



HYTOR Oil & Gas Solutions A/S

Guldborgsundvej 1
6705 Esbjerg Ø
CVR No. 36457104

Annual report 2021

The Annual General Meeting adopted the
annual report on 26.04.2022

Jan Vogt Hansen

Chairman of the General Meeting

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Entity details

Entity

HYTOR Oil & Gas Solutions A/S

Guldborgsundvej 1

6705 Esbjerg Ø

CVR No.: 36457104

Registered office: Esbjerg

Financial year: 01.01.2021 - 31.12.2021

Board of Directors

John Hansen, chairman

Jan Bruun Jørgensen

Niels Grening Langerhuus

Niels Kristensen

Executive Board

Niels Grening Langerhuus, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Dokken 8

6701 Esbjerg

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of HYTOR Oil & Gas Solutions A/S for the financial year 01.01.2021 - 31.12.2021.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021.

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

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

Esbjerg, 26.04.2022

Executive Board

Niels Grening Langerhuus
CEO

Board of Directors

John Hansen
chairman

Jan Bruun Jørgensen

Niels Grening Langerhuus

Niels Kristensen

Independent auditor's extended review report

To the shareholders of HYTOR Oil & Gas Solutions A/S

Conclusion

We have performed an extended review of the financial statements of HYTOR Oil & Gas Solutions A/S for the financial year 01.01.2021 - 31.12.2021, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 in accordance with the Danish Financial Statements Act.

Basis for conclusion

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. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We are independent of the Entity 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 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 Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless Management either intends to liquidate the Entity 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 to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity

personnel, performing analytical and the 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.

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.

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 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, 26.04.2022

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Henrik Harbo Andersen

State Authorised Public Accountant
Identification No (MNE) mne19699

Management commentary

Primary activities

The activity of the entity consists of sale and service of equipment for the industry of oil and gas in foreign countries.

Development in activities and finances

In 2021 the entity realized a loss of 250 t.DKK.

The equity of the entity is negative with 231 t.DKK at the 31st of December 2021. The management believes that the capital will be reestablished in the future due to future profits.

Income statement for 2021

	Notes	2021 DKK'000	2020 DKK'000
Gross profit/loss		(208)	2,588
Depreciation, amortisation and impairment losses		0	(38)
Operating profit/loss		(208)	2,550
Other financial income	1	20	0
Other financial expenses	2	(134)	(245)
Profit/loss before tax		(322)	2,305
Tax on profit/loss for the year	3	72	(508)
Profit/loss for the year		(250)	1,797
Proposed distribution of profit and loss			
Retained earnings		(250)	1,797
Proposed distribution of profit and loss		(250)	1,797

Balance sheet at 31.12.2021

Assets

	Notes	2021 DKK'000	2020 DKK'000
Trade receivables		0	1,100
Receivables from group enterprises		316	695
Deferred tax		51	97
Other receivables		0	1,037
Joint taxation contribution receivable		118	0
Prepayments		0	22
Receivables		485	2,951
Cash		225	2,416
Current assets		710	5,367
Assets		710	5,367

Equity and liabilities

	Notes	2021 DKK'000	2020 DKK'000
Contributed capital		1,000	1,000
Retained earnings		(1,231)	(981)
Equity		(231)	19
Trade payables		0	306
Payables to group enterprises		484	4,396
Joint taxation contribution payable		0	239
Other payables		457	407
Current liabilities other than provisions		941	5,348
Liabilities other than provisions		941	5,348
Equity and liabilities		710	5,367

Contingent liabilities	4
Assets charged and collateral	5
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Statement of changes in equity for 2021

	Contributed capital DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	1,000	(981)	19
Profit/loss for the year	0	(250)	(250)
Equity end of year	1,000	(1,231)	(231)

Notes

1 Other financial income

	2021 DKK'000	2020 DKK'000
Financial income from group enterprises	20	0
	20	0

2 Other financial expenses

	2021 DKK'000	2020 DKK'000
Financial expenses from group enterprises	74	143
Other interest expenses	2	0
Exchange rate adjustments	58	102
	134	245

3 Tax on profit/loss for the year

	2021 DKK'000	2020 DKK'000
Current tax	(118)	239
Change in deferred tax	46	269
	(72)	508

4 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Grening 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.

5 Assets charged and collateral

Collateral provided for group enterprises

The Entity has guaranteed parent company' debt with Danske Bank. Bank loans of group enterprises amount to t.DKK 8,702.

6 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Grening Holding ApS, Varde

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.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, cost of raw materials and consumables 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 from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Contract work in progress is included in revenue based on the stage of completion so the revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

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.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies etc.

Other financial expenses

Other financial expenses comprise interest expenses etc.

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 all Danish group enterprises. 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

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. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

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.

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises bank deposits.

Other financial liabilities

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