	NET PROFIT OF THE YEAR	NET BOOK VALUE (NOK 000'S)
Aqualis Offshore Ltd.	UK	GBP	4 461 722	100 %	-3 680 899	-496 413	118 678
Offshore Wind Consultants LTD	UK	GBP	100	100 %	267 183	103 770	8 668
Total							127 346

Subsidiaries owned by Aqualis Offshore Ltd (All numbers presented in local currency)

	REGISTERED OFFICE	LOCAL CURRENCY	SHARE CAPITAL	OWNERSHIP AND VOTING INTEREST	EQUITY AS OF 31.12	NET PROFIT OF THE YEAR
Aqualis Offshore UK Ltd. [1]	UK	GBP	12 770	100 %	-146 070	-88 246
Aqualis Offshore Pte. Ltd [1]	Singapore	GBP	123 650	100 %	1 624 733	2 041 557
Aqualis Offshore Marine Services LLC [1]	UAE	UAE	1 000 000	100 %	-2 033 058	-756 745
Aqualis Offshore, Inc. [1]	US	USD	100 000	100 %	368 974	320 722
Aqualis Offshore Servicos Ltda [1]	Brazil	BRL	2 319 219	100 %	-1 077 824	-321 262
Aqualis Offshore AS [1]	Norway	NOK	1 875 000	100 %	-4 802 191	-2 019 075
Aqualis Offshore S. de R.L. de C.V. [3]	Mexico	MXN	1 949 377	100 %	751 272	-1 198 105
Aqualis Offshore Marine Consulting (Shanghai) Co.,Ltd. [3]	China		1 237 585	100 %	-1 269	-2 506 824
Tristein AS [2]	Norway	NOK	100 000	100 %	10 984 374	147 062

(1) Companies transferred from Weifa.
(2) Tristein AS purchased 23 April 2014.
(3) Companies established in 2014.

Note 8: Equity

(NOK 1 000)	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	TOTAL EQUITY
At 01 January 2014				
Foundation capital, June	1 000	0	0	1 000
Private placement, July	730	64 277	0	65 007
Contribution in kind, July (group continuity)	2 589	227 774	0	230 363
Profit/-loss after taxes	0	0	10 705	10 705
At 31 December 2014	4 319	292 051	10 705	307 075

Note 9: Cash and cash equivalents

(NOK 1 000)	2014
Cash at banks	122 937
Cash restricted	94
Total	**123 031**

The cash consist following currency

(NOK 1 000)	LOCAL CURRENCY	NOK
NOK	33 339	33 339
USD	12 113	89 692
Total		**123 031**

Restricted cash relates to employee's tax deduction.

Note 10: Share capital

(NOK 1 000)	NUMBER OF SHARES (THOUSANDS)	SHARE CAPITAL (NOK 000'S)
At 01 January 2014		
Foundation capital, June	10 000	1 000
Private placement, July	7 304	730
Contribution in kind, July (group continuity)	25 887	2 589
At 31 December 2014	43 191	4 319

Each share has a par value of NOK 0,10 per share.

Share-based payments

The company has used share-options for key personnel in connection with the acquisition of Tristein AS and Offshore Wind Consultants Ltd. See note 17 on group level for more information.

Top 20 shareholders
The largest shareholders at 31 December 2014 were:

NAME	NUMBER OF SHARES	OWNERSHIP SHARE
STRATA MARINE & OFFSHORE AS	5 450 973	13 %
GROSS MANAGEMENT AS	2 350 169	5 %
AQUALIS HOLDCO LIMITED	2 187 500	5 %
ARCTIC FUNDS PLC	1 761 972	4 %
JP MORGAN CLEARING CORP.	1 553 179	4 %
VERDIPAPIRFONDET DNB SMB	1 475 000	3 %
FERNCLIFF LISTED DAI AS	1 340 963	3 %
BINKLEY CAPITAL AS	1 133 664	3 %
AS FERNCLIFF	1 093 750	3 %
DIAB	814 648	2 %
AGITO HOLDING AS	700 000	2 %
T10 INVEST AS	687 138	2 %
DEUTSCHE BANK AG	668 783	2 %
SAXO PRIVATBANK A/S	668 245	2 %
LENOX	653 929	2 %
AMAN MARINE LIMITED	644 599	1 %
ALSTO CONSULTANCY LTD	598 122	1 %
BONNON	555 074	1 %
SIX SIS AG	533 288	1 %
QVT FUND V LP I	522 899	1 %
OTHERS	17 796 649	41.20 %
TOTAL	43 190 544	100.00 %

Note 11: Other current liabilities

(NOK 1 000)	2014
Social security taxes	52
Allowance for holiday pay	62
Group contribution	2 641
Other accrued expenses	625
Total	**3 379**

Note 12: Related parties disclosures

	2014	
(NOK 1 000)	BOARD FEES	OTHER [1]
Glen Rødland, Chairman	94	-
Yvonne Litsheim Sandvold	63	-
Reuben Segal	63	-
Øystein Stray Spetalen	63	-
Synne Syrrist	63	-
Total	**345**	-

The figures for 2014 are renumeration for a period of 5 months and will be paid in 2015 after approval by AGM.

Executive Management remuneration

(NOK 1 000)	SALARY	BONUS EARNED IN 2014	BONUS PAID IN 2014	PENSION CONTRI-BUTIONS	TOTAL
Christian Opsahl, CFO Jul-Dec	510	159	78	39	**786**
Total Executive Management	510	159	78	39	786

According to the Norwegian Public Limited Companies Act (the "Act) section 6-16a, the Board of Directors have prepared a statement on the establishment of wages and other remuneration for the Managing Director and other senior employees (see note 15).

At year end 2014 there are no loan or prepayments to Board of Directors, Executive Management or any other related parties.

No members of the Board or the executive management have options.

Shares owned by members of the Board of Directors and Executive Management at 31 December 2014

NAME	NUMBER OF SHARES
Board of Directors:	
Glen Rødland, Chairman (1)	2 437 056
Øystein Stray Spetalen (2)	10 322 742
Yvonne Litsheim Sandvold	0
Reuben Segal (3)	704 128
Synne Syrrist	0
Executive Management:	
David Wells, CEO Aqualis Offshore (4)	640 122
Christian Opsahl, CFO (5)	1 148 050
Total	16 614 057

(1) The shares are held through Gross Management AS, a company 50% owned by Mr Rødland
(2) The shares are held through AS Ferncliff and associated companies
(3) The shares are held through Alsto Invest and Aman Marine Limited
(4) The shares are held through Alsto Consultancy Ltd.
(5) The shares are held through Binkley Capital AS and related parties

Note 13: Transactions with related parties

Related party relationships are those involving control, joint control or significant influence. Related parties are in a position to enter into transactions with the company that would not be undertaken between unrelated parties. All transactions within the group have been based on arm's length principle.

Aqualis ASA is listed on Oslo Stock Exchange. The group's ulitmate parent is Aqualis ASA.

Related party transactions with parties of significant influence

Ferncliff TIH and associated companies ("Ferncliff") are companies controlled by Øystein Stray Spetalen. Mr Spetalen is a Board member of Aqualis and, indirectly, holds approx. 24% of the shares in the Company at year end 2014. The following transactions during 2014 relate to Ferncliff:

Aqualis ASA has paid NOK 5.0 million in structuring fee to Gross Management AS for services related to the structuring of the Weifa transaction, which is expensed under the operation cost. Gross Management AS is controlled by Øystein Stray Spetalen and Glen Rødland which through Ferncliff and assiciated companies holds approx. 24% of Aqualis ASA.

Aqualis ASA sold their shares in the fully owned subsidiary, Tristein AS, to Aqualis Offshore Ltd in December 2014. The transaction was done at marked price wich was the same as booked value. Aqualis ASA received NOK 46,8 million for the shares.

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 2014 was approx. NOK 51 thousands. The contract has been entered into on normal market terms.

The balance sheet includes the following receivables and payables resulting from transactions with parties of significant influence:

(NOK 1 000)	2014
Account payables	6
Total	6

See note 12 for more information on remuneration to executive management and the board.

Note 14: Financial risk management objectives and policies

The main risks arising from the Company's financial instruments are interest rate risk, credit risk, foreign currency risk and liquidity risk.

Interest rate risk

The Company's exposure to the risk of changes to market interest rates relates primarily to the Company's investment in money-market funds and its borrowings. For cash deposits interest rate changes will only have an immaterial impact on the Company's financial statements.

Credit risk

Credit risk is the potential loss arising from any failure in the ability or willingness of a counter party to fulfil its contractual obligations, as and when they fall due. The Company has no major financial assets other than cash and cash equivalents. The credit risk relating to these assets arises from default of the counter party. The counter parties for cash deposits are Norwegian commercial banks, while the counter parties for money-market funds are (indirectly) predominantly Norwegian commercial and savings banks and government entities and municipalities.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's presentation currency), the Company's net investments in foreign subsidiaries, and the Company's foreign currency denominated cash deposits. At 31 December 2014 the Company had USD denominated loans to subsidiaries of NOK 60.1 million.

Liquidity risk

Liquidity risk is the potential loss arising from the Company's inability to meet its contractual obligations when due. The Company monitors its risk to a shortage of funds using cash flow forecasts. The Company 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 had cash and cash equivalents of NOK 123 million at 31 December 2014. Based on the current cash position, the Company assesses the liquidity risk to be low.

Note 15: Statement regarding the determination of salary and other remuneration to Senior Management

According to the Norwegian Public Limited Companies Act (the "Act") section 6-16a, the Board of Directors shall prepare a statement regarding the establishment of wages and other remuneration for the Chief Executive Officer and members of senior management.

In this statement, senior management means CEO, 2nd CFO and other executives who are employed at the same level in the organisation.

A statement pursuant to section 6-16a of the Act shall contain guidelines for the establishment of salaries and other remuneration, and should also indicate the main principles of the Company's wage policy for senior employees.

Section 6-16a third paragraph of the Act also requires the Board to give an account of the actual salary policy for senior management as applied in the preceding financial year.

The Company's salary policy for senior management – main principles

Due to the international scope of its business, Aqualis ASA has to compete on the international market when it comes to salaries for senior management.

In order to reach the ambition of becoming one of the leading participants within its line of business, Aqualis ASA is dependent on offering salaries making the Company able to recruit and keep skilled managers. In order to ensure the best possible leadership the Company must offer a satisfactory salary, which is internationally competitive.

Salaries and other remuneration

It is the Company's policy that management salaries primarily shall take the form of a fixed monthly salary, reflecting the level of the position and experience of the person concerned.

Principally, pension plan shall be the same for management as what is generally agreed for other employees.

As of today the Board has established a bonus plan that applies to all employees.

The Board has also established a share purchase plan for all employees, under which 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.

Specific conditions and limits as regards to the bonus- and share purchase plan are regulated by the overall allocation parameters approved by the Board.

Termination payment agreements will be seen in connection with confidentiality clauses and non-compete clauses in the employment contract of each employee, in such a way that they basically compensate for limitations in the employee's opportunities to seek new employment. When agreements extend beyond such limitations, other income shall normally be deducted from payments made under termination payment agreements.

Deviations from the above described principles may be done under special circumstances, i.e. in relation to employment in international competition.

Remuneration policy in the preceding financial year (2013)
There was no payments of salary or remuneration in 2013.

AUDITOR'S REPORT

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Medlemmer av Den Norske Revisorforening

To the Annual Shareholders' Meeting of
Aqualis ASA

AUDITOR'S REPORT

Report on the financial statements

We have audited the accompanying financial statements of Aqualis ASA, comprising the financial statements for the Parent Company and the Group. The financial statements of the Parent Company comprise the balance sheet as at 31 December 2014, the statements of income and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information. The financial statements of the Group comprise the consolidated statement of financial position as at 31 December 2014, the statements of profit and loss, comprehensive income, cash flows and changes in equity for the year then ended as well as a summary of significant accounting policies and other explanatory information.

The Board of Directors' and Chief Executive Officer's responsibility for the financial statements

The Board of Directors and Chief Executive Officer are responsible for the preparation and fair presentation of these financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway for the financial statements of the Parent Company and the International Financial Reporting Standards as adopted by the EU for the financial statements of the Group, and for such internal control as the Board of Directors and Chief Executive Officer determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements for the Parent Company and the Group.

Opinion on the financial statements of the Parent Company

In our opinion, the financial statements of Aqualis ASA have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company as at 31 December 2014 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Opinion on the financial statements of the Group

In our opinion, the financial statements of the Group have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Group as at 31 December 2014 and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the EU.

Report on other legal and regulatory requirements

Opinion on the Board of Directors' report including the statement on corporate social responsibility and on the statement on corporate governance

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

Opinion on registration and documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, «Assurance Engagements Other than Audits or Reviews of Historical Financial Information», it is our opinion that the Board of Directors and Chief Executive Officer have fulfilled their duty to ensure that the Company's accounting information is properly recorded and documented as required by law and generally accepted bookkeeping practice in Norway.

Oslo, 28 April 2015
ERNST & YOUNG AS

Rolf Berge
State Authorised Public Accountant (Norway)

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Production: Artbox AS