



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 925 477 834
Organisasjonsform: Aksjeselskap
Foretaksnavn: FLUX AS
Forretningsadresse: Moseidveien 17
4033 STAVANGER

Regnskapsår

Årsregnskapets periode: 05.08.2020 - 31.12.2020

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Forenklet IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Siri Ravndal
Dato for fastsettelse av årsregnskapet: 06.07.2021

Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

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, 22.07.2022



Resultatregnskap

| Beløp i: NOK | Note | 2020 | 2019 |
|--|------|-------------------|----------|
| RESULTATREGNSKAP | | | |
| Inntekter | | | |
| Revenue | 2 | 40 574 515 | |
| Sum inntekter | | 40 574 515 | |
| Kostnader | | | |
| Cost of goods sold | | 29 587 951 | |
| Payroll expenses | 3 | 5 839 530 | |
| Depreciation and amortization | 4 | 1 236 579 | |
| Other operating expenses | 3 | 5 007 427 | |
| Sum kostnader | | 41 671 487 | |
| Driftsresultat | | -1 096 972 | |
| Finansinntekter og finanskostnader | | | |
| Annen renteinntekt | | 8 | |
| Other financial income | | 90 066 | |
| Sum finansinntekter | | 90 074 | |
| Annen rentekostnad | | 336 639 | |
| Other financial expenses | 5 | 1 513 605 | |
| Sum finanskostnader | | 1 850 244 | |
| Netto finans | | -1 760 170 | |
| Ordinært resultat før skattekostnad | | -2 857 142 | 0 |
| Ordinært resultat etter skattekostnad | | -2 857 142 | 0 |
| Årsresultat | | -2 857 142 | 0 |
| Overføringer og disponeringer | | | |
| Transferred from other equity | 10 | -2 857 142 | |
| Sum overføringer og disponeringer | | -2 857 142 | |



Balanse

| Beløp i: NOK | Note | 2020 | 2019 |
|--|-------|--------------------|----------|
| BALANSE - EIENDELER | | | |
| Anleggsmidler | | | |
| Immaterielle eiendeler | | | |
| Customer relations | 4 | 5 400 000 | |
| Backlog | 4 | 3 459 201 | |
| Goodwill | 4 | 76 974 706 | |
| Sum immaterielle eiendeler | | 85 833 907 | |
| Varige driftsmidler | | | |
| Property, plant & Equipment | 4 | 3 409 822 | |
| Sum varige driftsmidler | | 3 409 822 | |
| Sum anleggsmidler | | 89 243 729 | 0 |
| Omløpsmidler | | | |
| Varer | | | |
| Fordringer | | | |
| Account receivables | 7,8 | 13 426 882 | |
| Other receivables and prepayments | 7 | 5 590 124 | |
| Sum fordringer | | 19 017 006 | |
| Bankinnskudd, kontanter og lignende | | | |
| Cash and cash equivalents | 9 | 5 124 630 | |
| Sum bankinnskudd, kontanter og lignende | | 5 124 630 | |
| Sum omløpsmidler | | 24 141 636 | 0 |
| SUM EIENDELER | | 113 385 365 | 0 |
| BALANSE - EGENKAPITAL OG GJELD | | | |
| Egenkapital | | | |
| Innskutt egenkapital | | | |
| Share capital | 10,11 | 60 000 | |



Balanse

| Beløp i: NOK | Note | 2020 | 2019 |
|-----------------------------------|-------------|--------------------|-------------|
| Annen innskutt egenkapital | 10 | 42 865 876 | |
| Sum innskutt egenkapital | | 42 925 876 | |
| Opptjent egenkapital | | | |
| Other equity | 10 | -2 887 144 | |
| Sum opptjent egenkapital | | -2 887 144 | |
| Sum egenkapital | | 40 038 732 | 0 |
| Gjeld | | | |
| Langsiktig gjeld | | | |
| Annen langsiktig gjeld | | | |
| Long term interest-bearing debt | 4 | 22 301 737 | |
| Sum annen langsiktig gjeld | | 22 301 737 | |
| Sum langsiktig gjeld | | 22 301 737 | 0 |
| Kortsiktig gjeld | | | |
| Leverandørgjeld | 8 | 25 085 454 | |
| Public duties payable | | 10 414 702 | |
| Other short term liabilities | 7 | 15 544 738 | |
| Sum kortsiktig gjeld | | 51 044 894 | |
| Sum gjeld | | 73 346 631 | 0 |
| SUM EGENKAPITAL OG GJELD | | 113 385 363 | 0 |



Annual Report

2020

Valvision AS

Org.nr.: 925 477 834



Income Statement

Valvision AS

| OPERATING INCOME AND OPERATING EXPENSES | Note | 2020 |
|--|------|--------------------|
| Revenue | 2 | 40 574 515 |
| Operating income | | 40 574 515 |
| Cost of goods sold | | 29 587 951 |
| Payroll expenses | 3 | 5 839 530 |
| Depreciation and amortization | 4 | 1 236 579 |
| Other operating expenses | 3 | 5 007 427 |
| Operating expenses | | 41 671 488 |
| Operating profit | | (1 096 973) |
| Financial income and expenses | | |
| Other interest income | | 8 |
| Other financial income | | 90 066 |
| Other interest expenses | | 336 639 |
| Other financial expenses | 5 | 1 513 605 |
| Net financial income and expenses | | (1 760 171) |
| Profit before tax | | (2 857 144) |
| Tax on ordinary result | 6 | |
| Annual net profit | | (2 857 144) |
| Other Comprehensive Income | | - |
| Total Comprehensive income | | (2 857 144) |
| Allocation of net profits | | |
| Paid group contribution | 10 | - |
| Received group contribution | 10 | - |
| Transferred to other equity | 10 | (2 857 144) |
| Net transfers | | (2 857 144) |



Balance Sheet

Valvision AS

| ASSETS | Note | 2020 |
|------------------------------------|------|--------------------|
| FIXED ASSETS | | |
| Intangible assets | | |
| Customer relations | 4 | 5 400 000 |
| Backlog | 4 | 3 459 201 |
| Goodwill | 4 | 76 974 706 |
| Total intangible assets | | 85 833 907 |
| Tangible fixed assets | | |
| Property, plant & equipment | 4 | 3 409 822 |
| Total tangible fixed assets | | 3 409 822 |
| TOTAL FIXED ASSETS | | 89 243 728 |
| CURRENT ASSETS | | |
| Debtors | | |
| Accounts receivable | 7,8 | 13 426 882 |
| Other receivables and prepayments | 7 | 5 590 124 |
| Total debtors | | 19 017 006 |
| Cash and cash equivalents | 9 | 5 124 630 |
| TOTAL CURRENT ASSETS | | 24 141 636 |
| TOTAL ASSETS | | 113 385 363 |



Balance Sheet

Valvision AS

| EQUITY AND LIABILITIES | Note | 2020 |
|-------------------------------------|-------|--------------------|
| EQUITY | | |
| Restricted equity | | |
| Share capital | 10,11 | 60 000 |
| Other equity | 10 | 42 865 876 |
| Total restricted equity | | 42 925 876 |
| Retained earnings | | |
| Other equity | 10 | (2 887 144) |
| Total retained earnings | | (2 887 144) |
| TOTAL EQUITY | | 40 038 733 |
| LIABILITIES | | |
| Long term provisions | | |
| Deferred tax | 6 | - |
| Total long term provisions | | - |
| Long term liabilities | | |
| Long term interest-bearing debt | 4 | 22 301 737 |
| Total long term liabilities | | 22 301 737 |
| Current liabilities | | |
| Accounts payable | 8 | 25 085 454 |
| Public duties payable | | 10 414 702 |
| Other short term liabilities | 7 | 15 544 738 |
| Total short term liabilities | | 51 044 894 |
| TOTAL LIABILITIES | | 73 346 630 |
| TOTAL EQUITY AND LIABILITIES | | 113 385 363 |

Stavanger, 06 July, 2021

Siri Ravndal
Chairman of the board

Leif Grønning
Member of the board



Cash flow statement

Valvision AS

| CASH FLOW FROM OPERATING ACTIVITIES | Note | 2020 |
|---|-------------|------------------|
| Profit before tax | | (2 857 144) |
| Taxes paid | | - |
| Depreciation and amortization | 4 | 1 236 579 |
| Changes in inventories | | - |
| Changes in accounts receivable | | 8 916 407 |
| Changes in accounts payable | | 12 090 226 |
| Change in other non-current items | | (14 261 440) |
| Net cash flows from operating activities | | 5 124 629 |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Payment for additions fixed assets | 4 | - |
| Net cash flows from investing activities | | - |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Cash inflow from debt financing | 4 | - |
| Paid group contribution | | - |
| Received group contribution | | - |
| Net cash flows from financing activities | | - |
| Net increase in cash and cash equivalents | | 5 124 630 |
| Cash and cash equivalents as of 01.10 | | - |
| Cash and cash equivalents as of 31.12 | | 5 124 630 |



Notes to financial statements

Valvision AS

Note 1 - Accounting Principles

The financial statements of Valvision are prepared in accordance with simplified IFRS pursuant to the Norwegian Accounting Act §3-9 and regulations regarding simplified application of IFRS issued by the Norwegian Ministry of Finance on 3 November 2014. The presentation currency of Analytic is Norske kroner (NOK), consistent with the presentation currency and with the company's functional currency.

The financial statement is made under a going concern principle. The company was established 5 August 2020. The company is part of a reorganisation process in 2021. The process will lead to a merge of the company with other companies within the Group.

Operating revenue

Revenue from contracts with customers is recognised upon satisfaction of the performance obligations for the transfer of goods and services in each such contract. The revenue amounts that are recognised reflect the consideration to which Flux Group expects to be entitled in exchange for those goods and services.

Balance sheet classification

Assets and liabilities in the statement of financial position are presented based on a current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities as non-current.

Fixed assets are valued by the cost of acquisition. Fixed assets with limited economic life are depreciated by a reasonable depreciation schedule. In the case of impairment the asset will be written down to the fair value amount. The impairment shall be reversed if there reason for the original impairment is no longer present.

Current assets are generally valued at lower of acquisition cost and fair value. In some instances, like inventory, at lower of cost and net realizable value.



Property, plant and equipment

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

Inventories

Inventories are valued at the lower of cost after FIFO-method and market value (fair value less cost to sell).

Trade receivables

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the company's business model for managing them. A receivable is recognised if an amount of consideration that is unconditional is due from the customer.

The company uses a provision matrix to calculate expected losses for trade receivables and contract assets. The provision rates are based on days past due.

Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the company operates and generates taxable income.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

**Foreign currency**

Monetary items in foreign currency are valued at the exchange rate at the end of the financial year. Transactions in foreign currency are translated at the rate applicable on the transaction date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Pensions

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

Purchase price allocation

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree.

Acquisition cost is assigned to all identified financial, tangible and intangible assets. Intangible assets include order backlog and customer relation. Any excess value is presented as goodwill. Deferred tax is calculated on the basis of this excess value, where value comes from fair values in the purchase price allocation.

Intangible assets

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

Goodwill

Acquired goodwill is presented as the difference between the purchase price and net identifiable assets. Goodwill is not depreciated but is tested for impairment yearly or when impairment triggers are present.



Notes to financial statement

Valvision AS

Note 2 – Operating revenue

All sales are related to the company's business area.

| Geographical distribution ('000): | 2020 |
|-----------------------------------|-------------------|
| Norway | 39 731 644 |
| Other | 842 871 |
| Sum | 40 574 515 |

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

| Payroll expense: | 2020 |
|------------------|------------------|
| Salaries | 4 538 725 |
| Payroll tax | 1 899 979 |
| Pension costs | 135 090 |
| Other benefits | (734 263) |
| Sum | 5 839 530 |

Number of employees 14

The company is obligated by law to follow the Act on mandatory occupational pensions. The company's pension scheme meets the requirements of this law.

| Payroll expense: | CEO | Board |
|------------------|---------|-------|
| Salaries | 411 999 | - |
| Other benefits | 3 477 | - |

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

| Auditors fee: | 2020 |
|------------------------|----------|
| Statutory audit | - |
| Other assistance | - |
| Total (ex. VAT) | - |



Note 4 - Fixed assets

| | |
|---------------------------------------|----------------------|
| Tangible assets | 2020 |
| Opening Balance | - |
| Additions | 3 791 046 |
| Disposals | - |
| Accumulated cost as of 31.12* | 3 791 046 |
| Accumulated depreciations as of 31.12 | 381 224 |
| Carrying amount as of 31.12* | 3 409 822 |
| Annual depreciation | 752 000 |
| Economic life | 5 years |
| Depreciation plan | Straight line method |

As of 1/10-2020 Valvision II AS took over all shares in Valvision AS from Flux Group AS, in a contribution in kind. Afterwards Valvision II and Valvision merged. The transaction constitutes a internal reorgansiasjon, the transaction is accounted for in accordance with group continuity. The result beeing a recognition of customer relations, order backlog and goodwill in the company accounts.

*Included in accumulated cost is right of use asset of 29.651 As of 31/12-2020 the accumulated depreciation includes depreciation of right of use asset of 8.472

| Intangible assets | Order Backlog | Customer relations | Goodwill |
|---------------------------------------|----------------------|---------------------------|-------------------|
| Acquisition cost as of 01.01 | | - | - |
| Additions | 3 843 557 | 5 600 000 | 76 974 702 |
| Disposals | | 0 | 0 |
| Accumulated cost as of 31.12 | 3 843 557 | 5 600 000 | 76 974 702 |
| Accumulated depreciations as of 31.12 | 384 356 | 200 000 | - |
| Carrying amount as of 31.12 | 3 459 201 | 5 400 000 | 76 974 702 |
| Economic life | 2 years | 5 years | |
| Depreciation plan | Straight line | Straight line | |

Goodwill is tested annually for impairment or when triggers are present.

Future minimum lease obligations:

| | |
|---------------|---------------|
| | 2020 |
| Within 1 year | 17 772 |
| 2-3 years | 4 443 |
| After 3 years | - |
| Total | 22 215 |

Long term interest bearing debt consist of an intercompany debt of approximatley NOK 22,3 million.



Note 5 - Foreign currency

| | 2020 |
|-----------------------------------|------------------|
| FX gains booked | 279 170 |
| FX loss booked | 826 609 |
| Net FX gain (+) / loss (-) | (547 439) |

Note 6 - Income taxes

| Basis for tax expense: | 2020 |
|---|---------------------|
| Result before tax | (2 856 868) |
| Permanent differences | 5 510 |
| Change in temporary differences | (94 830 826) |
| Total | (97 682 184) |
| +/- Group contributions | - |
| Utilized loss carried forward | - |
| Taxable income (basis for tax payable) | (97 682 184) |

Distribution of income tax expense:

| | |
|----------------------------------|----------|
| Income tax | - |
| Change in deferred tax/tax asset | - |
| Total tax expense | - |

| Temporary differences: | 2020 | Opening Balance | Change |
|--|------------------|------------------------|---------------------|
| Fixed assets | 630 003 | 364 971 | (265 032) |
| Receivables | - | (83 630 095) | (83 630 095) |
| Accrual | (2 713 190) | (2 713 190) | - |
| Retention Bonus | - | (11 410 000) | (11 410 000) |
| Construction contracts | 8 749 456 | 9 223 757 | 474 301 |
| Net temporary differences | 6 666 269 | (88 164 557) | (94 830 826) |
| Loss carried forward | (108 482 740) | (10 800 557) | 97 682 183 |
| Not included in basis for deferred tax | 101 816 471 | 98 965 114 | (2 851 357) |
| Basis for deferred tax (asset) | - | - | - |

| | | | |
|------------------------------|----------|----------|----------|
| Deferred tax (asset)* | - | - | - |
|------------------------------|----------|----------|----------|

| Reconciliation of effective tax rate: | 2020 |
|---|------------------|
| Calculated tax | (628 511) |
| Actual tax | - |
| Difference | (628 511) |
| Permanent differences | 1 212 |
| Change in temporary difference and loss carried forward | 627 299 |
| Total explained difference | 628 511 |

As a simplification, as opening balance, numbers as of 1/1 have been applied. The effect of applying numbers as of 1/1 instead of 1/10 is immaterial.



Note 7 - Receivables and debt

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

| Accounts receivable | 2020 |
|----------------------------|-------------------|
| Accounts receivable | 20 249 691 |
| Provision bad debt | (6 822 809) |
| Total | 13 426 882 |

Other short term receivables mainly consist of accrued not invoiced of approximately NOK 4,4 million.

Other short term liabilities consist mainly of short term intragroup liabilities amounting to approx. NOK 11 million.

Note 8 - Intercompany

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

| Receivables | 2020 |
|------------------------------|----------------|
| Accounts receivable | 0 |
| Other short term receivables | 615 756 |
| Total receivables | 615 756 |

| Payables | 2020 |
|-----------------------|------------------|
| Accounts payable | 1 499 221 |
| Short term payables | 0 |
| Total payables | 1 499 221 |

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

Note 9 - Cash and cash equivalents

The company has bank guarantees covering employee taxes and therefore has no restricted cash as of 31.12.2020



Note 10 - Equity

| | Share capital | Other equity | Total |
|--------------------------------------|---------------|-------------------|-------------------|
| Equity 01.10.20 | - | (30 000) | (30 000) |
| Equity transaction during the period | 60 000 | 42 865 876 | 42 925 876 |
| (+/-) Period profits | - | (2 857 144) | (2 857 144) |
| Equity 31.12 | 60 000 | 39 978 733 | 40 038 733 |

Note 11 - Share capital and shareholder information

Share capital consist of 30 000 shares at NOK 2 per share. Voting rights are the same for all shares.

| Shareholders as of 31.12: | Ordinary | Share |
|---------------------------|---------------|--------------|
| Flux Group AS | 30 000 | 100,0 % |
| Total | 30 000 | 100 % |

Consolidated financial statement can be obtained from Flux Group AS headquarter.

Note 12 - Pledges and guarantees

| Booked value of pledged assets to parent company: | 2020 |
|---|-------------------|
| Accounts receivable | 13 426 882 |
| Fixed assets | 3 409 822 |
| Inventory | - |
| Total | 16 836 704 |

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

Note 13 - Subsequent events

During Q2 2021 an internal reorganisation was approved by the board in Flux Group, resulting in a planned merge between Analytic AS, Active Service AS and Valvision AS during second half of 2021.

On Group level, the short term debt towards SR-bank, that expired at 30/6, has been renegotiated and has of the issuance of the financial statement has been signed. Flux Group is correspondingly compliant, and classifies the debt accordingly.



Annual Report 2020

Valvision AS

Address: Moseidveien 17, 4033 Stavanger

Org.nr: 925 477 834

Nature of business

Valvision AS was established in 2006 and the business consists mainly of sales of valves for the oil and gas sector. Valvision AS was acquired by Flux Group during 2020, and was held by an intermediate company, Inceptum 1278 AS, which is fully owned by Flux Group. During the second part of 2020, Inceptum 1278 AS and Valvision AS merged. As of year end Flux Group holds 100% of the shares as per 31.12.2020 in the merged company.

Valvision AS' business premises are located in Stavanger and Bergen.

Profit and position

The activity level has been high since the two companies merged. The merger took place as of October 1st, and correspondingly this set of financial statement covers the period from October 1st until year end.

Operating revenue for Valvision AS for the period October 1st until December 31st has been MNOK 40,6. Total comprehensive income was MNOK – 2,9, and will be added to retained earnings. Some uncertainty surrounds going concern, but a reorganization process has been initiated with other companies within the same group. It is the company's firm believe that the reorganization will lead to a prosperous future.

Year-end total balance was MNOK 113,4. The equity ratio was 35%.

The company's had a cash position of NOK MNOK 5,1 as of year end.

The Board of Directors believe the annual report provides a true picture of the Company's assets, liabilities, financial position and result. There are some uncertainties regarding going concern but it is the Boards firm believe that once the reorganization process is finalized, the company will be fit for future profits. As such the annual accounts have been prepared in line with the assumption of going-concern, according to section 3-3 of the Norwegian Account Act. The Board of Director's assessment is based on the group's market positions, financial position, and prospects ahead.



Risk

The company's activity level depends directly and indirectly on the scope of the development, operation and maintenance projects in the oil and gas sector. Despite a very tough market in the oil and gas sector through 2020, it is expected that the activity level will pick up in 2021-2022.

The company has processes in place to reduce the credit risk and have historically experienced limited bad debts on external customers.

The company operates internationally and is therefore exposed to fluctuations in foreign currency, mainly EUR, USD and GBP. The Management's goal is to minimize such risk.

Organization

The company has a high focus on health, safety, environment and quality (HSEQ). There have been no personnel injuries during the year, and the sick leave for the year was 0,9%.

At year end the company had 14 employees, 5 of which were women.

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

Health, safety and environment

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

Subsequent events

The company is not familiar with any subsequent events after the balance sheet date, except the reorganization process that was initiated during first half of 2021 which are of significance for the company's financial position as at 31.12.

Siri Ravndal
Chairman of the board

Stavanger, July 06, 2021

Leif Grønning
Board member

Rolf Lohne
Managing Director



KPMG AS
Forusparken 2
Postboks 57
4064 Stavanger

Telephone +47 45 40 40 63
Fax
Internet www.kpmg.no
Enterprise 935 174 627 MVA

To the General Meeting of Valvision AS

Independent auditor's report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Valvision AS, which comprise the balance sheet as at 31 December 2020, the income statement, statement of comprehensive income and statement 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 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 2020, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

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.

Offices in:

KPMG AS, a Norwegian limited liability company and member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

| | | | |
|---------|--------------|--------------|-----------|
| Oslo | Elverum | Mo i Rana | Stord |
| Alta | Finnsnes | Molde | Straume |
| Arendal | Hamar | Skien | Tromsø |
| Bergen | Haugesund | Sandefjord | Trondheim |
| Bodo | Knarvik | Sandnessjøen | Tynset |
| Drammen | Kristiansand | Stavanger | Ålesund |

Penneo document key: Y0X4Z-6CJUV-KNDOW-T6ZF7-FTZCN-57THX



Valvision 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 and a true and fair view of the financial statements in accordance with simplified application of International Accounting Standards according to the Norwegian Accounting Act section 3-9, 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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Valvision AS

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption and the proposed 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 produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Stavanger, 9 July 2021
KPMG AS

Kurt Ove Østrem
State Authorised Public Accountant
(This document is signed electronically)

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"By my signature I confirm all dates and content in this document."

Kurt Ove Østrem

Partner

On behalf of: KPMG AS

Serial number: 9578-5997-4-812667

IP: 80.232.xxx.xxx

2021-07-09 19:44:23Z



Kurt Ove Østrem

Statsautorisert revisor

On behalf of: KPMG AS

Serial number: 9578-5997-4-812667

IP: 80.232.xxx.xxx

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Skatteetaten

Vår dato
14.09.2021

Din/Deres dato
08.09.2021

Saksbehandler
Lars Waalorp

800 80 000
Skatteetaten.no

Din/Deres referanse

Telefon
90833418

Org.nr
974761076

Vår referanse
2021/6294375

Postadresse
Postboks 9200 Grønland
0134 OSLO

VALVISION AS
Postboks 415
4068 STAVANGER

Att. Lars Atle Kjøde

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Valvision AS, org.nr. 925 477 834

Vi viser til deres brev av 8. september 2021 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Valvision AS

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering Valvision AS 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

Valvision AS er eid av et norsk selskap og inngår i et internasjonalt konsern. Selskapene i konsernet driver virksomhet innen oljebransjen. Selskapenes arbeidsspråk er i stor grad 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 særlig vekt på at selskapet er en del av et internasjonalt konsern. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waalorp
seniorrådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.