

**Furmanite A/S**

**Isefjordvej 3, 6715 Esbjerg N**

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**Annual report**

**1 January - 31 December 2019**

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**Company reg. no. 33 04 31 47**

The annual report was submitted and approved by the general meeting on the 17 September 2020.

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**Jonathan Anthony Jarvis**  
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS 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 %.

## **Management's report**

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Today, the board of directors and the managing director have presented the annual report of Furmanite A/S for the financial year 1 January - 31 December 2019.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2019 and of the company's results of activities in the financial year 1 January - 31 December 2019.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

Esbjerg N, 14 September 2020

### **Managing Director**

Jonathan Anthony Jarvis

### **Board of directors**

Andre Charles Bouchard

Jonathan Anthony Jarvis

Susan Michelle Ball

## Independent auditor's report

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### To the shareholder of Furmanite A/S

#### Opinion

We have audited the financial statements of Furmanite A/S for the financial year 1 January - 31 December 2019, which comprise accounting policies, income statement, statement of financial position and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2019 and of the results of the company's activities for the financial year 1 January - 31 December 2019 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 section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 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 audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, 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 can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## Independent auditor's report

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive 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 for one 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 and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from events or conditions that may cast significant doubt on 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 financial statements 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 financial statements, including disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

## **Independent auditor's report**

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In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Esbjerg, 14 September 2020

### **Martinsen**

State Authorised Public Accountants  
Company reg. no. 32 28 52 01

Lars Æbelø-Nielsen

State Authorised Public Accountant  
mne33693

## Company information

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<b>The company</b>	Furmanite A/S Isefjordvej 3 6715 Esbjerg N
	Company reg. no. 33 04 31 47 Financial year: 1 January - 31 December
<b>Board of directors</b>	Andre Charles Bouchard Jonathan Anthony Jarvis Susan Michelle Ball
<b>Managing Director</b>	Jonathan Anthony Jarvis
<b>Auditors</b>	Martinsen Statsautoriseret Revisionspartnerselskab Edison Park 4 6715 Esbjerg N
<b>Parent company</b>	Furmanite Holding B.V.

## **Management commentary**

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### **The principal activities of the company**

The Company's principal activity consists of sale of industrial engineering and sealing services and sales of equipment and supplies in this context and related services.

### **Development in activities and financial matters**

The gross profit for the year totals DKK 1.571.061 against DKK -75.046 last year. Income or loss from ordinary activities after tax totals DKK -477.210 against DKK -1.787.594 last year.

The company has ceased activities in Denmark in December 2019, and remaining lease and leasing costs for 2020 has been expensed in 2019.

The company has lost it's share capital and is subject to capital loss regulations in the Companies Act.

### **Expected developments**

There are currently no plans for new activites in 2020 and beyond, and the company is maintained in dormancy until new activites are planned.



## Accounting policies

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The annual report for Furmanite A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

### Changes in the accounting policies

The item “Staff costs” has been reclassified so that certain types of expenses previously recognised under “Staff costs” will, in the future, be recognised under the item “Other external charges”.

The change in classification has no effect on the net profit or loss for the year, nor on the statement of financial position, neither for the current financial year, nor the previous financial year. The comparative figures have been adjusted in accordance with the reclassification.

Except for the above, the accounting policies for the financial statements remain unchanged from last year.

## Income statement

### Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, other operating income, and external costs.

Revenue comprises the value of services provided during the year, including outlay for customers less VAT and price concessions directly associated with the sale.

Revenue is recognised in the income statement on the completion of sales. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- A binding sales agreement exists
- The sales price has been determined
- Payment has been received, or is anticipated with a reasonable degree of certainty.

This ensures that recognition does not take place until the total income and costs and stage of completion at the reporting date can be reliably validated and it seems probable that the economic benefits, including payments, will flow to the enterprise.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of tangible assets.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

## Accounting policies

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### Staff costs

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

### Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of tangible assets, respectively.

### Financial income and expenses

Financial income and expenses 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 income statement with the amounts concerning the financial year.

Interest and other costs concerning loans to finance the production of intangible assets and property, plant, and equipment, and relating to production periods are not recognised in the cost of non-current assets.

### Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

## Statement of financial position

### Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less 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 carrying amount, the depreciation is discontinued.

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

The cost comprises acquisition cost and costs directly associated with 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 when the useful lives of each individual components differ.

## Accounting policies

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Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

		Useful life
Other fixtures and fittings, tools and equipment	10	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

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

### Leases

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract.

### Inventories

Inventories are measured at cost on the basis of weighted measured average prices. In cases when the net realisable value is lower than the cost, the latter is written down for impairment to this lower value.

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

### Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

### Contract work in progress

Contract work in progress is measured at the selling price of the work performed.

Contracts are recognised as trade receivables if the selling price of the work performed exceeds the invoicing on account and expected losses. Contracts are recognised as liabilities if the invoicing on account and expected losses exceed the selling price.

## Accounting policies

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### Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

### Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

### Income tax and deferred tax

Current tax receivables and tax liabilities are recognised in the statement of financial position with 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 receivables and tax liabilities are offset to the extent that a legal right of set-off exists and the items are expected to be settled net or simultaneously.

Deferred tax is tax on all temporary differences in the carrying amount and tax base of assets and liabilities measured on the basis of the planned application of the asset and disposal of the liability, respectively.

Deferred tax assets, including the tax value of tax losses eligible for carryforward, are recognised at their expected realisable value, either by settlement against tax of future earnings or by setoff in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisation value.

Deferred tax is measured on the basis of the tax rules and tax rates of applicable legislation at the reporting date and prevailing when the deferred tax is expected to be released as current tax.

### Liabilities other than provisions

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

## Income statement 1 January - 31 December

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All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
<b>Gross profit</b>	<b>1.571.061</b>	<b>-75.046</b>
1 Staff costs	-1.673.392	-1.605.740
Depreciation and impairment of property, land, and equipment	<u>-87.875</u>	<u>-98.363</u>
<b>Operating profit</b>	<b>-190.206</b>	<b>-1.779.149</b>
Other financial income from group enterprises	0	7.946
Other financial income	380	116
2 Other financial costs	<u>-109.384</u>	<u>-16.507</u>
<b>Pre-tax net profit or loss</b>	<b>-299.210</b>	<b>-1.787.594</b>
Tax on net profit or loss for the year	<u>-178.000</u>	<u>0</u>
<b>Net profit or loss for the year</b>	<b><u>-477.210</u></b>	<b><u>-1.787.594</u></b>
 <b>Proposed appropriation of net profit:</b>		
Allocated from retained earnings	<u>-477.210</u>	<u>-1.787.594</u>
<b>Total allocations and transfers</b>	<b><u>-477.210</u></b>	<b><u>-1.787.594</u></b>

## Statement of financial position at 31 December

All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>2019</u>	<u>2018</u>
<b>Non-current assets</b>		
3 Other fixtures and fittings, tools and equipment	0	271.055
Total property, plant, and equipment	0	271.055
Deposits	42.800	42.800
Total investments	42.800	42.800
<b>Total non-current assets</b>	<b>42.800</b>	<b>313.855</b>
<b>Current assets</b>		
Raw materials and consumables	0	44.439
Total inventories	0	44.439
Trade receivables	1.273.957	284.447
Contract work in progress	0	47.656
Receivables from group enterprises	158.178	2.323
4 Deferred tax assets	0	178.000
5 Income tax receivables	22.000	66.000
Prepayments and accrued income	50.912	20.875
Total receivables	1.505.047	599.301
Cash on hand and demand deposits	257.809	726.330
<b>Total current assets</b>	<b>1.762.856</b>	<b>1.370.070</b>
<b>Total assets</b>	<b>1.805.656</b>	<b>1.683.925</b>

## Statement of financial position at 31 December

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All amounts in DKK.

<b>Equity and liabilities</b>			
<u>Note</u>		<u>2019</u>	<u>2018</u>
<b>Equity</b>			
6	Contributed capital	500.000	500.000
7	Retained earnings	<u>-661.416</u>	<u>-184.206</u>
	<b>Total equity</b>	<b><u>-161.416</u></b>	<b><u>315.794</u></b>
 <b>Liabilities other than provisions</b>			
	Trade payables	94.996	63.604
	Payables to group enterprises	1.159.483	733.865
	Other payables	<u>712.593</u>	<u>570.662</u>
	Total short term liabilities other than provisions	<u>1.967.072</u>	<u>1.368.131</u>
	<b>Total liabilities other than provisions</b>	<b><u>1.967.072</u></b>	<b><u>1.368.131</u></b>
	 <b>Total equity and liabilities</b>	 <b><u>1.805.656</u></b>	 <b><u>1.683.925</u></b>
8	Charges and security		
9	Contingencies		

## Notes

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All amounts in DKK.

	<u>2019</u>	<u>2018</u>
<b>1. Staff costs</b>		
Salaries and wages	1.524.213	1.446.960
Pension costs	139.807	147.136
Other costs for social security	<u>9.372</u>	<u>11.644</u>
	<b><u>1.673.392</u></b>	<b><u>1.605.740</u></b>
 Average number of employees	 <u>3</u>	 <u>3</u>
 <b>2. Other financial costs</b>		
Other financial costs	<u>109.384</u>	<u>16.507</u>
	<b><u>109.384</u></b>	<b><u>16.507</u></b>
	 <u>31/12 2019</u>	 <u>31/12 2018</u>
<b>3. Other fixtures and fittings, tools and equipment</b>		
Cost opening balance	870.161	714.384
Additions during the year	0	155.778
Disposals during the year	<u>-870.161</u>	<u>0</u>
<b>Cost end of period</b>	<b><u>0</u></b>	<b><u>870.162</u></b>
 Depreciation and writedown opening balance	 -599.104	 -500.744
Amortisation and depreciation for the year	-112.875	-98.363
Reversal of depreciation, amortisation and impairment loss, assets disposed of	<u>711.979</u>	<u>0</u>
<b>Depreciation and writedown end of period</b>	<b><u>0</u></b>	<b><u>-599.107</u></b>
 Carrying amount, end of period	 <u>0</u>	 <u>271.055</u>
 <b>4. Deferred tax assets</b>		
Deferred tax assets opening balance	178.000	178.000
Deferred tax of the net profit or loss for the year	<u>-178.000</u>	<u>0</u>
	<b><u>0</u></b>	<b><u>178.000</u></b>



## Notes

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All amounts in DKK.

	<u>31/12 2019</u>	<u>31/12 2018</u>
<b>5. Income tax receivables</b>		
Income tax receivables opening balance	66.000	116.000
Income tax paid concerning last year	<u>-66.000</u>	<u>-116.000</u>
Income tax receivables concerning previous years	0	0
Tax paid on account for the current year	<u>22.000</u>	<u>66.000</u>
	<u><b>22.000</b></u>	<u><b>66.000</b></u>
<b>6. Contributed capital</b>		
Contributed capital opening balance	<u>500.000</u>	<u>500.000</u>
	<u><b>500.000</b></u>	<u><b>500.000</b></u>
<b>7. Retained earnings</b>		
Retained earnings opening balance	-184.206	1.603.388
Retained earnings for the year	<u>-477.210</u>	<u>-1.787.594</u>
	<u><b>-661.416</b></u>	<u><b>-184.206</b></u>
<b>8. Charges and security</b>		
None.		
<b>9. Contingencies</b>		
<b>Contingent liabilities</b>		
Lease and premises liabilities		
Operational lease and premises costs for 2020 has been incorporated in the annual report for 2019, because the related activities has ceased by 31 December 2019.		