BUUS JENSEN
Statsautoriserede
Revisorer

Hyperbaric Consult A/S

Havnen 5, 1. 1., 3250, Gilleleje

Company reg. no. 20 78 48 81

Annual report

1 January - 31 December 2021

The annual report was submitted and approved by the general meeting on the 20 June 2022.

Kenneth Gudmundsson
Chairman of the meeting

Contents

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 statement

Today, the Board of Directors and the Managing Director have approved the annual report of Hyperbaric Consult A/S for the financial year 1 January - 31 December 2021.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Gilleleje, 20 June 2022

Managing Director

Christian Lauenbach Eilersen

Board of directors

Kenneth Gudmundsson	Jan Michael Eilersen	Michael Søgaard Madsen
Christian Lauenbach Eilersen		

Independent auditor's report

To the shareholders of Hyperbaric Consult A/S

Opinion

We have audited the financial statements of Hyperbaric Consult A/S for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies,, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021, and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company 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 judgment and maintain professional skepticism 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 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 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 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 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 Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, 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 Management's Review

Management is responsible for Management's Review.

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

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Independent auditor's report

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

Copenhagen, 20 June 2022

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

Benjamin Møller Obel
State Authorised Public Accountant
mne44149

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 Søgaard Madsen Christian Lauenbach Eilersen
Managing Director	Christian Lauenbach Eilersen
Auditors	BUUS JENSEN, Statsautoriserede revisorer
Subsidiaries	Hyperbaric Consult Ltd, England Clean Seabed ApS, Gribskov

The principal activities of the company

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

Development in activities and financial matters

The gross profit for the year totals DKK 17.697.058 against DKK 14.800.070 last year. The results from ordinary activities after tax totals DKK 16.173.359 against DKK 6.614.860 last year. Management considers the profit for the year satisfactory.

In 2016, it was decided to change the accounting policies for the recognition and measurement of vessels in the annual report from section 36 to section 41 of the Danish Financial Statements Act.

The company's management has subsequently realized that the measurement basis pursuant to section 41 of the Danish Financial Statements Act is difficult to obtain and calculate, as the market for the company's specific type of vessels does not exist.

On that basis, the company's management has chosen to change the accounting policies from measurement pursuant to section 41 to measurement pursuant to section 36, in order to ensure continuity in the financial statements, which in the management's opinion give a more true and fair view of the financial position of the company.

Comparative figures and financial highlights have been adjusted to the changed accounting policies.

Profit for the year after tax has increased by DKK 1,135 thousand, Ships have been reduced by DKK 9,660 thousand, equity has been reduced by DKK 7,535 thousand and the deferred tax liability has been reduced by DKK 2,125 thousand.

Last year's profit after tax has increased by DKK 1,361 thousand, Ships have been reduced by DKK 11,310 thousand, equity has been reduced by DKK 8,670 thousand and the deferred tax liability has been reduced by DKK 2,640 thousand.

Following a change in accounting policies at the beginning of 2022, the company's management has reassessed the accounting estimates made for the company's ships' lifetimes and residual values. The reassessed estimates will only have an effect on the accounting measurement and recognition of the vessels in the 2022 annual report.

Expected developments

At the time of submission of the annual report, the Company has signed orders in the pipeline for completion in 2022 of such size that a positive result is expected for 2022.

Income statement 1 January - 31 December

All amounts in DKK.

Note		2021	2020
	Gross profit	**17.697.058**	**14.800.070**
1	Staff costs	-9.232.452	-7.512.503
	Depreciation and impairment of property, land, and equipment	-1.607.384	-1.101.010
	Operating profit	**6.857.222**	**6.186.557**
	Income from investments in subsidiaries	10.903.474	2.175.516
	Other financial income	264.260	583.009
2	Other financial expenses	-361.499	-971.019
	Pre-tax net profit or loss	**17.663.457**	**7.974.063**
	Tax on net profit or loss for the year	-1.490.098	-1.359.203
	Net profit or loss for the year	**16.173.359**	**6.614.860**
	Proposed appropriation of net profit:		
	Reserves for net revaluation according to the equity method	10.903.474	2.128.845
	Dividend for the financial year	10.000.000	4.000.000
	Transferred to retained earnings	0	486.015
	Allocated from retained earnings	-4.730.115	0
	Total allocations and transfers	**16.173.359**	**6.614.860**

Balance sheet at 31 December

All amounts in DKK.

Assets

Note		2021	2020
	Non-current assets		
3	Other fixtures and fittings, tools and equipment	1.771.936	2.132.881
4	Ships	39.748.134	39.755.719
	Total property, plant, and equipment	41.520.070	41.888.600
5	Investments in subsidiaries	14.002.918	2.952.787
6	Deposits	19.500	19.500
	Total investments	14.022.418	2.972.287
	Total non-current assets	**55.542.488**	**44.860.887**
	Current assets		
	Trade receivables	281.211	4.446.622
7	Contract work in progress	173.969	211.502
	Receivables from subsidiaries	2.700.839	4.586.579
	Prepayments	44.377	123.836
	Total receivables	3.200.396	9.368.539
	Cash and cash equivalents	595.067	105.411
	Total current assets	**3.795.463**	**9.473.950**
	Total assets	**59.337.951**	**54.334.837**

Balance sheet at 31 December

All amounts in DKK.

Note	Equity and liabilities	2021	2020
	Equity		
	Contributed capital	1.000.000	1.000.000
	Reserve for net revaluation according to the equity method	13.952.908	2.902.777
	Retained earnings	25.925.999	30.656.115
	Proposed dividend for the financial year	10.000.000	4.000.000
	Total equity	**50.878.907**	**38.558.892**
	Provisions		
	Provisions for deferred tax	5.599.706	4.400.844
	Total provisions	**5.599.706**	**4.400.844**
	Liabilities other than provisions		
	Bank loans	0	1.628.000
	Payables to shareholders and management	0	1.746.074
8	Total long term liabilities other than provisions	0	3.374.074
8	Current portion of long term liabilities	1.628.000	2.140.000
	Bank loans	0	1.677.738
	Trade payables	396.746	452.700
	Corporate tax	291.236	0
	Other payables	543.356	3.730.589
	Total short term liabilities other than provisions	2.859.338	8.001.027
	Total liabilities other than provisions	**2.859.338**	**11.375.101**
	Total equity and liabilities	**59.337.951**	**54.334.837**

9 Charges and security

10 Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Revaluation reserve	Reserve for net revalua-tion according to the eq-uity method	Retained earnings	Proposed dividend for the financial year	Total
Equity 1 January 2020	1.000.000	0	773.932	31.089.584	0	32.863.516
Adjustment due to changed accounting	0	0	0	-872.813	0	-872.813
Share of results	0	0	2.128.845	439.344	4.000.000	6.568.189
Equity 1 January 2021	1.000.000	0	2.902.777	30.656.115	4.000.000	38.558.892
Distributed dividend	0	0	0	0	-4.000.000	-4.000.000
Share of results	0	0	10.903.474	-4.730.115	10.000.000	16.173.359
Exchange rate adjustments	0	0	146.657	0	0	146.657
Dissolution of revaluations	0	0	0	-1	0	-1
	1.000.000	**0**	**13.952.908**	**25.925.999**	**10.000.000**	**50.878.907**

Notes

All amounts in DKK.

		2021	2020
1.	**Staff costs**		
	Salaries and wages	9.083.867	7.383.833
	Pension costs	92.032	84.633
	Other costs for social security	21.679	19.312
	Other staff costs	34.874	24.725
		9.232.452	**7.512.503**
	Average number of employees	29	25
2.	**Other financial expenses**		
	Other financial costs	361.499	971.019
		361.499	**971.019**
3.	**Other fixtures and fittings, tools and equipment**		
	Cost 1 January 2021	3.251.771	770.289
	Additions during the year	290.273	2.493.982
	Disposals during the year	-209.734	-12.500
	Cost 31 December 2021	**3.332.310**	**3.251.771**
	Amortisation and writedown 1 January 2021	-1.118.890	-700.622
	Depreciation for the year	-651.218	-430.768
	Depreciation, amortisation and writedown for the year, assets disposed of	209.734	12.500
	Amortisation and writedown 31 December 2021	**-1.560.374**	**-1.118.890**
	Carrying amount, 31 December 2021	**1.771.936**	**2.132.881**

Notes

All amounts in DKK.

		31/12 2021	31/12 2020
4.	**Ships**		
	Cost 1 January 2021	55.870.278	54.809.534
	Additions during the year	955.564	1.060.744
	Disposals during the year	-444.429	0
	Cost 31 December 2021	**56.381.413**	**55.870.278**
	Revaluation 1 January 2021	0	19.570.673
	Adjustment due to change of accounting policies	0	-19.570.673
	Depreciation and writedown 1 January 2021	-16.114.559	-22.047.814
	Adjustment due to change of accounting policies	0	6.603.497
	Depreciation for the year	-956.166	-670.242
	Depreciation, amortisation and writedown for the year, assets disposed of	437.446	0
	Depreciation and writedown 31 December 2021	**-16.633.279**	**-16.114.559**
	Carrying amount, 31 December 2021	**39.748.134**	**39.755.719**

		31/12 2021	31/12 2020
5.	**Investments in subsidiaries**		
	Acquisition sum, opening balance 1 January 2021	50.010	50.010
	Cost 31 December 2021	**50.010**	**50.010**
	Revaluations, opening balance 1 January 2021	2.902.777	773.932
	Translation by use of the exchange rate valid on b	146.657	-46.671
	Results for the year before goodwill amortisation	10.903.474	2.175.516
	Revaluation 31 December 2021	**13.952.908**	**2.902.777**
	Carrying amount, 31 December 2021	**14.002.918**	**2.952.787**

Subsidiaries:

	Domicile	**Equity interest**
Hyperbaric Consult Ltd	England	100 %
Clean Seabed ApS	Gribskov	100 %

Notes

All amounts in DKK.

		31/12 2021	31/12 2020
6.	**Deposits**		
	Cost 1 January 2021	19.500	19.500
	Cost 31 December 2021	**19.500**	**19.500**
	Carrying amount, 31 December 2021	**19.500**	**19.500**
7.	**Contract work in progress**		
	Sales value of the production of the period	173.969	211.502
	Contract work in progress, net	**173.969**	**211.502**

8. Long term labilities other than provisions

	Total payables 31 Dec 2021	**Current portion of long term payables**	**Long term payables 31 Dec 2021**	**Outstanding payables after 5 years**
Bank loans	1.628.000	1.628.000	0	0
	1.628.000	**1.628.000**	**0**	**0**

9. Charges and security

As security for bank debts, DKK 21.000.000, mortgage has been granted in one of the companys ships representing a book value of DKK 49.408.159 at 31 December 2021.

For bank loans, the company has provided security in company assets representing a nominal value of DKK 6.000.000. This security comprises the assets below, stating the carrying amounts:

	DKK in thousands
Trade receivables	3.200

All amounts in DKK.

10. Contingencies

Contingent liabilities

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations 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 withholding taxes, etc., may result in changes in the company's liabilities.

Accounting policies

The annual report for Hyperbaric Consult A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

Changes in the accounting policies

In 2016, it was decided to change the accounting policies for the recognition and measurement of vessels in the annual report from section 36 to section 41 of the Danish Financial Statements Act.

The company's management has subsequently realized that the measurement basis pursuant to section 41 of the Danish Financial Statements Act is difficult to obtain and calculate, as the market for the company's specific type of vessels does not exist.

On that basis, the company's management has chosen to change the accounting policies from measurement pursuant to section 41 to measurement pursuant to section 36, in order to ensure continuity in the financial statements, which in the management's opinion give a more true and fair view of the financial position of the company.

Comparative figures and financial highlights have been adjusted to the changed accounting policies.

Profit for the year after tax has increased by DKK 1,135 thousand, Ships have been reduced by DKK 9,660 thousand, equity has been reduced by DKK 7,535 thousand and the deferred tax liability has been reduced by DKK 2,125 thousand.

Last year's profit after tax has increased by DKK 1,361 thousand, Ships have been reduced by DKK 11,310 thousand, equity has been reduced by DKK 8,670 thousand and the deferred tax liability has been reduced by DKK 2,640 thousand.

Except for the above, the accounting policies remain unchanged from last year.

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 comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise.

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

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

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation, amortisation, and writedown for the year and profit and loss on the disposal of intangible and tangible 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.

Results from investments in subsidiaries

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

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

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

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

Statement of financial position

Property, plant, and equipment

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

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

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.

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

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

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.

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
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.

Leases

All other leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Investments

Investments in subsidiaries

Investments in subsidiaries are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Investments in subsidiaries are 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 enterpriseswith a strong market position and a long-term earnings profile.

In relation to material assets and liabilities recognised in subsidiaries but are not represented in the parent, the following accounting policies have been applied.

Investments in subsidiaries with a negative equity value are 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 an 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 subsidiaries transferred to the reserve under equity for net revaluation according to the equity method. Dividends from subsidiaries 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 subsidiaries.

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 lease deposits, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in subsidiaries 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.

Receivables

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

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.

Prepayments

Prepaymentsrecognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

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.

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.