



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2018 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 817 983 162
Organisasjonsform: Aksjeselskap
Foretaksnavn: ACTIVE SERVICE AS
Forretningsadresse: Sjøkrigsskoleveien 15
5165 LAKSEVÅG

Regnskapsår

Årsregnskapets periode: 01.01.2018 - 31.12.2018

Konsern

Morselskap i konsern: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Tina Mollerin
Dato for fastsettelse av årsregnskapet: 19.06.2019

Grunnlag for avgivelse

År 2018: Årsregnskapet er elektronisk innlevert
År 2017: Tall er hentet fra elektronisk innlevert årsregnskap fra 2018

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, 25.09.2019



Resultatregnskap

Beløp i: NOK	Note	2018	2017
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	2,9	114 942 488	86 006 949
Sum inntekter		114 942 488	86 006 949
Kostnader			
Varekostnad		73 795 811	46 756 744
Lønnskostnad	3	22 971 395	20 138 643
Avskrivning	4	2 527 666	2 691 030
Annen driftskostnad	3	12 992 604	12 231 840
Sum kostnader		112 287 476	81 818 257
Driftsresultat		2 655 012	4 188 692
Finansinntekter og finanskostnader			
Annen renteinntekt		173 135	39 944
Annen finansinntekt	5	1 714 939	292 031
Sum finansinntekter		1 888 074	331 975
Annen rentekostnad	9	1 341 679	1 381 479
Annen finanskostnad	5	2 244 843	767 874
Sum finanskostnader		3 586 522	2 149 353
Netto finans		-1 698 448	-1 817 378
Ordinært resultat før skattekostnad		956 564	2 371 314
Skattekostnad	6	-343 790	-66 651
Ordinært resultat etter skattekostnad		1 300 354	2 437 965
Årsresultat		1 300 354	2 437 965
Overføringer og disponeringer			
Konsernbidrag	11	3 570 338	7 189 895
Avgitt konsernbidrag	11	3 570 338	7 189 895
Overført til annen egenkapital	11	1 300 354	2 437 965
Sum overføringer og disponeringer		1 300 354	2 437 965



Resultatregnskap

Beløp i: NOK	Note	2018	2017
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Balanse

Beløp i: NOK	Note	2018	2017
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	6	82 465	0
Goodwill	4	-7 247 707	-9 732 636
Kunderelasjoner	4	3 033 333	4 073 333
Sum immaterielle eiendeler		-4 131 909	-5 659 303
Varige driftsmidler			
Driftsløsøre, inventar etc.	4	7 824 373	2 575 169
Sum varige driftsmidler		7 824 373	2 575 169
Sum anleggsmidler		3 692 464	-3 084 134
Omløpsmidler			
Varer			
Varer	7	28 957 980	22 621 561
Sum varer		28 957 980	22 621 561
Fordringer			
Kundefordringer	8,9	19 680 639	13 569 109
Offentlige avgifter		229 530	0
Andre fordringer	8,9	3 977 380	24 775 960
Sum fordringer		23 887 549	38 345 069
Bankinnskudd, kontanter og lignende			
Bankinnskudd	10	0	831 372
Sum bankinnskudd, kontanter og lignende		0	831 372
Sum omløpsmidler		52 845 529	61 798 002
SUM EIENDELER		56 537 993	58 713 868

BALANSE - EGENKAPITAL OG GJELD



Balanse

Beløp i: NOK	Note	2018	2017
Egenkapital			
Innskutt egenkapital			
Aksjekapital	11,12	2 000 000	2 000 000
Overkurs	11	468 451	468 451
Sum innskutt egenkapital		2 468 451	2 468 451
Opptjent egenkapital			
Annen egenkapital	11	3 738 318	2 437 965
Sum opptjent egenkapital		3 738 318	2 437 965
Sum egenkapital		6 206 769	4 906 416
Gjeld			
Langsiktig gjeld			
Utsatt skatt	6	0	1 327 790
Sum avsetninger for forpliktelser		0	1 327 790
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	4	3 532 616	0
Sum annen langsiktig gjeld		3 532 616	0
Sum langsiktig gjeld		3 532 616	1 327 790
Kortsiktig gjeld			
Leverandørgjeld	9	17 819 217	8 193 516
Betalbar skatt	6	0	0
Skyldige offentlige avgifter		0	1 484 549
Annen kortsiktig gjeld	4,8,9	28 979 391	42 801 597
Sum kortsiktig gjeld		46 798 608	52 479 662
Sum gjeld		50 331 224	53 807 452
SUM EGENKAPITAL OG GJELD		56 537 993	58 713 868



Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Torstein Kinden Helleland	18.01.2018	24.01.2018
Telefon	Deres referanse	Vår referanse
22078139	Tina Møllerin	2018/62033

FLUX GROUP AS
Postboks 415
4067 STAVANGER

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

Vi viser til deres brev av 18. januar 2018 hvor dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper:

Valvision AS	org nr. 889 777 362
Norwegian Piping AS	org.nr. 887 138 362
Active Service AS	org.nr. 817 983 162
Analytic AS	org.nr. 995 807 513

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering ovenstående selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen er gyldig 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

Fra søknaden gjengis:

For morselskapet i gruppen (Flux Group AS - org. nr. 913192249) er det allerede innvilget dispensasjon. (...)

(...) Flux Group konsernet med døtre er oljeserviceselskaper med kontorer i Stavanger, Bergen, Larvik, Korea og Aberdeen. Konsernet leverer ventiler, rør, ledninger, koblinger og annet utstyr til oljenæringen, og opererer således i en bransje av sterk internasjonal karakter. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. Selskapene benytter også mye engelsk som arbeidsspråk.

Flere av selskapene i konsernet er momsregistrerte i annet land enn Norge, og vi må derfor utarbeide årsregnskaper på engelsk for å opprettholde krav om rapportering. Også ved kvalifisering for nye kunder og leverandører i bransjen, kreves engelske versjoner av årsregnskapene. Da den norske versjonen kun utarbeides for å tilfredsstille regnskapsloven, anses nytten ikke å forsvare kostnaden, det søkes derfor om dispensasjon.

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.”

Postadresse	Besøksadresse:	Sentralbord
Postboks 9200 Grønland	Se www.skatteetaten.no	800 80 000
0134 Oslo	Org.nr: 996250318	Telefaks
	E-post:	22 17 08 60
	skatteetaten.no/sendepost	



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

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

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

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

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at konsernspissen har dispensasjon til å benytte engelsk språk. Eierkretsen er begrenset. Selskapene opererer innenfor en bransje der engelsk er bransjespråket og at konsernets arbeidsspråk er engelsk. Videre er det vektlagt at 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



Annual Report

2018

Active Service AS

Org.nr.: 817 983 162



Annual Report 2018

Active Service AS

Address: Sjøkrigsskoleveien 15, 5165 Laksevåg

Org.nr: 817 983 162

Business area

Active Service AS was established October 18th 2016, and offers high-quality hoses, couplings and related products in different sized for use in marine- and oil & gas markets. In 2016 the company acquired the contents of the hoses & couplings division of Fluid Control AS. The company has had no activity before this acquire, which took place November 15th, 2016.

Active Service AS has locations in Stavanger and Bergen.

Result

The activity level has been high throughout the year, and the same level is expected for next year.

Operating revenue for Active Service AS this year has been MNOK 114,9 compared to MNOK 86,0 last year. Ordinary result after taxes was MNOK 1,3 compared to MNOK 2,4 last year and will be added to retained earnings.

Year-end total balance was MNOK 56,5 compared to MNOK 58,7 last year, which gives an equity ratio of 11,0%, compared to 8,4% last year.

The company's total change in net liquidity assets for the year was MNOK -0,8, giving a liquidity reserve of MNOK 0,0 at 31.12. The company is a part of the Flux Group cash pool arrangement. This implies that the cash pool holding of the subsidiary is formally considered as a receivable from the parent company, and all group companies are jointly and severally liable for the Group's withdrawals.

The company had no research and development expenses in 2018.

The Board of Directors believe the annual report provides a true picture of the Company's assets, liabilities, financial position and result.

The annual accounts have been prepared in line with the assumption of going-concern, according to section 3-3 of the Norwegian Account Act. The Board of Director's assessment is based on the group's market positions, financial position, and prospects ahead.

Risks

The Group's activity level is both directly and indirectly depending on general market trends within the oil and gas industry. The company has processes at place to reduce credit risks and has not had any bad debts during the year.



The Group operates internationally and is exposed to foreign exchange risk, primarily for EUR, GBP and USD. The overall strategy of the Group is to reduce the foreign currency exposure as far as possible.

Organization

Active Service has a high focus on health, safety, environment and quality (HSEQ). There have been no personnel injuries during the year, and the sick leave for the year was 6,3 percent.

At year end the company had 27 employees, 2 of which were women.

Diversity is important for further development and expansion of the Group. Overall guidelines and code of conduct are stating there will be no discrimination based on gender, national origin, ethnicity, skin color, language, religion or denomination relating to e.g. wages, advancement and recruitment. Wages are set based on job responsibilities, job content and the individual employee's competence and performance.

Health, safety and environment

The environmental impact resulting from the Company's activities is considered to be at a low level comparing with other similar businesses.

Subsequent events

The company is not familiar with any subsequent events after the balance sheet date which are of significance for the company's financial position as at 31.12.

Stavanger, June 19, 2019

Adne Grødem
Chairman of the board

Geir Bråten
Board member

Erlend Kristian Fremstad
Managing Director



Income Statement

Active Service AS

OPERATING INCOME AND OPERATING EXPENSES	Note	2018	2017
Revenue	2, 9	114 942 488	86 006 949
Operating income		114 942 488	86 006 949
Cost of goods sold		73 795 811	46 756 744
Payroll expenses	3	22 971 395	20 138 643
Depreciation and amortization	4	2 527 666	2 691 030
Other operating expenses	3	12 992 606	12 231 840
Operating expenses		112 287 478	81 818 257
Operating profit		2 655 011	4 188 692
Financial income and expenses			
Other interest income		173 135	39 944
Other financial income	5	1 714 939	292 031
Other interest expenses	9	1 341 679	1 381 479
Other financial expenses	5	2 244 843	767 874
Net financial income and expenses		-1 698 447	-1 817 378
Profit before tax		956 563	2 371 314
Tax on ordinary result	6	-343 790	-66 651
Annual net profit		1 300 354	2 437 965
Allocation of net profits			
Paid group contribution	11	-3 570 338	-7 189 895
Received group contribution	11	3 570 338	7 189 895
Transferred to other equity	11	1 300 354	2 437 965
Net transfers		1 300 354	2 437 965



Balance Sheet

Active Service AS


ASSETS	Note	2018	2017
FIXED ASSETS			
Intangible assets			
Customer relations	4	3 033 333	4 073 333
Goodwill	4	-7 247 707	-9 732 636
Deferred tax asset	6	82 465	0
Total intangible assets		-4 131 909	-5 659 302
Tangible fixed assets			
Property, plant & equipment	4	7 824 373	2 575 169
Total tangible fixed assets		7 824 373	2 575 169
TOTAL FIXED ASSETS		3 692 464	-3 084 134
CURRENT ASSETS			
Inventories	7	28 957 980	22 621 561
Debtors			
Accounts receivable	8, 9	19 680 639	13 569 109
Public duties receivable		229 530	0
Other receivables	8, 9	3 977 380	24 775 960
Total debtors		23 887 549	38 345 069
Cash and cash equivalents	10	0	831 372
TOTAL CURRENT ASSETS		52 845 529	61 798 002
TOTAL ASSETS		56 537 993	58 713 868




Balance Sheet

Active Service AS

EQUITY AND LIABILITIES	Note	2018	2017
EQUITY			
Restricted equity			
Share capital	11, 12	2 000 000	2 000 000
Share premium	11	468 451	468 451
Total restricted equity		2 468 451	2 468 451
Retained earnings			
Other equity	11	3 738 318	2 437 965
Total retained earnings		3 738 318	2 437 965
TOTAL EQUITY		6 206 770	4 906 416
LIABILITIES			
Long term provisions			
Deferred tax	6	0	1 327 790
Total long term provisions		0	1 327 790
Long term liabilities			
Long term interest-bearing debt	4	3 532 616	0
Total long term liabilities		3 532 616	0
Current liabilities			
Accounts payable	9	17 819 217	8 193 516
Tax payable	6	0	0
Public duties payable		0	1 484 549
Other short term liabilities	4, 8, 9	28 979 391	42 801 598
Total short term liabilities		46 798 607	52 479 662
TOTAL LIABILITIES		50 331 223	53 807 452
TOTAL EQUITY AND LIABILITIES		56 537 993	58 713 868


Adne Grødem
Chairman of the board

Stavanger, 19 June, 2019


Geir Bråten
Member of the board


Erlend Kristian Fremstad
Managing Director



Cash flow statement

Active Service AS

CASH FLOW FROM OPERATING ACTIVITIES	Note	2018	2017
Profit before tax		956 563	2 371 314
Taxes paid		0	0
Depreciation and amortization	4	2 527 666	2 691 030
Amortization goodwill	4	-2 484 928	-2 419 535
Changes in inventories		-6 336 419	895 690
Changes in accounts receivable		-6 111 530	-8 480 083
Changes in accounts payable		9 625 701	3 818 015
Change in other non-current items		5 699 535	1 841 714
Net cash flows from operating activities		3 876 587	718 144
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for additions fixed assets	4	-2 288 427	-1 505 878
Net cash flows from investing activities		-2 288 427	-1 505 878
CASH FLOW FROM FINANCING ACTIVITIES			
Cash outflow from increasing debt	4	-149 039	0
Innbetaling av konsernbidrag		7 189 895	0
Utbetaling av konsernbidrag		-9 460 388	0
Net cash flows from financing activities		-2 419 532	0
Net increase in cash and cash equivalents		-831 372	-787 734
Cash and cash equivalents as of 01.01		831 372	1 619 107
Cash and cash equivalents as of 31.12		0	831 372



Notes to financial statements

Active Service AS

Note 1 - Accounting Principles

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

Operating revenue and expenses

Sales revenues are recognized in accordance with the earnings principle at the time of delivery. Services are recognized as income when they are performed.

Expenses are booked in accordance with the matching principle, in the same period as the related revenue.

Balance sheet classification

Assets defined for permanent ownership or use is classified as fixed assets. Other assets are classified as non-current assets. Debtors due within one year, and entries related to goods circulation is also classified as non-current assets. Same criteria are used for defining short-term or long-term debt.

Fixed assets are valued by the cost of acquisition. Fixed assets with limited economic life are depreciated by a reasonable depreciation schedule. In the case of impairment the asset will be written down to the fair value amount. The impairment shall be reversed if there are grounds for it.

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

Property, plant and equipment

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

Inventories

Inventories are valued at the lower of cost after FIFO-method and market value (net sales value).

Trade and other receivables

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

Income tax

Tax expenses in the profit and loss account comprise both tax payable for the accounting period and change in deferred tax. Deferred tax is calculated at 22 percent (23 percent in 2017) on the basis of existing temporary differences between accounting profit and taxable profit together with tax deductible deficits at the year end. Temporary differences both positive and negative, are offset provided they reverse within the same time period. Deferred tax assets are recorded in the balance sheet to the extent it is more likely than not that the tax assets will be utilized.

**Foreign currency**

Monetary items in foreign currency are valued at the exchange rate at the end of the financial year. Transactions in foreign currency are translated at the rate applicable on the transaction date.

Pensions

The net pension cost consists of the year's premium payments

Purchase price allocation

Acquisition cost is assigned to all identified financial, tangible and intangible assets. Any excess value is presented as goodwill (or negative goodwill). Deferred tax is calculated on the basis of this excess value, where value comes from fair values in the purchase price allocation. Deferred tax is presented as goodwill, at nominal tax rate (22% in 2018, 23% in 2017).

The allocation can be amended within 12 months of the acquisition date.

Intangible assets

Intangible assets acquired are booked at fair value at acquisition date. The value is amortized over its economic life.

Goodwill

Acquired negative goodwill is presented as the difference between the purchase price and net identifiable assets. Goodwill is depreciated linearly over a 5 year period as a reduction of material cost.



Notes to financial statement

Active Service AS

Note 2 – Operating revenue

All sales are related to the company's business area; sale of hoses & couplings.

Geographical distribution:	2018	2017
Norway	94 977 188	70 781 249
Other	19 965 300	15 225 700
Sum	114 942 488	86 006 949

Note 3 Payroll expense, number of employees, remuneration, employee loans etc.

Payroll expense:	2018	2017
Salaries	18 748 063	16 169 251
Payroll tax	2 801 815	2 472 280
Pension costs	766 632	818 803
Other benefits	654 885	678 309
Sum	22 971 395	20 138 643

Number of employees	29,5	22,3
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The company is obligated by law to follow the Act on mandatory occupational pensions. The company's pension scheme meets the requirements of this law.

Payroll expense:	CEO	Board
Salaries	1 647 301	0
Other benefits	20 187	0

The CEO has an agreement of severance pay for 6 months following resignation.

Auditors fee:	2018
Statutory audit	94 484
Other assistance	26 500
Total (ex. VAT)	120 984



Note 4 - Fixed assets

Tangible assets	2018
Acquisition cost as of 01.01	4 408 039
Additions	6 736 870
Disposals	0
Accumulated cost as of 31.12	11 144 909
Accumulated depreciations as of 31.12	3 320 537
Carrying amount as of 31.12	7 824 373
Annual depreciation	1 487 666
Economic life	3-5 years
Depreciation plan	Straight line method

16th of November 2016, Flux Group aquired the contents of Active Service, former hoses & couplings division of Fluid Control AS. The assets were placed in the then newly established Active Service, including intangible assets relating to customer relations and a negative goodwill.

Intangible assets	Customer relation:	Goodwill
Acquisition cost as of 01.01	5 200 000	-12 424 641
Additions	0	0
Disposals	0	0
Accumulated cost as of 31.12	5 200 000	-12 424 641
Accumulated depreciations as of 31.12	2 166 667	-5 176 934
Carrying amount as of 31.12	3 033 333	-7 247 707
Booked depreciation	1 040 000	-2 484 928
Economic life	5 years	5 years
Depreciation plan	Straight line	Straight line
Future minimum lease obligations:		
	2018	2017
Within 1 year	6 561 162	3 834 924
2-3 years	10 436 689	327 360
After 3 years	5 969 941	210 480
Total	22 967 793	4 372 764

Of the 2018 amounts, financial leasing constitutes 766 788 NOK, 1 533 576 NOK and 2 458 055 NOK respectively.

Note 5 - Foreign currency

	2018	2017
FX gains booked	1 714 939	292 031
FX loss booked	2 244 843	767 874
Net FX gain (+) / loss (-)	-529 904	-475 842



Note 6 - Income taxes

Basis for tax expense:	2018	2017
Result before tax	956 563	2 371 314
Permanent differences	-2 467 601	-2 408 485
Change in temporary differences	6 147 840	9 519 779
Total	4 636 802	9 482 609
+/- Group contributions	-4 636 802	-9 460 389
Utilized loss carried forward	0	-22 220
Taxable income (basis for tax payable)	0	0

Distribution of income tax expense:		
Income tax	1 066 464	2 270 493
Change in deferred tax/tax asset	-1 410 255	-2 337 144
Total tax expense	-343 790	-66 651

Temporary differences:	2018	2017	Change
Fixed assets	1 028 456	535 379	-493 077
Inventory	-3 911 629	1 164 288	5 075 917
Receivables	-525 000	0	525 000
Intangible assets	3 033 333	4 073 333	1 040 000
Net temporary differences	-374 840	5 773 000	-3 192 670
Loss carried forward	0	0	0
Basis for deferred tax (asset)	-374 840	5 773 000	-6 147 840

Deferred tax (asset)	-82 465	1 327 790	-1 410 255
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Reconciliation of effective tax rate:	2018	2017
Calculated tax	220 010	569 115
Actual tax	-343 790	-66 651
Difference	563 800	635 766
Permanent differences	-567 548	-578 036
Effect of change in tax rate	3 748	-57 730
Total explained difference	-563 800	-635 766



Note 7 - Inventory

	2018	2017
Stock of purchased goods	32 869 609	25 239 136
Provision for obsolescence	-3 911 629	-2 617 575
Total	28 957 980	22 621 561

Note 8 - Receivables and debt

The company has no receivables due later than 1 year nor any debt due later than 5 years.

Accounts receivable	2018	2017
Accounts receivable	20 205 639	13 569 109
Provision bad debt	-525 000	0
Total	19 680 639	13 569 109

Note 9 - Intercompany

Intercompany receivables and payables are included in the accounts with the following amounts:

Receivables	2018	2017
Accounts receivable	657 932	0
Other short term receivables	3 570 338	24 364 040
Total receivables	4 228 270	24 364 040
Payables	2018	2017
Accounts payable	0	-174 985
Short term payables	25 231 384	41 159 843
Total payables	25 231 384	40 984 858

The company is part of the Flux Group cash pool arrangement. This implies that the cash holding of the subsidiary is formally considered a receivable from the parent company, and all group companies are jointly and severally liable for the Group's withdrawals. In April 2017 a refinancing of the Group's credit facility agreement was signed. New maturity date is April 30, 2020.

In relation to the acquisition of hoses & couplings division from Fluid Control, the company borrowed 15 000 000 NOK from parent company Flux Group AS. The loan was due and paid in August 2018. Interest cost booked on this loan is for 2018 calculated to 603 333 NOK.

The company has had the following intercompany transactions:	2018	2017
Purchase of goods and services	1 403 969	344 028
Sales	247 075	2 263 012
Group contribution received	3 570 338	7 189 895
Group contribution paid	4 636 802	9 460 389

All transactions are made as part of the company's ordinary business and at arm's length principle.



Note 10 - Cash and cash equivalents

Includes restricted bank deposits of NOK 759 011.

Note 11 - Equity

	Share capital	Share premium	Other equity	Total
Equity 01.01	2 000 000	468 451	2 437 965	4 906 417
Received group contribution	0	0	3 570 338	0
Paid group contribution	0	0	-3 570 338	0
(+/-) Period profits	0	0	1 300 354	1 300 354
Equity 31.12	2 000 000	468 451	3 738 318	6 206 770

Note 12 - Share capital and shareholder information

Share capital consist of 2 000 000 shares at NOK 1 per share. Voting rights are the same for all shares.

Shareholders as of 31.12:

	Ordinary	Share
Flux Group AS	1 802 000	90,1 %
Kråkhaugen Invest AS	49 500	2,5 %
Vieugue Partnership AS	49 500	2,5 %
Smebye Invest AS	49 500	2,5 %
Egil Holgersen	24 750	1,2 %
Espen Werner Andersen	24 750	1,2 %
Total	2 000 000	100 %

CEO of the company indirectly owns 49 500 shares through the company Kråkhaugen Invest AS.

Consolidated financial statement can be obtained from Flux Group AS headquarters at Kanalsletta 8, Stavanger.

Note 13 - Pledges and guarantees

Booked value of pledged assets to parent company:	2018	2017
Accounts receivable	19 680 639	13 569 109
Fixed assets	7 824 373	2 575 169
Inventory	28 957 980	22 621 561
Total	56 462 992	38 765 839

The Company's assets are pledged under the loan facility agreement between SR Bank and parent company Flux Group.



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To the General Meeting of Active Service AS

Independent auditor's report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Active Service AS showing a profit of NOK 1 300 354. The financial statements comprise the balance sheet as at 31 December 2018, 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 2018, 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.

BRØNNØYSUNDREGISTRERNE er et offentlig foretak som er etablert i henhold til Lov om offentlige foretak (LOF) av 2005. Foretakets formål er å tilby tjenester til brukere av offentlige registre og til andre interesserte parter.

Statens revisor er ansvarlig for å kontrollere at BRØNNØYSUNDREGISTRERNE er etablert i henhold til LOF.

Opplysninger

Styre	Styreleder	Styremedlemmer	Styreleder
Revisorer	Revisorer	Revisorer	Revisorer
Revisjonsfirma	Revisjonsfirma	Revisjonsfirma	Revisjonsfirma
Revisjonsnummer	Revisjonsnummer	Revisjonsnummer	Revisjonsnummer



Active Service 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 fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. 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 fair presentation.

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.



Active Service 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 and the going concern assumption is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to 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, 27 June 2019
KPMG AS


Kurt Ove Østrem
State Authorised Public Accountant