



Vysus Denmark A/S

Strandvejen 104, 1.
2900 Hellerup
CVR No. 17371487

Annual report 01.07.2019 - 30.06.2020

The Annual General Meeting adopted the
annual report on 18.12.2020

Per Trøjgård Andersen
Chairman of the General Meeting

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Entity details

Entity

Vysus Denmark A/S

Strandvejen 104, 1.

2900 Hellerup

CVR No.: 17371487

Registered office: Hellerup

Financial year: 01.07.2019 - 30.06.2020

Board of Directors

Per Trøjgård Andersen

Robert Peter Nyiredy

Per Anders Olsson

Executive Board

Per Trøjgård Andersen, adm. dir.

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 Vysus Denmark A/S for the financial year 01.07.2019 - 30.06.2020.

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 30.06.2020 and of the results of its operations for the financial year 01.07.2019 - 30.06.2020.

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, 18.12.2020

Executive Board

Per Trøjgård Andersen
adm. dir.

Board of Directors

Per Trøjgård Andersen

Robert Peter Nyiredy

Per Anders Olsson

Independent auditor's report

To the shareholders of Vysus Denmark A/S

Opinion

We have audited the financial statements of Vysus Denmark A/S for the financial year 01.07.2019 - 30.06.2020, 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 30.06.2020 and of the results of its operations for the financial year 01.07.2019 - 30.06.2020 in 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, 18.12.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Kristoffer Sune Hemmingsen

State Authorised Public Accountant
Identification No (MNE) mne33384

Management commentary

Primary activities

The company acts as consulting engineers in a number of special areas, including noise and vibration control and structural, machinery, fluid dynamics and risk analysis.

In addition to the activities carried out by the company's employees based in Copenhagen, the company also coordinates the services' rendered in the same field by Lloyd's Register, globally.

Development in activities and finances

In 2019/20 the company's income statement shows a loss of DKK -429k. against 561k. last year. The balance sheet at 30 June 2020 shows a deficit on equity of DKK -38,098k.

Profit of the year has been negative, however the management continues to have positive expectations for the future and expect a more positive development, among other things as a result of several strategic development projects, and because the company's costs are reduced.

The company's revenue in FY19/20 was affected by the COVID-19 pandemic, including the fall in oil prices at the beginning of 2020 as well as the general decline in the cruise industry, including especially travel restrictions.

Capital owner Vysus Group Holdings Ltd have submitted a letter of support on continuing to ensure the company sufficient liquidity, so that the company can continue its operations on an unchanged business basis, maximized to DKK 10 million in total.

Capital owner Vysus Group Holdings Ltd has committed to resign from its receivables of DKK 20,087k in the company.

Parent Vysus Denmark Holdings ApS has committed to resign from its receivables of DKK 18,584k and any expansion in the outstanding account until December 31, 2021.

All commitments are valid to and including December 31, 2021.

Outlook

We expect a positive development in our business for 2020/21. However, it is to be expected that restrictions as a result of the COVID-19 pandemic will continue to create uncertainty about next year's revenue.

Events after the balance sheet date

On 7 October 2020, Lloyd's Register Group announced the sale of the Energy business division, which included Lloyd's Register Consulting-Energy A/S and Lloyd's Register Denmark Holdings ApS to the British private equity fund Inspirit Capital. On 31 October 2020, the sale of the Energy division was completed and Vysus Holdings Limited became the parent company of Lloyd's Register Denmark Holdings ApS.

Additionally, on 31 October 2020 the registered name of Lloyd's Register Consulting-Energy A/S became Vysus Denmark A/S and the registered name of Lloyd's Register Denmark Holdings ApS became Vysus Denmark Holdings ApS.

As part of the sale of the Energy division, all existing intercompany balances with Lloyd's Register Group at 31 October 2020 were exchanged for intercompany balances within Vysus Group Holdings Limited. No gain or loss arose as a result of this exchange of intercompany balances.

As stated above, capital owner Vysus Group Holdings Ltd have submitted a letter of support on continuing to ensure the company sufficient liquidity, so that the company can continue its operations on an unchanged business basis as well as issuing a commitment to resign from its receivables of DKK 20,087k in the company. Additionally, Parent Vysus Denmark Holdings ApS has committed to resign from its receivables of DKK 18,584k and any expansion in the outstanding account until December 31, 2021. The letter of support and the resign commitments are all valid to and including December 31, 2021.

Income statement for 2019/20

	Notes	2019/20 DKK	2018/19 DKK
Gross profit/loss	3	12,703,353	13,691,186
Staff costs	4	(14,344,317)	(12,726,053)
Depreciation, amortisation and impairment losses	5	(193,316)	(274,831)
Operating profit/loss		(1,834,280)	690,302
Other financial income	6	3,200,689	498,738
Other financial expenses	7	(1,916,459)	(469,369)
Profit/loss before tax		(550,050)	719,671
Tax on profit/loss for the year	8	120,614	(158,756)
Profit/loss for the year		(429,436)	560,915
Proposed distribution of profit and loss			
Retained earnings		(429,436)	560,915
Proposed distribution of profit and loss		(429,436)	560,915

Balance sheet at 30.06.2020

Assets

	Notes	2019/20 DKK	2018/19 DKK
Acquired intangible assets		40,181	100,453
Intangible assets	9	40,181	100,453
Plant and machinery		159,770	278,842
Other fixtures and fittings, tools and equipment		43,333	21,646
Property, plant and equipment	10	203,103	300,488
Fixed assets		243,284	400,941
Trade receivables		1,768,025	2,460,566
Contract work in progress		62,448	0
Receivables from group enterprises		2,133,375	1,094,421
Deferred tax		299,782	179,168
Prepayments	11	6,413	37,643
Receivables		4,270,043	3,771,798
Cash		3,042,879	667,858
Current assets		7,312,922	4,439,656
Assets		7,556,206	4,840,597

Equity and liabilities

	Notes	2019/20 DKK	2018/19 DKK
Contributed capital		500,000	500,000
Retained earnings		(38,598,069)	(38,168,633)
Equity		(38,098,069)	(37,668,633)
Income tax payable		0	142,582
Other payables	12	1,141,568	0
Non-current liabilities other than provisions		1,141,568	142,582
Prepayments received from customers		84,220	0
Contract work in progress		0	520,764
Trade payables		995,888	505,671
Payables to group enterprises		38,670,298	35,850,515
Other payables	13	4,762,301	5,489,698
Current liabilities other than provisions		44,512,707	42,366,648
Liabilities other than provisions		45,654,275	42,509,230
Equity and liabilities		7,556,206	4,840,597
Going concern	1		
Events after the balance sheet date	2		
Unrecognised rental and lease commitments	14		
Contingent liabilities	15		
Group relations	16		

Statement of changes in equity for 2019/20

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	500,000	(38,168,633)	(37,668,633)
Profit/loss for the year	0	(429,436)	(429,436)
Equity end of year	500,000	(38,598,069)	(38,098,069)

Notes

1 Going concern

The company's balance sheet at 30 June 2020 shows a deficit on equity of DKK -38,098k. Management expects the equity reestablished by contribution from the capital owner and by future positive profits.

Capital owner Vysus Group Holdings Ltd have submitted a letter of support on continuing to ensure the company sufficient liquidity, so that the company can continue its operations on an unchanged business basis. The letter of support concerns Vysus Denmark A/S and parent Vysus Denmark Holdings ApS. The letter of support is valid to and including December 31, 2021, and is maximized to DKK 10 million.

Capital owner Vysus Group Holdings Ltd has committed to resign from its receivables of DKK 20,087k in the company.

Parent Vysus Denmark Holdings ApS has committed to resign from its receivables of DKK 18,584k and any expansion in the outstanding account until December 31, 2021.

Both commitments are valid to and including December 31, 2021.

Based on the commitments from the parent company, management has assessed that the company is a going concern.

2 Events after the balance sheet date

On 7 October 2020, Lloyd's Register Group announced the sale of the Energy business division, which included Lloyd's Register Consulting-Energy A/S and Lloyd's Register Denmark Holdings ApS to the British private equity fund Inspirit Capital. On 31 October 2020, the sale of the Energy division was completed and Vysus Holdings Limited became the parent company of Lloyd's Register Denmark Holdings ApS.

Additionally, on 31 October 2020 the registered name of Lloyd's Register Consulting-Energy A/S became Vysus Denmark A/S and the registered name of Lloyd's Register Denmark Holdings ApS became Vysus Denmark Holdings ApS.

As part of the sale of the Energy division, all existing intercompany balances with Lloyd's Register Group at 31 October 2020 were exchanged for intercompany balances within Vysus Group Holdings Limited. No gain or loss arose as a result of this exchange of intercompany balances.

As stated in Note 1 above, capital owner Vysus Group Holdings Ltd have submitted a letter of support on continuing to ensure the company sufficient liquidity, so that the company can continue its operations on an unchanged business basis as well as issuing a commitment to resign from its receivables of DKK 20,087k in the company. Additionally, Parent Vysus Denmark Holdings ApS has committed to resign from its receivables of DKK 18,584k and any expansion in the outstanding account until December 31, 2021. The letter of support and the resign commitments are all valid to and including December 31, 2021.

3 Gross profit/loss

Gross profit/loss in FY19/20 includes DKK 391.323 of other income related to the reimbursement of payroll related expenses obtained as part of the government's COVID-19 help packages.

4 Staff costs

	2019/20 DKK	2018/19 DKK
Wages and salaries	13,929,907	12,043,631
Other social security costs	60,058	147,752
Other staff costs	354,352	534,670
	14,344,317	12,726,053
Average number of full-time employees	18	18

5 Depreciation, amortisation and impairment losses

	2019/20 DKK	2018/19 DKK
Amortisation of intangible assets	60,272	60,273
Depreciation of property, plant and equipment	133,044	214,558
	193,316	274,831

6 Other financial income

	2019/20 DKK	2018/19 DKK
Other interest income	0	190
Exchange rate adjustments	3,192,689	498,548
Other financial income	8,000	0
	3,200,689	498,738

7 Other financial expenses

	2019/20 DKK	2018/19 DKK
Financial expenses from group enterprises	452,884	447,309
Exchange rate adjustments	1,434,453	0
Other financial expenses	29,122	22,060
	1,916,459	469,369

8 Tax on profit/loss for the year

	2019/20 DKK	2018/19 DKK
Current tax	0	142,582
Change in deferred tax	(120,614)	16,174
	(120,614)	158,756

9 Intangible assets

	Acquired intangible assets DKK
Cost beginning of year	3,098,214
Cost end of year	3,098,214
Amortisation and impairment losses beginning of year	(2,997,761)
Amortisation for the year	(60,272)
Amortisation and impairment losses end of year	(3,058,033)
Carrying amount end of year	40,181

10 Property, plant and equipment

	Plant and machinery DKK	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	5,697,409	1,501,187
Additions	0	35,659
Cost end of year	5,697,409	1,536,846
Depreciation and impairment losses beginning of year	(5,418,567)	(1,479,541)
Depreciation for the year	(119,072)	(13,972)
Depreciation and impairment losses end of year	(5,537,639)	(1,493,513)
Carrying amount end of year	159,770	43,333

11 Prepayments

Prepayments relates to prepaid insurances and deferred expenses.

12 Other payables

	2019/20 DKK	2018/19 DKK
Holiday pay obligation	1,141,568	0
	1,141,568	0

13 Other payables

	2019/20	2018/19
	DKK	DKK
VAT and duties	713,709	1,501,347
Wages and salaries, personal income taxes, social security costs, etc payable	2,576,390	732,205
Holiday pay obligation	979,998	1,856,290
Other costs payable	492,204	1,399,856
	4,762,301	5,489,698

14 Unrecognised rental and lease commitments

The Company has signed a tenancy rental agreement with one month interminability at 30 June 2020 corresponding to a rent of DKK 9k.

15 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement in which branch Lloyd's Register EMEA 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 companies and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

16 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

Lloyd's Register Group Limited
 71 Fenchurch Street
 London
 EC3M 4BS
 United Kingdom

The foreign consolidated financial statements can be requested at <http://www.lr.org/en/contact-us/>.

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.

Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

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.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in work in progress, cost of raw materials and consumables and external expenses.

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.

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).

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

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 as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as 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 losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as 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 branch Lloyd's Register EMEA as the administration company and all Danish companies. 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

Intellectual property rights etc

Intellectual property rights etc comprise acquired intellectual property rights and prepayments for intangible assets.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Intellectual property rights are amortised over 3 years.

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

Property, plant and equipment

Plant and machinery as well as 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:

Plant and machinery	3-5 years
Other fixtures and fittings, tools and equipment	5-8 years

Estimated useful lives and residual values are reassessed annually.

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 at the lower of costs incurred or net realisable value.

Costs of sales work and of securing contracts as well as financing 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.

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.

Tax receivable or payable

Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.