

INTERIM BALANCE SHEET REPORT

North Energy ASA

31st March 2019

INTERIM BALANCE SHEET AT 31 MARCH 2019

(NOK 1 000)

31.03.19

31.12.18

ASSETS

Non-current assets

Property, plant and equipment	26	27
Right-of-use assets	5 003	0
Investment in subsidiaries	800	111 800
Financial investments	0	8 828
Investment in associates	108 988	7 048
Other receivables	1 901	1 916
Total non-current assets	116 718	129 620

Current assets

Prepayments and other receivables	4 824	3 348
Financial investments, current	49 316	887
Cash and cash equivalents	55 543	11 871
Total current assets	109 682	16 106

Total assets	226 400	145 726
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EQUITY AND LIABILITIES

Equity

Share capital	119 047	119 047
Treasury shares	(18 020)	0
Share premium	936 010	936 010
Other paid-in capital	30 691	30 691
Retained earnings	(848 205)	(942 657)
Total equity	219 524	143 091

Liabilities

Non-current liabilities

Leasing liabilities	3 239	0
Total non-current liabilities	3 239	0

Current liabilities

Trade creditors	108	1 591
Leasing liabilities, current	1 805	0
Other current liabilities	1 725	1 043
Total current liabilities	3 638	2 634

Total liabilities	6 876	2 634
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Total equity and liabilities	226 400	145 726
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Oslo, 21 May 2019



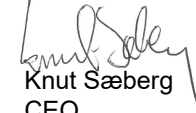
Anders Onarheim
Chairman



Jøgeir Romestrand
Director



Elin Karfjell
Director



Knut Sæberg
CEO

Note 1

The interim balance sheet as of March 31, 2019 has been prepared using the measurement and presentation principles in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and in accordance with the additional requirements pursuant to the Norwegian Accounting Act. We refer to the accounting principles described in the 2018 annual report of North Energy ASA applicable to the parent company.

Since the interim balance sheet has been prepared for a special purpose, the Company has not prepared income statement, statement of comprehensive income, cash flows statement, statement of changes in equity or other notes to the financial statements that would ordinarily be required under IFRS.

The Company's investments in listed shares and bonds as of March 31, 2019 have been classified as held for trading under the requirements of the Norwegian Accounting law section 5-8.



To the General Meeting of North Energy ASA

Auditor's Report to the Interim Balance Sheet

Opinion

We have audited the Interim Balance Sheet of North Energy ASA as at 31 March 2019 showing an equity of NOK 219 523 681. The interim balance sheet comprise the balance sheet, a summary of significant accounting policies and notes to the financial statements. The Interim Balance Sheet is prepared by the Board of Directors and managing director applying the accounting principles as set out in note 1 to the Interim Balance Sheet.

In our opinion, the accompanying Interim Balance Sheet in all material respects, express the financial position of the company as of 31 March 2019 in accordance with the accounting principles as set out in note 1 to the Interim Balance Sheet.

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 as required by laws and regulations, and we have fulfilled our other ethical responsibilities 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 – Basis of accounting and Restriction on Distribution

We draw attention to Note 1 to the Interim Balance Sheet, which describes the basis of accounting. The Interim Balance Sheet is prepared to assist North Energy ASA in carrying out a dividend distribution (asl § 8-2a). As a result, the Interim Balance Sheet may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Board of Directors and the Managing Director for the Interim Balance Sheet

The Board of Directors and the Managing Director (management) are responsible for the preparation in accordance with the accounting principles as set out in note 1 to the Interim Balance Sheet, and for such internal control as management determines is necessary to enable the preparation of the Interim Balance Sheet that are free from material misstatement, whether due to fraud or error.

In preparing the Interim Balance Sheet, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The Interim Balance Sheet use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

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State authorised public accountants, members of The Norwegian Institute of Public Accountants, and authorised accounting firm



Auditor's Responsibilities for the Audit of the Interim Balance Sheet

Our objectives are to obtain reasonable assurance about whether the Interim Balance Sheet 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Interim Balance Sheet.

As part of an audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the Interim Balance Sheet, whether due to fraud or error. We 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 Interim Balance Sheet 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 Interim Balance Sheet represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with the Board of Directors 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 the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Stavanger, 21 May 2019
PricewaterhouseCoopers AS

A handwritten signature in blue ink, appearing to read 'Gunnar Slettebø', written in a cursive style.

Gunnar Slettebø
State Authorised Public Accountant