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# ***IKM OCEAN TEAM SCANDINAVIA A/S***

Vesterhavsgade 56, DK-6700 Esbjerg

Annual Report for  
1 October 2021 - 30 September 2022

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CVR No. 24 32 04 13

The Annual Report was  
presented and adopted  
at the Annual General  
Meeting of the  
company  
on 27/2 2023

Vidar Haugland  
Chairman of the  
general meeting



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# Management's statement

The Executive Board and Board of Directors have today considered and adopted the Financial Statements of IKM OCEAN TEAM SCANDINAVIA A/S for the financial year 1 October 2021 - 30 September 2022.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 30 September 2022 of the Company and of the results of the Company operations for 2021/22.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Financial Statements be adopted at the Annual General Meeting.

Esbjerg, 27 February 2023

## Executive Board

Jens Peder Ravn Thomsen  
Manager

## Board of Directors

Vidar Haugland  
Chairman

Jens Peder Ravn Thomsen

Anders Sloth

Ståle Kyllingstad

Jens Bolme

# Independent Auditor's report

To the shareholder of IKM OCEAN TEAM SCANDINAVIA A/S

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 September 2022 and of the results of the Company's operations for the financial year 1 October 2021 - 30 September 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of IKM OCEAN TEAM SCANDINAVIA A/S for the financial year 1 October 2021 - 30 September 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

## 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.

## 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.

Based on the work we have performed, in our view, Management's Review 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 in Management's Review.

## 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.

# Independent Auditor's report

## 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 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.

Esbjerg, 27 February 2023

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Palle H. Jensen

State Authorised Public Accountant

mne32115

## Company information

<b>The Company</b>	<p>IKM OCEAN TEAM SCANDINAVIA A/S Vesterhavsgade 56 DK-6700 Esbjerg</p> <p>CVR No: 24 32 04 13 Financial period: 1 October 2021 - 30 September 2022 Municipality of reg. office: Esbjerg</p>
<b>Board of Directors</b>	<p>Vidar Haugland, chairman Jens Peder Ravn Thomsen Anders Sloth Ståle Kyllingstad Jens Bolme</p>
<b>Executive board</b>	<p>Jens Peder Ravn Thomsen</p>
<b>Auditors</b>	<p>PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Esbjerg Brygge 28, 2. 6700 Esbjerg</p>

# Management's review

## Key activities

Company activities include specialized jobs of total purity packages of technical systems, for example: development, manufacturing, sales, rental and technical consultancy and services, primarily in the industrial and energy sectors.

The company undertakes both national and international activities.

## Development in the year

The income statement of the Company for 2021/22 shows a profit of DKK 6,670,280, and at 30 September 2022 the balance sheet of the Company shows positive equity of DKK 16,061,399.

## Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

## Income statement 1 October 2021 - 30 September 2022

	Note	2021/22	2020/21
		DKK	DKK
<b>Gross profit</b>		<b>27,574,697</b>	<b>20,543,123</b>
Staff expenses	1	-18,025,319	-12,587,782
Depreciation and impairment losses of property, plant and equipment	2	-933,953	-1,201,589
<b>Profit/loss before financial income and expenses</b>		<b>8,615,425</b>	<b>6,753,752</b>
Financial income	3	28,326	36
Financial expenses	4	-88,459	-88,370
<b>Profit/loss before tax</b>		<b>8,555,292</b>	<b>6,665,418</b>
Tax on profit/loss for the year	5	-1,885,012	-1,464,608
<b>Net profit/loss for the year</b>		<b>6,670,280</b>	<b>5,200,810</b>

### Distribution of profit

	2021/22	2020/21
	DKK	DKK
<b>Proposed distribution of profit</b>		
Proposed dividend for the year	0	7,000,000
Retained earnings	6,670,280	-1,799,190
	<b>6,670,280</b>	<b>5,200,810</b>



# Balance sheet 30 September 2022

## Assets

	Note	2021/22 DKK	2020/21 DKK
Other fixtures and fittings, tools and equipment		1,996,283	2,553,186
Leasehold improvements		0	0
<b>Property, plant and equipment</b>	6	<u>1,996,283</u>	<u>2,553,186</u>
<b>Fixed assets</b>		<u>1,996,283</u>	<u>2,553,186</u>
<b>Inventories</b>	7	<u>2,405,269</u>	<u>2,563,570</u>
Trade receivables		5,158,206	5,273,612
Contract work in progress	8	2,994,104	247,496
Receivables from group enterprises		2,905,140	369,413
Other receivables		9,066	4,515,674
Deferred tax asset		654,000	866,000
Prepayments		16,703	25,186
<b>Receivables</b>		<u>11,737,219</u>	<u>11,297,381</u>
<b>Cash at bank and in hand</b>		<u>5,851,792</u>	<u>7,303,606</u>
<b>Current assets</b>		<u>19,994,280</u>	<u>21,164,557</u>
<b>Assets</b>		<u>21,990,563</u>	<u>23,717,743</u>

## Balance sheet 30 September 2022

### Liabilities and equity

	Note	2021/22	2020/21
		DKK	DKK
Share capital		500,000	500,000
Retained earnings		15,561,399	8,891,119
Proposed dividend for the year		0	7,000,000
<b>Equity</b>		<b>16,061,399</b>	<b>16,391,119</b>
Trade payables		941,605	1,286,131
Contract work in progress	8	457,360	0
Payables to group enterprises		247,783	608,533
Payables to group enterprises relating to corporation tax		1,673,012	1,340,608
Other payables		2,609,404	4,091,352
<b>Short-term debt</b>		<b>5,929,164</b>	<b>7,326,624</b>
<b>Debt</b>		<b>5,929,164</b>	<b>7,326,624</b>
<b>Liabilities and equity</b>		<b>21,990,563</b>	<b>23,717,743</b>
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## Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK
Equity at 1 October	500,000	8,891,119	7,000,000	16,391,119
Ordinary dividend paid	0	0	-7,000,000	-7,000,000
Net profit/loss for the year	0	6,670,280	0	6,670,280
<b>Equity at 30 September</b>	<b>500,000</b>	<b>15,561,399</b>	<b>0</b>	<b>16,061,399</b>

# Notes to the Financial Statements

	<u>2021/22</u>	<u>2020/21</u>
	DKK	DKK
<b>1. Staff Expenses</b>		
Wages and salaries	16,239,664	11,245,998
Other social security expenses	1,518,121	1,128,102
Other staff expenses	267,534	213,682
	<u>18,025,319</u>	<u>12,587,782</u>
 Average number of employees	 <u>26</u>	 <u>18</u>

	<u>2021/22</u>	<u>2020/21</u>
	DKK	DKK
<b>2. Depreciation and impairment losses of property, plant and equipment</b>		
Depreciation of property, plant and equipment	935,853	1,253,589
Gain and loss on disposal	-1,900	-52,000
	<u>933,953</u>	<u>1,201,589</u>

	<u>2021/22</u>	<u>2020/21</u>
	DKK	DKK
<b>3. Financial income</b>		
Interest received from group enterprises	28,326	0
Other financial income	0	36
	<u>28,326</u>	<u>36</u>

	<u>2021/22</u>	<u>2020/21</u>
	DKK	DKK
<b>4. Financial expenses</b>		
Other financial expenses	88,459	88,370
	<u>88,459</u>	<u>88,370</u>

## Notes to the Financial Statements

	2021/22	2020/21
	DKK	DKK
<b>5. Income tax expense</b>		
Current tax for the year	1,673,012	1,340,608
Deferred tax for the year	212,000	124,000
	<u>1,885,012</u>	<u>1,464,608</u>

## 6. Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK	DKK
Cost at 1 October	29,328,120	3,305,920
Additions for the year	379,100	0
Disposals for the year	-14,030	0
Cost at 30 September	<u>29,693,190</u>	<u>3,305,920</u>
Impairment losses and depreciation at 1 October	26,774,934	3,305,920
Depreciation for the year	936,003	0
Reversal of impairment and depreciation of sold assets	-14,030	0
Impairment losses and depreciation at 30 September	<u>27,696,907</u>	<u>3,305,920</u>
<b>Carrying amount at 30 September</b>	<u>1,996,283</u>	<u>0</u>

	2021/22	2020/21
	DKK	DKK
<b>7. Inventories</b>		
Raw materials and consumables	1,731,794	1,845,770
Work in progress	673,475	717,800
	<u>2,405,269</u>	<u>2,563,570</u>

## Notes to the Financial Statements

	<u>2021/22</u>	<u>2020/21</u>
	DKK	DKK
<b>8. Contract work in progress</b>		
Selling price of work in progress	4,454,840	874,291
Payments received on account	<u>-1,918,096</u>	<u>-626,795</u>
	<b><u>2,536,744</u></b>	<b><u>247,496</u></b>
Recognised in the balance sheet as follows:		
Contract work in progress recognised in assets	2,994,104	247,496
Prepayments received recognised in debt	<u>-457,360</u>	<u>0</u>
	<b><u>2,536,744</u></b>	<b><u>247,496</u></b>
	<u>2021/22</u>	<u>2020/21</u>
	DKK	DKK

## 9. Contingent assets, liabilities and other financial obligations

### Rental and lease obligations

Rental and lease obligations	0	601,656
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The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of O. & J. Holding A/S, which at year end is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

# Notes to the Financial Statements

## 10. Accounting policies

The Annual Report of IKM OCEAN TEAM SCANDINAVIA A/S for 2021/22 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021/22 are presented in DKK.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

### Income statement

#### Net sales

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

# Notes to the Financial Statements

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

## Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

## Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

## Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, expenses for raw materials and consumables and other external expenses.

## Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees. The item is net of refunds made by public authorities.

## Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

## Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

## Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with . The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

## Balance sheet

### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment 5 years



# Notes to the Financial Statements

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

## **Impairment of fixed assets**

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by depreciation.

If so, the asset is written down to its lower recoverable amount.

## **Inventories**

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour.

## **Receivables**

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

## **Contract work in progress**

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

## **Prepayments**

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

## **Equity**

### **Dividend**

Dividend distribution proposed by Management for the year is disclosed as a separate Dividend item.

# Notes to the Financial Statements

## Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

## Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

## Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.