

A1 Partners A/S

Grønlandsvej 10, 5700 Svendborg

Company reg. no. 38 66 43 60

Annual report

22 May 2017 - 30 June 2018

The annual report have been submitted and approved by the general meeting on the 12 November 2018.

Henrik Olesen
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

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Management's report

The board of directors and the managing director have today presented the annual report of A1 Partners A/S for the financial year 22 May 2017 to 30 June 2018.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 30 June 2018 and of the company's results of its activities in the financial year 22 May 2017 to 30 June 2018.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Svendborg, 12 November 2018

Managing Director

Tom Østerlund Nielsen

Board of directors

Henrik Olesen
chairman of the board

Søren Ulrik Toft-Jensen

Tom Østerlund Nielsen

Independent auditor's report

To the shareholders of A1 Partners A/S

Opinion

We have audited the annual accounts of A1 Partners A/S for the financial year 22 May 2017 to 30 June 2018, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 30 June 2018 and of the results of the company's operations for the financial year 22 May 2017 to 30 June 2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

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

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the annual accounts, including the disclosures in the notes, and whether the annual accounts reflect the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Independent auditor's report

Furthermore, 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 believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Svendborg, 12 November 2018

Tranberg

State Authorized Auditing Company
Company reg. no. 26 06 36 55

Torben Tranberg Jensen

State Authorised Public Accountant
mne7911

Company data

The company

A1 Partners A/S
Grønlandsvej 10
5700 Svendborg

Company reg. no. 38 66 43 60
Established: 22 May 2017
Domicile: Svendborg
Financial year: 22 May - 30 June

Board of directors

Henrik Olesen, chairman of the board
Søren Ulrik Toft-Jensen
Tom Østerlund Nielsen

Managing Director

Tom Østerlund Nielsen

Auditors

Tranberg Statsautoriseret Revisionsaktieselskab
Ryttervej 4
5700 Svendborg

Management's review

The principal activities of the company

The company's main activities include purchases, sales, operation of vessels and other related activities. A1 Partners A/S provides offshore service vessels for the oil, gas as well as wind turbine industries. A1 Partners ApS is closely related to A1 Offshore Solutions ApS, which manages the land-based operating activities for A1 Partners A/S.

Development in activities and financial matters

The company's first financial year shows a profit of TDKK 3,355 and an equity of TDKK 3,405

The net income and the economic development have been mainly influenced by upgrading the capacity of 5 vessels, the acquisition of technical facilities and machines such as accommodation modules, cranes and walk-to-work pedestrian systems, etc. as well as rebuilding and improvement of the vessels acquired prior to the final deployment of the respective vessels in charters. The investments made have been targeted based on our customers' needs and expectations as well as the management observation in the current market situation.

Liquidity and capital ratio

The company's financing is exclusively provided by the capital owners based on market conditions. When taking into consideration the amount of financing with the shareholders of TDKK 143,643, the management considers the company's overall capital and capital resources to be solid and very satisfactory.

As stated in the company's balance sheet, operating liquidity on the balance sheet date has been dependent on whether customers payments are made on time so that payments to suppliers are processed prior to the payments deadlines. After the balance sheet date, working capital and thus liquidity have been significantly enhanced by earnings from the company's ordinary operations.

The expected development

Developments in the company's operating activities and earnings have increased significantly after the balance sheet date, which means that management expects a significant increase in the company's operating activities and earnings for the coming financial year.

We have acquired 2 more vessels after the balance sheet date for delivery in the coming financial year. As a result the company currently owns 7 vessels.

Events subsequent to the financial year

The company is of 12th November 2018 converted from an ApS to an A/S, after which the company capital has been increased by 400.000 DKK.

Accounting policies used

The annual report for A1 Partners A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class C enterprises (medium sized enterprises).

The annual accounts are presented in Danish kroner (DKK).

The profit and loss account

Gross profit

The gross profit comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Other external costs comprise costs for operating, sales, advertisement administration, premises, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to tangible fixed assets respectively.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Tax of the results for the year

The tax for the year comprises the current tax for the year, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

Accounting policies used

The balance sheet

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

If the amortisation period or the residual value is changed, the effect on amortisation will in the future be recognised as a change in the accounting estimates.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life and the residual value of the individual assets:

	<i>Useful life</i>	<i>Residual value</i>
<i>Vessels</i>	<i>10 years</i>	<i>65.500 t.kr.</i>
<i>Other operating assets</i>	<i>10 years</i>	<i>7.850 t.kr.</i>

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

As regards assets of own production, the cost comprises direct costs for materials, components, deliveries from sub-suppliers, payroll costs, and borrowing costs form specific and general borrowing concerning the construction of each individual asset.

Inventories

Inventories are measured at cost on basis of the FIFO method. In case the net realisable value of the inventories is lower than the cost, writedown takes place to this lower value.

The cost for trade goods, raw materials, and consumables comprises the acquisition cost with the addition of the delivery costs.

Accounting policies used

The net realisable value for inventories is recognised as the market price with deduction of completion costs and selling costs. The net realisable value is determined taking into consideration the negotiability, obsolescence, and development of the expected market price.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in hand.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Liabilities

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

Profit and loss account

All amounts in DKK.

<u>Note</u>	22/5 2017	<u>- 30/6 2018</u>
Gross profit		12.185.578
1 Staff costs		-6.408.387
Depreciation and writedown relating to tangible fixed assets		<u>-1.303.320</u>
Operating profit		4.473.871
Other financial income		74.048
Other financial costs		<u>-1.179.865</u>
Results before tax		3.368.054
Tax on ordinary results		<u>-12.804</u>
2 Results for the year		<u>3.355.250</u>

Balance sheet

All amounts in DKK.

Assets		
<u>Note</u>	<u>30/6 2018</u>	<u>22/5 2017</u>
Fixed assets		
3 Other operating assets	19.366.974	0
4 Tangible assets under construction and prepayments for tangible assets	2.700.428	0
5 Vessels	120.926.085	0
Tangible fixed assets in total	<u>142.993.487</u>	<u>0</u>
Fixed assets in total	<u>142.993.487</u>	<u>0</u>
Current assets		
Raw materials and consumables	2.529.000	0
Inventories in total	<u>2.529.000</u>	<u>0</u>
Other debtors	18.573.659	0
6 Accrued income and deferred expenses	399.912	0
Debtors in total	<u>18.973.571</u>	<u>0</u>
Available funds	1.055.006	50.000
Current assets in total	<u>22.557.577</u>	<u>50.000</u>
Assets in total	<u>165.551.064</u>	<u>50.000</u>

Balance sheet

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>30/6 2018</u>	<u>22/5 2017</u>
Equity			
7	Contributed capital	50.000	50.000
8	Results brought forward	3.355.250	0
	Equity in total	<u>3.405.250</u>	<u>50.000</u>
Liabilities			
	Trade creditors	14.485.910	0
	Debt to shareholders	143.643.184	0
	Corporate tax	12.804	0
	Other debts	4.003.916	0
	Short-term liabilities in total	<u>162.145.814</u>	<u>0</u>
	Liabilities in total	<u>162.145.814</u>	<u>0</u>
	Equity and liabilities in total	<u>165.551.064</u>	<u>50.000</u>

9 Mortgage and securities

Notes

All amounts in DKK.

		22/5 2017	- 30/6 2018
1. Staff costs			
Salaries and wages		4.933.258	
Other costs for social security		79.055	
Other staff costs		1.396.074	
		<u>6.408.387</u>	
Average number of employees			<u>72</u>
2. Proposed distribution of the results			
Allocated to results brought forward			<u>3.355.250</u>
Distribution in total			<u>3.355.250</u>
3. Other operating assets			
Additions during the year	19.550.089	<u>0</u>	
Cost 30 June 2018	<u>19.550.089</u>	<u>0</u>	
Depreciation for the year	-183.115	<u>0</u>	
Amortisation and writedown 30 June 2018	<u>-183.115</u>	<u>0</u>	
Book value 30 June 2018	<u>19.366.974</u>	<u>0</u>	
4. Tangible assets under construction and prepayments for tangible assets			
Additions during the year	2.700.428	<u>0</u>	
Cost 30 June 2018	<u>2.700.428</u>	<u>0</u>	
Book value 30 June 2018	<u>2.700.428</u>	<u>0</u>	

Notes

All amounts in DKK.

	<u>30/6 2018</u>	<u>22/5 2017</u>
5. Vessels		
Additions during the year	122.046.290	0
Cost 30 June 2018	122.046.290	0
Depreciation for the year	-1.120.205	0
Depreciation and writedown 30 June 2018	-1.120.205	0
Book value 30 June 2018	120.926.085	0
Interest expenses are included in the cost by	1.032.468	0
6. Accrued income and deferred expenses		
Prepaid insurance	150.000	0
Other prepayments/deferred income	249.912	0
	399.912	0
7. Contributed capital		
Contributed capital 22 May 2017	50.000	50.000
	50.000	50.000
<p>The company is of 12th November 2018 converted from an ApS to an A/S, after which the company capital has been increased by 400.000 DKK. The capital increase has been done through transfer of results brought forward to the contributed capital. The company capital hereafter amounts to 450.000 DKK.</p>		
8. Results brought forward		
Profit or loss for the year brought forward	3.355.250	0
	3.355.250	0
9. Mortgage and securities		
None.		

Dette dokument er underskrevet af nedenstående parter, der med deres underskrift har bekræftet dokumentets indhold samt alle datoer i dokumentet.

This document is signed by the following parties with their signatures confirming the documents content and all dates in the document.

Tom Østerlund Nielsen

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Underskrevet med NemID

Tom Østerlund Nielsen

Som Bestyrelsesmedlem NEM ID
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Tidspunkt for underskrift: 19-11-2018 kl.: 10:51:50
Underskrevet med NemID

Henrik Olesen

Som Bestyrelsesformand NEM ID
PID: 9208-2002-2-625931257011
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Søren Ulrik Toft-Jensen

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PID: 9208-2002-2-442363874792
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