



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2019 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 990 237 689
Organisasjonsform: Aksjeselskap
Foretaksnavn: CLEAN MARINE AS
Forretningsadresse: Strandveien 15
1366 LYSAKER

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: Nils Christian Høy-Petersen
Dato for fastsettelse av årsregnskapet: 27.05.2020

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, 28.10.2021



Resultatregnskap

Beløp i: NOK	Note	2019	2018
RESULTATREGNSKAP			
Inntekter			
Revenues	2, 3	1 379 374 147	222 804 653
Sum inntekter		1 379 374 147	222 804 653
Kostnader			
Cost of sales of goods	3	1 204 358 287	181 492 801
Personnel expenses	13	5 381 354	27 205 751
Depreciation of operating and intangible assets	4, 5	3 996 098	3 527 687
Nedskrivning av varige driftsmidler og immaterielle eiendeler	4		
Other operating expenses		47 494 559	17 192 071
Sum kostnader		1 261 230 298	229 418 311
Driftsresultat		118 143 849	-6 613 657
Finansinntekter og finanskostnader			
Annen renteinntekt	14	170 161	46 516
Other financial income	14	12 334 768	8 781 451
Sum finansinntekter		12 504 930	8 827 967
Annen rentekostnad	14		
Other financial expenses	14	16 267 275	2 721 134
Sum finanskostnader		16 267 275	2 721 134
Netto finans		-3 762 345	6 106 833
Ordinært resultat før skattekostnad		114 381 503	-506 825
Income tax expense	12	25 287 316	-40 040 336
Ordinært resultat etter skattekostnad		89 094 187	39 533 511
Årsresultat		89 094 187	39 533 511
Årsresultat etter minoritetsinteresser		89 094 187	39 533 511
Totalresultat		89 094 187	39 533 511



Resultatregnskap

Beløp i: NOK	Note	2019	2018
Overføringer og disponeringer			
Allocated to other equity	11	89 094 187	39 533 511
Sum overføringer og disponeringer		89 094 187	39 533 511



Balanse

Beløp i: NOK	Note	2019	2018
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Research and development	4		
Intangible assets	4	12 089 695	15 176 431
Utsatt skattefordel	12	14 753 020	40 040 336
Goodwill	4		
Sum immaterielle eiendeler		26 842 715	55 216 767
Varige driftsmidler			
Buildings and land	5		
Machinery and equipment	5		
Ships	5		
Property, plant and equipment	5	3 122 303	1 979 711
Sum varige driftsmidler		3 122 303	1 979 711
Finansielle anleggsmidler			
Investering i datterselskap	6	606 010	606 010
Investering i annet foretak i samme konsern	6		
Lån til foretak i samme konsern	7		
Sum finansielle anleggsmidler		606 010	606 010
Sum anleggsmidler		30 571 028	57 802 488
Omløpsmidler			
Varer			
Sum varer	9	63 525 534	3 576 057
Fordringer			
Accounts receivables	3, 7	75 009 297	90 371 326
Other short-term receivables	3, 7	137 821 272	47 010 726
Konsernfordringer	7	6 054 028	1 189 402
Sum fordringer		218 884 597	138 571 454
Investeringer			
Aksjer og andeler i foretak i samme konsern	6		



Balanse

Beløp i: NOK	Note	2019	2018
Bankinnskudd, kontanter og lignende			
Cash and bank deposits	8	144 732 963	163 573 934
Sum bankinnskudd, kontanter og lignende		144 732 963	163 573 934
Sum omløpsmidler		427 143 095	305 721 445
SUM EIENDELER		457 714 123	363 523 934
 BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	10, 11	22 867 980	20 868 000
Overkurs	11	205 911 820	187 912 000
Annen innskutt egenkapital	11		
Sum innskutt egenkapital		228 779 800	208 780 000
Opptjent egenkapital			
Reserve for valuation variation	11		
Retained earnings	11	-52 407 035	-141 501 223
Udekket tap	11		
Sum opptjent egenkapital		-52 407 035	-141 501 223
Sum egenkapital		176 372 765	67 278 777
 Gjeld			
Langsiktig gjeld			
Utsatt skatt	12		
Annen langsiktig gjeld			
Sum langsiktig gjeld		0	0
 Kortsiktig gjeld			
Leverandørgjeld		24 146 203	25 666 145
Tax payable	12		
Public duties payable		4 875 375	3 468 843



Balanse

Beløp i: NOK	Note	2019	2018
Kortsiktig konserngjeld	7		20 040 114
Other current liabilities	3	252 319 780	247 070 054
Sum kortsiktig gjeld		281 341 358	296 245 156
Sum gjeld		281 341 358	296 245 156
SUM EGENKAPITAL OG GJELD		457 714 123	363 523 934



Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Torstein Kinden Helleland	06.02.2017	10.02.2017
Telefon	Deres referanse	Vår referanse
22078139	Otter Brødholt	2017/152599

AS REVISION
Nedre Vollgate 3
0158 OSLO

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Clean Marine AS, org. nr. 990 237 689

Vi viser til deres brev av 6. februar der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Clean Marine AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Clean Marine 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

Majoritetseier i Clean Marine AS er et aksjeselskap. Selskapet driver med utvikling, produksjon og salg av rensesystemer for skip og maritime installasjoner. Clean Marine AS opererer fullt ut i shipping og maritime industri. Dette er internasjonale bransjer, med etablerte språkrutiner i engelsk. Selskapets arbeidsspråk er engelsk og all arbeidsrettet kommunikasjon i selskapet foregår på engelsk. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. Styret har engelskspråklige styremedlemmer. 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

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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 vekt på at majoritetsseier er et aksjeselskap. Eierkretsen er begrenset. Styret har engelskspråklige styremedlemmer. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk.

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



OFFICE TRANSLATION

**PROTOKOLL
ORDINÆR GENERALFORSAMLING**

**PROTOCOL
ANNUAL GENERAL MEETING**

I

OF

CLEAN MARINE AS
ORG. NR. 990 237 689

CLEAN MARINE AS
REG. NO. 990 237 689

Den 4. juni 2020 ble det avholdt ordinær generalforsamling i Clean Marine AS ("Selskapet").

Møtet ble avholdt på videolink.

Styrets leder Robert Peter Toms åpnet generalforsamlingen. Selskapets eneaksjonær var representert ved fullmakt, og samtlige aksjer var dermed representert.

Følgende saker var til behandling:

1 VALG AV MØTELEDER

Robert Peter Toms ble valgt til møteleder

On 4 June 2020 the annual general meeting of Clean Marine AS (the "Company") was held.

The meeting took place on a video link

The general meeting was opened by chairperson of the board of directors, Robert Peter Toms.

The sole shareholder of the Company was represented by power of attorney and thus, the total issued shares were represented.

The following matters were on the agenda:

1 ELECTION OF A CHAIRMAN OF THE MEETING

Robert Peter Toms was elected to chair the meeting.

2 GODKJENNELSE AV INNKALLING OG DAGSORDEN

Innkalling og dagsorden ble godkjent. Møtelederen erklærte generalforsamlingen for lovlig satt.

2 APPROVAL OF THE NOTICE AND THE AGENDA

The notice of meeting and the agenda were approved. The chair of the meeting declared the general meeting as lawfully convened.

3 VALG AV ÉN PERSON TIL Å MEDUNDERTEGNE PROTOKOLLEN

Øystein Elgan ble valgt til å medundertegne protokollen sammen med møteleder.

3 ELECTION OF A PERSON TO CO-SIGN THE PROTOCOL

Øystein Elgan was elected to co-sign the protocol together with the chair of the meeting.



4 GODKJENNELSE AV ÅRSREGNSKAP OG ÅRSBERETNING FOR REGNSKAPSÅRET 2019

Årsregnskap, årsberetning samt revisors beretning ble tilsendt aksjonærene forut for generalforsamlingen.

Generalforsamlingen besluttet å godkjenne Selskapets årsregnskap og årsberetning for regnskapsåret 2019.

Generalforsamlingen vedtok videre at selskapets netto resultat etter skatt på NOK 89 094 187 overføres til annen egenkapital.

4 APPROVAL OF THE ANNUAL ACCOUNTS AND THE ANNUAL REPORT FOR THE FINANCIAL YEAR 2019

The annual accounts and report and the audit report had been sent to the shareholders prior to the meeting.

The shareholders resolved to approve the Company's annual accounts and report for 2019.

The shareholders resolved to approve that the Company's net profit after tax of NOK 89 094 187 is allocated to other equity.

5 GODKJENNELSE AV REVISORS GODTGJØRELSE

Generalforsamlingen vedtok at revisors godtgjørelse for revisjon og revisjonsrelaterte tjenester for regnskapsåret 2019 godkjennes i henhold til regning.

5 APPROVAL OF THE AUDITOR'S FEE

The shareholders resolved to approve the auditor's fee for audit and audit related services for the financial year 2019 in accordance with the received invoice.

6 ENDRING AV VEDTEKTER

Generalforsamlingen godkjente at selskapets vedtekter endres slik at paragraf seks lyder:

«Selskapets styre skal bestå av én til fem medlemmer etter generalforsamlingens beslutning. Selskapets signatur skal innehas av to styremedlemmer i fellesskap. Styret kan meddele prokura»

6 CHANGE TO THE ARTICLES OF ASSOCIATION

The shareholders resolved to approve that article six of the company's articles of association is changed as follows:

"The company's board of directors shall have one to five members following a decision of the general assembly. Power of signature is held by two directors signing jointly. The board may grant powers of procuration."

7 VALG AV STYRE

Generalforsamlingen vedtok at følgende personer velges til styret i Selskapet:

Nils Høy-Petersen – styreleder

Anthony Key – styremedlem

7 ELECTION OF BOARD MEMBERS

The shareholders resolved to approve that the following persons be elected to the board of directors in the Company:

Nils Høy-Petersen – chairperson

Anthony Key – board member



Samtlige vedtak var enstemmige. Det forelå ikke flere saker til behandling, og møtet ble hevet

All resolutions were unanimous. There being no further matters to address, the meeting was adjourned.

* * *

Oslo, 4. juni 2020

Robert Peter Toms

* * *

Oslo, 4 June 2020

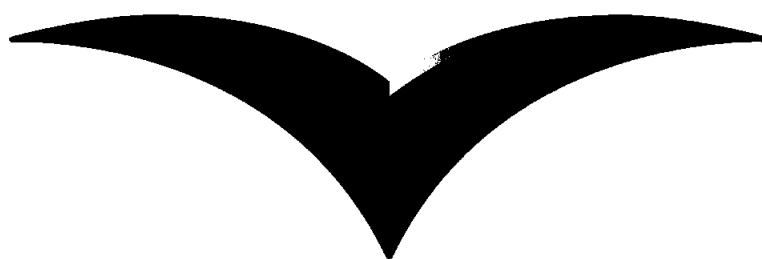
Øystein Elgan



Financial Statements 2019

Clean Marine AS

Income Statement
Balance Sheet
Cash Flow Statement
Notes to the Financial Statements



CLEAN MARINE

Org.no.: 990 237 689





Clean Marine AS

Directors' Report 2019

The Company's business

Clean Marine AS was established on 1 September 2006. The purpose of the company is the development, sales and manufacturing of exhaust gas cleaning systems (EGCS or "scrubber") for the maritime sector. The company has delivered scrubbers on a commercial basis since 2013. The market is driven by the regulatory framework in the shipping industry, and in October 2016 IMO declared its intention to implement a cap on sulphur in shipping exhaust at 0.5%, to be enforced globally and commencing January 2020. Following this decision, the market for EGCS systems accelerated rapidly in 2018. In 2019 Clean Marine experienced a strong growth, in large part based on a large contract backlog from the previous year. The company delivers proprietary scrubber solutions to both the retrofit and newbuild markets. Customers are leading shipowners and shipyards.

The company is registered in and operates from Bærum in Norway. All production is outsourced to sub suppliers. The company has subsidiaries in Singapore and Houston, USA.

Analysis of the annual accounts, risks and uncertainties

The Board finds that the income statement and balance sheet for 2019 with accompanying notes give a true and fair view of the company's development, results and financial position. The revenue in 2019 was NOK 1,379.4 mill compared to NOK 222.8 mill in 2018. Net result was NOK 89.1 mill compared to NOK 39.5 mill in 2018.

The equity of the company was NOK 176.4 mill at year end 2019 compared to NOK 67.3 mill at year end 2018. A loan of NOK 20 mill from

the parent company Clue AS was converted to equity on the 4th of March 2019.

Financial risk is primarily related to exchange rate fluctuations as all contracts are in foreign currencies, primarily in Euro. This is partly offset by cost of goods sold in Euros. The need to enter into hedging agreements to reduce remaining risk is evaluated on an ongoing basis. The credit risk towards customers is considered to be moderate based on the milestone payment profile of contracts. The company has not entered into any contracts to secure the future price of raw materials, but this is being evaluated on a regular basis.

At the end of the year there were 63 full time employees and 25 temporary hires in Clean Marine AS compared to 37 full time employees and 13 temporary hires at the end of 2018. There were 17 women at the end of 2019 compared to seven at the end of 2018. In addition, there were 69 site managers under contract with Clean Marine AS at the end of 2019.

The Board of Directors consist of four members, none of whom are women. The remuneration to the Board was as per note 13.

Research and development

In 2019 the company's focus was mainly on the sale and delivery of commercial contracts. The R&D activities were directed towards the completion of the design of the company's line of compact scrubbers which were initiated in 2017. Going forward, R&D activities will continue to focus on further improving functionality and efficiency of the scrubber technology as well as to develop technology to enable the trapping of other



harmful substances in marine exhaust gas. No R&D costs were capitalized in 2019.

Continuing Operations

The financial statements have been prepared on the assumption of a going concern, and the Board of Directors confirms this assumption. The company has received equity on a continuous basis to finance the development of the technology and growth of the company.

Environment

It is the view of the Board that the working environment in Clean Marine is good. Sick leave is generally low. No injuries or accidents are reported in 2019. The activities of the company do not pollute the external environment.

Subsequent events

During 2019 the Board undertook a process to sell Clean Marine or find an industrial partner to enable the Company to develop the business and solidify its competitive position in the market. In January 2020 Clean Marine AS was transferred from Clue AS to Clean Marine Environmental Pte Ltd, a holding company incorporated in Singapore as part of a business combination with FMS Inc, a scrubber manufacturer which is part of a Singapore based group. As a result Clue AS owns 50% of the shares in Clean Marine Environmental Pte Ltd. The resulting company group trades under the Clean Marine brand and provide a fully integrated offering, including Original Equipment Manufacturer (OEM) expertise, significant capacity, fast production times, project management and global after-sales services. After the business combination the new entity group have more than 490 employees present in all major shipping hubs and offer full turn-key solutions to shipowners, where the scrubbers are

designed, built and installed under Clean Marine management.

Business outlook

The exceptional growth in demand for scrubbers in the maritime industry in 2018 was driven in large part by regulatory requirements coming into effect in 2020 imposing a cap on sulphur emissions from marine exhaust gas combined with the expectation that the price spread between heavy fuel oil and compliant fuel qualities were large enough to justify the scrubber investment. During 2019 and into 2020 worldwide demand for scrubbers in the maritime industry fell sharply. It is now apparent that shipowners worldwide have changed their outlook on the financial viability of installing scrubbers compared to using compliant fuel. As a result, the demand for scrubbers has dropped significantly. It is the Board's view that the market for scrubbers in the near to medium term will not rebound to the levels we saw in 2018. Consequently, Clean Marine has undertaken strong measures during the first quarter of 2020 to cut costs and align the organization to a lower business volume than previously expected.

During Q1 2020 the world was struck by the Covid 19 virus pandemic leading to strong travel restrictions and strict measures of social distancing among people. Clean Marine has taken measures to protect its employees whilst ensuring a continued operation. Due to strict travel restrictions around the world, the attendance to installation and commissioning of scrubbers have been severely impeded. The main impact on the business therefore has been delays in the installation of new scrubbers and servicing of existing scrubbers. The risk of delays will have a moderate impact on the financials. The risk of cancellations of contracts are viewed as moderate.



Lysaker, 27.05.2020

Robert Peter Toms
Chairman

Lars Ødeskaug
Member of the board

Øystein Elgan
Member of the board

Torfin Eide
Member of the board

Nils Chr. Høy-Petersen
Chief executive officer



Income Statement

Operating revenues and operating expenses (in NOK)	Note	2019	2018
Revenues	2, 3	1 379 374 147	222 804 653
Cost of sales of goods	3	<u>(1 204 358 287)</u>	<u>(181 492 801)</u>
Gross profit/(loss)		175 015 860	41 311 852
Personnel expenses	13	(5 381 354)	(27 205 751)
Depreciation of operating and intangible assets	4, 5	(3 996 098)	(3 527 687)
Other operating expenses		<u>(47 494 559)</u>	<u>(17 192 071)</u>
Total operating expenses		(56 872 011)	(47 925 509)
Operating profit/(loss)		118 143 849	(6 613 657)
Financial income and expenses			
Interest income	14	170 161	46 516
Other financial income	14	12 334 768	8 781 451
Other financial expenses	14	<u>(16 267 275)</u>	<u>(2 721 134)</u>
Net financial items		(3 762 345)	6 106 833
Profit/(loss) before income tax		114 381 503	(506 825)
Income tax expense	12	<u>(25 287 316)</u>	<u>40 040 336</u>
Profit/(loss)		89 094 187	39 533 511
Brought forward			
Allocated to other equity	11	<u>89 094 187</u>	<u>39 533 511</u>
Net brought forward		89 094 187	39 533 511



Balance Sheet

Assets (in NOK)	Note	2019	2018
Non-current assets			
Intangible assets	4	12 089 695	15 176 431
Deferred tax assets	12	14 753 020	40 040 336
Property, plant and equipment	5	3 122 303	1 979 711
Investments in subsidiaries	6	606 010	606 010
Total non-current assets		30 571 028	57 802 488
Current assets			
Inventories	9	63 525 534	3 576 057
Accounts receivables	3, 7	75 009 297	90 371 326
Other short-term receivables	3, 7	137 821 272	47 010 726
Receivables from group companies	7	6 054 028	1 189 402
Cash and bank deposits	8	144 732 963	163 573 934
Total current assets		427 143 095	305 721 445
Total assets		457 714 123	363 523 934



Balance Sheet

Equity and liabilities (in NOK)	Note	2019	2018
Equity			
Share capital	10, 11	22 867 980	20 868 000
Share premium	11	205 911 820	187 912 000
Retained earnings	11	(52 407 035)	(141 501 223)
Total equity		176 372 765	67 278 777
Liabilities			
Current liabilities			
Trade payables		24 146 203	25 666 145
Public duties payable		4 875 375	3 468 843
Liabilities to group companies	7	0	20 040 114
Other current liabilities	3	252 319 780	247 070 054
Total current liabilities		281 341 358	296 245 156
Total liabilities		281 341 358	296 245 156
Total equity and liabilities		457 714 123	363 523 934

Lysaker, 27.05.2020

Robert Peter Toms
Chairman

Lars Ødegaard
Member of the board

Torfin Eide
Member of the board

Øystein Elgan
Member of the board

Nils Christian Høy-Petersen
Chief executive officer



Cash Flow Statement

(in NOK)	Note	2019	2018
Cash flows from operating activities			
Profit/(loss) before income tax		114 381 503	(506 825)
Depreciation of operating and intangible assets		3 996 098	3 527 687
Other		(2 051 955)	(2 416 934)
Change in inventories		(59 949 477)	(2 571 329)
Change in accounts receivables		15 362 028	(86 071 611)
Change in other short-term receivables		(90 810 546)	(44 849 196)
Change in trade payables		(1 519 942)	24 380 764
Change in public duties payable		1 406 532	1 749 656
Change in other current liabilities		5 249 725	234 703 824
Change in related party balances		(4 904 940)	(1 149 088)
Net cash flows from operating activities		(18 840 972)	126 796 947
Cash flows from financing activities			
Proceeds from shareholder loan		0	19 999 800
Net cash flows from financing activities		0	19 999 800
Net change in cash and cash equivalents		(18 840 972)	146 796 747
Cash and cash equivalents at the start of the period		163 573 934	16 777 187
Cash and cash equivalents at the end of the period		144 732 963	163 573 934



Note 1 Accounting principles

The annual accounts have been prepared in conformity with the Norwegian Accounting Act and good accounting practice. Clean Marine AS was established on 1 September 2006 and develops and sells exhaust gas cleaning systems to the maritime sector. The notes are an integral part of the financial statements.

-Use of estimates

-In the preparation of the annual accounts estimates and assumptions have been made that have affected the income statement and the valuation of assets and liabilities, and uncertain assets and liabilities on the balance sheet date in accordance with generally accepted accounting practice. Areas which to a large extent contain such subjective evaluations, a high degree of complexity, or areas where the assumptions and estimates are material for the annual accounts, are described in the notes.

-Foreign currency

-Foreign currency transactions are translated at the exchange rate on the date of the transaction. Monetary foreign currency items are translated to NOK at the exchange rate on the balance sheet date. Non-monetary items that are measured at historical cost in a foreign currency are translated to NOK using the exchange rate on the transaction date. Non-monetary items that are measured at fair value in a foreign currency are translated to NOK using the exchange rate on the measurement date. Exchange rate fluctuations are posted to the income statement as they arise under other financial income and expenses.

-Operating revenues

-Operating revenues relate to construction contracts. Revenue from construction contracts are recognized based on percentage of completion of the engineering and construction work. The degree of completion is based on the costs incurred as at the balance sheet date in percentage of estimated total costs. Loss making projects will be fully provided for.

-Tax

-The tax charge in the profit and loss account consists of tax payable for the period and the change in deferred tax. Deferred tax is calculated at the tax rate at 22% on the basis of tax-reducing and tax-increasing temporary differences that exist between accounting and tax values, and the tax loss carried forward at the end of the accounting year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are set off and entered net. Deferred tax assets resulting from net tax-reducing temporary differences, and carryforward losses, are disclosed in the balance sheet if supported by estimated future earnings.

-Classification and valuation of fixed assets

-Fixed assets include assets for long-term ownership and use. Fixed assets are valued at acquisition cost. Property, plant and equipment are entered in the balance sheet and depreciated over the asset's economic lifetime. Property, plant and equipment are written down to a recoverable amount in the case of fall in value which is expected not to be temporary. The recoverable amount is the higher of the net sale value and value in use. Value in use is the present value of future cash flows related to the asset. Write-downs are reversed when the basis for the write-down is no longer present.

-Classification and valuation of current assets

-Current assets and short-term liabilities normally include items that fall due for payment within one year of the balance sheet date, as well as items that relate to the stock cycle. Current assets are valued at the lower of acquisition cost and fair value.

-Shares in subsidiaries

-Investments in subsidiaries are valued using the cost method. Clean Marine AS reviews subsidiaries for impairment if indications of loss in value are identified. Indicators of impairment may include operating losses or adverse market conditions. Fair value of the investments is estimated based on valuation model



techniques. If it is considered probable that the fair value is below Clean Marine's carrying value, the investment is impaired. The impairment is reversed if indicators of impairment are no longer present.

-Inventories

-Inventories are valued at the lower of acquisition cost and net realisable value. Net realisable value is the estimated sale price in ordinary operations after deduction of estimated necessary expenses for completing the sale. Acquisition cost includes expenses incurred in acquiring goods and costs necessary to bring the goods to the present position and are attributed using the FIFO principle.

-Receivables

-Receivables from customers and other receivables are entered at par value after deducting a provision for expected losses. The provision for losses is made on the basis of an individual assessment of the respective receivables.

-Pensions

-The pension program is financed through an insured scheme and are not entered in the balance sheet. The pension premium is treated as a pension cost and classified together with payroll expenses.

-Guarantees

-A provision has been made for expected guarantee costs. The guarantee provision is entered in the balance sheet under other current liabilities.

-Cash flow statement

-The cash flow statement has been prepared using the indirect method. Cash and cash equivalents consist of cash and bank deposits.

Note 2 Operating revenues

(in NOK)

	2019	2018
By business area		
Sales of EGCU	1 379 374 147	222 804 653
Total	1 379 374 147	222 804 653
Geographic breakdown		
Asia	693 823 225	116 864 993
Europe	444 576 162	67 923 017
America	156 381 461	1 259 444
Middle East	83 708 947	32 769 889
Other	884 352	3 987 310
Total	1 379 374 147	222 804 653

Note 3 Construction contracts in progress

(in NOK)

	2019	2018
Revenue recognised for the period on construction contracts in progress at year end	1 334 352 576	218 601 880
Costs / loss provisions for the period on construction contracts in progress at year end	(1 157 562 926)	(179 547 767)



Result for the year on construction contracts in progress at year end	176 789 650	39 054 113
Accumulated revenue recognised on construction contracts in progress at year end	1 519 797 023	246 703 936
Accumulated costs / loss provisions on construction contracts in progress at year end	(1 305 740 050)	(202 062 490)
Accumulated result on construction contracts in progress at year end	214 056 973	44 641 446
Estimated remaining production on loss-making contracts	12 016 647	0
Earned un invoiced revenue on construction contracts in progress at year end included in Other short-term receivables	64 872 375	27 607 453
Pre-invoiced construction included in Other current liabilities	72 417 965	213 104 362
Customer receivables where payment is deferred due to the terms of the contract	0	0

Note 4 Intangible assets

(in NOK)	Patents
Acquisition cost as at 01.01.2019	30 504 821
Additions	0
Acquisition cost 31.12.2019	30 504 821
Depreciation as at 01.01.2019	(15 328 390)
Ordinary depreciation for the year	(3 086 736)
Depreciation as at 31.12.2019	(18 415 126)
Book value 01.01.2019	15 176 431
Additions in the year	0
The year's depreciation	(3 086 736)
Book value 31.12.2019	12 089 695
Estimated useful life	10 years
Depreciation rates	10%

Note 5 Fixed assets

(in NOK)	Fixtures and IT Equipment and Total fixed assets		
	fittings	Software	
Acquisition cost 01.01.2019	711 239	2 614 166	3 325 406
Additions	602 012	1 450 701	2 052 713
Disposals	0	0	0
Acquisition cost 31.12.2019	1 313 251	4 064 868	5 378 119
Accumulated depreciation 31.12.2019	(263 584)	(1 992 232)	(2 255 816)
Book value as at 31.12.2019	1 049 667	2 072 635	3 122 303
The year's depreciation	(234 552)	(674 810)	(909 362)

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Expected useful life	5	3
Depreciation rates	20%	33.33%

Note 6 Subsidiaries

(in NOK)	Municipality	Owner - Interest	Acquisition cost	Book value	Share of equity capital	Share of result
Subsidiaries						
Clean Marine Pte. Ltd.	Singapore	100%	606 010	606 010	(3 123 334)	(2 682 176)
Clean Marine, Inc.	United States	100%	0	0	(32 303)	(32 966)

Clean Marine Pte. Ltd. is a fully owned subsidiary of Clean Marine AS which was established in Singapore on October 2, 2018.

Clean Marine, Inc. is a fully owned subsidiary of Clean Marine AS which was established in the United States on June 20, 2019.

Note 7 Related party balances

(in NOK)	Customer receivables		Other receivables	
	2019	2018	2019	2018
Companies in the same group	0	0	6 054 028	0
Associated companies	6 039 168	6 777 030	0	0
Total	6 039 168	6 777 030	6 054 028	0

(in NOK)	Other short-term liabilities		Other long-term liabilities	
	2019	2018	2019	2018
Companies in the same group	0	(20 040 114)	0	0
Total	0	(20 040 114)	0	0

Note 8 Restricted bank deposits

(in NOK)	2019	2018
Restricted bank deposits		
Withheld employee taxes	2 844 002	2 112 874
Restricted bank deposit for issuance of guarantees	27 725 132	7 116 853
Total restricted bank deposits	30 569 134	9 229 727



Note 9 Inventory

(in NOK)

	2019	2018
Raw materials	42 041 152	3 394 860
Good in manufacture	0	0
Finished goods	18 349 084	181 197
Service inventory	3 135 298	0
Write-downs	0	0
Total net inventory	63 525 534	3 576 057
Total cost of goods in the period	1 204 358 287	181 492 801
Book value of inventory provided as security	0	0

Note 10 Total shares, shareholders etc

	Number	Par value
Share capital		
Ordinary shares	381 133	60
Clean Marine AS had 1 shareholder as at 31.12.2019. Clue AS is the 100 % owner of all 381 133 shares in Clean Marine AS, par value NOK 60 per share.		
	Shares	Onwership %
Shareholders:		
Clue AS	381 133	100%
Total	381 133	100%

Clean Marine AS is part of the consolidated group accounts of Clue Group. The consolidated financial statements are available at the company's office, Strandveien 15, 1366 Lysaker.

Note 11 Equity capital

(in NOK)	Share capital	Share premium	Retained earnings	Total equity capital
As at 31.12.2018	20 868 000	187 912 000	(141 501 223)	67 278 777
As at 01.01.2019	20 868 000	187 912 000	(141 501 223)	67 278 777
Result for the year			89 094 187	89 094 187
Conversion of shareholder loan to equity	1 999 980	17 999 820	0	19 999 800
As at 31.12.2019	22 867 980	205 911 820	(52 407 035)	176 372 765



Note 12 Tax

(in NOK)

This year's tax expense	2019	2018
Entered tax on ordinary profit/loss:		
Payable tax	0	0
Changes in deferred tax assets	(25 287 316)	40 040 336
Tax (expense) on ordinary profit/loss	(25 287 316)	40 040 336
Taxable income:		
Profit/(loss) before income tax	114 381 503	(506 825)
Permanent differences	560 843	395 664
Changes temporary differences	(113 168 130)	(39 907 931)
Allocation of loss to be brought forward	(1 774 217)	0
Taxable income	(0)	(40 019 092)
Payable tax in the balance sheet:		
Payable tax on this year's result	0	0
Total payable tax in the balance sheet	0	0

The tax effect of temporary differences and loss 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
Tangible fixed assets	339 230	291 220	(48 010)
Production contracts	176 789 650	39 054 113	(137 735 537)
Accounts receivable	359 558	3 244 187	2 884 629
Allowances for liabilities	(27 030 447)	(5 299 660)	21 730 787
Total	150 457 991	37 289 861	(113 168 130)
Accumulated loss to be brought forward	(217 517 171)	(219 291 388)	(1 774 217)
Basis for calculation of deferred tax	(67 059 180)	(182 001 527)	(114 942 347)
Deferred tax assets (22 %)	14 753 020	40 040 336	(25 287 316)
Effect of change in tax rate	0	(1 820 015)	

Note 13 Salary costs and benefits, remuneration

(in NOK)

Salary costs	2019	2018
Salaries	55 960 665	23 802 265
Employment tax	7 876 671	3 761 966
Pension costs	3 503 613	1 670 695
Hiring of personnel	29 783 485	16 395 353
Other personnel costs	2 462 966	1 846 371
Transferred to projects*	(94 206 046)	(20 270 900)
Total	5 381 354	27 205 751

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*Transferred to projects relates to salary costs for projects which are included in Cost of sales of goods.

In 2019 the company had 72 man-years employed.

Pension costs

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

The company has a defined-contribution plan in accordance with local laws. The defined-contribution plan covers all full-time employees and amounts to 5.5 % between 1G and 12G and an additional 3.0 % between 7.1G and 12G of salary. As at 31.12.2019 there were 63 members in the plan.

Contributions expensed amounted to NOK 3 503 613 and NOK 1 670 695 in 2019 and 2018, respectively.

Remuneration to CEO and Board	Chief Executive Officer	Board
Salaries	1 750 115	588 693
Pension costs	75 093	0
Other remuneration	54 319	0
Total	1 879 527	588 693

At 31.12.2019 the chief executive officer was part of a bonus arrangement related to a potential future Transaction defined as a transaction involving, directly or indirectly, the sale of all of the shares in Clean Marine AS or the holding company Clue AS, including a merger or any other business combination or any other transaction which, directly or indirectly, leads to a third party acquiring full control of Clean Marine. The bonus arrangement has the following elements:

- A Base Exit Bonus of NOK 600 000, fixed and payable once the Transaction is complete, if the proceeds of the sale are at least NOK 20 000 000.
- A Variable Exit Bonus linked to the actual valuation of the company based on the price per share in Clue AS achieved in a Transaction above a threshold of NOK 0.064705 per share multiplied by 5 833 333. Total shares issued in Clue AS is 463 645 533.

The transaction between Clean Marine AS and FMS Inc in January 2020 did not constitute a Transaction as defined in the bonus arrangement and the bonus scheme is therefore still in effect.

In relation to the transaction between Clean Marine AS and FMS Inc in January 2020, the CEO is entitled to a stay-on bonus of NOK 576 475. The bonus was awarded in 2019 and is payable in 2020 provided that he has not resigned before 30.06.2020.

The CEO is entitled to receive a bonus of one month salary in relation to a companywide performance bonus program for 2019 which is payable in 2020.

Auditor

Audit fees expensed for 2019 amount to NOK 635 422.

In addition there is a fee for other services of NOK 283 075.



Note 14 Financial income and expenses

(in NOK)

	2019	2018
Financial income		
Other interest income	170 161	46 516
Other financial income (agio)	12 334 411	8 781 451
Total financial income	12 504 573	8 827 967
Financial expenses	2019	2018
Interest expenses to group companies	0	(152 875)
Other interest expenses	(1 241 731)	(652 485)
Other financial expenses (disagio)	(15 025 544)	(2 068 649)
Total financial expenses	(16 267 275)	(2 874 009)

Note 15 Subsequent events

During 2019 the Board undertook a process to sell Clean Marine or find an industrial partner to enable the Company to develop the business and solidify its competitive position in the market. In January 2020 Clean Marine AS was transferred from Clue AS to Clean Marine Environmental Pte Ltd, a holding company incorporated in Singapore as part of a business combination with FMS Inc, a scrubber manufacturer which is part of a Singapore based group. As a result Clue AS owns 50% of the shares in Clean Marine Environmental Pte Ltd. The resulting company group trades under the Clean Marine brand and provide a fully integrated offering, including Original Equipment Manufacturer (OEM) expertise, significant capacity, fast production times, project management and global after-sales services. After the business combination the new entity group have more than 490 employees present in all major shipping hubs and offer full turn-key solutions to shipowners, where the scrubbers are designed, built and installed under Clean Marine management.

In January 2020 Clean Marine AS paid a dividend of NOK 2 709 420 to Clue AS prior to the transfer of the shares to Clean Marine Environmental Pte Ltd.

During Q1 2020 the world was struck by the Covid 19 virus pandemic leading to strong travel restrictions and strict measures of social distancing among people. Clean Marine has taken measures to protect its employees whilst ensuring a continued operation. Due to strict travel restrictions around the world, the attendance to installation and commissioning of scrubbers have been severely impeded. The main impact on the business therefore has been delays in the installation of new scrubbers and servicing of existing scrubbers. The risk of delays will have a moderate impact on the financials. The risk of cancellations of contracts are viewed as moderate.

A combination of the Covid 19 virus pandemic and a sharp drop in the oil price and a narrowing of the price spread between heavy fuel oil and compliant fuel qualities has led to a significant drop in the demand for scrubbers. In April 2020 Clean Marine undertook strong cost cutting measures in light of a less optimistic market outlook. Measures have included layoffs and termination of contractors.



To the General Meeting of Clean Marine AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

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

In our opinion, the accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 December 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.

Basis for Opinion

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

Other information

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo

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



Independent Auditor's Report - Clean Marine AS

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

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

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

(2)



Independent Auditor's Report - Clean Marine AS

Oslo, 28 May 2020
PricewaterhouseCoopers AS

Thomas Whyte Gaardsø
State Authorised Public Accountant
(This document is signed electronically)

(3)



 Securely signed with Brevio

Revisjonsberetning

Signers:

<i>Name</i>	<i>Method</i>	<i>Date</i>
Gaardsø, Thomas Whyte	BANKID_MOBILE	2020-05-28 21:37

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