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GLOBAL GRAVITY APS
LILLEBÆLTSVEJ 37, 6715 ESBJERG N
ANNUAL REPORT
1 JUNE 2018 - 31 MAY 2019

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 24 October 2019**

Kenneth Sandal Hagelskjær

CVR NO. 33 95 07 05

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COMPANY DETAILS

Company	Global Gravity ApS Lillebæltsvej 37 6715 Esbjerg N CVR No.: 33 95 07 05 Established: 23 September 2011 Registered Office: Esbjerg Financial Year: 1 June 2018 - 31 May 2019
Board of Executives	Kenneth Sandal Hagelskjær
Auditor	BDO Statsautoriseret revisionsaktieselskab Bavnehøjvej 6 6700 Esbjerg
Bank	Sydbank Kongensgade 62 6700 Esbjerg
Law Firm	Dahl Advokatpartnerselskab Dokken 10 6700 Esbjerg

STATEMENT BY BOARD OF EXECUTIVES

Today the Board of Executives have discussed and approved the Annual Report of Global Gravity ApS for the financial year 1 June 2018 - 31 May 2019.

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 2019 and of the results of the Company's operations for the financial year 1 June 2018 - 31 May 2019.

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, 16 October 2019

Board of Executives

Kenneth Sandal Hagelskjær

THE INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Global Gravity ApS

Conclusion

We have performed an extended review of the Financial Statements of Global Gravity ApS for the financial year 1 June 2018 - 31 May 2019, 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 2019 and of the results of the Company's operations for the financial year 1 June 2018 - 31 May 2019 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, 16 October 2019

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Dorte Larsen
State Authorised Public Accountant
MNE no. mne26694

MANAGEMENT'S REVIEW

Principal activities

The principal activities comprise is the rental of lifting equipment for logistics solutions for the oil and gas industry

Exceptional matters

On production plants and machinery, there has been a change in accounting estimates for life expectancy, where a different lifetime has been made on the individual components. The change in the accounting estimate has been made to present a more accurate picture.

The change in accounting estimates has reduces depreciation of plants and machines by 2.430 tkr. in 2019.

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	2018/19 DKK	2017/18 DKK '000
GROSS PROFIT		9.278.488	3.223
Staff costs.....	1	-4.527.401	-1.201
Depreciation, amortisation and impairment losses.....		-3.168.574	-3.615
OPERATING PROFIT		1.582.513	-1.593
Other financial income.....	2	66.494	9
Other financial expenses.....	3	-444.830	-311
PROFIT BEFORE TAX		1.204.177	-1.895
Tax on profit/loss for the year.....	4	-274.263	426
PROFIT FOR THE YEAR		929.914	-1.469
PROPOSED DISTRIBUTION OF DIVIDEND			
Retained earnings.....		929.914	-1.469
TOTAL		929.914	-1.469

BALANCE SHEET AT 31 MAY

ASSETS	Note	2019 DKK	2018 DKK '000
Development projects completed.....		412.531	533
Intangible fixed assets acquired.....		938.040	917
Intangible fixed assets.....	5	1.350.571	1.450
Production plant and machinery.....		23.897.202	8.268
Other plants, machinery, tools and equipment.....		255.176	262
Leasehold improvements.....		837.860	0
Tangible fixed assets.....	6	24.990.238	8.530
FIXED ASSETS.....		26.340.809	9.980
Trade receivables.....		4.256.448	297
Deferred tax assets.....		17.028	552
Other receivables.....		649.423	67
Corporation tax receivable.....		260.582	0
Prepayments and accrued income.....		178.361	237
Receivables.....		5.361.842	1.153
Cash and cash equivalents.....		6.241	461
CURRENT ASSETS.....		5.368.083	1.614
ASSETS.....		31.708.892	11.594

BALANCE SHEET AT 31 MAY

EQUITY AND LIABILITIES	Note	2019 DKK	2018 DKK '000
Share capital.....		200.000	200
Reserve for development costs.....		321.773	416
Retained earnings.....		3.042.467	2.018
EQUITY.....	7	3.564.240	2.634
Bank loan.....		0	408
Other liabilities.....		448.827	449
Accruals and deferred income.....		12.111.139	0
Long-term liabilities.....	8	12.559.966	857
Short-term portion of long-term liabilities.....	8	3.726.505	0
Bank debt.....		7.550.687	7.736
Trade payables.....		961.330	108
Payables to group enterprises.....		455.105	0
Other liabilities.....		2.891.059	259
Current liabilities.....		15.584.686	8.103
LIABILITIES.....		28.144.652	8.960
EQUITY AND LIABILITIES.....		31.708.892	11.594
 Contingencies etc.	 9		
Charges and securities	10		

NOTES

			Note
Staff costs			1
Average number of employees 5 (2017/18: 2)			
Wages and salaries.....	4.176.389	1.027	
Pensions.....	226.290	135	
Social security costs.....	13.290	15	
Other staff costs.....	111.432	24	
	4.527.401	1.201	
Other financial income			2
Group enterprises.....	62.926	0	
Other interest income.....	3.568	9	
	66.494	9	
Other financial expenses			3
Group enterprises.....	97.352	23	
Other interest expenses.....	347.478	288	
	444.830	311	
Tax on profit/loss for the year			4
Calculated tax on taxable income of the year.....	-29.068	0	
Adjustment of tax in previous years.....	0	-11	
Adjustment of deferred tax.....	303.331	-415	
	274.263	-426	
Intangible fixed assets			5
	Development projects completed	Intangible fixed assets acquired	
Cost at 1 June 2018.....	603.701	1.024.936	
Additions.....	0	66.051	
Cost at 31 May 2019.....	603.701	1.090.987	
Amortisation at 1 June 2018.....	70.430	107.839	
Amortisation for the year.....	120.740	45.108	
Amortisation at 31 May 2019.....	191.170	152.947	
Carrying amount at 31 May 2019.....	412.531	938.040	

NOTES

Note

Completed development projects includes the further development of the Tubelock system. Costs are essentially linked to externally incurred development costs as well as procured materials. Further development is expected to be applied to a wider customer segment and to ensure a wider palette of the company's products, thus ensuring the company's level of activity. The further development of the Tubelock system is completed in 2017/18 and is then ready for sale. No units has been sold or rented yet, but the management has high expectations of the system's use and opportunities and has not established any indication of depreciation needs in relation to the carrying amount. The management bases its expectations on experiences with similar previous products and current inquiry from potential customers.

Tangible fixed assets

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	Production plant and machinery	Other plants, machinery, tools and equipment	Leasehold improvements
Cost at 1 June 2018.....	18.105.417	334.627	0
Additions.....	18.363.293	120.682	977.952
Cost at 31 May 2019.....	36.468.710	455.309	977.952
Depreciation and impairment losses at 1 June 2018.....	9.836.314	72.693	0
Depreciation for the year.....	2.735.194	127.440	140.092
Depreciation and impairment losses at 31 May 2019.....	12.571.508	200.133	140.092
Carrying amount at 31 May 2019.....	23.897.202	255.176	837.860

Equity

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	Share capital	Reserve for development costs	Retained earnings	Total
Equity at 1 June 2018.....	200.000	415.950	2.018.376	2.634.326
Value adjustments.....		-94.177		-94.177
Proposed distribution of profit.....			929.914	929.914
Transferred to reserve for development costs.....			94.177	94.177
Equity at 31 May 2019.....	200.000	321.773	3.042.467	3.564.240

NOTES

					Note
Long-term liabilities					8
	31/5 2019	Repayment	Debt	31/5 2018	Current
	total liabilities	next year	outstanding	total liabilities	portion at the
			after 5 years		beginning
					of the year
Bank loan.....	0	0	0	407.790	0
Other liabilities.....	448.827	0	448.827	448.827	0
Accruals and deferred income..	15.837.644	3.726.505	0	0	0
	16.286.471	3.726.505	448.827	856.617	0

Contingencies etc. **9**

Contingent liabilities

The company has entered a rent obligation, which at the balance sheet date amounts to 4.131 tkr. during the noncancellation period.

The company has given the guarantee of payment for bank debts in affiliated companies. The debt to the bank amounts to 4.819 tkr. on may 1, 2019.

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 **10**

For bank debt security of 7.551 tkr. the company has placed a floating charge on 3.700 tkr. The floating charge incorporates the following assets whose carrying amount on the balance sheet date represents:

Intangible fixed assets.....	1.351
Tangible fixed assets.....	24.990
Trade receivables.....	4.256

ACCOUNTING POLICIES

The Annual Report of Global Gravity ApS for 2018/19 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, except for the following changes.

Change of accounting estimates

- On production plants and machinery, there has been a change in accounting estimates for life expectancy, where a different lifetime has been made on the individual components. The change in the accounting estimate has been made to present a more accurate picture. The change in accounting estimates has reduced depreciation of plants and machines by 2.430 tkr. in 2019.

INCOME STATEMENT

Net revenue

Net revenue 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.

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.

ACCOUNTING POLICIES

BALANCE SHEET

Intangible fixed assets

Patents and licences are measured at the lower of cost less accumulated amortisation or the recoverable amount. Patents are amortised over the residual patent term and licences are amortised over the term of the agreement.

Development costs comprise costs, including wages and salaries, and amortisation, which directly or indirectly can be related to the company's development activities and which fulfil the criteria for recognition.

Tangible fixed assets

Production plant and machinery, other plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses.

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
Production plant and machinery.....	1-8 years	0 %
Other plant, fixtures and equipment.....	3-5 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.

Impairment of fixed assets

The carrying amount of intangible fixed and tangible assets 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.

Receivables

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

Accruals, assets

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

ACCOUNTING POLICIES

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.

Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

If the foreign exchange position is considered to hedge future cash flows, the unrealised exchange adjustments are recognised directly in the equity.

Receivables, payables and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivables or payables is recognised in the income statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.