



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 997 329 910
Organisasjonsform: Aksjeselskap
Foretaksnavn: PENTAGON FREIGHT SERVICES AS
Forretningsadresse: Mjåvannsvegen 154
4628 KRISTIANSAND S

Regnskapsår

Årsregnskapets periode: 01.05.2021 - 30.04.2022

Konsern

Morselskap i konsern: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Morten Årikstad
Dato for fastsettelse av årsregnskapet: 31.10.2022

Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

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, 17.10.2023



Resultatregnskap

| Beløp i: NOK | Note | 2022 | 2021 |
|--|------|--------------------|--------------------|
| RESULTATREGNSKAP | | | |
| Inntekter | | | |
| Sales revenue | 1, 2 | 530 430 724 | 356 520 712 |
| Other revenues | 2 | 2 623 312 | |
| Sum inntekter | | 533 054 036 | 356 520 712 |
| Kostnader | | | |
| Raw materials and consumables used | 2 | 418 622 165 | 290 946 469 |
| Payroll expenses | 3 | 60 214 689 | 47 488 044 |
| Depreciation of tangible and intangible fixed assets | 6 | 2 516 318 | 3 098 980 |
| Other expenses | 2, 3 | 34 738 790 | 19 731 492 |
| Sum kostnader | | 516 091 962 | 361 264 985 |
| Driftsresultat | | 16 962 074 | -4 744 273 |
| Finansinntekter og finanskostnader | | | |
| Annen renteinntekt | | 777 588 | 428 722 |
| Other financial income | | 402 526 | 3 833 937 |
| Sum finansinntekter | | 1 180 114 | 4 262 659 |
| Write-down of financial current assets | 9 | | |
| Annen rentekostnad | | 1 784 179 | 1 458 628 |
| Other financial expenses | | 437 557 | 12 255 666 |
| Sum finanskostnader | | 2 221 736 | 13 714 294 |
| Netto finans | 4 | -1 041 622 | -9 451 635 |
| Ordinært resultat før skattekostnad | | 15 920 452 | -14 195 908 |
| Income tax expense | 5 | 3 547 922 | -2 861 708 |
| Ordinært resultat etter skattekostnad | | 12 372 530 | -11 334 200 |
| Årsresultat | | 12 372 530 | -11 334 200 |
| Årsresultat etter minoritetsinteresser | | 12 372 531 | -11 334 201 |
| Overføringer og disponeringer | | | |



Resultatregnskap

| Beløp i: NOK | Note | 2022 | 2021 |
|--|-------------|-------------------|--------------------|
| Udekket tap | | 1 931 791 | -1 931 792 |
| Other equity | | 10 440 739 | |
| Transferred from other equity | | | -9 402 409 |
| Sum overføringer og disponeringer | 13 | 12 372 530 | -11 334 201 |



Balanse

| Beløp i: NOK | Note | 2022 | 2021 |
|---|-----------------|--------------------|-------------------|
| BALANSE - EIENDELER | | | |
| Anleggsmidler | | | |
| Immaterielle eiendeler | | | |
| Utsatt skattefordel | 5 | 608 386 | 4 156 308 |
| Goodwill | 6 | 3 167 833 | 4 818 625 |
| Sum immaterielle eiendeler | | 3 776 219 | 8 974 933 |
| Varige driftsmidler | | | |
| Land, buildings and other real estate | 6, 11 | | |
| Plant and machinery | 6, 11 | 1 868 574 | 1 917 436 |
| Ships, rigs and other semi submersible installations | 6, 11 | | |
| Equipment., fixtures and fittings and other movables | 6, 11 | | |
| Sum varige driftsmidler | 6 | 1 868 574 | 1 917 436 |
| Finansielle anleggsmidler | | | |
| Investering i datterselskap | | | 4 510 093 |
| Lån til foretak i samme konsern | 8 | 24 968 985 | 14 878 211 |
| Investeringer i tilknyttet selskap | 7 | 2 375 000 | 390 000 |
| Lån til tilknyttet selskap og felles kontrollert virksomhet | | | 500 000 |
| Other long-term receivables | | 723 421 | 909 421 |
| Sum finansielle anleggsmidler | | 28 067 406 | 21 187 725 |
| Sum anleggsmidler | | 33 712 199 | 32 080 094 |
| Omløpsmidler | | | |
| Varer | | | |
| Inventories | 11 | | |
| Fordringer | | | |
| Accounts receivable | 8, 9, 10, 11 | 106 244 191 | 62 408 705 |
| Other short-term receivables | | 9 638 007 | 7 407 413 |
| Konsernfordringer | 8 | 7 054 914 | 537 617 |
| Sum fordringer | | 122 937 112 | 70 353 735 |
| Bankinnskudd, kontanter og lignende | | | |



Balanse

| Beløp i: NOK | Note | 2022 | 2021 |
|--|-------------|--------------------|--------------------|
| Cash and Cash Equivalents | 12 | 2 627 155 | 2 313 757 |
| Sum bankinnskudd, kontanter og lignende | | 2 627 155 | 2 313 757 |
| Sum omløpsmidler | | 125 564 267 | 72 667 492 |
| SUM EIENDELER | | 159 276 466 | 104 747 586 |

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

| | | | |
|---------------------------------|--------|-------------------|-------------------|
| Share capital | 13, 14 | 10 100 000 | 10 100 000 |
| Beholdning av egne aksjer | 13 | | |
| Overkurs | 13 | | |
| Annen innskutt egenkapital | 13 | | |
| Sum innskutt egenkapital | | 10 100 000 | 10 100 000 |

Opptjent egenkapital

| | | | |
|---------------------------------|----|-------------------|-------------------|
| Other equity | 13 | 10 440 739 | |
| Udekket tap | 13 | | 1 931 792 |
| Sum opptjent egenkapital | | 10 440 739 | -1 931 792 |

Sum egenkapital

20 540 739 **8 168 208**

Gjeld

Langsiktig gjeld

| | | | |
|-----------------------------------|----|-------------------|-------------------|
| Utsatt skatt | 5 | | |
| Annen langsiktig gjeld | | | |
| Gjeld til kredittinstitusjoner | 11 | 8 650 000 | 14 000 000 |
| Langsiktig konserngjeld | 8 | 2 500 000 | 2 500 000 |
| Sum annen langsiktig gjeld | | 11 150 000 | 16 500 000 |

Sum langsiktig gjeld

11 150 000 **16 500 000**

Kortsiktig gjeld

| | | | |
|---------------------------------------|----|------------|------------|
| Liabilities to financial institutions | 11 | 16 288 747 | 4 107 257 |
| Leverandørgjeld | 8 | 60 883 119 | 34 535 238 |



Balanse

| Beløp i: NOK | Note | 2022 | 2021 |
|---------------------------------|-------------|--------------------|--------------------|
| Tax payable | 5 | | |
| Public duties payable | | 4 537 059 | 4 729 879 |
| Kortsiktig konserngjeld | | | 1 300 000 |
| Other short-term liabilities | 10, 11 | 45 876 800 | 35 407 004 |
| Sum kortsiktig gjeld | | 127 585 725 | 80 079 378 |
| | | | |
| Sum gjeld | | 138 735 725 | 96 579 378 |
| | | | |
| SUM EGENKAPITAL OG GJELD | | 159 276 464 | 104 747 586 |



Annual Report 2022 Pentagon Freight Services AS

Organization number: 997 329 910



The Board of Director's Report 2022 for Pentagon Freight Services AS

Operations and locations

Pentagon Freight Services AS is a company whose business consists of all types of transport services with specialization in the oil- and gas industry, including participation with similar activities. The Company's main office is in Kristiansand, with offices in Stavanger, Larvik and Oslo.

Comments related to the financial statements

The Company's revenues increased from TNOK 356 521 in 2021 to TNOK 533 054 in 2022. Operating profit increased from TNOK -4 744 from 2021 to TNOK 16 962 in 2022.

Profit before income tax increased from TNOK -14 196 in 2021 to TNOK 15 920 in 2022. Increased efficiency in operations and cost-effective initiatives contributed to satisfactory financial results in 2022, as well as establishment of the new sister company Pentagon Transport Nordic AS and reorganization of the Company. Additionally, the activity in the Company has increased due to general market increase. Due to the fluctuations in the Company's liquidity, the board of directors have focus on having sufficient liquidity reserves in the Company. The cash /cash equivalents position was TNOK 2 627 pr. 30.04.2022 and TNOK 2 314 pr. 30.04.2021. Unused overdraft facilities were TNOK 3 211 pr. 30.04.2022 and TNOK 15 400 pr. 30.04.2021.

The total capital was TNOK 159 276 pr. 30.04.2022 and TNOK 104 748 pr. 30.04.2021. Equity was TNOK 20 541 pr. 30.04.2022 (12,9 %), an increase from TNOK 8 168 (7,8 %) in 2021.

Total cash flow from operating activities was TNOK 2 666 in 2022, and the operating profit constituted TNOK 16 962. The difference mainly concerns change in accounts receivable and accounts payable.

Short-term debt as of 30.04.2022 constituted 92 % of the Company's total debt, compared to 83 % as of 30.04.2021. This increase is partly attributable to repayments of long-term debt. Total assets at year-end amounted to TNOK 159 276, compared to TNOK 104 748 last year.

Divestment of road transport business

The Company's operations in road transport has been reorganized at the end of FY 2022 (April 30th). A new transport company, Pentagon Transport Nordic AS has been established, with Pentagon Transport AS and Vennesla Transport AS as 100 % owned subsidiaries. Pentagon Transport Nordic AS is owned by Pentagon North Europe AS (holding company), with 75 % ownership, and is consolidated in this company's annual report.

Divestment of the business has impacted the financial figures in Pentagon Freight Services AS positive with gains of sold assets TNOK 2 623 (other income) and gain of sold shares in Pentagon Transport AS (other financial income) TNOK 403 in FY 2022.

For the continued operations in Pentagon Freight Services AS, the divestment of road transport operations will cause movement of turnover of approx. TNOK 160 000 to Pentagon Transport Nordic AS based on FY 2022 figures.

Research and development

No expenses for research and development have incurred in 2022.

Employers activity duty and the duty to issue a statement

The Company has a total of 79 employees (77 man-years), 36 women and 43 men. The board consists of 2 men.

The working environment and the employees

Leave of absence due to illness was 2,5 % in 2022 and 3,6 % in 2021 of the total working hours in the Company. The Company has seen positive results from the initiatives taken to reduce this kind of absence. The Company will continue its efforts to reduce the number of sick days, and has started additional initiatives such as offering gym memberships and physical therapy as well as a plan to rotate tasks between the employees.

No incidences or reporting of work related accidents resulting in significant material damage or personal injury occurred during the year.

Organization number: 997 329 910



The working environment is considered to be good, and efforts for improvements are made on an ongoing basis. The cooperation with employees have been constructive and contributed positively to operations.

Equal opportunities and discrimination

The Company is certified by international standard regarding QHS routines.

It has a goal to be a workplace where there is full equality of opportunity between men and women and has established a personnel policy that is gender neutral in all areas.

Future development

The Company had a strong growth in turnover and earnings in FY 2022 compared to FY 2021. The market conditions have improved the last quarters, and the Company expect this will continue remaining the rest of FY 2023. The ongoing geopolitical conditions in Ukraine and Europe, combined with cost inflation and interest rise in 2022 is challenging for the financial conditions. Despite these negative impacts, the Group expects positive results in FY 2023.

The Company measure ongoing optimization of liquidity reserves to secure its daily operations. The Board of Directors considers that the Company has sufficient liquidity and financial strength for further operations.

Financial risk

Market risk

The Company is exposed to financial risk in different areas, especially exchange rate risk, as part of its revenues are in foreign currency. On the other hand, the Company incurs expenses in foreign currency. The Company does not have any forward contracts or other agreements to reduce the Company's currency risk. The Company is exposed to changes in the interest rate.

Credit risk

The risk for losses on receivables is limited. Provisions have been made in the annual accounts for 2022.

Liquidity risk

The Company's liquidity is still tight. Reorganization of road transport division into new subsidiary from May 2022, combined with new factoring facilities has strengthened the liquidity situation. Liquidity situation is monitored closely by the Company's board.

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 FY 2023 and the Company's long-term strategic forecasts.

Environmental report

Emissions from transport services, including waste considered harmful to the environment, is within regulatory limitations. The Company's operations are not regulated by licenses or impositions.

The Company is certified by international provider of environment conditions.

Directors and officers liability insurance

Pentagon North Europe AS, the Parent of Pentagon Freight Services AS, has entered a directors and officers liability insurance for all Group companies. The insurance provides claims made all-risk liability protection for individuals having management roles. Coverage is provided for claims which are first made and reported during the period or discovery period.



Allocation of net income

The Board of Directors has proposed the net profit of Pentagon Freight Services AS to be attributed to:

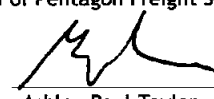
| | Amount |
|--------------------|-------------------|
| Losses prior years | 1 931 791 |
| Other equity | 10 440 739 |
| Total | 12 372 531 |

Kristiansand, 31.10.2022

The board of Pentagon Freight Services AS



Morten Krikstad
Chairman of the Board



Ashley Paul Taylor
Member of the Board



Lars Reidar Grimestad
Managing Director

Organization number: 997 329 910



Profit and Loss Statement Pentagon Freight Services AS

| | Note | 2022 | 2021 |
|--|------|--------------------|---------------------|
| Sales revenue | 1, 2 | 530 430 724 | 356 520 712 |
| Other revenues | 2 | 2 623 312 | 0 |
| Total Operating Revenues | | 533 054 036 | 356 520 712 |
| Raw materials and consumables used | 2 | 418 622 165 | 290 946 469 |
| Payroll expenses | 3 | 60 214 689 | 47 488 044 |
| Depreciation of tangible and intangible fixed assets | 6 | 2 516 318 | 3 098 980 |
| Other expenses | 2, 3 | 34 738 790 | 19 731 492 |
| Total Operating Expenses | | 516 091 962 | 361 264 985 |
| Operating Profit/Loss | | 16 962 075 | (4 744 273) |
| Financial income and expenses | | | |
| Other interest income | | 777 588 | 428 722 |
| Other financial income | | 402 526 | 3 833 937 |
| Other interest expenses | | 1 784 179 | 1 458 628 |
| Other financial expenses | | 437 557 | 12 255 666 |
| Net Financial Items | 4 | (1 041 622) | (9 451 636) |
| Profit before Income tax | | 15 920 453 | (14 195 909) |
| Income tax expense | 5 | 3 547 922 | (2 861 708) |
| Net Profit | | 12 372 531 | (11 334 201) |
| Attributable to | | | |
| Losses prior years | | 1 931 791 | 0 |
| Other equity | | 10 440 739 | 0 |
| Loss brought forward | | 0 | 1 931 792 |
| Transferred from other equity | | 0 | 9 402 409 |
| Total | 13 | 12 372 531 | (11 334 201) |



Balance sheet
Pentagon Freight Services AS

| Assets | Note | 2022 | 2021 |
|--|--------------|--------------------|--------------------|
| Fixed Assets | | | |
| <i>Intangible Assets</i> | | | |
| Deferred tax assets | 5 | 608 386 | 4 156 308 |
| Goodwill | 6 | 3 167 833 | 4 818 625 |
| Total Intangible Assets | | <u>3 776 219</u> | <u>8 974 933</u> |
| <i>Tangible Fixed Assets</i> | | | |
| Plant and machinery | 6, 11 | 1 868 574 | 1 917 436 |
| Total Tangible Fixed Assets | 6 | <u>1 868 574</u> | <u>1 917 436</u> |
| <i>Financial Fixed Assets</i> | | | |
| Investments in subsidiaries | | 0 | 4 510 093 |
| Loan to group companies | 8 | 24 968 985 | 14 878 211 |
| Investments in associated companies | 7 | 2 375 000 | 390 000 |
| Loans to associated companies and joint ventures | | 0 | 500 000 |
| Other long-term receivables | | 723 421 | 909 421 |
| Total Financial Fixed Assets | | <u>28 067 406</u> | <u>21 187 724</u> |
| Total Fixed Assets | | <u>33 712 199</u> | <u>32 080 093</u> |
| Current assets | | | |
| <i>Receivables</i> | | | |
| Accounts receivable | 8, 9, 10, 11 | 106 244 191 | 62 408 705 |
| Other short-term receivables | | 9 638 007 | 7 407 413 |
| Receivables from group companies | 8 | 7 054 914 | 537 617 |
| Total Receivables | | <u>122 937 111</u> | <u>70 353 736</u> |
| Cash and Cash Equivalents | 12 | 2 627 155 | 2 313 757 |
| Total Current Assets | | <u>125 564 266</u> | <u>72 667 493</u> |
| Total Assets | | <u>159 276 465</u> | <u>104 747 586</u> |



Balance sheet
Pentagon Freight Services AS

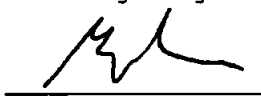
| Equity and Liabilities | Note | 2022 | 2021 |
|---------------------------------------|--------|--------------------|--------------------|
| Equity | | | |
| Share capital | 13, 14 | 10 100 000 | 10 100 000 |
| Total Paid-in Capital | | <u>10 100 000</u> | <u>10 100 000</u> |
| Retained earnings | | | |
| Other equity | 13 | 10 440 739 | 0 |
| Uncovered loss | 13 | 0 | (1 931 792) |
| Total Retained Earnings | | <u>10 440 739</u> | <u>(1 931 792)</u> |
| Total Equity | | <u>20 540 739</u> | <u>8 168 208</u> |
| Liabilities | | | |
| Long-term Liabilities | | | |
| Liabilities to group companies | 8 | 2 500 000 | 2 500 000 |
| Liabilities to financial institutions | 11 | 8 650 000 | 14 000 000 |
| Total Long-term Liabilities | | <u>11 150 000</u> | <u>16 500 000</u> |
| Short-term Liabilities | | | |
| Liabilities to financial institutions | 11 | 16 288 747 | 4 107 257 |
| Accounts payable | 8 | 60 883 119 | 34 535 238 |
| Public duties payable | | 4 537 059 | 4 729 879 |
| Liabilities to group companies | | 0 | 1 300 000 |
| Other short-term liabilities | 10, 11 | 45 876 800 | 35 407 004 |
| Total Short-term Liabilities | | <u>127 585 726</u> | <u>80 079 378</u> |
| Total Liabilities | | <u>138 735 726</u> | <u>96 579 378</u> |
| Total Equity and Liabilities | | <u>159 276 465</u> | <u>104 747 586</u> |

Kristiansand, 31.10.2022

The board of Pentagon Freight Services AS



Morten Arikstad
Chairman of the Board



Ashley Paul Taylor
Member of the Board



Lars Reidar Grimestad
Managing Director



Indirect cash flow Pentagon Freight Services AS

| Cash Flow from Operating Activities | Note | 2022 | 2021 |
|---|------|--------------------|--------------------|
| Profit before Income tax | | 15 920 453 | (14 195 909) |
| (Profit)/loss sale on sale of fixed assets | 7 | (402 526) | 0 |
| Depreciation of tangible and intangible fixed assets | 6 | 2 516 318 | 3 098 980 |
| Change in accounts receivable | 8, 9 | (43 835 485) | 17 991 272 |
| Change in accounts payable | 8 | 26 347 881 | (1 536 597) |
| Change in other accrued items | 8 | 2 119 157 | 1 977 399 |
| Net Cash Flow from Operating Activities | | 2 665 797 | 7 335 144 |
| Cash Flow from Investment Activities | | | |
| Proceeds from sale of fixed assets | 6 | 225 000 | 0 |
| Payment for purchase of fixed assets | 6 | (945 733) | (1 286 315) |
| Proceeds from sale of shares in other companies | 7 | 4 927 619 | 0 |
| Payment to buy shares in other companies | 7 | (2 000 000) | (15 000) |
| Net Cash Flow from Investment Activities | | 2 206 886 | (1 301 315) |
| Cash Flow from Financing Activities | | | |
| Proceeds from the issuance of new long-term liabilities | 11 | 0 | 14 000 000 |
| Repayment of long-term liabilities | 11 | (5 350 000) | (5 600 000) |
| Payment of long term receivables to Group Company | 8 | (10 090 774) | 0 |
| Net change in bank overdraft | 11 | 12 181 490 | (12 791 961) |
| Payment of Group contributions | | (1 300 000) | (1 500 000) |
| Net Cash Flow from Financing Activities | | (4 559 284) | (5 891 961) |
| Net change of Cash and Cash Equivalents | | 313 399 | 141 868 |
| Cash and Cash Equivalents 1 May | | 2 313 757 | 2 171 891 |
| Net Cash and Cash Equivalents 30 April | 12 | 2 627 155 | 2 313 757 |
| Restricted funds | | 2 627 155 | 2 313 757 |
| Unused overdraft facilities | | 3 211 000 | 15 400 000 |



Notes to the Financial Statement 2022

Accounting Principles

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway. The fiscal year covers the period from 01.05.2021 to 30.04.2022.

Revenue recognition

Revenues from the sale of goods are recognised in the income statement once delivery has taken place and most of the risk and return has been transferred. Revenues from the sale of services are recognised when the services are performed and the company has a right to payment for the performed services. The revenues are measured at fair value, net after deduction of VAT, returns, discounts and reductions.

Balance sheet classification

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities.

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

Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value.

Fixed Assets

Fixed assets are capitalized and depreciated linearly over the estimated useful life. Significant fixed assets which consist of substantial components with dissimilar economic life have been unbundled; depreciation of each component is based on the economic life of the component. Costs for maintenance are expensed as incurred, whereas costs for improving and upgrading property plant and equipment are added to the acquisition cost and depreciated with the related 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 realisable value and value in use. In assessing value in use, the discounted estimated future cash flows from the asset are discounted are used.

Costs related to leases of fixed assets are expensed over the lease period. Prepayments are reflected in the balance sheet as a prepaid expense, and are distributed over the rental period.

Subsidiaries and investment in associates

Subsidiaries and investments in associates are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiary, less any impairment losses. An impairment loss is recognised if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a later period.

Dividends, group contributions and other distributions from subsidiaries are recognised in the same year as they are recognised in the financial statement of the provider. If dividends / group contribution exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet for the parent company.

Receivables

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the different receivables. For the remaining receivables, a general provision is estimated based on expected loss.



Notes to the Financial Statement 2022

Accounting Principles cont.

Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22 percent of temporary differences and the tax effect of tax losses carried forward.

Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

Foreign Currencies

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognised in the income statement as they occur during the accounting period.

Cash Flow Statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

Note 1 Revenue by segment

| <i>Allocation of revenues</i> | 2022 | 2021 |
|-------------------------------|--------------------|--------------------|
| Spedition | 530 430 724 | 356 520 712 |
| Total | 530 430 724 | 356 520 712 |

| <i>Geographical distribution of revenues</i> | 2022 |
|--|--------------------|
| Norway | 419 137 710 |
| Europe | 103 681 995 |
| Brazil | 4 235 665 |
| Canada | 1 354 719 |
| United Arab Emirates | 586 594 |
| Singapore | 571 135 |
| Australia | 356 634 |
| South Korea | 288 647 |
| Malaysia | 217 625 |
| Total | 530 430 724 |



Notes to the Financial Statement 2022

Note 2 Transactions with related parties

| <i>Revenues</i> | <i>Amount</i> | <i>Description of the transactions</i> |
|------------------------------|---------------|---|
| Company | | |
| Pentagon Transport Nordic AS | 837 423 | Accounting services and administration |
| Pentagon Transport Nordic AS | 2 623 312 | Sale of intangible assets |
| Pentagon Transport Nordic AS | 4 912 619 | Sale of shares in Pentagon Transport AS |
| Purchases | Amount | Description of the transactions |
| Company | | |
| Pentagon Transport AS | 37 527 378 | Spedition/transport |

Note 3 Payroll expenses and number of employees

| Payroll expenses | 2022 | 2021 |
|---|------------------------|-------------------|
| Salaries/wages | 48 489 270 | 38 545 990 |
| Social security fees | 6 715 404 | 5 527 625 |
| Pension expenses | 2 423 345 | 1 684 380 |
| Other remuneration | 2 586 669 | 1 730 049 |
| Total | 60 214 689 | 47 488 044 |
| Average number of employees during the financial year | 77 | 71 |
| Remuneration | General Manager | Board |
| Salaries/wages | 1 960 371 | 0 |
| Pension expenses | 0 | 0 |
| Other remuneration | 164 096 | 0 |
| Total | 2 124 467 | 0 |

No loans/sureties have been granted to the General Manager, Chairman of the Board or other related parties.

OTP (Statutory occupational pension)

The company is required to have a pension scheme in accordance with the Norwegian law on required occupational pension ("lov om obligatorisk tjenstepensjon"). The company's pension scheme meets the requirement of this law.

Auditors fee

| | |
|-----------------------------|----------------|
| Ordinary annual audit fee | 104 210 |
| Fee for consulting advice | 10 000 |
| Fee for tax services | 15 000 |
| Fees for non-audit services | 49 252 |
| Total | 178 462 |

The amounts are reported excluding VAT.



Notes to the Financial Statement 2022

Note 4 Specification of financial income and financial expenses

| Financial Income | 2022 | 2021 |
|-------------------------------------|------------------|------------------|
| Interest income from group entities | 777 189 | 428 722 |
| Interest income from bank deposits | 399 | 0 |
| Agio | 402 526 | 3 833 937 |
| Total Financial Income | 1 180 114 | 4 262 659 |

| Financial Expenses | 2022 | 2021 |
|---------------------------------|------------------|-------------------|
| Interest on bank loans | 1 784 179 | 0 |
| Other financial expenses | 329 799 | 6 868 732 |
| Disagio | 107 758 | 5 386 934 |
| Total Financial Expenses | 2 221 736 | 12 255 666 |

Note 5 Income tax

| Income tax expense | 2022 | 2021 |
|---|------------------|--------------------|
| Changes in deferred tax | 3 547 922 | -2 861 708 |
| Income tax expense on ordinary profit/loss | 3 547 922 | -2 861 708 |
| Taxable income: | | |
| Profit before income tax | 15 920 453 | -14 195 909 |
| Permanent differences | 206 466 | 1 188 046 |
| Changes in temporary differences | 196 724 | -121 296 |
| Allocation of loss to be brought forward | -16 323 642 | 0 |
| Taxable income | 0 | -13 129 159 |

The tax effect of temporary differences and loss for to be carried forward that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences

| | 2022 | 2021 | Difference |
|--|-------------------|--------------------|--------------------|
| Tangible fixed assets | -1 848 183 | -1 294 580 | 553 604 |
| Accounts receivable | -450 000 | -450 000 | 0 |
| Other differences | 1 432 092 | 1 075 212 | -356 880 |
| Total | -866 091 | -669 368 | 196 724 |
| Accumulated tax loss carried forward | -77 764 | -16 401 406 | -16 323 642 |
| Not included in the deferred tax calculation | -1 821 533 | -1 821 533 | 0 |
| Basis for deferred tax assets | -2 765 389 | -18 892 307 | -16 126 918 |
| Deferred tax assets (22 %) | -608 386 | -4 156 308 | -3 547 922 |



Notes to the Financial Statement 2022

Note 6 Fixed Assets

| | Goodwill | Plant and machinery | Buildings |
|-------------------------------|-------------------|---|-------------------|
| Acquisition cost per 01.05 | 31 243 547 | 4 815 349 | 892 746 |
| Additions | | 431 548 | |
| Disposals | | 225 000 | |
| Acquisition cost 30.04 | 31 243 547 | 5 021 897 | 892 746 |
| Acc. depreciation | 28 075 670 | 4 394 483 | 720 659 |
| Book value 30.04 | 3 167 833 | 627 420 | 172 087 |
| Depreciation | 1 650 792 | 340 723 | 125 374 |
| Useful economic life | 3-5 years | 3-5 years | 5 years |
| Depreciation principle | Straight-line | Straight-line | Straight-line |
| | | Operating assets & inventory | Total |
| Acquisition per 01.05 | | 3 175 954 | 40 127 596 |
| Additions | | 514 185 | 945 733 |
| Disposals | | | 225 000 |
| Acquisition cost 30.04 | | 3 690 139 | 40 848 329 |
| Acc. depreciation | | 2 621 113 | 35 811 925 |
| Book value 30.04 | | 1 069 026 | 5 036 407 |
| Depreciation | | 443 809 | 2 516 318 |
| Useful economic life | | 3-5 years | |
| Depreciation principle | | Straight-line | |

Note 7 Investments in subsidiaries and associated companies

Associated company:

| | Ownership | Head office | Share of this year's result | Share of equity | Book Value |
|---------------|-----------|--------------|-----------------------------|-----------------|------------------|
| FFS Ponton AS | 25 % | Farsund | -39 250 | 258 250 | 375 000 |
| VT Holding AS | 40 % | Kristiansand | -12 000 | 1 602 800 | 2 000 000 |
| Total | | | | | 2 375 000 |

Numbers are per 31.12.2021 for the affiliated company.

The Company sold its shares in subsidiary Pentagon Transport AS to sister company Pentagon Transport Nordic AS April 30, 2022.



Notes to the Financial Statement 2022

Note 8 Intercompany balances

| Receivables | 2022 | 2021 |
|----------------------------------|-------------------|-------------------|
| Loan to group companies | 24 968 985 | 14 878 211 |
| Accounts receivable | 1 882 139 | 0 |
| Receivables from group companies | 7 054 914 | 537 617 |
| Total receivables | 33 906 037 | 15 415 828 |
| Liabilities | 2022 | 2021 |
| Accounts payable | 792 187 | 0 |
| Short term-liabilities | 2 500 000 | 1 300 000 |
| Total liabilities | 3 292 187 | 1 300 000 |

Note 9 Provision for losses on accounts receivable

| | 2022 | 2021 |
|--|----------------|------------------|
| Realized loss on accounts receivable | 275 339 | 1 716 384 |
| Received payment on already depreciated accounts receivable | 0 | -2 963 |
| Provision for losses 30/04/2022/01/05/2021 | 450 000 | 450 000 |
| Provision for losses 01/05/2021/30/04/2020 | -450 000 | -350 000 |
| Provision for losses on accounts receivable this year | 275 339 | 1 813 422 |
| | 2022 | 2021 |
| Accrued income | 3 300 332 | 7 533 000 |

Note 10 Factoring

The company has an agreement with DNB Factoring, where NOK 30 512 701 is received as prepayments from DNB Factoring in relation to accounts receivable. The prepayments are included in other short-term liabilities. The equivalent amount last year was NOK 25 723 697. The agreement provides collateral for DNB Factoring through the company's accounts receivable, which amounted to NOK 103 712 653 this year and NOK 62 408 705 last year.



Notes to the Financial Statement 2022

Note 11 Receivables, liabilities and pledges

| | 2022 | 2021 |
|---|-------------------|-------------------|
| Debtors which fall due later than one year after the expiry of the financial year | 0 | 0 |
| Long-term debtors which fall due later than five years after the expiry of the financial year | 0 | 0 |
| Liabilities secured by mortgage | 2022 | 2021 |
| Liabilities to finance institutions | 56 759 440 | 43 830 954 |
| Total | 56 759 440 | 43 830 954 |

| Assets pledged as security and carrying values | 2022 | 2021 |
|--|--------------------|-------------------|
| Fixed Assets | 1 868 574 | 1 917 436 |
| Accounts receivable | 103 712 653 | 62 408 705 |
| Total | 105 581 227 | 64 326 141 |

NOK 1 000 000 is pledged on behalf of Pentagon Transport AS.

Note 12 Cash and cash equivalents

| | 2022 | 2021 |
|---------------------------|-----------|-----------|
| Bank deposits | 2 627 155 | 2 313 757 |
| Of which restricted funds | 2 627 155 | 2 313 757 |

Note 13 Equity

| | Share capital | Other equity | Total equity |
|---------------------|-------------------|-------------------|-------------------|
| Equity 01.05 | 10 100 000 | -1 931 792 | 8 168 208 |
| Net profit | | 12 372 531 | 12 372 531 |
| Equity 30.04 | 10 100 000 | 10 440 739 | 20 540 739 |



Notes to the Financial Statement 2022

Note 14 Shareholders

| <u>Share capital</u> | <u>Number</u> | <u>Nominal value</u> | <u>Book value</u> |
|----------------------|---------------|----------------------|-------------------|
| Ordinary shares | 10 100 | 1 000 | 10 100 000 |

| <u>Shareholders at year end:</u> | <u>Number of shares</u> | <u>Ownership</u> |
|----------------------------------|-------------------------|------------------|
| Pentagon North Europe AS | 10 100 | 100 % |
| Total | 10 100 | 100 % |

The company has on class of shares and all shares come with full voting rights.

The consolidated group accounts are prepared by Pentagon North Europe AS and available at Mjaavannsvegen 154, 4628 Kristiansand S.



BDO AS
Fjellgata 6
4612 Kristiansand
Norway

Independent Auditor's Report

To the General Meeting in Pentagon Freight Services AS

Opinion

We have audited the financial statements of Pentagon Freight Services AS.

The financial statements comprise:

- The balance sheet as at 30 April 2022
- The income statement for 2022
- Statement of cash flows for the year that ended 30 April 2022
- Notes to the financial statements, including a summary of significant accounting policies

In our opinion:

- The financial statements comply with applicable statutory requirements, and
- The financial statements give a true and fair view of the financial position of the Company as at 30 April 2022, and 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.

Basis for Opinion

We conducted our audit in accordance with 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 International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), 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

The Board of Directors and the Managing Director (management) is responsible for the other information. The other information comprises the Board of Directors' report. Our opinion on the financial statements does not cover the other information.

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.

Opinion on the Board of Director's report

Based on our knowledge obtained in the audit, in our opinion the Board of Directors' report



- is consistent with the financial statements and
- contains the information required by applicable legal requirements.

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 of financial statements that give a true and fair view 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 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 insofar as it is not likely that the enterprise will cease operations.

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.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to:

<https://revisorforeningen.no/revisjonsberetninger>

BDO AS

Torbjørn Rypestøl
State Authorised Public Accountant
(This document is signed electronically)

Penneo Dokumentnøkkel: SCV1Y-88DKE-LV3NZ-PTEUJ-OIWMK-DYH56



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Torbjørn Rypestøl

State Authorised Public Accountant

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Skatteetaten

Vår dato
23.09.2022

Din/Deres dato
13.09.2022

Saksbehandler
Vibeke Horne

800 80 000
Skatteetaten.no

Din/Deres referanse
AR506354147

Telefon
90518192

Org.nr
974761076

Vår referanse
2022/5772849

Postadresse
Postboks 9200 Grønland
0134 OSLO

PENTAGON NORTH EUROPE AS
Mjåvannsvegen 154
4628 KRISTIANSAND S

Att. Øyvind Rønning

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk

Vi viser til deres brev av 13. september 2022 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for følgende selskaper:

| | |
|-------------------------------------|-----------------------------|
| Pentagon North Europe AS | org. nr. 914 310 415 |
| Pentagon Freight Services AS | org. nr. 997 329 910 |
| Pentagon Transport AS | org. nr. 911 876 000 |
| Pentagon Transport Nordic AS | org. nr. 927 568 411 |

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn

Selskapene inngår i et internasjonalt konsern. Forretningsvirksomheten er kjøp og salg av tjenester på det internasjonale markedet vedrørende alle typer transport, inkludert eierskap i utstyr og deltagelse i selskaper med lignede virksomhet, samt alt som står i naturlig forbindelse med dette. Arbeidsspråket i konsernet er engelsk.

Skattekontorets 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 mv., 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 skattekontorets 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.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapene er en del av et internasjonalt konsern. Videre er det vektlagt at selskapene driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Vibeke Horne
rådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.