

Hyperbaric Consult A/S

Havnen 5, 1. 1., 3250, Gilleleje

Company reg. no. 20 78 48 81

Annual report

1 January - 31 December 2020

The annual report was submitted and approved by the general meeting on the 25 June 2021.

Kenneth Gudmundsson
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

The board of directors and the managing director have today presented the annual report of Hyperbaric Consult A/S for the financial year 1 January to 31 December 2020.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2020 and of the company's results of its activities in the financial year 1 January to 31 December 2020.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

Gilleleje, 25 June 2021

Managing Director

Christian Lauenbach Eilersen

Board of directors

Kenneth Gudmundsson

Jan Michael Eilersen

Michael Søggaard Madsen

Christian Lauenbach Eilersen

Independent auditor's report

To the shareholders of Hyperbaric Consult A/S

Opinion

We have audited the annual accounts of Hyperbaric Consult A/S for the financial year 1 January to 31 December 2020, which comprise profit and loss account, balance sheet, statement of changes in equity, notes and accounting policies. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2020 and of the results of the company's operations for the financial year 1 January to 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

Management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by management and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 contents of the annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

Statement on the management's review

Management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

Independent auditor's report

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 25 June 2021

BUUS JENSEN

State Authorised Public Accountants
Company reg. no. 16 11 90 40

Benjamin Møller Obel
State Authorised Public Accountant
mne44149

Henrik Paaske
State Authorised Public Accountant
mne10067

Company information

The company	Hyperbaric Consult A/S Havnen 5, 1. 1. 3250, Gilleleje Company reg. no. 20 78 48 81 Financial year: 1 January - 31 December
Board of directors	Kenneth Gudmundsson Jan Michael Eilersen Michael Søggaard Madsen Christian Lauenbach Eilersen
Managing Director	Christian Lauenbach Eilersen
Auditors	BUUS JENSEN, Statsautoriserede revisorer
Subsidiaries	Hyperbaric Consult Ltd, England Clean Seabed ApS, Gribskov

Management commentary

The principal activities of the company

The Company's primary activity is to operate within diving, offshore support and hyperbaric management.

Uncertainties as to recognition or measurement

The Company's ships are measured in accordance with section 41, fair value of the Danish Financial Statements Act. There are an ongoing assessment of the company's ships' value. As the ships are specially designed for offshore use, there is no active market in which these vessels are traded. As a result, there will be a natural uncertainty in the recognition and measurement of the ships. The Company's management is of the opinion that the recognized value of the company's ships is an expression of the expected fair value of the Company's ships on the financial statement date 31 December 2020.

Development in activities and financial matters

The gross profit for the year is DKK 14.800.071 against DKK 10.427.559 last year. The results from ordinary activities after tax are DKK 5.253.006 against DKK 2.405.415 last year. The management consider the results satisfactory.

The expected development

At the time of submission of the annual report, the Company has signed orders in the pipeline for completion in 2021 of such size that a positive result is expected for 2021.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Gross profit	14.800.071	10.427.559
2 Staff costs	-7.512.504	-7.354.412
Depreciation and writedown relating to tangible fixed assets	-2.758.078	-2.327.996
Operating profit	4.529.489	745.151
Income from equity investments in group enterprises	2.175.516	2.245.610
Other financial income	583.009	442.288
3 Other financial costs	-971.019	-981.440
Pre-tax net profit or loss	6.316.995	2.451.609
4 Tax on ordinary results	-1.063.989	-46.194
Profit or loss from ordinary activities after tax	5.253.006	2.405.415
Net profit or loss for the year	5.253.006	2.405.415
Proposed appropriation of net profit:		
Reserves for net revaluation according to the equity method	2.128.845	773.932
Dividend for the financial year	4.000.000	0
Transferred to retained earnings	0	1.631.483
Allocated from retained earnings	-875.839	0
Total allocations and transfers	5.253.006	2.405.415

Statement of financial position at 31 December

All amounts in DKK.

Assets			
<u>Note</u>		<u>2020</u>	<u>2019</u>
Non-current assets			
5	Other fixtures and fittings, tools and equipment	2.132.881	69.667
6	Ships	51.065.827	52.332.393
	Total property, plant, and equipment	<u>53.198.708</u>	<u>52.402.060</u>
7	Equity investments in group enterprises	2.952.787	823.942
8	Deposits	19.500	19.500
	Total investments	<u>2.972.287</u>	<u>843.442</u>
	Total non-current assets	<u>56.170.995</u>	<u>53.245.502</u>
Current assets			
	Trade debtors	4.446.622	397.995
9	Work in progress for the account of others	211.502	2.029.209
	Amounts owed by group enterprises	4.586.579	6.372.133
	Accrued income and deferred expenses	123.836	25.317
	Total receivables	<u>9.368.539</u>	<u>8.824.654</u>
	Available funds	<u>105.411</u>	<u>575.495</u>
	Total current assets	<u>9.473.950</u>	<u>9.400.149</u>
	Total assets	<u>65.644.945</u>	<u>62.645.651</u>

Statement of financial position at 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Equity and liabilities		
Equity		
Contributed capital	1.000.000	1.000.000
Revaluation reserve	7.632.561	9.159.074
Reserves for net revaluation as per the equity method	2.902.777	773.932
Results brought forward	31.693.587	31.089.584
Proposed dividend for the financial year	4.000.000	0
Total equity	<u>47.228.925</u>	<u>42.022.590</u>
Provisions		
Provisions for deferred tax	7.040.919	5.976.930
Total provisions	<u>7.040.919</u>	<u>5.976.930</u>
Liabilities other than provisions		
Bank debts	1.628.000	3.230.000
Debt to shareholders and management	1.746.074	1.722.493
10 Total long term liabilities other than provisions	<u>3.374.074</u>	<u>4.952.493</u>
10 Short-term part of long-term liabilities	2.140.000	2.140.000
Bank debts	1.677.738	4.942.271
Trade creditors	452.700	857.487
Other debts	3.730.589	1.753.880
Total short term liabilities other than provisions	<u>8.001.027</u>	<u>9.693.638</u>
Total liabilities other than provisions	<u>11.375.101</u>	<u>14.646.131</u>
Total equity and liabilities	<u>65.644.945</u>	<u>62.645.651</u>
1 Uncertainties concerning recognition and measurement		
11 Charges and security		
12 Contingencies		

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Share premium</u>	<u>Revaluation reserve</u>	<u>Reserve for net revaluation according to the equity method</u>	<u>Retained earnings</u>	<u>Proposed dividend for the financial year</u>	<u>Total</u>
Equity 1 January							
2019	500.000	0	10.685.587	0	14.514.620	0	25.700.207
Cash capital increase	500.000	13.500.000	0	0	0	0	14.000.000
Dissolution of revaluations of previous years	0	0	-1.526.513	0	0	0	-1.526.513
Share of results	0	0	0	773.932	1.548.451	0	2.322.383
Transferred to results brought forward	0	-13.500.000	0	0	13.500.000	0	0
Dissolution of revaluations	0	0	0	0	1.526.513	0	1.526.513
Equity 1 January							
2020	1.000.000	0	9.159.074	773.932	31.089.584	0	42.022.590
Dissolution of revaluations of previous years	0	0	-1.526.513	0	0	0	-1.526.513
Share of results	0	0	0	2.128.845	-922.510	4.000.000	5.206.335
Dissolution of revaluations	0	0	0	0	1.526.513	0	1.526.513
	1.000.000	0	7.632.561	2.902.777	31.693.587	4.000.000	47.228.925

Notes

All amounts in DKK.

	<u>2020</u>	<u>2019</u>
1. Uncertainties concerning recognition and measurement		
The Company's ships are measured in accordance with section 41, fair value of the Danish Financial Statements Act. There are an ongoing assessment of the company's ships' value. As the ships are specially designed for offshore use, there is no active market in which these vessels are traded. As a result, there will be a natural uncertainty in the recognition and measurement of the ships. The Company's management is of the opinion that the recognized value of the company's ships is an expression of the expected fair value of the Company's ships on the financial statement date 31 December 2020.		
2. Staff costs		
Salaries and wages	7.383.834	7.231.183
Pension costs	84.633	76.392
Other costs for social security	19.312	18.839
Other staff costs	24.725	27.998
	<u>7.512.504</u>	<u>7.354.412</u>
Average number of employees	<u>25</u>	<u>25</u>
3. Other financial costs		
Other financial costs	<u>971.019</u>	<u>981.440</u>
	<u>971.019</u>	<u>981.440</u>
4. Tax on ordinary results		
Adjustment for the year of deferred tax	<u>1.063.989</u>	<u>46.194</u>
	<u>1.063.989</u>	<u>46.194</u>

Notes

All amounts in DKK.

	<u>31/12 2020</u>	<u>31/12 2019</u>
5. Other fixtures and fittings, tools and equipment		
Cost 1 January 2020	770.289	770.289
Additions during the year	2.493.982	0
Disposals during the year	<u>-12.500</u>	<u>0</u>
Cost 31 December 2020	<u>3.251.771</u>	<u>770.289</u>
Amortisation and writedown 1 January 2020	-700.622	-674.252
Depreciation for the year	-430.768	-26.370
Depreciation, amortisation and writedown for the year, assets disposed of	<u>12.500</u>	<u>0</u>
Amortisation and writedown 31 December 2020	<u>-1.118.890</u>	<u>-700.622</u>
Carrying amount, 31 December 2020	<u>2.132.881</u>	<u>69.667</u>
6. Ships		
Cost 1 January 2020	54.809.534	52.107.785
Additions during the year	<u>1.060.744</u>	<u>2.701.749</u>
Cost 31 December 2020	<u>55.870.278</u>	<u>54.809.534</u>
Revaluation 1 January 2020	<u>19.570.673</u>	<u>19.570.673</u>
Revaluation 31 December 2020	<u>19.570.673</u>	<u>19.570.673</u>
Depreciation and writedown 1 January 2020	-22.047.814	-19.746.188
Depreciation for the year	<u>-2.327.310</u>	<u>-2.301.626</u>
Depreciation and writedown 31 December 2020	<u>-24.375.124</u>	<u>-22.047.814</u>
Carrying amount, 31 December 2020	<u>51.065.827</u>	<u>52.332.393</u>

Notes

All amounts in DKK.

	<u>31/12 2020</u>	<u>31/12 2019</u>		
7. Equity investments in group enterprises				
Acquisition sum, opening balance 1 January 2020	50.010	50.010		
Cost 31 December 2020	<u>50.010</u>	<u>50.010</u>		
Revaluations, opening balance 1 January 2020	773.932	-1.388.646		
Translation by use of the exchange rate valid on b	-46.671	-83.032		
Results for the year before goodwill amortisation	2.175.516	2.245.610		
Revaluation 31 December 2020	<u>2.902.777</u>	<u>773.932</u>		
Book value 31 December 2020	<u>2.952.787</u>	<u>823.942</u>		
Group enterprises:				
	Domicile	Share of ownership		
Hyperbaric Consult Ltd	England	100 %		
Clean Seabed ApS	Gribskov	100 %		
8. Deposits				
Cost 1 January 2020	19.500	19.500		
Cost 31 December 2020	<u>19.500</u>	<u>19.500</u>		
Book value 31 December 2020	<u>19.500</u>	<u>19.500</u>		
9. Work in progress for the account of others				
Sales value of the production of the period	211.502	2.029.209		
Work in progress for the account of others, net	<u>211.502</u>	<u>2.029.209</u>		
10. Liabilities				
	Debt in total	Short-term	Long-term	Outstanding
	31 Dec 2020	part of long-	debt	debt after
	<u>31 Dec 2020</u>	term	31 Dec 2020	5 years
		liabilities		
Bank debts	3.768.000	2.140.000	1.628.000	0
Debt to shareholders and management	1.746.074	0	1.746.074	0

Notes

All amounts in DKK.

10. Liabilities (continued)

Total payables 31 Dec 2020	Current portion of long term payables	Long term payables 31 Dec 2020	Outstanding payables after 5 years
5.514.074	2.140.000	3.374.074	0

11. Charges and security

As security for bank debts, DKK 21.000.000, mortgage has been granted in one of the company's ships representing a book value of DKK 37.097.021 at 31 December 2020.

For bank debts, the company has provided security in company assets representing a nominal value of DKK 6.000.000. This security comprises the below assets, stating the book values:

Receivable from sales and services	DKK 9.934.935
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Notes

All amounts in DKK.

12. Contingencies

Contingent liabilities

	DKK in thousands
Leasing liabilities	68
Contingent liabilities in total	68

Joint taxation

The company is the administration company of the group of companies subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.

The liability relating to obligations in connection with withholding tax on dividends, interest and royalties represents an estimated maximum of DKK 0 thousand.

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.

Accounting policies

The annual report for Hyperbaric Consult A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales include costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation, amortisation and writedown for the year and gains and losses on disposal of intangible and tangible fixed assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Accounting policies

Results from equity investments in group enterprises

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the equity investment in the individual group enterprises are recognised in the income statement as a proportional share of the group enterprises' post-tax profit or loss.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable of the income of the Danish consolidated companies is paid to the tax authorities by the company.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

The balance sheet

Tangible fixed assets

Ships is measured at cost plus revaluations and less accrued depreciation and writedown for impairment.

Ships is revaluated on the basis of regular, independent fair-value assessments. Net revaluation at fair value adjustment is recognised directly in equity less deferred tax and tied up in a particular revaluation reserve. Net impairment loss at fair value adjustment is recognised in the income statement.

The depreciable amount is cost plus revaluations at fair value less expected residual value after the end of the useful life of the asset. The amortisation period is fixed at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

Reversal of previous revaluations and recognised deferred taxes concerning revaluations are recognised directly in company equity.

Other property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

Accounting policies

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Ships	10 years	34.500.000 DKK
Other fixtures and fittings, tools and equipment	3-5 years	0-20 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement under depreciation.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in group enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Financial fixed assets

Equity in group enterprises

Equity in group enterprises are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Accounting policies

Equity in group enterprises recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Consolidated goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Consolidated goodwill is amortised on a straight-line basis over the amortisation period, which represent 5-20 years. The depreciation period is determined on the basis of an assessment that these are strategically acquired enterprises with a strong market position and a long-term earnings profile.

In relation to material assets and liabilities recognised in group enterprises, associates and equity interests but are not represented in the parent, the following accounting policies have been applied.

Equity in group enterprises with a negative equity value measured at DKK 0, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover a negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises are transferred to the reserve under equity for net revaluation according to the equity method. Dividends from group enterprises expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in group enterprises.

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

On the acquisition of enterprises, the acquisition method, the uniting-of-interests method or the book value method is applied, cf. the above description under Business combinations.

Deposits

Deposits are measured at amortised cost and represent rent deposits, etc.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Accounting policies

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured on the basis of the stage of completion on the reporting date and the total expected income from the individual work in progress. The stage of completion is calculated as the share of costs incurred in proportion to the estimated total costs of the individual work in progress.

When the selling price of the individual work in progress can not be determined reliably, the selling price is measured at the costs incurred or at net realisable value, if this is lower.

The individual work in progress is recognised in the statement of financial position under accounts receivables or liabilities. Net assets consist of the sum of the work in progress, where the selling price of the work performed exceeds invoicing on account. Net liabilities consist of the sum of the work in progress, where invoicing on account exceeds the selling price.

Costs in connection with sales work and the procurement of contracts are recognised in the income statement when incurred.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in hand.

Accounting policies

Equity

Revaluation reserve

Revaluations of property less deferred tax are recognised under the revaluation reserve. The reserve is reduced when the value of revalued property is reduced due to depreciation. The reduction represents the difference between depreciation based on the revalued carrying amount of the property and depreciation based on the original cost of the property.

The reserve is partly or totally dissolved on the sale of the property and reduced as a result of impairment loss on property.

Reserve for net revaluation according to the equity method

The reserve for net revaluation according to the equity method comprises net revaluation of equity investments in subsidiaries, associates and equity interests proportional to cost.

The reserve may be eliminated in the event of losses, realisation of equity investments, or changes in the accounting estimates.

The reserve cannot be recognised by a negative amount.

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

As administration company, Hyperbaric Consult A/S is liable to the tax authorities for the subsidiaries' corporate income taxes.

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Income tax receivable" or "Income tax payable".

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Accounting policies

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.