



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 894 038 322  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: MARITIME PROTECTION AS  
Forretningsadresse: Rigidalen 13  
4626 KRISTIANSAND S

### Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

### 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: PRICEWATERHOUSECOOPERS AS

Dato for fastsettelse av årsregnskapet: 29.06.2022

### Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert  
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

*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

# Brønnøysundregistrene Årsregnskap regnskapsåret 2021 for 894038322

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Organisasjonsnummer: 974 760 673



### Resultatregnskap

Beløp i: NOK	Note	2021	2020
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Sales revenue	11, 13	179 079 936	222 804 551
Other income		5 284	19 109
<b>Sum inntekter</b>		<b>179 085 220</b>	<b>222 823 660</b>
<b>Kostnader</b>			
Cost of goods sold	2, 11	139 631 523	160 804 033
Employee benefits	2	14 133 415	15 580 544
Depreciation and amortisation expenses	3	1 855 822	1 780 699
Nedskrivning av varige driftsmidler og immaterielle eiendeler	3		
Other expenses	2, 9, 14	15 896 878	18 231 954
<b>Sum kostnader</b>		<b>171 517 637</b>	<b>196 397 230</b>
<b>Driftsresultat</b>		<b>7 567 582</b>	<b>26 426 430</b>
<b>Finansinntekter og finanskostnader</b>			
Renteinntekt fra foretak i samme konsern	11	3 624 109	4 115 378
Annen renteinntekt			2 346
<b>Sum finansinntekter</b>		<b>3 624 109</b>	<b>4 117 724</b>
Decrease in fair value of financial current assets		1 525 890	-417 879
Annen rentekostnad		287 819	433 668
Net currency loss/ (gain)		-804 465	2 589 732
Other financial expenses		1 105 140	860 918
<b>Sum finanskostnader</b>		<b>2 114 384</b>	<b>3 466 438</b>
<b>Netto finans</b>		<b>1 509 726</b>	<b>651 286</b>
<b>Ordinært resultat før skattekostnad</b>		<b>9 077 308</b>	<b>27 077 715</b>
Income tax expense	4	2 010 774	5 967 232
<b>Ordinært resultat etter skattekostnad</b>		<b>7 066 534</b>	<b>21 110 483</b>
<b>Årsresultat</b>		<b>7 066 534</b>	<b>21 110 483</b>



## Resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2021</b>	<b>2020</b>
Årsresultat etter minoritetsinteresser		7 066 534	21 110 483
<b>Totalresultat</b>		<b>7 066 534</b>	<b>21 110 483</b>
<b>Overføringer og disponeringer</b>			
Konsernbidrag		50 820 552	
Other equity		-43 754 018	21 110 483
<b>Sum overføringer og disponeringer</b>		<b>7 066 534</b>	<b>21 110 483</b>



### Balanse

Beløp i: NOK	Note	2021	2020
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Research and development	3	1 201 786	1 616 218
<b>Sum immaterielle eiendeler</b>		<b>1 201 786</b>	<b>1 616 218</b>
<b>Varige driftsmidler</b>			
Buildings and land	3, 15	2 606 532	2 686 430
Fixture, machinery and furnitures	3, 15	1 871 394	1 161 905
<b>Sum varige driftsmidler</b>		<b>4 477 926</b>	<b>3 848 335</b>
<b>Finansielle anleggsmidler</b>			
Lån til foretak i samme konsern	11	83 463 619	87 083 146
<b>Sum finansielle anleggsmidler</b>		<b>83 463 619</b>	<b>87 083 146</b>
<b>Sum anleggsmidler</b>		<b>89 143 331</b>	<b>92 547 699</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Sum varer</b>	5, 15	<b>18 490 491</b>	<b>17 867 687</b>
<b>Fordringer</b>			
Accounts receivables	5, 8, 15	62 986 356	45 746 716
Other short-term receivables	8	11 317 742	6 750 971
Konsernfordringer	11	1 118 307	462 972
<b>Sum fordringer</b>		<b>75 422 405</b>	<b>52 960 658</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and cash equivalents	12	3 576 013	7 878 704
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>3 576 013</b>	<b>7 878 704</b>
<b>Sum omløpsmidler</b>		<b>97 488 909</b>	<b>78 707 050</b>
<b>SUM EIENDELER</b>		<b>186 632 240</b>	<b>171 254 749</b>



### Balanse

Beløp i: NOK	Note	2021	2020
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital		3 900 000	3 900 000
Overkurs		43 050 000	43 050 000
<b>Sum innskutt egenkapital</b>		<b>46 950 000</b>	<b>46 950 000</b>
<b>Opptjent egenkapital</b>			
Other equity		24 005 679	67 308 752
<b>Sum opptjent egenkapital</b>		<b>24 005 679</b>	<b>67 308 752</b>
<b>Sum egenkapital</b>	6	<b>70 955 679</b>	<b>114 258 752</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Pensjonsforpliktelser	7	2 604 265	3 094 914
Utsatt skatt	4	1 087 287	13 283 325
<b>Sum avsetninger for forpliktelser</b>		<b>3 691 552</b>	<b>16 378 239</b>
<b>Annen langsiktig gjeld</b>			
<b>Sum langsiktig gjeld</b>		<b>3 691 552</b>	<b>16 378 239</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		11 891 714	9 410 816
Public duties payable		3 118 113	3 019 472
Kortsiktig konserngjeld	11	67 861 571	4 250 248
Other current liabilities	5, 10	29 113 611	23 937 222
<b>Sum kortsiktig gjeld</b>		<b>111 985 009</b>	<b>40 617 758</b>
<b>Sum gjeld</b>		<b>115 676 561</b>	<b>56 995 997</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>186 632 240</b>	<b>171 254 749</b>



To the General Meeting of Maritime Protection AS

## *Independent Auditor's Report*

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### *Opinion*

We have audited the financial statements of Maritime Protection AS (the Company), which comprise the balance sheet as at 31 December 2021, 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 financial statements comply with applicable statutory requirements, and
  - the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, 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 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 the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), 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*

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

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PricewaterhouseCoopers AS, Gravane 26, Postboks 447, NO-4664 Kristiansand  
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no  
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Independent Auditor's Report - Maritime Protection AS



Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable legal requirements.

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*Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view 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.

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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 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>

Kristiansand, 29 June 2022  
**PricewaterhouseCoopers AS**

Kai Arne Halvorsen  
State Authorised Public Accountant

(This document is signed electronically)



 Securely signed with Brevio

Revisjonsberetning

**Signers:**

<b>Name</b>	<b>Method</b>	<b>Date</b>
Halvorsen, Kai Arne	BANKID	2022-06-30 21:29

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# Annual Report 2021 Maritime Protection AS

Directors report  
Revenue statement  
Balance sheet  
Cashflow statement  
Notes



Org.no.: 894 038 322



## DIRECTORS REPORT > MARITIME PROTECTION AS

### The board of directors' report for the year 2021

#### 1. The company's activities

Maritime Protection AS (MP) is a fully owned subsidiary of Survitec Fire Solutions Norway and a part of Survitec Group. The company is located in Kristiansand, with main office in Rigatedalen, main production at Mjåvann and test site at Lumber.

The company's operative business is related to sales, marketing, development, assembly, service and maintenance of inert gas systems, based on combustible technologies and membrane technologies.

#### 2. Financial summary

##### Activities in 2021

Throughout 2021, the general activity level in MP was high and the company successfully maintained operations through the Pandemic, with global and local periods of lockdown. The market situation was slightly impacted by the Pandemic with the following insecurity in the global new build market and travel restrictions resulting in a new and successful proactive operational control and handling.

Through the Pandemic in 2021 travel restrictions led to some challenges logistically but was successfully delivered in line with contractual commitments.

Maritime Protection has a good reputation and have through 2021 focused on making sure that the MP brand continued to be on makers lists whilst also focus on reaching out to new yards with potential of new business for future revenue streams.

As previous years the high focus on schedules and timed delivery, was successful.

No significant quality issues arise during the year, and as previous years the Quality/warranty cost generated was low.

The profit for the year 2021 was NOK 7 066 534 (2020: NOK 21 110 483). The company's cash balance is satisfactory.

For the year, Maritime Protection has a high focus on monitoring and controlling the Cash flow situation, high focus on cash collecting throughout 2021.

The net cash flow from operating activities is negative with NOK 3 652 671 (2020: NOK 10 690 981). The main reason is the net impact of ongoing constructions contracts and accounts receivable. Net cash flow from investing and financing activities in 2021 is negative NOK 650 020 (2020: NOK -9 168 179), this relates mainly to an intercompany loans and investments in fixed assets.

The board of directors does not know of any significant issues that are not included in the annual accounts. Beyond this annual report, no incidents that in the opinion of the board influence on the annual accounts have occurred after year-end.

Pursuant to section 4, sub-section 5, confer section 3, sub-section 3a of the Norwegian Accounting Act, it is hereby confirmed that the annual accounts have been prepared under the assumption that the enterprise is a going concern and that the conditions are present.

#### 3. Risk management



## DIRECTORS REPORT > MARITIME PROTECTION AS

### Financial risk

2021 for MP was a year with operational decrease vs 2020. The market improved considerable vs 2020. The year started a bit behind the market expectation, but significantly increased and exceeded expectation in Q4-2021 for delivery in 2022-2023.

MP continued throughout 2021 with high-cost focus and worked hard on reducing cost to be more competitive on price.

The financial risk is still considered to be moderate on an overall basis.

Focus on Working capital throughout 2021. Inventory control, improved credit terms, and cash collecting focus.

### Marked risk

The main risk is related to the world's financial situation influencing the whole offshore and marine market with a tendency for a lower level of new building contracts in most segments, and particular the offshore market. There are however predictions for an increased level within the gas segment, particular LNG carriers. Market expects an increased level of new building.

### Credit risk

The management has a high focus on account receivables to ensure and secure the receipts and the company has approved instructions and routines to evaluate each customer's credit situation.

### Liquidity risk

MP has a policy to always achieve positive liquidity on all projects.

## 4. Health, environment, and security

### Work Environment

In MP the work environment considered to be good.

According to Norwegian law MP is registering and monitoring the total absence related to sickness. In 2021 the total absence was 2,65%. Compared to 2020, 3,5%.

### Equality

The company has policies to prevent discriminatory in between sex. As of 31.12.2021, 13 out of total 48 fulltime employees are women.

### Discrimination

The work environment in MP is considered very good and no discrimination has taken place.

### Environment

None of the activity within MP led to any pollution or damage to the environment, and the company has high focus on complying with local and national laws and regulations in this respect.

## 5. Organization and people development

MP is part of the SFS Global group consisting of SFS Norway, SFS Poland, Novenco Fire Fighting, SFS Korea, SFS Singapore and SFS China

The group continued to focus on internal training and development for all employees and specialists and a closer collaboration between entities and driplines was in focus.

The group has taken out a standard insurance that covers all directors of all Survitec companies.

## 6. Corporate governance

MP's governance follows Survitec Groups Corporate Guidelines and DLA's.



## DIRECTORS REPORT > MARITIME PROTECTION AS

### 7. Allocation of profit and dividend

The board proposes that the year's profit is allocated as follows:

Group contribution	NOK 50 820 552
Transferred to other equity	<u>NOK -43 754 018</u>
Total	<u>NOK 7 066 534</u>

### 8. Prospects.

The COVID situation have to date not had a significant impact on MP business. MP did not experience significant delays or impact with vendors and managed to continue operations in both local locations and from home office during local lockdown periods. Adjustments were made and throughout the COVID situation the company has been able to adjust in line with National and international regulations. Through monitoring and case by case reviews, MP has been able to complete all contractual aspects of our ongoing contracts in the COVID period to date.

MP has been able to sign projects during the COVID situation and have seen an all-time high order intake for 2021 that has continued into 2022. The market outlook is still strong, and we expect a continued strong 2022 order intake throughout the year.

The added risk introduced with the supplier challenges and raw material shortage due to the Ukraine-Russia conflict is new for the organization and is handled ad hock with several different approaches. This is an added risk in the company as for all European companies these days.

Kristiansand, 29.06.2022

The board of Maritime Protection AS

Mark Clegg  
Chairman

Kristian Ødegård  
Board member

Knut Arild Kaupang  
Board member

Bernt I. Øhrn  
General Manager



## Revenue statement Maritime Protection AS

OPERATING INCOME AND OPERATING EXPENSES	NOTE	2021	2020
Sales revenue	11, 13	179 079 936	222 804 551
Other income		5 284	19 109
<b>Total income</b>		<b>179 085 220</b>	<b>222 823 660</b>
Cost of goods sold	2, 11	139 631 523	160 804 033
Employee benefits	2	14 133 415	15 580 544
Depreciation and amortisation expenses	3	1 855 822	1 780 699
Other expenses	2, 9, 14	15 896 878	18 231 954
<b>Total expenses</b>		<b>171 517 637</b>	<b>196 397 230</b>
<b>Operating profit</b>		<b>7 567 582</b>	<b>26 426 430</b>
<b>FINANCIAL INCOME AND EXPENSES</b>			
Interest income from group companies	11	3 624 109	4 115 378
Other interest income		0	2 346
Decrease in fair value of financial current assets		1 525 890	-417 879
Other interest expenses		287 819	433 668
Net currency loss/ (gain)		-804 465	2 589 732
Other financial expenses		1 105 140	860 918
<b>Net financial items</b>		<b>1 509 726</b>	<b>651 286</b>
Net profit before tax		9 077 308	27 077 715
Income tax expense	4	2 010 774	5 967 232
<b>Net profit after tax</b>		<b>7 066 534</b>	<b>21 110 483</b>
<b>Net profit or loss</b>		<b>7 066 534</b>	<b>21 110 483</b>
<b>ATTRIBUTABLE TO</b>			
Intra-group contribution given		50 820 552	0
Other equity		-43 754 018	21 110 483
<b>Total</b>		<b>7 066 534</b>	<b>21 110 483</b>



## Balance sheet Maritime Protection AS

ASSETS	NOTE	2021	2020
<b>NON-CURRENT ASSETS</b>			
<b>INTANGIBLE ASSETS</b>			
Research and development	3	1 201 786	1 616 218
<b>Total intangible assets</b>		<b>1 201 786</b>	<b>1 616 218</b>
<b>PROPERTY, PLANT AND EQUIPMENT</b>			
Buildings and land	3, 15	2 606 532	2 686 430
Fixture, machinery and furnitures	3, 15	1 871 394	1 161 905
<b>Total property, plant and equipment</b>		<b>4 477 926</b>	<b>3 848 335</b>
<b>NON-CURRENT FINANCIAL ASSETS</b>			
Loan to group companies	11	83 463 619	87 083 146
<b>Total non-current financial assets</b>		<b>83 463 619</b>	<b>87 083 146</b>
<b>Total non-current assets</b>		<b>89 143 331</b>	<b>92 547 699</b>
<b>CURRENT ASSETS</b>			
Inventories	5, 15	18 490 491	17 867 687
<b>DEBTORS</b>			
Accounts receivables	5, 8, 15	62 986 356	45 746 716
Other short-term receivables	8	11 317 742	6 750 971
Receivables from group companies	11	1 118 307	462 972
<b>Total receivables</b>		<b>75 422 405</b>	<b>52 960 658</b>
<b>INVESTMENTS</b>			
Cash and cash equivalents	12	3 576 013	7 878 704
<b>Total current assets</b>		<b>97 488 909</b>	<b>78 707 050</b>
<b>Total assets</b>		<b>186 632 240</b>	<b>171 254 749</b>



**Balance sheet**  
**Maritime Protection AS**

<b>EQUITY AND LIABILITIES</b>	<b>NOTE</b>	<b>2021</b>	<b>2020</b>
<b>EQUITY</b>			
<b>PAID-IN EQUITY</b>			
Share capital		3 900 000	3 900 000
Share premium reserve		43 050 000	43 050 000
<b>Total paid-in equity</b>		<b>46 950 000</b>	<b>46 950 000</b>
<b>RETAINED EARNINGS</b>			
Other equity		24 005 679	67 308 752
<b>Total retained earnings</b>		<b>24 005 679</b>	<b>67 308 752</b>
<b>Total equity</b>	<b>6</b>	<b>70 955 679</b>	<b>114 258 752</b>
<b>LIABILITIES</b>			
<b>PROVISIONS</b>			
Employee benefit obligations	7	2 604 265	3 094 914
Deferred tax	4	1 087 287	13 283 325
<b>Total provisions</b>		<b>3 691 552</b>	<b>16 378 239</b>
<b>CURRENT LIABILITIES</b>			
Trade payables		11 891 714	9 410 816
Public duties payable		3 118 113	3 019 472
Liabilities to group companies	11	67 861 571	4 250 248
Other current liabilities	5, 10	29 113 611	23 937 222
<b>Total current liabilities</b>		<b>111 985 009</b>	<b>40 617 758</b>
<b>Total liabilities</b>		<b>115 676 561</b>	<b>56 995 997</b>
<b>Total equity and liabilities</b>		<b>186 632 240</b>	<b>171 254 749</b>

Kristiansand 29.06.2022  
The board of Maritime Protection AS

Mark Clegg  
Chairman of the board

Knut Arild Kaupang  
Member of the board

Kristian Ødegård  
Member of the board

Bernt Inge Øhm  
General Manager



## Notes to the financial statements 2021

### Cash flow statement 2021

NOK	Notes	2021	2020
<b>Cash flow from operating activities</b>			
Profit before tax		9 077 308	27 077 715
Depreciation	3	1 855 822	1 780 699
(Gain)/Loss on disposal of fixed assets		0	-25 000
Change in inventory		-622 804	-7 820 021
Change in account receivables		-17 239 640	-14 626 135
Change in account payables		2 480 898	2 722 512
Change in other current assets and liabilities		708 259	1 587 660
Difference between recognized pension costs and actual payments		87 486	-6 449
<b>Net cash provided by operating activities</b>		<b>-3 652 671</b>	<b>10 690 981</b>
<b>cash flow from investing activities</b>			
Investment in fixed assets	3	-2 070 981	-1 309 832
Sale of fixed assets		0	25 000
<b>Net cash flow from investing activities</b>		<b>-2 070 981</b>	<b>-1 284 832</b>
<b>Cash flow from financing activities</b>			
Net payment non-current intercompany loans		-655 335	7 810 768
Change in current intercompany liabilities		-1 543 231	-19 296 620
Change in current intercompany receivables		3 619 527	3 602 505
<b>Net cash flow financing activities</b>	11	<b>1 420 961</b>	<b>-7 883 347</b>
Net increase in cash and cash equivalents		-4 302 691	1 522 802
Cash and cash equivalents at the beginning of the period		7 878 704	6 355 902
<b>Cash and cash equivalents at end of period</b>		<b>3 576 013</b>	<b>7 878 704</b>

The company has several bank accounts in different currencies. Unrealised currency effects are included in net cash provided by operating activities.



## Notes to the Financial Statements

31 December 2021

### 1. Accounting policies

#### General information

Maritime Protection AS (the company) is domiciled in Kristiansand, Norway.

#### Basic policies

The annual accounts have been prepared in compliance with the Accounting Act and accounting principles generally accepted in Norway. It coincide to Norwegian accounting standards. The functional and presentational currency is NOK.

#### Use of estimates

The preparation of financial statements in compliance with the Accounting Act requires the use of estimates. The application of the company's accounting principles also require management to apply assessments. Areas which to a great extent contain such assessments, a high degree of complexity, or areas in which assumptions and estimates are significant for the financial statements, are described in the notes.

#### Classification of balance sheet items

Assets intended for long term ownership or use have been classified as non-current assets. Assets not relating to the trading cycle have been classified as non-current 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 from the balance sheet date. Similar criteria apply to liabilities. Next year's instalments on non-current liabilities and non-current receivables are, however, not classified as current liabilities and current assets.

#### Foreign currency transaction and translation

Transactions in foreign currencies are initially recorded in the functional currency by applying the rate of exchange as of the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of the exchange at the balance sheet date. The realised and unrealised currency gains (losses) are included in financial income (expense).

#### Revenue recognition

Revenue is recognised when it is probable that a transaction will generate a future economic benefit that will accrue to the entity and the size of the amount can be reliably estimated. Revenues are presented net of value added tax and discounts.

Revenue from the sale of goods and services is recognised at fair value, net of VAT, returns and discounts. Revenue from the sale of goods is recognised when ownership passes to the customers. Generally, this is when products are delivered. Rebates and incentive allowance are deferred and recognised in income upon delivery.

Services are recognised as they are rendered. Sales of goods and services are recognised in the account period in which the services are rendered or goods sold.

Construction contract related to fixed-price contracts with a long production period is accounted for in





## Notes to the financial statements 2021

### Construction contracts

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract by reference to the stage of completion. Contract costs are recognised as expenses by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contracts costs incurred that are likely to be recoverable. Variations in contract work, claims and incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

The company uses the "percentage-of-completion method" to determine the appropriate amount to recognise in a given period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion.

### Cash-settled payments transactions

For cash-settled payments, a liability equal to the portion services received is recognised at the current fair value determined at each balance sheet date.

### Tangible assets

Property and other tangible assets acquired by The Company are stated at historical cost. Depreciation is calculated on a straight-line basis. The carrying value of tangible assets equals the historical cost less accumulated depreciation and any impairment charges.

Tangible assets are depreciated over the following expected useful lives:

Building	10 years
Other tangible assets	3-10 years

Each component of a tangible asset which is significant for the total cost of the item will be depreciated separately. Components with similar useful lives will be included in a single component.

### Intangible assets

Amortisation of intangible fixed assets is based on the following expected useful lives:  
Intangible assets, research & development: up to 5 years

### Other intangible assets

Research & development costs that are directly attributable to the design and testing of the identifiable and unique products controlled by The Company are recognised as an intangible assets.

### Impairment of 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 cash flows 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 recoverable amount.





## Notes to the financial statements 2021

### Leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases, net of any financial incentives from the lessor, are charged to the income statement on a straight-line basis over the period of the lease.

### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments, which are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivable are classified as other current assets or other non-current assets in the balance sheet.

Loans and receivables are recognised initially at their fair value plus transaction costs. Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire or are transferred, and the Company has transferred by and large all risk and return from the financial asset. Realised gains and losses are recognised in the income statement in the period they arise.

### Financial derivatives

Derivatives are included in current assets or current liabilities, except for maturities greater than 12 months after the balance sheet date. These are classified as current assets or other current liabilities as they form part of the Company's constructions contracts hedging strategy and are not classified as held for trading.

Derivatives are recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured on a continuous basis at their fair value.

The company does not have derivative instruments that qualify for hedge accounting. Changes in the fair value of any derivate instruments which do not qualify for hedge accounting are recognised in the income statement stated in financial income/expense.

### Deferred tax / deferred tax asset

Deferred tax is calculated using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statements. Deferred income tax is determined using tax rates and laws which have been enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability settled.

Deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available, and that the temporary differences can be deducted from this profit.

### Pension obligations

The Company has various pension schemes, and the employees are covered by pension plans which comply with local laws and regulations. These schemes are generally funded through payments to insurance companies or pension funds on the basis of periodic actuarial calculations and/or by a percentage of the employees's annual basic salaries. The Company had both defined contribution and defined benefit plans up to 31 December 2015.

A defined contribution plan is one under which the Company pay fixed contributions to a separate legal entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.





## Notes to the financial statements 2021

For defined contribution plans, the Company pay contributions till publicly or privately administered pension insurance plans on an obligatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as a payroll expense when they fall due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

A defined benefit plan is one which is not a defined contribution plan. This type of plan typically defines an amount of pension benefit an employee will receive on retirement, normally dependent on one or more factors such as age, years of service and pay. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit projected obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the until credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

The pension obligation is calculated annually by independent actuaries using a straight-line earnings method. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in income.

### Receivables

Trade receivables and other receivables, that have fixed or determinable payments that are not quoted in an active market are classified as receivables. Receivables are recognised at face value less any impairment. Provision for impairment is made to specific receivable items when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the receivable, the estimated future cash flows of the investments have been affected.

### Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks.





## Notes to the financial statements 2021

### Provisions

The Company makes provisions for legal claims when a legal or constructive obligation exists as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be estimated with a sufficient degree of reliability. Provisions are not made for future

### Cash flow statement

The cash flow statement has been prepared according to the indirect method.

## 2. Employee benefits

	2021	2020
Salaries	40 626 793	37 754 083
Employee benefits moved to cost of goods sold	-36 551 690	-30 145 345
Payroll tax	5 321 124	4 678 822
Pension cost	2 669 121	2 000 132
Other remuneration	2 068 066	1 292 851
<b>Total employee benefits</b>	<b>14 133 415</b>	<b>15 580 544</b>

Average number of employees	45	41
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### Remuneration to the general manager

	2021	2020
Salaries	1 180 394	0
Pension cost	67 353	0
Other remuneration	9 810	0
<b>Total</b>	<b>1 257 557</b>	<b>0</b>

The CEO did not receive any remuneration from the company in 2020. All remunerations was received from Survitec Fire Solutions Norway AS. In 2021 there has been appointed a new CEO in Maritime Protection AS. The Board did not receive any remuneration in 2021 or 2020.

### Pension

According to the Mandatory occupational pension act, the company is obliged to have an occupational pension scheme. The Company has established pension schemes that comply with the requirements of the law. For further details see note 7.

### Loans and guarantees to employees

### Expensed audit fee (excluding VAT)

	2021	2020
Statutory audit	517 000	783 612
Other assistance (incl. Technical preparation of annual accounts)	104 000	0
Tax advice	104 000	0
Andre tjenester utenfor revisjon (incl. services from the law firm PwC)	171 575	0





## Notes to the financial statements 2021

### 3. Intangible and tangible assets

	Intangible assets, R&D	Building	Fixture, machinery and furniture	Total
Cost price 01.01	5 638 814	5 448 629	6 143 304	17 230 747
Additions	321 200	465 342	1 284 439	2 070 981
Disposals (scrapping)	0	0	0	0
<b>Cost price 31.12</b>	<b>5 960 014</b>	<b>5 913 971</b>	<b>7 427 743</b>	<b>19 301 728</b>
Accumulated depreciation 01.01	4 022 597	2 762 199	4 981 399	11 766 195
Impairment	0	0	0	0
Depreciation/amortisation	735 632	545 240	574 950	1 855 822
Disposals (scrapping)	0	0	0	0
<b>Accumulated depreciation 31.12</b>	<b>4 758 229</b>	<b>3 307 439</b>	<b>5 556 349</b>	<b>13 622 017</b>
<b>Carrying amounts 31.12</b>	<b>1 201 786</b>	<b>2 606 532</b>	<b>1 871 394</b>	<b>5 679 711</b>

Economic life	5 years	10 years	10%-33%
Amortisation/depreciation schedule	Straight-line	Straight-line	Straight-line

### 4. Tax

	2021	2020
<b>Allocation of tax income/(expense)</b>		
Tax payable	14 344 002	0
Change in deferres tax	-12 460 418	5 651 020
Deferred tax of pension booked to equity	127 190	316 212
<b>Total tax expense/(profit)</b>	<b>2 010 774</b>	<b>5 967 232</b>

#### Basis for tax computation

Profit before tax	9 077 308	27 077 715
Permanent differences	62 575	46 068
Permanent differences pension	578 135	-1 437 327
Change in temporary differences	72 643 859	-42 893 780
Change in loss carried forward	-17 207 323	0
Group contribution	-65 154 554	0
<b>Tax base</b>	<b>0</b>	<b>-17 207 324</b>
<b>Current year tax payable 22%</b>	<b>0</b>	<b>0</b>

Temporary differences	Change	2021	2020
Fixtures	56 938	-2 970 227	-3 027 165
Account receivables	-55 194	0	55 194
Inventory	827 901	-1 979 115	-2 807 016
Work in progress	-72 974 019	14 159 189	87 133 208
Pension	490 649	-2 604 265	-3 094 914
Provisions for liabilities	-545 399	-1 575 939	-1 030 540
Financial derivatives	-357 305	0	357 305
Grants	-87 430	-87 430	0
Tax losses carried forward		0	-17 207 324
<b>Total temporary differences</b>	<b>-72 643 859</b>	<b>4 942 213</b>	<b>60 378 748</b>





## Notes to the financial statements 2021

<b>Deferred tax liability</b>	<b>1 087 287</b>	<b>13 283 325</b>
Deferred tax liability 01.01	13 283 325	7 632 305
Change to equity (tax of pension)	127 190	-316 212
Change of deferred tax through income statement	-12 323 228	5 967 232
<b>Deferred tax (assets)/liability 31.12</b>	<b>1 087 287</b>	<b>13 283 325</b>
Tax rate	22 %	22 %

### Explanation of why this years tax expense is not 22% of the net result before tax

22% tax of net result before tax	1 997 008	5 957 097
Tax effect on permanent differences	140 956	-306 077
Tax effect on pension charged to equity	-127 190	316 212
Tax effect on financial derivatives	0	0
Effect of change in tax rate	0	0
<b>Current year calculated tax*</b>	<b>2 010 774</b>	<b>5 967 232</b>
<b>Effective tax rate</b>	<b>22 %</b>	<b>22 %</b>

\*) Tax expense in percentage of profit before tax

## 5. Inventory and construction contracts

<b>Inventory</b>	<b>2021</b>	<b>2020</b>
Finished goods/construction contracts items	19 716 520	19 094 016
Obsolescence allowance	-1 226 329	-1 226 329
<b>Total inventory</b>	<b>18 490 191</b>	<b>17 867 687</b>

In the balance sheet, the company reports the net contract position for each contract as either an asset or a liability. A contract represents an asset where costs incurred plus recognised profits (less recognised losses) exceed progress billings; a contract represents a liability where the opposite is the case.

### Contracts in progress as of year end (aggregate amounts to date)

	<b>2021</b>	<b>2020</b>
Contracts revenue	51 584 282	300 434 039
Contract cost	-37 425 093	-213 300 831
<b>Gross margin</b>	<b>14 159 189</b>	<b>87 133 208</b>

### Account receivables

Construction contracts- amounts due from customers	<b>40 416 481</b>	<b>17 466 870</b>
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### Other current liabilities

Construction contracts- amounts due to customers	<b>12 102 752</b>	<b>10 886 582</b>
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The company uses the "percentage-of-completion method" to determine the appropriate amount to recognise in a given period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion





## 6. Equity

### Current year's change in equity:

	Share capital	Other paid-in equity	Retained earnings	Total
<b>Equity 31.12.2019</b>	<b>3 900 000</b>	<b>43 050 000</b>	<b>67 308 752</b>	<b>114 258 752</b>
Profit for the year	0	0	7 066 534	7 066 534
Group contribution	0	0	-50 820 552	-50 820 552
Pension actuarial assumptions	0	0	450 945	450 945
<b>Equity 31.12.2020</b>	<b>3 900 000</b>	<b>43 050 000</b>	<b>24 005 679</b>	<b>70 955 679</b>

The share capital of NOK 3 900 000 consists of 195 000 shares with a nominal value of NOK 20 each.

All share confers the same rights in the company. At 31 December 2021 all shares were owned by Survitec Fire Solutions Norway AS.

## 7. Pension

The company has a defined benefit plan and defined contribution plan for the employees. For contribution plan the maximum contribution levels according to regulations have been followed up to 31 December 2014. From 1 January 2015 the contributions from the company are changed to be in accordance with new requirements.

The company pension liabilities related to 6 employees (closed plan) have been calculated based on updated actuarial and financial assumptions as of 31 December 2021 and booked against other comprehensive income (directly to equity).

Pension costs and obligations included payroll taxes. No provision has been made for payroll tax in pension plans where the plan assets exceed the plan obligations.

The liability recognised in the balance sheet in respect of the remaining defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligations are calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.



## Notes to the financial statements 2021

Number of people covered by pension schemes at 31.12	Funded	
	2021	2020
In employment	2	2
Retired	4	4
<b>Total number of people covered by pension schemes</b>	<b>6</b>	<b>6</b>

### Financial assumptions for the pension calculations:

#### Expenses

	2021	2020
Discount rate	1,70 %	2,50 %
Anticipated pay regulation	1,75 %	2,00 %
Anticipated increase in National insurance base amount (G)	1,75 %	2,00 %
Anticipated regulation of pensions	0,10 %	0,10 %

#### Obligation

	31.12.2021	31.12.2020
Discount rate	2,10 %	1,70 %
Anticipated pay regulation	2,70 %	1,75 %
Anticipated increase in National insurance base amount (G)	2,70 %	1,75 %
Anticipated regulation of pensions	0,10 %	0,10 %

The expected return on assets reflects the weighted average expected returns on pension plan assets. The assumption shall reflect the weighted average expected returns for each asset class, e.g. equities, and bonds, given the actual asset allocation.

Anticipated pay regulation are business sector specific, influenced by composition of employees under the plans. Anticipated increase in G is tied up to the anticipated pay regulations.  
Anticipated regulation of pensions is determined by the difference between return on assets and the hurdle rate.

Actuarial assumptions: all calculations are calculated on the basis of the K2013 mortality tariff.  
The disability tariff is based on the KU table.





## Notes to the financial statements 2021

<b>Pension expenses</b>	<b>2021</b>	<b>2020</b>
Service cost	329 170	276 769
Net interest cost	49 723	38 601
<b>Total pension expenses</b>	<b>378 893</b>	<b>315 370</b>

<b>Pension obligations 31.12</b>	<b>2021</b>	<b>2020</b>
Defined benefit obligation at the end of prior year	15 694 914	13 964 036
Service cost	329 170	276 769
Interest expense	261 292	340 977
Benefit payments from plan	-649 539	-649 939
Remeasurements - change in assumptions	-361 077	1 665 304
Effect of experience adjustment	129 505	97 767
<b>Pension obligations 31.12</b>	<b>15 404 265</b>	<b>15 694 914</b>

<b>Fair value of plan assets</b>	<b>2021</b>	<b>2020</b>
Fair value of plan assets at end of prior year	12 600 000	12 300 000
Interest income	211 569	302 376
Employer contributions	291 407	321 819
Benefit payment from plan	-649 539	-649 939
Administrative expenses paid from plan assets	0	0
Return on plan assets (excluding interest income)	346 563	325 744
<b>Gross pension assets 31.12</b>	<b>12 800 000</b>	<b>12 600 000</b>

### Total pension obligation

Gross pension obligations including payroll tax	15 404 265	15 694 914
Gross pension assets	-12 800 000	-12 600 000
<b>Net recorded pension obligations</b>	<b>2 604 265</b>	<b>3 094 914</b>

## 8. Account receivables and other current assets

Account receivables are amounts due from customers for goods sold, construction contracts or services performed in the ordinary course of business. If collection of the amounts is expected in one year or less they are classified as current assets. Accounts receivables are generally due for settlement within 30 days and therefore are all classified as current.

<b>Account receivables</b>	<b>2021</b>	<b>2020</b>
Account receivables nominal value	62 986 356	45 746 716
Net provision for receivable impairment	0	0
<b>Account receivables in balance sheet</b>	<b>62 986 356</b>	<b>45 746 716</b>





## Notes to the financial statements 2021

### 9. Leasing and rent commitments

The lease agreement for the office in Rigedalen lasts until Aug 2026, the wearhouse in Mjåvann Aug 2031 and Lumber Aug 2022.

	2021	2020
House rent incl. Office, warehouse and parking area	3 610 947	3 081 731

### 10. Current liabilities

Specification of other current liabilities	2021	2019
Prepayments from customers	65 842	642 413
Constructions contracts- amounts due to customers	20 778 995	10 886 582
Employees benefits, accrual	5 044 404	5 866 249
Other current liabilities	3 224 370	6 541 978
<b>Total current liabilities</b>	<b>29 113 611</b>	<b>23 937 222</b>

### 11. Intercompany and related parties

Intercompany	2021	2020
<b>Current intercompany receivables</b>		
Survitec Fire Solution Norway AS	49 891	49 891
Survitec Safety Solutions Norway AS	59 491	0
Survitec fire solutions Poland Sp. Z.o.o	140 621	113 057
Survitec Fire Solutions Japan Co. LTD	0	0
Survitec Fire Solution Korea Co. LTD	7 633	74 960
Survitec Safety Solutions Singapore Pte Ltd	675 330	47 431
Survitec Fire Solutions China CO., Ltd	0	2 401
Novenco Fire fighting A/S	39 913	39 913
Helippe ApS	145 429	0
Survitec Group Limited	0	0
<b>Total intercompany current receivable</b>	<b>1 118 307</b>	<b>327 653</b>
<b>Current intercompany liabilities</b>		
Survitec Group Limited UK	759 353	3 796 889
Survitec Fire Solutions Korea Co. LTD	137 926	412 515
Survitec Fire Solutions Japan Co. Ltd.	1 513 166	0
Survitec Fire Solutions Norway AS	181 741	0
Survitec Fire solutions Poland Sp z.o.o	0	0
Survitec Group Norway AS	0	25 405
Survitec Fire Solutions China CO., Lt	85 831	15 440
Survitec Norway A/S	29 001	0
Survitec Safety Solution Norway AS*	65 154 554	0
<b>Total intercompany current liabilities</b>	<b>67 861 571</b>	<b>4 250 248</b>

\*Incl. group contribution in 2021





## Notes to the financial statements 2021

### Long term intercompany receivables

<b>Survitec Fire solutions Norway AS</b>	<b>83 463 619</b>	<b>87 083 146</b>
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### Interest income on long term intercompany receivables

<b>Survitec Fire solutions Norway AS</b>	<b>3 624 109</b>	<b>4 115 378</b>
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### Services and products to group companies

Survitec Fire Solutions Poland Sp. z.o.o	-1 651 537	4 496 007
Survitec Fire Solutions Japan Co. LTD	-8 963 374	0
Survitec Safety Solutions Norway AS	25 437	-15 710
Survitec Safety Solutions Singapore Pte.Ltd	976 862	64 891
HelIPPE ApS	0	0
Survitec Safety Solutions US LLC	6 244	0
W. H. Brennan & Co (Pte) Ltd	513 701	0
Novenco Fire Fighting A/S	0	478 950
Survitec Fire Solutions Norway AS	0	479 233
Survitec Fire Solutions China Co., Ltd.	-830 636	2 590
Survitec Fire Solutions Korea Co., Ltd.	28 058 248	390 153
Survitec Fire Solutions Singapore Pte. Ltd.	0	0
Survitec Safety Solutions Netherlands BV	0	98 545
<b>Total services and products to group companies</b>	<b>18 134 944</b>	<b>5 994 659</b>

### Services and products from group companies

Survitec Fire Solutions Norway AS	2 181 425	4 094 836
Survitec Safety Solutions Norway AS	267 442	77 822
Survitec Fire Solutions Korea Co. LTD	1 954 360	2 327 789
Survitec Fire Solutions Japan Co., Ltd.	1 571 490	
Survitec Fire Solutions Poland Sp. z.o.o	-111 361	543 340
Survitec Group Limited	0	1 136 320
Survitec Fire Solutions China Co., Ltd.	838 256	270 197
Survitec Norway AS	334 654	282 162
Survitec Group Limited (GBP/DKK)	9 586 581	7 644 138
<b>Total services and products from group companies</b>	<b>16 622 848</b>	<b>16 376 603</b>

## 12. Restricted bank deposits

	2021	2020
Restricted bank deposits	1 648 805	1 690 110





## Notes to the financial statements 2021

### 13. Revenues - By Business and Geographical areas

Revenue by business areas	2 021	2 020
Safety projects/contracts	-152 921 449	200 890 265
Service	-3 946 376	2 018 315
Spare parts	-22 212 110	19 915 080
Other	-5 284	0
<b>Total revenue</b>	<b>-179 085 220</b>	<b>222 823 660</b>

Revenue by geographical areas	2 021	2 020
Norway	2 404 450	1 211 561
Asia	123 409 902	118 962 132
North America	6 425 970	13 446 555
Europe outside Norway	43 375 157	83 865 348
South America	308 429	2 546 416
Africa	2 786 648	1 512 953
Other	374 664	1 278 695
<b>Total revenues</b>	<b>179 085 220</b>	<b>222 823 660</b>

### 14. Operating expenses

Specification of operating expenses	2021	2020
Office expenses	4 093 936	4 566 176
IT & Communication	1 376 584	1 027 603
Marketing	99 056	38 065
Travel	95 961	101 708
Expenses to group companies	6 957 663	9 731 722
Other operating expenses	3 273 678	2 766 679
<b>Total other operating cost</b>	<b>15 896 878</b>	<b>18 231 954</b>

### 15. Pledges

Liabilities for assets being pledged:	Note	2021	2020
Non Current and current liabilities		0	0
<b>Total liabilities</b>		<b>0</b>	<b>0</b>

#### Book value of assets being pledged:

Inventories	3	0	17 867 687
Tangible fixed assets	5	0	3 848 335
Accounts receivables	8	0	45 746 716
<b>Total book value of assets having been pledged</b>		<b>0</b>	<b>67 462 738</b>

The assets being pledged in 2020 was to secure total group liabilities as per December 31st 2020. The liabilities was recognized in the ultimate parent company financial accounts.





## Notes to the financial statements 2021

### 16. Going concern / events after the balance sheet date

The financial statements have been prepared on a going concern basis, which the Directors believe to be appropriate based on the considerations set out below.

The company has continued to act proactively on the global Covid situation development in 2021. Hybrid workplace has been further improved, in line with several adjustments in local regulations through the year. The company has strengthening the flexibility around local periodical lockdowns and other limitation connected to change of guidelines and restrictions.

For operational concern the company continued to adjust in line with country-by-country regulations and requirements connected with the Covid Pandemic. Strong dialog with third parties where continued in relations to cooperation and support when local covid restrictions limited access and/or availability. Large flexibility has been the strength of the company through the Covid pandemic evolvement.

The company has through 2021 built a strong Orderbook and has at period-close good visibility and control over future commitments through regular reviews and follow up procedures.

The continued focus on NPD has shown future potential in both current and new markets, and the company is proactively focused realizing the potential of the expertise inside the business.

A Strengthened cooperation with the group's international sales team has been a high focus in 2021 and is continuing in 2022 .

The post-closing events connected to the War in Ukraine has not had a direct impact on the company as the company is not exposed to sectioned Russian business. The global market has been impacted with increased global raw material prices and availability. The company is constantly evaluating and in close dialog with customers and suppliers to mitigate potential risk.

Having given consideration to the matters outlined above, the Directors confirm that they have a reasonable expectation that the Group and Company have sufficient liquidity to continue as a going-concern, and to successfully implement the business plan prepared by the management team, over a period of at least twelve months from the date of signing of these financial statements.

