



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 913 269 594
Organisasjonsform: Aksjeselskap
Foretaksnavn: EDGE GROUP HOLDING AS
Forretningsadresse: Solheimsgaten 7E
5058 BERGEN

Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

Konsern

Mørselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Gunnar Opkvitne
Dato for fastsettelse av årsregnskapet: 12.05.2021

Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 07.08.2022



Resultatregnskap

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		10 073 000	9 588 000
Sum inntekter		10 073 000	9 588 000
Kostnader			
Lønnskostnad		6 270 000	5 665 000
Avskrivning på varige driftsmidler og immaterielle eiendeler		639 000	570 000
Annen driftskostnad		4 467 000	5 040 000
Sum kostnader		11 376 000	11 275 000
Driftsresultat		-1 303 000	-1 687 000
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap og tilknyttet selskap		10 133 000	11 347 000
Annen renteinntekt		181 000	122 000
Sum finansinntekter		10 314 000	11 469 000
Annen rentekostnad		2 105 000	1 699 000
Sum finanskostnader		2 105 000	1 699 000
Netto finans		8 209 000	9 770 000
Ordinært resultat før skattekostnad		6 906 000	8 083 000
Skattekostnad på ordinært resultat		1 776 000	-345 000
Ordinært resultat etter skattekostnad		5 130 000	8 428 000
Årsresultat		5 130 000	8 428 000
Overføringer og disponeringer			
Ordinært utbytte		3 433 000	
Overføringer til/fra annen egenkapital		1 697 000	8 428 000
Sum overføringer og disponeringer		5 130 000	8 428 000



Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter		377 000	406 000
Utsatt skattefordel		64 000	1 066 000
Sum immaterielle eiendeler		441 000	1 472 000
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende		114 000	262 000
Sum varige driftsmidler		114 000	262 000
Finansielle anleggsmidler			
Investering i datterselskap		108 078 000	120 078 000
Andre fordringer		45 000	55 000
Sum finansielle anleggsmidler		108 123 000	120 133 000
Sum anleggsmidler		108 678 000	121 867 000
Omløpsmidler			
Varer			
Fordringer			
Andre fordringer		187 000	107 000
Konsernfordringer		17 388 000	15 008 000
Sum fordringer		17 575 000	15 115 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		346 000	288 000
Sum bankinnskudd, kontanter og lignende		346 000	288 000
Sum omløpsmidler		17 921 000	15 403 000
SUM EIENDELER		126 599 000	137 270 000



Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		1 144 000	1 164 000
Annen innskutt egenkapital		53 891 000	57 069 000
Sum innskutt egenkapital		55 035 000	58 233 000
Opptjent egenkapital			
Annen egenkapital		37 382 000	40 212 000
Sum opptjent egenkapital		37 382 000	40 212 000
Sum egenkapital		92 417 000	98 445 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner		13 372 000	19 000 000
Sum annen langsiktig gjeld		13 372 000	19 000 000
Sum langsiktig gjeld		13 372 000	19 000 000
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner		14 852 000	17 916 000
Leverandørgjeld		275 000	353 000
Betalbar skatt		774 000	
Skyldige offentlige avgifter		484 000	487 000
Utbytte		3 433 000	
Kortsiktig konserngjeld		2 000	
Annen kortsiktig gjeld		988 000	1 068 000
Sum kortsiktig gjeld		20 808 000	19 824 000
Sum gjeld		34 180 000	38 824 000
SUM EGENKAPITAL OG GJELD		126 597 000	137 269 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		154 683 000	142 386 000
Sum inntekter		154 683 000	142 386 000
Kostnader			
Varekostnad		33 000	77 000
Lønnskostnad		88 553 000	85 117 000
Avskrivning på varige driftsmidler og immaterielle eiendeler		6 036 000	5 819 000
Annen driftskostnad		33 015 000	42 446 000
Sum kostnader		127 637 000	133 459 000
Driftsresultat		27 046 000	8 927 000
Finansinntekter og finanskostnader			
Annen finansinntekt		1 593 000	2 957 000
Sum finansinntekter		1 593 000	2 957 000
Annen finanskostnad		2 738 000	2 598 000
Sum finanskostnader		2 738 000	2 598 000
Netto finans		-1 145 000	359 000
Ordinært resultat før skattekostnad		25 901 000	9 286 000
Skattekostnad på ordinært resultat		5 657 000	2 916 000
Ordinært resultat etter skattekostnad		20 244 000	6 370 000
Årsresultat		20 244 000	6 370 000



Konsernets balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter		1 736 000	978 000
Utsatt skattefordel		440 000	1 482 000
Goodwill		47 977 000	51 393 000
Sum immaterielle eiendeler		50 153 000	53 853 000
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende		3 648 000	3 821 000
Sum varige driftsmidler		3 648 000	3 821 000
Finansielle anleggsmidler			
Andre fordringer			10 000
Tilgode aksjonær i datterselskap			2 017 000
Sum finansielle anleggsmidler			2 027 000
Sum anleggsmidler		53 801 000	59 701 000
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer		59 216 000	59 762 000
Andre fordringer		1 557 000	3 065 000
Overskudd klientkontoer		4 404 000	5 980 000
Sum fordringer		65 177 000	68 807 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		8 690 000	4 481 000
Sum bankinnskudd, kontanter og lignende		8 690 000	4 481 000
Sum omløpsmidler		73 867 000	73 288 000
SUM EIENDELER		127 668 000	132 989 000



Konsernets balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		1 144 000	1 164 000
Sum innskutt egenkapital		1 144 000	1 164 000
Opptjent egenkapital			
Annen egenkapital		64 887 000	57 464 000
Sum opptjent egenkapital		64 887 000	57 464 000
Sum egenkapital		66 031 000	58 628 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner		13 372 000	19 000 000
Sum annen langsiktig gjeld		13 372 000	19 000 000
Sum langsiktig gjeld		13 372 000	19 000 000
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner		17 150 000	25 345 000
Utsatt inntekt		11 604 000	11 381 000
Leverandørgjeld		1 171 000	3 560 000
Betalbar skatt		3 304 000	1 552 000
Skyldige offentlige avgifter		2 869 000	4 359 000
Utbytte		3 433 000	
Annen kortsiktig gjeld		8 734 000	9 163 000
Sum kortsiktig gjeld		48 265 000	55 360 000
Sum gjeld		61 637 000	74 360 000
SUM EGENKAPITAL OG GJELD		127 668 000	132 988 000



ANNUAL ACCOUNTS

2020

EDGE GROUP HOLDING AS

Org nr 913 269 594



Board of Directors' Report 2020

Operations and locations

The companies that comprise Edge Group Holding AS have a common root in marine insurance broking that can be traced back to associated companies established over 25 years ago.

Today the Group procures and designs risk transfer solutions in the three principle categories of risk, physical damage to business assets, liabilities arising from ownership and deployment of those assets and loss of revenue arising from operations. The Group serves a diverse range of companies with interests in shipping, transportation, commodities, offshore and finance from key strategic locations of Bergen, Copenhagen, Hamburg, London, Oslo and Singapore.

The Group consists of operating companies conducting insurance broking and risk consulting activities, and the parent company provides management services to the operating companies.

After almost a decade of falling rates, the decline was arrested in 2017 and marine insurance rates in key classes rose by 20% in 2019 and a further 10% in 2020. Despite the arrested decline and subsequent correction actions the rates remain close to 25% below their peak in 2008 indicating that a further rate increase of a similar magnitude will be necessary to bring premium levels across typical portfolios to a sustainable level of profitability.

Throughout the period of declining rates, Edge has focused efforts upon delivering strong business retention whilst achieving new business growth. This has positioned all Group companies well to benefit from the improved market conditions and results now show a significant increase in revenues and EBITDA.

Currency rates have remained favourable, and the Group continued its policy of significantly hedging USD and EUR revenues.

The Group follows a strategy of focusing on competence and relationship driven growth in key business segments. This strategy has served the Group well and has contributed to long-term growth in the challenging market conditions that have prevailed for more than 10 years. As global marine insurance revenues are now increasing due to a hardening of the insurance markets, the Group is well positioned both in terms of portfolio, value-added product offering, global presence and cost efficiency to reap benefits from this positioning. During the year the company has increased its involvement with many of its existing clients both through share of business and with additional product sales.

The Group closed the 2020 year of account with revenues of NOK 154,682,710 (142,385,980) and an EBITDA of NOK 33,081,536 (14,746,047). The increase in revenues was 8.6%.

The hardening marine market has halted the trend towards policies of more than 12 months which has the consequential effect that distortion of revenue recognition caused by the longer term contracts



begins to adjust. The effect of all policies renewing on a normalised basis would have increased 2020 revenue by NOK 5,266,000 to deliver an adjusted growth of 12% and an adjusted EBITDA margin of 24.0%.

The Directors consider the result to be good and progressively improving trend to be positive.

Future outlook

The fundamental market conditions for 2021 remain positive significantly due to a hard insurance market which, however, yet has to make money out of its marine account. As a result, a significant number of insurers have withdrawn from the marine segment. The hard market is compounded by Covid-19 losses where the marine segment has only been moderately exposed, but where several of the leading Lloyd's syndicates with a marine presence have suffered significant losses. Lloyd's of London estimates its Covid-19 losses to be in the region of GBP 6 billion. The Covid-19 losses are also impacting the reinsurance markets in which marine insurers buy their reinsurance, with the expected effect of an increase in costs which will at least in part be passed on in higher premium costs to marine clients.

The Group reaps benefits from being present in all key insurance markets and have capitalised on intra-market flows.

The Covid-19 pandemic continues to ravage the world economy, but business has been surprisingly strong with some shipping segments recording record earnings. The company has only had insignificant adverse effects that can be attributed to Covid-19. The industry has shown resilience and has largely operated unaffected by the pandemic with use of existing technologies and a rapid adaptation to new. The company has invested in Covid-19 office hardening measures but has largely operated from home offices during the pandemic, with cost reductions notably in travelling and entertainment. The meeting of all offices on the same locations of Zoom and Microsoft Teams has boosted intercompany cooperation and delivered efficiency gains. The Group expects that significant parts of these gains can be maintained after the pandemic.

As this report goes to print vaccination rollout has been considerable in some of the West's most affected nations, with Europe also well under way, and shipping centres in Asia have through lockdown and vaccine measures been very successful in containing the pandemic. Business outlooks are positive as key economies are expected to come up to speed in the second half of 2021. The success of notably China in containing the pandemic and the normalisation of its industries has caused significant container trade disruption with a piling up of containers in America and a resulting shortage in Asia.



Comments related to the financial statements

The parent company had a negative operating result of NOK 1.3 million in 2020. Result before tax was NOK 6.9 million and result after tax positive NOK 5.1 million. The company will pay dividend for 2020 at NOK 3 per share. NOK 1,697,413 is recommended transferred to other equity.

The Group's full year consolidated revenues increased from NOK 142.4 million in 2019 to NOK 154.7 million in 2020. EBITDA was NOK 33.1 million in 2020 compared with NOK 14.7 million in 2019. Consolidated operating profit before tax in 2020 was NOK 25.9 million, against NOK 9.3 million in 2019.

The Group's total cash flow from operating activities was NOK 30.7 million, cash flow from investing activities was minus NOK 3.3 million, cash flow from financing activities was negative by NOK 21.5 million and net increase in cash was NOK 4.2 million.

The Group's investments during 2020 amounted to NOK 3.3 million related to normal renewal of office equipment and IT.

Group's equity was NOK 66.0 (58.6) million and the equity of the parent company was NOK 92.4 million, corresponding to equity ratios of respective 52% and 73% .

Financial risk

Overall view on objectives and strategy

The company is exposed to financial risk in different areas, especially exchange rate risk. To offset this risk the company operates a currency hedge strategy where 50-70% of the USD and EUR income is hedged to operating cost currencies on a 12-24 month forward revolving basis, ref. note 16 to the Financial Statements.

Market risk

A majority of the Group's income is commission based. With falling rates, this also means the Group's income falls, unless other remuneration models can be agreed with clients as they continue to have higher benefit of the services provided. Conversely with increasing rates, commission income increases.

An increasing part of the portfolio is fee and consultancy based.

In the Special Risk segment demand is high and margins are attractive.

Credit risk

The risk for losses on receivables continues to be low by virtue of the interest lending banks have in keeping compulsory insurances intact. Long term credit losses have been negligible.



Liquidity risk

The Group's liquidity is satisfactory and strengthening following a growth of business volumes and improved trading conditions.

Going concern

In accordance with the Accounting Act § 3-3a, we confirm that the financial statements have been prepared under the assumption of going concern. This assumption is based on profit forecasts for the year 2021 and the Group's long-term forecasts. The Group's economic and financial position is sound.

Sustainability

Edge recognizes it is a small company with a modest global footprint. However, Edge is an integral part of a value chain that dominates world trade. Edge is required to understand risk and secure risk transfer in order to keep goods and services moving around the globe. This requires the company to be aware of the consequences of our choices when travelling, what business we support, and the influence Edge can exert on its trading partners. By setting realistic and achievable goals for sustainability within our own organization, Edge aims to play its part in making the maritime industry focus on a better future.

Further information on Edge's sustainability goals can be found on the Group's website.

The working environment and the employees

Edge Group Holding AS had 2 employees in 2020, both men. Sickness absence was 1%

The Group had a total of 79 employees in Bergen, Copenhagen, Hamburg, London, Oslo and Singapore.

The working environment is considered to be good, and efforts for further improvements are made on an ongoing basis.

Environmental report

The Group companies and their operations do not have a material negative effect upon the external environment.



Allocation of net income

The Board of Directors recommends the net income of Edge Group Holding AS of NOK 5,130,445 to be transferred to:

Reserved for dividend	NOK 3,433,032
Retained Earnings	NOK 1,697,413

Tom Middtun
CEO / Board member

David A. Edwards
Board member

Nils B. Rokne
Board member

Bergen, 12 May 2021,

Per Etholm
Chairman

Tom Hellebø
Board member

Jan J. Greve
Board member



Company		Note	Operating Income and operating expenses		Note	Group	
2019	2020		(All numbers are NOK '000)			2020	2019
9 588	10 073		Other operating income	1	154 683	142 386	
9 588	10 073		Operating Income	10	154 683	142 386	
			Cost of goods		33	77	
5 665	6 270		Payroll expenses	4	88 553	85 117	
570	639		Depreciation and amortisation expense	5	6 036	5 819	
5 040	4 467	4	Other operating expenses		33 015	42 446	
11 275	11 377		Total Operating expenses		127 637	133 459	
-1 687	-1 304		Operating profit		27 045	8 927	
11 347	10 133		Income from subsidiaries and other group entities				
122	181		Other financial income	8	1 593	2 957	
0			Interest expense from Group entities				
1 699	2 105	8	Other financial expenses	8	2 738	2 598	
9 770	8 210		Net financial income and expenses		-1 145	359	
8 083	6 906		Operating profit before tax		25 900	9 286	
-345	1 776	2	Tax on ordinary result	2	5 657	2 916	
8 428	5 130		Net result		20 243	6 369	
			Minority share		0	365	
			Majority share		20 243	6 004	
			Distribution				
8 428	1 697		To other Equity				
	3 433		Reserved for dividend				
			From other Equity				
			Group contribution				
8 428	5 130		Net brought forward				



Edge Group Holding AS

(All numbers are NOK '000)

Company		Assets		Group		
2019	2020	Note		Note	2020	2019
			Fixed assets			
			<i>Fixed assets</i>			
406	377	5	Intangible assets	5	1 736	978
1 066	64	2	Deferred tax assets	2	440	1 482
			Group goodwill	5	47 977	51 393
<u>1 472</u>	<u>441</u>		Total intangible assets		<u>50 153</u>	<u>53 853</u>
			<i>Fixed assets</i>			
			Premises		0	0
262	114	5	Office furniture, machinery and equipment	5	3 648	3 821
<u>262</u>	<u>114</u>		Total fixed assets	5	<u>3 648</u>	<u>3 821</u>
			<i>Other Long term investments</i>			
120 078	108 078	9	Investment in subsidiaries			
			Receivables from Shareholder	13	0	2 017
55	45	8	Other Financial assets	8	0	10
<u>120 133</u>	<u>108 123</u>		Total other long term investments		<u>0</u>	<u>2 027</u>
			<i>Current Assets</i>			
			Accounts receivable	11	59 216	59 762
107	187		Other receivables	11	1 557	3 065
			Surplus client accounts		4 404	5 980
15 008	17 388	13	Group receivables			
<u>15 116</u>	<u>17 574</u>		Total receivables		<u>65 177</u>	<u>68 806</u>
			<i>Cash on hand and deposits</i>			
288	346	6	Cash on hand and deposits	6	8 690	4 481
<u>15 403</u>	<u>17 920</u>		Total current assets		<u>73 867</u>	<u>73 288</u>
<u>137 269</u>	<u>126 598</u>		Total assets		<u>127 668</u>	<u>132 990</u>



2019	2020		SHAREHOLDER'S EQUITY AND LIABILITIES		2020	2019
			<i>Shareholders' equity</i>			
1 164	1 144	3	Share capital	3	1 144	1 164
57 069	53 891		Premium Reserve			
58 234	55 036		Total paid in capital		1 144	1 164
			<i>Retained earnings</i>			
40 212	37 382		Other equity		64 887	57 464
40 212	37 382		Total retained earnings /uncovered loss		64 887	57 464
			Minority interest		0	0
98 446	92 417	12	Total shareholders' equity	12	66 031	58 629
			<i>Long term liabilities</i>			
19 000	13 372	7, 17	Charges	7, 17	13 372	19 000
19 000	13 372		Total long term liabilities		13 372	19 000
			<i>Current liabilities</i>			
17 916	14 852		Deferred, not earned commissions		11 604	11 381
353	275		Debt to finance institutions	17	17 150	25 345
487	484		Debt to suppliers		1 171	3 560
	3 433		Public duties payable		2 869	4 359
	774		Dividends		3 433	0
0	2	13	Taxes payable	2	3 304	1 552
1 068	988		Group debt			
19 823	20 809		Other current liabilities		8 734	9 163
			Total current liabilities		48 265	55 361
38 823	34 181		Total liabilities		61 637	74 361
137 269	126 598		Total shareholders' Equity and Liabilities		127 668	132 990

Bergen/Oslo, 12.05.2021

Per Etholm
Chairman of the Board

David A Edwards
Board member

Jan J. Greve
Board member

Nils B Rokne
Board member

Tom E Midttun
Board member/CEO

Tom Hellebø
Board member



Cash flow report 2020

(All numbers are NOK '000)

Edge Group Holding AS

Company			Group	
2019	2020		2020	2019
		Cash flow from operational activities		
8 083	6 906	Result before tax	25 900	9 286
		Paid Company tax	-2 600	-2 566
		Profit/loss from sale of Fixed Assets		
570	639	Ordinary Depreciations	6 036	5 819
75	10	Financial costs with no cash effects	10	75
		Change in Accounts Receivables	545	-4 890
298	-77	Change in Accounts Payable	-2 389	1 398
-6 299	-2 377	Change in Group debt and receivables		
-415	-163	Change in other timing differences	3 221	-1 041
2 311	4 938	Net Cash Flow from operational activities	30 724	8 080
		Cash flow from Investing activities		
		Income by sale of Fixed Assets		
-16	-462	Purchase of new Fixed Assets	-3 284	-3 177
-5 901		Purchase of shares in other companies		-5 901
	12 000	Income by pay-back or sale of shares in other companies		
		Income by sale of other investments		
-5 917	11 538	Net cash flow from other investing activities	-3 284	-9 078
		Cash Flow from Financing activities		
5 500		Incoming payments by increase in new long term debt		5 500
		Incoming payments by increase in new short term debt		
3 964	-3 063	Change in overdraft facility	-8 195	-2 352
-6 000	-5 628	Outgoing payments by decrease/down payments on long term debt	-5 628	-6 000
	596	Incoming payments by increase in Equity	596	
	-3 794	Outgoing payments by decrease in Equity	-3 794	
	-4 528	Dividend	-4 528	
3 464	-16 417	Net change in Financing activities	-21 549	-2 852
		Change due to FX change on cash and other cash equivalents	-1 682	479
-142	58	Net change in Cash	4 208	-3 371
429	288	Balance at beginning of period	4 481	7 852
288	346	Balance at end of period	8 690	4 481



Edge Group Holding AS

Notes to the Annual Accounts 2020 (all numbers are NOK '000)

Note 1 - Accounting principles

The annual report is prepared in accordance with the Norwegian Accounting Act 1998 and generally accepted accounting principles.

Balance sheet classification and evaluation

Current assets and liabilities comprise entries due within one year, and entries related to goods circulation. Other entries are classified as fixed assets or long-term liabilities.

Current assets are valued at the lower of acquisition cost and fair value. Current liabilities are recognized at nominal value.

Fixed assets are valued by the acquisition cost, in the case of non incidental reduction in value the asset will be written down to the fair value. Long term liabilities are recognized at nominal value.

Intangible fixed assets

Expenses for intangible assets, such as research and development expenditures, are capitalised to the extent the criteria for capitalisation are fulfilled.

Purchased intangible assets bought singlehanded are recorded at historical cost.

Purchased intangible assets are carried at historical cost, but are written down if a decline in fair value below the carrying amount is expected to be permanent.

Goodwill are depreciated on a basis of 20 years linear depreciation. The Group consider these goodwill amounts to reflect the underlying value of entities with long proved earnings and on established market position which will generate cash flows over a long period.

Accounts receivables

Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful receivables. Provisions for doubtful receivables are calculated on the basis of individual assessments.

Foreign currency

Foreign currency transactions are translated using the year end exchange rates.

Currency hedge

Currency forward contracts are used to hedge a share of the expected commission income cash flow. Hedged assets are recorded at a value reflecting the hedging. Currency forward contracts used as safeguarding instrument are not recorded in the Balance sheet. Realized profit and loss from forward contracts are recorded as commission income.

Property, plant and equipment

Property, plant and equipment is capitalized and depreciated over the estimated useful economic life. Direct maintenance costs are expensed as incurred, whereas improvements and upgrading are capitalized to the acquisition cost and depreciated along with the asset. If carrying value of a non current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value.

Pension

Pension cost are booked according to last year paid in premium. The company does not have any pension liabilities. The Group's employees are covered by a Defined Contribution Plan.

Investment in associations

Investment in associations are reported in the annual accounts at cost. The investment is valued as cost of the shares, less any impairment losses. An impairment loss is recognized if the impairment is not considered temporary, in accordance with generally accepted accounting principles.

Due to the ownership of subsidiaries any dividends, group contributions and other distributions from subsidiaries are recognized in the year the distributed dividend is earned (the year before decision).

Consolidated accounts

Consolidated accounts are prepared in accordance with general accepted accounting rules. Net investment and debt / receivables in the Group has been netted out.

Income tax

Tax expenses in the profit and loss account comprise both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated at relevant tax rate by country on the basis of existing temporary differences between accounting profit and taxable profit together with tax deductible deficits at the year end. Temporary differences, both positive and negative, are balanced out within the same period. Deferred tax asset is recorded in the balance sheet to the extent it is more likely than not that the tax asset will be utilized.

Cash flow analysis

Cash flow analysis is prepared using indirect method. Cash and cash equivalents include cash and bank assets



Use of estimates

The management has used estimates and assumptions that have affected assets, liabilities, incomes, expenses and on potential liabilities in accordance with generally accepted accounting principles.

Revenue recognition

Revenues from brokerage, commissions and fees relating to fixed or minimum premiums on insurance contracts and programmes placed are recognized as revenue for the later of policy inception date or when the policy has been completed and confirmed.

Where contractual obligations exist for the performance of post-placement activities a relevant proportion of revenue received on placement is deferred to cover the associated contractual obligation

Client fund

Client fund, client liabilities and client assets are not included in the company's balance sheet as these funds are held on separate client fund accounts.

Note 2 - Tax

	Group	
This years tax cost consist of:	2020	2019
Payable tax	4 183	2 841
Change in deferred tax	1 338	75
Too much / too less expensed last year	136	0
Net tax cost	5 657	2 916

	2020	2019
This year payable tax is derivate from:		
Profit before tax	28 537	21 395
Temporary differences	-3 416	-432
Permanent differences	-1 264	-12 027
Changes tax loss carried forward	-4 628	32
Basis for payable tax	19 229	8 967

	Group	
	2020	2019
Payable tax		
Payable tax this year	4 141	2 841
Exchange differences	211	79
Paid in advance	-1 048	-1 368
Net tax payable at 31.12.	3 304	1 552

Specification of tax effects from temporary differences - Group

	01.01.2020	31.12.2020	Changes
Receivables	-175	-175	0
Fixed assets	-616	-32	-583
Derivatives	1 643	0	1 643
Deferred revenue	-2 107	-2 107	0
Recognized dividend from daughter	0	0	0
Other differences	0	536	-536
Tax loss carried forward	-4 639	-11	-4 628
Deferred tax/Tax benefit	-5 894	-1 790	-4 104

Net deferred taxes -1 482 -440 -1 043

Deferred tax is recognized in the Balance Sheet as the Company presume taxable results in the future
For 2019 NOK 611k of the change in Deferred tax is booked directly to Equity.

	Company	
This years tax cost consist of:	2020	2019
Payable tax	774	0
Change in deferred tax	1 002	-345
Too much / too less expensed last year	0	0
Net tax cost	1 776	-345

	2020	2019
This year payable tax is derivate from:		
Profit before tax	6 906	8 083
Temporary differences	74	100
Permanent differences	1 166	-9 652
Unused tax loss carried forward	-4 628	1 469
Basis for payable tax	3 519	0



Temporary differences Holding:

	Company		
	01.01.2020	31.12.2020	Changes
Fixed Assets	-217	-291	74
Tax loss carried forward	-4 628	0	-4 628
Deferred tax/Tax benefit	-1 066	-64	-1 002

Note 3 - Share holders

The company's shareholder is:

Name	Ownshare/ Voting rights
Midttun Holding AS	34,6 %
David A. Edwards	33,7 %
Nibro Invest AS	15,7 %
Tom Hellebø	9,6 %
Oceanis Invest AS	4,9 %
Øst Vest Invest AS	0,6 %
Jens Ringefelt	0,7 %
Jon Eirik Einarsveen	0,4 %
Total	100,0 %

The company is not holding own shares

Note 4 - Employees , benefits

	Group	
	2020	2019
Salaries	76 236	73 290
Pension costs	4 425	4 178
Other benefits	7 892	7 649
Sum Salary expenses	88 553	85 117
Average Full Time Equivalents	75	74

Salary & Benefits

	CEO	Board
Salary	3 467	250
Other Benefits	31	
Pension funding	180	

Auditor

Expensed auditor fee for 2020 is NOK 170,000. In addition 91,500 for advisory

Note 5 - Fixed Assets

	Group				
	Machines/furniture etc	Lincencees	Art	Goodwill	In All
Book value as of 01.01	20 100	3 776	21	66 322	90 219
FX changes	-146	0	0	0	0
This years additions	2 068	1 216	0	0	3 284
This years deductions	395	0	0	0	395
Acc depreciations 31.12.	18 001	3 256	0	18 344	39 601
Book value 31.12.	3 626	1 736	21	47 977	53 362
This years Depreciations	2 163	458	0	3 416	6 036
Annual Depreciationsin %	33 %	33 %	0 %	5 %	
Economical lifecycle	3	3		20	
Depreciation plan	Linear	Linear		Linear	

No assets have been written down

	Group	
	2020	2019
Additions	3 284	5 807
Deductions / Sales	395	293

	Company		
	Machines/furniture etc	Lincencees	In All
Book value as of 01.01	726	950	1 676
This years additions	126	336	462
This years deductions	0	0	0
Acc depreciations 31.12.	738	909	1 647
Book value 31.12.	114	377	491
This years Depreciations	274	365	639
Annual Depreciationsin %	33 %	33 %	20 %
Economical lifecycle	3	3	5
Depreciation plan	Linear	Linear	Linear



	Company	
	2020	2019
Additions	462	16

Note 6 - Escrow Account

	Group	
	2020	2019
In account for cash balance are assets for employee taxes included by	1 397	1 230
Employee tax debt as of 31.12. was:	2 573	3 086

	Company	
	2020	2019
In account for cash balance are assets for employee taxes included by	346	288
Employee tax debt as of 31.12. was:	346	288

Note 7 - Longterm debt

	Company	Group
The company had as of 31.12 long term debt payable 1-5 year of:	13 372	13 372

Note 8 - Other items

	Group	
	2020	2019
Interest income financial institutions	819	2 561
FX gain	765	354
Other Financial income	8	41
Other Financial income	1 593	2 957

	Group	
	2020	2019
Interest expense financial institutions	1 914	2 500
FX loss	814	23
Depriciation refinancing costs	10	75
Other financial items:	2 738	2 598

	Company	
	2020	2019
Interest income from subsidiaries	0	0
Interest income	1	3
FX gain	181	119
Other financial items:	181	122

	Company	
	2020	2019
Interest expense financial institutions	1 294	1 623
FX loss	801	1
Depriciation refinancing costs	10	75
Other financial items:	2 105	1 699

Note 9 - Daugther companies, other entities:

The investments are accounted for using cost method. The company have the following ownership in daughter entities and other affiliated entities:

Name	Invested year	Ownership / Voting rights	Equity 31.12.2020	Profit 2020	Book value
Edge Norway AS	2015	100 %	8 969	11 249	45 890
Edge Denmark ApS	2017	100 %	536	192	62
Edge Brokers (London) Ltd	2017	100 %	15 822	10 125	62 096
Edge Insurance Technologies	2018	100 %	20	-1	30
					108 078

Note 10 - Sales revenue

The company's revenue is mainly coming from Norway/Nordic, Europe, Asia and America. Goods and

	Geographical Area	2020		2019	
		2020	2019	2020	2019
Brokering services	Norway/Nordic	34 377	32 575		
Brokering services	Europa	59 361	53 018		
Brokering services	Asia	52 782	53 605		
Brokering services	Americas	3 085	1 778		
Brokering services	Others	5 068	1 353		
Other income	Other income	11	57		
Sum		154 683	142 386		

**Note 11 - Accounts Receivables and other receivables**

The Group's AR have been valued at current value, reduced by accruals for bad debt by 6.094.499. Accruals for bad debt in 2016 was 5.860.381

Credit risk	Group 2020		
	Gross	Impairment	Net
Past due 1 to 60 days	12 030	0	12 030
Past due 61-90 days	1 552	0	1 552
Past due over 91 days	18 902	-8 439	10 463
Total	32 484	-8 439	24 045

Credit risk	Group 2019		
	Gross	Impairment	Net
Past due 1 to 60 days	14 901	0	14 901
Past due 61-90 days	1 644	0	1 644
Past due over 91 days	19 878	-6 782	13 095
Total	36 423	-6 782	29 641

The Group has other receivables of:	Group	
	2020	2019
Prepaid expenses	1 337	1 932
Surplus client accounts, not collected commission	4 404	4 915
Other receivables	220	1 208
Sum	5 961	8 055

Note 12 - Equity

Company	Share capital	Share premium	Other Equity	Total Equity
As of 01.01.2020	1 164	57 069	40 212	98 446
Issue new shares	12	584	0	596
Cancel of shares	-32	-3 762	0	-3 794
This year result	0	0	5 130	5 130
Paid Dividend	0	0	-4 528	-4 528
For Dividend	0	0	-3 433	-3 433
Equity as of 31.12.2020	1 144	53 891	37 382	92 417

Group	Share capital	Other Equity	Sum Equity
As of 01.01.2020	1 164	57 464	58 629
Issue new shares	12	584	596
Cancel of shares	-32	-3 762	-3 794
This year result	0	20 243	20 243
Paid Dividend	0	-4 528	-4 528
For Dividend	0	-3 433	-3 433
Exchange differences	0	-1 682	-1 682
Equity as of 31.12.2020	1 144	64 887	66 031

Note 13 - Transactions and balances with close parties:

Company	2020	2019
	Loan to shareholder	0

Company	2020	2019
	Group receivables	17 388
Group debt	2	0

**Note 14 - SUBSTANCIAL LEASE ARRANGEMENTS**

	Less than 1 year	1-5 year	Over 5 year
Lease arrangement, offices,	5 133	1 200	0

Note 15 - FINANCIAL AND OPERATIONAL LEASING

	Less than 1 year	1-5 year	Over 5 year
Lease company cars and office furniture/machines	1 601	328	0

Note 16 - FOREIGN EXCHANGE HEDGING

Edge Group has entered into foreign exchange hedging related to sale of USD, SGD and EUR
Sold volume as of 31.12.2020 is totalling USD 11,700,000, SGD 1,200,000 and EUR 400,000. Assets in foreign currency that has been hedged are accounted for at hedging value

NOTE 17 - Charges and guarantees

Booked debt secured by charges and other:
Debt to financial institutions, long term

Company	
2020	2019
13 372	19 000

Booked debt secured by charges and other:
Debt to financial institutions, long term
Debt to financial institutions, short term and draft facility at NOK
Sum

Group	
2020	2019
13 372	19 000
17 150	25 133
30 522	44 133

Booked value of asset placed as security for booked debt

Accounts Receivables:

Group	
2020	2019
25 000	25 000

The Group has given lease guarantee for NOK 1,016,000

NOTE 18 - Closing account remarks

The board keep under review a dispute that arose on an insurance policy arranged by Edge Brokers (London) Ltd, (EBL) in 2016 on behalf of the commodity trading subsidiary of an international bank. The bank made a claim upon insurers who disputed liability and included EBL as defendants. The matter was litigated in the UK Commercial Court and in a judgement issued in February 2021 the majority of insurers were found liable. EBL have a Professional liability policy for an amount that met the requirements of the UK Financial Conduct Regulator and it has responded to the extent of the liability found against EBL. There are no further immediate financial considerations in this matter although underwriters are seeking leave to appeal the judgement. In our view the potential costs are covered in Financial Statement.



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To the Shareholders' Meeting of
Edge Group Holding AS

Independent auditor`s report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Edge Group Holding AS (the Company), showing a profit of KNOK 5 130 in the financial statements of the parent company and a profit of KNOK 20 243 in the financial statements of the group, in our opinion:

- The financial statements are prepared in accordance with laws and regulations
- The accompanying financial statements give a true and fair view of the financial position of the parent company as at December 31, 2020, and (of) its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.
- The accompanying financial statements give a true and fair view of the financial position of the group as at December 31, 2020, and (of) its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

The financial statements comprise:

- The financial statements of the parent company, which comprise the balance sheet as at December 31, 2020, and the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the group, which comprise the balance sheet as at December 31, 2020, and the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, included International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company as required by laws and regulations, 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

Other Information

Management is responsible for the other information. The other information comprises the information included in the Board of Directors report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (Management) are responsible for the preparation and fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, 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 Group'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 Group 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 that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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.

Refer to <https://revisorforeningen.no/revisjonsberetninger> which contains a description of Auditor's responsibilities.

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

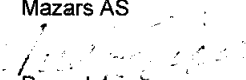
Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report and in the statements on Corporate Governance and Corporate Social Responsibility concerning the financial statements, the going concern assumption and the proposal for the coverage of the loss is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, «Assurance Engagements Other than Audits or Reviews of Historical Financial Information», it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Oslo, 12.05.2021

Mazars AS



Rune Jalving

State Authorized Public Accountant



Skattedirektoratet

MOTTATT

29 APR. 2016



Saksbehandler
Rune Tystad

Deres dato
22.04.2016

Vår dato
28.04.2016

Telefon
977 59 464

Deres referanse
Gunnar Opkvitne

Vår referanse
2016/387469

EDGE NORWAY AS
Solheimsgaten 15
5058 BERGEN

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Edge Group Holding AS med datterselskaper

- Vi viser til deres brev av 22. april 2016 hvor dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for

Edge Group Holding AS, org.nr. 913 269 594,
Edge Norway AS, org.nr. 991 407 227 og
NorthEdge Energy & Specialty AS, org.nr. 993 798 657.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskapene dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Edge Group Holding AS er morselskap i konsernet. NorthEdge Energy & Specialty AS skal innfusjoneres i Edge Norway AS med virkning fra 1. januar 2016 slik at søknaden for dette selskapet kun gjelder for 2015.

Søknaden baserer seg på følgende begrunnelse:

- Selskapet har som formål å eie aksjer i selskaper som driver forsikringsformidling, og mer spesifikt forsikringsformidling innenfor Marine forsikringer, dvs rettet mot shipping kunder over hele verden
- Selskapets forretningspråk er engelsk
- Selskapet har utenlandske eiere i form av Mr. David Edwards, London, UK (Leder av vårt London kontor med 40 ansatte, eierandel 33,47 %) og Mr Tom Hellebø, Singapore (Leder av vårt Singapore selskap, 8,76 % eierandel)
- Selskapet har ytterligere utenlandske eiere på vei inn som aksjonærer i form av Mr David Alwyn basert i Luxembourg. (Vil tegne en 2,5 % andel på kommende generalforsamling)
- Selskapet har utenlandske styremedlemmer i form av Mr. David Edwards, London, UK og Mr Tom Hellebø, Singapore

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0134 Oslo

Besøksadresse:
Se www.skatteetaten.no
Org.nr: 996250318
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Sentralbord
800 80 000
Telefaks
22 17 08 60



- Selskapet har utelukkende næringsdrivende som kunder i form av shipping selskaper basert i Norge, Sverige, Island, Europa (Tyskland, Hellas og Kypros som de største), Asia (primært Singapore og Malaysia)
- Selskapet har datterselskaper i Norge, UK, Tyskland og Singapore

Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal ”årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk.”

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “informative regnskaper for ulike grupper av regnskapsbrukere”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapene operer i en bransje av sterk internasjonal karakter og at arbeidsspråket er engelsk. Videre er det vektlagt at flere av aksjonærene og styremedlemmene er utenlandske.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland
Seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Rune Tystad

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer