



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 981 696 298
Organisasjonsform: Aksjeselskap
Foretaksnavn: ICR INTEGRITY NORGE AS
Forretningsadresse: Hovedgata 10
4900 TVEDESTRAND

Regnskapsår

Årsregnskapets periode: 01.06.2019 - 31.05.2020

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Alan McQuade
Dato for fastsettelse av årsregnskapet: 31.05.2021

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, 14.12.2021



Resultatregnskap

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		31 414 420	28 457 167
Annen driftsinntekt			59 251
Sum inntekter		31 414 420	28 516 418
Kostnader			
Varekostnad		4 204 476	2 588 386
Lønnskostnad	3	11 249 760	11 234 701
Avskrivning	4	704 490	5 788 768
Annen driftskostnad	3	6 319 120	8 012 042
Sum kostnader		22 477 846	27 623 897
Driftsresultat		8 936 574	892 521
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern		139 908	
Annen finansinntekt	9	5 974	1 697 761
Sum finansinntekter		145 882	1 697 761
Rentekostnad til foretak i samme konsern		12 156	
Annen finanskostnad	9	311 714	767 480
Sum finanskostnader		323 870	767 480
Netto finans		-177 988	930 281
Ordinært resultat før skattekostnad		8 758 586	1 822 802
Skattekostnad på ordinært resultat	5	322 684	414 721
Ordinært resultat etter skattekostnad		8 435 902	1 408 081
Årsresultat		8 435 902	1 408 081
Overføringer og disponeringer			
Overføringer annen egenkapital	7	8 435 902	1 408 081
Sum overføringer og disponeringer		8 435 902	1 408 081



Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Forskning og utvikling	4	6 790 024	3 678 589
Konsesjoner, patenter, lisenser, varemerker	4	421 991	381 842
Utsatt skattefordel	5	2 517 550	1 357 108
Sum immaterielle eiendeler		9 729 565	5 417 539
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner ol	4	302 461	659 057
Sum varige driftsmidler		302 461	659 057
Finansielle anleggsmidler			
Investering i datterselskap		0	990 901
Sum finansielle anleggsmidler		0	990 901
Sum anleggsmidler		10 032 026	7 067 497
Omløpsmidler			
Varer			
Sum varer		5 263 419	5 274 904
Fordringer			
Kundefordringer	6	12 478 495	1 512 056
Andre fordringer	6	6 863 526	22 093 571
Sum fordringer		19 342 021	23 605 627
Bankinnskudd, kontanter og lignende			
Sum bankinnskudd, kontanter og lignende		3 524 329	497 305
Sum omløpsmidler		28 129 769	29 377 836
SUM EIENDELER		38 161 795	36 445 333

BALANSE - EGENKAPITAL OG GJELD



Balanse

Beløp i: NOK	Note	2020	2019
Egenkapital			
Innskutt egenkapital			
Aksjekapital	7, 8	280 402	280 402
Overkurs	7	8 040 725	8 040 725
Sum innskutt egenkapital		8 321 127	8 321 127
Opptjent egenkapital			
Annen egenkapital	7	18 978 045	-1 401 523
Sum opptjent egenkapital		18 978 045	-1 401 523
Sum egenkapital		27 299 172	6 919 604
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Leverandørgjeld	6	3 802 165	1 307 672
Betalbar skatt	5	291 835	
Skyldige offentlige avgifter		4 077 222	686 763
Annen kortsiktig gjeld	6	2 691 401	27 531 294
Sum kortsiktig gjeld		10 862 623	29 525 729
Sum gjeld		10 862 623	29 525 729
SUM EGENKAPITAL OG GJELD		38 161 795	36 445 333



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Journalnummer: 2021 486916

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Brønnøysundregistrene, 14.07.2021



Organisasjonsnr: 981 696 298
ICR INTEGRITY NORGE AS

RESULTATREGNSKAP

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Organisasjonsnr: 981 696 298
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BALANSE

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BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
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Sum egenkapital		27 299 172	6 919 604
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Leverandørgjeld	6	3 802 165	1 307 672
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SUM EGENKAPITAL OG GJELD		38 161 795	36 445 333



Organisasjonsnr: 981 696 298
ICR INTEGRITY NORGE AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note

Regnskapsprinsipper

Note

8

Antall aksjer og aksjeeiere

<u>Aksjeklasse</u>	<u>Ant. aksjer</u>	<u>Pålydende</u>	<u>Bokført verdi</u>
Share capital	14020103.00	0.02	280402.00

<u>Aksjeeiere - fritekst</u>	<u>Antall</u>	<u>Eierandel</u>	<u>Aksjeklasse</u>
ICR Integrity Limited	14020103.00	100.00%	Ordinary shares

<u>Sum</u>	<u>Sum antall</u>	<u>Sum eierandel</u>
	14020103.00	100.00%

Note

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Lønn og ytelser

<u>Lønn</u>	<u>Årets</u>	<u>Fjorårets</u>
	9471932.00	9084146.00

<u>Arbeidsgiveravgift</u>	<u>Årets</u>	<u>Fjorårets</u>
	1307582.00	1295404.00

<u>Pensjonskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	403237.00	410897.00

<u>Andre ytelser</u>	<u>Årets</u>	<u>Fjorårets</u>
	67008.00	444254.00

<u>Sum lønnskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	11249759.00	11234701.00

The entity had 16 employees in the financial year ending the 31 of May 2020. It has not been paid or accrued fees to the Board of Directors.

Note

Ytelser til ledende personer



Er det gitt ytelse til ledende person: Nei

Ytelser til daglig leder

<u>Ytelser</u>	<u>Lønn</u>	<u>Pensj.forpl. Andre godtgj.</u>
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Note

Ytelser til revisjon

<u>Revisjon</u>	<u>Årets</u>	<u>Fjorårets</u>
	166797.00	129600.00

<u>Andre tjenester</u>	<u>Årets</u>	<u>Fjorårets</u>
		364800.00

<u>Sum godtgjørelse til revisor</u>	<u>Årets</u>	<u>Fjorårets</u>
	166797.00	494400.00

Note

Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:

0.00

Note

Lån og sikkerhetsstillelse til ledende personer og aksjeeiere

Er det gitt lån eller sikkerhetsstillelse til ledende personer: Nei



Skattedirektoratet

Saksbehandler Geir Johannessen	Deres dato 19.11.2013	Vår dato 04.12.2013
Telefon 22 66 11 14	Deres referanse Egil Kvannli/Rune Haddeland	Vår referanse 2013/889499

QUICKFLANGE AS
Lagerveien 12A
4033 STAVANGER

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

— Det vises til deres brev av 19. november 2013, samt e-post med utfyllende opplysninger, der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk fra og med regnskapsåret 2013 for følgende selskaper:

Quickflange AS org.nr. 981 696 298
Quickflange Norway AS org.nr. 993 357 820
Quickflange International AS org.nr. 998 557 984
Quickflange Technology AS org.nr. 894 110 732

Søknaden gjelder også konsernregnskapet til Quickflange AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de ovennevnte selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen omfatter også konsernregnskapet.

Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

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

Bakgrunn

Quickflange AS (org.nr. 981 696 298) er morselskap i et konsern, med datterselskaper i Norge, UK og Brasil, samt en avdeling i Dubai. Selskapet har utviklet en robust metode for kobling av flenser til rør, og eier rettighetene til dette produktet. Forskning/utvikling, produksjon og salg foregår i datterselskaper. Konsernet opererer i sektorer, der engelsk er det klart dominerende språket. Noen av morselskapets aksjonærer er utenlandske personer eller selskaper, og morselskapet henvender seg jevnlig til potensielle investorer i utlandet. Kommunikasjon med konsernets kunder og kreditorer foregår mest på engelsk. I lys av selskapets og konsernets situasjon, der enkelte av selskapets investorer og kreditorer kun behersker engelsk, og det er bransjespråket der selskapet og konsernet opererer, fremstår kravet i regnskapsloven § 3-4 om utarbeidelse av årsregnskap og årsberetning på norsk som unødvendig.

Postadresse
Postboks 9200 Grønland
0134 Oslo

Besøksadresse:
Se www.skatteetaten.no
Org.nr: 996250318
E-post: skatteetaten.no/sendepost

Sentralbord
800 80 000
Telefaks
22 17 08 60



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 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 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.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at konsernets arbeidsspråk er engelsk, og at bransjespråket der konsernet opererer også er engelsk. Kommunikasjonen med kunder og kreditorer er i hovedsak på engelsk. Videre er det vektlagt at flere av aksjonærene kun behersker engelsk og at morselskapet jevnlig henvender seg til utenlandske investorer, samt at øvrige aksjonærer forutsettes å beherske engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad

Seniorrådgiver

Rettsavdelingen, foretaksskatt

Skattedirektoratet

Geir Johannessen



ICR Integrity Norge AS

Annual report 31.05.2020

Annual accounts

- Income statement**
- Balance sheet**
- Notes**

Auditors' report



ICR Integrity Norge AS

Income statement

	Note	31.05.2020	31.05.2019
Revenue			
Sales revenue		31 414 420	28 457 167
Other operating income		0	59 251
Total revenue		<u>31 414 420</u>	<u>28 516 418</u>
Operating expenses			
Cost of stocks		4 204 476	2 588 386
Payroll expenses	3	11 249 760	11 234 701
Depreciation of tangible and intangible fixed assets	4	704 490	5 788 768
Other operating expenses	3	6 319 120	8 012 042
Total operating expenses		<u>22 477 846</u>	<u>27 623 897</u>
Operating result		<u>8 936 574</u>	<u>892 521</u>
Financial income and expenses			
Interest income from group companies		139 908	0
Other financial income	9	5 974	1 697 761
Interest paid to group companies		12 156	0
Other financial expenses	9	311 714	767 480
Net financial items		<u>-177 988</u>	<u>930 281</u>
Ordinary result before tax		<u>8 758 586</u>	<u>1 822 802</u>
Tax on ordinary result	5	<u>322 684</u>	<u>414 721</u>
Net profit or loss for the year		<u>8 435 902</u>	<u>1 408 081</u>
Allocated as follows			
Transferred to other equity	7	<u>8 435 902</u>	<u>1 408 081</u>



ICR Integrity Norge AS

Balance sheet as of May 31

	Note	31.05.2020	31.05.2019
Fixed assets			
<i>Intangible assets</i>			
Research and development	4	6 790 024	3 678 589
Concessions, patents, licences, trade marks and similar rights	4	421 991	381 842
Deferred tax asset	5	2 517 550	1 357 108
Total intangible assets		<u>9 729 565</u>	<u>5 417 539</u>
<i>Tangible assets</i>			
Fixtures and fittings, tools, office machinery etc.	4	302 461	659 057
Total tangible assets		<u>302 461</u>	<u>659 057</u>
<i>Financial assets</i>			
Investments in subsidiaries		0	990 901
Total financial assets		<u>0</u>	<u>990 901</u>
Total fixed assets		<u>10 032 026</u>	<u>7 067 497</u>
Current assets			
Inventories		<u>5 263 419</u>	<u>5 274 904</u>
<i>Receivables</i>			
Trade receivables	6	12 478 495	1 512 056
Other receivables	6	6 863 526	22 093 571
Total accounts receivable		<u>19 342 021</u>	<u>23 605 627</u>
Cash and cash equivalents		<u>3 524 329</u>	<u>497 305</u>
Total current assets		<u>28 129 769</u>	<u>29 377 836</u>
Total assets		<u>38 161 795</u>	<u>36 445 333</u>



ICR Integrity Norge AS

Balance sheet as of May 31

	Note	31.05.2020	31.05.2019
Equity			
<i>Paid-in capital</i>			
Share capital	7, 8	280 402	280 402
Share premium reserve	7	8 040 725	8 040 725
Total paid-in capital		<u>8 321 127</u>	<u>8 321 127</u>
<i>Retained earnings</i>			
Other equity	7	18 978 045	-1 401 523
Total retained earnings		<u>18 978 045</u>	<u>-1 401 523</u>
Total equity		<u>27 299 172</u>	<u>6 919 604</u>
Liabilities			
<i>Current liabilities</i>			
Trade creditors	6	3 802 165	1 307 672
Tax payable	5	291 835	0
Public duties payable		4 077 222	686 763
Other short-term liabilities	6	2 691 401	27 531 294
Total current liabilities		<u>10 862 623</u>	<u>29 525 729</u>
Total liabilities		<u>10 862 623</u>	<u>29 525 729</u>
Total equity and liabilities		<u>38 161 795</u>	<u>36 445 333</u>

31 May 2020
Stavanger,

Alan McQuade
Chair of the board

William George Rennie
Board member



ICR Integrity Norge AS

Notes to the accounts for 31.05.2020

Note - 1 Accounting Principles

The annual report is prepared according to the Norwegian Accounting Act 1998 and generally accepted accounting principles for small companies.

Subsidiaries

Subsidiaries are valued by the cost method in the company accounts. The investment is valued as cost of acquiring shares in the subsidiary, providing that write down is not required. Write down to fair value will be carried out if the reduction in value is caused by circumstances which may not be regarded as incidental, and deemed necessary by generally accepted accounting principles. Write downs are reversed when the cause of the initial write down are no longer present.

Dividends and other distributions are recognized in the same year as appropriated in the subsidiary accounts. If dividends exceed withheld profits after acquisition, the exceeding amount represents reimbursement of invested capital, and the distribution will be subtracted from the value of the acquisition in the balance sheet.

Sales revenue

Revenue from the sales of goods and services are recognised in the income statement upon delivery. Unbilled revenue is presented in the financial statement under other current receivables.

Balance sheet classification

Current assets and current liabilities consist of items that fall due within 12 months or are part of the normal operating cycle. Other balance sheet items are classified as non-current assets or non-current liabilities.

Current assets are valued at the lower of acquisition cost and fair value. Current liabilities are reported at nominal value given at the time of the transaction.

Fixed assets are valued at cost. A fixed asset is written down to recoverable amount when decrease in value is expected to be permanent.

Trade and other receivables

Accounts receivable and other receivables are recorded in the balance sheet at nominal value less a provision for doubtful accounts. Provision for doubtful accounts is determined on the basis of an assessment of individual receivables.

Inventories

Inventory consists of purchased parts for resale. If required, the parts can be used in production where the cost will be capitalized as non-current assets. Inventory is valued at the lower of cost and fair market value.

Foreign currency translation

Transactions in other currencies than NOK are translated at the exchange rate prevailing at the transaction date. Monetary items in other currencies than NOK are translated to NOK at the exchange rate on the balance sheet date and the currency difference is recognised in the income statement.

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 assigned 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



ICR Integrity Norge AS

Notes to the accounts for 31.05.2020

cash flows are discounted to their present value.

Research and development

Research and development costs are capitalized providing that a future economic benefit associated with development of the intangible asset can be identified. Otherwise, the costs are expensed as incurred. Capitalized research and development are amortized linearly over the economic lifetime.

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 22 percent 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 assets are recorded in the balance sheet to the extent it is more likely than not that the tax assets will be utilized.

Consolidated Financial Statement

The Financial Statement of ICR Integrity Norge AS will be included in the consolidated accounts of ICR Integrity Ltd. Website: <http://www.icr-world.com/>.

Note 2 - Fiscal year

The income statement comprises of 12 months, from 01.06.2019 - 31.05.2020.

Note 3 - Wage costs, number of employees, remuneration, loans to employees and auditor's fee

<i>Wage costs</i>	31.05.2020	31.05.2019
Salaries	9 471 932	9 084 146
Payroll tax	1 307 582	1 295 404
Pension costs	403 237	410 897
Other payments	67 008	444 254
Total	<u>11 249 759</u>	<u>11 234 701</u>

The entity had 16 employees in the financial year ending the 31 of May 2020.

It has not been paid or accrued fees to the Board of Directors.

<i>Auditor fee has been divided as follows</i>	31.05.2020
Audit fee	166 797
Other services	0

VAT is not included.



ICR Integrity Norge AS

Notes to the accounts for 31.05.2020

Note 4 - Fixed assets

	Fixture, Fittings and equipment	Research and development cost	Patents and licenses	Total
Acquisition cost 01.06.	8 318 198	11 827 946	382 704	20 528 848
Additions	103 764	3 355 428	40 285	3 499 477
Acquisition cost 31.05.	8 421 962	15 183 374	422 989	24 028 325
Acc.depreciation 31.05.	-8 119 501	-8 393 350	-998	-16 513 849
Net carrying amount at 31.05.	302 461	6 790 024	421 991	7 514 476
Depreciation for the year	460 360	243 993	136	704 489
Useful economic life	5 years	5 years	5 years	
Amortization plan	Straight line	Straight line	Straight line	

Capitalized research and development cost is related to the product development. Capitalized amounts consist of both purchased services and R&D activities carried out by own employees. Grants received have reduced the capitalised costs. Expected total income from ongoing research and development equals total expenses incurred.

Note 5 - Income taxes

<i>Income tax expenses</i>	31.05.2020	31.05.2019
Tax payable	291 835	0
Change in deferred tax	1 641 753	-316 483
Tax effect of group contribution	0	731 204
Deferred tax asset over the result*	-1 610 904	0
Total income tax expense	<u>322 684</u>	<u>414 721</u>
<i>Tax base estimation</i>	31.05.2020	31.05.2019
Ordinary result before tax	8 758 586	1 822 802
Permanent differences	30 451	62 293
Change in temporary differences	-4 026 751	1 438 561
General income	<u>4 762 286</u>	<u>3 323 656</u>
Carried forward loss	-3 435 763	0
Group contribution	<u>0</u>	<u>-3 323 656</u>
Tax base	<u>1 326 523</u>	<u>0</u>
Tax payable (22%) of this year's tax base	291 835	0
<i>Temporary differences outlined</i>	31.05.2020	31.05.2019
Fixed assets	-11 443 410	-6 168 674



ICR Integrity Norge AS

Notes to the accounts for 31.05.2020

	<u>-11 443 410</u>	<u>-6 168 674</u>
Deferred income tax liability (22% this year, 22% last year)	-2 517 550	-1 357 108



ICR Integrity Norge AS

Notes to the accounts for 31.05.2020

*Quickflange Technology AS, Quickflange International, Quickflange Subsea AS and ICR Norway AS has merged with ICR Integrity Norway AS with effekt 01.06.2019. Deferred tax asset is recorded in the balance going forward as there is a probability for profitable results in the future. Incoming tax positions have been included in the tax calculation as the merger was performed at continuity.

Note 6 - Intercompany balance group company

<i>Receivables</i>	31.05.2020	31.05.2019
Receivable related to cashpool	3 637 619	17 209 019

Recognized intercompany interest in the financial year ending 31.5.2020 is 139 908,43.

<i>Payables</i>	31.05.2020	31.05.2019
Short-term liabilities	316 043	23 828 376
Group Contribution	0	3 323 655
Total	316 043	27 152 031

Note 7 - Owners equity

	Share capital	Share premium	Other equity	Total
Owners equity 01.06.	280 402	8 040 725	-1 401 523	6 919 604
Profit for the year	0	0	8 435 902	8 435 902
Effect of merger	0	0	11 943 666	11 943 666
Owners equity 31.05.	280 402	8 040 725	18 978 045	27 299 172

Note 8 - Share capital and shareholder information

Share capital in the parent company as at 31.05 totals 14 020 103 shares with a nominal value of NOK 0,02. The share capital equals NOK 280 402.

Shareholders per 31.05:

	Ordinary shares	Ownership share	Voting rights
ICR Integrity Limited	14 020 103	100 %	100 %



ICR Integrity Norge AS

Notes to the accounts for 31.05.2020

Note 9 - Currency gain and loss

	31.05.2020	31.05.2019
Currency gain	0	797 725
Currency loss	-277 533	-728 644
Total	<u>-277 533</u>	<u>69 081</u>

Note 10 - Going concern

ICR Integrity Norge AS has received a letter of comfort from ICR Integrity Limited. In this letter they confirm that they intend to continue to support ICR Integrity Norge AS both financially and otherwise for a period of at least 12 months from signing of the audit opinion.

Note 11 - Merger

A merger between ICR Integrity Norge AS and the subsidiaries Quickflange Technology AS, ICR Norway AS, Quickflange Subsea AS and Quickflange International AS has been approved with effect from 01.06.2019. ICR Integrity Norge AS is the acquiring entity.

Note 12 - Covid-19

Despite the impact of Covid, ICR Integrity Norge AS's financial performance improved in FY20 compared to the prior year. The Norwegian business anticipates further improvement in FY21 due to increased volumes from our Quickflange service and more focus on our Technowrap engineered composites service. Covid-related travel restrictions are impacting ICR Group's ability to mobilise technicians from the UK, but the Norwegian business has mitigated this by increasing local manpower capability.



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Medlemmer av Den norske revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of ICR Integrity Norge AS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of ICR Integrity Norge AS, which comprise the balance sheet as at 31 May 2020, the income statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company as at 31 May 2020 and its financial performance 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including 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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in Norway, and we have fulfilled our ethical responsibilities as required by law and regulations. We have also complied with our other ethical obligations 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

Other information consists of the information included in the Company's annual report other than the financial statements and our auditor's report thereon. The Board of Directors and Chief Executive Officer are responsible for the other information. Our opinion on the audit of the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

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 management for the financial statements

Management is 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an



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audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (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.

As part of an audit in accordance with law, regulations and generally accepted auditing principles in Norway, including ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also

- ▶ identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ▶ obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- ▶ evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- ▶ conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- ▶ evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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 concerning the financial statements the going concern assumption 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 ensure that the Company's accounting information is properly recorded and documented as required by law and bookkeeping standards and practices accepted in Norway.

Other matters

We wish to emphasize that the Company has not treated withheld tax for employees in accordance with the requirements in the Norwegian Tax Payment Act section 5-12.

We wish to emphasize that the financial statements were not presented by the statutory deadline.

Independent auditor's report - ICR Integrity Norge AS

A member firm of Ernst & Young Global Limited

Pernteo Dokumentnøkkel: ODVVW-4EU84-3TPKT-NNZJQ-EOOSA-0X1TE



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Stavanger, 31 May 2021
ERNST & YOUNG AS

The auditor's report is signed electronically

Stig Tore Strand
State Authorised Public Accountant (Norway)

(This translation from Norwegian has been made for information purposes only.)

Pennneo Dokumentnøkkel: ODVVW-4EU84-3TPK1-MMZIQ-EOOSA-0X1TE

Independent auditor's report - ICR Integrity Norge AS

A member firm of Ernst & Young Global Limited



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"By my signature I confirm all dates and content in this document."

Stig Tore Strand

Oppdragsansvarlig partner

On behalf of: EY

Serial number: 9578-5998-4-756562

IP: 51.174.xxx.xxx

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Stig Tore Strand

Statsautorisert revisor

On behalf of: EY

Serial number: 9578-5998-4-756562

IP: 51.174.xxx.xxx

2021-05-31 09:34:50Z



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ICR Integrity Norge AS

Notes to the accounts for 2020

Note - 1 Accounting Principles

The annual report is prepared according to the Norwegian Accounting Act 1998 and generally accepted accounting principles for small companies.

Subsidiaries

Subsidiaries are valued by the cost method in the company accounts. The investment is valued as cost of acquiring shares in the subsidiary, providing that write down is not required. Write down to fair value will be carried out if the reduction in value is caused by circumstances which may not be regarded as incidental, and deemed necessary by generally accepted accounting principles. Write downs are reversed when the cause of the initial write down are no longer present.

Dividends and other distributions are recognized in the same year as appropriated in the subsidiary accounts. If dividends exceed withheld profits after acquisition, the exceeding amount represents reimbursement of invested capital, and the distribution will be subtracted from the value of the acquisition in the balance sheet.

Sales revenue

Revenue from the sales of goods and services are recognised in the income statement upon delivery. Unbilled revenue is presented in the financial statement under other current receivables.

Balance sheet classification

Current assets and current liabilities consist of items that fall due within 12 months or are part of the normal operating cycle. Other balance sheet items are classified as non-current assets or non-current liabilities.

Current assets are valued at the lower of acquisition cost and fair value. Current liabilities are reported at nominal value given at the time of the transaction.

Fixed assets are valued at cost. A fixed asset is written down to recoverable amount when decrease in value is expected to be permanent.

Trade and other receivables

Accounts receivable and other receivables are recorded in the balance sheet at nominal value less a provision for doubtful accounts. Provision for doubtful accounts is determined on the basis of an assessment of individual receivables.

Inventories

Inventory consists of purchased parts for resale. If required, the parts can be used in production where the cost will be capitalized as non-current assets. Inventory is valued at the lower of cost and fair market value.

Foreign currency translation

Transactions in other currencies than NOK are translated at the exchange rate prevailing at the transaction date. Monetary items in other currencies than NOK are translated to NOK at the exchange rate on the balance sheet date and the currency difference is recognised in the income statement.

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 assigned 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.



ICR Integrity Norge AS

Notes to the accounts for 2020

Research and development

Research and development costs are capitalized providing that a future economic benefit associated with development of the intangible asset can be identified. Otherwise, the costs are expensed as incurred. Capitalized research and development are amortized linearly over the economic lifetime.

Income tax

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Consolidated Financial Statement

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Note 2 - Fiscal year

The income statement comprises of 12 months, from 01.06.2019 - 31.05.2020.

Note 3 - Wage costs, number of employees, remuneration, loans to employees and auditor's fee

<i>Wage costs</i>	2020	2019
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Payroll tax	1 307 582	1 295 404
Pension costs	403 237	410 897
Other payments	67 008	444 254
Total	<u>11 249 759</u>	<u>11 234 701</u>

The entity had 16 employees in the financial year ending the 31 of May 2020.

It has not been paid or accrued fees to the Board of Directors.

Auditor fee has been divided as follows

	2020
Audit fee	166 797
Other services	0

VAT is not included.



ICR Integrity Norge AS

Notes to the accounts for 2020

Note 4 - Fixed assets

	Fixture, Fittings and equipment	Research and development cost	Patents and licenses	Total
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Depreciation for the year	460 360	243 993	136	704 489
Useful economic life	5 years	5 years	5 years	
Amortization plan	Straight line	Straight line	Straight line	

Capitalized research and development cost is related to the product development. Capitalized amounts consist of both purchased services and R&D activities carried out by own employees. Grants received have reduced the capitalised costs. Expected total income from ongoing research and development equals total expenses incurred.

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<i>Income tax expenses</i>	2020	2019
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Change in deferred tax	1 641 753	-316 483
Tax effect of group contribution	0	731 204
Deferred tax asset over the result*	-1 610 904	0
Total income tax expense	<u>322 684</u>	<u>414 721</u>
<i>Tax base estimation</i>	2020	2019
Ordinary result before tax	8 758 586	1 822 802
Permanent differences	30 451	62 293
Change in temporary differences	-4 026 751	1 438 561
General income	<u>4 762 286</u>	<u>3 323 656</u>
Carried forward loss	-3 435 763	0
Group contribution	<u>0</u>	<u>-3 323 656</u>
Tax base	<u>1 326 523</u>	<u>0</u>
Tax payable (22%) of this year's tax base	291 835	0
<i>Temporary differences outlined</i>	2020	2019
Fixed assets	<u>-11 443 410</u>	<u>-6 168 674</u>
	<u>-11 443 410</u>	<u>-6 168 674</u>



ICR Integrity Norge AS

Notes to the accounts for 2020

Deferred income tax liability (22% this year, 22% last year)	-2 517 550	-1 357 108
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ICR Integrity Norge AS

Notes to the accounts for 2020

*Quickflange Technology AS, Quickflange International, Quickflange Subsea AS and ICR Norway AS has merged with ICR Integrity Norway AS with effekt 01.06.2019. Deferred tax asset is recorded in the balance going forward as there is a probability for profitable results in the future. Incoming tax positions have been included in the tax calculation as the merger was performed at continuity.

Note 6 - Intercompany balance group company

<i>Receivables</i>	2020	2019
Receivable related to cashpool	3 637 619	17 209 019

Recognized intercompany interest in the financial year ending 31.5.2020 is 139 908,43.

<i>Payables</i>	2020	2019
Short-term liabilities	316 043	23 828 376
Group Contribution	0	3 323 655
Total	316 043	27 152 031

Note 7 - Owners equity

	Share capital	Share premium	Other equity	Total
Owners equity 01.06.	280 402	8 040 725	-1 401 523	6 919 604
Profit for the year	0	0	8 435 902	8 435 902
Effect of merger	0	0	11 943 666	11 943 666
Owners equity 31.05.	280 402	8 040 725	18 978 045	27 299 172

Note 8 - Share capital and shareholder information

Share capital:

	Number of shares	Face value	Book value
Share capital	14 020 103	0,02 kr	280 402

Shareholders per 31.05:

	Ordinary shares	Ownership share	Voting rights
ICR Integrity Limited	14 020 103	100 %	100 %



ICR Integrity Norge AS

Notes to the accounts for 2020

Note 9 - Currency gain and loss

	2020	2019
Currency gain	0	797 725
Currency loss	-277 533	-728 644
Total	<u>-277 533</u>	<u>69 081</u>

Note 10 - Going concern

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