ANNUAL REPORT

2013

JACKTEL AS

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REPORT OF THE BOARD OF DIRECTORS
JACKTEL AS

Jacktel AS is a 100% subsidiary of Master Marine AS, parent company in the Master Marine Group, located at Rosenkrantzgate 18 in Oslo, Norway. The Company, which was established in 2009, specializes in offshore accommodation and is the owner of the HAVEN jack up accommodation unit.

Operations

"Haven" is currently configured for accommodation purposes with 447 beds in 445 cabins of which 157 beds are available in the permanent living quarters and 290 beds are available in three modules installed on deck. "Haven" was completed in late July 2011 and immediately commenced operation at the Ekofisk field in the North Sea under a 3 year (plus 2x1 year options) charter hire contract with ConocoPhillips. ConocoPhillips exercised their first option in January 2013, extending the firm period of the contract to 28th July 2015 from which date "Haven" becomes available for new assignments.

The Company contracted OSM Offshore AS to perform the technical management of "Haven". Management works closely with OSM Offshore's dedicated personnel to ensure all aspects of "Haven" operations are carried out in compliance with relevant laws and regulations, terms of the ConocoPhillips contract and according to best practices in the industry. We strive to provide the safest and most effective service to our client, all guests and crew on board "Haven" at any time.

Throughout 2013, "Haven" provided safe, comfortable and continuous accommodation services to a large number of offshore workers at the Ekofisk field. Operational performance is satisfactory with 100% uptime and no lost time incidents since commencement of operation. Feedback from the crew, offshore workers using our facilities and the client alike are positive. Sickness leave and crew change-over rate is well below industry average. Helicopter services to and from "Haven" were temporarily suspended throughout the year and remain suspended until spring 2014 due to installation work and drilling activity at Ekofisk nearby "Haven's" location. The suspension, which reduces operational risk, has no impact on the Company's revenues.

ConocoPhillips and partners successfully installed two new platforms on Ekofisk during 2013, including a new field center platform with accommodation facilities. Accordingly, "Haven" is scheduled to relocate to the nearby Eldfisk field during the second quarter of 2014 where it is expected to remain until the end of the ConocoPhillips contract, supporting the ongoing field upgrade project. Helicopter services from "Haven" are expected to resume when relocation is completed. Installation of a new combined production and accommodation platform at Eldfisk is expected to take place during 2014.

"Haven" is in compliance with all operational and safety conditions required by the Norwegian Petroleum Safety Authority (Petroleumstilsynet) as well as the Norsok N-001 structural design requirements. At Ekofisk, "Haven" satisfies 10.000 year weather conditions, making her "safe haven" qualified.

Management is actively marketing "Haven" for new assignments from August 2015 onwards. Due to its size, shape and structural strength, the design of its jacking system and excess utilities capacity, "Haven" may be modified to a multitude of purposes, including tender support vessel or field center platform, in addition to accommodation unit. "Haven's" maximum water depth may also be extended to approximately 115 meters, pending directional position and sea bottom/weather conditions at location.

During the year, all remaining disputes related to the Company's construction project, including final settlement of an insurance claim resulting from the yard riot in April 2010 were settled.

Organization, work environment and employees

The Company is a one asset owning company and has no employees. All management of the Company is performed through a management services agreement with Master Marine AS, providing executive management and general administration, including finance, accounting, financial reporting as well as other general services.

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

Health, Safety and Environmental (HSE) Reporting

The Company strives to ensure that all sides of its operation are conducted in a safe and environmentally friendly way.

Management works closely with technical manager OSM Offshore AS and ConocoPhillips Scandinavia AS to ensure safe operation of "Haven". A high safety and environmental standard is achieved through an 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. The HSE record for "Haven" is strong with no Lost Time Incidents and only two High Potential Incidents reported by OSM Offshore since commencement of operation in July 2011. Preventive measures have been implemented to mitigate the risk for such incidents to occur in the future. The total registered sick leave among the crew at "Haven" was reported by OSM Offshore AS to be 3% compared to 3.6% in 2012, reflecting a low overall level compared to industry average.

Financial development and results

The Financial Statements are prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board (IASB) and IFRIC as approved by the European Union, and the additional relevant requirements under the Norwegian Accounting Act.

The annual accounts were approved by the Board on 9th April 2014.

Finance
During 2013 the Company repaid 22 MEUR of bank debt. Jacktel also prepaid 8 MEUR of parent company loans during the year. For further details, see note 9.

Interest on parent company loans is capitalized quarterly and is payable at maturity.

In addition, 42.2 MEUR of parent company loans were converted to equity at the NOK/Euro conversion rate on 6th December 2013 and with a nominal value of NOK 7.1142 per share, of which NOK 1.00 was allocated towards share capital and the excess was allocated towards share premium. An extraordinary shareholder meeting on 9th December 2013 approved the transaction.

Financial results
The operating income for 2013 was 70.4 MEUR (versus 76.9 MEUR in 2012) and the operating expenses were 41.2 MEUR (versus 46.9 MEUR in 2012), including 18.3 MEUR in depreciation (versus 18.6 MEUR in 2012). This resulted in an operating profit of 29.2 MEUR (29.9 MEUR in 2012). The operating expenses in 2013 reflect full operational cost as well as various offsets.

Net financial items for 2013 were a loss of 40.5 MEUR versus 38.9 MEUR in 2012. The financial loss is mainly related to accrued interest on parent company loan (34.8 MEUR) and interest paid on bank loan (5.5 MEUR)

Management has performed impairment tests on the value of "Haven" based on the assumption that operation will continue with new contracts similar to the current contract. The Board of Directors concluded, in light of the positive market outlook, that no further impairments are required on "Haven". However the value is sensitive to future market rates, utilization and discount rate. For further details, see note 12 of the Jacktel Accounts.

This resulted in a net loss for 2013 of 11.4 MEUR versus 8.9 MEUR for 2012. The Board of Directors proposes to charge the net loss to the share premium.

Cash flow and liquidity
Operational cash flow in 2013 was 37.1 MEUR (32.3 MEUR in 2012). Cash flow from investments was 1.9 MEUR (-4.5 MEUR in 2012) and cash flow from financing was -35.8 MEUR (-17.1 MEUR in 2012). This resulted in a net increase in cash and cash equivalents in 2013 of 2.7 MEUR (10.6 MEUR in 2012). As of year end 2013 the Company had cash reserves of 29.7 MEUR compared to 27 MEUR at the end of 2012.

The positive cash flow from operations in 2013 stems from 100% uptime and continued strong focus on cost control. Operational cash flow (excluding the non-recurrent items) is satisfactory and in line with projections.

The Board of Directors considers the Company's liquidity position to be adequate and confirms that the assumption of going concerns forms the basis for the annual accounts in accordance with the requirements of the Accounting Act. The Company has financing in place and the current contract will expire in July 2015.

Financial Exposure
The Company is exposed to general business market risk, including credit risk on its one client and revenue risk after the current charter hire contract expires in July 2015. Management considers the credit risk to be marginal and focuses on identifying, negotiating and being awarded a new charter hire contract to secure revenues in the future. The Company's business risk associated with its construction projects has been eliminated through settlement of all outstanding disputes related thereto.

The Company is also exposed to financial market risks including the possibility that fluctuations in currency exchange rates and interest rates may affect the value of the Company's assets, liabilities and future cash flows. The Company frequently reviews and assesses its primary financial market risks to reduce and control these risks. See more information in note 10 of the Accounts.

Future Prospects

Future prospects for the Company depend on developments in the offshore market for support services to the oil and gas industry, primarily in the North Sea basin. The growing offshore wind installation industry may also offer opportunities for "Haven's" accommodation and/or field center capabilities. Recent developments may suggest a somewhat weaker market for the oil service industry in this region. However, offshore activity is likely to remain at a high level with a number of large greenfield developments as well as several maintenance and upgrade projects under way or being planned for. The growing offshore wind installation industry may also offer opportunities for "Haven's" accommodation and/or field center capabilities.

"Haven's" size and structural strength offers unique capabilities and multi functionality catering to a wide range of needs from upstream oil & gas companies and offshore wind utilities alike. A number of new build accommodation projects have been announced over the past few years, however the number of new builds intended or qualifying for the Norwegian sector appears to be limited. With continued strong demand for bed capacity offshore, "Haven" has limited competition for year round operation in harsh North Sea conditions. Management and the Board of Directors expect a balanced market for offshore accommodation in the North Sea basin for the foreseeable future.

Oslo, April 9th 2014

Kjell Martin Grimeland
Chairman of the Board

Christian Mowinckel

Thomas Eik Gabestad

Kjetil Bollestad
CEO

FINANCIAL STATEMENTS 2013

(In EUR 1.000)	Notes	2013	2012
Revenue	3	70 361	76 902
TOTAL OPERATING REVENUE		**70 361**	**76 902**
OPERATING EXPENSES			
Vessel operation cost	4	-19 687	-23 795
Other operating expenses	4	-3 173	-4 561
Depreciation	12	-18 343	-18 574
TOTAL OPERATING EXPENSES		**-41 202**	**-46 930**
OPERATING PROFIT / (LOSS)		**29 159**	**29 972**
FINANCIAL INCOME AND EXPENSES			
Financial income	7	4 335	4 797
Financial expenses	7	-44 846	-43 712
NET FINANCIAL ITEMS		**-40 511**	**-38 916**
PROFIT/(LOSS) BEFORE TAX		**-11 352**	**-8 943**
Income tax expense (benefit)	11	-	-
NET PROFIT (LOSS)		**-11 352**	**-8 943**

Consolidated Statement of Comprehensive Income		
(In EUR 1.000)		
Net profit this period	-11 352	-8 943
OCI to be reclassified to profit or loss in subsequent periods		
Fair value adjustment hedging reserve	602	-434
COMPREHENSIVE INCOME	**-10 750**	**-9 377**

Allocation of comprehensive income		
Share premium	-10 750	-9 377
Retained earnings		

Earnings per share:		
- Basic	-0,23	-0,18
- Diluted	-0,23	-0,18

Statement of Financial Position

(In EUR 1.000)	Notes	**31.12.2013**	**31.12.2012**
ASSETS			
Non-current assets:			
Vessels, plant and equipment	12	443 894	464 155
Total non-current assets		**443 894**	**464 155**
Current assets:			
Other current assets	14	11 426	18 194
Cash	15	29 670	27 013
Total current assets		**41 096**	**45 208**
TOTAL ASSETS		**484 990**	**509 362**
EQUITY AND LIABILITIES			
Paid in capital:			
Issued capital	17	12 191	6 262
Share premium	17	124 319	98 821
Total paid in capital		**136 510**	**105 083**
Total equity		**136 510**	**105 083**
Non-current liabilities:			
Deferred tax		-	-
Other long-term liabilities	9	304 904	349 550
Total long-term liabilities		**304 904**	**349 550**
Current liabilities:			
Accounts payable	18	183	5 728
Prepayments customer	18	9 418	16 058
Short term interest bearing debt	9/18	25 339	20 962
Other current liabilities	18	8 636	11 981
Total current liabilities		**43 576**	**54 728**
Total liabilities		**348 480**	**404 279**
TOTAL EQUITY AND LIABILITIES		**484 990**	**509 362**

Oslo, April 9th 2014

Kjell Martin Grimeland
Chairman of the Board

Christian Mowinckel

Thomas Eik Gabestad

Kjetil Bollestad
CEO

Statement of Changes in Equity

(In EUR 1.000)	Share Capital	Share premium	Total equity
Equity as at January 1, 2012	**6 262**	**108 198**	**114 460**
Share issues	0	0	0
Net income (loss)		-8 943	-8 943
Fair value adjustment hedging reserve		-434	-434
Equity as at December 2012	6 262	98 821	105 083
Share issues (note 17)	5 928	36 248	42 176
Net incom (loss)		-11 352	-11 352
Fair value adjustment hedging reserve		602	602
Equity as at December 2013	**12 190**	**124 319**	**136 510**

Cash Flow Statements

(In EUR 1.000)	Year ended December 31, 2013	Year ended December 31, 2012
Cash flow from operating activities:		
Profit/(loss) after tax	-11 352	-8 943
Adjustment to reconcile profit/(loss) after tax to net cash flows:		
Non-cash items:		
Depreciation and impairment of property, plant and equipment	18 343	18 574
Financial income	-4 335	-4 828
Financial expenses	44 846	43 712
Working capital adjustments:		
Increase in trade and other receivables	6 769	25 243
Increase in trade and other payables	-17 165	-41 462
Net cash flow from operating activities	**37 105**	**32 296**
Cash flow from investing activities:		
Proceeds from sale of property, plant and equipment	4 875	0
Purchase of property, plant and equipment, net of cash	-2 957	-4 564
Interests received	70	31
Net realized agio	-84	0
Net cash flow from investing activities	**1 904**	**-4 533**
Cash flow from financing activities:		
Proceeds from issue of shares	0	0
Customer prepayments	0	0
Net proceeds from borrowings	0	29 000
Repayment of borrowings	-30 000	-39 500
Interest paid	-5 750	-6 644
Net cash flow from financing activities	**-35 750**	**-17 144**
Net increase/(decrease) in cash and cash equivalents	**2 657**	**10 619**
Cash at beginning of period	27 013	16 394
Cash at end of period	**29 670**	**27 013**

Notes

1. General information

Jacktel AS ("Company") is a private limited company incorporated in Norway. The company's headquarter is located at Rosenkrantzgate 18, 0160 Oslo, Norway. Jacktel AS is an offshore accommodation company.

2. Summary of significant accounting policies

2.1 Statement of compliance

The financial statements of Jacktel have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board (IASB) and IFRIC as approved by the European Union ("EU"), as well as the additional relevant requirements under the Norwegian Accounting Act.

2.2 Basis of preparation

The financial statements have been prepared under the historical cost convention, modified by financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The statement of comprehensive income is presented by nature of costs (IAS 1). The principal accounting policies are set out below.

2.3 Functional currency and presentation currency

Jacktel applies Euro as reporting currency for its financial statements, which is also the functional currency of the Company.

2.4 Adoption of new and revised standards and interpretations

The following standards, amendments and interpretations effective January 1 2013 are relevant to the Company, but have no material impact on the financial information:
IAS 24, (Revised), IAS 32 (Amendment), IFRIC 14 (amendment), IFRIC 19, IFRS 3 (Amendment), IFRS 3 (Amendment), IFRS 7 (amendment), IAS 1 (Amendment), IAS 27 (revised), IFRIC 13 (amendment), 'Customer Loyalty Programs' (effective from January 1, 2011).

(a) Early adoption of standards and interpretations

No standards or interpretations have been early adopted in 2013.

(b) Standards and interpretations in issue not yet adopted

At the date of authorisation of these financial statements the following Interpretations were in issue but not yet effective: IFRS 9, IFRS 10, IFRS 11, IFRS 12 (amendment), IAS 19 (amendment), IAS 27 (amendment), IAS 28 (amendment), IAS 32 (amendment), IAS 36 (amendment), IAS 39 (amendment)

Management anticipate that the standards and interpretations in issue, but not yet effective, will be adopted in the financial statements when they become effective, and foresee currently no material near-term impact by the adoptions on the financial statements of the Company in the period of initial application. However this will be further assessed upon implementation.

2.5 Significant accounting judgments, 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 believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. 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.

Management assess whether there are any indications of impairment for all non-financial assets at the reporting date. The vessel is 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.

2.6 Revenue recognition

Revenue is recognised at the time of the transaction when it is probable that the transaction will generate future economic benefits that will flow to the Company and the amount can be reliably estimated. Revenues are presented net of value added tax and discounts.

Lease income from operating leases is recognised in income on a straight-line basis over the lease term, including mobilisation fee received and other receivable for preparation to meet a specific lease contract, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished.

Revenues from the sale of services are recognised in the income statement according to the project's level of completion provided the outcome of the transaction can be estimated reliably.

Interest income is recognised in the income statement based on the effective interest rate method as the income is accrued.

2.7 Foreign currency

The functional currency of the Company is EUR. Transactions in foreign currency are translated at the exchange rate applicable on the transaction date. Monetary items in other currencies are translated into EUR 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 EUR 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.

2.8 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. The Company has one operational segment, which is operation of an accommodation unit. See note 3 for more details.

2.9 Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred. 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 consecutive interest expense on the financing is added to the carrying value of the units.

2.10 Income tax

Tax cost consists of tax payable and changes to deferred tax. Deferred tax liability/tax assets are calculated on differences between the book value and tax value of assets and liabilities.
Deferred tax assets are recognised when there is other convincing evidence proving that the Company will have a sufficient profit for tax purposes in subsequent periods to utilise the tax asset. The Company recognises previously unrecognised deferred tax assets to the extent it has become probable that the Company can utilise the deferred tax asset. Deferred tax and deferred tax assets are measured on the basis of the expected future tax rates applicable, recognised at their nominal value and classified as non-current asset investments (long-term liabilities) in the balance sheet. Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

2.11 Tangible assets (non-financial) and assets under construction

Tangible assets 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 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 following useful life, taking residual values into consideration. Components with different economic useful life are depreciated on a straight-line basis, over the components useful life. The depreciation period and method are assessed each year. A residual value is estimated at each year-end, and changes to the estimated residual value are recognised as a change in an estimate.

Ordinary repairs and maintenance expenses are recognised in the income statement in the financial period in which they are incurred. Costs related to major inspections/classification will be recognised in the carrying value of the units if certain recognition criteria are satisfied. The recognition will be made when the docking has been performed and is depreciated based on estimated time to the next inspection. Any remaining carrying value of the cost of the previous inspection will be de-recognised. The remaining costs that do not meet the recognition criteria are recognised as repairs and maintenance expenses.

2.12 Leased Operating Equipment/Units

Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Lease income (excluding receipts for services provided such as insurance and maintenance) is recognised on a straight-line basis over the lease term even if the receipts are not on such a basis, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished.

Initial direct costs incurred by lessors in negotiating and arranging an operating lease shall be added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

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 the leasing agreement is entered into. Financial leases are accounted for as debt financed purchases of assets, and the annual lease payments are allocated as finance costs and amortization of the lease liability. Capitalised lease assets are depreciated over the shorter of the estimated useful life of the asset and the lease term if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term. For operating leases, the lease payments (i.e. a time charter hire or bareboat hire) are recorded as ordinary operating expenses or income, and charged to profit and loss on a straight-line basis over the term of the relevant lease. Contingent rents are recognized as revenue in the period in which they are earned or as expense in the period in which they are incurred.

2.13 Investments and Other Financial Assets

The Company classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets. The classification depends on the purpose of which the investments were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The purchases and sales of financial assets are recognised on the trade date.

(a) *Financial assets at fair value through profit or loss*

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purposes of sale in the short term or if so designated by management. Derivatives are also categorized as held for trading unless they are designated as hedges. Gains or losses on investments held for trading are recognised in the profit and loss account.

(b) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are carried at amortized cost using the effective interest method, less any allowance for impairment. Gains and losses are recognised in income when the loans and receivables are de-recognised or impaired, as well as through the amortization process.

(c) *Available-for-sale financial assets*
Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or not classified in any of the other categories. After initial recognition, available-for-sale financial assets are measured at fair value with gains or losses being recognised as a separate component of equity until the investment are derecognised, at which time the cumulative gain or loss previously reported in equity is included in the income statement. The fair value of investments that are actively traded in organized financial markets is determined by reference to quoted market bid prices at the close of business on the balance sheet date. For investments where there is no active market, fair value is determined applying commonly used valuation techniques.

2.14 Hedging
Before a hedging transaction is carried out, the Company's finance department assesses whether a derivative is to be used to

a. hedge the fair value of a recognized asset or liability or a firm commitment,
b. hedge a future cash flow from a recognized asset, obligation, identified very probable future transaction or, in the case of a currency risk, a firm commitment or
c. hedge a net investment in a foreign operation.

The Company holds interest rate swaps classified as Cash Flow Hedges. The effective part of changes in the fair value of a hedging instrument is recognized directly in equity. The ineffective part of the hedging instrument is recognized directly in the statement of comprehensive income. Associated accumulated gains and losses are reclassified from equity to the statement of comprehensive income during the same period(s) as the hedged expected transaction affects the profit or loss.

2.15 Impairment of financial assets
At each balance sheet date management assesses whether there are indications that a financial asset or a Company of financial assets where changes in value are not recognized through the income statement are impaired. Impairment only occur if there are objective indicators of impairment as a result of one or more events after initial carrying value and the events affect the future cash flows and this can be estimated reliably. If such impairment is indicated for loan and receivables carried at amortized cost, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit and loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date.

2.16 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".

2.17 De-recognition of financial assets and liabilities
A financial asset is derecognised 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 derecognised 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.

When a convertible bond loan is converted to shares, the difference between the subscription price for the shares and the market value is recognized in the statement of comprehensive income. Further, any difference between the book value of the loan derecognized at the date of conversion and the new equity from the debt conversion is also recognized in the statement of comprehensive income.

2.18 Cash

Cash includes cash in hand and cash deposited on bank accounts.

2.19 Equity

(a) Equity and liabilities

Financial instruments are classified as liabilities or equity in accordance with the underlying economical 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 in equity after deducting tax expenses.

2.20 Provisions

A provision is recognised when the Company has an 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. If the effect is considerable, the provision is calculated by discounting estimated future cash flows using a discount rate before tax that reflects the market's pricing of the time value of money and, if relevant, risks specifically linked to the obligation. A provision for a guarantee is recognised when the underlying products or services are sold. The provision is based on historical information on guarantees and a weighting of possible outcomes according to the likelihood of their occurrence. Restructuring provisions are recognised when the Company has approved a detailed, formal restructuring plan and the restructuring has either started or been publicly announced. Provisions for loss-making contracts are recognised when the Company's estimated revenues from a contract are lower than unavoidable costs which were incurred to meet the obligations pursuant to the contract.

2.21 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. Income and Segment Information

Management has defined chartering of the accommodation unit "Haven" as its only operating segment.

The table below shows revenue from charter hire and other recognized income:

(In EUR 1.000)	**2013**	**2012**
Charter hire	59 860	60 024
Reimbursables and other income	10 501	16 878
Total operating revenue	**70 361**	**76 902**

All charter hire income is related to the charter hire contract with ConocoPhillips for "Haven", operating at the Ekofisk field in the North Sea. Reimbursable and other income is mainly related to mobilization fee, payment for equipment and various reimbursable related to the charter contract. The mobilization fee and payment from equipment during construction is recognized over the four year contract period.

4. Vessel Operation cost and Other Operating Expenses

(1.000) EUR)	2013	2012
Insurance	2 201	2 473
Crew	10 614	11 144
Maintenance and spares	2 484	3 333
Other OPEX	4 387	2 264
Construction close out cost	0	4 582
Vessel operation	**19 687**	**23 795**
Consultancy fees and external personnel	213	947
Office and administrative costs	0	4
Management fee (see note 5)	2 500	3 000
Other operating costs	460	610
Total other operating expenses	**3 173**	**4 561**

Vessel operation cost is related to operation of "Haven" and reflects full activity in 2013. Construction close out cost for 2012 is mainly related to various carry over work from construction close out and minor modifications to equipment after start of operation.

Specification auditor's fee

(1.000 EUR)	2013	2012
Statutory audit	40	38
Tax and other services	33	110
Total auditor's fee	**73**	**148**

5. Salary and personnel expense and management services

There are no employees in the Company and no remuneration was paid to the Board of Directors.

All management of the Company is performed through a management services agreement with Master Marine AS providing executive management and general administration, including finance, accounting, financial reporting as well as other general services.

6. 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.

Jacktel AS has a management agreement with parent company Master Marine AS for which they have paid 2.5 MEUR during 2013 (3 MEUR during 2012).

The owner of the Company, Master Marine AS, have made available several loans amounting to 207 MEUR since they became a shareholder in 2009. As of yearend 2013, a total of 203.4 MEUR was drawn under the facilities. A prepayment in the amount of 8 MEUR was made in 2013 and 42.2 MEUR was converted into equity. See note 9 and 17 for details.

7. Financial income and expenses

(1.000 EUR)	**2013**	**2012**
Financial income		
Interest income	70	31
Foreign exchange gains	4 265	4 765
Total financial income	**4 335**	**4 797**
Financial expenses		
Interest expense	-40 341	-36 527
Foreign exchange losses	-3 675	-4 839
Other financial expenses	-829	-2 347
Total financial expenses	**-44 846**	**-43 712**

Interest expense is divided between shareholder loans (34.8 MEUR) from Master Marine AS and bank loan (5.5 MEUR).

8. Investments and other financial instruments

Classification of financial assets and liabilities as of 31 December 2013:

(1.000 EUR)	**Loans and receivables**	**Financial liabilities at fair value through profit and loss**	**Other financial liabilities**
Financial assets			
Other current assets	11 426		
Cash and cash equivalents	29 670		
Total financial assets	**41 096**	**0**	**0**
Financial liabilities			
Other long term liabilities	304 904		
Accounts payable			183
Prepayments customer			9 418
Short term interest bearing debt	25 339		
Other current liabilities	8 636		
Total financial liabilities	**338 880**	**0**	**9 600**

Classification of financial assets and liabilities as of 31 December 2012:

(1.000 EUR)	Loans and receivables	Financial liabilities at fair value through profit and loss	Other financial liabilities
Financial assets			
Other current assets	18 194		
Cash and cash equivalents	27 013		
Total financial assets	**45 208**	**0**	**0**
Financial liabilities			
Other long term liabilities	349 550		
Accounts payable			5 728
Prepayments customer			16 058
Short term interest bearing debt	20 962		
Other current liabilities	11 981		
Total financial liabilities	**382 493**	**0**	**21 785**

9. Loans and Other long term liabilities

31.12.2013

(1.000 EUR) **Description**	**Lender**	**Nominal amount**	**Interest rate**	**Book value (incl capitalized interests)**
15 MEUR Term loan facility	Master Marine AS	15 000	12 %	21 386
35 MEUR Term loan facility	Master Marine AS	35 000	12 %	48 162
15 MEUR Term loan facility	Master Marine AS	15 000	12 %	20 746
83 MEUR Term Loan Facility	Master Marine AS	79 400	15 %	112 877
2 MEUR Term Loan Facility	Master Marine AS	2 000	12 %	2 460
10 MEUR Term Loan Facility	Master Marine AS	10 000	15 %	12 472
17 MEUR Term Loan Facility	Master Marine AS	17 000	15 %	12 013
Subtotal shareholder loans		**173 400**		**230 116**
Total shareholder loans				**230 116**
Fair value interest rate swaps				372
OPEX guarantee				1 500
Prepayments from customer				5 415
155 MEUR Bank loan	NIBC Bank (Agent)	155 000		92 839
Other long term liabilities and short term interest bearing debt				**330 243**
Short term interest bearing debt				**25 339**
Other long term liabilities				**304 904**

Parent Company Loans
All loans are unsecured and subordinated to the bank loan, mature in December 2015 and have a fixed interest rate which is accrued to the principal amount quarterly and is payable at maturity.

In December 2013 the board proposed to increase the equity by converting two shareholder loans, 20 MEUR and 10 MEUR, including accrued interest. The transaction was completed December 9th, and increased the equity with 42.2 MEUR.

155 MEUR Bank Loan
The loan carries an interest of EURIBOR + margin (approx. 5.5%), is secured by a 1st lien mortgage on HAVEN and matures 30 September 2015. The loan has a cash flow to debt service covenant of 1.0 for each financial quarter ending 30th September 2013, 1.03 for each financial quarter thereafter until and including the financial quarter ending 30th

September 2014 and 1.05 until maturity. It also has a loan to value covenant of minimum 150 % until 28th July 2013 and 155% thereafter until maturity based on the estimated value of HAVEN.

31.12.2012

(1.000 EUR) **Description**	**Lender**	**Nominal amount**	**Interest rate**	**Book value (incl capitalized interests)**
15 MEUR Term loan facility	Master Marine AS	15 000	12 %	19 002
20 MEUR Term loan facility	Master Marine AS	20 000	12 %	25 319
35 MEUR Term loan facility	Master Marine AS	35 000	12 %	42 792
15 MEUR Term loan facility	Master Marine AS	15 000	12 %	18 432
10 MEUR Term loan facility	Master Marine AS	10 000	12 %	12 300
83 MEUR Term Loan Facility	Master Marine AS	79 400	15 %	97 421
2 MEUR Term Loan Facility	Master Marine AS	2 000	12 %	2 185
10 MEUR Term Loan Facility	Master Marine AS	10 000	15 %	10 764
17 MEUR Term Loan Facility	Master Marine AS	17 000	15 %	17 627
Subtotal shareholder loans		**174 400**		**245 842**
Total shareholder loans				**245 842**
Fair value interest rate swaps				975
Prepayments from customer				9 233
155 MEUR Bank loan	NIBC Bank (Agent)	155 000		114 462
Other long term liabilities and short term interest bearing debt				**370 512**
Short term interest bearing debt				**20 962**
Other long term liabilities				**349 550**

10. Financial Instruments and Risk Management

Risk Management Overview

The Company is exposed to a number of different market risks arising from the Company's normal business activities. 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. Once risks are identified, appropriate action is taken to mitigate the specific risk.

Operational Risk

"Haven" was operated with 100 % uptime through the year. Uptime is considered to be a significant risk factor, hence both owner and technical manager work closely together to maximize utilization through effective maintenance and continuous risk management of the operation.

OSM Offshore AS has the complete technical management of "Haven" including all HSE activity and risk management. OSM Offshore provides crew and technical management and is an experienced operator of several vessels, including accommodation units, in the North Sea under the strictest safety regulations set by the Norwegian Petroleum Safety Authority. Master Marine acts as the owner and has competent staff that continuously monitors the technical manager's performance in order to mitigate any operational risk. "Haven" operates under a long term charter hire contract which expires on 28th July 2015.

The Company is exposed to market risk following the expiry of the ConocoPhillips contract. The North Sea offshore accommodation market remained strong during 2013 and is expected to remain stable in the foreseeable future. Management is optimistic to get new contract after expiry of the ConocoPhillips contract.

Currency Risk

The functional currency of Jacktel is EURO. 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.

The Company's future revenue from existing contracts will probably be in Euro while expenses will be primarily in NOK and EURO. Funding is denominated in Euro. The Company may reduce the currency exposure generated from operational cash flow by using derivatives. The Company may also do business in areas where revenues might be denominated in USD which may expose the Company to different foreign exchange risk.

The following table shows the calculated effect on the Company's profit and equity resulting from a change in the EUR exchange rate, with all other variables held constant:

	+/- EUR/NOK	**Profit before tax** ***(1.000 EUR)***	**Equity** ***(1.000 EUR)***
2013	0,2	590/-620	590/-620
2012	0,2	759/-801	759/-801

Interest Rate Risk
The Company has substantial interest bearing debt, but exposure to interest rate risk is limited. All loans from Master Marine are with fixed interest. The floating rate exposure from the 155 MEUR bank loan is hedged through swap contracts at the level of 75% of the loan amount.

The following table demonstrates the calculated effects on the Company's profit and equity resulting from a change in interest rates, with all other variables held constant:

	+/- % interest rate	**Profit before tax** ***(1.000 EUR)***	**Equity** ***(1.000 EUR)***
2013	0,5	-21/62	-21/62
2012	0,5	-35/113	-35/113

Credit Risk
It is the Company's policy only to make deposits and trade financial instruments with first class financial institutions with investment grade rating, hence the credit risk associated with this activity is considered to be insignificant.

Receivable balances stems mainly from earned but unpaid charter hire for 2 months. Credit risk related to ConocoPhillips is considered low. Hence the Company's exposure to potential bad debts is not significant. No receivables are classified as bad debt. The maximum exposure is the carrying amount as disclosed in note 14.

Liquidity Risk
The liquidity risk is mainly related to potential loss of day rate due to down time on "Haven". Due to the Company's strong cash position, the short term liquidity risk is considered to be limited.

In a longer perspective, Jacktel must restructure its subordinated debt in order to avoid unsustainable deterioration of its equity base and should also seek to spread maturities over a wider period of time.

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

At 31.12.2013 *(1.000 EUR)*	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**Over 5 years**	**Total**
Bank loan	5 500	20 500	67 500	0	**93 500**
Parent company loans	0	0	230 116	0	**230 116**
Trade and other payables	2 934	0	7 385	0	**10 319**

At 31.12.2012 *(1.000 EUR)*	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**Over 5 years**	**Total**
Bank loan	5 500	16 500	93 500	0	**115 500**
Parent company loans	0	0	245 842	0	**245 842**
Trade and other payables	6 203	0	6 586	0	**12 789**

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.

Financial instrument or derivatives risk
The Company uses financial instruments and derivatives to manage its financial risks, including spot contracts for buying and selling currencies as well as interest rate swaps. Spot contracts were mostly to sell EUR and buy NOK to pay operational expenses. Interest rate swaps were exclusively to hedge floating rate exposure related to the 155 MEUR bank loan.

Financial assets and liabilities risk
Set out below is a comparison by category for carrying amounts and fair values of all of the Group'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 2 technique. The carrying amount of cash and cash equivalents is a reasonable estimate of their fair value. The difference between carrying value and fair value on long term liabilities and short term interest bearing debt as of 31st December, 2013 is related to amortization of fees on loans.

	31.12.2013		31.12.2012	
(1.000 EUR)	Fair value	Carrying value	Fair value	Carrying value
Other current assets	11 426	11 426	18 194	18 194
Cash and cash equivalents	29 670	29 670	27 013	27 013
Total financial assets	**41 096**	**41 096**	**45 208**	**45 208**
Long term liabilities	304 904	304 904	349 550	349 550
Accounts payable	183	183	5 728	5 728
Prepayments customer	9 418	9 418	16 058	16 058
Short term interest bearing debt	26 000	25 339	22 000	20 962
Other current liabilities	8 636	8 636	11 981	11 981
Total financial liabilities	**349 141**	**348 480**	**405 317**	**404 279**

11. Income tax

(1.000 EUR)	2013	2012
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 Jacktel AS:

(1.000 EUR)	2013	2012
Pre-tax profit/(loss)	**-11 352**	**-8 943**
Expected income taxes according to income tax rate 28 %	-3 179	-2 504
Non deductable expenses	0	0
Non-taxable income	8 734	-3 336
Changes in not capitalized deferred tax assets	-5 556	5 841
Other	0	0
Income tax expense	**0**	**0**

Deferred tax and deferred tax assets:

(1.000 EUR)	2013	2012
Deferred tax assets		
Long term liabilities at amortized cost	-178	-291
Vessels, plant and equipment	-24 833	-16 868
Deferred taxation on profits and losses	0	0
Provisions	101	273
Tax losses carried forward	52 471	50 001
Net unrecognized deferred tax assets/(liabilities)	**27 560**	**33 116**

Jacktel AS has total tax loss carried forward of MEUR 194.3 as at 31 December 2013 (2012: MEUR 178.6) without any expiration date.

12. Non-current assets

Vessels, plant and equipment

	2013		2012	
(1.000 EUR)	**Vessel in operation**	**Total**	**Vessel in operation**	**Total**
Accumulated cost 1 January	515 508	**515 508**	510 945	**510 945**
Additions	2 957	**2 957**	4 564	**4 564**
Disposals	-4 875	**-4 875**	0	**0**
Accumulated cost 31 December	**513 590**	**513 590**	**515 508**	**515 508**
Accumulated depreciation 1 January	-51 354	**-51 354**	-32 780	**-32 780**
Transfers	0	**0**	0	**0**
Depreciation	-18 343	**-18 343**	-18 574	**-18 574**
Impairment *	0	**0**	0	**0**
Accumulated depreciation and impairment 31 December	**-69 696**	**-69 696**	**-51 354**	**-51 354**
Carrying value 31 December	**443 894**	**443 894**	**464 155**	**464 155**

The Company's main asset is the accommodation unit "Haven".

Depreciation is based on the economic life of the asset using linear depreciation method.

Disposals, under Vessel in operation, relates to release of escrow account held in relation to the settlement with Labroy after delivery of "Haven". This led to a reduction of balance.

Impairment
At each reporting date, an assessment is made according to IAS 36.9, on whether internal or external information indicates a potential fall in the value of non-current assets. The Company has carried out impairment test for "Haven" based on assumptions and projections at the time of approving the financial accounts of 2013. The valuation method is based on IFRS level 3.

Value of "Haven" accommodation unit
The unit was in full operation as of 31st December, 2013. Management has made an assessment of the asset value using the value in use principle (IAS 36.66) and a set of assumptions.

The capitalized book value of "Haven" was 444 MEUR as of 31st December 2013. The accommodation market has remained strong during 2013 and the operational track record of "Haven" remained excellent throughout the year. As a result, the operational specific risk was reduced. On this basis, no impairment was made in 2013.

The following assumptions were used in the impairment test:

- WACC: 8,13%
- Day rates at the end of the contract period: 215.000 EUR
- Utilization at the end of contract period: 98 %

Given changes in the above stated assumptions, the impact on the financial statement would be:

- WACC: +1 % Impairment: 24 MEUR
- Dayrates at end of contract period: -10 % Impairment: 42 MEUR
- Utilization: -5 % Impairment: 20 MEUR
- Utilization: -8 % Impairment: 34 MEUR

The analysis is based on 5 year class intervals and 63 000 EUR/day in operational expenses.

13. Contractual obligations

(1.000 EUR)	**2013**	**2012**
2013	n/a	570
2014	827	0
2015	1 932	0
2016	0	0
2017	0	0
2018	0	0
Total	**2 759**	**570**

The table discloses contractual obligations for the Company the next five years at balance sheet date. Obligations disclosed in 2014 are related to investment activity for "Haven". In addition, Jacktel is obliged to buy back the office module on "Haven" paid by ConocoPhillips at the end of the contract period. The price is based on the purchase value which is reduced by 1/6 each year.

14. Other current assets

(1.000 EUR)	**2013**	**2012**
Trade debtors	10 067	16 294
Pre-paid expenses	791	910
Other current assets	16	345
VAT refund	552	645
Total other current assets	**11 426**	**18 194**

Trade debtors consist mainly of unpaid charter hire for November and December.

15. Cash

(1.000 EUR)	**2013**	**2012**
Cash	17 720	10 049
Restricted cash	11 950	16 964
Cash and cash equivalents in the balance sheet	**29 670**	**27 013**

Restricted cash includes 2/3 of the next quarterly debt service payment as well as a 7.5 MEUR reserve deposit on the debt service account.

In 2012, 4.9 MEUR of the restricted cash is related to cash held in escrow on a bank account jointly owned with Labroy Offshore Ltd as security for potential claims Jacktel may have against Labroy Offshore Ltd in relation to rework or repair work required to correct faulty work carried out by the Graha yard. This was released in 2013.

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.

	2013	**2012**
Average number of shares outstanding	50 000 000	50 000 000
Effect of dilutive potential ordinary shares:		
Diluted average number of shares outstanding	50 000 000	50 000 000
Profit /(loss)	**-11 352**	**-8 943**
Earnings per share:	**2013**	**2012**
- Basic	-0,23	-0,18
- Diluted	-0,23	-0,18

17. Share capital and shareholder information

Changes to the number of shares:

	No. of shares	
	2013	**2012**
Ordinary shares		
At 1 January	50 000 000	50 000 000
Share issues	-	-
At 31 December	**50 000 000**	**50 000 000**

All shares are owned by Master Marine AS. The nominal value per share is NOK 2.
For calculation of earnings per share and diluted earnings per share see Note 16.

18. Accounts payable and other current liabilities

(1.000 EUR)	**2013**	**2012**
Trade accounts payables	183	5 728
Pre-payments from customers	9 418	16 058
Short term interest bearing debt	25 339	20 962
Other short term liabilities	8 636	11 985
Total	**43 576**	**54 728**

Prepayments from customers consist of the short term portion of compensation received in advance from ConocoPhillips. These prepayments are recognized in the income statement on a straight line basis over the period of the ConocoPhillips contract.

Short term interest bearing debt is the portion of the bank loan borrowed which falls due within 12 months.

Other short term liabilities consist of accrued unpaid interest on loans and various offset for cost incurred, but not paid.

19. Legal disputes

The Company has currently no outstanding legal disputes.

The claim under the Construction All Risk insurance related to the riot and fire incident at Labroy yard in Batam in 2010 was resolved during the year with a satisfactory outcome.

20. Events after the balance sheet date

ConocoPhillips did not exercise the second option in January 2014, which means that the current charter contract ends in July 2015.

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Statsautoriserte revisorer
Ernst & Young AS

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To the Annual Shareholders' Meeting of Jacktel AS

AUDITOR'S REPORT

Report on the financial statements

We have audited the accompanying financial statements of Jacktel AS, which comprise the statement of financial position as at 31 December 2013, the statements of income, comprehensive income, cash flows and changes in equity for the year then ended, 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 International Financial Reporting Standards as adopted by the EU, 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.

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

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Opinion

In our opinion, the financial statements of Jacktel AS 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 2013 and its financial performance and its 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

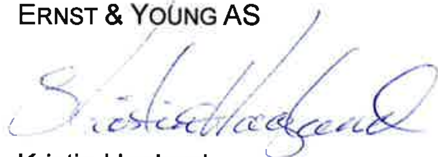
Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Directors' report concerning the financial statements and the going concern assumption 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 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, 9 April 2014
ERNST & YOUNG AS



Kristin Hagland
State Authorised Public Accountant (Norway)