



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2019 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 979 636 547  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: OEG OFFSHORE AS  
Forretningsadresse: Plattformvegen 9  
4056 TANANGER

### Regnskapsår

Årsregnskapets periode: 01.01.2019 - 31.12.2019

### Konsern

Morselskap i konsern: Ja  
Konsernregnskap lagt ved: Nei

### Regnskapsregler

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

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Thomas Håland  
Dato for fastsettelse av årsregnskapet: 20.05.2020

### Grunnlag for avgivelse

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

*Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.*

Brønnøysundregistrene, 15.10.2021



### Resultatregnskap

Beløp i: NOK	Note	2019	2018
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Revenue	10, 12	78 793 347	80 450 304
Other operating income	10	4 859 963	1 378 061
<b>Sum inntekter</b>		<b>83 653 310</b>	<b>81 828 365</b>
<b>Kostnader</b>			
Cost of materials		19 553 933	21 954 121
Payroll expenses and related costs	8, 11	18 030 536	17 234 415
Depreciation of fixed assets	1	25 149 943	29 022 431
Other operating expenses	2, 11	28 376 587	25 921 785
<b>Sum kostnader</b>		<b>91 111 000</b>	<b>94 132 752</b>
<b>Driftsresultat</b>		<b>-7 457 690</b>	<b>-12 304 387</b>
<b>Finansinntekter og finanskostnader</b>			
Other financial income	13	105 546	260 537
<b>Sum finansinntekter</b>		<b>105 546</b>	<b>260 537</b>
Write-downs of financial assets		402 000	
Rentekostnad til foretak i samme konsern		11 488 868	8 930 081
Annen rentekostnad		62 022	304 027
Other financial expenses	13	1 566 058	2 614 433
<b>Sum finanskostnader</b>		<b>13 518 947</b>	<b>11 848 542</b>
<b>Netto finans</b>		<b>-13 413 401</b>	<b>-11 588 005</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-20 871 091</b>	<b>-23 892 392</b>
Tax on ordinary result	9	1 908 560	1 278 200
<b>Ordinært resultat etter skattekostnad</b>		<b>-22 779 651</b>	<b>-25 170 591</b>
<b>Årsresultat</b>		<b>-22 779 651</b>	<b>-25 170 591</b>
<b>Årsresultat etter minoritetsinteresser</b>		<b>-22 779 651</b>	<b>-25 170 591</b>
<b>Totalresultat</b>		<b>-22 779 651</b>	<b>-25 170 591</b>



## Resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2019</b>	<b>2018</b>
<b>Overføringer og disponeringer</b>			
Transferred from other equity		-22 779 651	-25 170 591
<b>Sum overføringer og disponeringer</b>		<b>-22 779 651</b>	<b>-25 170 591</b>



### Balanse

Beløp i: NOK	Note	2019	2018
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	9		1 535 318
Goodwill	1	212 512	318 508
<b>Sum immaterielle eiendeler</b>		<b>212 512</b>	<b>1 853 826</b>
<b>Varige driftsmidler</b>			
Containers, slings and modules	1	158 942 404	182 862 349
Fixtures, fittings, tools, office machinery etc.	1	490 795	740 752
<b>Sum varige driftsmidler</b>		<b>159 433 199</b>	<b>183 603 101</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	14	200 000	602 000
<b>Sum finansielle anleggsmidler</b>		<b>200 000</b>	<b>602 000</b>
<b>Sum anleggsmidler</b>		<b>159 845 711</b>	<b>186 058 927</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Sum varer</b>	15	<b>921 884</b>	<b>385 532</b>
<b>Fordringer</b>			
Accounts receivables	3, 4	16 942 476	15 216 700
Receivables from group companies	4	7 904 605	6 627 497
Other short-term receivables		4 450 317	3 946 645
<b>Sum fordringer</b>		<b>29 297 398</b>	<b>25 790 842</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and bank deposits	5	1 952 493	2 716 936
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>1 952 493</b>	<b>2 716 936</b>
<b>Sum omløpsmidler</b>		<b>32 171 774</b>	<b>28 893 310</b>
<b>SUM EIENDELER</b>		<b>192 017 485</b>	<b>214 952 237</b>



## Balanse

Beløp i: NOK	Note	2019	2018
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital	6, 7	6 000 000	6 000 000
<b>Sum innskutt egenkapital</b>		<b>6 000 000</b>	<b>6 000 000</b>
<b>Opptjent egenkapital</b>			
Other equity	6	-2 246	22 776 968
<b>Sum opptjent egenkapital</b>		<b>-2 246</b>	<b>22 776 968</b>
<b>Sum egenkapital</b>		<b>5 997 754</b>	<b>28 776 968</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Utsatt skatt	9		
<b>Annen langsiktig gjeld</b>			
Other long term liabilities	3, 4	168 665 251	168 034 071
<b>Sum annen langsiktig gjeld</b>		<b>168 665 251</b>	<b>168 034 071</b>
<b>Sum langsiktig gjeld</b>		<b>168 665 251</b>	<b>168 034 071</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld	4, 4	11 529 901	9 700 798
Tax payable	9		
Accrued public taxes		1 262 725	1 185 903
Other current debt		4 561 855	7 254 497
<b>Sum kortsiktig gjeld</b>		<b>17 354 480</b>	<b>18 141 198</b>
<b>Sum gjeld</b>		<b>186 019 731</b>	<b>186 175 270</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>192 017 485</b>	<b>214 952 237</b>



## Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 17.12.2014	Vår dato 06.01.2015
Telefon 22078139	Deres referanse Morten E Smith	Vår referanse 2014/980075

FERGUSON NORGE AS  
Risavika Havnering 281  
4056 TANANGER

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Ferguson Norge AS, org. nr. 979 636 547

Vi viser til deres brev av 17. desember 2014 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Ferguson Norge AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Ferguson Norge AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at 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

Ferguson Norge AS er 100 % eid av det utenlandske selskapet Ferguson Seacabs Ltd. hjemmehørende i UK, som igjen er eiet av Brambles Ltd hjemmehørende i Australia. Av Ferguson AS sitt styre, som består av fire personer, er tre utenlandske statsborgere uten noen form for kunnskap om norsk språk. Selskapets arbeidsspråk er i stor grad engelsk. Selskapet opererer innen oljebransjen. Selskapet opererer således i en internasjonal bransje. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

### Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal *”årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk.”*

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

*”Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som*

Postadresse  
Postboks 9200 Grønland  
0134 Oslo

Besøksadresse:  
Se [www.skatteetaten.no](http://www.skatteetaten.no)  
Org.nr: 996250318  
E-post: [skatteetaten.no/sendepost](mailto:skatteetaten.no/sendepost)

Sentralbord  
800 80 000  
Telefaks  
22 17 08 60



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

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

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

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapet er et datterselskap til et utenlandsk selskap. Eierkretsen er begrenset. Arbeidsspråket er engelsk. Selskapet har utenlandske styremedlemmer. Videre er det vektlagt at selskapet driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad  
seniorrådgiver  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Torstein Kinden Helleland

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer*



HOOVER FERGUSON

## Board of Directors Report 2019

### Description of operations and where they are carried out.

Hoover Ferguson Norway AS, a Hoover Ferguson Group company, conducts operations involving the rental of Cargo Carrying Units (“CCUs”) to the offshore energy sector which are managed and controlled from their office in Tananger.

### Continued operations.

The Board has assessed the going concern assumption, and the Annual Accounts have been prepared on a going concern basis. The assumption is based on budgets and prognosis, as well as support from the parent company.

### Future development

Hoover Ferguson Norway AS has during 2019 been demonstrating growth as a result of increased demand of CCUs in the oil and gas sector in Norway. During the first half of 2020 the oil price has dropped dramatically and there has been the impact of the Covid-19 Pandemic. The Company has focused on keeping utilization/daily rental revenue at budgeted levels. The company has assessed the fluctuating oil price and what impact this is expected to have on our employees, operating performance, customers and sales, the supply chain, financing agreements, covenants and cash flow. The company will also be impacted by the COVID-19 pandemic outbreak but management's assessment is that the impact will not be critical to the company's finances, cashflow, or ability to operate. Company has also made cost synergies in reduction of cost (Overhead/Yard) that will make the company better prepared should these unprecedented circumstances continue for a prolonged period. Additional unbudgeted business in markets outside of Norway from May 20 will lower risk of not meeting expected turnover/EBITDA for 2020. Also additional transfilling/Tank rental opportunities have arisen thus expanding the companies capabilities.

The Board of Directors strongly believe that Hoover Ferguson Norway AS have secured long term contracts in 2019, which will result in exceed of forecasted EBITDA against budget for FY20.

### The working environment.

In accordance with the current laws and regulations the company keeps records of the total sick leave among the company's employees. The sick leave for 12 months period was 1,91%. The company did not have any reported accidents in this period. The Board is familiar with the regulations with respect to gender equality and takes this into account. The proportion of women in the company is 21%. It is our firm understanding that the working environment is good and the same applies to the general well-being at the workplace. Hoover Ferguson Norway AS is located at Plattformvegen 9. Risavika Havnering 281 (XF facility) was vacated from Oct 17 and subleased to Well Connection from 1th of May 2018 for remainder of lease contract until end of June 21. The company also operates from a smaller facility at the CCB base at Ågotnes & Mongstad, where one employee is based at Ågotnes and 2 employees at Mongstad.



Hoover Ferguson Norway AS, Plattformveien 9, 4056 Tananger



HOOVER FERGUSON

**The external environment.**

The Board believes that the company's operations do not pollute the external environment. The Company's goal is to offer product lines to reduce the use of plastic IBC's. The current product offered as a replacement is made from Stainless steel and are reusable. The Company has an established Chemical register, which records where Company have reduced/replaced chemicals with more environmentally friendly products.

**Research and development.**

The company started developing a new type of Basket. Company have agreed to do a pilot with one of the leading Oil Companies in Norway and all costs will be shared. Total spend in 2019 is approx 100,000 NOK. Next step is to get patent pending before starting with the pilot.

**Risk assessment.**

As a service company within the oil and gas industry, the company is exposed to changes as a result of fluctuations in oil price. The company has seen a negative trend in the oil and gas activity during last years, which constitutes a risk to our financial performance. Company have mitigated some of the risk by cost savings and close contact with customers and market demands. Management started monthly meetings with KPI's and Risk assessments and every department is measured on a quarterly basis to maintain all risks as low as possible.

The company policy has been able to maintain a balance between fixed and variable interest for its lease agreements in order to manage the risk caused by fluctuations in the interest market. As a result of the merger, funding will be obtained from Group and leasing companies going forward.

The company's customers are mainly well established companies with good ability to pay. The risk of contracting with parties who do not have the financial ability to meet its obligations is considered to be generally low despite the tough market situation. Company have also done risk assessments for all critical suppliers.

The company's contracts are mainly in local currency (NOK). Where contracts are denominated in other currencies, the company always aim to keep the financial risk as low as possible with a Bank Guarantee in place. Forecasting YTD 2020 to be cash positive.



Hoover Ferguson Norway AS, Plattformveien 9, 4056 Tananger



HOOVER FERGUSON

### Revenue/Profit for the year

The revenue for Hoover Ferguson Norway AS for 2019 was 83 653 310 NOK. Operating loss before taxes was 20 871 091 NOK for 2019, a decrease compared to 2018. The company expects tough market conditions to continue during 2020 but forecasted to exceed budget EBITDA for 2020. Cash and Bank equivalents at 31 Dec 2019 was 1 952 493 NOK.

The net cash flow from operations for 2019 was negative 4.8 million NOK versus negative 14.4 million NOK in 2018. Mainly to due with changes in other provisions and trade creditors. Net cash flow from investments was positive by 3.4 million NOK due to more proceeds from sales than purchases of fixed assets. Net cash flow from financing positive by 631k NOK versus 6.6 million NOK in 2018 were there also was 6.5 million NOK repayment of short term credit facility with SR Bank.

The Board believes that the financial statements give a true picture of Hoover Ferguson Norway AS assets and liabilities, financial position and results.

Expect from the Covid-19 situation as described above, no subsequent events have been identified. The COVID-19 outbreak is assessed to be a non-adjusting post balance sheet event. The effect on the financial statements cannot be quantified at this date.

Tananger  
20<sup>th</sup> of May 2020,

Board of Hoover Ferguson Norway AS

Kevin Blane Friar  
Chairman

  
David Mitchell  
Member of the Board

Kjetil Skaaren  
Member of the Board & General Manager

Sindre Søndena Andersen  
Member of the Board



Hoover Ferguson Norway AS, Plattformveien 9, 4056 Tananger



## Hoover Ferguson Norway AS

Financial statements 2019

### Revenue statement

	Note	31.12.2019	31.12.2018
<b>Operating income and operating expenses</b>			
Revenue	10, 12	78 793 347	80 450 304
Other operating income	10	4 859 963	1 378 061
<b>Total operating income</b>		<b>83 653 310</b>	<b>81 828 365</b>
Cost of materials		19 553 933	21 954 121
Payroll expenses and related costs	8, 11	18 030 536	17 234 415
Depreciation of fixed assets	1	25 149 943	29 022 431
Other operating expenses	2, 11	28 376 587	25 921 785
<b>Total operating expenses</b>		<b>91 111 000</b>	<b>94 132 752</b>
<b>Operating profit/loss</b>		<b>-7 457 690</b>	<b>-12 304 387</b>
<b>Financial income and expenses</b>			
Other financial income	13	105 546	260 537
Write-downs of financial assets		402 000	0
Interest expense to group companies		11 488 868	8 930 081
Other interest expenses		62 022	304 027
Other financial expenses	13	1 566 058	2 614 433
<b>Net financial expenses</b>		<b>-13 413 401</b>	<b>-11 588 005</b>
<b>Operating result before tax</b>		<b>-20 871 091</b>	<b>-23 892 392</b>
Tax on ordinary result	9	1 908 560	1 278 200
<b>Ordinary result after tax</b>		<b>-22 779 651</b>	<b>-25 170 591</b>
<b>Annual net profit</b>		<b>-22 779 651</b>	<b>-25 170 591</b>
Transferred from other equity		22 779 651	25 170 591
Total allocated		-22 779 651	-25 170 591



## Hoover Ferguson Norway AS

### Financial statements 2019

#### Balance sheet

Assets	Note	31.12.2019	31.12.2018
<b>Fixed assets</b>			
Deferred tax assets	9	0	1 535 318
Goodwill	1	212 512	318 508
<b>Total intangible assets</b>		<b>212 512</b>	<b>1 853 826</b>
<b>Tangible assets</b>			
Containers, slings and modules	1	158 942 404	182 862 349
Fixtures, fittings, tools, office machinery etc.	1	490 795	740 752
<b>Total tangible assets</b>		<b>159 433 199</b>	<b>183 603 101</b>
Investments in subsidiaries	14	200 000	602 000
<b>Total financial fixed assets</b>		<b>200 000</b>	<b>602 000</b>
<b>Total fixed assets</b>		<b>159 845 711</b>	<b>186 058 927</b>
<b>Current assets</b>			
Inventories	15	921 884	385 532
<b>Debtors</b>			
Accounts receivables	3, 4	16 942 476	15 216 700
Receivables from group companies	4	7 904 605	6 627 497
Other short-term receivables		4 450 317	3 946 645
<b>Total receivables</b>		<b>29 297 398</b>	<b>25 790 842</b>
Cash and bank deposits	5	1 952 493	2 716 936
<b>Total current assets</b>		<b>32 171 774</b>	<b>28 893 310</b>
<b>Total assets</b>		<b>192 017 485</b>	<b>214 952 237</b>



## Hoover Ferguson Norway AS

### Financial statements 2019

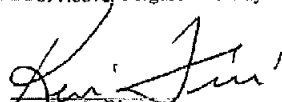
#### Balance sheet

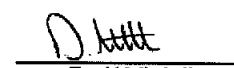
Equity and liabilities	Note	31.12.2019	31.12.2018
<b>Restricted equity</b>			
Share capital	6, 7	6 000 000	6 000 000
<b>Total paid-up equity</b>		<b>6 000 000</b>	<b>6 000 000</b>
<b>Retained earnings</b>			
Other equity	6	-2 246	22 776 968
<b>Total retained earnings</b>		<b>-2 246</b>	<b>22 776 968</b>
<b>Total equity</b>		<b>5 997 754</b>	<b>28 776 968</b>
<b>Liabilities</b>			
<b>Other long-term liabilities</b>			
Other long term liabilities	3, 4	168 665 251	168 034 071
<b>Total of other long term liabilities</b>		<b>168 665 251</b>	<b>168 034 071</b>
<b>Current debt</b>			
Accounts payables	4	11 529 901	9 700 798
Accrued public taxes		1 262 725	1 185 903
Other current debt		4 561 855	7 254 497
<b>Total current debt</b>		<b>17 354 480</b>	<b>18 141 198</b>
<b>Total liabilities</b>		<b>186 019 731</b>	<b>186 175 270</b>
<b>Total equity and liabilities</b>		<b>192 017 485</b>	<b>214 952 237</b>

Stavanger, 20.05.2020

The board of Hoover Ferguson Norway AS

  
Sindre Sondenå Andersen  
Member of the board

  
Kevin Blane Friar  
Chairman of the board

  
David Mitchell  
Member of the board

  
Kjetil Skaaren  
Member of the board/General Manager



**Hoover Ferguson AS - Cash flow statement**

	31.12.2019	31.12.2018
<b>Cash flow from operations</b>		
Profit before income taxes	-20 871 091	-23 892 392
Taxes paid in the period	-372 805	-1 277 763
Gain/loss from sale of fixed assets	-4 859 963	-1 378 061
Depreciation	25 149 943	29 022 431
Write down financial assets	402 000	-
Change in trade debtors	-3 002 884	-3 553 990
Change in trade creditors	1 829 103	-7 252 175
Change in inventory	-536 352	1 574 632
Change in other provisions	-2 600 777	-7 645 734
<b>Net cash flow from operations</b>	<b>-4 862 826</b>	<b>-14 403 052</b>
<b>Cash flow from investments</b>		
Proceeds from sale of fixed assets	11 640 156	7 259 743
Purchase of fixed assets	-8 172 952	-1 506 115
Purchase of intangible assets	-	-
<b>Net cash flow from investments</b>	<b>3 467 204</b>	<b>5 753 628</b>
<b>Cash flow from financing</b>		
Payment regarding lease agreements	-14 768 820	-22 880 507
Repayment of short term credit facility	-	-6 500 000
Proceeds from intercompany loans	15 400 000	36 000 000
<b>Net cash flow from financing</b>	<b>631 180</b>	<b>6 619 493</b>
Net change in cash and cash equivalents	-764 443	-2 029 930
Cash and cash equivalents at the beginning of the period	2 716 936	4 746 866
Cash as part of merger	-	-
<b>Cash and cash equivalents at the end of the period</b>	<b>1 952 493</b>	<b>2 716 936</b>



## Hoover Ferguson Norway AS

Notes to the accounts 2019

### Accounting principles

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

### Revenues

Income from sale of goods and services are recognised at fair value of the consideration, net after deduction of VAT, returns, discounts and reductions. Sales are taken to income when the company has delivered its products to the customer and there are no unsatisfied commitments which may influence the customer's acceptance of the product. Delivery is not completed until the products have been sent to the agreed place, and risks relating to loss and obsolescence have been transferred to the customer. Historical data is applied to estimate and recognise provisions for quantity rebates and returns at the sales date. Services are recognised in proportion to the work performed.

### Classification of balance sheet items

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading 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.

### Purchase costs

The purchase cost of assets includes the cost price for the asset, adjusted for bonuses, discounts and other rebates received, and purchase costs (freight, customs fees, public fees which are non-refundable and any other direct purchase costs). Purchases in foreign currencies are reflected in the balance sheet at the exchange rate at the transaction date.

### Fixed assets

Fixed assets are reflected in the balance sheet and depreciated to residual value over the asset's expected useful life on a straight-line basis. If changes in the depreciation plan occur the effect is distributed over the remaining depreciation period. Direct maintenance of an asset is expensed under operating expenses as and when it is incurred. Additions or improvements are added to the asset's cost price and depreciated together with the asset.

Leased assets are reflected in the balances sheet as assets if the leasing contract is considered a financial lease.

### Asset impairments

Impairment tests are carried out if there is indication that the carrying amount of an asset exceeds the estimated recoverable amount. The test is performed on the lowest level of fixed assets at which independent cashflows can be identified. If the carrying amount is higher than both the fair value less cost to sell and recoverable amount (net present value of future use/ownership), the asset is written down to the highest of fair value less cost to sell and the recoverable amount.

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



## Hoover Ferguson Norway AS

Notes to the accounts 2019

### Inventories

Inventories are valued at the lower of purchase cost (according to the FIFO principle) and fair value. Recoverable amount has been used as approximation to net realisable value for raw materials and work in progress. For finished goods and work in progress purchase cost comprises cost of product design, material consumption, direct payroll expenses and other direct and indirect production expenses (based on normal capacity). Fair value is estimated sales costs less expenses for completion and sale. Only variable expenses are considered necessary to sell finished goods, whilst fixed production expenses are also included as necessary for not finished goods.

### Long term contracts

Work in progress on long term fixed-price contracts is valued according to the percentage of completion method. The degree of completion is calculated as expenses incurred as a percentage of estimated total expense. Total expenses are reviewed on a regular basis. If projects are expected to result in losses, the total estimated loss is recognised immediately.

### Subsidiaries

Subsidiaries are measured at cost in the parent company. The investment is measured at acquisition cost unless the investment is impaired. The investments are written down to recoverable amount if the decline in value is not expected to be temporary and it is deemed necessary according to accounting standards and practices. Write downs are reversed when the basis for the write down are no longer present. Dividends, group contributions and other distributions from subsidiaries are recognised the same year it is allocated in the subsidiary's financial statements. If the dividend/group contribution exceeds the share of earned result after the acquisition, the excess part represents repayment of invested capital, and the dividend/group contribution will be deducted from the book value of the investment in the parent company's financial statement.

### Leasing

Leasing contracts which last until the end of estimated useful economic life of the leased object (financial lease) are capitalized as assets, included in financial caption Containers. The value of future payments of the lease agreements are included in financial caption Other long-term liabilities.

### Debtors

Trade debtors are recognised in the balance sheet after provision for bad debts. The bad debts provision is made on basis of an individual assessment of each debtor. Significant financial problems at the customers, the likelihood that the customer will become bankrupt or experience financial restructuring and postponements and insufficient payments, are considered indicators that the debtors should be written down.

Other debtors, both current and long term, are recognised at the lower of nominal and net realisable value. Net realisable value is the present value of estimated future payments. When the effect of a writedown is insignificant for accounting purposes this is, however, not carried out. Provisions for bad debts are valued the same way as for trade debtors.

### Foreign currencies

Assets and liabilities in foreign currencies are valued at the exchange rate on the balance sheet date. Exchange gains and losses relating to sales and purchases in foreign currencies are recognised as financial income/expense.

### Liabilities

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

### Pensions

The company has a pension schemes in accordance with the mandatory occupational pension act. The pension scheme is financed through payments to insurance companies, and the pension cost represents this years payment.

### Taxes

The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carryforward losses for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carryforward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

Tax reduction on group contributions given and tax on group contribution received, booked as a reduction of cost price or taken directly to equity, are booked directly against tax in the balance sheet (offset against payable taxes if the group contribution has affected payable taxes, and offset against deferred taxes if the group contribution has affected deferred taxes).

Deferred tax is reflected at nominal value.

### Cash and cash equivalents

Cash and cash equivalents comprise of cash at hand, deposits with short term maturity held at bank and bank overdrafts.

### 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.



Hoover Ferguson Norway AS

Notes to the accounts 2019

**Note 1 Fixed assets**

Tangible assets	Machinery and inventory	Containers, slings and modules	Total fixed assets
Aquisition cost 01.01.2019	11 532 694	416 700 230	428 232 924
Additions	-	8 172 952	8 172 952
Disposals	-	6 599 554	6 599 554
Aquisition cost 31.12.2019	11 532 694	418 273 628	429 806 322
Accumulated depreciation 31.12.2019	11 041 899	259 331 224	270 373 123
Accumulated depreciation 31.12.2019	11 041 899	259 331 224	270 373 123
<b>Net book value</b>	<b>490 795</b>	<b>158 942 404</b>	<b>159 433 199</b>
This periods depreciation	460 338	24 689 605	25 149 943
Expected useful life	3-5 years	8-15 years	
Depreciation plan	Straight line	Straight line	
<b>Intangible assets</b>	<b>Goodwill</b>		
Aquisition cost 01.01.2019	530 000		
Additions	-		
Aquisition cost 31.12.2019	530 000		
Accumulated depreciation 31.12.2019	317 488		
<b>Net book value</b>	<b>212 512</b>		
This periods depreciation	105 996		
Expected useful life	5 years		
Depreciation plan	Straight line		

**Financial lease**

The company has entered into financial lease agreements. Leased containers are included in net book value 31.12.19 with kr. 59 795 290 (31.12.18: 76 128 533). The value of future payments is kr. 23 687 717 (31.12.18: 38 456 535)

	0-1 year	2-5 years	Over 5 years	Total
Financial leasing debt aging	9 082 284	14 605 433	-	23 687 717
<b>Liabilities secured by mortgage</b>			<b>31.12.2019</b>	<b>31.12.2018</b>
			23 687 717	38 456 535
<b>Balance sheet value of assets placed as security:</b>			<b>31.12.2019</b>	<b>31.12.2018</b>
Leased containers			59 795 290	76 128 533
Accounts receivable			29 297 398	21 844 197
Inventory			921 884	385 532
<b>Total</b>			<b>90 014 572</b>	<b>98 358 262</b>



Hoover Ferguson Norway AS

Notes to the accounts 2019

**Note 2 Operating expenses**

Operating lease

Operational lease expense	Average leasing period	Yearly lease
Office and yard, Risavika Havnering, Plattformvegen and Snøde Yard	10/5 years	6 085 972
Office and yard, CCB Vestbase, Kristiansund	1 year	1 794 216
Office equipment, alarm system etc	3 months notice	82 656
Motor vehicle	3 years	236 837

**Note 3 Debtors and liabilities**

Trade debtors	31.12.2019	31.12.2018
Accounts receivable	16 942 476	15 216 700
Receivables from group companies	7 904 605	6 627 497
Other short-term receivables	4 450 317	3 946 645
<b>Accounts receivables in the balance sheet</b>	<b>29 297 398</b>	<b>25 790 842</b>

None of the companies accounts receivables falls due later than one year.

Long term liabilities which fall due later than 5 years	31.12.2019	31.12.2018
Liabilities to group companies	144 977 536	129 577 536
Nominal finance lease payments	-	-
<b>Total</b>	<b>144 977 536</b>	<b>129 577 536</b>



## Hoover Ferguson Norway AS

Notes to the accounts 2019

### Note 4 Balance with group companies, etc.

	Receivables		Other receivables	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Group companies	7 904 605	6 627 497	-	-
Associated companies	-	-	-	-
	Other long term liabilities		Accounts payables	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Group companies	144 977 536	129 577 536	3 919 073	5 170 845
<b>Total</b>	<b>144 977 536</b>	<b>93 577 536</b>	<b>3 919 073</b>	<b>10 285 421</b>

Intercompany accounts receivables and accounts payables are presented net in the financial statements.

The intercompany debt is against the former Ferguson Seacabs Ltd. and the interest is 7,75 %.

### Note 5 Restricted bank deposits, overdraft facilities

	31.12.2019	31.12.2018
Restricted bank deposits		
Withheld employee taxes	671 229	614 641

### Note 6 Shareholders' equity

Equity changes in the year	Share capital	Other equity	Total
Equity 01.01.19	6 000 000	22 776 968	28 776 968
Profit (loss) for the period	-	-22 779 651	-22 779 651
<b>Equity 31.12.19</b>	<b>6 000 000</b>	<b>-2 246</b>	<b>5 997 754</b>



## Hoover Ferguson Norway AS

Notes to the accounts 2019

### Note 7 Share capital and shareholder information

Hoover Ferguson Norge AS is wholly owned by Hoover Ferguson UK Limited. The consolidated statements are prepared by Hoover Ferguson Group Limited. And can be retrieved from the Company's business address. The share capital of NOK 6 000 000 consists of 6 000 shares with nominal value of NOK 1 000 each.

List of shareholders at 31.12.19	Number of shares	Ownership
Hoover Ferguson UK Limited	6 000	100 %
Total	6 000	100 %

### Note 8 Pensions

The company's pension schemes meet the requirements set forth in this act.

	31.12.2019	31.12.2018
Payments under pension scheme	704 250	741 241



## Hoover Ferguson Norway AS

Notes to the accounts 2019

### Note 9 Taxes

#### Calculation of deferred tax/deferred tax benefit

	31.12.2019	31.12.2018
<b>Temporary differences</b>		
Fixed assets	93 639 203	101 967 648
Receivables	-459 672	-459 672
Onerous lease provision	-628 776	-2 839 500
<b>Net temporary differences</b>	<b>92 550 755</b>	<b>98 668 476</b>
Interest subject to interest limitation rules	-12 457 203	-12 457 203
Tax losses carried forward	-135 764 235	-121 775 054
<b>Basis for deferred tax</b>	<b>-55 670 683</b>	<b>-35 563 781</b>
Not included in deferred tax	12 457 203	12 457 203
Not included in deferred tax	43 213 480	14 578 625
Unexplained differences from last year	-	1 549 235
Basis for deferred tax, net	-	-6 978 718
Deferred tax 22 %	-	-1 535 318
Deferred tax benefit not shown in the balance sheet	-	-
<b>Deferred tax in the balance sheet</b>	<b>-</b>	<b>-1 535 318</b>
<b>Change in deferred tax asset</b>		
Ingoing balance	-1 535 318	-1 535 318
Change through the tax cost	1 535 318	-
Write-down deferred tax asset	-	-
<b>Outgoing balance</b>	<b>0</b>	<b>-1 535 318</b>
<b>Basis for income tax expense, changes in deferred tax and tax payable</b>		
Result before taxes	-20 871 091	-23 892 392
Permanent differences	763 828	7 461 472
<b>Basis for the tax expense for the year</b>	<b>-20 107 263</b>	<b>-16 430 920</b>
Change in temporary differences	6 117 721	1 795 913
<b>Basis for payable taxes in the income statement</b>	<b>-13 989 542</b>	<b>-14 635 007</b>
+/- Group contributions received/given	-	-
<b>Taxable income (basis for payable taxes in the balance sheet)</b>	<b>-13 989 542</b>	<b>-14 635 007</b>



## Hoover Ferguson Norway AS

Notes to the accounts 2019

### Components of the income tax expense

Payable tax on this year's result	-	-
Credit for payable tax abroad	-	-
<b>Total payable tax</b>	-	-
Withholding tax	372 805	1 277 763
Correction of previous years	-	-
Change in deferred tax	1 535 755	437
Change in deferred tax due to change in tax rate	-	-
<b>Tax expense</b>	<b>1 908 560</b>	<b>1 278 200</b>

### Reconciliation of the tax expense

Result before taxes	-20 871 091	-23 892 392
Calculated tax 22 %	-4 591 640	-5 495 250
Tax expense	1 908 560	1 278 200
Difference	-6 500 200	-6 773 450

The difference consist of:

22 % of permanent differences	168 042	1 716 139
Change in deferred tax due to change in tax rate	-	69 787
Withholding tax	372 805	1 278 200
Correction of previous years	-	-
Deferred tax asset excluded from the balance	5 959 352	3 709 324
<b>Sum explained differences</b>	<b>6 500 200</b>	<b>6 773 450</b>

### Payable taxes in the balance sheet

Payable tax in the tax charge	-	-
Prepaid tax	-	-
<b>Payable tax (tax receivable) in the balance sheet</b>	<b>-</b>	<b>-</b>

## Note 10 Operating income

Hoover Ferguson Norway AS mainly provides DNV approved containers for oil and offshore related companies on the Norwegian shelf. 64 % of revenue (30.06.2015: 84 %) relates to sales in Norway and the rest abroad.

	<b>31.12.2019</b>	<b>31.12.2018</b>
Sales income	78 793 347	80 450 304
Other operating income (asset sales)	4 859 963	1 378 061
<b>Total</b>	<b>83 653 310</b>	<b>81 828 365</b>



## Hoover Ferguson Norway AS

Notes to the accounts 2019

### Note 11 Payroll expenses, number of employees, remunerations, loans to employees, etc.

Payroll expenses	31.12.2019	31.12.2018
Salaries/wages	14 762 143	13 459 848
Social security fees	2 353 306	2 758 806
Pension expenses	704 250	741 241
Other remuneration	210 837	274 520
<b>Total</b>	<b>18 030 536</b>	<b>17 234 415</b>

<b>Average number of employees</b>	<b>27</b>	<b>26</b>
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Remuneration to executives	Managing Director	Board of directors
Salaries/remuneration	1 156 071	-
Pension expenses		

No loans/secureties have been granted to the general manager, Board chairman or other related parties. The Managing Director has a bonus agreement on achieved results, but there has not been paid any such bonus during the period. The Chairman of the Board does not have any bonus agreements on achieved results.

Expensed audit fee	31.12.2019	31.12.2018
Statutory audit (incl. technical assistance with financial statements)	158 787	206 000
Other assurance services	40 800	33 425
Other assistance	12 459	7 200
<b>Total audit fees</b>	<b>212 046</b>	<b>522 788</b>

VAT is not included in the audit fee.

### Note 12 Related-party transactions

Remuneration to executives is disclosed in note 11, and balance with group companies is disclosed in note 4.

Related-party transactions:	31.12.2019	31.12.2018
Hoover Ferguson UK Ltd	1 057 527	2 530 036
Other companies within the Hoover Ferguson Group	12 764 147	12 747 698
<b>Total intercompany sales</b>	<b>13 821 674</b>	<b>15 277 734</b>
Hoover Ferguson UK Ltd	3 105 981	2 528 929
Other companies within the Hoover Ferguson Group	24 967 785	22 982 926
<b>Total intercompany cost</b>	<b>28 073 766</b>	<b>25 511 855</b>

Included in intercompany cost is management fee of NOK 6 690 287.



## Hoover Ferguson Norway AS

Notes to the accounts 2019

### Note 13 Specification of financial income and expenses

	31.12.2019	31.12.2018
<b>Financial income</b>		
Interest income from group companies	-	-
Interest received	-	-
Other financial income	105 546	260 537
<b>Total financial income</b>	<b>105 546</b>	<b>260 537</b>
<b>Financial expenses</b>	<b>31.12.2019</b>	<b>31.12.2018</b>
Interest expenses to group companies	11 488 868	8 930 081
Interest expenses	62 022	304 027
Other financial expenses	1 566 058	2 614 433
Write-down of financial assets	402 000	-
<b>Total financial expenses</b>	<b>13 518 948</b>	<b>11 848 541</b>
Net financial expenses	-13 413 401	-11 588 005

### Note 14 Subsidiaries, associated companies, and joint ventures

Investments in subsidiaries are booked according to the cost method.

Subsidiaries	Location	Ownership/ voting right	Equity last year (100%)	Result last year (100%)	Balance sheet value
Consult Supply Poland SP	Poland	100 %	-	-	200 000

The Company does not prepare consolidated accounts, as it is included in the consolidated accounts of Ferguson Seacabs Ltd and consequently falls under the exemption in the Accounting Act §3-7. The consolidated accounts can be retrieved at the parent company's business address.

### Note 15 Inventories

	31.12.2019	31.12.2018
Purchased finished goods	921 884	385 532
Inventory gross value	921 884	385 532
Obsolete provision	-	-
<b>Net inventory value</b>	<b>921 884</b>	<b>385 532</b>

### Note 16 Subsequent events

The recent outbreak of COVID-19 virus has already and will continue to affect economic conditions regionally as well as globally. The ultimate severity of the COVID-19 virus outbreak is in any case uncertain at this time, and so is the total impact it may have on our operations and the health of our employees.

### Note 17 Going concern

The Company's going concern assumption is based on is based on budgets and prognosis, as well as support from the parent company.



To the General Meeting of Hoover Ferguson Norway AS

## *Independent Auditor's Report*

### *Report on the Audit of the Financial Statements*

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#### *Opinion*

We have audited the financial statements of Hoover Ferguson Norway AS, which comprise the balance sheet as at 31 December 2019, the revenue 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 2019, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

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#### *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.

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#### *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.

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#### *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.

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



Independent Auditor's Report - Hoover Ferguson Norway AS

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.

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### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to <https://revisorforeningen.no/revisjonsberetninger>

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### *Report on Other Legal and Regulatory Requirements*

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#### *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.

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#### *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, 20 May 2020  
**PricewaterhouseCoopers AS**

Arne Birkeland  
State Authorised Public Accountant  
(This document is signed electronically)

(2)



 Securely signed with Brevio

## Revisjonsberetning

### Signers:

<i>Name</i>	<i>Method</i>	<i>Date</i>
Birkeland, Arne	BANKID_MOBILE	2020-05-20 08:17

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