



Tel.: +45 75 18 16 66
esbjerg@bdo.dk
www.bdo.dk

BDO Statsautoriseret revisionsaktieselskab
Bavnehøjvej 6
DK-6700 Esbjerg
CVR no. 20 22 26 70

GLOBAL GRAVITY 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**

Kenneth Sandal Hagelskjær

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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 2019 - 31 May 2020
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 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

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 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 is the rental of lifting equipment for logistics solutions for the oil and gas industry

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
GROSS PROFIT		22.911.400	9.835
Staff costs.....	1	-8.690.637	-5.085
Depreciation, amortisation and impairment losses.....		-5.746.406	-3.169
OPERATING PROFIT		8.474.357	1.581
Other financial income.....	2	175.996	67
Other financial expenses.....	3	-564.389	-444
PROFIT BEFORE TAX		8.085.964	1.204
Tax on profit/loss for the year.....	4	-1.783.942	-274
PROFIT FOR THE YEAR		6.302.022	930
 PROPOSED DISTRIBUTION OF DIVIDEND			
Proposed dividend for the year.....		2.500.000	0
Retained earnings.....		3.802.022	930
TOTAL		6.302.022	930

BALANCE SHEET AT 31 MAY

ASSETS	Note	2020 DKK	2019 DKK '000
Development projects completed.....		291.790	412
Intangible fixed assets acquired.....		899.061	938
Intangible fixed assets	5	1.190.851	1.350
Production plant and machinery.....		26.711.122	23.898
Other plants, machinery, tools and equipment.....		648.932	255
Leasehold improvements.....		1.389.702	838
Tangible fixed assets in progress and prepayment.....		811.564	0
Tangible fixed assets	6	29.561.320	24.991
FIXED ASSETS		30.752.171	26.341
Trade receivables.....		3.409.178	4.257
Other receivables.....		651.628	650
Corporation tax receivable.....		409.986	642
Prepayments and accrued income.....		356.708	178
Receivables		4.827.500	5.727
Cash and cash equivalents		2.358	3
CURRENT ASSETS		4.829.858	5.730
ASSETS		35.582.029	32.071

BALANCE SHEET AT 31 MAY

EQUITY AND LIABILITIES	Note	2020 DKK	2019 DKK '000
Share capital.....		200.000	200
Reserve for development costs.....		227.596	322
Retained earnings.....		6.938.666	3.042
Proposed dividend.....		2.500.000	0
EQUITY.....	7	9.866.262	3.564
Provision for deferred tax.....		1.603.821	364
PROVISION FOR LIABILITIES.....		1.603.821	364
Corporation tax.....		388.389	0
Other liabilities.....		448.827	449
Accruals and deferred income.....		8.384.635	12.111
Long-term liabilities.....	8	9.221.851	12.560
Short-term portion of long-term liabilities.....	8	3.726.505	3.727
Bank debt.....		7.692.867	7.550
Trade payables.....		859.101	961
Payables to group enterprises.....		1.574.589	455
Other liabilities.....		1.037.033	2.890
Current liabilities.....		14.890.095	15.583
LIABILITIES.....		24.111.946	28.143
EQUITY AND LIABILITIES.....		35.582.029	32.071
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NOTES

	2019/20 DKK	2018/19 DKK '000	Note
Staff costs			1
Average number of employees 11 (2018/19: 6)			
Wages and salaries.....	8.009.630	4.734	
Pensions.....	435.461	226	
Social security costs.....	55.302	13	
Other staff costs.....	190.244	112	
	8.690.637	5.085	
Other financial income			2
Group enterprises.....	87.197	63	
Other interest income.....	88.799	4	
	175.996	67	
Other financial expenses			3
Group enterprises.....	134.940	97	
Other interest expenses.....	429.449	347	
	564.389	444	
Tax on profit/loss for the year			4
Calculated tax on taxable income of the year.....	544.011	-29	
Adjustment of deferred tax.....	1.239.931	303	
	1.783.942	274	
Intangible fixed assets			5
	Development projects completed	Intangible fixed assets acquired	
Cost at 1 June 2019.....	603.701	1.090.987	
Additions.....	0	10.710	
Cost at 31 May 2020.....	603.701	1.101.697	
Amortisation at 1 June 2019.....	191.171	152.947	
Amortisation for the year.....	120.740	49.689	
Amortisation at 31 May 2020.....	311.911	202.636	
Carrying amount at 31 May 2020.....	291.790	899.061	

NOTES

Note

Intangible fixed assets (continued)

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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
Cost at 1 June 2019.....	36.468.710	455.309
Additions.....	7.565.275	645.020
Disposals.....	-49.623	0
Cost at 31 May 2020.....	43.984.362	1.100.329
Depreciation and impairment losses at 1 June 2019.....	12.571.508	200.133
Reversal of depreciation of assets disposed of.....	-44.796	0
Impairment losses.....	460.704	0
Depreciation for the year.....	4.285.824	251.264
Depreciation and impairment losses at 31 May 2020.....	17.273.240	451.397
Carrying amount at 31 May 2020.....	26.711.122	648.932
	Leasehold improvements	Tangible fixed assets in progress and prepayment
Cost at 1 June 2019.....	977.952	0
Additions.....	1.125.200	811.564
Cost at 31 May 2020.....	2.103.152	811.564
Depreciation and impairment losses at 1 June 2019.....	140.092	
Depreciation for the year.....	573.358	
Depreciation and impairment losses at 31 May 2020.....	713.450	
Carrying amount at 31 May 2020.....	1.389.702	811.564

NOTES

	Note
Equity	7

	Share capital	Reserve for development costs	Retained earnings	Proposed dividend	Total
Equity at 1 June 2019.....	200.000	321.773	3.042.467	0	3.564.240
Proposed distribution of profit. Transferred to reserve for development costs.....		-94.177	94.177	2.500.000	6.302.022
Equity at 31 May 2020.....	200.000	227.596	6.938.666	2.500.000	9.866.262

Long-term liabilities	8
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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.....	388.389	0	0	0	0
Other liabilities.....	448.827	0	448.827	448.827	0
Accruals and deferred income..	12.111.140	3.726.505	0	15.837.644	3.726.505
	12.948.356	3.726.505	448.827	16.286.471	3.726.505

Contingencies etc.	9
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Contingent liabilities

The company has entered a rent obligation, which at the balance sheet date amounts to 2.769 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 5.374 tkr. on may 31, 2020.

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
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For bank debt security of 7.693 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.....	1.191
Tangible fixed assets.....	29.562
Trade receivables.....	3.409

ACCOUNTING POLICIES

The Annual Report of Global Gravity 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 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 %
Leasehold improvements.....	3-4 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.