V Business Development A/S

Meldahlsgade 5, 2., DK-1613 København V

Annual Report for 1 July 2020 - 30 June 2021

CVR No 28 68 10 11

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 19/11 2021

Lars Kallestrup
Chairman of the General Meeting

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Contents

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of V Business Development A/S for the financial year 1 July 2020 - 30 June 2021.

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

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 30 June 2021 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2020/21.

We recommend that the Annual Report be adopted at the Annual General Meeting.

København, 19 November 2021

Executive Board

Poul Præstegaard Skadhede

Board of Directors

Poul Præstegaard Skadhede	Peter Kåre Groes Christiansen	Thomas Arne Fischer

Independent Auditor's Report

To the Shareholders of V Business Development A/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 30 June 2021 and of the results of the Group's and the Parent Company's operations and of consolidated cash flows for the financial year 1 July 2020 - 30 June 2021 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of V Business Development A/S for the financial year 1 July 2020 - 30 June 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("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 Group 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 Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company 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.

Independent Auditor's Report

Management's responsibilities for the Financial Statements
Management is responsible for the preparation of consolidated financial statements and parent company 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 Group's and 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 Group or 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 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 and the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent Auditor's Report

- 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 Group's and 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 Group and 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Hellerup, 19 November 2021
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Jacob Fromm Christiansen	Kim Danstrup
statsautoriseret revisor	statsautoriseret revisor
mne18628	mne32201

Company Information

The Company	V Business Development A/S Meldahlsgade 5, 2. DK-1613 København V CVR No: 28 68 10 11 Financial period: 1 July - 30 June Municipality of reg. office: København
Board of Directors	Poul Præstegaard Skadhede Peter Kåre Groes Christiansen Thomas Arne Fischer
Executive Board	Poul Præstegaard Skadhede
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Financial Highlights

Seen over a five-year period, the development of the Group is described by the following financial highlights:

	Group				
	2020/21	2019/20	2018/19	2017/18	2016/17
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Revenue	69,723	463,897	366,415	376,926	492,554
Operating profit/loss	6,137	89,333	13,487	131	40,059
Net financials	-1,276	-6,256	-3,458	-9,226	-415
Profit/loss from discontinuing activities	10,501	0	0	0	0
Net profit/loss for the year	205,248	64,248	7,008	-9,608	31,292
Balance sheet					
Balance sheet total	205,734	309,416	189,645	277,363	271,747
Equity	36,281	114,181	61,699	79,474	106,451
Number of employees	63	219	239	237	278
Ratios					
Gross margin	364.9%	68.3%	66.8%	62.1%	56.5%
Profit margin	284.4%	19.3%	3.7%	0.0%	8.1%
Return on invested capital	96.4%	28.9%	7.1%	0.0%	14.7%
Solvency ratio	17.6%	36.9%	32.5%	28.7%	39.2%
Return on equity	272.8%	73.1%	9.9%	-10.3%	29.1%

Due to the sales of the shares in Valcon A/S during the financial year the the activities of Valcon A/S from 1 of July 2020 up until the sale is classified as discontinued activities. The comparative figures have not been restated.

Management's Review

Key activities

V Business Development is main shareholder in Odense Maritime Technology A/S, IHAB Business Development ApS and OMT Naval ApS.

Odense Maritime Technology A/S is a maritime technology, product development and consulting company. It primarily serves commercial ship owners.

IHAB Business Development ApS markets Intellectual Property Rights (IPR) and licenses to Intellectual Property Rights (IPR Licenses) related to ship design within the maritime sector.

OMT Naval ApS develops and markets Intellectual Property Rights (IPR) and licenses to Intellectual Property Rights (IPR Licenses) related to ship design within the maritime sector. It operates globally serving Navies, shipowners and shipyards, and is a global leader in its niches.

Development in the year

The consolidated income statement for 2020/21 shows a profit of TDKK 205,248, and at 30 June 2021 the consolidated balance sheet shows equity of TDKK 36,281.

This year V Business Development has divested their Management consulting business units in Denmark (Valcon A/S) and Sweden (Valcon AB) to be able to focus on the Maritime sector with the remaining 3 strong companies. Our client portfolio has been expanded with respect to clients and geography. The Income Statement for 2020/21 shows a revenue of DKK 69.7 million compared to a revenue of DKK 463.9 million for 2019/20 and a profit of DKK 205.2 million for 2020/21 compared to a profit of DKK 64.2 million for 2019/20. The Parent Company's share hereof is a profit of DKK 48 million compared with DKK 23.1 million last year. The result for the year is in line with the Management's ambition and satisfactory.

The subsidiaries' activities in the year

Odense Maritime Technology A/S has worked on several major client projects in APAC and Europe throughout the financial year but have seen a drop in revenue and net profit. The reduced result is mainly due to postponement of projects, often due to the worldwide Covid-19 situation. Because of this Management finds the Company's annual result and financial situation satisfactory.

IHAB realized a profit in their second year and management finds the company's annual result and financial situation satisfactory.

OMT Naval ApS has have invested in business development (product development and marketing) and realized a small loss. Management finds the company's annual result and financial situation satisfactory.

Management's Review

Special risks

The subsidiaries exposure to a specialized market for the sale of consulting services within ship design, ship building, etc. makes the subsidiaries dependent on the development of this industry. However, there is a positive development within the defence and special purpose segments as well as the advisory segment, which all are the present focus areas of the subsidiaries.

Foreign exchange risks

The subsidiaries have implemented a currency hedging programme to reduce the exchange rate risks in connection with relevant sales.

Targets and expectations for the year ahead

Subsidiaries expectations for the future will rely on the development in the Covid-19 pandemic and the measures taken by the governments around the world to mitigate the effects of eruption. Management has with different scenarios tried to assess the possible Covid-19 effect on the expected earnings, however it is still too early to comment on what the consequences will be.

Statement of corporate social responsibility

The subsidiaries wants a workplace with good work conditions and to match the industry's level of welfare among employees. The subsidiaries therefore carries out a workplace evaluation of the physical and mental work environment as well as annual employee welfare surveys/management evaluation to follow up on our employees' welfare.

All applicants and employees are treated the same irrespective of gender, nationality, religion or any other diversity parameters.

The disclosed policies, key actions and results meets the reporting requirements of the Danish Financial Statements Act on corporate responsibility and gender composition of management (§ 99a and §99b). Subsidiaries work on the basis of a global code of behaviour. This is a set of rules that guide us in how to run our business and help our employees maintain an ethical behaviour across the world, also with respect to human rights, social conditions, environmental and climate matters as well as the fight against corruption. We call this our Code of Conduct. We furthermore have a " Global Third Parties Code of Conduct" concerning our relationship with suppliers. We generally regard ourselves as not having essential risks with respect to social responsibility. Human rights are handled together with our Code of Conduct for suppliers and together with our work regarding diversity. In the work with human rights, we are viewing the work from UN on human rights and believes it is the role of the State to protect, but the role as Employer to respect human rights. Relating to anti-corruption and bribery we do not accept any activity relating to this and informing all employees that this is not accepted, and any activities related to this matter should be reported. During the financial year 2020/2021 we have not registered any cases of violation of human rights or anti-corruption.

Management's Review

Our employees

The subsidiaries continued success is conditioned by their ability to attract, develop and retain the most skilled talents in the industry. We make high demands of our employees, and it is essential that we can offer a challenging career platform in which competence development and flexibility are in focus. We are therefore proud to have employees that are among the best in Scandinavia. We acknowledge that in the maritime consulting industry there are a risk for the employee's wellbeing as a consequence of the tendency of higher workload, and we work actively to mitigate this. Developing our employees' digital competences is a particular top priority for us.

The climate

As a knowledge-based company, our direct climate footprint is relatively limited, but we nevertheless believe that caring for the environment is a natural part of running a business. The subsidiaries continues to investigate and develop solutions that will reduce energy consumption in the world's navies (military and merchant). Further, specific projects are underway that will allow propulsion using less polluting fuels.

A shared path to diversity

It is critical that we promote diversity in all areas, including gender, ethnicity and educational background. At the end of the fiscal year, the subsidiaries had a gender distribution balance that was on a par with last year, with 13% women and 87% men. The subsidiaries currently employs 5 nationalities.

Statement on gender composition in the management

It is our objective that the subsidiaries Boards should have a female member no later than 2025.
At the end of the 2020/2021 financial year, the status was zero females on the board of V Business Development, zero females on the Board of OMT, one female on the Board of IHAB and one female on the Board of Naval.

Subsequent events

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

Income Statement 1 July - 30 June

	Note	Group 2020/21 TDKK	Group 2019/20 TDKK	Parent 2020/21 TDKK	Parent 2019/20 TDKK
Revenue	1	**69,723**	**463,897**	**11,049**	**15,664**
Work on own account recognised in assets		1,988	1,687	0	0
Other operating income		192,138	0	0	0
Other external expenses		-9,440	-148,718	-2,679	-3,520
Gross profit/loss		**254,409**	**316,866**	**8,370**	**12,144**
Staff expenses	2	-55,338	-222,716	-8,729	-11,180
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	3	-796	-4,817	0	0
Profit/loss before financial income and expenses		**198,275**	**89,333**	**-359**	**964**
Income from investments in subsidiaries	4	0	0	26,777	25,759
Financial income	5	2,056	4,042	0	0
Financial expenses	6	-3,332	-10,298	-91	-35
Profit/loss before tax		**196,999**	**83,077**	**26,327**	**26,688**
Tax on profit/loss for the year	7	-2,252	-18,829	732	-72
Profit/loss from continuing activities		**194,747**	**64,248**	**27,059**	**26,616**
Profit/loss from discontinuing activities	8	10,501	0	0	0
Net profit/loss for the year		**205,248**	**64,248**	**27,059**	**26,616**

Balance Sheet 30 June

Assets

		Group		Parent	
	Note	2020/21	2019/20	2020/21	2019/20
		TDKK	TDKK	TDKK	TDKK
Completed development projects		6,433	7,229	0	0
Acquired licenses		0	1,024	0	0
Goodwill		0	11,481	0	0
Development projects in progress		3,766	1,687	0	0
Intangible assets	9	**10,199**	**21,421**	**0**	**0**
Other fixtures and fittings, tools and equipment		0	57	0	0
Leasehold improvements		0	2,893	0	0
Property, plant and equipment	10	**0**	**2,950**	**0**	**0**
Investments in subsidiaries	11	0	0	17,460	42,624
Receivables from group enterprises	12	0	0	2,765	0
Other investments	12	153	1,900	0	0
Deposits	12	1,508	2,471	933	187
Fixed asset investments		**1,661**	**4,371**	**21,158**	**42,811**
Fixed assets		**11,860**	**28,742**	**21,158**	**42,811**
Trade receivables	13	39,499	129,157	0	114
Contract work in progress	14	1,727	4,086	0	0
Receivables from group enterprises		0	0	487	29,929
Other receivables		72,489	6,007	312	430
Deferred tax asset	15	831	4,275	0	0
Corporation tax receivable from group enterprises		0	0	4,994	0
Prepayments		1,298	3,853	0	0
Receivables		**115,844**	**147,378**	**5,793**	**30,473**
Other securities and investments		**18,622**	**18,700**	**0**	**0**
Cash at bank and in hand		**59,408**	**114,596**	**6,728**	**10,849**
Currents assets		**193,874**	**280,674**	**12,521**	**41,322**
Assets		**205,734**	**309,416**	**33,679**	**84,133**

Balance Sheet 30 June

Liabilities and equity

	Note	Group 2020/21 TDKK	Group 2019/20 TDKK	Parent 2020/21 TDKK	Parent 2019/20 TDKK
Share capital	16	777	777	777	777
Reserve for net revaluation under the equity method		0	0	0	5,121
Reserve for development costs		10,199	8,916	0	0
Retained earnings		8,951	31,944	19,150	35,743
Equity attributable to shareholders of the Parent Company		**19,927**	**41,637**	**19,927**	**41,641**
Minority interests		16,354	72,544	0	0
Equity		**36,281**	**114,181**	**19,927**	**41,641**
Provision for deferred tax	15	0	0	7,671	8,403
Other provisions	18	39,276	46,336	0	0
Provisions		**39,276**	**46,336**	**7,671**	**8,403**
Payables to owners and Management		1,135	0	0	0
Other payables		4,570	18,907	8	858
Long-term debt	19	**5,705**	**18,907**	**8**	**858**
Trade payables		1,637	7,981	5	28
Contract work in progress, liabilities	14	9,395	7,613	0	0
Payables to group enterprises		0	0	0	1,057
Corporation tax		4,994	30,016	4,994	30,016
Other payables	19	108,446	84,382	1,074	2,130
Short-term debt		**124,472**	**129,992**	**6,073**	**33,231**
Debt		**130,177**	**148,899**	**6,081**	**34,089**
Liabilities and equity		**205,734**	**309,416**	**33,679**	**84,133**

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Balance Sheet 30 June

Liabilities and equity

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Statement of Changes in Equity

Group

	Share capital	Reserve for net revaluation under the equity method	Reserve for development costs	Retained earnings	Equity excl. minority interests	Minority interests	Total
	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 July	777	0	8,916	31,944	41,637	72,544	114,181
Exchange adjustments	0	0	0	-44	-44	0	-44
Extraordinary dividend paid	0	0	0	-43,822	-43,822	-200,412	-244,234
Purchase of treasury shares	0	0	0	-3,303	-3,303	-3,110	-6,413
Sale of treasury shares	0	0	0	-22,491	-22,491	-6,194	-28,685
Other equity movements	0	0	0	0	0	-3,772	-3,772
Development costs for the year	0	0	2,079	-2,079	0	0	0
Depreciation, amortisation and impairment for the year	0	0	-796	796	0	0	0
Net profit/loss for the year	0	0	0	47,950	47,950	157,298	205,248
Equity at 30 June	**777**	**0**	**10,199**	**8,951**	**19,927**	**16,354**	**36,281**

Statement of Changes in Equity

Parent

	Share capital	Reserve for net revaluation under the equity method	Reserve for development costs	Retained earnings	Equity excl. minority interests	Minority interests	Total
	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 July	777	5,121	0	35,743	41,641	0	41,641
Extraordinary dividend paid	0	0	0	-43,822	-43,822	0	-43,822
Other equity movements	0	0	0	-3,325	-3,325	0	-3,325
Reserve for group internal profit	0	0	0	-1,626	-1,626	0	-1,626
Net profit/loss for the year	0	-5,121	0	32,180	27,059	0	27,059
Equity at 30 June	**777**	**0**	**0**	**19,150**	**19,927**	**0**	**19,927**

Cash Flow Statement 1 July - 30 June

	Note	Group	
		2020/21	2019/20
		TDKK	TDKK
Net profit/loss for the year		205,248	64,248
Adjustments	20	-184,746	29,902
Change in working capital	21	6,716	13,413
Cash flows from operating activities before financial income and expenses		**27,218**	**107,563**
Financial income		2,056	4,042
Financial expenses		-3,333	-10,298
Cash flows from ordinary activities		**25,941**	**101,307**
Corporation tax paid		-1,361	-1,671
Cash flows from operating activities		**24,580**	**99,636**
Purchase of property, plant and equipment		0	-298
Development projects		-2,079	-1,687
Business sale		199,818	0
Cash flows from investing activities		**197,739**	**-1,985**
Loan and borrowings		0	-2,416
Minority interests		-28,685	13,580
Purchase of treasury shares		-6,413	0
Dividend paid		-244,234	-25,980
Buy and sale of other securities		1,825	-805
Cash flows from financing activities		**-277,507**	**-15,621**
Change in cash and cash equivalents		**-55,188**	**82,030**
Cash and cash equivalents at 1 July		114,596	31,932
Exchange adjustment of current asset investments		0	-634
Cash and cash equivalents at 30 June		**59,408**	**114,596**
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		59,408	114,596
Cash and cash equivalents at 30 June		**59,408**	**114,596**

Notes to the Financial Statements

	Group		Parent	
	2020/21	2019/20	2020/21	2019/20
	TDKK	TDKK	TDKK	TDKK

1 Revenue

Geographical segments

	2020/21	2019/20	2020/21	2019/20
The Scandinavian countries	7,731	272,347	11,049	15,664
The rest of Europe	31,817	146,375	0	0
North America	0	11,119	0	0
The rest of the world	30,175	34,056	0	0
	69,723	**463,897**	**11,049**	**15,664**

Business segments

	2020/21	2019/20	2020/21	2019/20
Management consultancy services	0	287,845	0	0
Maritime consultancy services	69,723	176,052	0	0
Shared service fee	0	0	11,049	15,664
	69,723	**463,897**	**11,049**	**15,664**

2 Staff expenses

	2020/21	2019/20	2020/21	2019/20
Wages and salaries	54,970	217,302	8,729	11,107
Other social security expenses	368	5,414	0	73
	55,338	**222,716**	**8,729**	**11,180**
Including remuneration to:				
Executive Board and Board of Directors	3,667	2,316	1,351	2,316
	3,667	**2,316**	**1,351**	**2,316**
Average number of employees	**63**	**219**	**11**	**14**

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Notes to the Financial Statements

	Group		Parent	
	2020/21	2019/20	2020/21	2019/20
	TDKK	TDKK	TDKK	TDKK
3 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment				
Amortisation of intangible assets	796	3,878	0	0
Depreciation of property, plant and equipment	0	939	0	0
	796	**4,817**	**0**	**0**
Which is specified as follows:				
Completed development projects	796	2,742	0	0
Goodwill	0	1,136	0	0
Other fixtures and fittings, tools and equipment	0	939	0	0
	796	**4,817**	**0**	**0**
4 Income from investments in subsidiaries				
Share of profits of subsidiaries			26,777	25,759
			26,777	**25,759**
5 Financial income				
Other financial income	2,056	4,042	0	0
	2,056	**4,042**	**0**	**0**
6 Financial expenses				
Other financial expenses	3,332	10,298	91	35
	3,332	**10,298**	**91**	**35**

Notes to the Financial Statements

	Group		Parent	
	2020/21	2019/20	2020/21	2019/20
	TDKK	TDKK	TDKK	TDKK
7 Tax on profit/loss for the year				
Current tax for the year	918	31,686	-295	-889
Deferred tax for the year	765	-12,611	-437	961
Adjustment of tax concerning previous years	0	-335	0	141
Adjustment of deferred tax concerning previous years	569	89	0	-141
	2,252	**18,829**	**-732**	**72**

8 Discontinuing activities

	Group 2020/21	Group 2019/20	Parent 2020/21	Parent 2019/20
Revenue	141,442	0	0	0
Other external expenses	-42,846	0	0	0
Gross profit/loss	**98,596**	**0**	**0**	**0**
Staff expenses	-83,406	0	0	0
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	-1,577	0	0	0
Profit/loss before financial income and expenses	**13,613**	**0**	**0**	**0**
Financial expenses	-130	0	0	0
Profit/loss before tax	**13,483**	**0**	**0**	**0**
Tax on profit/loss for the year	-2,982	0	0	0
	10,501	**0**	**0**	**0**

Notes to the Financial Statements

9 Intangible assets

Group

	Completed development projects	Goodwill	Development projects in progress
	TDKK	TDKK	TDKK
Cost at 1 July	7,959	32,825	1,687
Net effect from sale of shares in Valcon A/S	0	-32,825	0
Additions for the year	0	0	2,079
Cost at 30 June	7,959	0	3,766
Impairment losses and amortisation at 1 July	730	21,344	0
Amortisation for the year	796	0	0
Reversal of amortisation of disposals for the year	0	-21,344	0
Impairment losses and amortisation at 30 June	1,526	0	0
Carrying amount at 30 June	**6,433**	**0**	**3,766**
Amortised over	10 years	20 years	10 years

In relation to development projects, external directly attributable costs and as well as direct payroll cost (with addition of non-allocated internal costs related to IT etc.) are capitalized.

Notes to the Financial Statements

10 Property, plant and equipment

Group

	Other fixtures and fittings, tools and equipment	Leasehold improvements
	TDKK	TDKK
Cost at 1 July	128	4,650
Net effect from sale of shares in Valcon A/S	-128	-4,650
Cost at 30 June	0	0
Impairment losses and depreciation at 1 July	71	1,757
Reversal of impairment and depreciation of sold assets	-71	-1,757
Impairment losses and depreciation at 30 June	0	0
Carrying amount at 30 June	**0**	**0**
Depreciated over	3-5 years	2-5 years

11 Investments in subsidiaries

	Parent	
	2020/21	2019/20
	TDKK	TDKK
Cost at 1 July	39,876	39,719
Additions for the year	0	157
Disposals for the year	-89	0
Cost at 30 June	39,787	39,876
Value adjustments at 1 July	2,748	-13,459
Disposals for the year	-270	-3,104
Exchange adjustment	0	-19
Net profit/loss for the year	26,777	26,895
Dividend to the Parent Company	-46,735	-3,522
Other equity movements, net	-3,325	0
Amortisation of goodwill	0	-1,136
Reserve for internal group profit	-1,626	-2,907
Other adjustments	104	0
Value adjustments at 30 June	-22,327	2,748
Carrying amount at 30 June	**17,460**	**42,624**

Notes to the Financial Statements

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
Odense Maritime Technology A/S	Denmark	4,750	51.50%	10,515	3,093
IHAB Business Development ApS	Denmark	100	58.27%	25,837	4,175
OMT Naval ApS	Denmark	100	70.90%	96	-4
OMT Employee Holding ApS	Denmark	100	1.00%	177	-10
Valcon India Ltd	India	196	100.00%	0	0
Val-Holding ApS	Denmark	512	27.96%	4,099	71,623
V Holding 1 ApS	Denmark	277	27.96%	1,754	39,532
V Holding 2 ApS	Denmark	89	16.50%	594	14,040
V Holding 3 ApS	Denmark	190	16.60%	1,625	50,187
V Holding 4 ApS	Denmark	161	15.59%	855	37,591
V Holding 5 ApS	Denmark	160	14.10%	1,086	42,039

12 Other fixed asset investments

	Group		Parent	
	Other investments	Deposits	Receivables from group enterprises	Deposits
	TDKK	TDKK	TDKK	TDKK
Cost at 1 July	1,900	2,471	0	187
Net effect from sale of shares in Valcon A/S	0	-1,722	0	0
Additions for the year	153	759	2,765	746
Disposals for the year	-1,900	0	0	0
Cost at 30 June	153	1,508	2,765	933
Carrying amount at 30 June	**153**	**1,508**	**2,765**	**933**

Notes to the Financial Statements

		Group		Parent	
		2020/21	2019/20	2020/21	2019/20
		TDKK	TDKK	TDKK	TDKK
13	**Trade receivables**				
	The following receivables fall due for payment more than 1 year after year end	17,321	16,336	0	0
14	**Contract work in progress**				
	Selling price of work in progress	1,727	4,086	0	0
	Payments received on account	-9,395	-7,613	0	0
		-7,668	**-3,527**	**0**	**0**
	Recognised in the balance sheet as follows:				
	Contract work in progress recognised in assets	1,727	4,086	0	0
	Prepayments received recognised in debt	-9,395	-7,613	0	0
		-7,668	**-3,527**	**0**	**0**
15	**Deferred tax asset**				
	Deferred tax asset at 1 July	4,275	-8,425	-8,403	-7,583
	Changes in deferred tax	-765	12,611	295	-961
	Changes in deferred tax previous years	-2,679	89	437	141
	Deferred tax asset at 30 June	**831**	**4,275**	**-7,671**	**-8,403**

Deferred tax relates primarily to provisions as well as the balance of tax losses for future recapture occuring in connection with the joint taxation is set off against the Danish joint taxation income. The net tax asset is exppected to be utilized within a short time period.

Notes to the Financial Statements

16 Share capital

The share capital consists of 776,651 shares of a nominal value of DKK 1. No shares carry any special rights.

The share capital has developed as follows:

	2020/21	2019/20	2018/19	2017/18	2016/17
	TDKK	TDKK	TDKK	TDKK	TDKK
Share capital at 1 July	4,750	777	777	812	812
Capital increase	0	0	0	0	0
Capital decrease	0	0	0	-35	0
Share capital at 30 June	**4,750**	**777**	**777**	**777**	**812**

17 Distribution of profit

	Group		Parent	
	2020/21	2019/20	2020/21	2019/20
	TDKK	TDKK	TDKK	TDKK
Extraordinary dividend paid	43,822	16,442	43,822	16,442
Reserve for net revaluation under the equity method	0	0	-5,121	8,662
Minority interests	157,298	41,196	0	0
Retained earnings	4,128	6,610	-11,642	1,512
	205,248	**64,248**	**27,059**	**26,616**

18 Other provisions

	Group 2020/21	Group 2019/20	Parent 2020/21	Parent 2019/20
Other provisions	39,276	46,336	0	0
	39,276	**46,336**	**0**	**0**
The provisions are expected to mature as follows:				
Between 1 and 5 years	39,276	46,336	0	0
	39,276	**46,336**	**0**	**0**

Notes to the Financial Statements

19 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	Group		Parent	
	2020/21	2019/20	2020/21	2019/20
	TDKK	TDKK	TDKK	TDKK
Payables to owners and Management				
Between 1 and 5 years	1,135	0	0	0
Long-term part	1,135	0	0	0
Within 1 year	0	0	0	0
	1,135	**0**	**0**	**0**
Other payables				
Between 1 and 5 years	4,570	18,907	8	858
Long-term part	4,570	18,907	8	858
Other short-term payables	108,447	84,382	1,075	2,130
	113,017	**103,289**	**1,083**	**2,988**

20 Cash flow statement - adjustments

	Group	
	2020/21	2019/20
	TDKK	TDKK
Financial income	-2,056	-4,042
Financial expenses	3,462	10,298
Depreciation, amortisation and impairment losses, including losses and gains on sales	-191,342	4,817
Tax on profit/loss for the year	5,234	18,829
Other adjustments	-44	0
	-184,746	**29,902**

Notes to the Financial Statements

	Group	
	2020/21	2019/20
	TDKK	TDKK

21 Cash flow statement - change in working capital

	2020/21 TDKK	2019/20 TDKK
Change in receivables	32,497	-47,986
Change in other provisions	-7,060	0
Change in trade payables, etc	-18,721	61,399
	6,716	**13,413**

22 Contingent assets, liabilities and other financial obligations

Contingent assets and liabilities

The Group's bank has raised performance bonds to one of Odense Maritime Technology A/S clients of CAD 14,5 million equalling to DKK 73,2 million.

Other securities and investments of DKK 18,6 million have been pledged to cover the performance bonds.

By virtue of its business area, one of the Groups subsidiaries, Odense Maritime Technology A/S, is a party to disputes which are not unusual for the business. Magagement currently assesses and makes provision for such disputes locally.

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:				
Within 1 year	2,112	8,912	624	42
Between 1 and 5 years	0	15,909	0	11
	2,112	**24,821**	**624**	**53**

Other contingent liabilities

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 by the Group amounts to TDKK 4,994. 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

23 Related parties

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

Ownership

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Paid Capital ApS, CVR-nr. 25253345, Toeltvej 10, 3480 Fredensborg
Thomas Fischer Holding ApS, CVR-nr. 29776970, Fortkaj 30, 11. tv., 2150 Nordhavn
Kuja Holding ApS, CVR-nr. 36939745, Hestehavevej 79, 4720 Præstø

24 Fee to auditors appointed at the general meeting

	Group		Parent	
	2020/21	2019/20	2020/21	2019/20
	TDKK	TDKK	TDKK	TDKK
PricewaterhouseCoopers				
Audit fee	288	466	94	86
Other assurance engagements	168	0	53	0
Tax advisory services	2,163	1,284	181	162
	2,619	**1,750**	**328**	**248**

25 Subsequent events

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

Notes to the Financial Statements

26 Accounting Policies

The Annual Report of V Business Development A/S for 2020/21 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C .

The accounting policies applied remain unchanged from last year.

The Consolidated and Parent Company Financial Statements for 2020/21 are presented in TDKK.

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.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, V Business Development A/S, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Notes to the Financial Statements

26 Accounting Policies (continued)

Business combinations

Recently acquired or recently founded enterprises are recognised in the Consolidated Financial Statements from the time of acquisition. Sold or dismantled enterprises are recognised in the Consolidated Financial Statements up until the time of relinquishment. Comparative figures are not restated for recently acquired, sold or dismantled enterprises.

Profit and loss in connection with the sale of subsidiaries and associates is measured as the difference between the sales price and the carrying amount of net assets at the time of the sale, including non-amortised goodwill and expected costs of sale or dismantling.

For acquisitions of new enterprises, the acquisition method is used, according to which the assets and obligations of the newly acquired businesses are measured at fair value at the time of acquisition. An amount is recognised under provisions for covering costs in connection with decided and published restructurings in the acquired business in connection with the acquisition. The taxation effect of the revaluations carried out are taken into account.

Any positive differences (goodwill) between cost and fair value of acquired identified assets and obligations, including provisions for restructuring, are recognised under intangible assets and are amortised systematically over the Income Statement according to an individual assessment of the useful life, maximum 20 years. Negative differences (negative goodwill) corresponding to an expected unfavourable development in the enterprises in question are recognised in the Balance Sheet under Prepayments and are recognised in the Income Statement at the rate of realisation of the unfavourable development. For negative goodwill not related to an expected unfavourable development, an amount is recognised in the Balance Sheet corresponding to the fair value of non-monetary assets, which are subsequently recognised in the Income Statement over the non-monetary assets' average useful life. Goodwill and negative goodwill from acquired enterprises can be regulated until the end of the year after the acquisition.

Uniting of interests

Intragroup business combinations are accounted for under the uniting-of-interests method. Under this method, the two enterprises are combined at carrying amounts, and no differences are identified. Any consideration which exceeds the carrying amount of the acquired enterprise is recognised directly in equity. The uniting-of-interests method is applied at the date of acquisition, and comparative figures have not been restated.

Notes to the Financial Statements

26 Accounting Policies (continued)

Minority interests

Minority interests form part of the Group's total equity. Upon distribution of net profit, net profit is broken down on the share attributable to minority interests and the share attributable to the shareholders of the Parent Company. Minority interests are recognised on the basis of a remeasurement of acquired assets and liabilities to fair value at the time of acquisition of subsidiaries.

Translation policies

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.

Revenue

Information on business segments and geographical segments based on the Group´s risks and returns and its internal financial reporting system. Business segments are regarded as the primary segments.

Income Statement

Revenue

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service 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 Group. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

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

Other external expenses

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

Notes to the Financial Statements

26 Accounting Policies (continued)

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

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

Profit from discontinued activities

Discontinued activities represent a separate line of business having been sold. The results of discontinued activities are presented separately in the income statement.

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

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 wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance Sheet

Intangible assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 20 years.

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding 10 years.

Notes to the Financial Statements

26 Accounting Policies (continued)

Development costs and costs relating to rights developed by the Company are recognised in the income statement as costs in the year of acquisition.

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 raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction.

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	3-5	years
Leasehold improvements	2-5	years

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

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

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item"Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

Notes to the Financial Statements

26 Accounting Policies (continued)

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Fixed asset investments

Fixed asset investments, which consist of listed bonds and shares, are measured at their fair values at the balance sheet date. Fair value is determined on the basis of the latest quoted market price.

Investments which are not traded in an active market are measured at the lower of cost and recoverable amount.

Other fixed asset investments

Other fixed asset investments consist of deposits.

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 regarding service 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.

Notes to the Financial Statements

26 Accounting Policies (continued)

Prepayments

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

Current asset investments

Current asset investments, which consist of listed bonds and shares, are measured at their fair values at the balance sheet date. Fair value is determined on the basis of the latest quoted market price.

Investments which are not traded in an active market are measured at the lower of cost and recoverable amount.

Equity

Dividend

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

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Group has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

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.

Notes to the Financial Statements

26 Accounting Policies (continued)

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

Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

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

Cash Flow Statement

The cash flow statement shows the Group´s cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group´s cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand".

The cash flow statement cannot be immediately derived from the published financial records.

Notes to the Financial Statements

26 Accounting Policies (continued)

Financial Highlights

Explanation of financial ratios

Gross margin	$\frac{\text{Gross profit x 100}}{\text{Revenue}}$
Profit margin	$\frac{\text{Profit before financials x 100}}{\text{Revenue}}$
Return on invested capital	$\frac{\text{Profit before financials x 100}}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end x 100}}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year x 100}}{\text{Average equity}}$