



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 993 099 740  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: COVENT AS  
Forretningsadresse: Røyslandsvegen 36  
4387 BJERKREIM

### Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

### 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: Egil Oddvar Brastad Hansen  
Dato for fastsettelse av årsregnskapet: 27.04.2021

### 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, 16.09.2022



### Resultatregnskap

Beløp i: NOK	Note	2020	2019
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Revenue	1	248 756 760	344 327 132
Other operating income		161 000	384 750
<b>Sum inntekter</b>		<b>248 917 760</b>	<b>344 711 882</b>
<b>Kostnader</b>			
Cost of materials	3	144 696 388	238 101 762
Personnel expenses	4	72 189 845	78 276 042
Depreciation of operating and intangible assets	2	3 684 674	4 008 841
Other operating expenses	4	19 009 304	22 325 448
<b>Sum kostnader</b>		<b>239 580 211</b>	<b>342 712 094</b>
<b>Driftsresultat</b>		<b>9 337 549</b>	<b>1 999 789</b>
<b>Finansinntekter og finanskostnader</b>			
Annen renteinntekt		9 075	3 149
Other financial income		3 978 384	1 346 273
<b>Sum finansinntekter</b>		<b>3 987 459</b>	<b>1 349 422</b>
Rentekostnad til foretak i samme konsern	8	522 543	394 683
Annen rentekostnad		323 086	692 041
Other financial expenses		3 418 478	3 211 584
<b>Sum finanskostnader</b>		<b>4 264 107</b>	<b>4 298 307</b>
<b>Netto finans</b>		<b>-276 648</b>	<b>-2 948 885</b>
<b>Ordinært resultat før skattekostnad</b>		<b>9 060 901</b>	<b>-949 097</b>
Tax on ordinary result	12	2 008 279	-179 485
<b>Ordinært resultat etter skattekostnad</b>		<b>7 052 622</b>	<b>-769 612</b>
<b>Årsresultat</b>		<b>7 052 622</b>	<b>-769 612</b>
<b>Årsresultat etter minoritetsinteresser</b>		<b>7 052 622</b>	<b>-769 612</b>
<b>Totalresultat</b>		<b>7 052 622</b>	<b>-769 612</b>



## Resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2020</b>	<b>2019</b>
<b>Overføringer og disponeringer</b>			
Allocated to other equity	11	7 052 622	
Transferred from other equity	11		-769 612
<b>Sum overføringer og disponeringer</b>		<b>7 052 622</b>	<b>-769 612</b>



### Balanse

Beløp i: NOK	Note	2020	2019
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	12		599 078
<b>Sum immaterielle eiendeler</b>			<b>599 078</b>
<b>Varige driftsmidler</b>			
Buildings and land	2, 9	12 695 548	13 184 557
Machinery and equipment	2, 9	481 772	786 222
Vessels	2		
Equipment and other movables	2, 9	16 927 335	19 472 467
<b>Sum varige driftsmidler</b>		<b>30 104 655</b>	<b>33 443 247</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	5	2 412 600	2 412 600
Investments in shares		5 000	5 000
<b>Sum finansielle anleggsmidler</b>		<b>2 417 600</b>	<b>2 417 600</b>
<b>Sum anleggsmidler</b>		<b>32 522 255</b>	<b>36 459 925</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Inventories	3, 9	29 933 174	30 208 034
<b>Sum varer</b>		<b>29 933 174</b>	<b>30 208 034</b>
<b>Fordringer</b>			
Accounts receivables	7, 8, 9	44 561 391	68 849 919
Other short-term receivables		723 047	2 773 200
Konsernfordringer	8	484 426	987 344
<b>Sum fordringer</b>		<b>45 768 864</b>	<b>72 610 463</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and bank deposits	6, 9	2 779 305	14 084 035
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>2 779 305</b>	<b>14 084 035</b>
<b>Sum omløpsmidler</b>		<b>78 481 343</b>	<b>116 902 532</b>



### Balanse

Beløp i: NOK	Note	2020	2019
<b>SUM EIENDELER</b>		<b>111 003 599</b>	<b>153 362 458</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital	10, 11	2 900 000	2 900 000
Overkurs	11	704 225	704 225
<b>Sum innskutt egenkapital</b>		<b>3 604 225</b>	<b>3 604 225</b>
<b>Opptjent egenkapital</b>			
Other equity	11	38 961 154	31 908 533
<b>Sum opptjent egenkapital</b>		<b>38 961 154</b>	<b>31 908 533</b>
<b>Sum egenkapital</b>		<b>42 565 379</b>	<b>35 512 758</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Pensjonsforpliktelse	4		
Utsatt skatt	12	478 224	
<b>Sum avsetninger for forpliktelse</b>		<b>478 224</b>	
<b>Annen langsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	9		1 900 000
Langsiktig konserngjeld	8	7 797 568	12 592 886
Other long term liabilities	9	243 181	496 195
<b>Sum annen langsiktig gjeld</b>		<b>8 040 749</b>	<b>14 989 081</b>
<b>Sum langsiktig gjeld</b>		<b>8 518 973</b>	<b>14 989 081</b>
<b>Kortsiktig gjeld</b>			
Liabilities to financial institutions	9	17 931 873	18 682 935
Leverandørgjeld		18 140 845	46 668 095
Tax payable	12	930 977	9 999 998
Public duties payable		9 542 478	10 589 968
Kortsiktig konserngjeld	8		
Other current debt		13 373 074	16 919 622



## Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2020</b>	<b>2019</b>
Sum kortsiktig gjeld		59 919 247	102 860 619
 Sum gjeld		 68 438 220	 117 849 699
 <b>SUM EGENKAPITAL OG GJELD</b>		 <b>111 003 599</b>	 <b>153 362 458</b>



**Skattedirektoratet**

Saksbehandler Inger Helene Iversen	Deres dato 29.11.2012	Vår dato 11.02.2013
Telefon 81236772	Deres referanse Ivar Hovland	Vår referanse 2012/18993

COVENT AS  
Røyslandsvegen 36  
4387 BJERKREIM

**Dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk språk for Covent AS, org.nr. 993 099 740**

- Det vises til deres brev av 29. november 2012, hvor dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Covent AS.

Skattedirektoratet gjør nå bakgrunn av en konkret helhetsvurdering Covent AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk fom. regnskapsåret 2012, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder også konsernregnskapet.

Dispensasjonen forutsetter at det benyttes engelsk språk ved utarbeidelsen av årsregnskapet og årsberetningen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

**Bakgrunn.**

Fra søknaden gjengis:

*Covent AS (org.nr. 993099740) med datterselskaper tilbyr tjenester innen produksjon av kjøle- og ventilasjonsanlegg, unntatt til husholdningsbruk.*

*Covent AS sin aksjonær er et spansk selskap og dette blir representert i styret av talehandlende personer som kun forstår spansk og engelsk. All kommunikasjon med selskapets eiere foregår derfor på engelsk, både i daglig kommunikasjon og i styremøte.*

*I lys av Covent AS sin situasjon, der selskapets aksjonær og styrerepresentanter kun behersker spansk og engelsk, og at engelsk er arbeidsspråket til Covent AS i forholdet til eiere, fremstår kravet i regnskapsloven § 3-4 om utarbeidelse av årsregnskap og årsberetning på norsk som unødvendig. I tillegg til at det er ressurskrevende, fører av og til tvil om oversettelse og uoverensstemmelser mellom engelsk og norsk versjon til unødvendige misforståelser.*

*Eitersom engelsk er et utbredt språk som brukerne av regnskapet forstår, vil disse forstå regnskapet og årsberetningen selv om disse dokumentene i fremtiden blir utarbeidet i sin endelige form på engelsk. Selskapet mener derfor at alle brukere av regnskapet i sum vil være tjent med at regnskapet kun utarbeides på engelsk.*

Postadresse Postboks 9200 Grønland 0134 Oslo	Besøksadresse: Se <a href="http://www.skatteetaten.no">www.skatteetaten.no</a> Org.nr: 996250318	Sentralbord 800 80 000 Telefaks 22 17 08 60
For elektronisk henvendelse se <a href="http://www.skatteetaten.no">www.skatteetaten.no</a>		



### Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal årsregnskapet og årsberetningen være på norsk. Departementet (delegert Skattedirektoratet) kan ved forskrift eller ved enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk. I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

*Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er de 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, og grunnlag for, riktig prisning av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli mest mulig effektiv. Dette regnskaper vil også gjøre det vanskeligere for markedsaktører 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 skal gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapet er 100 % eid av et utenlandsk selskap og at styrets representanter ikke behersker norsk. Det er også vektlagt at selskapets salgsvirksomhet er rettet mot bedriftsmarkedet.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad

Seniorrådgiver

Rettsavdelingen, foretaksskatt

Skattedirektoratet

Inger Helene Iversen



# Financial statement 2020

## Covent AS



## Income statement

### Covent AS

Operating income and operating expenses	Note	2020	2019
Revenue	1	248 756 760	344 327 132
Other operating income		161 000	384 750
<b>Total operating income</b>		<b>248 917 760</b>	<b>344 711 882</b>
Cost of materials	3	144 696 388	238 101 762
Personnel expenses	4	72 189 845	78 276 042
Depreciation of operating and intangible assets	2	3 684 674	4 008 841
Other operating expenses	4	19 009 304	22 325 448
<b>Total operating expenses</b>		<b>239 580 211</b>	<b>342 712 094</b>
<b>Operating profit</b>		<b>9 337 549</b>	<b>1 999 789</b>
<b>Financial income and expenses</b>			
Other interest income		9 075	3 149
Other financial income		3 978 384	1 346 273
Interest expense to group companies	8	522 543	394 683
Other interest expenses		323 086	692 041
Other financial expenses		3 418 478	3 211 584
<b>Net financial items</b>		<b>-276 648</b>	<b>-2 948 885</b>
<b>Operating result before tax</b>		<b>9 060 901</b>	<b>-949 097</b>
Tax on ordinary result	12	2 008 279	-179 485
<b>Annual net profit</b>		<b>7 052 622</b>	<b>-769 612</b>
<b>Brought forward</b>			
Allocated to other equity	11	7 052 622	0
Transferred from other equity	11	0	769 612
<b>Net brought forward</b>		<b>7 052 622</b>	<b>-769 612</b>



## Balance sheet

### Covent AS

Assets	Note	2020	2019
<b>Fixed assets</b>			
Deferred tax assets	12	0	599 078
<b>Total intangible assets</b>		<u>0</u>	<u>599 078</u>
<b>Tangible assets</b>			
Buildings and land	2, 9	12 695 548	13 184 557
Machinery and equipment	2, 9	481 772	786 222
Equipment and other movables	2, 9	16 927 335	19 472 467
<b>Total tangible assets</b>		<u>30 104 655</u>	<u>33 443 247</u>
<b>Financial fixed assets</b>			
Investments in subsidiaries	5	2 412 600	2 412 600
Investments in shares		5 000	5 000
<b>Total financial fixed assets</b>		<u>2 417 600</u>	<u>2 417 600</u>
<b>Total fixed assets</b>		<u>32 522 255</u>	<u>36 459 925</u>
<b>Current assets</b>			
<b>Inventories</b>			
Inventories	3, 9	29 933 174	30 208 034
<b>Total Inventories</b>		<u>29 933 174</u>	<u>30 208 034</u>
<b>Debtors</b>			
Accounts receivables	7, 8, 9	44 561 391	68 849 919
Other short-term receivables		723 047	2 773 200
Receivables from group companies	8	484 426	987 344
<b>Total receivables</b>		<u>45 768 864</u>	<u>72 610 463</u>
<b>Cash and bank deposits</b>			
Cash and bank deposits	6, 9	2 779 305	14 084 035
<b>Total cash and bank deposits</b>		<u>2 779 305</u>	<u>14 084 035</u>
<b>Total current assets</b>		<u>78 481 343</u>	<u>116 902 532</u>
<b>Total assets</b>		<u>111 003 599</u>	<u>153 362 458</u>



## Balance sheet

### Covent AS

Equity and liabilities	Note	2020	2019
<b>Egenkapital</b>			
<i>Paid-up equity</i>			
Share capital	10, 11	2 900 000	2 900 000
Share premium reserve	11	704 225	704 225
<b>Total paid-up equity</b>		<u>3 604 225</u>	<u>3 604 225</u>
<i>Retained earnings</i>			
Other equity	11	38 961 154	31 908 533
<b>Total retained earnings</b>		<u>38 961 154</u>	<u>31 908 533</u>
<b>Total equity</b>		<u>42 565 379</u>	<u>35 512 758</u>



## Balance sheet

### Covent AS

	Note	2020	2019
<b>Liabilities</b>			
<i>Provisions for liabilities</i>			
Deferred tax	12	478 224	0
<b>Total provisions</b>		<u>478 224</u>	<u>0</u>
<i>Other long-term liabilities</i>			
Liabilities to group companies	8	7 797 568	12 592 886
Liabilities to financial institutions	9	0	1 900 000
Other long term liabilities	9	243 181	496 195
<b>Total of other long term liabilities</b>		<u>8 040 749</u>	<u>14 989 081</u>
<i>Current debt</i>			
Liabilities to financial institutions	9	17 931 873	18 682 935
Trade creditors		18 140 845	46 668 095
Tax payable	12	930 977	9 999 998
Public duties payable		9 542 478	10 589 968
Other current debt		13 373 074	16 919 622
<b>Total current debt</b>		<u>59 919 247</u>	<u>102 860 619</u>
<b>Total liabilities</b>		<u>68 438 220</u>	<u>117 849 699</u>
<b>Total equity and liabilities</b>		<u>111 003 599</u>	<u>153 362 458</u>

Bjerkreim, 27.04.2021  
The board of Covent AS

\_\_\_\_\_  
Hilario Tome Izacelaya  
Chairman of the board

\_\_\_\_\_  
Carlos Campderros Blanco  
Member of the board

\_\_\_\_\_  
Juan Manuel Lecue Yuste  
Member of the board

\_\_\_\_\_  
Jostein Jensen  
Member of the board

\_\_\_\_\_  
Egil Oddvar Brastad Hansen  
General Manager



## Indirect cash flow

### Covent AS

	Note	2020	2019
<b>Cash flows from operating activities</b>			
Profit/loss before tax		9 060 901	-949 097
Ordinary depreciation		3 684 674	4 008 841
Change in inventory		274 860	3 077 858
Change in accounts receivable		24 288 527	-15 199 949
Change in accounts payable		-28 527 249	4 924 477
Change in other accrual items		-2 040 968	340 733
Net cash flows from operating activities		6 740 745	-3 797 136
<b>Cash flows from investment activities</b>			
Payments to buy tangible assets		346 083	912 561
Net cash flows from investment activities		<u>-346 083</u>	<u>-912 561</u>
<b>Cash flows from financing activities</b>			
Proceeds from the issuance of new current liabilities		-10 533 204	10 000 000
Repayment of long-term liabilities		6 415 128	6 766 687
Net change in bank overdraft		-751 059	10 374 659
Net cash flows from financing activities		<u>-17 699 391</u>	<u>13 607 972</u>
Net change in cash and cash equivalents		-11 304 729	8 898 275
Cash and cash equivalents at the start of the period		14 084 035	5 185 761
Cash and cash equivalents at the end of the period		2 779 305	14 084 035



## Notes to the financial statement 2020

### Accounting principles

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

### Use of estimates

The preparation of accounts in accordance with the Accounting Act requires the use of estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in the notes.

### Revenue

Income from sale of goods and services are recognised at fair value, net after deduction of VAT, returns, discounts and reductions.

### Revenue from sale of goods

Revenue from sale of goods are recognised in the income statement when both risk and control have passed on to the buyer. The risk being the asset's profit and loss potential, whilst control is defined as having both the decision-making rights as well as the jurisdiction. Normally this will be when the goods are delivered to the customer. Historical data is applied to estimate and make provisions for quantity discount and returns at the date of sales.

### Construction Contracts

The company uses percentage of completion method in the assessment of long-term construction contract. This means that revenue is recognised as the work is carried out according to the estimated degree of completion. The estimated degree of completion is calculated based on incurred cost as share estimated total cost. For projects that are expected to give loss, the complete loss is recognised immediately.

### Classification and assessment of balance sheet items

Assets intended for long term ownership or use are classified as fixed assets. Assets relating to the operating cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's instalment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.

### Fixed assets

Tangible fixed assets are capitalised and depreciated linearly down to the residual value over the expected useful economic life of the assets. When the depreciation plan is changed, the effect is distributed over the remaining depreciation period. Maintenance of operating equipment is expensed on an ongoing basis. Upgrades or improvements are added to the acquisition cost of the asset and depreciated in line with the asset. The difference between maintenance and upgrade / improvement is assessed based on the condition of the asset when purchased. Plots and land are not depreciated.

### Impairment of fixed assets

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 ingoing cashflows can be identified. If the carrying amount is higher than both the fair value less cost to sell and the value in use (net present value of future use/ownership), the asset is written down to the highest of fair value less cost to sell and the value in use. Previous impairment charges, except write-down of goodwill, are reversed in later periods if the conditions causing the write-down are no longer present.

### Leases

A lease is classified as financial or operational in accordance with the actual content of the agreement. If the principal of the financial risk and control associated with the underlying rental object has been transferred to the lessee, the agreement is classified as financial and related assets and liabilities are capitalized. Other leases are classified as operational. Financial leases are capitalised at the value of the consideration in the lease. Cost related to fixed assets are expensed over the lease period. Prepayment are reflected in the balance sheet at prepaid expense, and are distributed over the rental period.



## Notes to the financial statement 2020

### Investments in other companies

The cost method is applied to investments in other companies. The carrying amount is increased when funds are added through capital increases or when group contributions are made to subsidiaries. Dividends received are generally recognised as income. Dividends/group contribution from subsidiaries are booked in the same year as the subsidiary makes the provision for the amount. Dividends from other companies are reflected as financial income when the dividends are approved. Investments are written down to fair value if the fair value is lower than the carrying amount.

The subsidiaries have been excluded from consolidation pursuant to AA § 7-15 as they neither individually nor compiled are viewed of overall importance for assessing the Group's position and results.

### Inventory

The inventory of purchased goods is valued at the lower of acquisition cost according to the FIFO principle and net sales value. Finished goods of own production and work in progress are valued at production cost, including both variable and fixed production costs.

### Receivables

Accounts receivables and other receivables are recorded in the balance sheet at face value after deduction of provisions for doubtful debts. Provisions for losses are made on the basis of individual assessments of the individual receivables.

Additionally, for accounts receivables, an unspecified provision is made to cover expected losses.

### Pensions

The pension schemes are financed through payments to insurance companies. The company has a defined contribution plan.

With a defined contribution plan the company pays contributions to an insurance company. After the contribution has been made the company has no further commitment to pay. The contribution is recognised as payroll expenses. Prepaid contributions are reflected as an asset (pension fund) to the degree the contribution can be refunded or will reduce future payments.

### Tax

The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at 22 % on the basis of the temporary differences that exist between accounting and tax values, as well as any possible taxable loss carried forwards at the end of the accounting year. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been offset and netted.

The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and tax losses varied forward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

### Foreign currencies

Transactions in foreign currencies are valued at the exchange rate on the day of transaction. Recognized Assets and liabilities in foreign currencies are valued at the exchange rate at the end of the accounting year. Foreign currency exchange gains and losses relating to sales and purchases of goods in foreign currencies are recognised as other financial income/expense.

### Cash Flow statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.



## Notes to the financial statement 2020

### Note 1 Revenues

Activity distribution	2020	2019
Revenues from sale of goods	248 756 760	344 327 132
<b>Total</b>	<b>248 756 760</b>	<b>344 327 132</b>

Geographical distribution	2020	2019
Norway	235 704 884	320 594 484
France	0	960 083
Poland	11 350 410	7 972 916
Finland	213 000	0
India	156 813	0
Italy	76 895	336 100
United Kingdom	17 304	4 281
Spain	1 237 454	13 616 543
Sweden	0	624 200
Lithuania	0	97 346
Germany	0	27 840
Canada	0	27 530
Denmark	0	24 119
Netherland	0	26 481
Slovenia	0	12 051
Liechtenstein	0	3 158
<b>Total</b>	<b>248 756 760</b>	<b>344 327 132</b>

### Note 2 Tangible assets

	Land	Buildings and other property	Machinery	Fixtures, tools, etc	Total
Acquisition cost 01.01	2 711 445	26 396 590	6 593 077	24 739 661	60 440 773
Additions	0	187 810	64 000	94 273	346 083
Disposals	0	0	0	0	0
<b>Acquisition cost 31.12</b>	<b>2 711 445</b>	<b>26 584 400</b>	<b>6 657 077</b>	<b>24 833 934</b>	<b>60 786 856</b>
Acc. depreciation / impairment 31.12	0	-16 600 298	-6 175 305	-7 906 599	-30 682 202
<b>Book value 31.12</b>	<b>2 711 445</b>	<b>9 984 102</b>	<b>481 772</b>	<b>16 927 335</b>	<b>30 104 655</b>
<b>Depreciation in the year</b>	<b>0</b>	<b>728 684</b>	<b>2 817 504</b>	<b>138 486</b>	<b>3 684 674</b>
Amortisation plan		Linear	Linear	Linear	
Economic useful life		20 years	3 - 5 years	3 -10 years	

Included in machinery is leased machinery with a booked amount of NOK 368 587.  
Leasing liability included in long-term debt is NOK -243 181.



## Notes to the financial statement 2020

### Note 3 Inventory

	2020	2019
Commodities	29 933 174	30 208 034
Goods under constructions	0	0
In-house finished products	0	0
Merchandise	0	0
<b>Total</b>	<b>29 933 174</b>	<b>30 208 034</b>

The company's inventory is valued at acquisition cost. No write-downs have made in connection with obsolescence.



## Notes to the financial statement 2020

### Note 4 Note Salary costs and benefits, remuneration to the chief executive, board and auditor

<b>Salary costs</b>	<b>2020</b>	<b>2019</b>
Salaries	61 101 422	66 248 697
Employment tax	8 607 669	9 812 497
Pension costs	1 147 859	1 185 302
Other benefits	1 332 903	1 029 545
<b>Total</b>	<b>72 189 854</b>	<b>78 276 041</b>

In 2020 the company employed on average 119 full-time equivalents.

#### Pension liabilities

The company is liable to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act. The company's pension schemes satisfy the requirements of this Act.

<b>Remuneration to leading personnel</b>	<b>General manager</b>	<b>Board</b>
Salaries general manager	1 233 246	0
Other remuneration		0
<b>Total</b>	<b>1 233 246</b>	<b>0</b>

There is no termination payment agreement with general manager.

There has not been paid any director's fee in 2020.

#### Expensed audit fee

Expenses paid to the auditor for 2020 amounts to NOK 315 700,- excl.mva. The amount includes other relevant fees as preparation of financial statement and tax advisory fee that amount to NOK 60 000.



## Notes to the financial statement 2020

### Note 5 Subsidiaries, associates, joint ventures

	Municipa- lity	Owner share	Brought to balance val.	Share of equity	Share of result
S&P Norway AS	Bjerkreim	100,0%	2 413	2 818	-8
<b>Total</b>			<b>2 413</b>	<b>2 818</b>	<b>-8</b>

There is no activity in the subsidiary and the share of equity and share of result are both obtained from the 2019 financial statements. The company is based in Norway.

All numbers are listed in 1 000 NOK.

The company has not made an consolidated financial statement for the group Covent AS. This is done according to rskl. § 3-8. There is no activity in the subsidiaries and therefore will an consolidation have no effect on the financial statement.

### Note 6 Bank deposits

	2020	2019
Restricted funds deposited in the tax deduction account (withheld employee tax)	2 779 005	3 034 745

### Note 7 Customer receivables

	2020	2019
Trade receivables external	44 761 391	69 049 919
Provision for losses	200 000	200 000
<b>Total</b>	<b>44 561 391</b>	<b>68 849 919</b>



## Notes to the financial statement 2020

### Note 8 Inter-company items between companies in the same group

	2020	2019
<b>Receivables</b>		
Other current receivables	484 426	987 344
<b>Total</b>	<b>484 426</b>	<b>987 344</b>
<b>Liabilities</b>		
Other non-current liabilities	5 025 744	9 287 858
Other current liabilities	2 771 824	3 305 028
<b>Total</b>	<b>7 797 568</b>	<b>12 592 886</b>

Other current liabilities are intercompany debt to S&P Norway AS.

Other non-current liabilities relates to loan from Soler & Palau Ventilation Group SLU. The Interest is calculated using market terms.



## Notes to the financial statement 2020

### Note 9 Debtors, liabilities, pledged assets and guarantees etc.

	2020	2019
Receivables with maturity exceeding one year after the expiry of the financial year	0	0
Long-term debt with maturity exceeding five years after the expiry of the financial year	0	0
<b>Liabilities secured by collateral</b>	<b>2020</b>	<b>2019</b>
1 900 000		
Long-term financial institutions	0	1 900 000
Used overdraft*	8 431 937	0
Leasing liability	243 181	496 195
<b>Total</b>	<b>8 675 118</b>	<b>2 396 195</b>

\*The company has a multi-currency overdraft facility, where debit and credit balances on certain accounts are netted against another before the total use of the bank overdraft facility is calculated. However, in the financial statements, bank deposits and overdrafts connected to the overdraft facility are presented independently of each other.

<b>Book value pledged assets</b>	<b>2020</b>	<b>2019</b>
Buildings and land	12 695 548	13 184 557
Fixtures	16 927 335	19 472 467
Leased machinery	368 587	552 879
Inventories	29 933 174	30 208 034
Accounts receivables**	35 428 213	46 138 343
<b>Total</b>	<b>95 352 858</b>	<b>109 556 281</b>

\*\* Accounts receivables pledged as security does not includes accrued not invoiced operating income.

### Assets are also placed as security for:

Unused bank overdraft	9 568 063	18 000 000
<b>Total</b>	<b>9 568 063</b>	<b>18 000 000</b>

The limit of the bank overdraft is NOK 18 000 000.



## Notes to the financial statement 2020

### Note 10 Shareholders

The share capital in Covent AS as of 31.12 consists of:

	Total	Face value	Entered
Ordinary shares	29 000	100,0	2 900 000
<b>Total</b>	<b>29 000</b>		<b>2 900 000</b>

### Ownership structure

The largest shareholders in % at year end:

	Ordinary	Owner interest	Share of votes
SOLER & PALAU VENTILATION GROUP	29 000	100,0	100,0
Total number of shares	29 000	100,0	100,0

The company's sole shareholder is Soler & Palau Ventilation Group, SLU in Barcelona, Spain. Consolidated accounts can be obtained by sending a request to the addressee above.

### Note 11 Equity

	Share capital	Share premium reserve	Retained earnings	Total equity
Pr. 01.01	2 900 000	704 225	31 908 533	35 512 758
Annual net profit	0	0	7 052 622	7 052 622
<b>Pr 31.12</b>	<b>2 900 000</b>	<b>704 225</b>	<b>38 961 155</b>	<b>42 565 380</b>

### Note 12 Tax

<b>This year's tax expense</b>	<b>2020</b>	<b>2019</b>
Entered tax on ordinary profit/loss:		
Payable tax	930 977	0
Changes in deferred tax	1 077 302	-179 485
<b>Tax expense on ordinary profit/loss</b>	<b>2 008 279</b>	<b>-179 485</b>
Taxable income:		
Ordinary result before tax	9 060 901	-949 097
Permanent differences	67 639	133 258
Changes in temporary differences	17 339	-670 383
Allocation of loss to be brought forward	-4 914 165	0
<b>Taxable income</b>	<b>4 231 714</b>	<b>-1 486 222</b>
Payable tax in the balance:		
Payable tax on this year's result	930 977	-2
<b>Total payable tax in the balance</b>	<b>930 977</b>	<b>-2</b>

The tax effect of temporary differences that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences

	<b>2020</b>	<b>2019</b>	<b>Difference</b>
Tangible assets	2 589 176	2 639 075	49 899
Stock	1	0	-1

Covent AS

Page 15



## Notes to the financial statement 2020

Accounts receivable	-200 000	-191 128	8 872
Lease agreements brought to the balance	125 406	56 684	-68 721
Profit and loss account	109 163	136 454	27 291
Allocations and more	-450 000	-450 000	0
<b>Total</b>	<b>2 173 746</b>	<b>2 191 085</b>	<b>17 339</b>
Accumulated loss to be brought forward	0	-4 914 165	-4 914 165
<b>Basis for deferred tax</b>	<b>2 173 746</b>	<b>-2 723 080</b>	<b>-4 896 826</b>
<b>Deferred tax (22 %)</b>	<b>478 224</b>	<b>-599 078</b>	<b>-1 077 302</b>

### Note 13 Projects in progress

	2020	2019
Total production projects in progress	9 182 831	86 425 326
Invoiced in advance	0	-63 729 078
<b>Total</b>	<b>9 182 831</b>	<b>150 154 404</b>

Included in trade receivables is work in progress related to construction contracts projects of NOK 9 182 831. The degree of completion is calculated based on the status in the production process. Each order is estimated individually and there is none onerous contract on the balance day. The amount of payments held back on the balance day is 0.



## ANNUAL REPORT OF 2020 COVENT AS

### **Operation**

Covent AS is a Norwegian manufacturing company that sells Air Handling Units with the main purpose of conducting business within onshore, marine and offshore sectors. The Head office address for the Company is at Bjerkreim, in the municipality of Bjerkreim, Norway. The Sales department have regional offices in Bergen, Trondheim and Oslo (Brandbu and Askim).

### **Continuity**

The financial statements of the company have been prepared under the assumption of going concern in accordance with the Norwegian accounting act section 3-3a, and the Board of Directors confirm that this assumption is appropriate.

### **Working Environment and personnel**

In 2020, absence due to illness was a total of 2230 days compared to 1157 days in 2019, which is an increase from 4.41% to 5.9% in 2020. This increase is due to long-term sick leave and sick leaves due to mandatory quarantine in case of corona. This is above the level that The Board wanted to focus on (3%). The Board would like to see this level below 3% in 2021.

There has been no accident/s with major material damage, and no personnel injuries in 2020. Working environment considered as acceptable, and the Company aims for continuous improvements.

### **Discrimination.**

The Company has 112 employees, 100 male and 12 female. The Board consists of only men. The Company works to prevent discrimination between sexes, and is working to promote the objectives of the Norwegian Gender Equality Act within the business.

The Company has about 20% of the employed with foreign background. During the last years, the Company has made efforts for integration of different culture, and as of yearend 2020, there are nine different nationalities in the Company.

### **Environment report**

Spill from manufacturing, including liquid that might lead to environmental damage, are within the requirements of the law. The execution of the company's activities are within regulations set by the authorities. The Board of Directors consider the environmental risk as very small.

### **Financial performance**

The revenue for 2020 was NOK 249 mill, which is a reduction of NOK 95 mill, from the year before. The EBT is NOK 9 mill, compared to a negative 0,9 mill NOK in 2019.

Decrease of turnover is due to decrease in total orders in both offshore and onshore segment volume and a slightly decrease in marine segment volume and market share. The onshore market have otherwise been slightly less stable during 2020, compared to 2019. The



main reason for this decrease is due to the ongoing pandemic, in addition to the completion of the Johan Sverdrup project during spring 2020.

Consequently, completion of this project, and the ongoing pandemic forced us to implement several cost minimizing measurements, i.e. downsizing, to enable us to keep up with the loss of revenue.

Total assets for 2020 is NOK 111 mill, compared to NOK 153 mill in 2019. Total liabilities is NOK 68 mill compared to NOK 117 mill in 2019. Total equity is NOK 42,5 mill, compared to NOK 35,5 mill last year.

The liquidity is assess as satisfactory. The Board is of the opinion that the financial statement gives a true and fair view of assets, liabilities and the financial results of Covent AS, as of 31<sup>st</sup> December 2020.

#### **Investment**

The investments in 2020 has been at a low level with no major/significant investments.

#### **Future development.**

Covent AS future development will be in professionalizing the organisation, streamlining internal production flow and processes, finalizing prototype products, and improving our current marketing strategy.

#### **Financial risk**

The risk of Covent AS depends on the future development. Covent AS, have had varied revenue development during the last years with some associated increase in profit. Next year is expected to have a reduced revenue due to reduction in both on- and offshore activities. Focus will be on increasing production efficiency and profit.

The risk in foreign currency is assess to be inconclusive, based on the variating EUR-NOK currency due to the pandemic. The credit risk is assess as low, based on historical losses and the variety of customers and segments. The liquidity risk is assess as high, based on the overdraft facilities in DNB, and the amount in use.

#### **Year 2020 results**

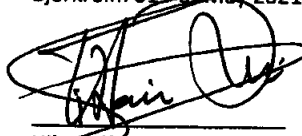
The results of Covent AS after tax is NOK 7 mill.

The board propose that the result are to be allocated as follow:

Transfer to Other equity:   NOK 7 mill



Bjerkreim 01<sup>th</sup> of May 2021.




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Hilario Tome Izacelaya  
Chairman of the board



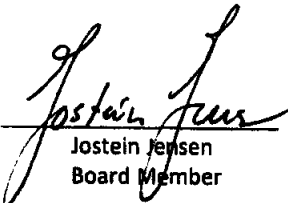
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Carlos Campderros Blanco  
Board Member



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Juan Manuel Lecue  
Board Member



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Jostein Jensen  
Board Member



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Egil Brastad Hansen  
Managing director



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Fax  
Internet [www.kpmg.no](http://www.kpmg.no)  
Enterprise 935 174 627 MVA

To the General Meeting of Covent AS

## Independent auditor's report

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Covent AS showing a profit of NOK 7 052 622. The financial statements comprise the balance sheet as at 31 December 2020, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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 2020, 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.

KPMG AS is a Norwegian limited liability company and member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Ståvastufoerets revisorer - medlemmer av Den norske Reviserforbund

#### Offices

Oslo	Berlin	Moscow	Stockholm
Ålesund	Brno	Norfolk	Strasbourg
Århus	Bucharest	Osaka	Toronto
Bergen	Chengde	San Diego	Trondheim
Bodo	Kobe	Sao Paulo	Warsaw
Drammen	Kyoto	Shanghai	Zurich



Covent AS

## 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 a true and fair view 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. 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.

As part of an audit in accordance with laws, regulations, and auditing standards and practices generally accepted 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. We 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 a true and fair view.

We communicate with the Board of Directors 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.



Covent AS

## 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.

Stavanger, 26 May 2021  
KPMG AS

Mads Hermansen  
State Authorised Public Accountant



## Financial statement 2020 Covent AS



## Income statement

### Covent AS

Operating income and operating expenses	Note	2020	2019
Revenue	1	248 756 760	344 327 132
Other operating income		161 000	384 750
<b>Total operating income</b>		<b>248 917 760</b>	<b>344 711 882</b>
Cost of materials	3	144 696 388	238 101 762
Personnel expenses	4	72 189 845	78 276 042
Depreciation of operating and intangible assets	2	3 684 674	4 008 841
Other operating expenses	4	19 009 304	22 325 448
<b>Total operating expenses</b>		<b>239 580 211</b>	<b>342 712 094</b>
<b>Operating profit</b>		<b>9 337 549</b>	<b>1 999 789</b>
<b>Financial income and expenses</b>			
Other interest income		9 075	3 149
Other financial income		3 978 384	1 346 273
Interest expense to group companies	8	522 543	394 683
Other interest expenses		323 086	692 041
Other financial expenses		3 418 478	3 211 584
<b>Net financial items</b>		<b>-276 648</b>	<b>-2 948 885</b>
<b>Operating result before tax</b>		<b>9 060 901</b>	<b>-949 097</b>
Tax on ordinary result	12	2 008 279	-179 485
<b>Annual net profit</b>		<b>7 052 622</b>	<b>-769 612</b>
<b>Brought forward</b>			
Allocated to other equity	11	7 052 622	0
Transferred from other equity	11	0	769 612
<b>Net brought forward</b>		<b>7 052 622</b>	<b>-769 612</b>



## Balance sheet

### Covent AS

Assets	Note	2020	2019
<b>Fixed assets</b>			
Deferred tax assets	12	<u>0</u>	<u>599 078</u>
<b>Total intangible assets</b>		<u>0</u>	<u>599 078</u>
<b>Tangible assets</b>			
Buildings and land	2, 9	12 695 548	13 184 557
Machinery and equipment	2, 9	481 772	786 222
Equipment and other movables	2, 9	16 927 335	19 472 467
<b>Total tangible assets</b>		<u>30 104 655</u>	<u>33 443 247</u>
<b>Financial fixed assets</b>			
Investments in subsidiaries	5	2 412 600	2 412 600
Investments in shares		5 000	5 000
<b>Total financial fixed assets</b>		<u>2 417 600</u>	<u>2 417 600</u>
<b>Total fixed assets</b>		<u>32 522 255</u>	<u>36 459 925</u>
<b>Current assets</b>			
<b>Inventories</b>			
Inventories	3, 9	<u>29 933 174</u>	<u>30 208 034</u>
<b>Total Inventories</b>		<u>29 933 174</u>	<u>30 208 034</u>
<b>Debtors</b>			
Accounts receivables	7, 8, 9	44 561 391	68 849 919
Other short-term receivables		723 047	2 773 200
Receivables from group companies	8	484 426	987 344
<b>Total receivables</b>		<u>45 768 864</u>	<u>72 610 463</u>
<b>Cash and bank deposits</b>			
Cash and bank deposits	6, 9	<u>2 779 305</u>	<u>14 084 035</u>
<b>Total cash and bank deposits</b>		<u>2 779 305</u>	<u>14 084 035</u>
<b>Total current assets</b>		<u>78 481 343</u>	<u>116 902 532</u>
<b>Total assets</b>		<u>111 003 599</u>	<u>153 362 458</u>



## Balance sheet

### Covent AS

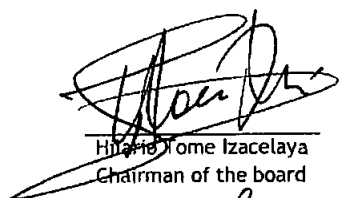
Equity and liabilities	Note	2020	2019
<b>Egenkapital</b>			
<i>Paid-up equity</i>			
Share capital	10, 11	2 900 000	2 900 000
Share premium reserve	11	704 225	704 225
<b>Total paid-up equity</b>		<b><u>3 604 225</u></b>	<b><u>3 604 225</u></b>
<i>Retained earnings</i>			
Other equity	11	38 961 154	31 908 533
<b>Total retained earnings</b>		<b><u>38 961 154</u></b>	<b><u>31 908 533</u></b>
<b>Total equity</b>		<b><u>42 565 379</u></b>	<b><u>35 512 758</u></b>



## Balance sheet

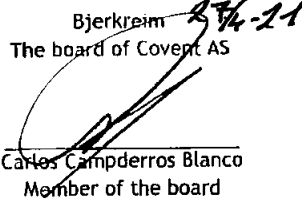
## Covent AS

	Note	2020	2019
<b>Liabilities</b>			
<i>Provisions for liabilities</i>			
Deferred tax	12	478 224	0
<b>Total provisions</b>		<b>478 224</b>	<b>0</b>
<i>Other long-term liabilities</i>			
Liabilities to group companies	8	7 797 568	12 592 886
Liabilities to financial institutions	9	0	1 900 000
Other long term liabilities	9	243 181	496 195
<b>Total of other long term liabilities</b>		<b>8 040 749</b>	<b>14 989 081</b>
<i>Current debt</i>			
Liabilities to financial institutions	9	17 931 873	18 682 935
Trade creditors		18 140 845	46 668 095
Tax payable	12	930 977	9 999 998
Public duties payable		9 542 478	10 589 968
Other current debt		13 373 074	16 919 622
<b>Total current debt</b>		<b>59 919 247</b>	<b>102 860 619</b>
<b>Total liabilities</b>		<b>68 438 220</b>	<b>117 849 699</b>
<b>Total equity and liabilities</b>		<b>111 003 599</b>	<b>153 362 458</b>



Hilario Tome Izacelaya  
Chairman of the board

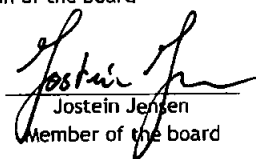
Bjerkreim 27/4-21  
The board of Covent AS



Carlos Campderros Blanco  
Member of the board



Juan Manuel Lecue Yuste  
Member of the board



Jostein Jensen  
Member of the board



Egil Oddvar Brastad Hansen  
General Manager



## Indirect cash flow

### Covent AS

	Note	2020	2019
<b>Cash flows from operating activities</b>			
Profit/loss before tax		9 060 901	-949 097
Ordinary depreciation		3 684 674	4 008 841
Change in inventory		274 860	3 077 858
Change in accounts receivable		24 288 527	-15 199 949
Change in accounts payable		-28 527 249	4 924 477
Change in other accrual items		-2 040 968	340 733
Net cash flows from operating activities		6 740 745	-3 797 136
<b>Cash flows from investment activities</b>			
Payments to buy tangible assets		-346 083	-912 561
Net cash flows from investment activities		-346 083	-912 561
<b>Cash flows from financing activities</b>			
Proceeds from the issuance of new current liabilities		-10 533 204	10 000 000
Repayment of long-term liabilities		-6 415 128	-6 766 687
Net change in bank overdraft		-751 059	10 374 659
Net cash flows from financing activities		-17 699 391	13 607 972
Net change in cash and cash equivalents		-11 304 729	8 898 275
Cash and cash equivalents at the start of the period		14 084 035	5 185 761
Cash and cash equivalents at the end of the period		2 779 305	14 084 035



## Notes to the financial statement 2020

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The preparation of accounts in accordance with the Accounting Act requires the use of estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in the notes.

### Revenue

Income from sale of goods and services are recognised at fair value, net after deduction of VAT, returns, discounts and reductions.

### Revenue from sale of goods

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The company uses percentage of completion method in the assessment of long-term construction contract. This means that revenue is recognised as the work is carried out according to the estimated degree of completion. The estimated degree of completion is calculated based on incurred cost as share estimated total cost. For projects that are expected to give loss, the complete loss is recognised immediately.

### Classification and assessment of balance sheet items

Assets intended for long term ownership or use are classified as fixed assets. Assets relating to the operating cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's instalment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.

### Fixed assets

Tangible fixed assets are capitalised and depreciated linearly down to the residual value over the expected useful economic life of the assets. When the depreciation plan is changed, the effect is distributed over the remaining depreciation period. Maintenance of operating equipment is expensed on an ongoing basis. Upgrades or improvements are added to the acquisition cost of the asset and depreciated in line with the asset. The difference between maintenance and upgrade / improvement is assessed based on the condition of the asset when purchased. Plots and land are not depreciated.

### Impairment of fixed assets

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 ingoing cashflows can be identified. If the carrying amount is higher than both the fair value less cost to sell and the value in use (net present value of future use/ownership), the asset is written down to the highest of fair value less cost to sell and the value in use. Previous impairment charges, except write-down of goodwill, are reversed in later periods if the conditions causing the write-down are no longer present.

### Leases

A lease is classified as financial or operational in accordance with the actual content of the agreement. If the principal of the financial risk and control associated with the underlying rental object has been transferred to the lessee, the agreement is classified as financial and related assets and liabilities are capitalized. Other leases are classified as operational. Financial leases are capitalised at the value of the consideration in the lease. Cost related to fixed assets are expensed over the lease period. Prepayment are reflected in the balance sheet at prepaid expense, and are distributed over the rental period.



## Notes to the financial statement 2020

### Investments in other companies

The cost method is applied to investments in other companies. The carrying amount is increased when funds are added through capital increases or when group contributions are made to subsidiaries. Dividends received are generally recognised as income. Dividends/group contribution from subsidiaries are booked in the same year as the subsidiary makes the provision for the amount. Dividends from other companies are reflected as financial income when the dividends are approved. Investments are written down to fair value if the fair value is lower than the carrying amount.

The subsidiaries have been excluded from consolidation pursuant to AA § 7-15 as they neither individually nor compiled are viewed of overall importance for assessing the Group's position and results.

### Inventory

The inventory of purchased goods is valued at the lower of acquisition cost according to the FIFO principle and net sales value. Finished goods of own production and work in progress are valued at production cost, including both variable and fixed production costs.

### Receivables

Accounts receivables and other receivables are recorded in the balance sheet at face value after deduction of provisions for doubtful debts. Provisions for losses are made on the basis of individual assessments of the individual receivables.

Additionally, for accounts receivables, an unspecified provision is made to cover expected losses.

### Pensions

The pension schemes are financed through payments to insurance companies. The company has a defined contribution plan.

With a defined contribution plan the company pays contributions to an insurance company. After the contribution has been made the company has no further commitment to pay. The contribution is recognised as payroll expenses. Prepaid contributions are reflected as an asset (pension fund) to the degree the contribution can be refunded or will reduce future payments.

### Tax

The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at 22 % on the basis of the temporary differences that exist between accounting and tax values, as well as any possible taxable loss carried forwards at the end of the accounting year. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been offset and netted.

The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and tax losses varied forward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

### Foreign currencies

Transactions in foreign currencies are valued at the exchange rate on the day of transaction. Recognized Assets and liabilities in foreign currencies are valued at the exchange rate at the end of the accounting year. Foreign currency exchange gains and losses relating to sales and purchases of goods in foreign currencies are recognised as other financial income/expense.

### Cash Flow statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.



## Notes to the financial statement 2020

### Note 1 Revenues

Activity distribution	2020	2019
Revenues from sale of goods	248 756 760	344 327 132
<b>Total</b>	<b>248 756 760</b>	<b>344 327 132</b>

Geographical distribution	2020	2019
Norway	235 704 884	320 594 484
France	0	960 083
Poland	11 350 410	7 972 916
Finland	213 000	0
India	156 813	0
Italy	76 895	336 100
United Kingdom	17 304	4 281
Spain	1 237 454	13 616 543
Sweden	0	624 200
Lithuania	0	97 346
Germany	0	27 840
Canada	0	27 530
Denmark	0	24 119
Netherland	0	26 481
Slovenia	0	12 051
Liechtenstein	0	3 158
<b>Total</b>	<b>248 756 760</b>	<b>344 327 132</b>

### Note 2 Tangible assets

	Land	Buildings and other property	Machinery	Fixtures, tools, etc	Total
Acquisition cost 01.01	2 711 445	26 396 590	6 593 077	24 739 661	60 440 773
Additions	0	187 810	64 000	94 273	346 083
Disposals	0	0	0	0	0
Acquisition cost 31.12	2 711 445	26 584 400	6 657 077	24 833 934	60 786 856
Acc. depreciation / impairment 31.12	0	-16 600 298	-6 175 305	-7 906 599	-30 682 202
<b>Book value 31.12</b>	<b>2 711 445</b>	<b>9 984 102</b>	<b>481 772</b>	<b>16 927 335</b>	<b>30 104 655</b>
<b>Depreciation in the year</b>	<b>0</b>	<b>728 684</b>	<b>2 817 504</b>	<b>138 486</b>	<b>3 684 674</b>
Amortisation plan		Linear	Linear	Linear	
Economic useful life		20 years	3 - 5 years	3 - 10 years	

Included in machinery is leased machinery with a booked amount of NOK 368 587.  
Leasing liability included in long-term debt is NOK -243 181.



## Notes to the financial statement 2020

### Note 3 Inventory

	2020	2019
Commodities	29 933 174	30 208 034
Goods under constructions	0	0
In-house finished products	0	0
Merchandise	0	0
<b>Total</b>	<b>29 933 174</b>	<b>30 208 034</b>

The company's inventory is valued at acquisition cost. No write-downs have made in connection with obsolescence.



## Notes to the financial statement 2020

### Note 4 Note Salary costs and benefits, remuneration to the chief executive, board and auditor

Salary costs	2020	2019
Salaries	61 101 422	66 248 697
Employment tax	8 607 669	9 812 497
Pension costs	1 147 859	1 185 302
Other benefits	1 332 903	1 029 545
<b>Total</b>	<b>72 189 854</b>	<b>78 276 041</b>

In 2020 the company employed on average 119 full-time equivalents.

#### Pension liabilities

The company is liable to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act. The company's pension schemes satisfy the requirements of this Act.

Remuneration to leading personnel	General manager	Board
Salaries general manager	1 233 246	0
Other remuneration		0
<b>Total</b>	<b>1 233 246</b>	<b>0</b>

There is no termination payment agreement with general manager.

There has not been paid any director's fee in 2020.

#### Expensed audit fee

Expenses paid to the auditor for 2020 amounts to NOK 315 700,- excl.mva. The amount includes other relevant fees as preparation of financial statement and tax advisory fee that amount to NOK 60 000.



## Notes to the financial statement 2020

### Note 5 Subsidiaries, associates, joint ventures

	Municipality	Owner share	Brought to balance val.	Share of equity	Share of result
S&P Norway AS	Bjerkreim	100,0%	2 413	2 818	-8
<b>Total</b>			<b>2 413</b>	<b>2 818</b>	<b>-8</b>

There is no activity in the subsidiary and the share of equity and share of result are both obtained from the 2019 financial statements. The company is based in Norway.

All numbers are listed in 1 000 NOK.

The company has not made an consolidated financial statement for the group Covent AS. This is done according to rskl. § 3-8. There is no activity in the subsidiaries and therefore will an consolidation have no effect on the financial statement.

### Note 6 Bank deposits

	2020	2019
Restricted funds deposited in the tax deduction account (withheld employee tax)	2 779 005	3 034 745

### Note 7 Customer receivables

	2020	2019
Trade receivables external	44 761 391	69 049 919
Provision for losses	200 000	200 000
<b>Total</b>	<b>44 561 391</b>	<b>68 849 919</b>



## Notes to the financial statement 2020

### Note 8 Inter-company items between companies in the same group

	2020	2019
<b>Receivables</b>		
Other current receivables	484 426	987 344
<b>Total</b>	<b>484 426</b>	<b>987 344</b>
<b>Liabilities</b>		
Other non-current liabilities	5 025 744	9 287 858
Other current liabilities	2 771 824	3 305 028
<b>Total</b>	<b>7 797 568</b>	<b>12 592 886</b>

Other current liabilities are intercompany debt to S&P Norway AS.

Other non-current liabilities relates to loan from Soler & Palau Ventilation Group SLU. The Interest is calculated using market terms.



## Notes to the financial statement 2020

### Note 9 Debtors, liabilities, pledged assets and guarantees etc.

	2020	2019
Receivables with maturity exceeding one year after the expiry of the financial year	0	0
Long-term debt with maturity exceeding five years after the expiry of the financial year	0	0
<b>Liabilities secured by collateral</b>	<b>2020</b>	<b>2019</b>
1 900 000		
Long-term financial institutions	0	1 900 000
Used overdraft*	8 431 937	0
Leasing liability	243 181	496 195
<b>Total</b>	<b>8 675 118</b>	<b>2 396 195</b>

\*The company has a multi-currency overdraft facility, where debit and credit balances on certain accounts are netted against another before the total use of the bank overdraft facility is calculated. However, in the financial statements, bank deposits and overdrafts connected to the overdraft facility are presented independently of each other.

<b>Book value pledged assets</b>	<b>2020</b>	<b>2019</b>
Buildings and land	12 695 548	13 184 557
Fixtures	16 927 335	19 472 467
Leased machinery	368 587	552 879
Inventories	29 933 174	30 208 034
Accounts receivables**	35 428 213	46 138 343
<b>Total</b>	<b>95 352 858</b>	<b>109 556 281</b>

\*\* Accounts receivables pledged as security does not includes accrued not invoiced operating income.

### Assets are also placed as security for:

Unused bank overdraft	9 568 063	18 000 000
<b>Total</b>	<b>9 568 063</b>	<b>18 000 000</b>

The limit of the bank overdraft is NOK 18 000 000.



## Notes to the financial statement 2020

### Note 10 Shareholders

The share capital in Covent AS as of 31.12 consists of:

	Total	Face value	Entered
Ordinary shares	29 000	100,00	2 900 000
<b>Total</b>	<b>29 000</b>		<b>2 900 000</b>

### Ownership structure

The largest shareholders in % at year end:

	Ordinary	Owner interest	Share of votes
SOLER & PALAU VENTILATION GROUP	29 000	100,0	100,0
Total number of shares	29 000	100,0	100,0

The company's sole shareholder is Soler & Palau Ventilacion Group, SLU in Barcelona, Spain. Consolidated accounts can be obtained by sending a request to the addressee above.

### Note 11 Equity

	Share capital	Share premium reserve	Retained earnings	Total equity
Pr. 01.01	2 900 000	704 225	31 908 533	35 512 758
Annual net profit	0	0	7 052 622	7 052 622
<b>Pr 31.12</b>	<b>2 900 000</b>	<b>704 225</b>	<b>38 961 155</b>	<b>42 565 380</b>

### Note 12 Tax

	2020	2019
<b>This year's tax expense</b>		
Entered tax on ordinary profit/loss:		
Payable tax	930 977	0
Changes in deferred tax	1 077 302	-179 485
<b>Tax expense on ordinary profit/loss</b>	<b>2 008 279</b>	<b>-179 485</b>
Taxable income:		
Ordinary result before tax	9 060 901	-949 097
Permanent differences	67 639	133 258
Changes in temporary differences	17 339	-670 383
Allocation of loss to be brought forward	-4 914 165	0
<b>Taxable income</b>	<b>4 231 714</b>	<b>-1 486 222</b>
Payable tax in the balance:		
Payable tax on this year's result	930 977	-2
<b>Total payable tax in the balance</b>	<b>930 977</b>	<b>-2</b>

The tax effect of temporary differences that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences

	2020	2019	Difference
Tangible assets	2 589 176	2 639 075	49 899
Stock	1	0	-1

Covent AS

Page 15



## Notes to the financial statement 2020

Accounts receivable	-200 000	-191 128	8 872
Lease agreements brought to the balance	125 406	56 684	-68 721
Profit and loss account	109 163	136 454	27 291
<u>Allocations and more</u>	<u>-450 000</u>	<u>-450 000</u>	<u>0</u>
<b>Total</b>	<b>2 173 746</b>	<b>2 191 085</b>	<b>17 339</b>
<u>Accumulated loss to be brought forward</u>	<u>0</u>	<u>-4 914 165</u>	<u>-4 914 165</u>
<b>Basis for deferred tax</b>	<b>2 173 746</b>	<b>-2 723 080</b>	<b>-4 896 826</b>
<b>Deferred tax (22 %)</b>	<b>478 224</b>	<b>-599 078</b>	<b>-1 077 302</b>

### Note 13 Projects in progress

	2020	2019
Total production projects in progress	9 182 831	86 425 326
Invoiced in advance	0	-63 729 078
<b>Total</b>	<b>9 182 831</b>	<b>150 154 404</b>

Included in trade receivables is work in progress related to construction contracts projects of NOK 9 182 831. The degree of completion is calculated based on the status in the production process. Each order is estimated individually and there is none onerous contract on the balance day. The amount of payments held back on the balance day is 0.



# Financial statement 2020

## Covent AS



## Income statement

### Covent AS

Operating income and operating expenses	Note	2020	2019
Revenue	1	248 756 760	344 327 132
Other operating income		161 000	384 750
<b>Total operating income</b>		<b>248 917 760</b>	<b>344 711 882</b>
Cost of materials	3	144 696 388	238 101 762
Personnel expenses	4	72 189 845	78 276 042
Depreciation of operating and intangible assets	2	3 684 674	4 008 841
Other operating expenses	4	19 009 304	22 325 448
<b>Total operating expenses</b>		<b>239 580 211</b>	<b>342 712 094</b>
<b>Operating profit</b>		<b>9 337 549</b>	<b>1 999 789</b>
<b>Financial income and expenses</b>			
Other interest income		9 075	3 149
Other financial income		3 978 384	1 346 273
Interest expense to group companies	8	522 543	394 683
Other interest expenses		323 086	692 041
Other financial expenses		3 418 478	3 211 584
<b>Net financial items</b>		<b>-276 648</b>	<b>-2 948 885</b>
<b>Operating result before tax</b>		<b>9 060 901</b>	<b>-949 097</b>
Tax on ordinary result	12	2 008 279	-179 485
<b>Annual net profit</b>		<b>7 052 622</b>	<b>-769 612</b>
<b>Brought forward</b>			
Allocated to other equity	11	7 052 622	0
Transferred from other equity	11	0	769 612
<b>Net brought forward</b>		<b>7 052 622</b>	<b>-769 612</b>



## Balance sheet

### Covent AS

Assets	Note	2020	2019
<b>Fixed assets</b>			
Deferred tax assets	12	0	599 078
<b>Total intangible assets</b>		<u>0</u>	<u>599 078</u>
<b>Tangible assets</b>			
Buildings and land	2, 9	12 695 548	13 184 557
Machinery and equipment	2, 9	481 772	786 222
Equipment and other movables	2, 9	16 927 335	19 472 467
<b>Total tangible assets</b>		<u>30 104 655</u>	<u>33 443 247</u>
<b>Financial fixed assets</b>			
Investments in subsidiaries	5	2 412 600	2 412 600
Investments in shares		5 000	5 000
<b>Total financial fixed assets</b>		<u>2 417 600</u>	<u>2 417 600</u>
<b>Total fixed assets</b>		<u>32 522 255</u>	<u>36 459 925</u>
<b>Current assets</b>			
<b>Inventories</b>			
Inventories	3, 9	29 933 174	30 208 034
<b>Total Inventories</b>		<u>29 933 174</u>	<u>30 208 034</u>
<b>Debtors</b>			
Accounts receivables	7, 8, 9	44 561 391	68 849 919
Other short-term receivables		723 047	2 773 200
Receivables from group companies	8	484 426	987 344
<b>Total receivables</b>		<u>45 768 864</u>	<u>72 610 463</u>
<b>Cash and bank deposits</b>			
Cash and bank deposits	6, 9	2 779 305	14 084 035
<b>Total cash and bank deposits</b>		<u>2 779 305</u>	<u>14 084 035</u>
<b>Total current assets</b>		<u>78 481 343</u>	<u>116 902 532</u>
<b>Total assets</b>		<u>111 003 599</u>	<u>153 362 458</u>



## Balance sheet

### Covent AS

Equity and liabilities	Note	2020	2019
<b>Egenkapital</b>			
<i>Paid-up equity</i>			
Share capital	10, 11	2 900 000	2 900 000
Share premium reserve	11	704 225	704 225
<b>Total paid-up equity</b>		<u>3 604 225</u>	<u>3 604 225</u>
<i>Retained earnings</i>			
Other equity	11	38 961 154	31 908 533
<b>Total retained earnings</b>		<u>38 961 154</u>	<u>31 908 533</u>
<b>Total equity</b>		<u>42 565 379</u>	<u>35 512 758</u>



## Balance sheet

### Covent AS

	Note	2020	2019
<b>Liabilities</b>			
<i>Provisions for liabilities</i>			
Deferred tax	12	478 224	0
<b>Total provisions</b>		<u>478 224</u>	<u>0</u>
<i>Other long-term liabilities</i>			
Liabilities to group companies	8	7 797 568	12 592 886
Liabilities to financial institutions	9	0	1 900 000
Other long term liabilities	9	243 181	496 195
<b>Total of other long term liabilities</b>		<u>8 040 749</u>	<u>14 989 081</u>
<i>Current debt</i>			
Liabilities to financial institutions	9	17 931 873	18 682 935
Trade creditors		18 140 845	46 668 095
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Bjerkreim, 27.04.2021  
The board of Covent AS

\_\_\_\_\_  
Hilario Tome Izacelaya  
Chairman of the board

\_\_\_\_\_  
Carlos Campderros Blanco  
Member of the board

\_\_\_\_\_  
Juan Manuel Lecue Yuste  
Member of the board

\_\_\_\_\_  
Jostein Jensen  
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\_\_\_\_\_  
Egil Oddvar Brastad Hansen  
General Manager



## Indirect cash flow

### Covent AS

	Note	2020	2019
<b>Cash flows from operating activities</b>			
Profit/loss before tax		9 060 901	-949 097
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Change in inventory		274 860	3 077 858
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Change in other accrual items		-2 040 968	340 733
Net cash flows from operating activities		6 740 745	-3 797 136
<b>Cash flows from investment activities</b>			
Payments to buy tangible assets		346 083	912 561
Net cash flows from investment activities		<u>-346 083</u>	<u>-912 561</u>
<b>Cash flows from financing activities</b>			
Proceeds from the issuance of new current liabilities		-10 533 204	10 000 000
Repayment of long-term liabilities		6 415 128	6 766 687
Net change in bank overdraft		-751 059	10 374 659
Net cash flows from financing activities		<u>-17 699 391</u>	<u>13 607 972</u>
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Assets intended for long term ownership or use are classified as fixed assets. Assets relating to the operating cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's instalment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.

### Fixed assets

Tangible fixed assets are capitalised and depreciated linearly down to the residual value over the expected useful economic life of the assets. When the depreciation plan is changed, the effect is distributed over the remaining depreciation period. Maintenance of operating equipment is expensed on an ongoing basis. Upgrades or improvements are added to the acquisition cost of the asset and depreciated in line with the asset. The difference between maintenance and upgrade / improvement is assessed based on the condition of the asset when purchased. Plots and land are not depreciated.

### Impairment of fixed assets

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 ingoing cashflows can be identified. If the carrying amount is higher than both the fair value less cost to sell and the value in use (net present value of future use/ownership), the asset is written down to the highest of fair value less cost to sell and the value in use.

Previous impairment charges, except write-down of goodwill, are reversed in later periods if the conditions causing the write-down are no longer present.

### Leases

A lease is classified as financial or operational in accordance with the actual content of the agreement. If the principal of the financial risk and control associated with the underlying rental object has been transferred to the lessee, the agreement is classified as financial and related assets and liabilities are capitalized. Other leases are classified as operational.

Financial leases are capitalised at the value of the consideration in the lease.

Cost related to fixed assets are expensed over the lease period. Prepayment are reflected in the balance sheet at prepaid expense, and are distributed over the rental period.



## Notes to the financial statement 2020

### Investments in other companies

The cost method is applied to investments in other companies. The carrying amount is increased when funds are added through capital increases or when group contributions are made to subsidiaries. Dividends received are generally recognised as income. Dividends/group contribution from subsidiaries are booked in the same year as the subsidiary makes the provision for the amount. Dividends from other companies are reflected as financial income when the dividends are approved. Investments are written down to fair value if the fair value is lower than the carrying amount.

The subsidiaries have been excluded from consolidation pursuant to AA § 7-15 as they neither individually nor compiled are viewed of overall importance for assessing the Group's position and results.

### Inventory

The inventory of purchased goods is valued at the lower of acquisition cost according to the FIFO principle and net sales value. Finished goods of own production and work in progress are valued at production cost, including both variable and fixed production costs.

### Receivables

Accounts receivables and other receivables are recorded in the balance sheet at face value after deduction of provisions for doubtful debts. Provisions for losses are made on the basis of individual assessments of the individual receivables.

Additionally, for accounts receivables, an unspecified provision is made to cover expected losses.

### Pensions

The pension schemes are financed through payments to insurance companies. The company has a defined contribution plan.

With a defined contribution plan the company pays contributions to an insurance company. After the contribution has been made the company has no further commitment to pay. The contribution is recognised as payroll expenses. Prepaid contributions are reflected as an asset (pension fund) to the degree the contribution can be refunded or will reduce future payments.

### Tax

The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at 22 % on the basis of the temporary differences that exist between accounting and tax values, as well as any possible taxable loss carried forwards at the end of the accounting year. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been offset and netted.

The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and tax losses varied forward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

### Foreign currencies

Transactions in foreign currencies are valued at the exchange rate on the day of transaction. Recognized Assets and liabilities in foreign currencies are valued at the exchange rate at the end of the accounting year. Foreign currency exchange gains and losses relating to sales and purchases of goods in foreign currencies are recognised as other financial income/expense.

### Cash Flow statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.



## Notes to the financial statement 2020

### Note 1 Revenues

Activity distribution	2020	2019
Revenues from sale of goods	248 756 760	344 327 132
<b>Total</b>	<b>248 756 760</b>	<b>344 327 132</b>

Geographical distribution	2020	2019
Norway	235 704 884	320 594 484
France	0	960 083
Poland	11 350 410	7 972 916
Finland	213 000	0
India	156 813	0
Italy	76 895	336 100
United Kingdom	17 304	4 281
Spain	1 237 454	13 616 543
Sweden	0	624 200
Lithuania	0	97 346
Germany	0	27 840
Canada	0	27 530
Denmark	0	24 119
Netherland	0	26 481
Slovenia	0	12 051
Liechtenstein	0	3 158
<b>Total</b>	<b>248 756 760</b>	<b>344 327 132</b>

### Note 2 Tangible assets

	Land	Buildings and other property	Machinery	Fixtures, tools, etc	Total
Acquisition cost 01.01	2 711 445	26 396 590	6 593 077	24 739 661	60 440 773
Additions	0	187 810	64 000	94 273	346 083
Disposals	0	0	0	0	0
<b>Acquisition cost 31.12</b>	<b>2 711 445</b>	<b>26 584 400</b>	<b>6 657 077</b>	<b>24 833 934</b>	<b>60 786 856</b>
Acc. depreciation / impairment 31.12	0	-16 600 298	-6 175 305	-7 906 599	-30 682 202
<b>Book value 31.12</b>	<b>2 711 445</b>	<b>9 984 102</b>	<b>481 772</b>	<b>16 927 335</b>	<b>30 104 655</b>
<b>Depreciation in the year</b>	<b>0</b>	<b>728 684</b>	<b>2 817 504</b>	<b>138 486</b>	<b>3 684 674</b>
Amortisation plan		Linear	Linear	Linear	
Economic useful life		20 years	3 - 5 years	3 -10 years	

Included in machinery is leased machinery with a booked amount of NOK 368 587.  
Leasing liability included in long-term debt is NOK -243 181.



## Notes to the financial statement 2020

### Note 3 Inventory

	2020	2019
Commodities	29 933 174	30 208 034
Goods under constructions	0	0
In-house finished products	0	0
Merchandise	0	0
<b>Total</b>	<b>29 933 174</b>	<b>30 208 034</b>

The company's inventory is valued at acquisition cost. No write-downs have made in connection with obsolescence.



## Notes to the financial statement 2020

### Note 4 Note Salary costs and benefits, remuneration to the chief executive, board and auditor

<b>Salary costs</b>	<b>2020</b>	<b>2019</b>
Salaries	61 101 422	66 248 697
Employment tax	8 607 669	9 812 497
Pension costs	1 147 859	1 185 302
Other benefits	1 332 903	1 029 545
<b>Total</b>	<b>72 189 854</b>	<b>78 276 041</b>

In 2020 the company employed on average 119 full-time equivalents.

#### Pension liabilities

The company is liable to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act. The company's pension schemes satisfy the requirements of this Act.

<b>Remuneration to leading personnel</b>	<b>General manager</b>	<b>Board</b>
Salaries general manager	1 233 246	0
Other remuneration		0
<b>Total</b>	<b>1 233 246</b>	<b>0</b>

There is no termination payment agreement with general manager.

There has not been paid any director's fee in 2020.

#### Expensed audit fee

Expenses paid to the auditor for 2020 amounts to NOK 315 700,- excl.mva. The amount includes other relevant fees as preparation of financial statement and tax advisory fee that amount to NOK 60 000.



## Notes to the financial statement 2020

### Note 5 Subsidiaries, associates, joint ventures

	Municipa- lity	Owner share	Brought to balance val.	Share of equity	Share of result
S&P Norway AS	Bjerkreim	100,0%	2 413	2 818	-8
<b>Total</b>			<b>2 413</b>	<b>2 818</b>	<b>-8</b>

There is no activity in the subsidiary and the share of equity and share of result are both obtained from the 2019 financial statements. The company is based in Norway.

All numbers are listed in 1 000 NOK.

The company has not made an consolidated financial statement for the group Covent AS. This is done according to rskl. § 3-8. There is no activity in the subsidiaries and therefore will an consolidation have no effect on the financial statement.

### Note 6 Bank deposits

	2020	2019
Restricted funds deposited in the tax deduction account (withheld employee tax)	2 779 005	3 034 745

### Note 7 Customer receivables

	2020	2019
Trade receivables external	44 761 391	69 049 919
Provision for losses	200 000	200 000
<b>Total</b>	<b>44 561 391</b>	<b>68 849 919</b>



## Notes to the financial statement 2020

### Note 8 Inter-company items between companies in the same group

	2020	2019
<b>Receivables</b>		
Other current receivables	484 426	987 344
<b>Total</b>	<b>484 426</b>	<b>987 344</b>
<b>Liabilities</b>		
Other non-current liabilities	5 025 744	9 287 858
Other current liabilities	2 771 824	3 305 028
<b>Total</b>	<b>7 797 568</b>	<b>12 592 886</b>

Other current liabilities are intercompany debt to S&P Norway AS.

Other non-current liabilities relates to loan from Soler & Palau Ventilation Group SLU. The Interest is calculated using market terms.



## Notes to the financial statement 2020

### Note 9 Debtors, liabilities, pledged assets and guarantees etc.

	2020	2019
Receivables with maturity exceeding one year after the expiry of the financial year	0	0
Long-term debt with maturity exceeding five years after the expiry of the financial year	0	0
<b>Liabilities secured by collateral</b>	<b>2020</b>	<b>2019</b>
1 900 000		
Long-term financial institutions	0	1 900 000
Used overdraft*	8 431 937	0
Leasing liability	243 181	496 195
<b>Total</b>	<b>8 675 118</b>	<b>2 396 195</b>

\*The company has a multi-currency overdraft facility, where debit and credit balances on certain accounts are netted against another before the total use of the bank overdraft facility is calculated. However, in the financial statements, bank deposits and overdrafts connected to the overdraft facility are presented independently of each other.

Book value pledged assets	2020	2019
Buildings and land	12 695 548	13 184 557
Fixtures	16 927 335	19 472 467
Leased machinery	368 587	552 879
Inventories	29 933 174	30 208 034
Accounts receivables**	35 428 213	46 138 343
<b>Total</b>	<b>95 352 858</b>	<b>109 556 281</b>

\*\* Accounts receivables pledged as security does not includes accrued not invoiced operating income.

### Assets are also placed as security for:

Unused bank overdraft	9 568 063	18 000 000
<b>Total</b>	<b>9 568 063</b>	<b>18 000 000</b>

The limit of the bank overdraft is NOK 18 000 000.



## Notes to the financial statement 2020

### Note 10 Shareholders

The share capital in Covent AS as of 31.12 consists of:

	Total	Face value	Entered
Ordinary shares	29 000	100,0	2 900 000
<b>Total</b>	<b>29 000</b>		<b>2 900 000</b>

### Ownership structure

The largest shareholders in % at year end:

	Ordinary	Owner interest	Share of votes
SOLER & PALAU VENTILATION GROUP	29 000	100,0	100,0
Total number of shares	29 000	100,0	100,0

The company's sole shareholder is Soler & Palau Ventilation Group, SLU in Barcelona, Spain. Consolidated accounts can be obtained by sending a request to the addressee above.

### Note 11 Equity

	Share capital	Share premium reserve	Retained earnings	Total equity
Pr. 01.01	2 900 000	704 225	31 908 533	35 512 758
Annual net profit	0	0	7 052 622	7 052 622
<b>Pr 31.12</b>	<b>2 900 000</b>	<b>704 225</b>	<b>38 961 155</b>	<b>42 565 380</b>

### Note 12 Tax

<b>This year's tax expense</b>	<b>2020</b>	<b>2019</b>
Entered tax on ordinary profit/loss:		
Payable tax	930 977	0
Changes in deferred tax	1 077 302	-179 485
<b>Tax expense on ordinary profit/loss</b>	<b>2 008 279</b>	<b>-179 485</b>
Taxable income:		
Ordinary result before tax	9 060 901	-949 097
Permanent differences	67 639	133 258
Changes in temporary differences	17 339	-670 383
Allocation of loss to be brought forward	-4 914 165	0
<b>Taxable income</b>	<b>4 231 714</b>	<b>-1 486 222</b>
Payable tax in the balance:		
Payable tax on this year's result	930 977	-2
<b>Total payable tax in the balance</b>	<b>930 977</b>	<b>-2</b>

The tax effect of temporary differences that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences

	<b>2020</b>	<b>2019</b>	<b>Difference</b>
Tangible assets	2 589 176	2 639 075	49 899
Stock	1	0	-1

Covent AS

Page 15



## Notes to the financial statement 2020

Accounts receivable	-200 000	-191 128	8 872
Lease agreements brought to the balance	125 406	56 684	-68 721
Profit and loss account	109 163	136 454	27 291
Allocations and more	-450 000	-450 000	0
<b>Total</b>	<b>2 173 746</b>	<b>2 191 085</b>	<b>17 339</b>
Accumulated loss to be brought forward	0	-4 914 165	-4 914 165
<b>Basis for deferred tax</b>	<b>2 173 746</b>	<b>-2 723 080</b>	<b>-4 896 826</b>
<b>Deferred tax (22 %)</b>	<b>478 224</b>	<b>-599 078</b>	<b>-1 077 302</b>

### Note 13 Projects in progress

	2020	2019
Total production projects in progress	9 182 831	86 425 326
Invoiced in advance	0	-63 729 078
<b>Total</b>	<b>9 182 831</b>	<b>150 154 404</b>

Included in trade receivables is work in progress related to construction contracts projects of NOK 9 182 831. The degree of completion is calculated based on the status in the production process. Each order is estimated individually and there is none onerous contract on the balance day. The amount of payments held back on the balance day is 0.