

GLOBAL OFFSHORE ApS

Amerikavej 3 B
6700 Esbjerg
Business Registration No
32556620

Annual report 2017

The Annual General Meeting adopted the annual report on 16.04.2018

Chairman of the General Meeting

Name: Mikael Hedager Würtz

Contents

	<u>Page</u>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's reports	3
Management commentary	5
Income statement for 2017	6
Balance sheet at 31.12.2017	7
Statement of changes in equity for 2017	9
Cash flow statement 2017	10
Notes	11
Accounting policies	13

Entity details

Entity

GLOBAL OFFSHORE ApS
Amerikavej 3 B
6700 Esbjerg

Central Business Registration No (CVR): 32556620

Registered in: Esbjerg

Financial year: 01.01.2017 - 31.12.2017

Phone: 86519000

Fax: 86519001

Website: www.globaloffshore.eu

Executive Board

Kristian Svarrer

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Dokken 8
Postbox 200
6701 Esbjerg

Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of GLOBAL OFFSHORE ApS for the financial year 01.01.2017 - 31.12.2017.

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

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2017 and of the results of its operations and cash flows for the financial year 01.01.2017 - 31.12.2017.

I believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

I recommend the annual report for adoption at the Annual General Meeting.

Esbjerg, 16.04.2018

Executive Board

Kristian Svarrer

Independent auditor's reports

To the shareholders of GLOBAL OFFSHORE ApS

Report on extended review of the financial statements

We have performed an extended review of the financial statements of GLOBAL OFFSHORE ApS for the financial year 01.01.2017 - 31.12.2017. The financial statements, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement, notes and accounting policies, are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility 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.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements. We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors.

This requires that we comply with the Danish Public Accountants Act and FSR – Danish Auditors' Code of Conduct and plan and perform procedures to obtain limited assurance about our opinion on the financial statements and that we perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our opinion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity personnel, performing analytical procedures and specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

Conclusion

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2017 and of the results of its operations and cash flows for the financial year 01.01.2017 - 31.12.2017 in accordance with the Danish Financial Statements Act.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

Independent auditor's reports

In connection with our extended review of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the extended review or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

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

Esbjerg, 16.04.2018

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

Jørn Jepsen
State Authorised Public Accountant
Identification No (MNE) mne24824

Management commentary

Primary activities

The company's primary activity is trade and distribution of products to the oil industry and related companies of the oil industry.

Development in activities and finances

The result for 2017 is considered satisfactory.

The company has lost more than 50% of its sharecapital, and falls within the provisions of section 119 of the Danish Companies Act governing loss of capital. The executive board expects the capital to be re-established by future earnings.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2017

	<u>Notes</u>	<u>2017 DKK'000</u>	<u>2016 DKK'000</u>
Gross profit		35	64
Depreciation, amortisation and impairment losses		0	17
Operating profit/loss		35	81
Other financial income		4	0
Financial expenses from group enterprises		(9)	(5)
Other financial expenses		(1)	(13)
Profit/loss before tax		29	63
Tax on profit/loss for the year	1	(6)	(14)
Profit/loss for the year		23	49
Proposed distribution of profit/loss			
Retained earnings		23	49
		23	49

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK'000</u>	<u>2016 DKK'000</u>
Other fixtures and fittings, tools and equipment		0	0
Property, plant and equipment	2	<u>0</u>	<u>0</u>
Fixed assets		<u>0</u>	<u>0</u>
Manufactured goods and goods for resale		88	79
Inventories		<u>88</u>	<u>79</u>
Trade receivables		11	131
Receivables from group enterprises		235	0
Deferred tax		5	7
Income tax receivable		0	9
Receivables		<u>251</u>	<u>147</u>
Cash		<u>0</u>	<u>142</u>
Current assets		<u>339</u>	<u>368</u>
Assets		<u>339</u>	<u>368</u>

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017</u> <u>DKK'000</u>	<u>2016</u> <u>DKK'000</u>
Contributed capital		125	125
Retained earnings		<u>(290)</u>	<u>(313)</u>
Equity		<u>(165)</u>	<u>(188)</u>
Bank loans		1	0
Trade payables		5	15
Payables to group enterprises		478	508
Income tax payable		4	0
Other payables		<u>16</u>	<u>33</u>
Current liabilities other than provisions		<u>504</u>	<u>556</u>
Liabilities other than provisions		<u>504</u>	<u>556</u>
Equity and liabilities		<u>339</u>	<u>368</u>
Contingent liabilities	4		
Group relations	5		

Statement of changes in equity for 2017

	Contributed capital DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	125	(313)	(188)
Profit/loss for the year	0	23	23
Equity end of year	125	(290)	(165)

Cash flow statement for 2017

	<u>Notes</u>	<u>2017</u> <u>DKK'000</u>	<u>2016</u> <u>DKK'000</u>
Operating profit/loss		35	80
Amortisation, depreciation and impairment losses		0	(16)
Working capital changes	3	<u>(181)</u>	<u>579</u>
Cash flow from ordinary operating activities		(146)	643
Financial income received		4	0
Financial income paid		(10)	(17)
Income taxes refunded/(paid)		<u>9</u>	<u>(34)</u>
Cash flows from operating activities		(143)	592
Sale of property, plant and equipment		<u>0</u>	<u>34</u>
Cash flows from investing activities		0	34
Repayments of loans etc		<u>0</u>	<u>(74)</u>
Cash flows from financing activities		0	(74)
Increase/decrease in cash and cash equivalents		(143)	552
Cash and cash equivalents beginning of year		<u>142</u>	<u>(410)</u>
Cash and cash equivalents end of year		(1)	142
Cash and cash equivalents at year-end are composed of:			
Cash		0	142
Short-term debt to banks		<u>(1)</u>	<u>0</u>
Cash and cash equivalents end of year		(1)	142

Notes

	2017	2016
	DKK'000	DKK'000
1. Tax on profit/loss for the year		
Current tax	4	(9)
Change in deferred tax	2	23
	6	14
		Other fixtures and fittings, tools and equipment DKK'000
2. Property, plant and equipment		
Cost beginning of year		335
Cost end of year		335
Depreciation and impairment losses beginning of year		(335)
Depreciation and impairment losses end of year		(335)
Carrying amount end of year		0
	2017	2016
	DKK'000	DKK'000
3. Change in working capital		
Increase/decrease in inventories	(9)	18
Increase/decrease in receivables	120	171
Increase/decrease in trade payables etc	(292)	390
	(181)	579

4. Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Krisitan Svarrer Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

Notes

5. Group relations

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

Harbour Group Holding ApS, Esbjerg

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, cost of sales and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Accounting policies

Depreciation, amortisation and impairment losses

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

Other financial income

Other financial income comprises interest income and net capital on transactions in foreign currencies.

Financial expenses from group enterprises

Financial expenses from group enterprises comprise interest expenses etc from payables to group enterprises.

Other financial expenses

Other financial expenses comprise interest expenses, net capital losses on transactions in foreign currencies.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with the mother company and its Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years
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Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Accounting policies

Inventories

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

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Income tax receivable or payable

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

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with purchase, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise inception of finance leases, repayments of interest-bearing debt, purchase of treasury shares and payment of dividend.

Accounting policies

Cash and cash equivalents comprise cash less short-term bank loans.