



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2019 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 916 162 642
Organisasjonsform: Aksjeselskap
Foretaksnavn: HV VII INVEST LAGUS AS
Forretningsadresse: Jåttåvågveien 7
4020 STAVANGER

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: Ove Martin Juul
Dato for fastsettelse av årsregnskapet: 28.08.2020

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, 01.11.2020



Resultatregnskap

Beløp i: NOK	Note	2019	2018
RESULTATREGNSKAP			
Kostnader			
Other operating expenses	2	52 979	64 414
Sum kostnader		52 979	64 414
Driftsresultat		-52 979	-64 414
Finansinntekter og finanskostnader			
Income from subsidiaries			250 000
Renteinntekt fra foretak i samme konsern			1 152
Annen renteinntekt		55	1 033
Sum finansinntekter		55	252 185
Netto finans		55	252 185
Ordinært resultat før skattekostnad		-52 924	187 771
Income tax expense	5		
Ordinært resultat etter skattekostnad		-52 924	187 771
Årsresultat		-52 924	187 771
Årsresultat etter minoritetsinteresser		-52 924	187 771
Totalresultat		-52 924	187 771
Overføringer og disponeringer			
To/from other equity	6		187 771
Transferred from other equity		-52 924	
Sum overføringer og disponeringer		-52 924	187 771



Balanse

Beløp i: NOK	Note	2019	2018
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	3	1 503 029 424	1 503 029 424
Sum finansielle anleggsmidler		1 503 029 424	1 503 029 424
Sum anleggsmidler		1 503 029 424	1 503 029 424
Omløpsmidler			
Varer			
Fordringer			
Other short-term receivables	4		250 000
Sum fordringer			250 000
Bankinnskudd, kontanter og lignende			
Cash and bank deposits		247 956	65 598
Sum bankinnskudd, kontanter og lignende		247 956	65 598
Sum omløpsmidler		247 956	315 598
SUM EIENDELER		1 503 277 380	1 503 345 022
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	6, 7	15 778 315	15 778 315
Overkurs	6	1 487 351 718	1 487 351 718
Sum innskutt egenkapital		1 503 130 033	1 503 130 033
Opptjent egenkapital			
Other equity	6	134 847	187 771



Balanse

Beløp i: NOK	Note	2019	2018
Sum opptjent egenkapital		134 847	187 771
Sum egenkapital		1 503 264 880	1 503 317 804
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Leverandørgjeld		12 500	27 218
Sum kortsiktig gjeld		12 500	27 218
Sum gjeld		12 500	27 218
SUM EGENKAPITAL OG GJELD		1 503 277 380	1 503 345 022



Statsautoriserte revisorer
Ernst & Young AS

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www.ey.no

Medlemmer av Den norske revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of HV VII Invest Lagus AS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of HV VII Invest Lagus AS, which comprise the balance sheet as at 31 December 2019, the income statement and statements of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company as at 31 December 2019 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Norway, and we have fulfilled our ethical responsibilities as required by law and regulations. We have also complied with our other ethical obligations in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Other information consists of the information included in the Company's annual report other than the financial statements and our auditor's report thereon. The Board of Directors (management) is responsible for the other information. Our opinion on the audit of 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 on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management for the financial statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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 International Standards on Auditing (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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with law, regulations and generally accepted auditing principles in Norway, including ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also

- ▶ identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ▶ obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- ▶ evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- ▶ conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- ▶ evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption and proposal for the allocation of the result is consistent with the financial statements and complies with the law and regulations.

Opinion on registration and documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to ensure that the Company's accounting information is properly recorded and documented as required by law and bookkeeping standards and practices accepted in Norway.



Stavanger, 28 August 2020
ERNST & YOUNG AS

The auditor's report is signed electronically

Jan Kvalvik
State Authorised Public Accountant (Norway)

Penneo Dokumentnøkkel: EDJAM-YENA1-80D7H-EXA5A-JVGZO-N2YC6

Independent auditor's report - HV VII Invest Lagus AS

A member firm of Ernst & Young Global Limited



PENNEO

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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Jan Kvalvik

Statsautorisert revisor

På vegne av: Ernst & Young AS

Serienummer: 9578-5994-4-497669

IP: 145.62.xxx.xxx

2020-08-28 13:05:40Z



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Skatteetaten

Vår dato 13.03.2020	Din/Deres dato 29.01.2020	Saksbehandler Vibeke Horne
800 80 000 Skatteetaten.no	Din/Deres referanse AR357850712	Telefon 32212250
Org.nr 974761076	Vår referanse 2020/5120732	Postadresse Postboks 9200 Grønland 0134 OSLO

HV VII INVEST UNIFORM AS
Jåttåvågeien 7
4020 STAVANGER

Att. Ove Martin Juul

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk

Vi viser til deres brev av 29. januar 2020 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for selskapene som er oppgitt i vedlegget til dette vedtaket.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering de nevnte selskaper (se vedlegg) dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn

Selskapene som er opplistet i vedlegget er norske investerings- og holdingselskaper som er hel- eller deleid av fem ulike HitecVision private equity-fond lokalisert på Guernsey. Samtlige av selskapenes direkte og indirekte aksjonærer er profesjonelle investorer. Arbeidsspråket som benyttes er engelsk. Selskapene har foretatt, eller vil foreta investeringer innenfor olje- og gassnæringen. Selskapene har ingen eksterne kunder. Selskapenes leverandører består utelukkende av profesjonelle tjenesteytere innenfor juridisk eller finansiell profesjon, og som benytter engelsk som arbeidsspråk. All kommunikasjon med selskapenes långivere og aksjonærer foregår på engelsk.

Skattekontorets 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 mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

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



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

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

Det er etter skattekontorets 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 skattekontoret lagt vekt på at selskapene er hel- eller deleid av utenlandske investerings- og holdingsselskaper i fem ulike private equity fond. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Vibeke Horne
rådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.

Vedlegg

**Vedlegg til søknad om å utarbeide årsregnskap og årsberetning på engelsk språk**

Selskap:	Org.nummer:	Fond:
HV IV Invest Alfa AS	992 149 264	HVPE IV
AE HoldCo AS	818 858 892	HVPE IV
AO HoldCo AS	918 858 911	HVPE IV
AL HoldCo AS	991 937 226	HVPE IV
Sørco HoldCo AS	918 274 790	HVPE IV
HV IV Invest Alfa II AS	919 604 778	HVPE IV
TB HoldCo AS	918 858 881	HVPE IV
HV IV Invest Gamma AS	997 550 528	HVPE IV
RNS Holding II AS	915 284 892	HVPE IV
APP Investment AS	917 906 130	HV V
HV V Invest Lima AS	995 929 961	HV V
Core Energy Holding AS	997 043 545	HV V
CE Investment AS	997 153 502	HV V
HV V Invest Zulu II AS	914 148 308	HV V
HVAS Invest Zeta AS	995 610 671	HVAS
HVAS Invest Kappa AS	995 930 099	HVAS
HV VI Invest Omega AS	998 159 555	HV VI
HV VI Invest Omega II AS	998 159 563	HV VI
Spike Exploration AS	998 483 476	HV VI
SEH Investments AS	999 299 172	HV VI
OMP Holding AS	912 084 957	HV VI
HV VI Invest Ypsilon AS	999 178 359	HV VI
Nord Well AS	912 536 394	HV VI
DW Quip AS	922 983 410	HV VI
HV VI Invest Giba AS	912 536 270	HV VI
HV VI Invest Giba II AS	913 192 303	HV VI
HV VI Invest Aza AS	911 628 007	HV VI
Moreld AS	923 807 799	HV VI
Karsten Moholt Inspection & Repair Group AS	913 192 230	HV VI
HV VII Invest Dags AS	913 641 043	HV VII
Circle Group AS	913 640 969	HV VII
HV VII Invest Manna AS	913 930 991	HV VII
HV VII Invest Manna II AS	914 270 405	HV VII
Pure E&P Holding AS	915 056 229	HV VII
Pure E&P AS	940 376 645	HV VII
Geotech Software Solutions AS	997 043 545	HV VII
Rocksource Gulf of Mexico AS	997 153 502	HV VII
HV VII Invest Juliet AS	914 480 787	HV VII
HV VII Invest Juliet II AS	815 672 852	HV VII
HV VII Invest Shankly AS	916 162 537	HV VII
HV VII Invest Shankly II AS	916 162 529	HV VII
North Sea Strategic Investments AS	916 162 545	HV VII
HV VII Invest Lagus AS	916 162 642	HV VII
Asset Buyout Partners Holding AS	916 162 650	HV VII
HV VII Invest Foxtrot AS	820 901 312	HV VII
HV VII Invest Foxtrot II AS	822 047 572	HV VII
Neo E&P Holding AS	922 047 804	HV VII



HV VII Invest Uniform AS	922 404 815	HV VII
HV VII Invest Uniform III AS	823 862 822	HV VII
HV VII Invest Uniform IV AS	923 862 943	HV VII
Sval Energi Holding AS	922 404 798	HV VII
Point Resources Holding AS	915 075 894	HV V / HV VI / HV VII



Financial Statements

2019

HV VII Invest Lagus AS

Org.no.:916 162 642



HV VII Invest Lagus AS

Board of Directors' report

Introduction

HV VII Invest Lagus AS (the "Company") with reg.no 916 162 642 is an investment company based in Stavanger.

Financial results

Net loss in 2019 was NOK 52 924 compared to a profit of NOK 187 771 in 2018.

Allocation of this years' loss is transferred from other equity. Equity ratio as of 31.12.2019 is 99 %, the same level as previous years.

Share capital and shareholders

HitecVision VII, L.P. is the Company's main shareholder. The Fund owned 100 % of the shares in the Company at the end of 2019.

Employees and the working environment

The Company has no employees. The board consists of three men. The board has not found it necessary to take special actions with regard to equal opportunities.

Environmental issues

The Company's operations do not pollute the environment.

Going concern

In accordance with the Accounting Act § 3-3, we confirm that the financial statements have been prepared under the assumption of going concern.

Stavanger, 28.08.2020

The board of HV VII Invest Lagus AS



Egil Stokka
Chair of the board



Oddvar Dirdal
Board member



Ove Martin Juul
Board member



Revenue statement			
HV VII Invest Lagus AS			
Operating income and operating expenses	Note	2019	2018
Other operating expenses	2	52 979	64 414
Total operating expenses		52 979	64 414
Operating profit		-52 979	-64 414
Financial income and expenses			
Income from subsidiaries		0	250 000
Interest income from group companies		0	1 152
Other interest income		55	1 033
Net financial items		55	252 185
Net profit (-loss) before tax		-52 924	187 771
Income tax expense	5	0	0
Net profit (-loss)		-52 924	187 771
Allocation of net profit (-loss)			
To/from other equity	6	0	187 771
Transferred from other equity		52 924	0
Total allocation		-52 924	187 771

HV VII Invest Lagus AS

Side 3






Balance sheet			
HV VII Invest Lagus AS			
Assets	Note	2019	2018
Non-current assets			
Financial fixed assets			
Investments in subsidiaries	3	1 503 029 424	1 503 029 424
Total financial fixed assets		1 503 029 424	1 503 029 424
Total non-current assets		1 503 029 424	1 503 029 424
Current assets			
Other short-term receivables	4	0	250 000
Total receivables		0	250 000
Cash and bank deposits		247 956	65 598
Total current assets		247 956	315 598
Total assets		1 503 277 380	1 503 345 022



Balance sheet			
HV VII Invest Lagus AS			
Equity and liabilities	Note	2019	2018
Paid-in capital			
Share capital	6, 7	15 778 315	15 778 315
Share premium	6	1 487 351 718	1 487 351 718
Total paid-in capital		1 503 130 033	1 503 130 033
Retained earnings			
Other equity	6	134 847	187 771
Total retained earnings		134 847	187 771
Total equity		1 503 264 880	1 503 317 804
Liabilities			
Current debt			
Trade creditors		12 500	27 218
Total current debt		12 500	27 218
Total liabilities		12 500	27 218
Total equity and liabilities		1 503 277 380	1 503 345 022

Stavanger, 28.08.2020
The board of HV VII Invest Lagus AS

 Egil Stokka Chair of the board	 Oddvar Dirdal Board member	 Ove Martin Juul Board member
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HV VII Invest Lagus AS Page 5



Indirect cash flow			
HV VII Invest Lagus AS			
	Note	2019	2018
Cash flows from operating activities			
Profit / (-loss) before tax		-52 924	187 771
Change in accounts payable		-14 718	19 956
Items classified as investment or financing activities		-250 000	0
Change in other accrual items		250 000	-149 764
Net cash flows from operating activities		-67 642	57 962
Cash flows from investment activities			
Received dividend		250 000	0
Investments in shares		0	-736 000 000
Net cash flows from investment activities		250 000	-736 000 000
Cash flows from financing activities			
Capital increase		0	736 000 000
Net cash flows from financing activities		0	736 000 000
Net change in cash and cash equivalents		182 358	57 962
Cash and cash equivalents at the start of the period		65 598	7 636
Cash and cash equivalents at the end of the period		247 956	65 598



HV VII INVEST LAGUS AS NOTES TO THE FINANCIAL STATEMENTS FOR 2019

Note 1 Accounting principles

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

Valuation and classification of assets and liabilities

Net current assets and liabilities comprise receivables and payables due within one year. Other entries are classified as fixed assets and/or long term creditors.

Current assets are valued at the lower of acquisition cost and fair value.

Fixed asset are carried at historical cost, but are written down to their recoverable amount if this is lower than the carrying amount and the reduction in value is expected to be permanent. Fixed assets with a limited economic life are depreciated in accordance with a reasonable depreciation schedule.

Trade and other receivables

Trade receivables and other receivables are carried at fair value less an allowance for expected losses. An estimate is made for doubtful debts based on a review of all amounts outstanding at the balance sheet date. Bad debts are written off when identified.

Shares in subsidiaries and associates

Subsidiaries and investments in associates are carried at cost in the parent company accounts. A write-down to fair value will be performed if the impairment is not considered to be temporary, and an impairment charge is deemed necessary according to generally accepted accounting principles. Dividends and group contributions are recognised as other financial income.

Foreign currency translation

Foreign currency transactions are translated using the exchange rate prevailing at the date of the transaction. Balances in foreign currency are translated using the exchange rates prevailing at the balance sheet date.

Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and other monetary instruments with a maturity of less than three months at the date of purchase.

General and administrative expenses

In principle, general and administrative expenses are recognised in the same period as the revenue to which they relate. In instances where there is no clear connection between the expense and revenue, the apportionment is estimated. Other exceptions to the matching criteria are disclosed where appropriate.

Tax

Tax in the income statement includes both payable taxes and changes in deferred tax. Deferred tax is calculated at 22 % based on the temporary differences between accounting and tax values including tax loss carry forwards at the end of the fiscal year. Taxable and deductible temporary differences that reverse or may reverse in the same period are netted.



HV VII INVEST LAGUS AS NOTES TO THE FINANCIAL STATEMENTS FOR 2019

Note 2 Number of employees, remuneration, loans to employees etc.

No compensations have been paid, no loans have been granted and no guarantees have been issued to any member of the Board of Directors.

Auditor

Auditors' fee for 2019 was NOK 15 000.

Fees for other assurance engagements was NOK 0.

VAT is included in the figures of auditor's fee.

Note 3 Investment in subsidiaries

Company	Office	Ownership and voting interest (%)	Result 2019	Equity as of 31.12	Booked value as of 31.12
Asset Buyout Partners Holding AS	Stavanger	100%	924 406	1 505 525 786	1 503 029 424

HV VII Invest Lagus AS is an investment company with the sole purpose of owning and developing Asset Buyout Partners Holding AS. The underlying investments has a relatively limited connection to HV VII Invest Lagus AS and is considered as a temporary ownership. Based on this assessment, no consolidated financial statements have been prepared.

Note 4 Balances with group companies

Receivables	2019	2018
Asset Buyout Partners Holding - Dividend	0	250 000
Sum	0	250 000



HV VII INVEST LAGUS AS NOTES TO THE FINANCIAL STATEMENTS FOR 2019

Note 5 Tax

This year's tax expense	2019	2018
Entered tax on ordinary profit/loss:		
Payable tax	0	0
Changes in deferred tax assets	0	0
Tax expense on ordinary profit/loss	0	0
Taxable income:		
Ordinary result before tax	-52 924	187 771
Permanent differences	0	-250 000
Changes in temporary differences	0	0
Taxable income	-52 924	-62 229
Payable tax in the balance:		
Payable tax on this year's result	0	0
Total payable tax in the balance	0	0

The tax effect of temporary differences and loss for to be carried forward that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences:

	2019	2018	Difference
Accumulated loss to be brought forward	-257 494	-204 570	52 924
Not included in the deferred tax calculation	257 494	204 570	-52 924
Basis for deferred tax assets	0	0	0
Deferred tax assets (22 %)	0	0	0
Effect of change in tax rate			

Deferred tax is not booked to the balance sheet



HV VII INVEST LAGUS AS NOTES TO THE FINANCIAL STATEMENTS FOR 2019

Note 6 Equity

	Share capital	Share premium	Other equity	Total equity
As of 01.01.2019	15 778 315	1 487 351 718	187 771	1 503 317 804
Net loss			-52 924	-52 924
As of 31.12.2019	15 778 315	1 487 351 718	134 847	1 503 264 880

Note 7 Shareholders

The share capital in HV VII Invest Lagus AS as of 31.12 consists of the following share classes:

	Total	Face value	Share capital
Ordinary shares	262 971 924	0,06	15 778 315
Total	262 971 924		15 778 315

Ownership structure

Shareholders in % at year end:

	Ordinary shares	Total	Ownership/ Voting share
HitecVision VII L.P.	262 971 924	262 971 924	100 %
Total number of shares	262 971 924	262 971 924	100 %

Note 8 Subsequent events

COVID-19 is affecting all aspects of society, including the company, however it is still too early to know what the short and long-term effects will be. The company's main income stream is investment income from the underlying investment in Asset Buyout Partners Holding AS.

The investment income depends on the performance and value development of the underlying investment. As the underlying investment has most of its exposure towards oil and gas it expected that the decoupling of the oil and gas market in 2020 will have a significant impact on the valuation, potentially leading to an impairment of the financial assets of the company. The length of the downturn is highly dependent on a market recovery, however once the oil and gas market balances it is expected that increased prices and activity level will have a positive impact on the company's investment.

There have been no other events subsequent to the year-end which require adjustment of or disclosure in the financial statements or in the notes.