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CVR no. 20 22 26 70

**ESBJERG MARITIME SERVICE APS**  
**LILLEBÆLTSVEJ 37, 6715 ESBJERG N**  
**ANNUAL REPORT**  
**1 JUNE 2019 - 31 MAY 2020**

**The Annual Report has been presented and  
adopted at the Company's Annual General  
Meeting on 28 October 2020**

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**Kenneth Sandal Hagelskjær**

**CVR NO. 33 38 79 97**

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**COMPANY DETAILS**

<b>Company</b>	Esbjerg Maritime Service ApS Lillebæltsvej 37 6715 Esbjerg N  CVR No.: 33 38 79 97 Established: 3 January 2011 Registered Office: Esbjerg Financial Year: 1 June 2019 - 31 May 2020
<b>Board of Executives</b>	Kenneth Sandal Hagelskjær
<b>Auditor</b>	BDO Statsautoriseret revisionsaktieselskab Bavnehøjvej 6 6700 Esbjerg
<b>Bank</b>	Sydbank Kongensgade Kongensgade 6701 Esbjerg
<b>Law Firm</b>	Dahl Advokatfirma Dokken 10 6700 Esbjerg

## STATEMENT BY BOARD OF EXECUTIVES

Today the Board of Executives have discussed and approved the Annual Report of Esbjerg Maritime Service ApS for the financial year 1 June 2019 - 31 May 2020.

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 Company's financial position at 31 May 2020 and of the results of the Company's operations for the financial year 1 June 2019 - 31 May 2020.

The Management's Review includes in my opinion a fair presentation of the matters dealt with in the Review.

I recommend the Annual Report be approved at the Annual General Meeting.

Esbjerg, 4 August 2020

Board of Executives

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Kenneth Sandal Hagelskjær

## THE INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Esbjerg Maritime Service ApS

### Conclusion

We have performed an extended review of the Financial Statements of Esbjerg Maritime Service ApS for the financial year 1 June 2019 - 31 May 2020, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies. The Financial Statements are prepared under the Danish Financial Statements Act.

Based on the work performed in our opinion, the Financial Statements give a true and fair view of the Company's financial position at 31 May 2020 and of the results of the Company's operations for the financial year 1 June 2019 - 31 May 2020 in accordance with the Danish Financial Statements Act.

### Basis for Conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR - Danish Auditors' standard on extended review of Financial Statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Extended Review of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### Management's Responsibilities for the Financial Statements

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

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### Auditor's Responsibilities for the Extended Review of the Financial Statements

Our responsibility is to express a conclusion on the Financial Statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the Financial Statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the Financial Statements.

## THE INDEPENDENT AUDITOR'S REPORT

### Statement on the Management's Review

Management is responsible for the Management's Review.

Our conclusion on the Financial Statements does not cover the Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the Financial Statements, our responsibility is to read the Management's Review and, in doing so, consider whether the Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that the 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 the Management's Review.

Esbjerg, 4 August 2020

BDO Statsautoriseret revisionsaktieselskab  
CVR no. 20 22 26 70

Dorte Larsen  
State Authorised Public Accountant  
MNE no. mne26694

## MANAGEMENT'S REVIEW

### **Principal activities**

The principal activities comprise are trading, consulting and production in the oil and gas, maritime, renewable energy and construction industries.

### **Significant events after the end of the financial year**

No events have occurred after the end of the financial year of material importance for the company's financial position.

**INCOME STATEMENT 1 JUNE - 31 MAY**

	Note	2019/20 DKK	2018/19 DKK '000
<b>GROSS PROFIT</b> .....		<b>34.970.880</b>	<b>28.103</b>
Staff costs.....	1	-29.907.902	-22.425
Depreciation, amortisation and impairment losses.....		-1.621.013	-1.117
<b>OPERATING PROFIT</b> .....		<b>3.441.965</b>	<b>4.561</b>
Other financial income.....	2	140.697	102
Other financial expenses.....	3	-125.477	-88
<b>PROFIT BEFORE TAX</b> .....		<b>3.457.185</b>	<b>4.575</b>
Tax on profit/loss for the year.....	4	-795.163	-1.044
<b>PROFIT FOR THE YEAR</b> .....		<b>2.662.022</b>	<b>3.531</b>
<b>PROPOSED DISTRIBUTION OF DIVIDEND</b>			
Proposed dividend for the year.....		2.500.000	0
Retained earnings.....		162.022	3.531
<b>TOTAL</b> .....		<b>2.662.022</b>	<b>3.531</b>



## BALANCE SHEET AT 31 MAY

ASSETS	Note	2020 DKK	2019 DKK '000
Goodwill.....		0	15
<b>Intangible fixed assets.....</b>	<b>5</b>	<b>0</b>	<b>15</b>
Other plants, machinery, tools and equipment.....		5.917.600	3.433
Leasehold improvements.....		333.308	0
<b>Tangible fixed assets.....</b>	<b>6</b>	<b>6.250.908</b>	<b>3.433</b>
Rent deposit and other receivables.....		668.556	656
<b>Fixed asset investments.....</b>	<b>7</b>	<b>668.556</b>	<b>656</b>
<b>FIXED ASSETS.....</b>		<b>6.919.464</b>	<b>4.104</b>
Raw materials and consumables.....		166.674	116
<b>Inventories.....</b>		<b>166.674</b>	<b>116</b>
Trade receivables.....		11.807.735	11.556
Contract work in progress.....	8	9.262.603	7.649
Receivables from group enterprises.....		3.364.412	4.344
Other receivables.....		111.106	138
Prepayments and accrued income.....		545.263	440
<b>Receivables.....</b>		<b>25.091.119</b>	<b>24.127</b>
<b>Cash and cash equivalents.....</b>		<b>820</b>	<b>2</b>
<b>CURRENT ASSETS.....</b>		<b>25.258.613</b>	<b>24.245</b>
<b>ASSETS.....</b>		<b>32.178.077</b>	<b>28.349</b>

## BALANCE SHEET AT 31 MAY

EQUITY AND LIABILITIES	Note	2020 DKK	2019 DKK '000
Share capital.....		80.000	80
Retained earnings.....		10.746.891	10.585
Proposed dividend.....		2.500.000	0
<b>EQUITY.....</b>	<b>9</b>	<b>13.326.891</b>	<b>10.665</b>
Provision for deferred tax.....		691.663	484
<b>PROVISION FOR LIABILITIES.....</b>		<b>691.663</b>	<b>484</b>
Corporation tax.....		587.574	877
Accruals and deferred income.....		42.503	64
<b>Long-term liabilities.....</b>	<b>10</b>	<b>630.077</b>	<b>941</b>
Bank debt.....		3.025.197	4.728
Trade payables.....		6.121.372	7.585
Corporation tax.....		876.743	278
Other liabilities.....		7.506.134	3.668
<b>Current liabilities.....</b>		<b>17.529.446</b>	<b>16.259</b>
<b>LIABILITIES.....</b>		<b>18.159.523</b>	<b>17.200</b>
<b>EQUITY AND LIABILITIES.....</b>		<b>32.178.077</b>	<b>28.349</b>
 Contingencies etc.	 11		
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## NOTES

	2019/20 DKK	2018/19 DKK '000	Note
<b>Staff costs</b>			<b>1</b>
Average number of employees 48 (2018/19: 36)			
Wages and salaries.....	25.757.200	19.251	
Pensions.....	2.680.641	2.051	
Social security costs.....	662.107	516	
Other staff costs.....	807.954	607	
	<b>29.907.902</b>	<b>22.425</b>	
<b>Other financial income</b>			<b>2</b>
Group enterprises.....	134.940	97	
Other interest income.....	5.757	5	
	<b>140.697</b>	<b>102</b>	
<b>Other financial expenses</b>			<b>3</b>
Other interest expenses.....	125.477	88	
	<b>125.477</b>	<b>88</b>	
<b>Tax on profit/loss for the year</b>			<b>4</b>
Calculated tax on taxable income of the year.....	587.574	877	
Adjustment of tax in previous years.....	0	5	
Adjustment of deferred tax.....	207.589	162	
	<b>795.163</b>	<b>1.044</b>	
<b>Intangible fixed assets</b>			<b>5</b>
		Goodwill	
Cost at 1 June 2019.....		67.900	
Cost at 31 May 2020.....		<b>67.900</b>	
Amortisation at 1 June 2019.....		53.200	
Amortisation for the year.....		14.700	
Amortisation at 31 May 2020.....		<b>67.900</b>	
Carrying amount at 31 May 2020.....		0	

## NOTES

				Note
<b>Tangible fixed assets</b>				<b>6</b>
		Other plants, machinery, tools and equipment	Leasehold improvements	
Cost at 1 June 2019.....		6.457.227	657.619	
Additions.....		4.508.072	137.881	
Disposals.....		-305.821	0	
<b>Cost at 31 May 2020.....</b>		<b>10.659.478</b>	<b>795.500</b>	
Depreciation and impairment losses at 1 June 2019.....		3.389.374	291.953	
Reversal of depreciation of assets disposed of.....		-166.464	0	
Depreciation for the year.....		1.518.968	170.239	
<b>Depreciation and impairment losses at 31 May 2020.....</b>		<b>4.741.878</b>	<b>462.192</b>	
<b>Carrying amount at 31 May 2020.....</b>		<b>5.917.600</b>	<b>333.308</b>	
<b>Fixed asset investments</b>				<b>7</b>
			Rent deposit and other receivables	
Cost at 1 June 2019.....			655.452	
Additions.....			13.104	
<b>Cost at 31 May 2020.....</b>			<b>668.556</b>	
<b>Carrying amount at 31 May 2020.....</b>			<b>668.556</b>	
<b>Contract work in progress</b>				<b>8</b>
Sales value of the period's unfinished production.....		28.711.194	25.856	
Advance billings.....		-19.448.591	-18.207	
<b>Contract work in progress.....</b>		<b>9.262.603</b>	<b>7.649</b>	
Contract work in progress (Assets).....		9.262.603	7.649	
		<b>9.262.603</b>	<b>7.649</b>	
<b>Equity</b>				<b>9</b>
	Share capital	Retained earnings	Proposed dividend	Total
Equity at 1 June 2019.....	80.000	10.584.869	0	10.664.869
Proposed distribution of profit.....		162.022	2.500.000	2.662.022
<b>Equity at 31 May 2020.....</b>	<b>80.000</b>	<b>10.746.891</b>	<b>2.500.000</b>	<b>13.326.891</b>

NOTES

**Long-term liabilities** Note  
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	31/5 2020 total liabilities	Repayment next year	Debt outstanding after 5 years	31/5 2019 total liabilities	Current portion at the beginning of the year
Corporation tax.....	587.574	0	0	876.743	0
Accruals and deferred income..	42.503	0	0	63.754	0
	<b>630.077</b>	<b>0</b>	<b>0</b>	<b>940.497</b>	<b>0</b>

**Contingencies etc.** 11

**Contingent liabilities**

The company has entered an operating lease agreement with an average annual lease payment of 287 tkr.

The leasing contract has a remaining maturity of 7-45 months with a total residual lease payment of 751 tkr.

The company has entered a rent obligation, which at the balance sheet date amounts to 11.056 tkr. druring the noncancellation period.

The company has given the guarantee of payment for bank debts in affiliated companies. The debt to the bank amounts to 10.045 tkr. on may 31, 2020.

The company has provided work guarantees for a total of 465 tkr.

**Joint liabilities**

The company is jointly and severally liable together with the parent company and the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.

Tax payable on the Group's joint taxable income is stated in the annual report of K. Hagelskjær Holding ApS, which serves as management company for the joint taxation.

**Charges and securities** 12

For bank debt security of 3.025 tkr. the company has placed a floating charge on 5.000 tkr. The floating charge incorporates the following assets whose carrying amount on the balance sheet date represents:

Other plants, machinery, tools and equipment.....	6.250
Inventories.....	167
Trade receivables.....	11.808

## ACCOUNTING POLICIES

The Annual Report of Esbjerg Maritime Service ApS for 2019/20 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

## INCOME STATEMENT

### Net revenue

Net revenue is recognised in the income statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

Where products with a high degree of individual adjustments are delivered, recognition in net revenue is made as and when the production progresses, the net revenue being equal to the sales value of the work performed for the year (the production method). This method is applied when the total costs and expenses regarding the contract and the degree of completion at the balance sheet date can be reliably assessed, and it is likely that the financial benefits will flow to the company.

### Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

### Other external expenses

Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operating lease expenses, etc.

### Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

### Financial income and expenses

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from transactions in foreign currencies. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

### Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

## BALANCE SHEET

### Intangible fixed assets

Acquired goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over the expected useful life which is estimated to 5 years. The period of amortisation is determined based on an assessment of the acquired company's position in the market and earnings profile, and the industry-specific conditions.

**ACCOUNTING POLICIES**

**Tangible fixed assets**

Other plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Other plant, fixtures and equipment.....	2-10 years	0 %
Leasehold improvements.....	1-10 years	0 %

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

**Fixed asset investments**

Deposits include rental deposits which are recognised and measured at amortised cost. Deposits are not depreciated.

**Impairment of fixed assets**

The carrying amount of intangible fixed and tangible assets together with fixed assets, which are not measured at fair value, are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the carrying amount.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

**Inventories**

Inventories are measured at cost using the FIFO-principle. If the net realisable value is lower than cost, the inventories are written down to the lower value.

The cost of merchandise as well as raw materials and consumables is calculated at acquisition price with addition of transportation and similar costs.

The net realisable value of inventories is stated at sales price less completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price.

**Receivables**

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

## ACCOUNTING POLICIES

### Contract work in progress

Work in progress on contract is measured at the sales value of the work performed. The sales value is measured on the basis of the degree of completion on the balance sheet date and the total anticipated revenue related to the specific piece of work in progress.

The specific piece of work in progress is recognised in the Balance Sheet as receivables or payables, depending on the net value of the selling price less progress invoicing and progress payments.

Costs relating to sales work and obtaining of contracts are recognised in the Income Statement as and when they are incurred.

### Accruals, assets

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

### Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The company is subject to joint taxation with Danish group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the balance sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against 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 under the legislation in force on the balance sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

### Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the term of loan.

Amortised cost for short-term liabilities usually corresponds to the nominal value.