Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	998 727 626
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	VERITAS PETROLEUM SERVICES AS
Forretningsadresse:	Akershusstranda 19
	0150 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2021 - 31.12.2021

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Malcolm Cooper
Dato for fastsettelse av årsregnskapet:	30.06.2022

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert

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

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

Brønnøysundregistrene, 07.09.2023

Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Revenue		6 601 000	6 068 000
Other Income	2	7 054 000	
Sum inntekter		**13 655 000**	**6 068 000**
Kostnader			
Payroll expenses	9	13 534 000	4 953 000
Other operating expenses	9	3 654 000	1 311 000
Sum kostnader		**17 188 000**	**6 264 000**
Driftsresultat		**-3 533 000**	**-196 000**
Finansinntekter og finanskostnader			
Other financial income	11	252 000	420 000
Sum finansinntekter		**252 000**	**420 000**
Other financial expenses	11	1 458 000	702 000
Sum finanskostnader		**1 458 000**	**702 000**
Netto finans		**-1 206 000**	**-282 000**
Ordinært resultat før skattekostnad		**-4 739 000**	**-478 000**
Tax on ordinary result	8	-375 000	-100 000
Ordinært resultat etter skattekostnad		**-4 364 000**	**-378 000**
Årsresultat		**-4 364 000**	**-378 000**
Overføringer og disponeringer			
To other equity	6	-4 364 000	-378 000
Sum overføringer og disponeringer		**-4 364 000**	**-378 000**

Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	8	975 000	599 000
Sum immaterielle eiendeler		**975 000**	**599 000**
Finansielle anleggsmidler			
Investering i datterselskap	2	233 987 000	169 035 000
Lån til foretak i samme konsern		6 125 000	16 211 000
Other receivables	3	188 000	342 000
Sum finansielle anleggsmidler		**240 300 000**	**185 588 000**
Sum anleggsmidler		**241 275 000**	**186 187 000**
Omløpsmidler			
Varer			
Fordringer			
Accounts receivables	4	6 133 000	4 639 000
Other receivables		140 000	49 000
Sum fordringer		**6 273 000**	**4 688 000**
Bankinnskudd, kontanter og lignende			
Cash and Bank deposits	5	476 000	2 862 000
Sum bankinnskudd, kontanter og lignende		**476 000**	**2 862 000**
Sum omløpsmidler		**6 749 000**	**7 550 000**
SUM EIENDELER		**248 024 000**	**193 737 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	6,7	240 000	240 000

Balanse

Beløp i: NOK	Note	2021	2020
Overkurs	6	129 821 000	129 821 000
Sum innskutt egenkapital		**130 061 000**	**130 061 000**
Opptjent egenkapital			
Other equity	6	46 028 000	50 392 000
Sum opptjent egenkapital		**46 028 000**	**50 392 000**
Sum egenkapital		**176 089 000**	**180 453 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Long term loans	2	48 804 000	
Sum annen langsiktig gjeld		**48 804 000**	
Sum langsiktig gjeld		**48 804 000**	**0**
Kortsiktig gjeld			
Leverandørgjeld	4	531 000	442 000
Public duties payable	4	247 000	251 000
Other short term libabilites	4	22 353 000	12 591 000
Sum kortsiktig gjeld		**23 131 000**	**13 284 000**
Sum gjeld		**71 935 000**	**13 284 000**
SUM EGENKAPITAL OG GJELD		**248 024 000**	**193 737 000**

Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Journalnummer:	2022 659936

Enheten

Organisasjonsnummer:	998 727 626
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	VERITAS PETROLEUM SERVICES AS
Forretningsadresse:	Strøket 6 1383 ASKER

Regnskapsår

Årsregnskapets periode:	01.01.2021 - 31.12.2021

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Malcolm Cooper
Dato for fastsettelse av årsregnskapet:	30.06.2022

Revisjon

Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføringen eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet:	Ja

Grunnlag for avgivelse

År 2021: Årsregnskap er elektronisk innlevert.
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021.

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

Brønnøysundregistrene, 20.07.2022

Brønnøysundregistrene
Postadresse: Postboks 900, 8910 Brønnøysund
Telefon: 75 00 75 00
E-post: firmapost@brreg.no Internett: www.brreg.no
Organisasjonsnummer: 974 760 673

Organisasjonsnr: 998 727 626
VERITAS PETROLEUM SERVICES AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Revenue		6 601 000	6 068 000
Other Income	2	7 054 000	
Sum inntekter		**13 655 000**	**6 068 000**
Kostnader			
Payroll expenses	9	13 534 000	4 953 000
Other operating expenses	9	3 654 000	1 311 000
Sum kostnader		**17 188 000**	**6 264 000**
Driftsresultat		**-3 533 000**	**-196 000**
Finansinntekter og finanskostnader			
Other financial income	11	252 000	420 000
Sum finansinntekter		**252 000**	**420 000**
Other financial expenses	11	1 458 000	702 000
Sum finanskostnader		**1 458 000**	**702 000**
Netto finans		**-1 206 000**	**-282 000**
Ordinært resultat før skattekostnad		**-4 739 000**	**-478 000**
Tax on ordinary result	8	-375 000	-100 000
Ordinært resultat etter skattekostnad		**-4 364 000**	**-378 000**
Årsresultat		**-4 364 000**	**-378 000**
Overføringer og disponeringer			
To other equity	6	-4 364 000	-378 000
Sum overføringer og disponeringer		**-4 364 000**	**-378 000**

Organisasjonsnr: 998 727 626
VERITAS PETROLEUM SERVICES AS

BALANSE

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	8	975 000	599 000
Sum immaterielle eiendeler		**975 000**	**599 000**
Finansielle anleggsmidler			
Investering i datterselskap	2	233 987 000	169 035 000
Lån til foretak i samme konsern		6 125 000	16 211 000
Other receivables	3	188 000	342 000
Sum finansielle anleggsmidler		**240 300 000**	**185 588 000**
Sum anleggsmidler		**241 275 000**	**186 187 000**
Omløpsmidler			
Varer			
Fordringer			
Accounts receivables	4	6 133 000	4 639 000
Other receivables		140 000	49 000
Sum fordringer		**6 273 000**	**4 688 000**
Bankinnskudd, kontanter og lignende			
Cash and Bank deposits	5	476 000	2 862 000
Sum bankinnskudd, kontanter og lignende		**476 000**	**2 862 000**
Sum omløpsmidler		**6 749 000**	**7 550 000**
SUM EIENDELER		**248 024 000**	**193 737 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	6,7	240 000	240 000
Overkurs	6	129 821 000	129 821 000
Sum innskutt egenkapital		**130 061 000**	**130 061 000**
Opptjent egenkapital			
Other equity	6	46 028 000	50 392 000
Sum opptjent egenkapital		**46 028 000**	**50 392 000**
Sum egenkapital		**176 089 000**	**180 453 000**

Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Long term loans	2	48 804 000	
Sum annen langsiktig gjeld		**48 804 000**	
Sum langsiktig gjeld		**48 804 000**	**0**
Kortsiktig gjeld			
Leverandørgjeld	4	531 000	442 000
Public duties payable	4	247 000	251 000
Other short term libabilites	4	22 353 000	12 591 000
Sum kortsiktig gjeld		**23 131 000**	**13 284 000**
Sum gjeld		**71 935 000**	**13 284 000**
SUM EGENKAPITAL OG GJELD		**248 024 000**	**193 737 000**

Organisasjonsnr: 998 727 626
VERITAS PETROLEUM SERVICES AS

NOTEOPPLYSNINGER - SELSKAP

- alle poster oppgitt i hele tall

Note

Regnskapsprinsipper
Årsregnskapet er satt opp etter regnskapsloven. Regnskapsreglene for små foretak er fulgt.

Note
9

Antall årsverk i regnskapsåret
5.00

Sum	Beløp

Note
1

Varige driftsmidler og immaterielle eiendeler

Anskaffelseskost 01.01.	Varige driftsmidler	Immaterielle eiend.
	244000.00	

Samlede av-/nedskrivn.	Varige driftsmidler	Immaterielle eiend.
	244000.00	

Balanseført verdi 31.12.	Varige driftsmidler	Immaterielle eiend.

Anskaffelseskost - balanseførte lånekostnader, egentilvirkede anleggsmidler

Goodwill spesifisert for hvert enkelt virksomhetskjøp

Avskrivningsplan for goodwill som er lenger enn fem år - begrunnelse

Mer om varige driftsmidler/immaterielle eiendeler

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Samlet beløp - tilknyttet selskap	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - felles kontrollert virksomhet	Årets	Fjorårets

Pantstillelse	Beløp

Beholdning av egne aksjer	Antall	Pålydende	Andel av aksjek.

To the General Meeting of Veritas Petroleum Services AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Veritas Petroleum Services AS (the Company), which comprise the balance sheet as at 31 December 2021, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and its financial performance 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 International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by laws and regulations and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The

PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap

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 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

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.

Oslo, 30 June 2022
PricewaterhouseCoopers AS

Jone Bauge
State Authorised Public Accountant

(This document is signed electronically)

Securely signed with Brevio

Revisjonsberetning

Signers:

Name	*Method*	*Date*
Bauge, Jone	BANKID_MOBILE	2022-06-30 20:07

This document package contains:

- *Closing page (this page)*
- *The original document(s)*
- *The electronic signatures. These are not visible in the document, but are electronically integrated.*

This file is sealed with a digital signature. The seal is a guarantee for the authenticity of the document.

Income Statement
Veritas Petroleum Services AS

Amounts in 1000 NOK

	Note	2021	2020
Operating income and operating expenses			
Revenue		6,601	6,068
Operating income		**6,601**	**6,068**
Other income	2	**7,054**	**-**
Payroll expenses	9	(13,534)	(4,953)
Depreciation and amortisation expense	1	-	-
Other operating expenses	9	(3,654)	(1,311)
Operating expenses		**(17,188)**	**(6,264)**
Operating profit		**(3,533)**	**(196)**
Financial income and expenses			
Other financial income	11	252	420
Other financial expenses	11	(1,458)	(702)
Net financial income and expenses		**(1,206)**	**(282)**
Operating result before tax		**(4,739)**	**(478)**
Tax on ordinary result	8	375	100
Operating result after tax		**(4,364)**	**(378)**
Annual net profit / (loss)		**(4,364)**	**(378)**
Brought forward			
To other equity	6	(4,364)	(378)
Net brought forward		**(4,364)**	**(378)**

Balance Sheet as per 31 December
Veritas Petroleum Services AS

Amounts in 1000 NOK

	Note	2021	2020
Assets			
Fixed assets			
Intangible fixed assets			
Deferred tax asset	8	975	599
Total intangible assets		**975**	**599**
Tangible fixed assets			
Equipment and other movables	1	0	0
Total tangible fixed assets		**0**	**0**
Financial fixed assets			
Investments in subsidiaries	2	233,987	169,035
Loans to group companies		6,125	16,211
Other receivables	3	188	342
Total financial fixed assets		**240,300**	**185,588**
Total fixed assets		**241,275**	**186,187**
Current assets			
Receivables			
Accounts receivables	4	6,133	4,639
Other receivables		140	49
Total receivables		**6,273**	**4,688**
Cash and bank deposits	5	476	2,862
Total current assets		**6,749**	**7,550**
Total assets		**248,024**	**193,737**

Balance Sheet as per 31 December
Veritas Petroleum Services AS

Amounts in 1000 NOK

	Note	2021	2020
Equity and liabilities			
Restricted equity			
Share capital	6, 7	240	240
Share premium reserve	6	129,821	129,821
Total restricted equity		130,061	130,061
Retained earnings			
Other equity	6	46,028	50,392
Total retained earnings		46,028	50,392
Total equity		176,089	180,453
Liabilities			
Non-current liabilities			
Long term loans	2	48,804	-
Total provisions		48,804	0
Current liabilities			
Trade creditors	4	531	442
Public duties payable	4	247	251
Other short term liabilities	4	22,353	12,591
Total short term liabilities		23,131	13,284
Total liabilities		71,935	13,284
Total equity and liabilities		248,024	193,737

30.06.2022
The board of Veritas Petroleum Services AS

Malcolm Cooper
M. Cooper
Chairman of the board

Accounting principles

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

Use of estimates

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

Revenues

Income from sale of goods and services are recognised at fair value of the consideration, net after deduction of VAT, returns, discounts and reductions. Sales are taken to income when the company has delivered its products to the customer and there are no unsatisfied commitments which may influence the customer's acceptance of the product. Services are recognised in proportion to the work performed.

Classification of balance sheet items

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's instalment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.

Fixed assets

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

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

Investments in other companies

The cost method is applied to investments in other companies. The cost price is increased when funds are added through capital increases or when group contributions are made to subsidiaries. Dividends received are initially taken to income. Dividends exceeding the portion of retained equity after the purchase are reflected as a reduction in purchase cost. Dividend/group contribution from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount. Dividend from other companies are reflected as financial income when it has been approved.

Debtors

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

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

Foreign currencies

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

Liabilities

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

Pensions

The company has a defined contribution plan in place.

Defined contribution plan

With a defined contribution plan the company pays contributions to an insurance company. After the contribution has been made the company has no further commitment to pay. The contribution is recognised as payroll expenses. Prepaid contributions are reflected as an asset (pension fund) to the degree the contribution can be refunded or will reduce future payments.

Taxes

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

Deferred tax is reflected at nominal value.

Note 1 Fixed assets

Fixed assets	Office equipments, fixtures and fittings.	Total fixed assets
Purchase cost 01.01.	244	244
Additions	-	-
Disposals	-	-
Purchase cost 31.12.	244	244
Accumulated depreciation 31.12.	244	244
Net book value 31.12.	-	-
Expected useful life	3 years	
Depreciation plan	Straight line	

Note 2 Subsidiaries

Investments in subsidiaries are booked according to the cost method.

Subsidiaries	Location	Ownership/ voting right	Equity current year (100%)	Result current year (100%)	Balance sheet value
Veritas Petroleum Services Europe BV	Rotterdam	100%	212,539	13,312	137,111
Veritas Petroleum Services (Asia) Pte	Singapore	100%	272,440	8,351	228
VPS Testing & Inspection Inc	Houston	100%	94,773	8,619	31,696
Yxney Maritime AS	Norway	100%	(1,296)	(881)	64,952
Balance sheet value 31.12.					**233,987**

On 28 May 2021, the Company aquired 100% of the shares in Yxney Maritime AS, Norway. The shares were acquired for EUR 10 million, of which EUR 1.4 million was agreed as deferred in 12 months and 24 months respectively after the acquisition date, when certain conditions are met. The total purchase price in NOK (including the discounted deferred purchase price payments) is NOK 64,952,000.
On the first testing date, 31 December 2021, of the conditions to the deferred purchase price, the Company partially released the deferred purchase price as certain conditions were not met. The release is accounted for as Other income in the Income Statement.

For the initial purchase price payment, the Company acquired a loan from Veritas Petroleum Services BV. The loan carries 3.67% interest p.a. and matures November 2030. The balance as of 31 December 2021 amounts to NOK 84,536,000 including accrued interest. Interest is payable annually.

In June 2021, the Company provided Yxney Maritime AS with a loan of NOK 6,000,000. The loan carries 3.67% interest p.a. and matures December 2030. The balance as of 31 December 2021 amounts to NOK 6,125,000 including accrued interest. Interest is payable annually.

Note 3 Deposits

Debtors which fall due later than one year	2021	2020
Deposit	188	342
Total	**188**	**342**

Note 4 Balance with group companies

	Trade debtors		Trade creditors		Other short term liabilities	
	2021	2020	2021	2020	2021	2020
Group companies	6,133	4,639	400	400	10,770	10,846
Total	**6,133**	**4,639**	**400**	**400**	**10,770**	**10,846**

Note 5 Restricted bank deposits, overdraft facilities

Restricted bank deposits	2021	2020
Deposits (Note 3)	188	342
Bank account for tax purposes	290	281

Note 6 Shareholders' equity

Equity changes in the year	Share capital	Share premium	Other equity	Total
Equity 01.01.	240	129,821	50,392	180,453
Result for the year	-	-	-4,364	-4,364
Equity 31.12.	**240**	**129,821**	**46,028**	**176,089**

Note 7 Share capital and shareholder information

The share capital of NOK 240,000 consists of 2,400 shares with nominal value of NOK 100 each. The company was 31 December 2021 wholly owned by Veritas Petroleum Services B.V.

The parent company Veritas Petroleum Services B.V. has its registered offices in Zwolseweg 3, 2994 LB Barendrecht, Netherlands.

On 29 July 2021, Veritas Petroleum Services B.V.'s parent company, Veritas Petroleum Services Holding B.V., was acquired by VPS Bidco B.V. (registered office Hoogoorddreef 15, 1101 BA Amsterdam, Netherlands). The ultimate shareholder of VPS Bidco B.V. is Fremman Limited, registered in the United Kingdom.

VPS Bidco B.V. prepares consolidated accounts which include the company.

Note 8 Taxes

Calculation of deferred tax/deferred tax benefit

	2021	2020
Temporary differences		
Fixed assets	-123	-157
Non-current liabilities	0	0
Current receivables	0	0
Current liabilities	-150	-147
Net temporary differences	-273	-304
Tax losses carried forward	-4,156	-2,419
Basis for deferred tax	**-4,429**	**-2,723**
Deferred tax	-975	-599
Deferred tax in the balance sheet	**-975**	**-599**

The deferred tax asset is included in the balance sheet on the basis of expected future income.

Basis for income tax expense, changes in deferred tax and tax payable

	2021	2020
Result before taxes	-4,739	-478
Permanent differences	3,032	25
Basis for the tax expense for the year	**-1,707**	**-453**
Change in temporary differences	-31	-47
Change in tax losses forward	1,738	500
Basis for payable taxes in the income statement	**0**	**0**
+/- Group contributions received/given	0	0
Taxable income (basis for payable taxes in the balance sheet)	**0**	**0**

Components of the income tax expense

	2021	2020
Payable tax on this year's result	0	0
Adjustment in respect of priors	0	0
Total payable tax	**0**	**0**
Change in deferred tax	-375	-100
Change in deferred tax due to change in tax rate	0	0
Tax expense	**-375**	**-100**

Reconciliation of the tax expense

		2021	2020
Result before taxes		-4,739	-478
Calculated tax 22% (2020: 22%)	-	1,043	-105
Tax expense		-375	-100
Difference		668	5

	2021	2020
The difference consist of:		
22% of permanent differences (2020: 22%)	667	6
Change in deferred tax due to change in tax rate	0	0
Other changes	1	-1
Sum explained differences	668	5

	2021	2020
Payable taxes in the balance sheet		
Payable tax in the tax charge	0	0
Payable tax in the balance sheet	**0**	**0**

Note 9 Payroll expenses, number of employees and remunerations

Payroll expenses	**2021**	**2020**
Salaries/wages	13,146	2,935
Social security fees	462	489
Pension expenses	47	61
Other remuneration	-121	1,468
Total	**13,534**	**4,953**

The number of employees in the accounting year has been	4	5

Remuneration to executives

In 2021 the company had no general manager and there was not paid any remuneration to the board.

No loans/sureties have been granted to the Board chairman or other related parties.

Expensed audit fee

	2021	2020
Statutory audit	90	109
Tax advisory fee (incl. technical assistance with tax return)	60	56
Total audit fees	**150**	**165**

VAT is not included in the audit fee.

Note 10 Related-party transactions

Remuneration to executives is disclosed in note 9, and balance with group companies is disclosed in note 4.

Related-party transactions:	**2021**	**2020**
a) Sales of goods and services	6,601	6,068
b) Purchases of goods and services		
- Associated companies	0	0
- Parent company (management services)	0	0

Note 11 Specification of financial income and expenses

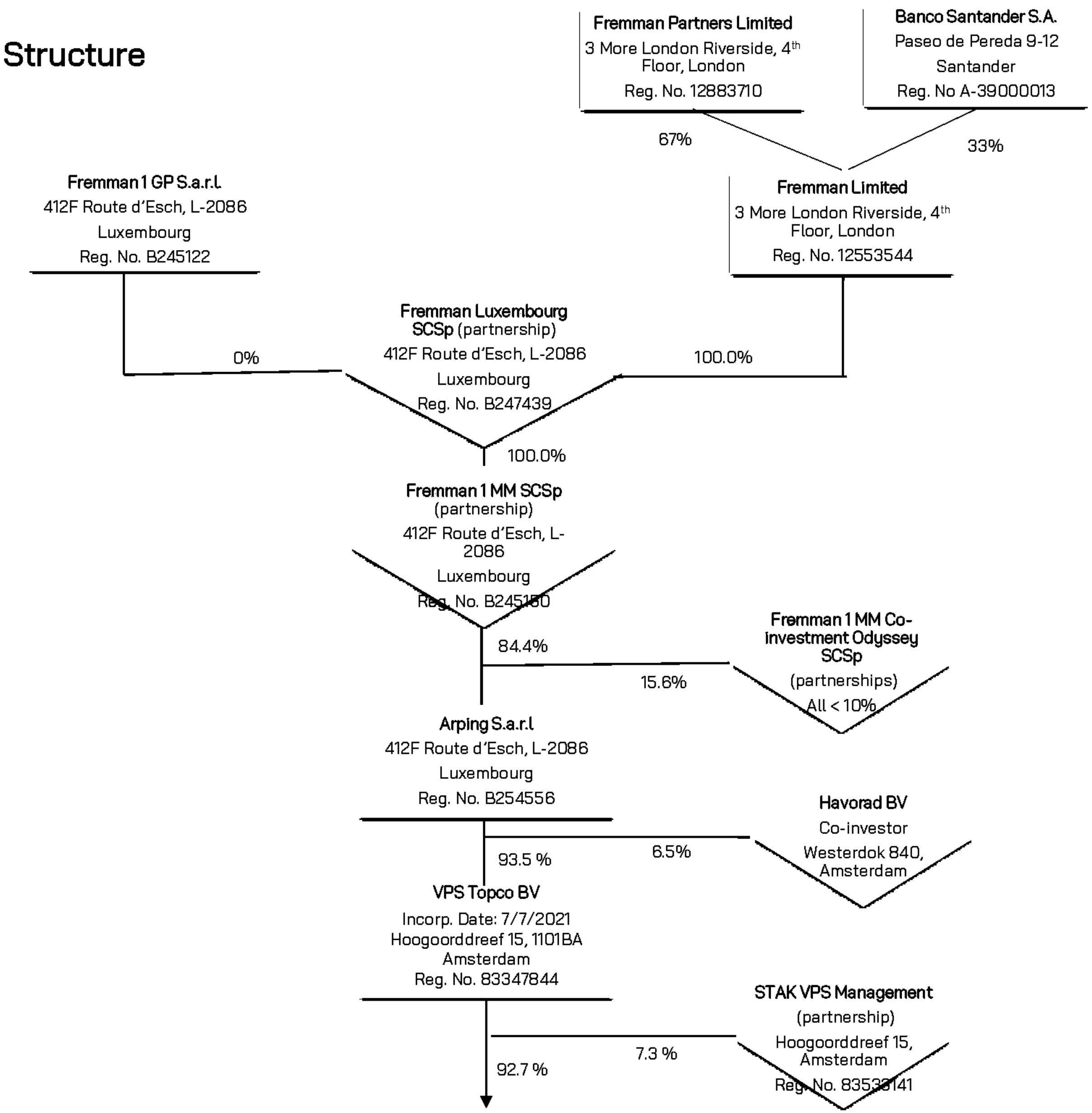
Financial income	**2021**	**2020**
Other interest income	252	420
Currency adjustments	0	0
Total financial income	**252**	**420**

Financial expenses	**2021**	**2020**
Other interest expenses	1,145	0
Other financial expenses	21	22
Currency adjustments	292	680
Total financial expenses	**1,458**	**702**

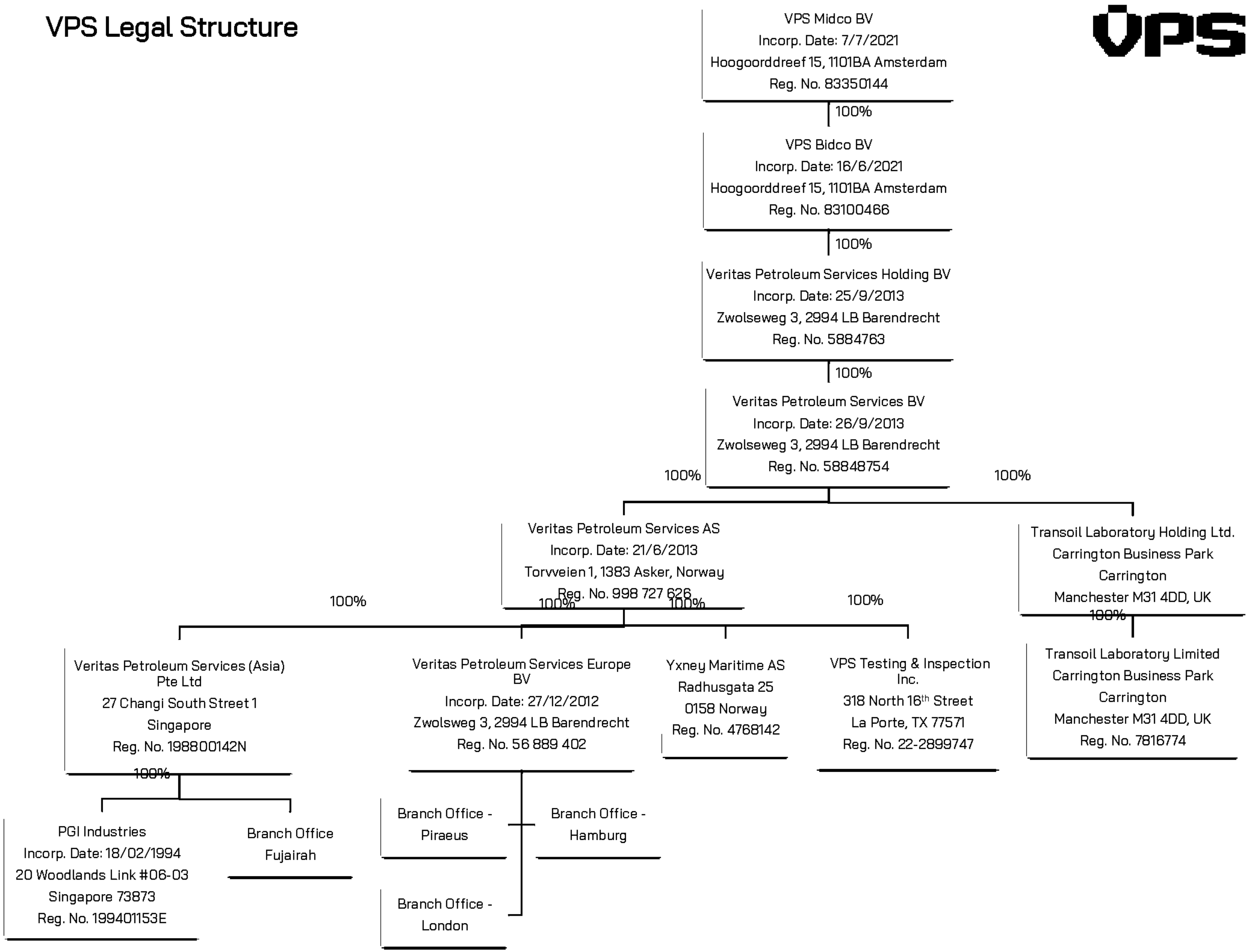
Note 12 Subsequent events

The Company evaluated subsequent events and transactions that occurred after the balance sheet date up to the date that the financial statements were issued. Based upon this review, other than disclosed below, the Company did not identify any subsequent events that would have required adjustment or disclosure in the financial statements.

VPS Legal Structure



VPS Legal Structure



ANNUAL REPORT

VPS Topco B.V.

EXPERIENCE INNOVATION SUSTAINABILITY

VPS Topco B.V., Amsterdam

VPS

Report of the board of directors

Under the stipulations of Article 2:394 sub 4 of the Dutch Civil Code, the report of the board of directors is not filed with this Annual report. The report of the board of directors is available at the VPS group's office at Zwolseweg 3, 2994 LB Barendrecht, The Netherlands.

VPS Topco B.V., Amsterdam

VPS

Consolidated statement of financial position as at 31 December 2021

(After proposed result appropriation)

In thousands of USD	*Note*	31 December 2021	29 July 2021
Assets			
Property, plant and equipement	12	**13,930**	14,149
Intangible assets and goodwill	13	**212,862**	216,205
Right-of-use assets	17	**2,211**	2,224
Financial fixed assets	18	**99**	-
Trade and other receivables	14	**373**	365
Deferred tax assets	11	**447**	1,373
Non-current assets		**229,922**	234,316
Trade and other receivables	14	**11,028**	13,173
Current tax receivables		**590**	741
Cash and equivalents	15	**5,189**	8,328
Current assets		**16,807**	22,242
Total assets		**246,729**	256,558
Equity			
Share capital	16	**92,438**	92,438
Share premium	16	**-**	-
Accumulated losses	16	**(8,261)**	-
Total equity		**84,177**	92,438
Non-controlling interests		**1,092**	1,001
Total equity incl. non-controlling interests		**85,269**	93,439
Liabilities			
Loans and borrowings	18	**116,623**	116,465
Lease liability	17	**1,398**	1,580
Employee benefits	19	**429**	436
Deferred tax liabilities	11	**28,072**	27,136
Non-current liabilities		**146,522**	145,617
Lease liability	17	**1,020**	929
Loans and borrowings	18	**104**	-
Employee benefits	19	**2,676**	1,787
Trade and other payables	20	**10,803**	13,025
Deferred tax liabilities	11	**249**	1,761
Current tax liabilities		**86**	-
Current liabilities		**14,938**	17,502
Total liabilities		**161,460**	163,119
Total equity and liabilities		**246,729**	256,558

The accompanying notes are integral part of these consolidated financial statements.

EXPERIENCE ▶ INNOVATION ▶ SUSTAINABILITY

VPS Topco B.V., Amsterdam

VPS

Consolidated statement of profit or loss and other comprehensive income for the period from 29 July 2021 to 31 December 2021

In thousands of USD	*Note*	29 July 2021 - 31 December 2021
Revenue	7	**21,116**
Other income		**803**
Raw materials and consumables used		**(1,175)**
Employee benefits expenses	8	**(9,744)**
Depreciation and amortisation expense	9	**(4,483)**
Other (operating) expenses	9	**(10,057)**
Loss from operations		**(3,540)**
Finance income	10	**1**
Finance expense	10	**(3,767)**
Other finance income and expenses	10	**(555)**
Net finance costs		**(4,321)**
Loss before tax		**(7,861)**
Tax expense	11	**(506)**
Loss for the year		**(8,367)**
Other comprehensive Loss		
Valuation of foreign operation with other functional currency	17	**106**
Total comprehensive Loss		**(8,261)**
Total Loss for the year is attributable to:		
Shareholders of VPS Topco B.V.		**(8,170)**
Non-controlling interests	16	**(91)**
Total Loss for the year		**(8,261)**

The accompanying notes are integral part of these consolidated financial statements.

EXPERIENCE ▶ INNOVATION ▶ SUSTAINABILITY

VPS Topco B.V., Amsterdam

Consolidated statement of changes in equity for the period from 29 July 2021 to 31 December 2021

	Attributable to owners of the Company					
In thousands of USD	Share capital	Share Premium	Other reserves/ Accumulated losses	Total equity	Non-controlling interests	Total equity
Balance at 29 July 2021	**92,438**	**-**	**-**	**92,438**	**1,001**	**93,439**
Net result	-	-	**(8,367)**	**(8,367)**	**91**	**(8,276)**
Other comprehensive income	-	-	**106**	**106**	-	**106**
Total comprehensive loss	-	-	**(8,261)**	**(8,261)**	**91**	**(8,170)**
Balance at 31 December 2021	**92,438**	-	**(8,261)**	**84,177**	**1,092**	**85,269**

The accompanying notes are integral part of these consolidated financial statements.

VPS Topco B.V., Amsterdam

Consolidated statement of cash flows for the period from 29 July 2021 to 31 December 2021

In thousands of USD	*Note*	29 July 2021 - 31 December 2021
Cash flows from operating activities		
Net Loss		**(8,367)**
Adjustment for:		
- Depreciation	9	**1,305**
- Amortisation	9	**3,178**
- Gains from impairment of trade receivable	22	**(53)**
- Net finance costs	10	**4,321**
- Tax expense	11	**506**
		890
Changes in working capital		
- Trade and other receivables		**2,157**
- Trade and other payables		**(1,377)**
- Employee benefits payable		**882**
Interest Paid		**(3,359)**
Foreign exchange result on internal cash transfers		**(27)**
Taxes paid		**(716)**
Net cash used in operating activities		**(1,550)**
Cash flows from investing activities		
Interest received		**1**
Acquisition of property, plant and equipment	12	**(744)**
Acquisition of intangible assets	14	**(276)**
Net cash used in investing activities		**(1,019)**
Cash flows from financing activities		
Lease payments	17	**(457)**
Acquisition of financial instrument		**(114)**
Net cash used in financing activities		**(571)**
Decrease in cash and cash equivalents		**(3,140)**
Cash and cash equivalents at 29 July	15	**8,328**
Effect of movements in exchange rates on cash held		**1**
Cash and cash equivalents at 31 December		**5,189**

Consolidated statement of cash flows for the year ended 31 December 2021 (continued)

In thousands of USD	Cash and cash equivalents	Borrowings due <1 year	Borrowings due >1 year	Total
Net debt at 29 July 2021	**8,328**	**-**	**(116,465)**	**(108,137)**
Cashflows	**(3,140)**	**(3,359)**	**-**	**(6,499)**
Foreign exchange adjustments	**1**	**-**	**-**	**1**
Other non-cash movements	**-**	**3,255**	**(158)**	**3,097**
Net debt at 31 December 2021	**5,189**	**(104)**	**(116,623)**	**(111,538)**

The accompanying notes are integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1. Reporting entity

VPS Topco B.V. (hereafter "the Company") is a private limited liability company domiciled in the Netherlands and is incorporated on 7 July 2021. The Company's registered office is at Hoogoorddreef 15, 1101 BA Amsterdam and has its legal seat in Amsterdam. The Company is registered at the Chamber of Commerce with registration number 83347844. These consolidated financial statements comprise the Company and its subsidiaries (collectively the 'Group' and individually 'Group companies') together operating as Veritas Petroleum Services Group. The Group primarily provides testing and survey services to the Maritime industry.

Arping S.a.r.l. holds 93.5% of the shares in VPS Topco B.V. and the remainder of the shares are acquired by Havorad B.V. The ultimate parent is Fremman Limited, registered in the United Kingdom.

VPS Topco B.V. acquired 98.9% in VPS Midco B.V. on 29 July 2021; the remainder of the shares are acquired by STAK VPS Management (1.1% in VPS Midco B.V).

The operations of the VPS Group are offering a differentiated expertise in fuel and oil to customers in order to optimise the performance and economics of industrial machinery and ensure compliance with environmental regulation. The VPS Group is headquartered in Barendrecht (The Netherlands), with service offices in Asia, the Middle East, Europe and the United States, and five fuel-testing laboratories strategically located in Barendrecht (The Netherlands), Singapore, Houston, Fujairah and Manchester that are supported round-the-clock by technical experts. The Group offers testing services from all ports worldwide and have inspection services available at more than 200 bunkering ports worldwide.

2. Basis of accounting and measurement

These consolidated statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union (EU) and the statutory provisions of Part 9, Book 2 of the Dutch Civil Code. The consolidated financial statements have been prepared using the historical cost convention, except for the net defined benefit (asset) liability, which has been accounted for at fair value or the plan assets less the present value of the defined benefit obligation.

Details of the Group's accounting policies are included in Notes 5 and 6.

These consolidated financial statements were authorised for issue by the Company's board of directors on 14 April 2022.

Functional and presentation currency
These consolidated financial statements are presented in thousands of United States Dollars (USD), which is the Company's functional currency.

Notes to the consolidated financial statements (continued)

3. Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities income and expenses. Actual results may differ from these estimates.

Estimated and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Critical estimates, judgements and errors
The areas involving significant estimates or judgements are related to:

Note 13 – impairment test: key assumptions underlying recoverable amount.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Measurement of fair values
A number of the Group's disclosures require the measurement of fair value, for both financial and non-financial assets and liabilities. When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entire in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in:

Note 5 – basis for consolidation: key assumptions underlying to the determination of fair values in business combinations;
Note 13 – impairment test: key assumptions underlying recoverable amount; and

Note 19 – employee benefits: based on actuarial calculations.

Notes to the consolidated financial statements (continued)

4. New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2021:

Covid-19-related Rent Concessions – Amendments to IFRS 16
Interest Rate Benchmark Reform Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

The Group has consistently applied the accounting policies set out in Note 5 to all periods presented in these consolidated financial statements.

5. Significant accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

Basis of consolidation

Business combinations
The Group accounts for business combinations using the acquisition method when control is transferred to the group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. When the consideration transferred is less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Transaction costs are expensed as incurred.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Subsidiaries
Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to influence those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Notes to the consolidated financial statements (continued)

Transaction eliminated on consolidation
Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Foreign currency

Functional and presentation currency
Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates. The Company's functional currency is the United States Dollar. The financial statements are presented in United States dollars which is the Group's presentation currency.

Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured.
Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within finance income or cost.

Group companies
All the results and financial position of the group entities (none of which has the currency of a hyper-inflationary economy) are measured in the Company's functional currency. The presentation currency of the Group is United States Dollar; Transoil Laboratory Holding Ltd and Transoil Laboratory Ltd have the functional currency British Pound, PGI Industries Pte Ltd has the functional currency Singapore Dollar and Yxney Maritime AS has the functional currency Norwegian Krone.

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and;
all resulting exchange differences are recognised in other comprehensive income.

Notes to the consolidated financial statements (continued)

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Revenue

Main activity of the Group is performing services to the Maritime industry and, through Transoil Laboratory Ltd and PGI Industries Pte Ltd, also in the Power industry (approximately 4% of total sales).

Accounting for revenue
IFRS 15 introduced a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognized at an amount of the consideration to which the Group is entitled in exchange for the completion of the performance obligation to the customer.

If a discount or rebate is granted, the discount or rebate is allocated to the relevant performance obligations in the contract changing the relevant stand-alone selling prices. In practise, the discounts and rebates are accounted for in the same period as the services have been provided or the sale of goods has taken place.

Rendering of services
The Group mainly renders services to customers in the Maritime and Power industry related to Fuel Quality Testing, Bunker Quantity Surveys and Oil Condition Monitoring. Performance obligations in the contracts with customers for these services are satisfied at a point in time.

Revenue from rendering services as far as the performance obligation has been completed at the reporting date and collection of the consideration is probable, are recognised in the profit or loss account. Received amounts from service arrangements for which services are not completed at reporting date are recognised as contract liabilities in the balance sheet.

The significant payment term as stated in the Group's contracts is 30 days.

Contract assets

When the Group performs a contract by transferring goods or services to the customer before the customer pays consideration or before the payment from the customer is due, the contract is considered a contract asset (excluding the amounts already presented as receivables). Reference is made to Note 7 and Note 20.

Notes to the consolidated financial statements (continued)

Contract liabilities

When the customer pays consideration before the Group transfers a good or service to the customer, the contract is considered a contract liability when the payment is made or the payment is due. A contract liability is the Group's obligation to transfer goods or services to the customer for which the entity has received consideration from the customer. Reference is made to Note 7 and Note 20.

Expenses

Expenses arising from the company's business operations are accounted for as operating expenses in the year incurred. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Employee benefits

For defined contribution plans, the group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis.

The group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

The Company's branch office in United Arab Emirates provides end of service benefits to its employees. The entitlement of these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accounted for based on the Project Unit Credit Method (PUCM) over the period of employment.

Government grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are recognised in profit and loss over the period necessary to match them with the costs that they are intended to compensate.

Finance income and finance costs

The group's finance income and finance costs include:

- Interest income;
- Interest expenses;
- The net gain or loss on financial assets and financial liabilities;
- Foreign currency translation.

Interest income or expense is recognised using the effective interest method.

Notes to the consolidated financial statements (continued)

Income tax

Income tax expenses comprises current and deferred tax. Tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other Comprehensive Income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are only offset if certain criteria are met.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;

Temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the group expects, at reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this resumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

Notes to the consolidated financial statements (continued)

Property, plant and equipment

Recognition and measurement
Property, plant and equipment are non-current assets used in the operating activities of the Group with a useful life of over one year.

An item of property, plant and equipment is initially recognised at its acquisition cost which consists of the purchase price and other expenditures directly related to the acquisition that are necessary for bringing the asset to its operating condition and location.

An item of property, plant and equipment is subsequently stated at cost less any accumulated depreciation and any impairment losses.

Subsequent expenditure
Subsequent expenditure incurred for an item of property, plant and equipment is recognised as a non-current asset when it is probable that the Group will derive future economic benefits from it and its cost can be measured reliably.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other (operating) expenses' in the consolidated statement of profit or loss and other comprehensive income.

Depreciation
Depreciation is calculated to write off the cost items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in 'Depreciation, amortisation and impairment expenses' in the consolidated statement of profit or loss and other comprehensive income.

Land is not depreciated. The estimated useful lives for the current and comparative years of significant items of Property, Plant and Equipment are as follows:

Buildings and leasehold improvements	5 - 40 years
Equipment, fixtures and fittings	3 - 10 years
Right-of-use assets	1 – 11 years

Intangible assets and goodwill

Customer relationships and brand names
Customer relationships and brand names in a business combination are recognised at fair value at the acquisition date.

VPS

Notes to the consolidated financial statements (continued)

Customer relationships and brand names have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost over their estimated useful lives of 17-23 years.

Goodwill
Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

The Group acknowledges four CGUs; reference is made to Note 13.

Software
Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured

VPS

Notes to the consolidated financial statements (continued)

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives using the straight-line method, which does not exceed five years.

Share capital
Ordinary shares are classified as share capital. Incremental costs directly attributable to the issuance of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Share-based payment
Selected managers of the group participate in the Company through indirect share ownership via the STAK VPS Management's ownership in VPS Midco B.V. In relation with a change in control event, the shares may be settled in cash or otherwise by the acquiror(s). The Company or another group entity will under no circumstances be required to settle in cash. Accordingly, this arrangement is classified as an equity-settled share-based payment arrangement.

Dividends

The amount of dividends paid during the financial year, is presented in the statement of changes in equity. Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

Non-controlling interests

Non-controlling interests in an acquired entity are recognised at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

VPS

Notes to the consolidated financial statements (continued)

Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

Financial Instruments
Classification of non-derivative financial instruments

The Group classifies non-derivative financial assets into the following categories:

Trade receivables and other financial assets at amortised cost;
Financial assets at fair value through other comprehensive income (OCI); and
Financial assets at fair value through profit or loss.

The Group classifies non-derivative financial liabilities into the following categories:

Trade payables and other financial liabilities (of which Loans and borrowings) at amortised cost.

Financial instruments are presented as current or non-current in the statement of financial position on the basis of its settlement date. Financial instruments are presented as current when the Group expects to realise them within 12 months.

The Group has no investments in equity securities.

Non-derivative financial assets and financial liabilities – Recognition and de-recognition

The Group recognises financial assets on trade-date, the date on which the Group commits to purchase the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

The Group recognises financial liabilities on trade-date, the date on which the Group commits to the obligation in the contract. Financial liabilities (or part of financial liabilities) are derecognised when the financial liability is extinguished, i.e. when the obligation specified in the contract is discharged, cancelled or expired.

VPS

Notes to the consolidated financial statements (continued)

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, the Group has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Non-derivative financial assets – Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Subsequent measurement of non-derivative financial assets is as follows:

Type	Description of subsequent measurement of non-derivative financial assets
Trade receivables and other financial assets at amortised cost	Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
Financial assets at fair value through other comprehensive income (OCI)	Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.
Financial assets at fair value through profit or loss	Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Notes to the consolidated financial statements (continued)

Non-derivative financial liabilities – Measurement

At initial recognition, the Group measures a financial liability at its fair value minus, in the case of a financial liability not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial liability. Transaction costs of financial liabilities carried at FVPL are expensed in profit or loss.

Subsequent measurement of non-derivative financial liabilities is at amortised cost.

Amortised cost valuation

Interest and the amortised cost valuation of a financial instrument are calculated by applying the effective interest method to the gross carrying amount of the financial instrument. When the contractual cash flows are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial instrument in accordance with IFRS 9, the Company recalculates the gross carrying amount and recognises the modification gain or loss in the profit and loss account. The gross carrying amount of the financial instrument is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial instruments original effective interest rate or when applicable the revised effective interest rate. Any costs or fees incurred adjust the carrying amount of the modified financial instrument and are amortised over the remaining term of the modified financial instrument.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit loss associated with its financial assets carried at amortised cost and FVOCI. To measure the expected credit losses, financial assets have been grouped based on shared credit risk characteristics and the days past due. A provision for doubtful debts is determined using a provision matrix (expected credit loss model) and will be accounted for when collection of the financial asset is no longer probable. This provision matrix has been developed to reflect the country risk, the credit risk profile as well as available historical data. Bad debts are written off when identified.

Leases

The group leases various offices, warehouses and vehicles. Rental contracts are typically made for fixed periods of 6 months to 30 years but may have extension options.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group.

Contracts may contain both lease and non-lease components. The group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Notes to the consolidated financial statements (continued)

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants and may not be used as security for borrowing purposes.

The leases for certain offices contain extension periods, for which the related lease payments had not been included in lease liabilities as the Company is not reasonably certain to exercise these extension option.

The Company negotiates extension options to optimise operational flexibility in terms of managing the assets used in the Company's operations. The majority of the extension options are exercisable by the Company and not by the lessor.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the group under residual value guarantees;
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third-party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Notes to the consolidated financial statements (continued)

The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

the amount of the initial measurement of lease liability;
any lease payments made at or before the commencement date less any lease incentives received;
any initial direct costs, and
restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise the lease of small items of office equipment.

Cash flow statement

The cash flow statement has been prepared using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

Corporate income taxes, issuance of share capital, interest received, and dividends received are presented under the cash flow from operating activities. Transactions with regards to loans and borrowings, interest paid and dividends paid are presented under the cash flow from financing activities. Acquisition of assets and the cost of group companies acquired is presented under the cash flow from investment activities, as far as payment has been made with cash and cash equivalents. The cash and cash equivalents of the group companies acquired are deducted from the purchase cost.

Notes to the consolidated financial statements (continued)

6. New standards and interpretations not yet adopted by the Group

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2021 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods on foreseeable future transactions.

Standards issued and effective after 1 January 2022

IFRS 17 Insurance contracts (effective 1 January 2023);
Property, Plant and Equipment: Proceeds before intended use – Amendments to IAS 16 (effective 1 January 2022);
Reference to the Conceptual Framework – Amendments to IFRS 3 (effective 1 January 2022);
Annual Improvements to IFRS Standards 2018-2020 (effective 1 January 2022);
Classification of Liabilities as Current or Non-current – Amendments to IAS 1 (effective 1 January 2023);
Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practise Statement 2 (effective 1 January 2023);
Definition of Accounting Estimates – Amendments to IAS 8 (effective 1 January 2023);
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12 (effective 1 January 2023).

Standards issued but not effective after 1 January 2022

Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28, application date to be determined)

Notes to the consolidated financial statements (continued)

7. Revenue

Based on IFRS 15 Revenue from Contracts with Customers, the revenues can be split as follows:

In thousands of USD	29 July 2021 - 31 December 2021
Sales of goods	463
Rendering of services	20,653
Total of Revenue	**21,116**

In thousands of USD	29 July 2021 - 31 December 2021
Fuel Quality Testing	14,255
Bunker Quantity Survey	3,884
Oil Condition Monitoring	1,855
Data sales	570
Other rendering of services	89
Sales of goods	463
Total of Revenue	**21,116**

The nature and timing of the cash flows from contracts with customers is similar for the above stated revenue types as revenue is recognised by the Group at a point in time.

Revenue from rendering services as far as the performance obligation has been completed at the reporting date and collection of the consideration is probable, are recognised in the profit or loss account. The movements in the balances arisen from contracts with customers are as follows:

In thousands of USD	31 December 2021
Receivables arisen from contracts with customers - Trade receivables	5,398
Contract assets - Services to be invoiced	4,368
Contract liabilities - Customer advances	(1,632)
Contract liabilities - Accrued rebates	(500)
Balances arisen from contracts with customers	**7,634**

VPS

Notes to the consolidated financial statements (continued)

In thousands of USD	Contract liabilities Customer advances	Accrued rebates
Balance at 29 July 2021	(1,866)	(461)
Revenue recognised/advance payments settled	1,147	-
Customer advances received	(913)	-
Rebates accrued	-	(129)
Rebates settled	-	90
Balance at 31 December 2021	**(1,632)**	**(500)**

The laboratories of the group are geographically spread around the world and generate the following geographical revenue streams per region.

In thousands of USD	29 July 2021 - 31 December 2021
Europe	13,472
Africa, Middle East and Asia	5,106
Americas	2,538
Total of Revenue	**21,116**

8. Employee benefits expenses

In thousands of USD	29 July 2021 - 31 December 2021
Wages and salaries	(8,057)
Severance expenses	-
Social security contributions	(895)
Contributions to defined contributions plans	(277)
Contribution to foreign governmental retirement arrangements	(258)
Travel and work related expense allowances	(178)
Employee re-location allowances	(60)
Other employee benefits	(19)
Total of Employee Benefits expenses	**(9,744)**

VPS

Notes to the consolidated financial statements (continued)

Average number of employees
During financial year 2021, the average number of employees expressed as on a full-time-equivalent (fte) basis amounts to 262. Of these employees, 170 were employed outside the Netherlands. The average number of employees per Europe region amounts to 138, Africa, Middle East and Asia region amounts to 102 and Americas region amounts to 22.

9. Depreciation and amortisation and Other (operating) expenses

Depreciation and amortisation

In thousands of USD	*Note*	29 July 2021 - 31 December 2021
Depreciation of Property, plant and equipment	12	(957)
Depreciation of Right of Use Assets	17	(348)
Amortisation of Intangible assets	13	(3,178)
Total of Depreciation and Amortisation		**(4,483)**

Other (operating) expenses

In thousands of USD	29 July 2021 - 31 December 2021
Subcontractors	(1,142)
Freight	(1,234)
Leases of property, plant and equipment	(161)
Local and property taxes	(52)
Office and real estate expenses	(650)
Office supplies and support	(105)
ICT and communication expenses	(694)
Operational equipment and related maintenance	(479)
Marketing	(102)
Professional fees - audit and accounting	(269)
Professional fees - legal and tax	(669)
Professional fees - other	(4,351)
Travel and lodging	(169)
Bad debt	20
Total of Other (operating) expenses	**(10,057)**

Notes to the consolidated financial statements (continued)

Bad debt consists of the following.

In thousands of USD	29 July 2021 - 31 December 2021
Release of provision for bad debt	53
Direct write-off of receivables	(33)
Total of Bad debt	**20**

10. Net finance costs

In thousands of USD	29 July 2021 - 31 December 2021
Interest income on loans and receivables	1
Finance income	**1**
Interest expenses on financial liabilities	(3,456)
Interest expenses amortisation lease liability	(106)
Other financial expenses	(205)
Finance expense	**(3,767)**
Net foreign exchange loss	(555)
Other finance income and expenses	**(555)**
Total net finance costs	**(4,321)**

11. Income taxes

Amounts recognised in profit or loss

In thousands of USD	29 July 2021 - 31 December 2021
Current tax expense	
Current year tax on profits for the year	(320)
Adjustments to prior years	110
Total of current tax	**(210)**
Deferred tax	
Change in deferred tax assets and liabilities	(296)
Total of deferred tax	**(296)**
Total of income taxes	**(506)**

The group considers its accrual for tax liabilities to be adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience.

VPS

Notes to the consolidated financial statements (continued)

Reconciliation of effective tax rate

In thousands of USD	29 July 2021 - 31 December 2021	
Profit / (loss) before tax		(7,861)
Tax using the Company's domestic tax rate	25%	1,965
Effect of tax rates in foreign jurisdictions	1%	63
Reduction in tax rate	0%	-
Tax effect of non-deductible or non-taxable items	-20%	(1,549)
Tax effect of utilisation of tax losses carry forward in fiscal unity	-14%	(1,070)
Adjustments to prior years	1%	110
Other	0%	(24)
	-6%	(506)

The Group has operations in various countries that have different tax laws and rates. The effect on the effective tax rate for the 2021 reconciliation above is the corporate income tax rate on taxable profits under tax law in that jurisdiction.

The non-deductible or non-taxable items mainly relate to the deductible interest cap (Dutch CIT 15b rule, effective from 1 January 2020), applicable to the entities in the Dutch fiscal unity.

Movement in deferred tax balances

In thousands of USD					Balance at 31 December		
2021	Net balance at 29 July	Recognised in Profit or loss	Additions	Recognised in OCI	Net	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	(1,761)	(129)	-	-	(1,890)	-	(1,890)
Intangible assets	(27,136)	761	(73)	17	(26,431)	-	(26,431)
Employee benefits	-	1	-	-	1	1	-
Carry forward tax loss	1,373	(929)	-	2	446	446	-
Net tax asset (liabilities)	(27,524)	(296)	(73)	19	(27,874)	447	(28,321)
Non-current						447	(26,525)
Current						-	(1,796)
Net tax asset (liabilities)						447	(28,321)

The utilisation of the deferred tax asset is dependent on future taxable profits.

Notes to the consolidated financial statements (continued)

Deferred tax asset – Dutch fiscal unity

Since financial year 2013, Veritas Petroleum Services B.V. joined its parent Veritas Petroleum Services Holding B.V. in Tax unity for corporate income tax and value-added-tax. As per 1 January 2014 an indirect subsidiary, Veritas Petroleum Services Europe B.V., was added to the fiscal unity in relation to corporate income tax. On 29 July 2021, VPS Midco B.V. and VPS Bidco B.V. were added to the fiscal unity, after which VPS Midco B.V. became the head of the fiscal unity. Consequently, as per 31 December 2021, the deferred tax asset related to the fiscal unity's unused tax losses is accounted for on the balance sheet of VPS Midco B.V.

No settlement will be made by the head of the fiscal unity to its members and the head of the fiscal unity will bear all the tax charges. Under the Dutch Tax Collection Act, the members of a fiscal unity are jointly and severally liable for any tax amounts in relation to a relevant tax unity due.

The available carry forward corporate tax losses per 31 December 2021 amount to USD 793 thousand (29 July 2021: USD 2,344 thousand).

In thousands of USD	**Total**
Unused tax losses	**793**
Deferred tax asset (@ 25%)	**198**

The available carry forward tax losses are measured against the Dutch corporate income tax rate of 25%. The deferred tax asset is recognised in the balance sheet of VPS Midco B.V. as head of the fiscal unity.

VPS

Notes to the consolidated financial statements (continued)

12. Property, plant and equipment

Reconciliation of net book value

In thousands of USD	*Note*	Land, buildings and leasehold improvements	Equipment, fixtures and fittings	Assets under construction	Total
Cost					
Balance at 29 July 2021		19,153	25,774	11	44,938
Additions		**23**	**550**	**171**	**744**
Foreign currency adjustment		**-**	**(5)**	**-**	**(5)**
Disposals		**-**	**-**	**-**	**-**
Transfer of assets under construction to other fixed asset classes		**-**	**11**	**(11)**	**-**
Balance at 31 December 2021		**19,176**	**26,330**	**171**	**45,677**
Accumulated depreciation					
Balance at 29 July 2021		(8,278)	(22,511)	-	(30,789)
Depreciation	**9**	**(364)**	**(593)**	**-**	**(957)**
Foreign currency adjustment		**(3)**	**2**	**-**	**(1)**
Disposals		**-**	**-**	**-**	**-**
Balance at 31 December 2021		**(8,645)**	**(23,102)**	**-**	**(31,747)**
Net book value					
At 29 July 2021		10,875	3,263	11	14,149
At 31 December 2021		**10,531**	**3,228**	**171**	**13,930**

All of the above has been acquired as a result of the business combination during the year.

13. Intangible assets and goodwill

A. Reconciliation of net book value

In thousands of USD	*Note*	Goodwill	Customer relationships	Brandname	Software	Assets under construction	Other	Total
Cost								
Balance at 29 July 2021		104,865	124,391	6,850	9,777	23	45	245,950
Additions		**-**	**-**	**-**	**276**	**-**	**-**	**276**
Disposals		**-**	**-**	**-**	**-**	**-**	**-**	**-**
Foreign currency adjustment		**(357)**	**26**	**-**	**(107)**	**-**	**-**	**(438)**
Transfer of assets under construction to other fixed asset classes		**-**	**-**	**-**	**23**	**(23)**	**-**	**-**
Balance at 31 December 2021		**104,508**	**124,417**	**6,850**	**9,969**	**-**	**45**	**245,788**
Accumulated amortisation								
Balance at 29 July 2021		-	(23,307)	(43)	(6,350)	-	(45)	(29,745)
Amortisation	**9**	**-**	**(2,631)**	**(182)**	**(365)**	**-**	**-**	**(3,178)**
Foreign currency adjustment		**-**	**2**	**(7)**	**2**	**-**	**-**	**(3)**
Disposals		**-**	**-**	**-**	**-**	**-**	**-**	**-**
Impairment		**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance at 31 December 2021		**-**	**(25,936)**	**(232)**	**(6,713)**	**-**	**(45)**	**(32,926)**
Net book value								
At 29 July 2021		104,865	101,084	6,807	3,427	23	-	216,205
At 31 December 2021		**104,508**	**98,481**	**6,618**	**3,256**	**-**	**-**	**212,862**

All of the above has been acquired as a result of the business combination during the year.

VPS

Notes to the consolidated financial statements (continued)

B. Impairment of goodwill

Impairment of goodwill – Cash generating units

The following cash generating units are identified:

- VPS Group (excluding Transoil Group, Yxney and PGI);
- Transoil Laboratory Ltd Group;
- Yxney Maritime AS, and;
- PGI Industries Pte Ltd.

For the purpose of impairment testing, the USD 104.5 million of goodwill is allocated to the cash generating units as follows:

- VPS Group: USD 93.9 million;
- Transoil Group: USD 5.1 million;
- Yxney: USD 4.9 million, and;
- PGI: USD 0.6 million.

The recoverable amount of this CGU was based on fair value less cost of disposal, estimated using discounted cash flows.

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of market relevant data on future trends and past performance in the marine fuel and transformer oil market.

B.1 Key assumptions

Cashflow projections

Post-tax cash flow projections in the fair value less costs of disposal calculation are mainly dependent on the development of the revenue growth rate. Management estimates the assumptions based on the past performance and expected general market developments.

The management key assumptions over a 5-year forecast period can be specified as follows:

	CGU VPS Group		CGU Transoil Group		CGU Yxney	CGU PGI
Management forecast projection	**2022 - 2026**	2021 - 2025	**2022 - 2026**	2021 - 2025	**2022 - 2026**	**2022 - 2026**
Revenue annual growth rate	**10.84%**	10.56%	**8.32%**	10.58%	**86.79%**	**7.78%**
EBITDA annual growth rate	**17.42%**	14.12%	**2.58%**	18.06%	**-296.70%**	**15.10%**
Capex (in millions of USD)	**10.0**	10.4	**0.34**	0.34	**1.7**	**0.1**
Investments in RoU Assets (in millions of USD)	**0.7**	0.93	**0.60**	0.39	**0.3**	-

<u>CGU VPS Group:</u> The Group's expected growth will be supported by offering our existing services to new markets, the cross-selling of services and introducing innovative services to provide additional tests on existing samples. Expected EBITDA was estimated taking into account past experience, adjusted as follows.

Revenue growth was projected taking into account the average growth levels experienced within the Maritime Industry.

Significant one-off (post) acquisition and organisational restructuring costs are excluded from expected EBITDA.

Notes to the consolidated financial statements (continued)

The Group will invest in laboratory equipment to facilitate efficiencies. Investing in new and existing equipment and focusing on business developments helps with management's aim to increase the market share in the next five years.

CGUs Transoil Group and PGI: The Group's expected growth will be supported by offering our existing services to a wider geographical area, winning market from competitors and market information showing a growing use of transformer oil.

Expected EBITDA was estimated taking into account past experience, adjusted as follows.

- Revenue growth was projected taking into account the average growth levels experienced within the industry.
- Significant one-off (post) acquisition and organisational restructuring costs are excluded from expected EBITDA.

CGU Yxney: The Group's expected growth will be supported by offering our existing services to a wider geographical area.

Discount rate and terminal value growth rate

The discount rate and terminal value growth rate are as follows:

	CGU VPS Group		CGU Transoil Group		CGU Yxney	CGU PGI
In percent	**2022 - 2026**	2021 - 2025	**2022 - 2026**	2021 - 2025	**2022 - 2026**	**2022 - 2026**
Discount rate	**11.10%**	7.40%	**9.90%**	9.30%	**16.90%**	**19.20%**
Terminal value growth	**1.90%**	2.00%	**1.00%**	1.50%	**1.50%**	**2.00%**

The discount rate is estimated based on the observable weighted–average cost of capital in the industry. The terminal growth rate was based on the risk-free rate used in the PPA of the acquisition of the different CGUs during the year.

Impairment assessment outcome

The recoverable amounts for each CGU are as follows:

In millions of USD	**Recoverable amount**
CGU VPS Group	**210**
CGU Transoil Group	**8**
CGU Yxney	**22**
CGU PGI	**2**

The impairment analysis as per 31 December 2021 did not result in an impairment for the CGUs VPS Group, Transoil, Yxney and PGI as the recoverable amount of the CGU exceeded its carrying amount.

Notes to the consolidated financial statements (continued)

Sensitivity analysis

Management has identified that a deviation in key assumptions could lead to a carrying amount exceeding the recoverable amount. The following table shows a sensitivity (percentage point change per key assumption) resulting in a headroom of nil:

	CGU VPS Group		CGU Transoil Group		CGU Yxney	CGU PGI
In percentage point	**2022 - 2026**	2021 - 2025	**2022 - 2026**	2021 - 2025	**2022 - 2026**	**2022 - 2026**
Discount rate	**2.05%**	12.88%	**0.06%**	2.12%	**24.15%**	**13.13%**
Terminal value growth rate	**-2.93%**	-29.04%	**-0.67%**	-3.12%	**-193.70%**	**-45.96%**
Revenue growth rate	**-1.80%**	-7.17%	**-0.04%**	-2.35%	**-12.46%**	**3.88%**
EBITDA for the projection period	**-11.81%**	-396.22%	**-0.27%**	-19.14%	**-106.51%**	**-31.45%**

Furthermore, management calculated a sensitivity based on movements of these key assumptions. The impact on the headroom can be specified as follows:

	CGU VPS Group				CGU Transoil Group			
	Impact on Headroom				Impact on Headroom			
	31 December 2021		31 December 2020		**31 December 2021**		31 December 2020	
In millions of USD	**Increase**	**Decrease**	Increase	Decrease	**Increase**	**Decrease**	Increase	Decrease
Discount rate (1% movement)	**(21)**	**27**	(58)	85	**(1)**	**1**	(3)	4
Terminal value growth rate (1% movement)	**20**	**(16)**	70	(48)	**1**	**(1)**	3	(2)
Revenue per year in the projection period (3% movement)	**80**	**(71)**	145	(129)	**1**	**(3)**	5	(5)
EBITDA per year in the projection period (10% movement)	**143**	**(90)**	26	(20)	**8**	**(5)**	11	(7)

	CGU Yxney		CGU PGI	
	Impact on Headroom		Impact on Headroom	
	31 December 2021		**31 December 2021**	
In millions of USD	**Increase**	**Decrease**	**Increase**	**Decrease**
Discount rate (1% movement)	**(2)**	**2**	**(0)**	**0**
Terminal value growth rate (1% movement)	**1**	**(1)**	**0**	**(0)**
Revenue per year in the projection period (3% movement)	**2**	**(2)**	**0**	**(0)**
EBITDA per year in the projection period (10% movement)	**15**	**(10)**	**1**	**(1)**

14. Trade and other receivables

In thousands of USD	**31 December 2021**	29 July 2021
Trade receivables	**5,398**	5,922
Services to be invoiced (contract assets IFRS 15)	**4,368**	3,993
Prepayments	**1,209**	1,343
Other receivables	**53**	1,915
Deposits in connection to lease contracts	**373**	365
Total of trade and other receivables	**11,401**	**13,538**
Non-current	**373**	365
Current	**11,028**	13,173
Total of trade and other receivables	**11,401**	**13,538**

Services to be invoiced (contract assets IFRS 15)

At 31 December 2021, the services to be invoiced reflect the services to clients provided by the Group during the month of December 2021. These services will be invoiced in January 2022 following the arrangements with these clients. The services to be invoiced are considered contract assets from the perspective of *IFRS 15 Revenue from Contracts with Customers*.

VPS

Notes to the consolidated financial statements (continued)

Credit and market risk, and impairment losses

The provision for impairment of trade receivables is as follows.

In thousands of USD	31 December 2021	29 July 2021
Trade receivables	**5,627**	6,204
Provision for impairment of receivables	**(229)**	(282)
Total of trade receivables	**5,398**	5,922

Information about the Group's exposure to credit and market risks, impairment losses for trade and other receivables and contract assets, is included in Note 22.

15. Cash and cash equivalents

In thousands of USD	31 December 2021	29 July 2021
Petty cash	**3**	2
Bank balances	**5,186**	8,326
Total of cash and cash equivalents	**5,189**	8,328

The total amount of cash and cash equivalents is at free disposal to the company.

16. Equity

	Attributable to owners of the Company					
In thousands of USD	Share capital	Share Premium	Other reserves/ Accumulated losses	Total equity	Non-controlling interests	Total equity
Balance at 29 July 2021	92,438	-	-	92,438	1,001	93,439
Net result	-	-	(8,367)	(8,367)	91	(8,276)
Other comprehensive income	-	-	106	106	-	106
Total comprehensive loss	-	-	(8,261)	(8,261)	91	(8,170)
Balance at 31 December 2021	92,438	-	(8,261)	84,177	1,092	85,269

Share capital

The authorised share capital consists of EUR 76,818,069 divided in 76,818,069 ordinary shares with a nominal value of EUR 1 per share. The share capital is reported in USD at the historical transaction rate is not revalued at year-end. All the authorised share capital are issued and fully paid.

Share premium

Additional paid-in capital has been recognised as share premium which is freely distributable when the total equity after the distribution is higher than the legal and statutory reserves and when liquidity and group covenant requirements are met.

Per 31 December 2021, the additional paid-in capital is EUR 0.74.

Notes to the consolidated financial statements (continued)

Other reserves/Accumulated losses

The amount in other reserves is available for profit sharing among the shareholders when the total equity after the distribution is higher than the legal and statutory reserves and when liquidity and group covenant requirements are met. Distribution of the profit is at the discretion of the Company.

Proposal for net result appropriation

The board of directors proposes to add the current year net loss of USD 8,367 thousand to the Other reserves/Accumulated losses.

Share-based payment

Selected managers of the group participate in the Company through indirect share ownership via the STAK VPS Management's ownership in VPS Midco B.V. In relation with a change in control event, the shares may be settled in cash or otherwise by the acquiror(s). The Company or another group entity will under no circumstances be required to settle in cash. Accordingly, this arrangement is classified as an equity-settled share-based payment arrangement.

Details of the number of shares owned by the participating managers are as follows:

Number of shares owned	**2021**
Outstanding 29 July	-
Purchased during the year	1,001,250
Sold during the year	-
Outstanding 31 December	**1,001,250**

As of 31 December 2021, the participating managers hold directly 1.1% of the shares of the Group's subsidiaries. There is no impact on the group's results or its financial position from this share-based payment arrangement for selected managers.

Non-controlling interests

Non-controlling interests in an acquired entity are recognised at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

The Group has 1.1% non-controlling interests in VPS Midco B.V. and its subsidiaries; this is not considered material to the Group. During 2021, no transactions with non-controlling interests took place.

VPS

Notes to the consolidated financial statements (continued)

17. Leases

The balance sheet shows the following amounts relating to leases:

Right-of-use assets

Right-of-use assets

In thousands of USD	Note	Lease of buildings	Lease of corporate cars	Total
Cost				
Balance at 29 July 2021		2,692	917	3,609
Additions		**272**	**95**	**367**
Disposals and revisions		**(279)**	**(109)**	**(388)**
Balance at 31 December 2021		**2,685**	**903**	**3,588**
Accumulated depreciation				
Balance at 29 July 2021		(1,066)	(319)	(1,385)
Depreciation	9	**(254)**	**(94)**	**(348)**
Disposals and revisions		**279**	**77**	**356**
Balance at 31 December 2021		**(1,041)**	**(336)**	**(1,377)**
Net book value				
At 29 July 2021		1,626	598	2,224
At 31 December 2021		**1,644**	**567**	**2,211**

Lease liability

In thousands of USD	Lease of buildings	Lease of corporate cars	Total
Lease liability			
Balance at 29 July 2021	(1,874)	(635)	(2,509)
Lease payments	**337**	**120**	**457**
Discounting	**(89)**	**(17)**	**(106)**
Additions	**(272)**	**(95)**	**(367)**
Disposals and revisions	**-**	**28**	**28**
FX revaluation	**53**	**26**	**79**
Balance at 31 December 2021	**(1,845)**	**(573)**	**(2,418)**

The discount rates applied are 5.20% - 7.10% for lease of buildings and 3.55% - 3.80% for lease of corporate cars.

VPS

Notes to the consolidated financial statements (continued)

The lease liability as of 31 December 2021 can be split as follows:

In thousands of USD	Lease of buildings	Lease of corporate cars	Total
Lease liability			
Current	**(742)**	**(278)**	**(1,020)**
Non-Current	**(1,103)**	**(295)**	**(1,398)**
Balance at 31 December 2021	**(1,845)**	**(573)**	**(2,418)**

18. Loans and borrowings

In thousands of USD	External loan	Total
Non-current Loans and borrowings		
Balance at 29 July 2021	**116,465**	**116,465**
Amortization	**158**	**158**
Balance at 31 December 2021	**116,623**	**116,623**
Non-current	**116,623**	**116,623**
Current	**-**	**-**
Balance at 31 December 2021	**116,623**	**116,623**

Current Loans and borrowings

In thousands of USD	**31 December 2021**	29 July 2021
Accrued interest External loan	**40**	-
Accrued commitment fee External loan	**64**	-
Total of current Loans and borrowings	**104**	-

The terms and conditions of the outstanding loans are as follows.

In thousands of USD	Currency	Nominal interest rate	Year of maturity	**31 December 2021** Face value	**Carrying amount**
External loan	USD	US-Libor + 6.5%/3.25% spread	2028	**119,000**	**116,623**
Total of interest bearing liabilities				**119,000**	**116,623**

VPS

Notes to the consolidated financial statements (continued)

External loan

On 29 July 2021 the Group obtained a loan facility of USD 119 million of which USD 99 million has a duration of 7 years and USD 20 million has a duration of 6.5 years.

The interest rate is agreed on US LIBOR + 6.50% (margin) for the USD 99 million and on US LIBOR + 3.25% (margin) for the USD 20 million. The interest is paid monthly. The US LIBOR rate is set monthly resulting in an applicable interest rate of 6.60% and 3.35% respectively at 31 December 2021.

The additional available commitment is USD 15 million and USD 10 million (available for 7 years and 6 years respectively). The commitment fee is 1.625% for the USD 15 million and 1.1375% for the USD 10 million both payable every 3 months.

19. Employee benefits

In thousands of USD	**31 December 2021**	29 July 2021
Liability for social security contributions and retirement arrangements premiums	**435**	870
Liability for salaries, holiday allowances and incentives to be paid	**2,241**	917
Liability for resignation fee foreign regulations	**429**	436
Total of employee benefit liabilities	**3,105**	2,223
Non-current	**429**	436
Current	**2,676**	1,787
Total of employee benefit liabilities	**3,105**	2,223

As a result of the acquisition of indirect subsidiaries, USD 1.3 million was recognized as incentives to be paid for previous shareholders if certain key employees remain employed at a certain date.

The Group contributes to the following post-employment defined benefit plans as per 31 December 2021.

Employees' end-of-service benefits (Liability for resignation fee foreign regulations)

The Company provides its employees an end-of service benefit for which a liability is provided. Any movement in the liability is recognised in statement of profit or loss. The Group used for the employees' end-of-service benefit calculation the Project Unit Credit Method.

The plan is beneficiary for in total 31 employees in United Arab Emirates which are still in active duty. The benefit is settled when the employee is no longer employed at the Company.

Notes to the consolidated financial statements (continued)

20. Trade and other payables

In thousands of USD	31 December 2021	29 July 2021
Trade Payables	**1,981**	3,572
Accrued expenses	**7,190**	7,587
Customer advances (contract liabilities IFRS 15)	**1,632**	1,866
Total of trade and other payables	**10,803**	13,025
Non-current	**-**	-
Current	**10,803**	13,025
Total of trade and other payables	**10,803**	13,025

The Group's exposure to currency and liquidity risk related to trade and other payables is disclosed in Note 22.

Customer advances (contract liabilities IFRS 15)

Some part of the Group's customers made payments in advance (annually and quarterly) for services to be provided. Such agreements are based on an expected quantity of services to be provided in a specific period. The customer advances are considered contract liabilities from the perspective of *IFRS 15 Revenue from Contracts with Customers*. The Group expects to realise the performance obligations related to the customer advances within 12 months.

21. Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders over the longer term and to maintain an optimal capital structure to reduce the cost of capital. Reference is made to Note 22 regarding management of the Company's capital on basis of the applicable covenants. In its financial management reporting the Group monitors and reports monthly on its capital by using the same net leverage ratio as applied in the applicable covenants as mentioned in Note 18. Per 31 December 2021, the Group complied with all covenant requirements.

VPS

Notes to the consolidated financial statements (continued)

22. Financial instruments

Risk management framework

The Group's board of directors has the overall responsibility for the establishment and oversight of the Group's risk management framework. The Group is setting up a Risk Management Framework, which will be further developed in 2022.

Based on the identified business and financial risks, internal controls are being identified and documented and will subsequently be tested to evaluate the design and implementation of such internal controls. In addition, Group's risk management policies will be documented and monitored.

The Group's risk management policies are established to identify and analyse risks faced by the Group, to set appropriate risk limits and controls and to monitor risk adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company will monitor its compliance with its risk management policies and will report regularly to the Board of Directors on this subject.

Fair value

Non-current financial instruments

As per 31 December 2021 the fair values of non-current financial instruments:

In thousands of USD	Carrying amount 31 December 2021	Fair value 31 December 2021
External loan	116,623	107,396
	116,623	107,396

Current financial instruments

As per 31 December 2021 the carrying amounts of the current financial instruments represents its fair value due to the short-term maturities of these assets and liabilities.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers.

The Group has policies and work procedures in place to address and minimize the credit risk and adverse impact on the Group's statement of profit and loss.

Notes to the consolidated financial statements (continued)

The carrying amount of the financial assets assessed for credit risk, represents the maximum credit exposure.

Cash and Cash equivalents

The Group held cash and cash equivalents of USD 5,189 thousand at 31 December 2021. The cash and cash equivalents are held by banks, rated AA-, based on Standard & Poor's ratings.

Trade and other receivables (including contract assets)

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a provision matrix. This provision matrix has been developed to reflect the country risk, the credit risk profile as well as available historical data.

Contract assets

The contract assets (services to be invoiced, note 14) as at 31 December 2021 amount to USD 4,368 thousand being the consideration to be invoiced to the customer for transferred goods and services for mainly December 2021 and will be invoiced in January 2022. Establishing the balance of services to be invoiced based on goods and services transferred and the customers' contractual arrangements is an ongoing monthly process. Historical credit losses for the services to be invoiced are immaterial.

Trade and other receivables

Trade and other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of full recovery of the receivable include, amongst others, the failure of a debtor to engage in a repayment plan with the Group and failure to make contractual payments for a period of greater than 120 days past due.

Country risk

At 31 December 2021, the trade receivables by geographic region including provision for future credit losses was as follows.

In thousands of USD	**31 December 2021**
Netherlands, Belgium, Germany, France, Greece	**1,975**
Other Eurozone countries	**414**
Norway	**209**
UK	**392**
USA	**636**
Africa, Middle east, Asia	**1,259**
Other regions	**513**
Total	**5,398**

Notes to the consolidated financial statements (continued)

Credit risk profile

At 31 December 2021, the trade receivables by credit risk profile was as follows.

In thousands of USD	**31 December 2021**
Lowest Risk (D&B rating)	**2,937**
Low Moderate Risk (D&B rating)	**1,726**
High Moderate Risk (D&B rating)	**113**
Highest Risk (D&B rating)	**622**
Total	**5,398**

The Group uses for its analysis a monitoring portfolio management tool of credit agency Dun and Bradstreet. Credit ratings of the Group's trade receivables are determined on available information in Dun and Bradstreet's databases. Trade receivables classified at highest risk includes observed highest risk counter parts as well as unclassified counterparties.

Ageing

At 31 December 2021, the ageing of trade receivables that were not impaired was as follows.

In thousands of USD	**31 December 2021**
Neither past due nor impaired	**3,742**
Past due 1 - 60 days	**1,302**
Past due 61 - 120 days	**290**
Past due >121 days	**64**
Total	**5,398**

Management believes that unimpaired amounts that are past due by more than 120 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customer' credit ratings as far as available.

Provision for impairment

The movement in the provision for impairment in respect of trade and other receivables during the year was as follows.

In thousands of USD	**Impairment movement**
Balance at 29 July 2021	(282)
Movement general provision (matrix)	**(81)**
Reassessment manual adjustment general industry expectations	-
Movement previously defined regions (matrix, country risk)	**134**
Movement newly defined regions (matrix, country risk)	-
Balance at 31 December 2021	**(229)**

The Group believes that its allowance for impairment as per 31 December 2021 is sufficient to absorb expected future write offs on trade and other receivables.

VPS

Notes to the consolidated financial statements (continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Group monitors its risk to a shortage of funds using a cash flow forecast model. This model considers the maturity of both its non-current and current assets and liabilities (trade receivables and other financial assets or liabilities) and projected cash flows from operations.

The Group aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities (other than trade payables over the next 60 days). The Group also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

At 31 December 2021, the expected cash flows from trade and other receivables maturing within two months were USD 5,198 thousand. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments and exclude the impact of netting agreements.

In thousands of USD				Contractual cash flows			
31 December 2021	**Carrying amount**	**Total**	**2 months or less**	**2- 12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities							
External loan	**116,623**	**(119,000)**	-	-	-	-	**(119,000)**
Trade & other payables	**10,803**	**(10,803)**	**(10,173)**	**(630)**	-	-	-
	127,426	**(129,803)**	**(10,173)**	**(630)**	-	-	**(119,000)**

With regards to the external loan, the debt covenants include maximum net leverage ratio requirements. The Group monitors its liquidity as well as its capital on the basis of the net leverage ratio covenant as part of the loan agreement.

This ratio is calculated as net interest-bearing debt divided by EBITDA. Net interest-bearing debt is calculated as total aggregated loans and borrowings less shareholder loans and unrestricted cash and cash equivalents. The EBITDA is calculated as 'earnings before interest, tax, depreciation and amortisation and before exceptional items and pension expenses' for the last twelve months at testing date and is based on original accounting policies (excluding (future) IFRS changes). Per 31 December 2021, the Group complied with the covenant requirements.

VPS

Notes to the consolidated financial statements (continued)

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group is closely monitoring the world economy as the Group's sales are depending on the developments in the marine fuel market.

Currency risk

The Group is exposed to currency risk (translation risk) to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of Group companies. The reporting currency of the Group is US dollar. The currencies in which transactions are primarily denominated are US dollar, Euro, Singapore Dollar, British Pound, United Arab Emirates Dirham and Norwegian Krone.

The group's borrowings are denominated in US dollar that match the cash flow generated by the underlying operations of the Group – primarily in US dollar. In addition, interest on borrowings is denominated in the currency of the borrowing. This provides an economic hedge without derivatives being entered into and therefore hedge accounting is not applied in these circumstances.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk is as follows per 31 December 2021.

	31 December 2021				
In thousands	**EUR**	**SGD**	**NOK**	**GBP**	**AED**
Trade receivables	**272**	**168**	**434**	**138**	**1**
Loans with subsidiaries with different functional currency	**-**	**-**	**6,125**	**4,750**	**-**
Trade payables	**(691)**	**(509)**	**(382)**	**(86)**	**(402)**
Net statement of financial position exposure	**(419)**	**(341)**	**6,177**	**4,802**	**(401)**

The translation of the assets and liabilities of the Group entities that do not have the USD functional currency, is taken to the Other Comprehensive income (USD 106 thousand gain).

Sensitivity analysis

A reasonably expected possible strengthening (weakening) of the Euro (EUR), Singapore dollar (SGD), British Pound (GBP), United Arab Emirates Dirham (AED) or Norwegian Krone (NOK) against the United States Dollar (USD) versus the rates per 31 December 2021 would affect the measurement of financial instruments denominated in a foreign currency and effect profit or loss by the amounts shown below.

VPS

Notes to the consolidated financial statements (continued)

in thousands of USD	Profit or loss Strengthening	Weakening
31 December 2021		
EUR (10% movement)	47	(47)
SGD (10% movement)	25	(25)
NOK (10% movement)	(70)	70
GBP (10% movement)	(648)	648
AED (10% movement)	11	(11)

Interest rate risk

Interest rate risk is defined as the risk that changes in market interest rates have an adverse impact on the Group's net financial result. The Group's interest rate exposure mainly arises from its borrowings, which is set and paid monthly.

The US Libor as set for the interest period at balance sheet date 31 December 2021 is 0.10%. The Group's sensitivity towards the US Libor is as follows:

	31 December 2021	
in thousands of USD	Increase	Decrease
US Libor (1% movement)	(1,190)	1,190

In September 2021, the Group entered into an Interest Rate Cap transaction until August 2023 to limit the Group's exposure to the US Libor rate of 1.00% for the external loan. The Interest Rate Cap has USD 0.1 million value in the balance sheet as per 31 December 2021 and is amortised to the profit and loss account linearly over the contract period.

VPS

Notes to the consolidated financial statements (continued)

23. Commitments

Future minimum lease payments

At 31 December 2021, the future minimum lease payments under non-cancellable operating leases contracted for but not recognised as liabilities, are as follows.

In thousands of USD	**31 December 2021**	29 July 2021
Less than one year	**26**	27
Between one and five years	**57**	66
More than five years	**-**	-
	83	93

Capital commitments

As per 31 December 2021, the Company has USD 259 thousand of capital commitments for the purchase of Equipment, Fixtures and Fittings not recognised as liabilities.

24. Related parties

Parent and ultimate controlling party

Arping S.a.r.l. holds 93.5% of the shares in VPS Topco B.V. and the remainder of the shares are acquired by Havorad B.V. The ultimate parent is Fremman Limited based in the UK.

Transactions with key management personnel

The Group's key management personnel consists of executive and managing directors and non-executive members of the Board of Directors. Their compensation is as follows.

In thousands of USD	**29 July 2021 - 31 December 2021**
Short-term employee benefits	**(838)**
Post-employment benefits	**(27)**
Non-executive directors	**(7)**
Total of transactions with key management personnel	**(872)**

Compensation of the Group's key management personnel includes salaries, non-cash benefits and contributions to a post-employment defined contribution plan. For details on the share participation by key management in the share capital of VPS Midco B.V. through the STAK VPS Management, reference is made to Note 16.

VPS

Notes to the consolidated financial statements (continued)

25. Changes in the composition of the Group

On 29 July 2021, the Company acquired, through VPS Bidco B.V., 100% of the issued share capital of Veritas Petroleum Services Holding B.V., that acted up to that date as the holding entity for the VPS Group who provides testing and survey services to the Maritime and Power industry. The acquisition fits within Fremman's, the ultimate parent, stated strategy of investing in ESG promoting businesses. Details of the purchase consideration, the net assets acquired and goodwill are as follows:

in thousands of USD	
Cash paid by the parent companies on behalf of the Company	**90,001**
Less: Aggregate notified leakage	**(3,795)**
Total purchase consideration	**86,206**

The assets and liabilities recognised as a result of the acquisition are as follows:

in thousands of USD	**Fair value**
Propery, plant and equipment	**14,149**
Intangible assets	**107,831**
Step-up from previous acquisitions	**7,897**
Right-of-use assets	**2,224**
Bank guarantees	**247**
Trade and other receivables non-current	**118**
Deferred tax assets	**1,373**
Trade and other receivables current	**11,234**
Current tax receivables	**578**
Cash and cash equivalents	**8,328**
Loans and borrowings	**(121,758)**
Lease liability	**(2,509)**
Employee benefits	**(436)**
Deferred tax liabilities	**(27,520)**
Accrued employee severance benefits	**(230)**
Employee benefits - current	**(1,557)**
Trade payables and other payables	**(13,025)**
Current tax liabilities	**163**
Net identifiable assets acquired	**(12,894)**
Add: Goodwill	**99,100**
Net assets acquired	**86,206**

The goodwill paid is attributable to the workforce and the profitability of the acquired business. It will not be deductible for tax purposes. The acquisition related costs of USD 1.4 million were recognised as Other operating expenses.

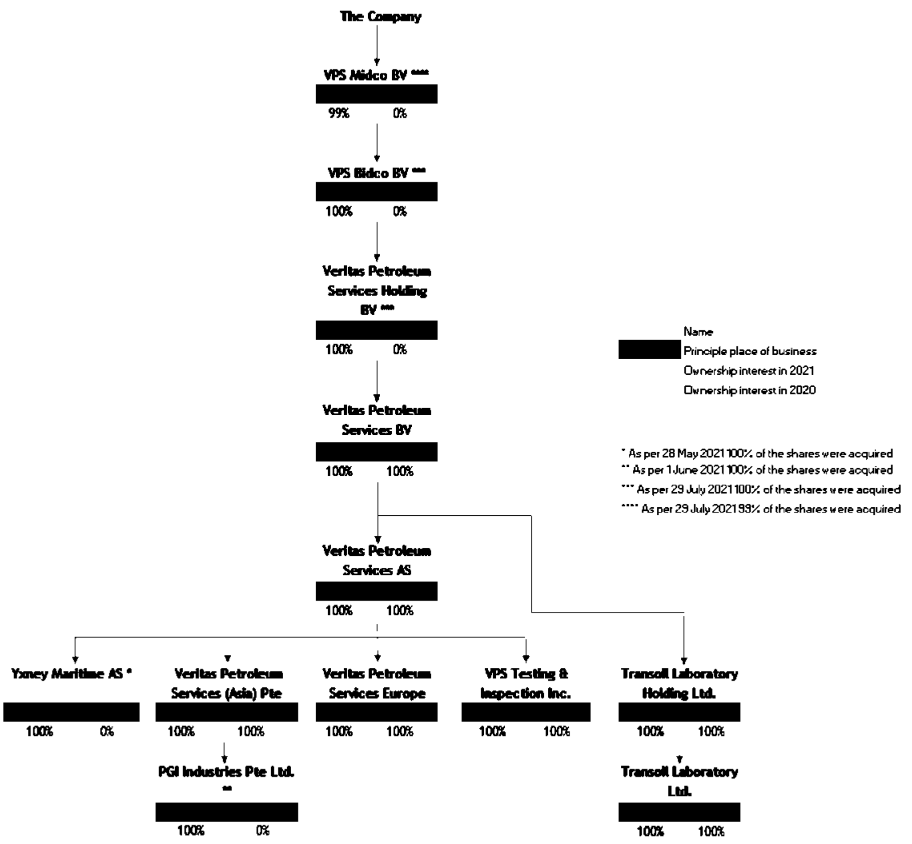
Notes to the consolidated financial statements (continued)

The acquired VPS group contributed revenues of USD 21.1 million and net loss of USD 2.8 million to the group for the period from 29 July to 31 December 2021. If the acquisition had occurred on 1 January 2021, the revenue and net result of the VPS group for the 12 months ended 31 December 2021 amount to USD 49.5 million and USD 8.6 million loss.

The fair value of acquired trade receivables is USD 11.2 million. The gross contractual amount for trade receivables due is USD 11.5 million, with a loss allowance of USD 283 thousand recognised on acquisition.

26. Group structure

Set out below is a list of material subsidiaries of the Group.



Notes to the consolidated financial statements (continued)

27. Events after balance sheet date

In February 2022, Russia's invasion of Ukraine and other nations' responses to the ensuing Russia-Ukraine war (e.g. in the form of sanctions on the Russian government and companies) introduces new uncertainties, such as trade restrictions and recoverability of receivables from customers, the Group might face. The Group has assessed that the impact on the group as a whole and the individual subsidiaries is limited. As of 31 December 2021, the revenue and outstanding receivables related to Russian and Ukrainian companies amounted to USD 206 thousand and USD 22 thousand. The Group will continue to monitor the development and will perform sanctions screening on Russian based customers.

VPS

Company statement of income for the period from 7 July 2021 to 31 December 2021

In thousands of USD	*Note*	7 July 2021 - 31 December 2021
Net result from subsidiaries after taxes	29	(8,352)
Net result from operations		(15)
Net result		**(8,367)**

Company statement of financial position as at 31 December 2021

(After proposed result appropriation)

In thousands of USD	*Note*	31 December 2021	7 July 2021
Assets			
Investments in subsidiaries	29	84,192	-
Non-current assets		84,192	-
Trade and other receivables		1,420	-
Cash and equivalents		-	-
Current assets		1,420	-
Total assets		85,612	-
Equity			
Share capital	30	92,438	-
Share premium	30	-	-
Other reserves/Accumulated losses	30	(8,261)	-
Total equity		84,177	-
Liabilities			
Trade and other payables		1,435	-
Current liabilities		1,435	-
Total liabilities		1,435	-
Total equity and liabilities		85,612	-

The accompanying notes are integral part of these company financial statements.

Notes to the Company financial statements

28. General

The Company financial statements are part of the 2021 financial statements of VPS Topco B.V. For the company statement of Income of VPS Topco B.V., use is made of the exemption to present the company statement of Income in a condensed form pursuant to Section 2:402 of Book 2 of the Dutch Civil Code. For setting the principles for the recognition and measurement of assets and liabilities and determination of the result for its company financial statements, VPS Topco B.V. makes use of the option in Section 2:362 (8) of Part 9 of the Dutch Civil Code. This means that the principles for recognition and measurement of assets and liabilities and determination of the result for the Company financial statements of VPS Topco B.V. are the same as those for the consolidated financial statements. For a description of these accounting principles, reference is made to the accounting principles within the consolidated financial statements (see Note 5). In this context, investments in companies over which significant influence can be exercised are measured according to the equity method.

Notes to the Company financial statements (continued)

29. Investments in subsidiaries

In thousands of USD	7 July 2021	Acquisitions	Remeasure-ments	Share in result	31 December 2021
VPS Midco BV	-	**92,438**	**106**	**(8,352)**	**84,192**
	-	**92,438**	**106**	**(8,352)**	**84,192**

The Company holds direct and indirect interests in subsidiaries. A list of these subsidiaries, place of incorporation and the Company's share is set out in Note 26.

30. Equity

In thousands of USD	Share capital	Share premium	Other reserves/ Accumulated losses	Total Equity
Balance at 7 July 2021	-	-	-	-
Issue of shares	**92,438**	-	-	**92,438**
Net result	-	-	**(8,367)**	**(8,367)**
Other comprehensive income / (loss)	-	-	**106**	**106**
Balance at 31 December 2021	**92,438**	-	**(8,261)**	**84,177**

Share capital

The authorised share capital consists of EUR 76,818,069 divided in 76,818,069 ordinary shares with a nominal value of EUR 1 per share. The share capital is reported in USD at the historical transaction rate is not revalued at year-end.

VPS

Notes to the Company financial statements (continued)

Share premium
Additional paid-in capital has been recognised as share premium which is freely distributable when the total equity after the distribution is higher than the legal and statutory reserves and when liquidity and group covenant requirements are met.

Per 31 December 2021, the additional paid-in capital is EUR 0.74.

Other reserves/Accumulated losses
The amount in other reserves is available for profit sharing among the shareholders when the total equity after the distribution is higher than the legal and statutory reserves and when liquidity and group covenant requirements are met. Distribution of the profit is at the discretion of the Company.

Proposal for net result appropriation
The board of directors proposes to add the current year net loss of USD 8,367 thousand to the Other reserves/Accumulated losses.

Share-based payment
Selected managers of the group participate in the Company through indirect share ownership via the STAK VPS Management's ownership in VPS Midco B.V. In relation with a change in control event, the shares may be settled in cash or otherwise by the acquiror(s). The Company or another group entity will under no circumstances be required to settle in cash. Accordingly, this arrangement is classified as an equity-settled share-based payment arrangement.

Details of the number of shares owned by the participating managers are as follows:

Number of shares owned	**2021**
Outstanding 29 July	-
Purchased during the year	**1,001,250**
Sold during the year	-
Outstanding 31 December	**1,001,250**

As of 31 December 2021, the participating managers hold directly 1.1% of the shares of the Group's subsidiaries. There is no impact on the group's results or its financial position from this share-based payment arrangement for selected managers.

VPS

Notes to the Company financial statements (continued)

31. Contingencies and commitments

Since financial year 2013, Veritas Petroleum Services B.V. joined its parent Veritas Petroleum Services Holding B.V. in Tax unity for corporate income tax and value-added-tax. As per 1 January 2014 an indirect subsidiary, Veritas Petroleum Services Europe B.V., was added to the fiscal unity in relation to corporate income tax. On 29 July 2021, VPS Midco B.V. and VPS Bidco B.V. were added to the fiscal unity, after which VPS Midco B.V. became the head of the fiscal unity. Consequently, as per 31 December 2021, the deferred tax asset related to the fiscal unity's unused tax losses is accounted for on the balance sheet of VPS Midco B.V.

Reference is made to Note 11 for details on the current and deferred tax positions in relation to the Dutch fiscal unity.

32. Employees

The Company has no employees employed during 2021, the average number of employees expressed as on a full-time-equivalent (fte) basis is zero.

33. Audit fees

The fees listed below relate to the procedures applied to the Company and its consolidated group entities by accounting firms and external independent auditors as referred to in Section 1, subsection 1 of the Audit Firms Supervision Act ('Wet toezicht accountantsorganisaties - Wta') as well as by Dutch and foreign-based accounting firms, including their tax services and advisory groups.

	PricewaterhouseCoopers Accountants N.V.	PwC member firms and/or affiliates	Total PwC network
In thousands of USD	2021	2021	2021
Audit of the financial statements	(300)	(36)	(336)
Other audit services	-	-	-
Tax services	-	(232)	(232)
Other non-audit services	(63)	(1,789)	(1,852)
Total of audit fees	**(363)**	**(2,057)**	**(2,420)**

These fees relate to the audit of the 2021 financial statements, regardless of whether the work was performed during the financial year. The fees are included in professional fees as can be found in Note 9.

34. Related parties

Transactions with related parties other than subsidiaries are disclosed in Note 24.

VPS

Notes to the Company financial statements (continued)

35. Directors' remuneration

The remuneration paid to the members of the Board of Directors of the Company for the period of 29 July 2021 through 31 December 2021 is as follows.

In thousands of USD	**29 July 2021 - 31 December 2021**
Directors' remuneration	(7)
Total of directors' remuneration	**(7)**

Remuneration of key management personnel is included in Note 24.

36. Events after balance sheet date

Reference is made to the events after balance sheet date as disclosed in Note 27.

Notes to the Company financial statements (continued)

Board of Directors

Barendrecht, 14 April 2022

VPS Topco B.V.

A.K. Chetwood	M.J. Vroom-Oey	L.K.L. Kho
Director	Director	Director

Other Information

Audit opinion of an independent auditor

The company's independent auditor issued an opinion accompanying the Group financial statements which is included on the next pages.

Statutory principles regarding appropriation of net income

Article 17 of the Company's articles of association stipulates that net income is available without any restriction for appropriation in the General Meeting of Shareholders.

Profit sharing and similar rights

The Company issued 76,818,069 ordinary shares. The holders of the ordinary shares have voting rights and are entitled to profit sharing.

Branches

The Group has branches in United Arab Emirates, the United Kingdom and Germany under the same trade name. The Group also has a branch in Greece operating under the name Veritas Petroleum Services – Hellas.

pwc

Independent auditor's report

To: the board of directors of VPS Topco B.V.

Report on the financial statements 2021

Our opinion

In our opinion:

- the consolidated financial statements of VPS Topco B.V. together with its subsidiaries ('the Group') give a true and fair view of the financial position of the Group as at 31 December 2021 and of its result and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union ('EU-IFRS') and with Part 9 of Book 2 of the Dutch Civil Code;
- the company financial statements of VPS Topco B.V. ('the Company') give a true and fair view of the financial position of the Company as at 31 December 2021 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2021 of VPS Topco B.V., Amsterdam. The financial statements comprise the consolidated financial statements of the Group and the company financial statements.

The consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2021;
- the following statements for the period from 29 July 2021 to 31 December 2021: the consolidated profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows; and
- the notes, comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

- the company statement of financial position as at 31 December 2021;
- the company statement of income for the period from 7 July 2021 to 31 December 2021;
- the notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is EU-IFRS and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated financial statements and Part 9 of Book 2 of the Dutch Civil Code for the company financial statements.

TAWQUJHCNUUS-1025297144-102

PricewaterhouseCoopers Accountants N.V., Thomas R. Malthusstraat 5, 1066 JR Amsterdam, P.O. Box 90357, 1006 BJ Amsterdam, the Netherlands
T: +31 (0) 88 792 00 20, F: +31 (0) 88 792 96 40, www.pwc.nl

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of VPS Topco B.V. in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:
- is consistent with the financial statements and does not contain material misstatements;
- contains all the information regarding the report of the board of directors and the other information that is required by Part 9 of Book 2of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The board of directors is responsible for the preparation of the other information, including the report of the board of directors and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Our appointment

We were appointed as auditors of VPS Topco B.V. This followed the passing of a resolution by the shareholders at the annual general meeting held on 29 September 2021.

pwc

Responsibilities for the financial statements and the audit

Responsibilities of the board of directors

The board of directors is responsible for:

- the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the board of directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board of directors is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the board of directors should prepare the financial statements using the going-concern basis of accounting unless the board of directors either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The board of directors should disclose in the financial statements any event and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. 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 but not absolute level of assurance, which makes it possible that we may not detect all material misstatements. Misstatements may arise due to fraud or error. They 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 the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Amsterdam, 14 April 2022
PricewaterhouseCoopers Accountants N.V.

Original has been signed by E.M.W.H. van der Vleuten RA MSc

pwc

Appendix to our auditor's report on the financial statements 2021 of VPS Topco B.V.

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

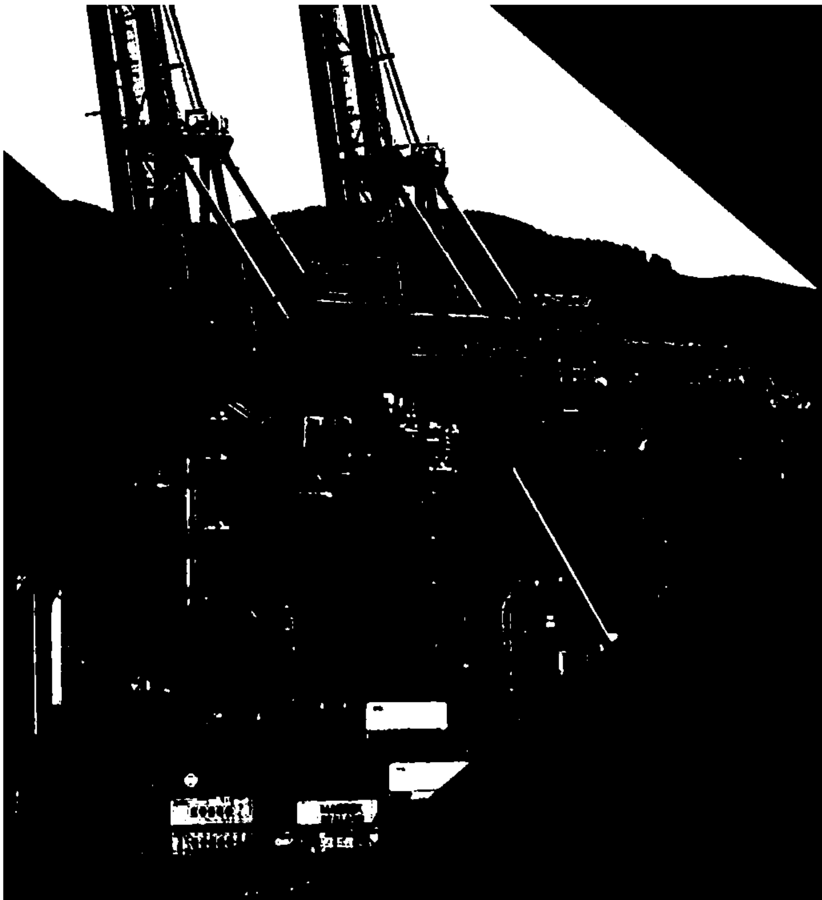
The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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 intentional override of internal control.
- Obtaining 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.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- Concluding on the appropriateness of the board of directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/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 and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Considering our ultimate responsibility for the opinion on the consolidated financial statements, we are responsible for the direction, supervision and performance of the group audit. In this context, we have determined the nature and extent of the audit procedures for components of the Group to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole. Determining factors are the geographic structure of the Group, the significance and/or risk profile of group entities or activities, the accounting processes and controls, and the industry in which the Group operates. On this basis, we selected group entities for which an audit or review of financial information or specific balances was considered necessary.

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.



ANNUAL REPORT

VPS Bidco B.V.

EXPERIENCE INNOVATION SUSTAINABILITY

VPS Bidco B.V., Amsterdam

	Page

Report of the board of directors

Under the stipulations of Article 2:394 sub 4 of the Dutch Civil Code, the report of the board of directors is not filed with this Annual report. The report of the board of directors is available at the VPS group's office at Zwolseweg 3, 2994 LB Barendrecht, The Netherlands.

VPS Bidco B.V., Amsterdam

VPS

Consolidated statement of financial position as at 31 December 2021

(After proposed result appropriation)

In thousands of USD	*Note*	**31 December 2021**	29 July 2021
Assets			
Property, plant and equipement	12	**13,930**	14,149
Intangible assets and goodwill	13	**212,862**	216,205
Right-of-use assets	17	**2,211**	2,224
Financial fixed assets	18	**99**	-
Trade and other receivables	14	**373**	2,277
Deferred tax assets	11	**249**	1,373
Non-current assets		**229,724**	236,228
Trade and other receivables	14	**12,992**	11,261
Current tax receivables		**590**	741
Cash and equivalents	15	**5,189**	8,328
Current assets		**18,771**	20,330
Total assets		**248,495**	256,558
Equity			
Share capital	16	-	-
Share premium	16	**93,439**	93,439
Accumulated losses	16	**(7,822)**	-
Total equity		**85,617**	93,439
Liabilities			
Loans and borrowings	18	**116,623**	116,465
Lease liability	17	**1,398**	1,580
Employee benefits	19	**429**	436
Deferred tax liabilities	11	**26,525**	27,136
Non-current liabilities		**144,975**	145,617
Lease liability	17	**1,020**	929
Loans and borrowings	18	**104**	-
Employee benefits	19	**2,676**	1,787
Trade and other payables	20	**12,221**	13,025
Deferred tax liabilities	11	**1,796**	1,761
Current tax liabilities		**86**	-
Current liabilities		**17,903**	17,502
Total liabilities		**162,878**	163,119
Total equity and liabilities		**248,495**	256,558

The accompanying notes are integral part of these consolidated financial statements.

EXPERIENCE ▶ INNOVATION ▶ SUSTAINABILITY

VPS Bidco B.V., Amsterdam

Consolidated statement of profit or loss and other comprehensive income for the period from 29 July 2021 to 31 December 2021

In thousands of USD	*Note*	29 July 2021 - 31 December 2021
Revenue	7	**21,116**
Other income		**803**
Raw materials and consumables used		**(1,175)**
Employee benefits expenses	8	**(9,745)**
Depreciation and amortisation expense	9	**(4,483)**
Other operating expenses	9	**(10,004)**
Loss from operations		**(3,488)**
Finance income	10	**1**
Finance expenses	10	**(3,767)**
Other finance income and expenses	10	**(555)**
Net finance costs		**(4,321)**
Loss before tax		**(7,809)**
Tax expense	11	**(119)**
Loss for the year		**(7,928)**
Other comprehensive Income		
Valuation of foreign operation with other functional currency	17	**106**
Total comprehensive Loss		**(7,822)**

The accompanying notes are integral part of these consolidated financial statements.

Consolidated statement of changes in equity for the period from 29 July 2021 to 31 December 2021

	Attributable to owners of the Company			
In thousands of USD	Share capital	Share Premium	Other reserves/ Accumulated losses	Total equity
Balance at 29 July 2021	-	**93,439**	-	**93,439**
Net result	-	-	**(7,928)**	**(7,928)**
Other comprehensive income	-	-	**106**	**106**
Total comprehensive loss	-	-	**(7,822)**	**(7,822)**
Balance at 31 December 2021	-	**93,439**	**(7,822)**	**85,617**

The accompanying notes are integral part of these consolidated financial statements.

VPS Bidco B.V., Amsterdam

VPS

Consolidated statement of cash flows for the period from 29 July 2021 to 31 December 2021

In thousands of USD	*Note*	29 July 2021 - 31 December 2021
Cash flows from operating activities		
Net Loss		(7,928)
Adjustment for:		
- Depreciation	9	1,305
- Amortisation	9	3,178
- Gain from impairment of trade receivable	22	(53)
- Net finance costs	10	4,321
- Tax expense	11	119
		942
Changes in working capital		
- Trade and other receivables		1,462
- Trade and other payables		(734)
- Employee benefits payable		882
		2,552
Interest Paid		(3,359)
Foreign exchange result on internal cash transfers		(27)
Taxes paid		(716)
Net cash used in operating activities		**(1,550)**
Cash flows from investing activities		
Interest received		1
Acquisition of property, plant and equipment	12	(744)
Acquisition of intangible assets	14	(276)
Net cash used in investing activities		**(1,019)**
Cash flows from financing activities		
Share premium payment		-
Lease payments	17	(457)
Acquisition of financial instrument		(114)
Net cash used in financing activities		**(571)**
Decrease in cash and cash equivalents		(3,140)
Cash and cash equivalents at 29 July	15	8,328
Effect of movements in exchange rates on cash held		1
Cash and cash equivalents at 31 December		**5,189**

VPS

Consolidated statement of cash flows for the period from 29 July 2021 to 31 December 2021 (continued)

In thousands of USD	Cash and cash equivalents	Borrowings due <1 year	Borrowings due >1 year	Total
Net debt at 29 July 2021	**8,328**	**-**	**(116,465)**	**(108,137)**
Cashflows	(3,140)	(3,359)	-	(6,499)
Foreign exchange adjustments	1	-	-	1
Other non-cash movements	-	3,255	(158)	3,097
Net debt at 31 December 2021	**5,189**	**(104)**	**(116,623)**	**(111,538)**

The accompanying notes are integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1. Reporting entity

VPS Bidco B.V. (hereafter "the Company") is a private limited liability company domiciled in the Netherlands and is incorporated on 16 June 2021. The Company's registered office is at Hoogoorddreef 15, 1101 BA Amsterdam and has its legal seat in Amsterdam. The Company is registered at the Chamber of Commerce with registration number 83100466. These consolidated financial statements comprise the Company and its subsidiaries (collectively the 'Group' and individually 'Group companies') together operating as Veritas Petroleum Services Group. The Group primarily provides testing and survey services to the Maritime industry.

VPS Bidco B.V. acquired 100% of the shares in the VPS Group on 29 July 2021. The parent company of VPS Bidco B.V. is VPS Midco B.V. The ultimate parent is Fremman Limited, registered in the United Kingdom.

The operations of the VPS Group are offering a differentiated expertise in fuel and oil to customers in order to optimise the performance and economics of industrial machinery and ensure compliance with environmental regulation. The VPS Group is headquartered in Barendrecht (The Netherlands), with service offices in Asia, the Middle East, Europe and the United States, and five fuel-testing laboratories strategically located in Barendrecht (The Netherlands), Singapore, Houston, Fujairah and Manchester that are supported round-the-clock by technical experts. The Group offers testing services from all ports worldwide and have inspection services available at more than 200 bunkering ports worldwide.

2. Basis of accounting and measurement

These consolidated statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union (EU) and the statutory provisions of Part 9, Book 2 of the Dutch Civil Code. The consolidated financial statements have been prepared using the historical cost convention, except for the net defined benefit (asset) liability, which has been accounted for at fair value or the plan assets less the present value of the defined benefit obligation.

Details of the Group's accounting policies are included in Notes 5 and 6.

These consolidated financial statements were authorised for issue by the Company's board of directors on 14 April 2022.

Functional and presentation currency
These consolidated financial statements are presented in thousands of United States Dollars (USD), which is the Company's functional currency.

VPS

Notes to the consolidated financial statements (continued)

3. Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities income and expenses. Actual results may differ from these estimates.

Estimated and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Critical estimates, judgements and errors
The areas involving significant estimates or judgements are related to:

Note 13 – impairment test: key assumptions underlying recoverable amount.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Measurement of fair values
A number of the Group's disclosures require the measurement of fair value, for both financial and non-financial assets and liabilities. When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entire in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in:

Note 5 – basis for consolidation: key assumptions underlying to the determination of fair values in business combinations;
Note 13 – impairment test: key assumptions underlying recoverable amount; and

Note 19 – employee benefits: based on actuarial calculations.

Notes to the consolidated financial statements (continued)

4. New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2021:

Covid-19-related Rent Concessions – Amendments to IFRS 16
Interest Rate Benchmark Reform Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

The Group has consistently applied the accounting policies set out in Note 5 to all periods presented in these consolidated financial statements.

5. Significant accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

Basis of consolidation

Business combinations
The Group accounts for business combinations using the acquisition method when control is transferred to the group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. When the consideration transferred is less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Transaction costs are expensed as incurred.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Subsidiaries
Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to influence those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

VPS

Notes to the consolidated financial statements (continued)

Transaction eliminated on consolidation
Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Foreign currency

Functional and presentation currency
Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates. The Company's functional currency is the United States Dollar. The financial statements are presented in United States dollars which is the Group's presentation currency.

Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured.
Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within finance income or cost.

Group companies
All the results and financial position of the group entities (none of which has the currency of a hyper-inflationary economy) are measured in the Company's functional currency. The presentation currency of the Group is United States Dollar; Transoil Laboratory Holding Ltd and Transoil Laboratory Ltd have the functional currency British Pound, PGI Industries Pte Ltd has the functional currency Singapore Dollar and Yxney Maritime AS has the functional currency Norwegian Krone.

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and;
all resulting exchange differences are recognised in other comprehensive income.

Notes to the consolidated financial statements (continued)

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Revenue

Main activity of the Group is performing services to the Maritime industry and, through Transoil Laboratory Ltd and PGI Industries Pte Ltd, also in the Power industry (approximately 4% of total sales).

Accounting for revenue
IFRS 15 introduced a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognized at an amount of the consideration to which the Group is entitled in exchange for the completion of the performance obligation to the customer.

If a discount or rebate is granted, the discount or rebate is allocated to the relevant performance obligations in the contract changing the relevant stand-alone selling prices. In practise, the discounts and rebates are accounted for in the same period as the services have been provided or the sale of goods has taken place.

Rendering of services
The Group mainly renders services to customers in the Maritime and Power industry related to Fuel Quality Testing, Bunker Quantity Surveys and Oil Condition Monitoring. Performance obligations in the contracts with customers for these services are satisfied at a point in time.

Revenue from rendering services as far as the performance obligation has been completed at the reporting date and collection of the consideration is probable, are recognised in the profit or loss account. Received amounts from service arrangements for which services are not completed at reporting date are recognised as contract liabilities in the balance sheet.

The significant payment term as stated in the Group's contracts is 30 days.

Contract assets

When the Group performs a contract by transferring goods or services to the customer before the customer pays consideration or before the payment from the customer is due, the contract is considered a contract asset (excluding the amounts already presented as receivables). Reference is made to Note 7 and Note 20.

Notes to the consolidated financial statements (continued)

Contract liabilities

When the customer pays consideration before the Group transfers a good or service to the customer, the contract is considered a contract liability when the payment is made or the payment is due. A contract liability is the Group's obligation to transfer goods or services to the customer for which the entity has received consideration from the customer. Reference is made to Note 7 and Note 20.

Expenses

Expenses arising from the company's business operations are accounted for as operating expenses in the year incurred. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Employee benefits

For defined contribution plans, the group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis.

The group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

The Company's branch office in United Arab Emirates provides end of service benefits to its employees. The entitlement of these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accounted for based on the Project Unit Credit Method (PUCM) over the period of employment.

Government grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are recognised in profit and loss over the period necessary to match them with the costs that they are intended to compensate.

Finance income and finance costs

The group's finance income and finance costs include:

- Interest income;
- Interest expenses;
- The net gain or loss on financial assets and financial liabilities;
- Foreign currency translation.

Interest income or expense is recognised using the effective interest method.

Notes to the consolidated financial statements (continued)

Income tax

Income tax expenses comprises current and deferred tax. Tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other Comprehensive Income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are only offset if certain criteria are met.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the group expects, at reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this resumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

Notes to the consolidated financial statements (continued)

Property, plant and equipment

Recognition and measurement
Property, plant and equipment are non-current assets used in the operating activities of the Group with a useful life of over one year.

An item of property, plant and equipment is initially recognised at its acquisition cost which consists of the purchase price and other expenditures directly related to the acquisition that are necessary for bringing the asset to its operating condition and location.

An item of property, plant and equipment is subsequently stated at cost less any accumulated depreciation and any impairment losses.

Subsequent expenditure
Subsequent expenditure incurred for an item of property, plant and equipment is recognised as a non-current asset when it is probable that the Group will derive future economic benefits from it and its cost can be measured reliably.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other (operating) expenses' in the consolidated statement of profit or loss and other comprehensive income.

Depreciation
Depreciation is calculated to write off the cost items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in 'Depreciation, amortisation and impairment expenses' in the consolidated statement of profit or loss and other comprehensive income.

Land is not depreciated. The estimated useful lives for the current and comparative years of significant items of Property, Plant and Equipment are as follows:

Buildings and leasehold improvements	5 - 40 years
Equipment, fixtures and fittings	3 - 10 years
Right-of-use assets	1 – 11 years

Intangible assets and goodwill

Customer relationships and brand names
Customer relationships and brand names in a business combination are recognised at fair value at the acquisition date.

VPS

Notes to the consolidated financial statements (continued)

Customer relationships and brand names have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost over their estimated useful lives of 17- 23 years.

Goodwill
Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

The Group acknowledges four CGUs; reference is made to Note 13.

Software
Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured

Notes to the consolidated financial statements (continued)

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives using the straight-line method, which does not exceed five years.

Share capital
Ordinary shares are classified as share capital. Incremental costs directly attributable to the issuance of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

The amount of dividends paid during the financial year, is presented in the statement of changes in equity. Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

VPS

Notes to the consolidated financial statements (continued)

Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

Financial Instruments
Classification of non-derivative financial instruments

The Group classifies non-derivative financial assets into the following categories:

Trade receivables and other financial assets at amortised cost;
Financial assets at fair value through other comprehensive income (OCI); and
Financial assets at fair value through profit or loss.

The Group classifies non-derivative financial liabilities into the following categories:

Trade payables and other financial liabilities (of which Loans and borrowings) at amortised cost.

Financial instruments are presented as current or non-current in the statement of financial position on the basis of its settlement date. Financial instruments are presented as current when the Group expects to realise them within 12 months.

The Group has no investments in equity securities.

Non-derivative financial assets and financial liabilities – Recognition and de-recognition

The Group recognises financial assets on trade-date, the date on which the Group commits to purchase the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

The Group recognises financial liabilities on trade-date, the date on which the Group commits to the obligation in the contract. Financial liabilities (or part of financial liabilities) are derecognised when the financial liability is extinguished, i.e. when the obligation specified in the contract is discharged, cancelled or expired.

VPS

Notes to the consolidated financial statements (continued)

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, the Group has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Non-derivative financial assets – Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Subsequent measurement of non-derivative financial assets is as follows:

Type	Description of subsequent measurement of non-derivative financial assets
Trade receivables and other financial assets at amortised cost	Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
Financial assets at fair value through other comprehensive income (OCI)	Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.
Financial assets at fair value through profit or loss	Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Notes to the consolidated financial statements (continued)

Non-derivative financial liabilities – Measurement

At initial recognition, the Group measures a financial liability at its fair value minus, in the case of a financial liability not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial liability. Transaction costs of financial liabilities carried at FVPL are expensed in profit or loss.

Subsequent measurement of non-derivative financial liabilities is at amortised cost.

Amortised cost valuation

Interest and the amortised cost valuation of a financial instrument are calculated by applying the effective interest method to the gross carrying amount of the financial instrument. When the contractual cash flows are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial instrument in accordance with IFRS 9, the Company recalculates the gross carrying amount and recognises the modification gain or loss in the profit and loss account. The gross carrying amount of the financial instrument is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial instruments original effective interest rate or when applicable the revised effective interest rate. Any costs or fees incurred adjust the carrying amount of the modified financial instrument and are amortised over the remaining term of the modified financial instrument.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit loss associated with its financial assets carried at amortised cost and FVOCI. To measure the expected credit losses, financial assets have been grouped based on shared credit risk characteristics and the days past due. A provision for doubtful debts is determined using a provision matrix (expected credit loss model) and will be accounted for when collection of the financial asset is no longer probable. This provision matrix has been developed to reflect the country risk, the credit risk profile as well as available historical data. Bad debts are written off when identified.

Leases

The group leases various offices, warehouses and vehicles. Rental contracts are typically made for fixed periods of 6 months to 30 years but may have extension options.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group.

Contracts may contain both lease and non-lease components. The group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Notes to the consolidated financial statements (continued)

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants and may not be used as security for borrowing purposes.

The leases for certain offices contain extension periods, for which the related lease payments had not been included in lease liabilities as the Company is not reasonably certain to exercise these extension option.

The Company negotiates extension options to optimise operational flexibility in terms of managing the assets used in the Company's operations. The majority of the extension options are exercisable by the Company and not by the lessor.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the group under residual value guarantees;
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third-party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Notes to the consolidated financial statements (continued)

The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise the lease of small items of office equipment.

Cash flow statement

The cash flow statement has been prepared using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

Corporate income taxes, issuance of share capital, interest received, and dividends received are presented under the cash flow from operating activities. Transactions with regards to loans and borrowings, interest paid and dividends paid are presented under the cash flow from financing activities. Acquisition of assets and the cost of group companies acquired is presented under the cash flow from investment activities, as far as payment has been made with cash and cash equivalents. The cash and cash equivalents of the group companies acquired are deducted from the purchase cost.

Notes to the consolidated financial statements (continued)

6. New standards and interpretations not yet adopted by the Group

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2021 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods on foreseeable future transactions.

Standards issued and effective after 1 January 2022

IFRS 17 Insurance contracts (effective 1 January 2023);
Property, Plant and Equipment: Proceeds before intended use – Amendments to IAS 16 (effective 1 January 2022);
Reference to the Conceptual Framework – Amendments to IFRS 3 (effective 1 January 2022);
Annual Improvements to IFRS Standards 2018-2020 (effective 1 January 2022);
Classification of Liabilities as Current or Non-current – Amendments to IAS 1 (effective 1 January 2023);
Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practise Statement 2 (effective 1 January 2023);
Definition of Accounting Estimates – Amendments to IAS 8 (effective 1 January 2023);
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12 (effective 1 January 2023).

Standards issued but not effective after 1 January 2022

Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28, application date to be determined)

VPS

Notes to the consolidated financial statements (continued)

7. Revenue

Based on IFRS 15 Revenue from Contracts with Customers, the revenues can be split as follows:

In thousands of USD	29 July 2021 - 31 December 2021
Sales of goods	463
Rendering of services	20,653
Total of Revenue	**21,116**

In thousands of USD	29 July 2021 - 31 December 2021
Fuel Quality Testing	14,255
Bunker Quantity Survey	3,884
Oil Condition Monitoring	1,855
Data sales	570
Other rendering of services	89
Sales of goods	463
Total of Revenue	**21,116**

The nature and timing of the cash flows from contracts with customers is similar for the above stated revenue types as revenue is recognised by the Group at a point in time.

Revenue from rendering services as far as the performance obligation has been completed at the reporting date and collection of the consideration is probable, are recognised in the profit or loss account. The movements in the balances arisen from contracts with customers are as follows:

In thousands of USD	31 December 2021
Receivables arisen from contracts with customers - Trade receivables	5,398
Contract assets - Services to be invoiced	4,368
Contract liabilities - Customer advances	(1,632)
Contract liabilities - Accrued rebates	(500)
Balances arisen from contracts with customers	**7,634**

Notes to the consolidated financial statements (continued)

In thousands of USD	Contract liabilities: Customer advances	Contract liabilities: Accrued rebates
Balance at 29 July 2021	(1,866)	(461)
Revenue recognised/advance payments settled	1,147	-
Customer advances received	(913)	-
Rebates accrued	-	(129)
Rebates settled	-	90
Balance at 31 December 2021	**(1,632)**	**(500)**

The laboratories of the group are geographically spread around the world and generate the following geographical revenue streams per region.

In thousands of USD	29 July 2021 - 31 December 2021
Europe	13,472
Africa, Middle East and Asia	5,106
Americas	2,538
Total of Revenue	**21,116**

8. Employee benefits expenses

In thousands of USD	29 July 2021 - 31 December 2021
Wages and salaries	(8,058)
Severance expenses	-
Social security contributions	(895)
Contributions to defined contributions plans	(277)
Contribution to foreign governmental retirement arrangements	(258)
Travel and work related expense allowances	(178)
Employee re-location allowances	(60)
Other employee benefits	(19)
Total of Employee Benefits expenses	**(9,745)**

Notes to the consolidated financial statements (continued)

Average number of employees
During financial year 2021, the average number of employees expressed as on a full-time-equivalent (fte) basis amounts to 262. Of these employees, 170 were employed outside the Netherlands. The average number of employees per Europe region amounts to 138, Africa, Middle East and Asia region amounts to 102 and Americas region amounts to 22.

9. Depreciation and amortisation and Other (operating) expenses

Depreciation and amortisation

In thousands of USD	*Note*	**29 July 2021 - 31 December 2021**
Depreciation of Property, plant and equipment	12	**(957)**
Depreciation of Right of Use Assets	17	**(348)**
Amortisation of Intangible assets	13	**(3,178)**
Total of Depreciation and Amortisation		**(4,483)**

Other (operating) expenses

In thousands of USD	**29 July 2021 - 31 December 2021**
Subcontractors	**(1,142)**
Freight	**(1,234)**
Leases of property, plant and equipment	**(161)**
Local and property taxes	**(52)**
Office and real estate expenses	**(650)**
Office supplies and support	**(105)**
ICT and communication expenses	**(694)**
Operational equipment and related maintenance	**(479)**
Marketing	**(102)**
Professional fees - audit and accounting	**(269)**
Professional fees - legal and tax	**(669)**
Professional fees - other	**(4,298)**
Travel and lodging	**(169)**
Bad debt	**20**
Total of Other (operating) expenses	**(10,004)**

VPS

Notes to the consolidated financial statements (continued)

Bad debt consists of the following.

In thousands of USD	29 July 2021 - 31 December 2021
Release of provision for bad debt	53
Direct write-off of receivables	(33)
Total of Bad debt	**20**

10. Net finance costs

In thousands of USD	29 July 2021 - 31 December 2021
Interest income on loans and receivables	1
Finance income	**1**
Interest expenses on financial liabilities	(3,456)
Interest expenses amortisation lease liability	(106)
Other financial expenses	(205)
Finance expense	**(3,767)**
Net foreign exchange loss	(555)
Other finance income and expenses	**(555)**
Total net finance costs	**(4,321)**

11. Income taxes

Amounts recognised in profit or loss

In thousands of USD	29 July 2021 - 31 December 2021
Current tax expense	
Current year tax on losses for the year	(320)
Adjustments to prior years	110
Total of current tax	**(210)**
Deferred tax	
Change in deferred tax assets and liabilities	91
Total of deferred tax	**91**
Total of income taxes	**(119)**

The group considers its accrual for tax liabilities to be adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience.

VPS

Notes to the consolidated financial statements (continued)

Reconciliation of standard and effective tax rate

In thousands of USD	29 July 2021 - 31 December 2021	
Loss before tax		(7,809)
Tax using the Company's domestic tax rate	25%	1,952
Effect of tax rates in foreign jurisdictions	1%	63
Reduction in tax rate	0%	-
Tax effect of non-deductible or non-taxable items	-20%	(1,536)
Tax effect of utilisation of tax losses carry forward in fiscal unity	-9%	(683)
Adjustments to prior years	1%	110
Other	0%	(24)
	-2%	(119)

The Group has operations in various countries that have different tax laws and rates. The effect on the effective tax rate for the 2021 reconciliation above is the corporate income tax rate on taxable profits under tax law in that jurisdiction.

The non-deductible or non-taxable items mainly relate to the deductible interest cap (Dutch CIT 15b rule, effective from 1 January 2020), applicable to the entities in the Dutch fiscal unity.

Movement in deferred tax balances

In thousands of USD						Balance at 31 December		
2021	Net balance at 29 July	Recognised in Profit or loss	Additions	Carry-over to new head of fiscal unity	Recognised in OCI	Net	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	(1,761)	(129)	-	-	-	(1,890)	-	(1,890)
Intangible assets	(27,136)	760	(72)	-	17	(26,431)	-	(26,431)
Employee benefits	-	1	-	-	-	1	1	-
Carry forward tax loss	1,373	(541)	-	(586)	2	248	248	-
Net tax (liabilities)/assets	(27,524)	91	(72)	(586)	19	(28,072)	249	(28,321)
Non-current							249	(26,525)
Current							-	(1,796)
Net tax (liabilities)/assets							249	(28,321)

The utilisation of the deferred tax asset is dependent on future taxable profits.

Notes to the consolidated financial statements (continued)

Deferred tax asset – Dutch fiscal unity

Since financial year 2013, Veritas Petroleum Services B.V. joined its parent Veritas Petroleum Services Holding B.V. in Tax unity for corporate income tax and value-added-tax. As per 1 January 2014 an indirect subsidiary, Veritas Petroleum Services Europe B.V., was added to the fiscal unity in relation to corporate income tax. On 29 July 2021, VPS Bidco B.V. and VPS Midco B.V. were added to the fiscal unity, after which VPS Midco B.V. became the head of the fiscal unity. Consequently, as per 31 December 2021, the deferred tax asset related to the fiscal unity's unused tax losses is accounted for on the balance sheet of VPS Midco B.V.

No settlement will be made by the head of the fiscal unity to its members and the head of the fiscal unity will bear all the tax charges. Under the Dutch Tax Collection Act, the members of a fiscal unity are jointly and severally liable for any tax amounts in relation to a relevant tax unity due.

The available carry forward corporate tax losses per 31 December 2021 amount to USD 793 thousand (29 July 2021: USD 2,344 thousand).

In thousands of USD	**Total**
Unused tax losses	**793**
Deferred tax asset (@ 25%)	**198**

The available carry forward tax losses are measured against the Dutch corporate income tax rate of 25%. The deferred tax asset is recognised in the balance sheet of VPS Midco B.V. as head of the fiscal unity.

VPS

Notes to the consolidated financial statements (continued)

12. Property, plant and equipment

Reconciliation of net book value

In thousands of USD	*Note*	Land, buildings and leasehold improvements	Equipment, fixtures and fittings	Assets under construction	Total
Cost					
Balance at 29 July 2021		19,153	25,774	11	44,938
Additions		**23**	**550**	**171**	**744**
Foreign currency adjustment		-	**(5)**	-	**(5)**
Disposals		-	-	-	-
Transfer of assets under construction to other fixed asset classes		-	**11**	**(11)**	-
Balance at 31 December 2021		**19,176**	**26,330**	**171**	**45,677**
Accumulated depreciation					
Balance at 29 July 2021		(8,278)	(22,511)	-	(30,789)
Depreciation	**9**	**(364)**	**(593)**	-	**(957)**
Foreign currency adjustment		**(3)**	**2**	-	**(1)**
Disposals		-	-	-	-
Balance at 31 December 2021		**(8,645)**	**(23,102)**	-	**(31,747)**
Net book value					
At 29 July 2021		10,875	3,263	11	14,149
At 31 December 2021		**10,531**	**3,228**	**171**	**13,930**

All of the above has been acquired as a result of the business combination during the year.

13. Intangible assets and goodwill

A. Reconciliation of net book value

In thousands of USD	*Note*	Goodwill	Customer relationships	Brandname	Software	Assets under construction	Other	Total
Cost								
Balance at 29 July 2021		104,865	124,391	6,850	9,777	23	45	245,950
Additions		-	-	-	**276**	-	-	**276**
Disposals		-	-	-	-	-	-	-
Foreign currency adjustment		**(357)**	**26**	-	**(107)**	-	-	**(438)**
Transfer of assets under construction to other fixed asset classes		-	-	-	**23**	**(23)**	-	-
Balance at 31 December 2021		**104,508**	**124,417**	**6,850**	**9,969**	-	**45**	**245,788**
Accumulated amortisation								
Balance at 29 July 2021		-	(23,307)	(43)	(6,350)	-	(45)	(29,745)
Amortisation	**9**	-	**(2,631)**	**(182)**	**(365)**	-	-	**(3,178)**
Foreign currency adjustment		-	**2**	**(7)**	**2**	-	-	**(3)**
Disposals		-	-	-	-	-	-	-
Balance at 31 December 2021		-	**(25,936)**	**(232)**	**(6,713)**	-	**(45)**	**(32,926)**
Net book value								
At 29 July 2021		104,865	101,084	6,807	3,427	23	-	216,205
At 31 December 2021		**104,508**	**98,481**	**6,618**	**3,256**	-	-	**212,862**

VPS

Notes to the consolidated financial statements (continued)

B. Impairment of goodwill

Impairment of goodwill – Cash generating units

The following cash generating units are identified:

- VPS Group (excluding Transoil Group, Yxney and PGI);
- Transoil Laboratory Ltd Group;
- Yxney Maritime AS, and;
- PGI Industries Pte Ltd.

For the purpose of impairment testing, the USD 104.5 million of goodwill is allocated to the cash generating units as follows:

- VPS Group: USD 93.9 million;
- Transoil Group: USD 5.1 million;
- Yxney: USD 4.9 million, and;
- PGI: USD 0.6 million.

The recoverable amount of this CGU was based on fair value less cost of disposal, estimated using discounted cash flows.

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of market relevant data on future trends and past performance in the marine fuel and transformer oil market.

B.1 Key assumptions

Cashflow projections

Post-tax cash flow projections in the fair value less costs of disposal calculation are mainly dependent on the development of the revenue growth rate. Management estimates the assumptions based on the past performance and expected general market developments.

The management key assumptions over a 5-year forecast period can be specified as follows:

	CGU VPS Group		CGU Transoil Group		CGU Yxney	CGU PGI
Management forecast projection	**2022 - 2026**	2021 - 2025	**2022 - 2026**	2021 - 2025	**2022 - 2026**	**2022 - 2026**
Revenue annual growth rate	**10.84%**	10.56%	**8.32%**	10.58%	**86.79%**	**7.78%**
EBITDA annual growth rate	**17.42%**	14.12%	**2.58%**	18.06%	**-296.70%**	**15.10%**
Capex (in millions of USD)	**10.0**	10.4	**0.34**	0.34	**1.7**	**0.1**
Investments in RoU Assets (in millions of USD)	**0.7**	0.93	**0.60**	0.39	**0.3**	-

<u>CGU VPS Group:</u> The Group's expected growth will be supported by offering our existing services to new markets, the cross-selling of services and introducing innovative services to provide additional tests on existing samples. Expected EBITDA was estimated taking into account past experience, adjusted as follows.

Revenue growth was projected taking into account the average growth levels experienced within the Maritime Industry.

Significant one-off (post) acquisition and organisational restructuring costs are excluded from expected EBITDA.

VPS

Notes to the consolidated financial statements (continued)

The Group will invest in laboratory equipment to facilitate efficiencies. Investing in new and existing equipment and focusing on business developments helps with management's aim to increase the market share in the next five years.

CGUs Transoil Group and PGI: The Group's expected growth will be supported by offering our existing services to a wider geographical area, winning market from competitors and market information showing a growing use of transformer oil.

Expected EBITDA was estimated taking into account past experience, adjusted as follows.

- Revenue growth was projected taking into account the average growth levels experienced within the industry.
- Significant one-off (post) acquisition and organisational restructuring costs are excluded from expected EBITDA.

CGU Yxney: The Group's expected growth will be supported by offering our existing services to a wider geographical area.

Discount rate and terminal value growth rate

The discount rate and terminal value growth rate are as follows:

	CGU VPS Group		CGU Transoil Group		CGU Yxney	CGU PGI
In percent	**2022 - 2026**	2021 - 2025	**2022 - 2026**	2021 - 2025	**2022 - 2026**	**2022 - 2026**
Discount rate	**11.10%**	7.40%	**9.90%**	9.30%	**16.90%**	**19.20%**
Terminal value growth	**1.90%**	2.00%	**1.00%**	1.50%	**1.50%**	**2.00%**

The discount rate is estimated based on the observable weighted–average cost of capital in the industry. The terminal growth rate was based on the risk-free rate used in the PPA of the acquisition of the different CGUs during the year.

Impairment assessment outcome

The recoverable amounts for each CGU are as follows:

In millions of USD	**Recoverable amount**
CGU VPS Group	**210**
CGU Transoil Group	**8**
CGU Yxney	**22**
CGU PGI	**2**

The impairment analysis as per 31 December 2021 did not result in an impairment for the CGUs VPS Group, Transoil, Yxney and PGI as the recoverable amount of the CGU exceeded its carrying amount.

Notes to the consolidated financial statements (continued)

Sensitivity analysis

Management has identified that a deviation in key assumptions could lead to a carrying amount exceeding the recoverable amount. The following table shows a sensitivity (percentage point change per key assumption) resulting in a headroom of nil:

	CGU VPS Group		CGU Transoil Group		CGU Yxney	CGU PGI
In percentage point	**2022 - 2026**	2021 - 2025	**2022 - 2026**	2021 - 2025	**2022 - 2026**	**2022 - 2026**
Discount rate	**2.05%**	12.88%	**0.06%**	2.12%	**24.15%**	**13.13%**
Terminal value growth rate	**-2.93%**	-29.04%	**-0.07%**	-3.12%	**-193.70%**	**-45.96%**
Revenue growth rate	**-1.80%**	-7.17%	**-0.04%**	-2.35%	**-12.46%**	**3.88%**
EBITDA for the projection period	**-11.81%**	-396.22%	**-0.27%**	-19.14%	**-106.51%**	**-31.45%**

Furthermore, management calculated a sensitivity based on movements of these key assumptions. The impact on the headroom can be specified as follows:

	CGU VPS Group				CGU Transoil Group			
	Impact on Headroom				Impact on Headroom			
	31 December 2021		31 December 2020		**31 December 2021**		31 December 2020	
In millions of USD	**Increase**	**Decrease**	Increase	Decrease	**Increase**	**Decrease**	Increase	Decrease
Discount rate (1% movement)	**(21)**	**27**	(58)	85	**(1)**	**1**	(3)	4
Terminal value growth rate (1% movement)	**20**	**(16)**	70	(48)	**1**	**(1)**	3	(2)
Revenue per year in the projection period (3% movement)	**80**	**(71)**	145	(129)	**1**	**(3)**	5	(5)
EBITDA per year in the projection period (10% movement)	**143**	**(90)**	26	(20)	**8**	**(5)**	11	(7)

	CGU Yxney		CGU PGI	
	Impact on Headroom		Impact on Headroom	
	31 December 2021		**31 December 2021**	
In millions of USD	**Increase**	**Decrease**	**Increase**	**Decrease**
Discount rate (1% movement)	**(2)**	**2**	**(0)**	**0**
Terminal value growth rate (1% movement)	**1**	**(1)**	**0**	**(0)**
Revenue per year in the projection period (3% movement)	**2**	**(2)**	**0**	**(0)**
EBITDA per year in the projection period (10% movement)	**15**	**(10)**	**1**	**(1)**

14. Trade and other receivables

In thousands of USD	**31 December 2021**	29 July 2021
Trade receivables	**5,398**	5,922
Services to be invoiced (contract assets IFRS 15)	**4,368**	3,993
Prepayments	**1,208**	1,343
Receivables related parties	**2,015**	1,912
Other receivables	**3**	3
Deposits in connection to lease contracts	**373**	365
Total of trade and other receivables	**13,365**	**13,538**
Non-current	**373**	2,277
Current	**12,992**	11,261
Total of trade and other receivables	**13,365**	**13,538**

Services to be invoiced (contract assets IFRS 15)

At 31 December 2021, the services to be invoiced reflect the services to clients provided by the Group during the month of December 2021. These services will be invoiced in January 2022 following the arrangements with these clients.

The services to be invoiced are considered contract assets from the perspective of *IFRS 15 Revenue from Contracts with Customers*.

Credit and market risk, and impairment losses
The provision for impairment of trade receivables is as follows.

In thousands of USD	**31 December 2021**	29 July 2021
Trade receivables	**5,627**	6,204
Provision for impairment of receivables	**(229)**	(282)
Total of trade receivables	**5,398**	5,922

Information about the Group's exposure to credit and market risks, impairment losses for trade and other receivables and contract assets, is included in Note 22.

15. Cash and cash equivalents

In thousands of USD	**31 December 2021**	29 July 2021
Petty cash	**3**	2
Bank balances	**5,186**	8,326
Total of cash and cash equivalents	**5,189**	8,328

The total amount of cash and cash equivalents is at free disposal to the company.

16. Equity

	Attributable to owners of the Company			
In thousands of USD	Share capital	Share Premium	Other reserves/ Accumulated losses	Total equity
Balance at 29 July 2021	-	**93,439**	-	**93,439**
Net result	-	-	**(7,928)**	**(7,928)**
Other comprehensive income	-	-	**106**	**106**
Total comprehensive loss	-	-	**(7,822)**	**(7,822)**
Balance at 31 December 2021	-	**93,439**	**(7,822)**	**85,617**

Share capital
The authorised share capital consists of USD 100 divided in 100 ordinary shares with a nominal value of USD 1 per share. All the authorised share capital are issued and fully paid.

Share premium
Additional paid-in capital has been recognised as share premium which is freely distributable when the total equity after the distribution is higher than the legal and statutory reserves and when liquidity and group covenant requirements are met.

VPS

Notes to the consolidated financial statements (continued)

Other reserves/ Accumulated losses

The amount in other reserves is available for profit sharing among the shareholders when the total equity after the distribution is higher than the legal and statutory reserves and when liquidity and group covenant requirements are met. Distribution of the profit is at the discretion of the Company.

Proposal for net result appropriation

The board of directors proposes to add the current year net loss of USD 7,928 thousand to the Other reserves/Accumulated losses.

17. Leases

The balance sheet shows the following amounts relating to leases:

Right-of-use assets

Right-of-use assets

In thousands of USD	*Note*	Lease of buildings	Lease of corporate cars	Total
Cost				
Balance at 29 July 2021		2,692	917	3,609
Additions		**272**	**95**	**367**
Disposals and revisions		**(279)**	**(109)**	**(388)**
Balance at 31 December 2021		**2,685**	**903**	**3,588**
Accumulated depreciation				
Balance at 29 July 2021		(1,066)	(319)	(1,385)
Depreciation	**9**	**(254)**	**(94)**	**(348)**
Disposals and revisions		**279**	**77**	**356**
Balance at 31 December 2021		**(1,041)**	**(336)**	**(1,377)**
Net book value				
At 29 July 2021		1,626	598	2,224
At 31 December 2021		**1,644**	**567**	**2,211**

Notes to the consolidated financial statements (continued)

Lease liability

In thousands of USD	Lease of buildings	Lease of corporate cars	Total
Lease liability			
Balance at 29 July 2021	(1,874)	(635)	(2,509)
Lease payments	**337**	**120**	**457**
Discounting	**(89)**	**(17)**	**(106)**
Additions	**(272)**	**(95)**	**(367)**
Disposals and revisions	**-**	**28**	**28**
FX revaluation	**53**	**26**	**79**
Balance at 31 December 2021	**(1,845)**	**(573)**	**(2,418)**

The discount rates applied are 5.20% - 7.10% for lease of buildings and 3.55% - 3.80% for lease of corporate cars.

The lease liability as of 31 December 2021 can be split as follows:

In thousands of USD	Lease of buildings	Lease of corporate cars	Total
Lease liability			
Current	**(742)**	**(278)**	**(1,020)**
Non-Current	**(1,103)**	**(295)**	**(1,398)**
Balance at 31 December 2021	**(1,845)**	**(573)**	**(2,418)**

18. Loans and borrowings

In thousands of USD	External loan	Total
Non-current Loans and borrowings		
Balance at 29 July 2021	**116,465**	**116,465**
Amortization	**158**	**158**
Balance at 31 December 2021	**116,623**	**116,623**
Non-current	**116,623**	**116,623**
Current	-	-
Balance at 31 December 2021	**116,623**	**116,623**

Current Loans and borrowings

In thousands of USD	**31 December 2021**	29 July 2021
Accrued interest External loan	**40**	-
Accrued commitment fee External loan	**64**	-
Total of current Loans and borrowings	**104**	-

Notes to the consolidated financial statements (continued)

The terms and conditions of the outstanding loans are as follows.

				31 December 2021	
In thousands of USD	Currency	Nominal interest rate	Year of maturity	**Face value**	**Carrying amount**
External loan	USD	US-Libor + 6.5%/3.25% spread	2028	**119,000**	**116,623**
Total of interest bearing liabilities				**119,000**	**116,623**

External loan

On 29 July 2021 the Group obtained a loan facility of USD 119 million of which USD 99 million has a duration of 7 years and USD 20 million has a duration of 6.5 years.

The interest rate is agreed on US LIBOR + 6.50% (margin) for the USD 99 million and on US LIBOR + 3.25% (margin) for the USD 20 million. The interest is paid monthly. The US LIBOR rate is set monthly resulting in an applicable interest rate of 6.60% and 3.35% respectively at 31 December 2021.

The additional available commitment is USD 15 million and USD 10 million (available for 7 years and 6 years respectively). The commitment fee is 1.625% for the USD 15 million and 1.1375% for the USD 10 million both payable every 3 months.

19. Employee benefits

In thousands of USD	**31 December 2021**	29 July 2021
Liability for social security contributions and retirement arrangements premiums	**435**	870
Liability for salaries, holiday allowances and incentives to be paid	**2,241**	917
Liability for resignation fee foreign regulations	**429**	436
Total of employee benefit liabilities	**3,105**	2,223
Non-current	**429**	436
Current	**2,676**	1,787
Total of employee benefit liabilities	**3,105**	2,223

As a result of the acquisition of indirect subsidiaries, USD 1.3 million was recognized as incentives to be paid for previous shareholders if certain key employees remain employed at a certain date.

The Group contributes to the following post-employment defined benefit plans as per 31 December 2021.

Employees' end-of-service benefits (Liability for resignation fee foreign regulations)

The Company provides its employees an end-of service benefit for which a liability is provided. Any movement in the liability is recognised in statement of profit or loss. The Group used for the employees' end-of-service benefit calculation the Project Unit Credit Method.

Notes to the consolidated financial statements (continued)

The plan is beneficiary for in total 31 employees in United Arab Emirates which are still in active duty. The benefit is settled when the employee is no longer employed at the Company.

20. Trade and other payables

In thousands of USD	**31 December 2021**	29 July 2021
Trade Payables	**1,949**	3,572
Payables Related Parties	**1,359**	-
Accrued expenses	**7,281**	7,587
Customer advances (contract liabilities IFRS 15)	**1,632**	1,866
Total of trade and other payables	**12,221**	13,025
Non-current	**-**	-
Current	**12,221**	13,025
Total of trade and other payables	**12,221**	13,025

The Group's exposure to currency and liquidity risk related to trade and other payables is disclosed in Note 22.

Customer advances (contract liabilities IFRS 15)

Some part of the Group's customers made payments in advance (annually and quarterly) for services to be provided. Such agreements are based on an expected quantity of services to be provided in a specific period. The customer advances are considered contract liabilities from the perspective of *IFRS 15 Revenue from Contracts with Customers*. The Group expects to realise the performance obligations related to the customer advances within 12 months. The amount of revenue recognised in the reporting period is USD 235 thousand.

21. Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders over the longer term and to maintain an optimal capital structure to reduce the cost of capital. Reference is made to Note 22 regarding management of the Company's capital on basis of the applicable covenants. In its financial management reporting the Group monitors and reports monthly on its capital by using the same net leverage ratio as applied in the applicable covenants mentioned in Note 18. Per 31 December 2021, the Group complied with all covenant requirements.

VPS

Notes to the consolidated financial statements (continued)

22. Financial instruments

Risk management framework

The Group's board of directors has the overall responsibility for the establishment and oversight of the Group's risk management framework. The Group is setting up a Risk Management Framework, which will be further developed in 2022.

Based on the identified business and financial risks, internal controls are being identified and documented and will subsequently be tested to evaluate the design and implementation of such internal controls. In addition, Group's risk management policies will be documented and monitored.

The Group's risk management policies are established to identify and analyse risks faced by the Group, to set appropriate risk limits and controls and to monitor risk adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company will monitor its compliance with its risk management policies and will report regularly to the Board of Directors on this subject.

Fair value

Non-current financial instruments

As per 31 December 2021, the fair value of non-current financial instruments is as follows:

In thousands of USD	Carrying amount 31 December 2021	Fair value 31 December 2021
External loan	116,623	107,396
	116,623	107,396

Current financial instruments

As per 31 December 2021 the carrying amounts of the current financial instruments represents its fair value due to the short-term maturities of these assets and liabilities.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers.

The Group has policies and work procedures in place to address and minimize the credit risk and adverse impact on the Group's statement of profit and loss.

VPS

Notes to the consolidated financial statements (continued)

The carrying amount of the financial assets assessed for credit risk, represents the maximum credit exposure.

Cash and Cash equivalents

The Group held cash and cash equivalents of USD 5,189 thousand at 31 December 2021. The cash and cash equivalents are held by banks , rated AA-, based on Standard & Poor's ratings.

Trade and other receivables (including contract assets)

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a provision matrix. This provision matrix has been developed to reflect the country risk, the credit risk profile as well as available historical data.

Contract assets

The contract assets (services to be invoiced, note 14) as at 31 December 2021 amount to USD 4,368 thousand being the consideration to be invoiced to the customer for transferred goods and services for mainly December 2021 and will be invoiced in January 2022. Establishing the balance of services to be invoiced based on goods and services transferred and the customers' contractual arrangements is an ongoing monthly process. Historical credit losses for the services to be invoiced are immaterial.

Trade and other receivables

Trade and other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of full recovery of the receivable include, amongst others, the failure of a debtor to engage in a repayment plan with the Group and failure to make contractual payments for a period of greater than 120 days past due.

Country risk

At 31 December 2021, the trade receivables by geographic region including provision for future credit losses was as follows.

In thousands of USD	**31 December 2021**
Netherlands, Belgium, Germany, France, Greece	**1,975**
Other Eurozone countries	**414**
Norway	**209**
UK	**392**
USA	**636**
Africa, Middle east, Asia	**1,259**
Other regions	**513**
Total	**5,398**

VPS

Notes to the consolidated financial statements (continued)

Credit risk profile

At 31 December 2021, the trade receivables by credit risk profile was as follows.

In thousands of USD	31 December 2021
Lowest Risk (D&B rating)	2,937
Low Moderate Risk (D&B rating)	1,726
High Moderate Risk (D&B rating)	113
Highest Risk (D&B rating)	622
Total	**5,398**

The Group uses for its analysis a monitoring portfolio management tool of credit agency Dun and Bradstreet. Credit ratings of the Group's trade receivables are determined on available information in Dun and Bradstreet's databases. Trade receivables classified at highest risk includes observed highest risk counter parts as well as unclassified counterparties.

Ageing

At 31 December 2021, the ageing of trade receivables that were not impaired was as follows.

In thousands of USD	31 December 2021
Neither past due nor impaired	3,742
Past due 1 - 60 days	1,302
Past due 61 - 120 days	290
Past due >121 days	64
Total	**5,398**

Management believes that unimpaired amounts that are past due by more than 120 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customer' credit ratings as far as available.

Provision for impairment

The movement in the provision for impairment in respect of trade and other receivables during the year was as follows.

In thousands of USD	Impairment movement
Balance at 29 July 2021	(282)
Movement general provision (matrix)	(81)
Reassessment manual adjustment general industry expectations	-
Movement previously defined regions (matrix, country risk)	134
Movement newly defined regions (matrix, country risk)	-
Balance at 31 December 2021	**(229)**

The Group believes that its allowance for impairment as per 31 December 2021 is sufficient to absorb expected future write offs on trade and other receivables.

VPS

Notes to the consolidated financial statements (continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Group monitors its risk to a shortage of funds using a cash flow forecast model. This model considers the maturity of both its non-current and current assets and liabilities (trade receivables and other financial assets or liabilities) and projected cash flows from operations.

The Group aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities (other than trade payables over the next 60 days). The Group also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

At 31 December 2021, the expected cash flows from trade and other receivables maturing within two months were USD 5,198 thousand. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments and exclude the impact of netting agreements.

In thousands of USD			Contractual cash flows				
31 December 2021	Carrying amount	Total	2 months or less	2- 12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
External loan	116,623	(119,000)	-	-	-	-	(119,000)
Trade & other payables	12,221	(12,221)	(11,591)	(630)	-	-	-
	128,844	(131,221)	(11,591)	(630)	-	-	(119,000)

With regards to the external loan, the debt covenants include maximum net leverage ratio requirements. The Group monitors its liquidity as well as its capital on the basis of the net leverage ratio covenant as part of the loan agreement.

This ratio is calculated as net interest-bearing debt divided by EBITDA. Net interest-bearing debt is calculated as total aggregated loans and borrowings less shareholder loans and unrestricted cash and cash equivalents. The EBITDA is calculated as 'earnings before interest, tax, depreciation and amortisation and before exceptional items and pension expenses' for the last twelve months at testing date and is based on original accounting policies (excluding (future) IFRS changes). Per 31 December 2021, the Group complied with the covenant requirements.

Notes to the consolidated financial statements (continued)

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group is closely monitoring the world economy as the Group's sales are depending on the developments in the marine fuel market.

Currency risk

The Group is exposed to currency risk (translation risk) to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of Group companies. The reporting currency of the Group is US dollar. The currencies in which transactions are primarily denominated are US dollar, Euro, Singapore Dollar, British Pound, United Arab Emirates Dirham and Norwegian Krone.

The group's borrowings are denominated in US dollar that match the cash flow generated by the underlying operations of the Group – primarily in US dollar. In addition, interest on borrowings is denominated in the currency of the borrowing. This provides an economic hedge without derivatives being entered into and therefore hedge accounting is not applied in these circumstances.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk is as follows per 31 December 2021.

	31 December 2021				
In thousands	EUR	SGD	NOK	GBP	AED
Trade receivables	272	168	434	138	1
Loans with subsidiaries with different functional currency	-	-	6,125	4,750	-
Trade payables	(691)	(509)	(382)	(86)	(402)
Net statement of financial position exposure	(419)	(341)	6,177	4,802	(401)

The translation of the assets and liabilities of the Group entities that do not have the USD functional currency, is taken to the Other Comprehensive income (USD 106 thousand gain).

Sensitivity analysis

A reasonably expected possible strengthening (weakening) of the Euro (EUR), Singapore dollar (SGD), British Pound (GBP), United Arab Emirates Dirham (AED) or Norwegian Krone (NOK) against the United States Dollar (USD) versus the rates per 31 December 2021 would affect the measurement of financial instruments denominated in a foreign currency and effect profit or loss by the amounts shown below.

VPS

Notes to the consolidated financial statements (continued)

in thousands of USD	Profit or loss Strengthening	Weakening
31 December 2021		
EUR (10% movement)	47	(47)
SGD (10% movement)	25	(25)
NOK (10% movement)	(70)	70
GBP (10% movement)	(648)	648
AED (10% movement)	11	(11)

Interest rate risk

Interest rate risk is defined as the risk that changes in market interest rates have an adverse impact on the Group's net financial result. The Group's interest rate exposure mainly arises from its borrowings, which is set and paid monthly.

The US Libor as set for the interest period at balance sheet date 31 December 2021 is 0.10%. The Group's sensitivity towards the US Libor is as follows:

in thousands of USD	31 December 2021 Increase	Decrease
US Libor (1% movement)	(1,190)	1,190

In September 2021, the Group entered into an Interest Rate Cap transaction until August 2023 to limit the Group's exposure to the US Libor rate of 1.00% for the external loan. The Interest Rate Cap has USD 0.1 thousand value in the balance sheet as per 31 December 2021 and is amortised to the profit and loss account linearly over the contract period.

23. Commitments

Future minimum lease payments

At 31 December 2021, the future minimum lease payments under non-cancellable operating leases contracted for but not recognised as liabilities, are as follows.

In thousands of USD	31 December 2021	29 July 2021
Less than one year	26	27
Between one and five years	57	66
More than five years	-	-
	83	93

Capital commitments

As per 31 December 2021, the Company has USD 259 thousand of capital commitments for the purchase of Equipment, Fixtures and Fittings not recognised as liabilities.

Notes to the consolidated financial statements (continued)

24. Related parties

Parent and ultimate controlling party

VPS Bidco B.V. acquired 100% of the shares in the VPS Group on 29 July 2021. The parents of the VPS Bidco B.V. are VPS Midco B.V. (100%) and its ultimate parent is Fremman Limited, UK.

Transactions with related companies

The Company in the normal course of business carries out transactions with its parent companies. These are disclosed as part of note 14 and note 20.

Transactions with key management personnel

The Group's key management personnel consists of executive and managing directors and non-executive members of the Board of Directors. Their compensation is as follows.

In thousands of USD	**29 July 2021 - 31 December 2021**
Short-term employee benefits	**(838)**
Post-employment benefits	**(27)**
Non-executive directors	**(7)**
Total of transactions with key management personnel	**(872)**

Compensation of the Group's key management personnel includes salaries, non-cash benefits and contributions to a post-employment defined contribution plan.

25. Changes in the composition of the Group

On 29 July 2021, the Company acquired 100% of the issued share capital of Veritas Petroleum Services Holding B.V., that acted up to that date as the holding entity for the VPS Group who provides testing and survey services to the Maritime and Power industry. The acquisition fits within Fremman's, the ultimate parent, stated strategy of investing in ESG promoting businesses. Details of the purchase consideration, the net assets acquired and goodwill are as follows:

in thousands of USD	
Cash paid by the parent companies on behalf of the Company	**90,001**
Less: Aggregate notified leakage	**(3,795)**
Total purchase consideration	**86,206**

Notes to the consolidated financial statements (continued)

The assets and liabilities recognised as a result of the acquisition are as follows:

in thousands of USD	Fair value
Propery, plant and equipment	14,149
Intangible assets	107,831
Step-up from previous acquisitions	7,897
Right-of-use assets	2,224
Bank guarantees	247
Trade and other receivables non-current	118
Deferred tax assets	1,373
Trade and other receivables current	11,234
Current tax receivables	578
Cash and cash equivalents	8,328
Loans and borrowings	(121,758)
Lease liability	(2,509)
Employee benefits	(436)
Deferred tax liabilities	(27,520)
Accrued employee severance benefits	(230)
Employee benefits - current	(1,557)
Trade payables and other payables	(13,025)
Current tax liabilities	163
Net identifiable assets acquired	(12,894)
Add: Goodwill	99,100
Net assets acquired	**86,206**

The goodwill paid is attributable to the workforce and the profitability of the acquired business. It will not be deductible for tax purposes. The acquisition related costs of USD 1.4 million were recognised as Other operating expenses.

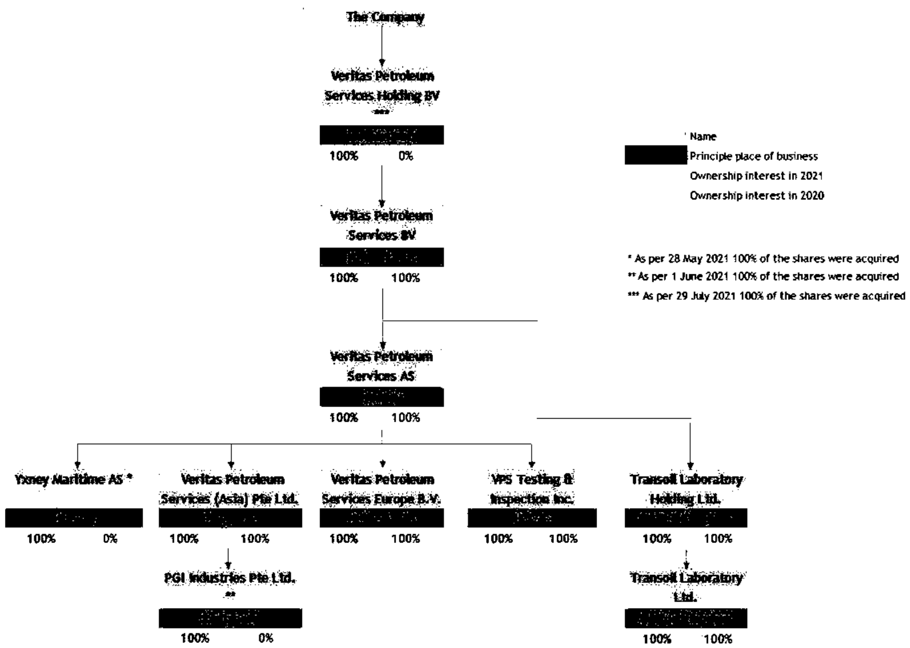
The acquired VPS group contributed revenues of USD 21.1 million and net loss of USD 2.8 million to the group for the period from 29 July to 31 December 2021. If the acquisition had occurred on 1 January 2021, the revenue and net result of the VPS group for the 12 months ended 31 December 2021 amount to USD 49.5 million and USD 8.6 million loss.

The fair value of acquired trade receivables is USD 11.2 million. The gross contractual amount for trade receivables due is USD 11.5 million, with a loss allowance of USD 283 thousand recognised on acquisition.

VPS

26. Group structure

Set out below is a list of material subsidiaries of the Group.



27. Events after balance sheet date

In February 2022, Russia's invasion of Ukraine and other nations' responses to the ensuing Russia-Ukraine war (e.g. in the form of sanctions on the Russian government and companies) introduces new uncertainties, such as trade restrictions and recoverability of receivables from customers, the Group might face. The Group has assessed that the impact on the group as a whole and the individual subsidiaries is limited. As of 31 December 2021, the revenue and outstanding receivables related to Russian and Ukrainian companies amounted to USD 206 thousand and USD 22 thousand. The Group will continue to monitor the development and will perform sanctions screening on Russian based customers.

Company statement of income for the period from 16 June 2021 to 31 December 2021

In thousands of USD	*Note*	**16 June 2021 - 31 December 2021**
Net result from subsidiaries after taxes	29	**(3,901)**
Net result from operations		**(4,027)**
Net result		**(7,928)**

The accompanying notes are integral part of these company financial statements.

Company statement of financial position as at 31 December 2021

(After proposed result appropriation)

In thousands of USD	*Note*	**31 December 2021**	16 June 2021
Assets			
Investments in subsidiaries	29	**82,903**	-
Other financial fixed assets		**99**	-
Loans Receivable	30	**125,366**	-
Non-current assets		**208,368**	-
Trade and other receivables		**1,929**	-
Current tax receivables		**309**	
Cash and equivalents		**-**	-
Current assets		**2,238**	-
Total assets		**210,606**	-
Equity			
Share capital	31	**-**	-
Share premium	31	**93,439**	-
Accumulated losses	31	**(7,822)**	-
Total equity		**85,617**	-
Liabilities			
Loans and borrowings	32	**116,623**	-
Non-current liabilities		**116,623**	-
Loans and borrowings		**104**	-
Trade and other payables		**8,262**	-
Current liabilities		**8,366**	-
Total liabilities		**124,989**	-
Total equity and liabilities		**210,606**	-

The accompanying notes are integral part of these company financial statements.

VPS

Notes to the Company financial statements

28. General

The Company financial statements are part of the 2021 financial statements of VPS Bidco B.V. For the company statement of Income of VPS Bidco B.V., use is made of the exemption to present the company statement of Income in a condensed form pursuant to Section 2:402 of Book 2 of the Dutch Civil Code. For setting the principles for the recognition and measurement of assets and liabilities and determination of the result for its company financial statements, VPS Bidco B.V. makes use of the option in Section 2:362 (8) of Part 9 of the Dutch Civil Code. This means that the principles for recognition and measurement of assets and liabilities and determination of the result for the Company financial statements of VPS Bidco B.V. are the same as those for the consolidated financial statements. For a description of these accounting principles, reference is made to the accounting principles within the consolidated financial statements (see Note 5). In this context, investments in companies over which significant influence can be exercised are measured according to the equity method.

29. Investments in subsidiaries

In thousands of USD	16 June 2021	Acquisitions	Share premium payment	Remeasure-ments	Share in result	31 December 2021
VPS Holding BV	-	**86,206**	**492**	**106**	**(3,901)**	**82,903**
	-	**86,206**	**492**	**106**	**(3,901)**	**82,903**

The Company holds direct and indirect interests in subsidiaries. A list of these subsidiaries, place of incorporation and the Company's share is set out in Note 25.

30. Loans receivable

In thousands of USD	**31 December 2021**	16 June 2021
Veritas Petroleum Services Holding B.V.	**96,778**	-
Veritas Petroleum Services B.V.	**28,588**	-
Total of Loans receivable	**125,366**	-

The loans bear the same interest as the external loan payable held by the Company (refer to Note 34) plus a mark-up of 0.25%.

Notes to the Company financial statements (continued)

31. Equity

In thousands of USD	Share capital	Share premium	Other reserves/ Accumulated losses	Total Equity
Balance at 16 June 2021	-	-	-	-
Issue of shares	-	**93,439**	-	**93,439**
Net result	-	-	**(7,928)**	**(7,928)**
Other comprehensive income / (loss)	-	-	**106**	**106**
Balance at 31 December 2021	-	**93,439**	**(7,822)**	**85,617**

Share capital

The authorised share capital consists of USD 100 divided in 100 ordinary shares with a nominal value of USD 1 per share.

Share premium

Additional paid-in capital has been recognised as share premium which is freely distributable when the total equity after the distribution is higher than the legal and statutory reserves and when liquidity and group covenant requirements are met.

On 6 August 2021, the shareholder additionally paid in USD 492 thousand.

Other reserves/Accumulated losses

The amount in other reserves is available for profit sharing among the shareholders when the total equity after the distribution is higher than the legal and statutory reserves and when liquidity and group covenant requirements are met. Distribution of the profit is at the discretion of the Company.

Proposal for net result appropriation

The board of directors proposes to add the current year net loss of USD 7,928 thousand to the Other reserves/Accumulated losses.

32. Loans and borrowings

In thousands of USD	**31 December 2021**	16 June 2021
Loans and borrowings		
External loan	**116,623**	116,465
Total of Loans and borrowings	**116,623**	**116,465**
Non-current	**116,623**	116,465
Current	**-**	-
Total of Loans and borrowings	**116,623**	**116,465**

VPS

Notes to the Company financial statements (continued)

In thousands of USD	Currency	Nominal interest rate	Year of maturity	31 December 2021 Face value	 Carrying amount
External loan	USD	6.5%/3.25% spread	2028	**119,000**	**116,623**
Total of interest bearing liabilities				**119,000**	**116,623**

For more detail on the outstanding loans, refer to Note 18.

33. Contingencies and commitments

Since financial year 2013, Veritas Petroleum Services B.V. joined its parent Veritas Petroleum Services Holding B.V. in Tax unity for corporate income tax and value-added-tax. As per 1 January 2014 an indirect subsidiary, Veritas Petroleum Services Europe B.V., was added to the fiscal unity in relation to corporate income tax. On 29 July 2021, VPS Bidco B.V. and VPS Midco B.V. were added to the fiscal unity, after which VPS Midco B.V. became the head of the fiscal unity. Consequently, as per 31 December 2021, the deferred tax asset related to the fiscal unity's unused tax losses is accounted for on the balance sheet of VPS Midco B.V.

Reference is made to Note 11 for details on the current and deferred tax positions in relation to the Dutch fiscal unity.

34. Employees

The Company has no employees employed during 2021, the average number of employees expressed as on a full-time-equivalent (fte) basis is zero.

Notes to the Company financial statements (continued)

35. Audit fees

The fees listed below relate to the procedures applied to the Company and its consolidated group entities by accounting firms and external independent auditors as referred to in Section 1, subsection 1 of the Audit Firms Supervision Act ('Wet toezicht accountantsorganisaties - Wta') as well as by Dutch and foreign-based accounting firms, including their tax services and advisory groups.

	PricewaterhouseCoopers Accountants N.V.	PwC member firms and/or affiliates	Total PwC network
In thousands of USD	2021	2021	2021
Audit of the financial statements	(300)	(36)	(336)
Other audit services	-	-	-
Tax services	-	(232)	(232)
Other non-audit services	(63)	(1,789)	(1,852)
Total of audit fees	**(363)**	**(2,057)**	**(2,420)**

These fees relate to the audit of the 2021 financial statements, regardless of whether the work was performed during the financial year. The fees are included in professional fees as can be found in Note 9.

36. Related parties

Transactions with related parties other than subsidiaries are disclosed in Note 24.

37. Directors' remuneration

The remuneration paid to the members of the Board of Directors of the Company for the period of 29 July 2021 through 31 December 2021 is as follows.

In thousands of USD	29 July 2021 - 31 December 2021
Short-term employee benefits	(249)
Post-employment benefits	(10)
Non-executive directors	(7)
Total of directors' remuneration	**(266)**

The Executive Directors' remuneration is paid by Veritas Petroleum Services B.V. and Veritas Petroleum Services Europe B.V. The Non-Executive Directors' remuneration is paid by VPS Midco BV.

Remuneration of key management personnel is included in Note 24.

VPS

Notes to the Company financial statements (continued)

38. Events after balance sheet date

Reference is made to the events after balance sheet date as disclosed in Note 27.

Board of Directors

Barendrecht, 14 April 2022

VPS Bidco B.V.

M. Cooper Chief Executive Officer	R. Vonk Chief Financial Officer	
O.M. Courlette de Vregille Non-Executive director	A.K. Chetwood Non-Executive director	M.J. Vroom-Oey Non-Executive director
L.K.L. Kho Non-Executive director	Y. Ouirrhli Non-Executive director	

VPS

Other Information

Audit opinion of an independent auditor

The company's independent auditor issued an opinion accompanying the Group financial statements which is included on the next pages.

Statutory principles regarding appropriation of net income

Article 17 of the Company's articles of association stipulates that net income is available without any restriction for appropriation in the General Meeting of Shareholders.

Profit sharing and similar rights

The Company issued 100 ordinary shares. The holders of the ordinary shares have voting rights and are entitled to profit sharing.

Branches

The Group has branches in United Arab Emirates, the United Kingdom and Germany under the same trade name. The Group also has a branch in Greece operating under the name Veritas Petroleum Services – Hellas.

pwc

Independent auditor's report

To: the board of directors of VPS Bidco B.V.

Report on the financial statements for 2021

Our opinion

In our opinion:

- the consolidated financial statements of VPS Bidco B.V. together with its subsidiaries ('the Group') give a true and fair view of the financial position of the Group as at 31 December 2021 and of its result and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union ('EU-IFRS') and with Part 9 of Book 2 of the Dutch Civil Code;
- the company financial statements of VPS Bidco B.V. ('the Company') give a true and fair view of the financial position of the Company as at 31 December 2021 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements for the period 29 July 2021 to 31 December 2021 of VPS Bidco B.V., Amsterdam. The financial statements comprise the consolidated financial statements of the Group and the company financial statements.

The consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2021;
- the following statements for the period from 29 July 2021 to 31 December 2021: the consolidated profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows; and
- the notes, comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

- the company statement of financial position as at 31 December 2021;
- the company statement of income for the period from 16 June 2021 to 31 December 2021;
- the notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is EU-IFRS and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated financial statements and Part 9 of Book 2 of the Dutch Civil Code for the company financial statements.

TAWQUJHCNUUS-1025297144-107

PricewaterhouseCoopers Accountants N.V., Thomas R. Malthusstraat 5, 1066 JR Amsterdam, P.O. Box 90357, 1006 BJ Amsterdam, the Netherlands
T: +31 (0) 88 792 00 20, F: +31 (0) 88 792 96 40, www.pwc.nl

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of VPS Bidco B.V. in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:
- is consistent with the financial statements and does not contain material misstatements;
- contains all the information regarding the report of the board of directors and the other information that is required by Part 9 of Book 2of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The board of directors is responsible for the preparation of the other information, including the report of the board of directors and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Our appointment

We were appointed as auditors of VPS Bidco B.V. This followed the passing of a resolution by the shareholders at the annual general meeting held on 29 September 2021.

pwc

Responsibilities for the financial statements and the audit

Responsibilities of the board of directors

The board of directors is responsible for:

- the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the board of directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board of directors is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the board of directors should prepare the financial statements using the going-concern basis of accounting unless the board of directors either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The board of directors should disclose in the financial statements any event and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. 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 but not absolute level of assurance, which makes it possible that we may not detect all material misstatements. Misstatements may arise due to fraud or error. They 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 the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Amsterdam, 14 April 2022
PricewaterhouseCoopers Accountants N.V.

Original has been signed by E.M.W.H. van der Vleuten RA MSc

pwc

Appendix to our auditor's report on the financial statements 2021 of VPS Bidco B.V.

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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 intentional override of internal control.
- Obtaining 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.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- Concluding on the appropriateness of the board of directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/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 and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Considering our ultimate responsibility for the opinion on the consolidated financial statements, we are responsible for the direction, supervision and performance of the group audit. In this context, we have determined the nature and extent of the audit procedures for components of the Group to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole. Determining factors are the geographic structure of the Group, the significance and/or risk profile of group entities or activities, the accounting processes and controls, and the industry in which the Group operates. On this basis, we selected group entities for which an audit or review of financial information or specific balances was considered necessary.

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.

Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Rune Tystad	25.10.2012	11.01.2013
Telefon	Deres referanse	Vår referanse
977 59 464	133-0581/AGSe	2012/836609

DNV PETROLEUM SERVICES AS
Veritasveien 1
1322 HØVIK

Dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk språk for DNV Petroleum Services AS, org.nr. 998 727 626

Vi viser til deres brev av 25. oktober 2012 hvor dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for DNV Petroleum Services AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering DNV Petroleum Services dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at det benyttes engelsk språk ved utarbeidelsen av årsregnskapet og årsberetningen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Bakgrunn
Fra søknaden gjengis:

> *DNV Petroleum Services AS (org.nr. 998 727 626) er et nyetablert datterselskap av Det Norske Veritas Group AS og vil tilby drivstoffsanalyser og drivstoffhåndteringstjenester. Selskapet er en del av konsernet Det Norske Veritas som har omkring 300 kontorer i omkring 100 land. Av konsernets 10 000 ansatte arbeider 2 600 ved kontorer i Norge. Konsernspissen, Stiftelsen Det Norske Veritas, er en selveiende stiftelse.*
>
> *Konsernet opererer innenfor internasjonale industrisektorer, hvor engelsk er det dominerende språket. Konsernets arbeidsspråk er engelsk og har vært det i en årrekke. En del av konsernets virksomhet er drivstoffsanalyser og drivstoffhåndteringstjenester som tilbys globalt. DNV Petroleum Services AS er ett av flere selskap i konsernet som skal ivareta denne globale virksomheten. Engelsk vil dermed være det dominerende språket for selskapet.*
>
> *Som del av et internasjonalt selskap der selskapsregnskapene og konsernregnskapet utarbeides på engelsk ser vi det hensiktsmessig å avlegge regnskapet på engelsk for DNV Petroleum Services AS. Vi har levert/er i ferd med å levere søknad om å få avlegge regnskapene på engelsk for øvrige selskap i konsernet.*
>
> *Det er vår oppfatning at hensynet til alle brukere av regnskapet til DNV Petroleum Services AS vil være ivaretatt ved at årsregnskapet og årsberetningen avlegges på engelsk.*

Postadresse
Postboks 9200 Grønland
0134 Oslo
For elektronisk henvendelse se www.skatteetaten.no

Besøksadresse:
Se www.skatteetaten.no
Org.nr: 996250318

Sentralbord
800 80 000
Telefaks
22 17 08 60

Skattedirektoratets vurdering
Etter regnskapsloven § 3-4 tredje ledd skal årsregnskapet og årsberetningen være på norsk. Departementet kan ved forskrift eller 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 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, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapenes virksomhet er utpreget internasjonal og arbeidsspråket er engelsk. Videre er det vektlagt at selskapet kun har en eier.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland
Seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Rune Tystad