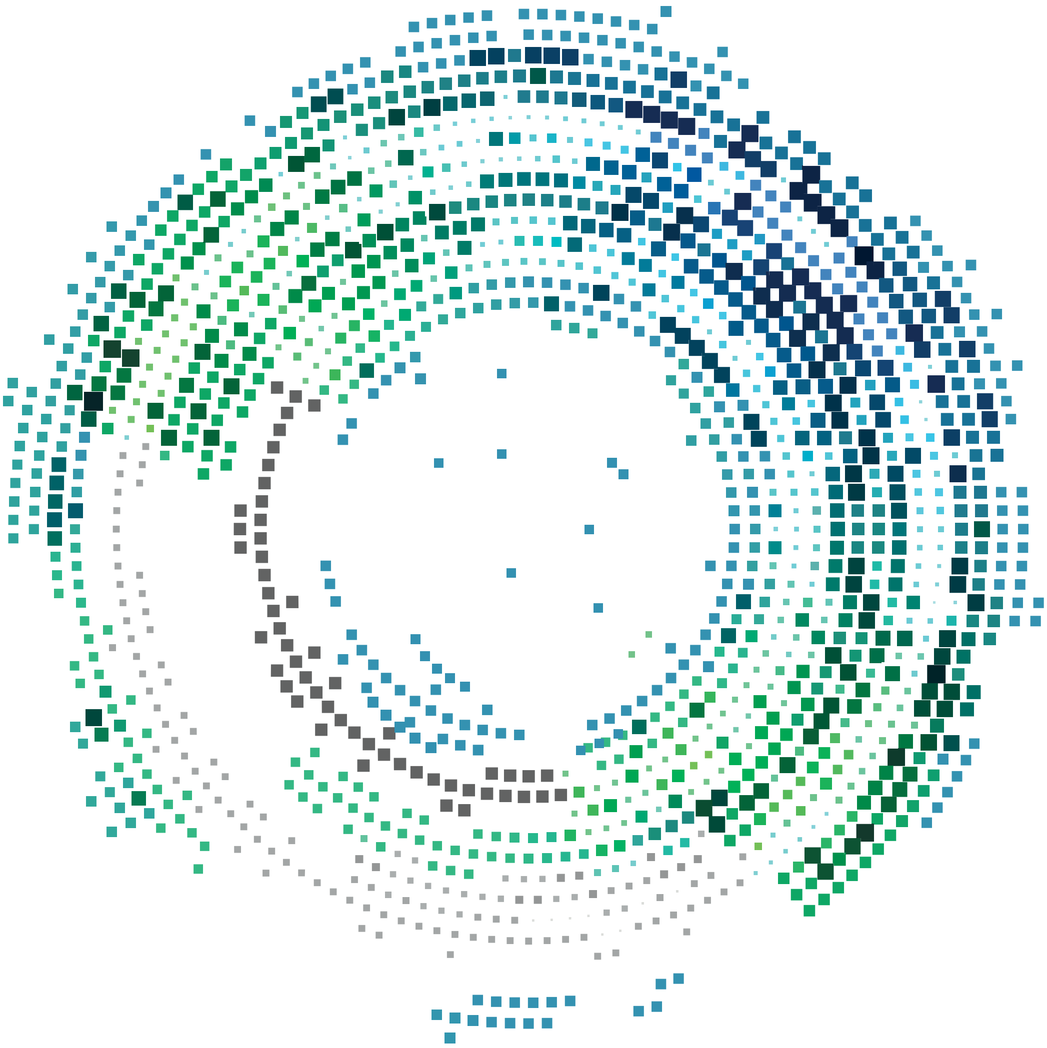

Johs. Gram-Hanssen A/S

Bergensgade 10, 2100 Copenhagen East
CVR No. 15132981

Annual report 2019

The Annual General Meeting adopted the annual report on 19.05.2020

Thomas Langbo Algreen Nielsen
Chairman of the General Meeting

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Entity details

Entity

Johs. Gram-Hanssen A/S

Bergensgade 10

2100 Copenhagen East

CVR No.: 15132981

Registered office: Copenhagen

Financial year: 01.01.2019 - 31.12.2019

Board of Directors

Morten Pitzner, chairman

Niels Knud Zenon Joseph Holstein-Løvenørn

Torben Golsche Knappe

Jørgen Janus Roijer Hillerup

Erik Schou Stavnstrup

Executive Board

Thomas Langbo Algreen Nielsen, director

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
P. O. Box 1600
0900 Copenhagen C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Johs. Gram-Hanssen A/S for the financial year 01.01.2019 - 31.12.2019.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 23.03.2020

Executive Board

Thomas Langbo Algreen Nielsen
director

Board of Directors

Morten Pitzner
chairman

Niels Knud Zenon Joseph Holstein-Løvenørn

Torben Golsche Knappe

Jørgen Janus Roijer Hillerup

Erik Schou Stavnstrup

Independent auditor's report

To the shareholders of Johs. Gram-Hanssen A/S

Opinion

We have audited the financial statements of Johs. Gram-Hanssen A/S for the financial year 01.01.2019 - 31.12.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, 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.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 and the additional requirements applicable in Denmark 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 conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement 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 Entity’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 in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity’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 Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 23.03.2020

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Henrik Jacob Vilmann Wellejus
State Authorised Public Accountant
Identification No (MNE) mne24807

Hans Tauby
State Authorised Public Accountant
Identification No (MNE) mne44339

Management commentary

Primary activities
The Company's main activity consists of international trade.

Development in activities and finances
The Company's profit of the year is 4.051 thousand DKK against 1.452 thousand DKK last year. The management considers this year's result to be satisfactory.

Last year, the Company has changed its financial year, so that the previous financial year runs from 01.05.2018 - 31.12.2018 and thereby covers an 8 month period. This year the financial year covers a 12 month period. Thereby there is a lack of comparability between the figures in the income statement, the balance sheet and disclosures, since the comparable figures cover a shorter period of time.

Events after the balance sheet date
The outbreak of coronavirus/COVID-19 has escalated in the beginning of 2020, and WHO has on March 11th 2020 declared the outbreak to be a worldwide pandemic. The outbreak has resulted in a series of precautions, that affects the daily operations, both for the Company, suppliers, customers and other business partners. The economical effect cannot be meassured at this time.

No other events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2019

	Notes	2019 DKK	2018 DKK
Revenue		76,458,362	29,801,514
Cost of sales		(58,968,593)	(21,613,706)
Other external expenses		(4,655,044)	(2,069,425)
Gross profit/loss		**12,834,725**	**6,118,383**
Staff costs	2	(7,876,314)	(4,190,755)
Depreciation, amortisation and impairment losses	3	(14,979)	(4,148)
Operating profit/loss		**4,943,432**	**1,923,480**
Other financial income	4	888,771	9,180
Other financial expenses	5	(639,359)	(110,448)
Profit/loss before tax		**5,192,844**	**1,822,212**
Tax on profit/loss for the year	6	(1,141,895)	(401,133)
Profit/loss for the year		**4,050,949**	**1,421,079**
Proposed distribution of profit and loss:			
Retained earnings		4,050,949	1,421,079
Proposed distribution of profit and loss		**4,050,949**	**1,421,079**

Balance sheet at 31.12.2019

Assets

	Notes	2019 DKK	2018 DKK
Completed development projects	8	94,892	0
Acquired intangible assets		140,226	0
Intangible assets	7	**235,118**	**0**
Other fixtures and fittings, tools and equipment		94,824	10,233
Property, plant and equipment	9	**94,824**	**10,233**
Fixed assets		**329,942**	**10,233**
Trade receivables		7,543,662	15,064,910
Contract work in progress		3,763,938	2,644,106
Receivables from group enterprises		18,132,381	8,884,489
Deferred tax		0	11,000
Other receivables		527,733	174,931
Prepayments		5,126,896	0
Receivables		**35,094,610**	**26,779,436**
Cash		**26,623,800**	**549,100**
Current assets		**61,718,410**	**27,328,536**
Assets		**62,048,352**	**27,338,769**

Equity and liabilities

	Notes	2019 DKK	2018 DKK
Contributed capital		500,000	500,000
Reserve for development expenditure		73,892	0
Retained earnings		15,248,520	11,271,463
Equity		**15,822,412**	**11,771,463**
Deferred tax		32,000	0
Provisions		**32,000**	**0**
Bank loans		31,345,850	7,707,808
Prepayments received from customers		92,261	0
Contract work in progress		6,739,912	0
Trade payables		5,094,227	6,505,193
Payables to group enterprises		1,260,000	0
Joint taxation contribution payable		1,098,895	397,415
Other payables		562,795	956,890
Current liabilities other than provisions		**46,193,940**	**15,567,306**
Liabilities other than provisions		**46,193,940**	**15,567,306**
Equity and liabilities		**62,048,352**	**27,338,769**
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	10		
Contingent liabilities	11		

Statement of changes in equity for 2019

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	500,000	0	11,271,463	11,771,463
Transfer to reserves	0	73,892	(73,892)	0
Profit/loss for the year	0	0	4,050,949	4,050,949
Equity end of year	**500,000**	**73,892**	**15,248,520**	**15,822,412**

Notes

1 Events after the balance sheet date

The outbreak of coronavirus/COVID-19 has escalated in the beginning of 2020, and WHO has on March 11th 2020 declared the outbreak to be a worldwide pandemic. The outbreak has resulted in a series of precautions, that affects the daily operations, both for the Company, suppliers, customers and other business partners. The economical effect cannot be meassured at this time.

No other events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

2 Staff costs

	2019 DKK	2018 DKK
Wages and salaries	7,476,619	3,895,374
Pension costs	202,712	87,942
Other staff costs	196,983	207,439
	7,876,314	**4,190,755**

Average number of full-time employees	**13**	**11**

3 Depreciation, amortisation and impairment losses

	2019 DKK	2018 DKK
Depreciation of property, plant and equipment	26,979	4,148
Profit/loss from sale of intangible assets and property, plant and equipment	(12,000)	0
	14,979	**4,148**

4 Other financial income

	2019 DKK	2018 DKK
Other interest income	504	9,180
Exchange rate adjustments	888,267	0
	888,771	**9,180**

5 Other financial expenses

	2019 DKK	2018 DKK
Other interest expenses	589,335	88,955
Other financial expenses	50,024	21,493
	639,359	**110,448**

6 Tax on profit/loss for the year

	2019 DKK	2018 DKK
Current tax	1,098,895	397,415
Change in deferred tax	43,000	3,718
	1,141,895	**401,133**

7 Intangible assets

	Completed development projects DKK	Acquired intangible assets DKK
Additions	96,494	148,650
Cost end of year	**96,494**	**148,650**
Amortisation for the year	(1,602)	(8,424)
Amortisation and impairment losses end of year	**(1,602)**	**(8,424)**
Carrying amount end of year	**94,892**	**140,226**

8 Development projects

The recognized development project, comprises a newly designed website. The website helps the Company get in touch with the clients and therefore supports the daily business.

9 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	481,067
Additions	101,544
Disposals	(316,944)
Cost end of year	**265,667**
Depreciation and impairment losses beginning of year	(470,834)
Depreciation for the year	(16,953)
Reversal regarding disposals	316,944
Depreciation and impairment losses end of year	**(170,843)**
Carrying amount end of year	**94,824**

10 Unrecognised rental and lease commitments

The company has entered into a lease agreement in cooperation with JGH Marine A/S regarding the lease Bergensgade 10, 2100 Copenhagen East where the notice period is 6 months. The allocated amount to Johs. Gram-Hanssen A/S of the rent costs for the termination period amounts to DKK 379 thousand.

11 Contingent liabilities

The Group has a total framework for bank guarantees and letter of credit of DKK 51.491 thousand.

The Entity participates in a Danish joint taxation arrangement where Pitzner Gruppen Holding A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

Accounting policies

Reporting class
This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Non-comparability
Last year, the Company changed its financial year. The current financial year covers a 12 month period, whereas the previous financial year was between 01.05.2018 - 31.12.2018 and thereby only covered an 8 month period. Thereby there is a lack of comparability between the figures in the income statement, the balance sheet and disclosures.

Recognition and measurement
Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement
Revenue
Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

Cost of sales
Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses
Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs
Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses
Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Other financial income
Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses
Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year
Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Intangible assets

Intangible assets comprise development projects completed.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5 years.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Contract work in progress
Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a project in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet under receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts, and finance costs are recognised in the income statement as incurred.

Deferred tax
Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments
Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash
Cash comprises cash in hand and bank deposits.

Other financial liabilities
Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers
Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Joint taxation contributions payable or receivable
Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.