Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	879 342 732
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	MACRO OFFSHORE MANAGEMENT AS
Forretningsadresse:	Vestre Svanholmen 6 4313 SANDNES

Regnskapsår

Årsregnskapets periode:	01.01.2020 - 31.12.2020

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Bjørn Eie Henriksen
Dato for fastsettelse av årsregnskapet:	28.04.2021

Grunnlag for avgivelse

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

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

Brønnøysundregistrene, 12.08.2022

Resultatregnskap

Beløp i: USD	Note	2020	2019
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	4	6 814 000	3 461 000
Sum inntekter		**6 814 000**	**3 461 000**
Kostnader			
Lønnskostnad	6	1 678 000	1 519 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	13	61 000	5 000
Other operating expenses	5	2 669 000	3 111 000
Sum kostnader		**4 408 000**	**4 635 000**
Driftsresultat		**2 406 000**	**-1 174 000**
Finansinntekter og finanskostnader			
Annen finansinntekt	8	1 839 000	9 011 000
Sum finansinntekter		**1 839 000**	**9 011 000**
Annen finanskostnad	8	174 280 000	29 258 000
Sum finanskostnader		**174 280 000**	**29 258 000**
Netto finans		**-172 441 000**	**-20 247 000**
Ordinært resultat før skattekostnad		**-170 035 000**	**-21 421 000**
Ordinært resultat etter skattekostnad		**-170 035 000**	**-21 421 000**
Årsresultat		**-170 035 000**	**-21 421 000**

Balanse

Beløp i: USD	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	13	122 000	2 000
Sum immaterielle eiendeler		**122 000**	**2 000**
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende		170 000	141 000
Sum varige driftsmidler		**170 000**	**141 000**
Finansielle anleggsmidler			
Investering i datterselskap	13	25 164 000	197 333 000
Sum finansielle anleggsmidler		**25 164 000**	**197 333 000**
Sum anleggsmidler		**25 456 000**	**197 476 000**
Omløpsmidler			
Varer			
Fordringer			
Andre fordringer	9,14	2 238 000	442 000
Konsernfordringer	9,14	2 593 000	0
Sum fordringer		**4 831 000**	**442 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	9,15	675 000	2 769 000
Sum bankinnskudd, kontanter og lignende		**675 000**	**2 769 000**
Sum omløpsmidler		**5 506 000**	**3 211 000**
SUM EIENDELER		**30 962 000**	**200 687 000**

BALANSE - EGENKAPITAL OG GJELD

Balanse

Beløp i: USD	Note	2020	2019
Egenkapital			
Innskutt egenkapital			
Selskapskapital	17	1 177 000	1 177 000
Overkurs	17	201 905 000	201 905 000
Sum innskutt egenkapital		**203 082 000**	**203 082 000**
Opptjent egenkapital			
Udekket tap	17	175 209 000	5 175 000
Sum opptjent egenkapital		**-175 209 000**	**-5 175 000**
Sum egenkapital		**27 873 000**	**197 907 000**
Sum langsiktig gjeld		**0**	**0**
Kortsiktig gjeld			
Leverandørgjeld	18	2 559 000	150 000
Other current liabilities	18	530 000	2 630 000
Sum kortsiktig gjeld		**3 089 000**	**2 780 000**
Sum gjeld		**3 089 000**	**2 780 000**
SUM EGENKAPITAL OG GJELD		**30 962 000**	**200 687 000**

ANNUAL REPORT 2020

MACRO OFFSHORE MANAGEMENT AS

CONTENTS

REPORT OF THE BOARD OF DIRECTORS

MACRO OFFSHORE MANAGEMENT AS

Macro Offshore Management AS is a 100 % owned subsidiary of Macro Offshore AS which again is owned 100 % by Macro Offshore Ltd, the parent company in the Macro Offshore Group. The Group is located at Skogstøstraen 37, 4029 Stavanger. Macro Offshore Management AS is the parent company of Jacktel AS, owner of the self-elevating accommodation rig Haven, Macro Offshore Crew AS and Macro Offshore Crew DK ApS. Macro Offshore AS prepares consolidated financial statements that include both Macro Offshore Management AS with subsidiaries

FINANCIAL DEVELOPMENT AND RESULTS

The Financial Statements are prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the European Union.

The annual accounts were approved by the Board of Directors on 28th April 2021.

Finance (2019 figures in brackets)

Financial results
Revenue for 2020 was 6.8 MUSD (3.5 MUSD) relating to management services to Jacktel AS and Crossway Eagle LLC and grants from the Norwegian Tax authorities. Operating expenses were 4.4 MUSD (4.6 MUSD), of which 1.7 MUSD (1.5 MUSD) is salary and personnel costs and 2.7 MUSD (3.1 MUSD) is other operating expenses. Operating profit for the year amounts to 2.4 MUSD (-1.2 MUSD).

Financial expenses include an impairment loss of 172.2 MUSD (21.7 MUSD) related to shares in subsidiaries. Net financial items amounted to -172.4 MUSD (-20.2 MUSD).

The assessment of book value of Haven per year end 2020 forms the basis for the value of the shares in subsidiaries. The book value equals total equity in Jacktel after an impairment of 172.2 MUSD.

The equity ratio at year-end 2020 is 90.0% (98.6 %). For further comments, reference is made to the Going Concern section.

Net loss for 2020 equaled 170.0 MUSD (21.4 MUSD). The Board of Directors proposes to transfer the loss to retained losses.

Cash flow and liquidity
Operational cash flow in 2020 was -1.6 MUSD (-2.1 MUSD). Cash flow from investments was -0.2 MUSD, (-0.1 MUSD) and cash flow from financing was -0.3 MUSD (0.0 MUSD). This resulted in a net decrease in cash and cash equivalents in 2020 of -2.1 MUSD (2.2 MUSD). As of year-end 2020, the Company had overall cash reserves of 0.7 MUSD (2.8 MUSD).

Financial Exposure

Macro Offshore Management is dependent on the activity in Jacktel and the financial exposures will be the same. Both companies are exposed to general business market risk, credit risk, currency risk and revenue risk. The exposure against NOK will increase related to upgrades with Haven, and DKK is relevant as both vessels will be in operation in Danish sector with crew expenses in DKK .

Crossway Eagle is currently under contract with Total throughout 2022 with option for further extensions. Jacktel has signed a 20-month contract with Total and will commence operations from Q3 2021.

OPERATIONS

Macro Offshore Management is managing and monitoring the operation in Jacktel and Crossway Eagle, neither company have any employees. Macro Offshore Crew and Macro Offshore Crew DK provides crewing services for both vessels. The activity in Macro Offshore Management is therefore dependent on the activity in Jacktel and Crossway Eagle and as such, the companies have the same risks when it comes to operations.

Risk Management Overview
Financial market risk is the possibility that fluctuations in currency exchange rates or interest rates will affect the value of the Company's assets, liabilities or future cash flows. To reduce and manage these risks, the Company periodically reviews and assesses its primary financial market risks, including liquidity risk and credit risk. Once risks are identified, appropriate action is taken to mitigate the specific risk.

Operational Risk
Utilization of Haven and Crossway Eagle are the most significant operational risks, hence both owner and technical manager work closely together to maximize utilization through effective maintenance and detailed follow up of the operation. From June 2020 Macro Offshore Management AS has provided technical management services and Macro Offshore Crew AS has provided the crew for "Haven". From January 2021 Macro Offshore Crew DK ApS provides the crew for Crossway Eagle. In 2020 OSM Offshore AS's contract was terminated as responsible for both crew and technical management for the Crossway Eagle operation and from January 2021 Macro Offshore Management AS will be responsible for the technical management including all HSE activity and risk management for the Crossway Eagle operation.

The Corona virus pandemic is affecting the operations negatively. Logistics related to transportation of goods and crew are more burdensome as a result of the various actions put in place to hinder further spreading of the virus. Difficulties surrounding logistics of goods and personnel impacts the cost of operation and timing of critical activities such as the mobilisation of Haven for Total contract in Q3 2021.

Health, Safety and Environmental (HSE) Reporting

The Companies aim to conduct all operations in a safe and environmentally friendly way.

The Companies have worked closely with technical manager and clients to ensure safe operation. High safety and environmental standards are achieved through active and close cooperation with, and monitoring of, OSM Offshore AS. "Haven" complies with the highest safety and environmental standards required by the Norwegian Petroleum Safety Authority and Crossway Eagle complies with the highest safety and environmental standards required by the Danish Working Environmental Authority.

Organization, workplace environment and employees

Macro Offshore Management is providing executive management and general administration, including marketing, finance, accounting, financial reporting as well as other general services to Jacktel and Crossway Eagle.

The Company is against all forms of corruption and works actively through the Company's Ethics Code of Conduct and face-to-face interactions to ensure that corruption does not occur in The Company's business activities.

The Company's Integrated Management System (IMS) is compliant with and operated in accordance with ISO 9001-2008.

[redacted]

Future Prospects for the group

The Corona virus pandemic is affecting the market negatively. Logistics related to transportation of goods and crew are more burdensome as a result of the various actions put in place to hinder further spreading of the virus. Most oil companies postponed operations in 2020, however at the start of 2021 it is a growing optimism and activity in the industry. Crossway Eagle is under contract with Total until the end of 2022, with option for further extensions. Haven will enter a 20-month contract with Total in August 2021, also with options for extension.

Oil prices have increased from a low point after the outbreak of Covid-19. This should lead to increased activity level as a result of new projects becoming commercially attractive and a substantial recovery in M&M project activity.

Oil companies and governments' focus on reducing the industry's carbon footprint is expected to have a positive impact on the use of Jack ups standing firmly on the seabed. As Jack Ups do not use its engines for station keeping the fuel consumption and carbon footprint is significantly lower than what is the case for assets using engine powered station keeping systems.
As a result of the ambition to reduce the industry's carbon footprint, large parts of the Norwegian Continental Shelf are planned to be electrified with power from shore. This should again positively impact the demand for Jack Ups which are able to run on power from shore. The electrification could also have a positive impact on the M&M market during the transition period.

Around 85% of the fields in the North Sea are in water depths of less than 115 meters. Average age of fields in the North Sea is almost 25 years, and many were installed during the 1970's and 80's. Authorities and oil companies focus on increased recovery rate from existing oil fields and expect that this will extend the economic lifetime of the fields. In addition, older infrastructures are frequently used in connection with development of new oil fields. In total these factors should also have a positive impact on the demand for additional bed capacity in the longer term.

Going Concern

As of 31 December, 2020, Macro Offshore Management AS has a net equity of 27.9 MUSD (197.9 MUSD). The net loss for 2020 amounts to 170.0 MUSD (21.4 MUSD) after an impairment loss of 172.2 MUSD (21.7MUSD) related to shares in subsidiaries.

Following the Covid-19 pandemic and the market turbulence, including the significant drop in oil price in March 2020, followed by the expiry of the Sverdrup contract in April 2020, the Group has continuously been in dialogue with the bondholders in the 150 MUSD senior secured bond. In March 2021 a temporary stand-still agreement with the bondholders were entered into, including inter alia deferral of interest payments until December 2021 (added to the nominal amount) and a permanent waiver of the minimum liquidity covenant.
Jacktel entered into a contract with Total in March 2021. The term of the contract is 20 months for use of Haven on the Danish continental shelf. Following an upgrade of Haven, the contract will commence in Q3 2021. The upgrade is financed through a super senior secured loan of 10 MUSD which has been approved through a written resolution. The new contract entered into in a challenging market demonstrates Haven's competitive advantage as a result of its size and operational capabilities in highly regulated areas of the oil & Gas business.

Since September 2020, the Macro Offshore Group have qualified for the Norwegian COVID-19 compensation scheme, which also have improved the liquidity situation.

Uncertainties exist in relation to reaching a final agreement with the bondholders and could potentially have impact on the recoverable amount of the Company's shares in Jacktel as well as ownership.

Based on no interest-bearing long-term liabilities and the operational cash flow from management services provided to Jacktel and Crossway Eagle, the Board of Directors confirms that the assumption of going concern is in place and forms the basis for the financial statements in accordance with the Norwegian Accounting Act.

INTERNAL CONTROL

Internal control related to the financial statements closing process is established to ensure the reliability of the financial reporting and compliance with applicable laws and regulations. Policies and procedures established by Management contribute to secure necessary competence, segregation of duties, risk assessments and quality in internal and public reporting. In respect of the reporting, the Board of Directors demonstrates independence from Management.

Macro Offshore Management also identifies and evaluates risks that may affect the business and how to mitigate the exposure. The risk for fraud is also considered on a regular basis.

Stavanger, 28th April 2021

Bjørn Eie Henriksen
Chairman of the Board

Tom Friestad
CEO

FINANCIAL STATEMENTS 2020

STATEMENT OF PROFIT AND LOSS

1 January – 31 December

(USD 1.000)	Notes	2020	2019
Revenue	4	6 814	3 461
TOTAL OPERATING REVENUE		**6 814**	**3 461**
OPERATING EXPENSES			
Salary and personnel costs	6	-1 678	-1 519
Other operating expenses	5	-2 670	-3 111
Depreciation	13	-61	-5
TOTAL OPERATING EXPENSES		**-4 408**	**-4 635**
OPERATING PROFIT / (LOSS)		**2 406**	**-1 174**
FINANCIAL INCOME AND EXPENSES			
Financial income	8	1 839	9 011
Financial expenses	8	-174 280	-29 258
NET FINANCIAL ITEMS		**-172 441**	**-20 247**
PROFIT/(LOSS) BEFORE TAX		**-170 034**	**-21 421**
Income tax expense (benefit)	12	0	0
NET PROFIT (LOSS)		**-170 034**	**-21 421**

STATEMENT OF COMPREHENSIVE INCOME

(USD 1.000)		
Net profit/(loss) this period	-170 034	-21 412
Other comprehensive income	0	0
COMPREHENSIVE INCOME	**-170 034**	**-21 421**
Earnings per share:		
- Basic	-17,0034	-0,02
- Diluted	-17,0034	-0,02

STATEMENT OF FINANCIAL POSITION

(In USD 1.000)	Notes	31.12.2020	31.12.2019
ASSETS			
Non-current assets:			
Equipment		170	141
Shares in subsidiaries	13	25 164	197 333
Intangible assets	13	122	2
Total non-current assets		**25 456**	**197 476**
Current assets:			
Other current assets	9/14	2 238	442
Short-term receivables	9/14	2 593	0
Cash and cash equivilants	9/15	675	2 769
Total current assets		**5 506**	**3 211**
TOTAL ASSETS		**30 962**	**200 687**
EQUITY AND LIABILITIES			
Equity:			
Issued capital	17	1 177	1 177
Share premium	17	201 905	201 905
Retained earnings (losses)	17	- 169 161	-5 175
Total capital		**27 872**	**197 907**
Total equity		**27 872**	**197 907**
Current liabilities:			
Accounts payable	18	2 559	150
Other current liabilities	18	531	2 630
Total current liabilities		**3 090**	**2 780**
Total liabilities		**3 090**	**2 780**
TOTAL EQUITY AND LIABILITIES		**30 962**	**200 687**

Stavanger, 28th April 2021

Bjørn Eie Henriksen
Chairman of the Board

Tom Friestad
CEO

STATEMENT OF CHANGES IN EQUITY

(In USD 1.000)	Share Capital	Share Premium	Retained losses	Retained earnings pref. shares	OCI reserve	Total equity
Equity as at January 1, 2019	**123 246**	**0**	**-274 980**	**112 393**	**0**	**24 710**
Net profit (loss)	0	0	-21 421	0	0	-21 421
Other comprehensive income	0	0	0	0	0	0
Share capitax reduction	-123 246	0	275 702	-152 456	0	0
Share issue	1 177	201 905	15 524	0	0	218 606
Equity as at December 31, 2019	**1 177**	**201 905**	**-5 175**	**0**	**0**	**197 907**
Net profit (loss)	0	0	- 170 034	0	0	- 170 034
Other comprehensive income	0	0	0	0	0	0
Share capital reduction	0	0	0	0	0	0
Share issue	0	0	0	0	0	0
Equity as at December 31, 2020	**1 177**	**201 905**	**-169 161**	**0**	**0**	**-27 872**

CASH FLOW STATEMENT

(In USD 1.000)	*Note*	**Year ended December 31, 2020**	**Year ended December 31, 2019**
Cash flow from operating activities:			
Profit (loss) before tax		- 170 034	-21 421
Adjustment to reconcile profit (loss) after tax to net cash flows:			
Non-cash items:			
Depreciation	13	61	5
Financial income	8	-1 839	-9 011
Financial expenses	8	174 280	29 258
Working capital adjustments:			
Increase (-)/decrease in trade and other receivables		-4 389	-98
Increase/decrease (-) in trade and other payables		311	-798
Net cash flow from operating activities		**-1 612**	**-2 065**
Cash flow from investing activities:			
Interest received	8	0	41
Acquisition of fixed assets		-205	-139
Increased (-)/decreased long-term receivables	13	-22	0
Net cash flow from investing activities		**-227**	**-98**
Cash flow from financing activities:			
Financial income	8	1 839	0
Financial expenses	10	-2 095	0
Net cash flow from financing activities		**256**	**0**
Net increase/(decrease) in cash and cash equivalents		**-2 094**	**-2 163**
Cash at beginning of period		2 769	4 932
Cash at end of period		**675**	**2 769**

NOTES TO FINANCIAL STATEMENTS 2020

1. GENERAL INFORMATION

Macro Offshore Management AS is a 100% owned subsidiary of Macro Offshore AS. Macro Offshore AS is a subsidiary of Macro Offshore Ltd. Nordic Capital is the majority shareholder of Macro Offshore Ltd through Mama Holdco AS a~~A~~nd Paragon Outcomes is a significant minority shareholder. The Group is located at Skogstøstraen 37, 4029 Stavanger. Macro Offshore Management AS is the parent company of Jacktel AS, Macro Offshore Crew AS and Macro Offshore Crew DK ApS. Macro Offshore AS prepares consolidated financial statements that include Macro Offshore Management AS and subsidiaries.

The annual accounts were approved by the Board of Directors on 28th April 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 STATEMENT OF COMPLIANCE

The financial statements of Macro Offshore Management AS for 2020 has been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and approved by the European Union ("EU"), as well as the additional relevant requirements under the Norwegian Accounting Act.

2.2 BASIS OF PREPARATION AND GOING CONCERN

The financial statements have been prepared based on the going concern assumption. However, due to uncertain market conditions, amongst others as a result of the Corona pandemic and the oil price collapse, the Group has approached the current bondholders in Jacktel's 150 MUSD senior secured bond issue to propose certain changes to the terms, including inter alia, suspension of interest payments and a permanent waiver of the minimum liquidity covenant which the Group expects to breach early in 1Q 2021. Reference is made to going concern assumption in the Board of Director's report and note 20 Subsequent events for addition information.

The financial statements have been prepared on a historical cost basis, modified for financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss. The financial statements have been prepared based on the going concern assumption. The statement of comprehensive income is presented by nature of costs (IAS 1). The principal accounting policies are set out below.

The Group also presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period
- 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 be settled in the normal operating cycle
- Held primarily for the purpose of trading
- 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

All other liabilities are classified as non-current.

2.3 GOVERNANT GRANTS

Norwegian tax authorities established a compensation scheme for companies affected by the COVID-19 pandemic in 2020, which compensates parts of a company's unavoidable fixed costs. To be qualified for grants, the company or group must document a decrease of revenue in excess of 30%. The Macro Offshore group qualified for grants in the period September-December.

Grants are recognised as revenue in the income statement.

2.4 PRESENTATION CURRENCY

Macro Offshore Management AS applies USD as reporting currency for its financial statements rounded to the nearest thousand unless otherwise indicated.

2.5 REVENUE RECOGNITION

IFRSs 15 requires identification of the performance obligations for the transfer of goods and services in each customer contract. Revenue can first be recognized upon satisfaction of performance. IFRS 15 was implemented with use of the modified retrospective approach with no practical expedients used. With exception for additional note disclosures the new standard did not have any impact on the financial statements.

Macro Offshore Management AS is providing management services to the subsidiary Jacktel AS. Revenue is recognized when control of the services is transferred to the customer and at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. Disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in note 3.

Interest income is recognized on an accrual basis and is included in financial items in the income statement.

2.6 FOREIGN CURRENCY

The financial statements are presented in USD, which is also the Company's functional currency.

The functional currency is set based on the criteria defined in IFRS, with revenue currency as the most important one. Revenue, major transactions and valuation are denominated in USD. The Company evaluate functional currency on a regular basis, and it might be adjusted in case of material changes in the operation. Transactions in foreign currencies are translated into USD at the exchange rate applicable on the transaction date. Monetary items in other currencies are translated into USD using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical cost expressed in a foreign currency are translated into USD 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 into USD at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognized in the income statement as they occur during the accounting period.

2.7 SEGMENTS

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker who is responsible for allocating resources and assessing the performance of the operating segments. The chief operating decision maker has been identified as the Board of Directors and the Executive Management. The Company has only one operational segment, which is providing management services to the subsidiary Jacktel AS.

2.8 Borrowing costs

Borrowing costs directly attributable to acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs an entity incurs in connection with the borrowing of funds.

2.9 Income tax

Taxes in the income statement include taxes payable and changes to deferred tax. Deferred tax liabilities/tax assets are calculated based on the temporary differences between book and tax values that exist at the end of the period. Deferred tax assets are recognised to the extent that it is likely that the tax benefit can be utilised.

Deferred tax assets and liabilities are measured based on the expected future tax rates applicable, recognised at their nominal value and classified as non-current assets and long-term liabilities respectively. Taxes payable and deferred taxes are recognised directly to equity to the extent that they relate to equity transactions.

2.10 Property, plant and equipment

Property, plant and equipment are recognised at cost less accumulated depreciation and impairment losses. When assets are sold or disposed of, the carrying amount is derecognised and any gain or loss is recognised in the income statement. The cost of tangible non-current assets is the purchase price, including taxes/duties and costs directly linked to preparing the asset ready for its intended use. Tangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised by the excess value of the carrying value of the asset and the recoverable amount and is recognised in the income statement. The recoverable amount is the higher of the asset's net selling price and its value in use. The value in use is determined by reference to the discounted future net cash flows expected to be generated by the asset. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however limited by the carrying value if no impairment loss had been recognised in prior years.

Depreciation is calculated using the straight-line method over the estimated economically useful life, taking residual values into consideration. Components with different economic useful life are depreciated on a straight-line basis, over the component useful life. The depreciation period and method are assessed every year. The residual value is subject to an assessment at each year-end, and changes are treated as a change of estimate.

Repair and maintenance costs are expensed in the period they are incurred.

2.11 Leases

Macro Offshore Management AS does not have any lease contracts that are applicable to IFRS 16.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. The evaluation is based on the substance of the transaction rather than the form of the contract, and the determination is made when entering into the leasing agreement.

2.12 Impairment of financial assets

Receivables are initially recognized at fair value which in general is the original invoice amount. For trade receivable and loans to subsidiaries the Group and the Company applies a simplified approach in calculation expected credit losses. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on life time expected credit losses at each reporting date, based on historical credit loss experience adjusted for forward looking factors specific to the debtors and the economic environment.

2.13 Financial liabilities - borrowings

Borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, borrowings and the related transaction costs are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognised in net profit or loss when the liabilities are de-recognised as well as through the amortization process. Borrowings containing prepayment options are evaluated to determine if these options are closely related to the cost instrument or are embedded derivatives. In assessing whether the option is closely related, the Company consider whether the exercise price is approximately equal to the amortized cost at each exercise date. Borrowings are considered "current" if they fall due within 12 months after the balance sheet date. Borrowings falling due later than 12 months after balance sheet date are considered "long term".

2.14 De-recognition of financial assets and liabilities

A financial asset is de-recognised when:

- the rights to receive cash flows from the asset have expired,
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement, or
- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.15 Cash

Cash includes cash in hand and bank deposits. Restricted cash includes cash on retention account held in relation to bond loan and deposits related to office rental.

2.16 Equity

(a) Equity and liabilities

Financial instruments are classified as liabilities or equity in accordance with the underlying economic realities. Interest, dividend, gains and losses relating to a financial instrument classified as a liability are recognised in the income statement. Amounts distributed to holders of financial instruments that are classified as equity will be recognised directly in equity. Convertible bonds and similar instruments including a liability and/or an equity element are divided into two components when issued, and these are recognised separately as a liability or equity.

(b) Costs of equity transactions

Transaction costs directly related to an equity transaction are recognized directly to equity after deducting tax expenses.

2.16 Provisions

A provision is recognised when the Company has a present obligation (legal or self-imposed) as a result of a previous event, it is probable (more likely than not) that a financial settlement will take place as a result of this obligation and the size of the amount can be measured reliably. Provisions are reviewed on each balance sheet date and their level reflects the best estimate of the liability.

2.17 Earnings per share

Basic earnings per share are calculated by dividing net profit / (loss) for the year by the weighted average number of shares outstanding in the relevant period. Diluted earnings per share are calculated based on the if-converted method; the profit/(loss) for the Company divided by the average number of outstanding shares weighted over the relevant period and the potential number of shares converted, if the criteria for conversion is fulfilled.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. Management bases its judgments and estimates on historical experience and on various other factors that are expected to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future. The key sources of judgement and estimation of uncertainty at the balance sheet date, that have a significant risk for causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimates and assumptions with significant impact on Macro Offshore Management AS 's financial statements relate impairment assessment of shares in subsidiaries. Management assess whether there are any indications of impairment. The assets are tested for impairment when there are indications that the carrying values may not be recoverable. When value in use calculations are performed, management estimates the expected future cash flows from the assets or cash-generating unit and chooses a suitable discount rate in order to calculate the present value of those cash flows. These are based on management's evaluations, including estimates of future performance, revenue generating capacity of the assets, and assumptions of the future market conditions. Changes in circumstances and in management's evaluations and assumptions may give rise to impairment losses. See note 13 for details.

Estimates and assumptions may also have impact on the depreciation of fixed assets. The management determines the expected economic useful life of the assets based on the time of acquisition and subsequent refurbishments. For details regarding depreciation periods, reference is made to section 2.10.

Management also make judgment regarding capitalization of the deferred tax asset. Currently there are no convincing evidence, accordingly no deferred tax asset is recognized. Per 31 December 2020 the tax losses carried forward for the Company amounts to 84.8 MUSD (82.9 MUSD).

Regarding the revenue from the management service contract with Jacktel and Crossway Eagle, Macro Offshore Management AS has applied the following judgements that significantly affect the determination of the amount and timing: Services are invoiced and compensated based on when they are provided, and Management is therefore able to recognize the revenue when performance obligations are satisfied.

4. Income

The Company's activity in 2020 has been management services provided to the subsidiary Jacktel AS and Crossway Eagle LLC.

Specification of revenue

(1.000 USD)	2020	2019
Management fee	4 221	3 461
Other income	2 593	0
Total revenue	**6 814**	**3 461**

Other income relates to grants approved by the Norwegian tax authorities for financial support to cover fixed cost and loss of income as an effect of the COVID pandemic

5. Other Operating Expenses

(1.000 USD)	2020	2019
Consultancy fees and external personnel	1 106	2 211
Other operating expenses	1 564	900
Total	**2 670**	**3 111**

Specification auditor's fee

(1.000 USD)	2020	2019
Statutory audit	42	43
Tax and other services	7	4
Total auditor's fee	**49**	**47**

Auditor's fee is presented without VAT. The fee is included in Other operating expenses.

6. Salary and personnel expense and management services

(1.000 USD)	2020	2019
Salaries and holiday pay	1 646	1 224
Pension costs defined contribution plans	68	53
Other personnel expenses	36	242
Total	**1 678**	**1 519**
The average number of man-years employed during the financial year	8	6

Pension plan

The Group has a defined contribution plan, calculated at 5 % of the salary between 1-6 G plus 8 % of the salary between 6-12 G. The contributions recognized as expenses in the income statement equaled 68 KUSD in 2020 versus 53 KUSD in 2019.

Management remuneration

The table below shows remuneration for the Managing Director and members of the Board in Macro Offshore Management AS.

2020 *(1.000 USD)*	**Active period**	**Board compensation**	**Salary**	**Other Benefits**	**Total**
Management					
Roy Hallås	January 2019 – March 2021		371	1	**372**
Board of directors					
Bjørn Eie Henriksen	May 2014 –	0			**0**
Total remuneration		**0**	**371**	**1**	**372**

7. Transactions with related parties

The Company defines related parties as anyone with control or joint control of the Company and subcontractors with direct influence in the company.

Macro Offshore Management AS has a management agreement with the subsidiary Jacktel AS and associated company Crossway Eagle LLC for which the companies have paid 3.8 MUSD during 2020 (3.5 MUSD during 2019).

Transactions with related parties can be specified as follows.

(1000 USD)	**Year ended 31 December 2020**			
Company	**Management Fee**	**Interest received/paid(-)**	**Shareholder loan**	**Net current receivables**
Jacktel AS	2 261	0	0	-122
Nordic Capital	0	0	0	0
Macro Offshore AS	0	0	0	2 593
Crossway Eagle LLC	1 497	0	0	0

(1000 USD)	**Year ended 31 December 2019**			
Company	**Management Fee**	**Interest received/paid(-)**	**Shareholder loan**	**Net current receivables**
Jacktel AS	3 449	8 971	0	439
Nordic Capital	0	-2 953	0	0
Macro Offshore AS	0	0	0	15

In connection with planning and executing activities necessary to obtain current AoC and HSE cases held by OSM Offshore AS for "Haven" and "Eagle" from relevant regulators on the Norwegian, UK and Danish continental shelves, Macro Offshore Management AS has entered into a consultancy service agreement with Saga Offshore Partners AS. Bjørn Eie Henriksen, Chairman of the Board in the Company and Roy Hallås, CEO, is indirectly significant shareholders in Saga Offshore Partners AS and is also Members of the Board. Macro Offshore Management AS has paid a total fee of 848 KUSD (244 000 USD) for services provided by Saga Offshore Partners AS in 2020.

8. Financial income and expenses

(1.000 USD)	2020	2019
Financial income		
Interest income	6	9 011
Foreign exchange gains	1 833	0
Total financial income	**1 839**	**9 011**
Financial expenses		
Interest expenses	-10	-2 953
Foreign exchange losses	-2 079	-4 545
Impairment of shares in subsidiary	0	-21 712
Other financial expenses	-172 191	-48
Total financial expenses	**-174 280**	**-29 258**

9. Investments and other financial instruments

Classification of financial assets and liabilities:

	2020		2019	
(1.000 USD)	**Loans and receivables**	**Other financial assets/liabilities**	**Loans and receivables**	**Other financial assets/liabilities**
Financial assets				
Shares in subsidiaries	0	25 164	0	197 333
Short-term receivables	2 593	0	0	0
Other current assets	2 238	0	442	0
Cash and cash equivalents	675	0	2 769	0
Total financial assets	**5 506**	**25 164**	**3 211**	**197 333**
Financial liabilities				
Other short-term liabilities	0	0	0	0
Accounts payable	0	2 559	0	150
Other current liabilities	0	531	0	2 630
Total financial liabilities	**0**	**3 090**	**0**	**2 780**

10. Non-current liabilities

Macro Offshore Management AS does not have any non-current liabilities as of 31st December 2020 or 31st December 2019.

11. Financial Instruments and Risk Management

Risk Management Overview

The Company and its subsidiary operate on an international basis with cash flows and financing in different currencies. The Company is therefore exposed to market risks related to fluctuations in exchange rates and interest rates. To reduce and manage the risks, the Company periodically reviews and assesses the financial market risks, including liquidity risk and credit risk. When risks are identified, appropriate action is taken to mitigate the risk

Operational Risk

Utilization of the accommodation vessels Haven and Crossway Eagle are considered to be the largest operational risks, hence both owner and technical manager work closely together to maximize the utilization. Macro Offshore Crew AS and Macro Offshore Crew DK ApS provides the crew for the vessels. Macro Offshore Management AS has the technical management of the vessels including all HSE activity and risk management.

Currently Crossway Eagle is under a contract with Total throughout 2022, with option for extension. Jacktel will commence a 20-month contract with Total in August 2021 with option for further extension.

It is a growing activity in the market after the oil price collapse due to Corona virus in 2020. The oil prices are expected to remain at current levels in the long term and initiative to be taken for new projects to be realised. The Board is of the impression the market will continue to improve and realise projects in the future.

Currency Risk

The Company aim to minimize the currency risk by balancing, to the extent possible, the currencies of different types of assets and liabilities as well as balancing revenues against expenses.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate for the 150 MUSD bond loan as well as the 10 MUSD super senior bond loan issued subsequent to the balance sheet date carry a fixed 10 % p.a interest.

Credit Risk

Credit risk is the risk that a counterparty will not be able to meet its obligations under a financial instrument or customer contract. The Company is exposed to credit risk from its operating activities, primarily trade receivables, and from its financing activities, including deposits with banks and financial institutions.

The Company is continuously monitoring the credit risk. The risk is however considered low since the customers are typically major oil companies with high credit ratings and operating in the North Sea.

As of 31.12.2020 there is no objective evidence indicating that the accounts receivable is impaired, and no impairment losses have been recognized in the income statement. The Company has no receivables exceeding due date.

Credit risk from balances with banks and financial institutions is managed in accordance with Company policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

Credit assessment of sub-contractors and suppliers is part of Macro Offshore Management AS 's project evaluations and risk analysis.

Liquidity Risk

The liquidity risk is mainly related to potential loss of day rate due to down time on "Haven" and "Eagle". The Company makes active use of a system for planning and forecasting to secure stable cash flow and liquidity sufficient to meet its obligations. The outbreak of COVID-19 also impacted the availability of additional funding, see section 2.4 Going Concern for additional information.

The table below summarizes the maturity profile of the Company's financial liabilities:

At 31.12.2020 *(1.000 USD)*	Less than 3 months	3 to 12 months	1 to 2 years	2 to 3 years	Thereafter	Total
Trade and other payables	3 090	0	0	0	0	**3 090**
Sum	3 090	0	0	0	0	**3 090**

At 31.12.2019 *(1.000 USD)*	Less than 3 months	3 to 12 months	1 to 2 years	2 to 3 years	Thereafter	Total
Trade and other payables	2 780	0	0	0	0	**2 780**
Sum	2 780	0	0	0	0	**2 780**

Financial instrument or derivatives risk

The Company may use financial instruments and derivatives to manage its financial risks, including spot contracts for buying and selling currencies. Spot contracts are mainly used to sell USD and buy NOK to pay operating expenses. The Company has no swap or forward contracts as of 31.12.2020.

Financial assets and liabilities risk

Set out below is a comparison by category for carrying amounts and fair values of the Company's financial assets and liabilities that are carried in the financial statements. The estimated fair value amounts have been determined by management, using appropriate market information and valuation methodologies based on IFRS level 1-3 hierarchy. The carrying amount of cash and cash equivalents is a reasonable estimate of their fair value.

	31.12.2020				31.12.2019			
	Fair value measurement using:				Fair value measurement using:			
(1.000 USD)	Level 1	Level 2	Level 3	Carrying value	Level 1	Level 2	Level 3	Carrying value
Shares in subsidiaries			25 164	25 164			197 333	197 333
Other current assets	0	0	4 831	4 831	0	0	442	442
Cash and cash equivalents	675	0	0	675	2 769	0	0	2 769
Total financial assets	**675**	**0**	**29 995**	**30 670**	**2 769**	**0**	**197 775**	**200 544**
Short term liabilities	0	0	0	0	0	0	0	0
Accounts payable	0	0	2 559	2 559	0	0	150	150
Other current liabilities	0	0	531	531	0	0	2 630	2 630
Total financial liabilities	**0**	**0**	**3 090**	**3 090**	**0**	**0**	**2 780**	**2 780**

The carrying amount of cash and cash equivalents, other current assets and liabilities and prepayments is a reasonable estimate of their fair value. Fair value of long-term liabilities is based on amortized cost.

Capital management

The primary objective of the capital management is to ensure that the Company maintains a satisfactorily capital structure in line with the risk of the business. The capital is defined as the total of shareholder's equity and long-term debt. The capital structure is monitored on a regular basis based on selected indicators.

The Company manages its excess liquidity from loan and equity with low risk placements. All financial capital is currently placed on deposits with first class banks with investment grade rating in Norway

12. Income tax

(1.000 USD)	**2020**	**2019**
Tax payable	0	0
Changes in deferred tax	0	0
Income tax expense	**0**	**0**
Tax payable for the year	0	0
Correction of previous years current income taxes	0	0
Total tax payable	**0**	**0**

Reconciliation of the effective tax rate and nominal tax rate applicable to Macro Offshore Management AS:

(1.000 USD)	**2020**	**2019**
Pre-tax profit/(loss)	**-170 034**	**- 21 421**
Expected income taxes according to income tax rate of 22 %	-37 407	-4 712
Non deductible expenses	36 042	4 776
Currency effect	0	1 107
Changes in deferred tax asset not recognized in the balance sheet	1 365	-1 171
Income tax expense	**0**	**0**

Deferred tax and deferred tax assets:

(1.000 USD)	**2020**	**2019**
Deferred tax assets		
Long term liabilities at amortized cost	0	0
Write-down receivables	50	0
Equipment	2	2
Deferred taxation on gains and losses	1 545	1 877
Tax losses carried forward	18 650	18 233
Non-deductible interest expenses carried forward	1 312	1 273
Net unrecognized deferred tax asset	**21 560**	**21 385**

13. Non-current assets

Other fixed assets

(1.000 USD)	2020 Other fixed assets	2020 Total	2019 Other fixed assets	2019 Total
Accumulated cost 1 January	229	229	90	90
Disposals	0	0	0	0
Additions	75	75	139	139
Accumulated cost 31 December	**304**	304	**229**	**229**
Accumulated depreciation 1 January	**-88**	**-88**	**-84**	**-84**
Depreciation	-47	-47	-4	-4
Impairment	0	0	0	0
Accumulated depreciation and impairment 31 December	-134	-134	**-88**	**-88**
Carrying value 31 December	**170**	**170**	**141**	**141**

Intangible assets

The intangible assets are computer software related to the operation of the Group in general. The cost is amortized using the straight-line method over the expected lifetime of the asset which is three years.

1.000 USD	2020	2019
Accumulated cost 1 January	468	468
Realisation	0	0
Additions	130	0
Accumulated cost 31 December	**598**	**468**
Accumulated depreciation 1 January	-466	-465
Depreciation	-10	-1
Accumulated depreciation 31 December	**-476**	**-466**
Carrying value 31 December	**122**	**2**

Shares in subsidiaries

Macro Offshore Management AS holds 100 % of the shares in Jacktel AS. The book value of the shares has been subject to an impairment assessment as of 31st December 2020. The assessment of the accommodation rig Haven performed in Jacktel, forms the basis for the value of the shares.

The estimated fair value of the shares equals total equity in Jacktel including excess value of Haven. Based on this an impairment loss of 172.2 MUSD (21.7 MUSD) has been recognized in the income statement in 2020.

Book value as of 31st December 2020 amounts to 25.2 MUSD (197.3 MUSD). Number of shares is 50 000 000.

Macro Offshore Management AS holds 100% of shares in Macro Offshore Crew AS and Macro Offshore Crew DK ApS, booked value is 10 KUSD and 6 KUSD respectively. These subsidiaries provide crewing to the vessels and the number of employees are regulated by the need of the vessels.

14. Other current assets

(1.000 USD)	**2020**	**2019**
Trade debtors	661	241
Pre-paid expenses	218	70
Other current assets	1 240	35
VAT refund	119	96
Short-term receivables	2 593	0
Total other current assets	**4 831**	**442**

15. CASH

(1.000 USD)	**2020**	**2019**
Cash and bank deposits	566	2 769
Restricted cash	109	0
Cash and cash equivalents in the balance sheet	**675**	**2 769**

16. Earnings per share

The basic earnings per share are calculated as the ratio of the profit (loss) for the year attributable to shareholders divided by the weighted average number of ordinary shares outstanding during the financial year.

	2020	**2019**
Average number of shares outstanding	1 215 095 061	1 215 095 061
Effect of dilutive potential ordinary shares:		
Diluted average number of shares outstanding	1 215 095 061	1 215 095 061
Profit/(loss) for the year	**-170 034**	**-21 421**

Earnings per share:	**2020**	**2019**
- Basic	0,002	-0,02
- Diluted	0,002	-0,02

24

17. Share capital and shareholder information

Number of shares:

	2020	2019
Ordinary shares		
At 1 January	10 000 0000	9 650 760 485
At 31 December	**10 000 000**	**10 000 000**

All shares as at 31 December 2020 are owned by Macro Offshore AS. The nominal value per share is NOK 1. The company is included in the consolidated financial statements for Macro Offshore AS Group.

18. Other current liabilities

(1.000 USD)	2020	2019
Trade accounts payables	2 559	150
Short-term interest-bearing debt	0	0
Other current liabilities	531	2 630
Total	**3 090**	**2 780**

Other current liabilities as of 31.12.20 consist of provision for cost incurred, but not paid.

19. Legal disputes

The Company has currently no significant legal disputes.

20. Events after the balance sheet date

Macro Offshore Management entered into an operational management agreement with Crossway Eagle LLC from 1st January 2021, replacing OSM Offshore. Macro Offshore Crew DK ApS will provide crewing services to Crossway Eagle.

Following the Covid-19 pandemic and the market turbulence, including the significant drop in oil price in March 2020, followed by the expiry of the Sverdrup contract in April 2020, Jacktel has continuously been in dialogue with the bondholders in the 150 MUSD senior secured bond. In March 2021 a temporary stand-still agreement with the bondholders were entered into, including inter alia deferral of interest payments until December 2021 (added to the nominal amount) and a permanent waiver of the minimum liquidity covenant.

Jacktel entered into a contract with Total in March 2021. The term of the contract is 20 months for use of Haven on the Danish continental shelf. Following an upgrade of Haven, the contract will commence in Q3 2021. The upgrade is financed through a super senior secured loan of 10 MUSD which has been approved through a written resolution in the Company's 150 MUSD bond loan. The new contract entered into in a challenging market demonstrates Haven's competitive advantage as a result of its size and operational capabilities in highly regulated areas of the oil & gas business.

Statsautoriserte revisorer
Ernst & Young AS

Dronning Eufemias gate 6A, NO-0191 Oslo
Postboks 1156 Sentrum, NO-0107 Oslo

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00

www.ey.no
Medlemmer av Den norske revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Macro Offshore Management AS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Macro Offshore Management AS, which comprise the the statement of financial position as at 31 December 2020, the statements of profit and loss, comprehensive income, cash flows and changes in equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company as at 31 December 2020 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for opinion

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

Emphasis of matter related to stand-still agreement with bondholders in the subsidiary Jacktel AS

We draw attention to Note 20 and the going concern section in the Board of Director's report, that the subsidiary Jacktel AS is under a stand-still agreement with its bondholders that expires in December 2021. There is uncertainty related to the final outcome of the negotiations with the bondholders, but this could potentially result in a significant dilution in ownership through conversion of debt. Our opinion is not modified in respect to this matter.

Other information

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

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

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal

EY
Building a better working world

control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

EY
Building a better working world

Report on other legal and regulatory requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption, and proposal for the allocation of the 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 management has fulfilled its duty to ensure that the Company's accounting information is properly recorded and documented as required by law and bookkeeping standards and practices accepted in Norway.

Oslo, 28 April 2021
ERNST & YOUNG AS

The auditor's report is signed electronically

Jon-Michael Grefsrød
State Authorised Public Accountant (Norway)

PENNEO

Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo™ - sikker digital signatur". De signerende parter sin identitet er registrert, og er listet nedenfor.

"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Jon-Michael Grefsrød
Partner
Serienummer: 9578-5992-4-3016511
IP: 46.46.xxx.xxx
2021-04-28 09:39:43Z

bank ID

Penneo Dokumentnøkkel: WTDM8-11IAS-80WTC-S4P7T-46NSO-NNZ5G

Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Jan Hoelstad	04.03.2011	07.04.2011
Telefon	Deres referanse	Vår referanse
22077325	Christian Mowinckel	2011/395843

Master Marine AS
Postboks 76
1325 LYSAKER

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

Det vises til deres brev datert 4. mars 2011, men mottatt 6. april 2011. Det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for:

- Master Marine AS org. nr: 879 342 732

samt datterselskap:

- Jacktel AS org. nr: 994 152 300
- Service Jack AS org. nr: 994 151 932
- Master Marine Crewing AS org. nr: 995 594 803

Søknaden er supplert med nødvendige opplysninger fra konsernets internettside.

Bakgrunn:
Master Marine AS med datterselskap tilbyr tjenester innen utleie og drift av offshore service fartøyer. Konsernet benytter engelsk som arbeidsspråk. Det Jersey baserte private equity fondet Nordic Capital er 80,7 % av aksjene i Master Marine AS. Totalt har selskapet ca 100 aksjonærer hvorav enkelte andre også er utenlandske. Selskapet søker dessuten jevnlig utenlandske investorer. All kommunikasjon med konsernets primære kunder og kreditorer foregår på engelsk. Det understrekes at engelsk generelt er det språket som brukes i bransjen.

Skattedirektoratets vurdering og konklusjon
Etter regnskapsloven § 3-4 tredje ledd *skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:
"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det

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

vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *"informative regnskaper for ulike grupper av regnskapsbrukere"*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir negativt berørt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. Selskapene er engasjert innen en bransje hvor engelsk språk benyttes som bransjespråk. Både eksterne forretningsparter og ansatte må derfor beherske engelsk. En vesentlig andel av selskapets aksjer er kontrollert gjennom aksjonærer registrert i utlandet.

Skattedirektoratet gir på bakgrunn av en helhetsvurdering de ovenfor nevnte selskapene dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Jan Hoelstad