



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2019 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 999 647 359
Organisasjonsform: Aksjeselskap
Foretaksnavn: PROTECTION AS
Forretningsadresse: Tykkemyr 27
1597 MOSS

Regnskapsår

Årsregnskapets periode: 01.01.2019 - 31.12.2019

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: 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: Tonje Braathen
Dato for fastsettelse av årsregnskapet: 24.06.2020

Grunnlag for avgivelse

År 2019: Årsregnskapet er elektronisk innlevert
År 2018: Tall er hentet fra elektronisk innlevert årsregnskap fra 2019

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, 22.09.2021



Resultatregnskap

Beløp i: NOK	Note	2019	2018
RESULTATREGNSKAP			
Kostnader			
Other operating expenses		59 695	176 087
Sum kostnader		59 695	176 087
Driftsresultat		-59 695	-176 087
Finansinntekter og finanskostnader			
Share of group contribution recognised		25 275 000	0
Renteinntekt fra foretak i samme konsern			333 739
Annen renteinntekt		17 977	159 329
Sum finansinntekter		25 292 977	493 068
Annen rentekostnad	7	34 146 991	39 154 819
Amortisation of debt issuance cost	7	4 596 312	4 596 312
Other finance expnses		992 417	822 746
Sum finanskostnader		39 735 720	44 573 877
Netto finans		-14 442 743	-44 080 809
Ordinært resultat før skattekostnad		-14 502 438	-44 256 896
Income tax expense	4	-771 204	-12 847 475
Ordinært resultat etter skattekostnad		-13 731 234	-31 409 421
Årsresultat		-13 731 234	-31 409 421
Overføringer og disponeringer			
Transferred from other equity		-13 731 234	-31 309 421
Sum overføringer og disponeringer		-13 731 234	-31 309 421



Balanse

Beløp i: NOK	Note	2019	2018
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	2,3	938 356 850	991 666 132
Sum finansielle anleggsmidler		938 356 850	991 666 132
Sum anleggsmidler		938 356 850	991 666 132
Omløpsmidler			
Varer			
Fordringer			
Other receivables		0	1 305 016
Konsernfordringer		93 620 233	57 255 158
Sum fordringer		93 620 233	58 560 174
Bankinnskudd, kontanter og lignende			
Cash		1 260 552	897 330
Sum bankinnskudd, kontanter og lignende		1 260 552	897 330
Sum omløpsmidler		94 880 785	59 457 504
SUM EIENDELER		1 033 237 635	1 051 123 636
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital		76 479 000	76 479 000
Overkurs		579 385 389	579 385 389
Sum innskutt egenkapital		655 864 389	655 864 389
Opptjent egenkapital			



Balanse

Beløp i: NOK	Note	2019	2018
Udekket tap		212 459 082	198 727 850
Sum opptjent egenkapital		-212 459 082	-198 727 850
Sum egenkapital		443 405 307	457 136 539
Gjeld			
Langsiktig gjeld			
Utsatt skatt		2 500 217	3 511 405
Sum avsetninger for forpliktelser		2 500 217	3 511 405
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner		507 898 739	566 302 429
Sum annen langsiktig gjeld		507 898 739	566 302 429
Sum langsiktig gjeld		510 398 956	569 813 834
Kortsiktig gjeld			
Current portion of bank borrowings		49 000 000	24 000 000
Current tax liabilities		14 163 646	0
Kortsiktig konserngjeld		16 174 402	0
Other current liabilities		95 324	173 263
Sum kortsiktig gjeld		79 433 372	24 173 263
Sum gjeld		589 832 328	593 987 097
SUM EGENKAPITAL OG GJELD		1 033 237 635	1 051 123 636
POSTER UTENOM BALANSEN			
Pantstillelser		938 356 850	991 666 132



Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 31.01.2018	Vår dato 12.02.2018
Telefon 22078139	Deres referanse Tonje Braathen	Vår referanse 2018/112324

HANSEN PROTECTION AS
Postboks 218
1501 MOSS

15 FEB. 2018

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

Vi viser til deres brev av 31. januar 2018 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper:

Protection Holding AS	org.nr. 999 647 308
Protection AS	org.nr. 999 647 359

Skattedirektoratet gir på bakgrunn av en konkret vurdering de overnevnte selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge 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

Protection Holding AS er eid med 90 % av selskapet Protection International Sarl som er hjemmehørende i Luxembourg. Dette selskapet er igjen kontrollert av IK Investment Fund med sete i London. Protection Holding AS sin eneste aktivitet er å eie Protection AS. Protection AS eier selskapet Hansen Protection AS. 88 % av omsetningen finner sted i Hansen Protection AS. Konsernet har også selskaper i Nederland, Canada, Danmark og Sverige. Konsernets virksomhet er utleie og salg av overlevelsesdrakter og arbeidstøy til internasjonal offshorevirksomhet. Arbeidsspråket er engelsk. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

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:

Postadresse
Postboks 9200 Grønland
0134 Oslo

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

Sentrallbord
800 80 000
Telefaks
22 17 08 60



”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 vekt på at konsernspissen er et utenlandsk selskap. Eierkretsen er begrenset. Selskapets virksomhet er internasjonal med datterselskaper i flere land. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Jeanette Munkvold Skovholt
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer



To the General Meeting of Protection AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Protection AS, which comprise the balance sheet as at 31 December 2019, the statement of profit or loss and the statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 December 2019, 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 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 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 information in the annual report, except 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.

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 in accordance with law and regulations, including 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

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State authorised public accountants, members of The Norwegian Institute of Public Accountants, and authorised accounting firm



Independent Auditor's Report - Protection AS

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. The financial statements use 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including 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 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>

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 and the proposed allocation of the result 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, 17 March 2020
PricewaterhouseCoopers AS

Bjørn Lund
State Authorised Public Accountant
(This document is signed electronically)

(2)



 Securely signed with Brevio

Auditor's report

Signers:

<i>Name</i>	<i>Method</i>	<i>Date</i>
Lund, Bjørn	BANKID_MOBILE	2020-03-19 09:23

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- The original document(s)
- The electronic signatures. These are not visible in the document, but are electronically integrated.



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The seal is a guarantee for the authenticity
of the document.



**Protection AS
2019**

**Profit and Loss
Balance sheet
Cash flow
Notes**



Protection AS

Directors' report for 2019

Business summary

Protection AS was established 28 January 2013. The company owns 100% of the shares in Hansen Protection AS. The company's head office is in Moss, Norway and the company has no employees and does not pollute the external environment.

Result of operations

The result for the year was a loss of NOK 13,731,234 (2018: loss of NOK 31,409,422), which the Board of Directors proposes be transferred from other reserves.

Assets and liabilities at the end of the year

Total assets at the end of the year amounted to NOK 1,033 million (31 December 2018: NOK 1,051 million), and long-term assets accounted for NOK 938 million (31 December 2018: NOK 992 million). The company's long-term debt before deferred tax amounted to NOK 508 million at the end of the year (31 December 2018: NOK 566 million). Total equity amounted to NOK 443 million at year end 2019 compared to NOK 457 million as at 31 December 2018.

Statement of cash flows

Cash flow from the company's operations amounted to NOK -35 million (2018: NOK -46 million). The amortisation of refinancing costs and the income tax paid, along with changes in the balances with other group companies, essentially accounted for the difference between the cash flow from operating activities and the operating result.

Financial risk

Market risk: Most of the company's assets are financed through long-term loans.

Liquidity risk: The company has limited liquidity risk.

Debtor and Creditor risk: The company has no external sales and no credit risk.

Outlook for 2020

In 2020, a continued high activity level on the Norwegian continental shelf is expected, therefore, the earnings for Protection AS will continue to show positive development. The Board of Directors, however, would like to highlight that at this point in time, when the accounts are being filed, there is still considerable uncertainty related to the impact of the Covid-19 virus on the activity level which again could affect earnings in the Company's 100% owned subsidiaries in 2020. The company and the Board of Directors will have an increased focus on implementing all necessary measures to minimize all possible risks for the company.

In the opinion of the Board of Directors, the company's financial resources are sufficient to cover the expected need for working capital.

The accounts have been prepared under the going concern assumption.



Moss, 31 December 2019 / 17 March 2020
Board of Directors of Protection AS

Amund Skarholt
Board Chairman

Carine Engen
Board member

Terje Gorm Hansen
Managing Director



FINANCIAL STATEMENTS - PROTECTION AS

STATEMENT OF PROFIT OR LOSS

<i>NOK</i>	<i>Note</i>	2019	2018
Other operating expenses	6	59 695	176 087
Total operating expenses		59 695	176 087
Operating loss		-59 695	-176 087
Interest income		17 977	493 068
Interest expenses	7	34 146 991	39 154 819
Share of group contribution recognised		25 275 000	-
Amortisation of debt issuance costs	7	4 596 312	4 596 312
Other financial expenses		992 417	822 746
Net financial expenses		-14 442 743	-44 080 809
Loss before income tax		-14 502 438	-44 256 897
Income tax expense	0	-771 204	-12 847 475
Loss for the period		-13 731 234	-31 409 422
Allocation of loss			
Transferred from other equity		-13 731 234	-31 409 422



FINANCIAL STATEMENTS - PROTECTION AS

BALANCE SHEET

NOK	Note	2019	2018
Assets			
Investments in subsidiaries	2, 3	938 356 850	991 666 132
Total investments		938 356 850	991 666 132
Total non-current assets			
		938 356 850	991 666 132
Receivables group contribution	3	93 620 233	39 819 597
Other receivables group companies	1	-	17 435 561
Other receivables	4	-	1 305 016
Total receivables		93 620 233	58 560 174
Cash		1 260 552	897 330
Total current assets			
		94 880 785	59 457 504
Total assets			
		1 033 237 635	1 051 123 636
Equity and liabilities			
2019			
2018			
Share capital		76 479 000	76 479 000
Share premium		579 385 389	579 385 389
Total paid-in capital	5	655 864 389	655 864 389
Other equity		(212 459 082)	(198 727 850)
Total retained earnings	5	(212 459 082)	(198 727 850)
Total equity			
		443 405 307	457 136 539
Deferred tax liabilities	4	2 500 217	3 511 405
Bank borrowings	7, 8	507 898 739	566 302 429
Total non-current liabilities			
		510 398 956	569 813 834
Debt to group companies		16 174 402	-
Current portion of bank borrowings	7	49 000 000	24 000 000
Current tax liabilities	4	14 163 646	-
Other current liabilities		95 324	173 263
Total current liabilities		79 433 372	24 173 263
Total liabilities			
		589 832 328	593 987 097
Total liabilities and equity			
		1 033 237 635	1 051 123 636

Moss, 31 December 2019 / 17 March 2020

Amund Skarholt
Board ChairmanCarine Engen
Board memberTerje Gorm Hansen
Board member
General Manager



FINANCIAL STATEMENTS - PROTECTION AS

STATEMENT OF CASH FLOWS

<i>NOK</i>	2019	2018
Loss before tax	-14 502 438	-44 256 897
Income tax received (paid -) during the period	192 727	-5 846 900
Recognised group contributions received	-25 275 000	-
Amortisation of debt issuance costs	4 596 312	4 596 312
Change in trade payables	-	-16 088
Change in other accrual items	-77 940	-10 143
Net cash flow from operating activities	-35 066 338	-45 533 716
Cash from investment activities		
Paid in equity Hansen Protection AS	-	-37 500 000
Net cash from investments	-	-37 500 000
Cash flows from financing activities		
Proceeds from bank borrowings, net of debt issuance costs	-	-
Group contributions received	39 819 597	70 098 991
Repayment of long-term debt	-38 000 000	-14 742 114
Change in short term receivables and payables to group companies	33 609 963	-9 195 096
Payment of debt issuance costs	-	-
Proceeds from equity transactions	-	37 500 000
Net cash used in financing activities	35 429 560	83 661 781
Cash at the beginning of the period	897 331	269 265
Net change in cash and cash equivalents	363 222	628 066
Cash at the end of the period	1 260 552	897 331



Summary of significant accounting policies

The company owns all the shares in Hansen Protection AS. Separate consolidated financial statements showing the combined operations of the parent company Hansen Protection ASA and its subsidiaries have been prepared. The company has no employees. The company is part of a larger group and does accordingly not prepare its own consolidated financial statements under reference to Section 3-7, first paragraph of the Norwegian Accounting Act of 1998. The consolidated financial statements of the company's parent company Hansen Protection ASA may be obtained from the Register of Company Accounts in Brønnøysund.

The annual financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles.

Investments in subsidiaries

Investments in subsidiaries are valued in accordance with the cost price method in the company accounts.

Income from investments in subsidiaries

Dividends and group contributions received from subsidiaries are initially taken into income. Dividends and group contributions received from subsidiaries exceeding the portion of retained earnings since the acquisition are reflected as a reduction in purchase cost. Dividend/ group contribution from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount.

Income tax

The income tax expense in the income statement encompasses the tax payable for the period, tax effect of group contributions paid and the change in deferred tax. Tax payable related to the group contributions received that exceed the accumulated profit of the relevant subsidiary during the ownership period are netted against the book value of the shares in this company. Deferred tax is calculated at the rate of 22% on the basis of temporary differences that exist between the financial accounting and tax-related values, in addition to tax losses carried forward at the end of the financial year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse during the same period are offset and the tax effect is calculated based on the net amount. Deferred tax assets attributed to net tax-reducing differences are not offset and tax loss carry forward are recognised in the balance sheet based on estimated future earnings. Deferred tax and tax assets that are recognised on the balance sheet are recognised on a net basis.

Classification and assessment of balance sheet items

Current assets and current liabilities include items that relate to the company's business cycle or other items that fall due for payment within one year after the date of the balance sheet. Non-current assets include assets intended for permanent ownership or use. Non-current liabilities are liabilities that fall due for payment later than one year after the date of the balance sheet. Borrowing costs are amortised over the term of the loan and are presented on the balance sheet as a reduction of the mortgage loan.

Current assets are valued at the lesser of historical cost or fair value. Non-current assets are valued at historical cost less depreciation for use and wear, unless the fair value is lower and the impairment in value is not expected to be of a temporary nature, non-current assets are written down to fair value in such cases.

Receivables

Trade and other receivables are recognised on the balance sheet at the nominal value, less a provision for estimated losses.

Assets impairments

Impairment tests are carried out if there is indication that the carrying amount of an asset exceeds the estimated recoverable amount. The test is performed on the lowest level of fixed assets at which independent cashflows can be identified. If the carrying amount is higher than both the fair value less cost to sell and the recoverable amount (net present value of future use / ownership), the asset is written down to the highest of fair value less cost to sell and the recoverable amount. Previous impairment charges, except write-down of goodwill, are reversed in later periods if the conditions causing the write-down are no longer present.



Summary of significant accounting policies

Liabilities

Liabilities, with the exception of certain liability provisions, are recognised on the balance sheet at nominal value.

Interest rate hedging

Up to September 30, 2018 the Company managed interest rate risk related to cash flow by using interest rate swaps that converted floating rates to fixed rates. Realised and unrealised gains and losses on the hedging instrument were recognised in the income statement when the underlying hedged item impacted the income statement. Changes in the value of the hedging instrument were not accounted for provisionally in the equity prior to this point in time. The effect of the hedging instrument on the income statement is presented together with the hedged risk from the hedged item. The company did not renew the agreement at expiration date.

Cash flow statement

The cash flow statement has been prepared according to the indirect method. Cash include cash and bank deposits.

Notes

1	Receivables from group companies	2019	2018
	Short term interest bearing financing	-	8 574 205
	Other current receivables from group companies	-	8 861 356
	Total other receivables	-	17 435 561

2 Investments in subsidiaries

	Business office at 31/12/2019	Company's share capital	Profit for the year	Equity 31.12.2019
Hansen Protection AS Norway		7 100 000	25 275 652	917 749 285
Total				917 749 285

Book value of shares in Hansen Protection AS at 1 January	991 666 132
New equity paid in 2019	0
Group contributions paid that exceed the accumulated net profit for the year in the subsidiary during the ownership period	-68 345 233
22% tax on group contributions recognised as a reduction in the shareholding	15 035 951
Book value of shares in Hansen Protection AS at 31 December	938 356 850

3 Material transactions with related parties

In 2019, the company received a group contribution of NOK 93 620 233 from Hansen Protection AS. The portion of the group contributions that exceed the accumulated profit in the subsidiary during the ownership period has been deducted from the shares in subsidiaries value.

4 Income tax

Deferred tax is calculated on the basis of differences between the financial and tax-related values that exist at the end of the financial year.

Temporary differences in the balance sheet at period end

Recognised deferred tax liabilities / (-) deferred tax assets:	31.12.2019	31.12.2018	Change
Capitalised debt issuance costs	11 364 619	15 960 930	4 596 311
Basis for deferred tax liabilities /(-) deferred tax assets	11 364 619	15 960 930	4 596 311
Deferred tax liabilities / (-) deferred tax assets	2 500 216	3 511 406	-1 011 189
Tax rate used for the calculation	22 %	22 %	



Unrecognised deferred tax liabilities / (-) deferred tax assets:			
Non-deductible interest charges	-72 408 958	-61 418 482	10 990 476
Basis for deferred tax liabilities /(-) deferred tax assets	-72 408 958	-61 418 482	10 990 476
Unrecognised deferred tax liabilities / (-) deferred tax assets	-15 929 971	-13 512 066	-2 417 905
Tax rate used for the calculation	22 %	22 %	

Non-deductible net interest expenses related to internal loans and internal loan guarantees for the period 2014 - 2016 may be carried forward up to 10 years from the year they occur. Due to the limitation of the period for carrying forward as well as other criteria that must be met in order to take advantage of the carry forward amount, deferred tax asset is not recognised on the balance sheet. Change in in the amount carried forward from 31.12.2017 is a result of a company requirement and the tax authorities acceptance of a reassessment of the amount for non deductible taxable interests in the years 2014 - 2016.

Change in deferred tax

	2019
Change for the year recognised in the income statement	-1 011 189
Deferred tax as 31 December	2 500 216

Components of the income tax expense

	2019	2018
Profit before income tax	-14 502 438	-44 256 897
Share of group contributions booked against shares in D	68 345 233	39 819 597
Limitation of the deduction for interest paid	11 000 459	-
Other permanent differences	-3 499	-159 011
+/- Temporary differences	4 596 311	4 596 311
Tax basis for the year	69 436 067	0
Tax payable	15 275 935	0
Rate for tax payable	22 %	23 %

Reconciliation of income tax expense

	2019	2018
Income tax payable	15 275 935	0
Reassessment of taxable income 2014 - 2016 related to non deductible interest charges		-2 472 207
Income tax payable that has been netted against the group contributions received that reduce the book value of shares in subsidiaries	-15 035 950	-9 158 507
Effect of the reduced tax rate from 23% to 22% on temporary differences at 31 December 2018	-	-159 608
Difference between accrued tax for 2016 and final tax assessment	-	-
<u>Other changes in deferred tax</u>	<u>1 011 188</u>	<u>-1 057 152</u>
Income tax expense	-771 204	-12 847 474

Payable tax

Reassessed income tax 2015 and 2016, not yet settled	-1 112 289
Payable tax at 31 December	-1 112 289



5 Equity

The company's shares consist of 58,830,000 shares with nominal value of 1.30 per share. Shares consist of a single share class with equal voting rights. All the shares are owned by Hansen Protection ASA.

	Share capital	Share premium	Other equity	Total equity
Equity at 1 January	76 479 000	579 385 390	-198 727 851	457 136 539
Capital increase by cash paid in	-	-	-	-
Profit for the year	-	-	-13 731 234	-13 731 234
Equity at 31 December	76 479 000	579 385 390	-212 459 084	443 405 307

6 Remuneration of auditor

Inclusive of value-added tax

	2019	2018
Statutory audit	28 125	20 000
Consultancy	113 501	-
Total	141 626	20 000

7 Bank borrowings

Creditor	Designation	Maturity	Average interest rate 2019	Principal 31.12.2019	Principal 31.12.2018
DNB/Nordea	Term A/A1	2021	5.3%	57 000 000	81 000 000
DNB/Nordea	Term B/ B1	2022	5.8%	478 657 576	478 657 576
DNB/Nordea	Term C1/C2	2022	5.4%	32 605 782	46 605 782
Total				568 263 358	606 263 358

Principal at 31 December	2019
Book value of capitalised borrowing costs	568 263 358
Total mortgage loans on the balance sheet at 31 December	-11 364 619
	556 898 739

Instalments in 2020 presented as current liabilities on the balance sheet	-49 000 000
Long-term mortgage loans on the balance sheet at 31 December	507 898 739

In connection with the establishment of long-term financing with an external bank, debt issuance costs have been capitalised in the company's balance sheet. The item is amortised over the term of the loan, and the amortisation totalled NOK 4 596 312 in 2019.

Repayment profile for mortgage loans:

Term A/A1 loan has the following maturity structure:

Year	Instalments	Remaining principal
2020	49 000 000	8 000 000
2021	8 000 000	-

Term B/ B1 and term C1/C2 loans with principals of 478 657 576 and NOK 32 605 782, respectively at 31 December 2019, matures in its entirety in 2022.



Conditions related to the financing:

The company's loan agreement contains certain conditions related to ratios for the interest cover rate, net interest-bearing liabilities / EBITDA and investments. These ratios are measured quarterly on a 12-month rolling basis for the combined accounts for Protection AS, Hansen Protection AS, Biardo Survival Suits BV, Lyngsøe Rainwear Aps, Hansen Protection AB and Helippe Holding Aps. The company met these conditions at 31 December 2019.

8 Pledged assets and guarantee commitments

The company's shares and assets have been pledged as security for its own debt.

	2019	2018
Shares in subsidiaries	938 356 850	991 666 132
Book value pledged assets at 31 December	938 356 850	991 666 132

9 Subsequent events

The Annual accounts for 2019 is prepared under the assumption of positive development in the oil and gas market and continued strong earnings in Hansen Protection AS and its subsidiaries. However, when the accounts are being filed, there is still considerable uncertainty related to the impact of the Covid-19 virus on the activity level in the markets, which again could affect earnings in the Company's 100% owned subsidiaries in 2020