



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 997 329 910
Organisasjonsform: Aksjeselskap
Foretaksnavn: PENTAGON FREIGHT SERVICES AS
Forretningsadresse: Mjåvannsvegen 154
4628 KRISTIANSAND S

Regnskapsår

Årsregnskapets periode: 01.05.2022 - 30.04.2023

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Morten Årikstad
Dato for fastsettelse av årsregnskapet: 06.10.2023

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

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, 05.06.2024



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Sales revenue	1, 2	474 165 442	530 430 724
Other revenues	1		2 623 312
Sum inntekter		474 165 442	533 054 036
Kostnader			
Raw materials and consumables used	1	360 486 707	418 622 165
Payroll expenses	3	55 007 063	60 214 689
Depreciation of tangible and intangible fixed assets	4	2 384 168	2 516 318
Other expenses	1, 3, 5	35 896 137	34 738 790
Sum kostnader		453 774 075	516 091 962
Driftsresultat		20 391 367	16 962 075
Finansinntekter og finanskostnader			
Annen renteinntekt		1 965 344	777 588
Other financial income		1 908 599	402 526
Sum finansinntekter		3 873 943	1 180 114
Write-down of financial current assets	5		
Annen rentekostnad		2 800 724	1 784 179
Other financial expenses		2 306 410	437 557
Sum finanskostnader		5 107 135	2 221 736
Netto finans	6	-1 233 192	-1 041 622
Ordinært resultat før skattekostnad		19 158 175	15 920 453
Income tax expense	7	4 233 426	3 547 922
Ordinært resultat etter skattekostnad		14 924 749	12 372 531
Årsresultat		14 924 749	12 372 531
Årsresultat etter minoritetsinteresser		14 924 749	12 372 531
Totalresultat		14 924 749	12 372 531



Resultatregnskap

Beløp i: NOK	Note	2023	2022
Overføringer og disponeringer			
Udekket tap			1 931 791
Other equity		14 924 749	10 440 739
Sum overføringer og disponeringer	8	14 924 749	12 372 531



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	7	732 085	608 386
Goodwill	4	1 640 298	3 167 833
Sum immaterielle eiendeler		2 372 383	3 776 219
Varige driftsmidler			
Land, buildings and other real estate	4, 9		
Plant and machinery	4, 9	1 060 500	1 868 574
Ships, rigs and other semi submersible installations	4, 9		
Equipment., fixtures and fittings and other movables	4, 9		
Sum varige driftsmidler	4	1 060 500	1 868 574
Finansielle anleggsmidler			
Investering i datterselskap	10	5 675 000	2 000 000
Lån til foretak i samme konsern	11	23 261 236	24 968 985
Investeringer i tilknyttet selskap	10	375 000	375 000
Other long-term receivables		723 421	723 421
Sum finansielle anleggsmidler		30 034 657	28 067 406
Sum anleggsmidler		33 467 540	33 712 199
Omløpsmidler			
Varer			
Inventories	9		
Fordringer			
Accounts receivable	5, 9, 11, 12	73 843 188	106 244 191
Other short-term receivables		12 658 429	9 638 007
Konsernfordringer	11	9 775 325	7 054 914
Sum fordringer		96 276 942	122 937 111
Bankinnskudd, kontanter og lignende			
Cash and Cash Equivalents	13	1 820 099	2 627 155



Balanse

Beløp i: NOK	Note	2023	2022
Sum bankinnskudd, kontanter og lignende		1 820 099	2 627 155
Sum omløpsmidler		98 097 041	125 564 266
SUM EIENDELER		131 564 581	159 276 465

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Share capital	8, 14	10 100 000	10 100 000
Beholdning av egne aksjer	8		
Overkurs	8		
Annen innskutt egenkapital	8		
Sum innskutt egenkapital		10 100 000	10 100 000

Opptjent egenkapital

Other equity	8	9 917 500	10 440 739
Udekket tap	8		
Sum opptjent egenkapital		9 917 500	10 440 739

Sum egenkapital

20 017 500 **20 540 739**

Gjeld

Langsiktig gjeld

Utsatt skatt	7		
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	9	3 300 000	8 650 000
Langsiktig konserngjeld	11	2 500 000	2 500 000
Sum annen langsiktig gjeld		5 800 000	11 150 000

Sum langsiktig gjeld

5 800 000 **11 150 000**

Kortsiktig gjeld

Liabilities to financial institutions	9	14 781 833	16 288 747
Leverandørgjeld	11	34 677 279	60 883 119
Tax payable	7		



Balanse

Beløp i: NOK	Note	2023	2022
Public duties payable		1 428 902	4 537 059
Kortsiktig konserngjeld	11	19 805 113	
Other short-term liabilities	9, 11, 12	35 053 954	45 876 800
Sum kortsiktig gjeld		105 747 080	127 585 726
Sum gjeld		111 547 080	138 735 726
SUM EGENKAPITAL OG GJELD		131 564 580	159 276 465



Fjellgata 6. –5. etasje
4612 Kristiansand S
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Independent Auditor's Report

To the Annual Shareholders meeting of Pentagon Freight Services AS

Opinion

We have audited the financial statements of Pentagon Freight Services AS.

The financial statements comprise:

- The balance sheet as at 30 April 2023
- The income statement for 2023
- Statement of cash flows for the year that ended 30 April 2023
- 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 30 April 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with 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 relevant laws and regulations in Norway 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.

Other information

The Board of Directors and the Managing Director (management) are responsible for the other information. The other information comprises the Board of Directors' report. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on the Board of Directors' report

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

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



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

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

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

BDO AS

Torbjørn Rypestøl
State Authorised Public Accountant
(This document is signed electronically)

Penneo Dokumentnøkkel: NMGU-BUD75-FB22D-EGU8J-5FDAU-ESV60



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Torbjørn Rypestøl

Statsautorisert revisor/State Authorised Public Accountant

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Annual Report 2023 Pentagon Freight Services AS

Penneo Dokumentnøkkel: HHBTY-G7TG8-VHL6F-XZWGZ-V2Q2M-EBBZM

Organization number: 997 329 910



The Board of Director's Report 2023 for Pentagon Freight Services AS

Operations and locations

Pentagon Freight Services AS (hereafter also "the Company") is a company whose business consists of all types of transport services with specialization in the oil- and gas industry, including participation in similar activities. The Company's main office of operation is in Kristiansand, with local offices in Stavanger, Larvik and Oslo.

Comments related to the financial statements

The Company's revenues decreased from MNOK 533,1 in 2022 to MNOK 474,2 in 2023. Operating profit increased from MNOK 17,0 in 2022 to MNOK 20,4 in 2023. Profit before income tax increased from MNOK 15,9 in 2022 to MNOK 19,2 in 2023.

The decrease in revenue is caused by a reorganization of the group at the end of 2022, when the Company's operations in road transport were moved to a new company. Considering the effect of this event we note an increase in the Company's activity in the remaining areas. This is mainly caused by a general increase in market demand post-Covid.

In 2023 net cash flow from operating activities are MNOK 8,8, compared to MNOK 2,7 in 2022. Net cash flow from investing activities are MNOK -3,7 (MNOK 2,2 in 2022) and net cash flow from financial activities are MNOK -5,9 (MNOK -4,6 in 2022). The cash / cash equivalents position was MNOK 1,8 pr. 30.04.2023 and MNOK 2,6 pr. 30.04.2022. Unused overdraft facilities were MNOK 4,7 pr. 30.04.2023 and MNOK 3,2 pr. 30.04.2022.

The total capital was MNOK 131,6 pr. 30.04.2023 and MNOK 159,3 pr. 30.04.2022. Equity was MNOK 20,0 pr. 30.04.2023 (15,2 % compared to MNOK 20,5 (12,9 % in 2022).

Total cash flow from operating activities was MNOK 8,8 in 2023, and the operating profit constituted MNOK 19,2. The difference mainly concerns changes in trade receivables and trade payables.

Short-term debt as of 30.04.2023 constituted 95 % of the Company's total debt, compared to 92 % as of 30.04.2022. This increase is mostly attributable to repayments of long-term debt. Total assets at year-end amounted to MNOK 131,6, compared to MNOK 159,2 last year.

Future development

The Company has delivered a solid had year in FY 2023 when considering the reorganization of the Road business at the end of 2022. The market conditions have been good in the last quarter, especially in the oil and gas sector, and the Company expects this to continue remaining the rest of FY 2024.

The Company measures ongoing optimization of liquidity reserves to secure its daily operations. The Board of Directors considers that the Company has sufficient liquidity and financial strength for further operations.

Research and development

No expenses for research and development have incurred in 2023.

The working environment and the employees

Leave of absence due to illness was 5,8 % in 2023 and 2,5 % in 2022 of the total working hours in the Company. The Company is working actively towards reducing this leave of absence and aim at lowering the percentage in 2024. Initiatives we have in place in this regard include offering gym memberships and physical therapy, as well as rotation of tasks between employees.

No incidents or reporting of work-related accidents resulting in significant material damage or personal injury occurred during the year.

The working environment is considered to be good, and efforts for improvements are made on an ongoing basis. This includes both the physical layout of our offices as well as regular social events. The cooperation with employees has been constructive and contributed positively to operations.

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Equal opportunities and discrimination

The Discrimination Act's objective is to promote gender equality, ensure equal opportunities and rights and to prevent discrimination due to ethnicity, national origin, descent, skin color, language, religion and faith.

The board is not aware of any circumstances which are not in accordance with the law of gender equality and discrimination. As part of the global Pentagon group structure the Company is certified by international standards regarding QHS routines. The Company is working actively to encourage the act's purpose within our business, with special efforts made in areas of recruitment, compensation, promotions, development opportunities, working conditions and protection against harassment.

Gender equality report 2023

The Company has a total of 54 employees (51 man-years), 24 women and 30 men. The Board consists of 2 men. The board refer to the below table for details of the gender equality status as of financial year 2023:

Gender balance status

	Women	Men
Gender Balance	44%	56%
Temporary employees (number of)	0	0
Part time employees (number of)	0	0
Involuntary part time employees (number of)	0	0
Parental leave (average number of weeks)	0	0

Gender equality status

Given the structure of the Company, the gender equality reporting is separated between management and all other employees. The management group consist of 1 woman and 2 men. Given the size of this group we will not include them in the further reporting due to considerations of privacy. For all other employees, a group which consist of 23 women and 26 men, the average cash compensation for women equals 90% of the average cash compensation for men.

How we work to promote equality and prevent discrimination

The Company is certified in accordance with ISO 9001:2015, 14001:2015, 45001:2018, Achilles, NOROG, Fair Transport and Miljøfyrtårn. The basis of these certifications is part of the fundamental policies and principles on which the Company's operations are built. This includes guidelines of how management and others actively work to promote equality and prevent discrimination. A written description of the work is presented in our Corporate Sustainability Policy, our Human Rights Policy and our Global QHSE Manual.

The Company has elected employees in the roles of a company trustee, a company safety representative and a work environment committee whose responsibilities include contributing to the Company's work in this area and to ensure policy compliance. In addition to these resources, employees have the opportunity of anonymous reporting of unwanted incidents or suggestions for improvement of routine through our digital platform EcoOnline.

The Company is working actively with our supplier of company health services, including performance of regular research-based working environment surveys which, among other things, aim to uncover any challenges with equality and discrimination.

Financial risk

Market risk

The Company is exposed to financial risk in different areas, especially exchange rate risk, as some of its revenues are in foreign currency. However, the Company also has cost of sales in foreign currencies which makes for a natural hedge. The Company do not have any forward contracts or other set agreements to reduce the Company's currency risk. The Company is moderately exposed to changes in the interest rate.

Credit risk

The risk for losses on receivables is limited. Provisions have been made in the annual accounts for 2023.

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Liquidity risk

The Company's liquidity has improved throughout the year after reorganization of the group and with new factoring facilities in place from FY 2022. Liquidity situation is still monitored closely by Company's board.

Going concern

In accordance with the Accounting Act § 3-3a we confirm that the financial statements have been prepared under the assumption of going concern. This assumption is based on profit forecasts for the financial year 2024 and the Group's long-term strategic forecasts.

Environmental report

Emissions from transport services, including waste considered harmful to the environment, is within regulatory limitations. The Company's operations are not regulated by licenses or impositions.

The Company is certified by an international provider of environment conditions.

Directors' and officers' liability insurance

Pentagon North Europe AS, the Parent of Pentagon Freight Services AS, has entered a directors and officers liability insurance for all Group companies. The insurance provides claims made all-risk liability protection for individuals having management roles. Coverage is provided for claims which are first made and reported during the period or discovery period.

Transparency act

The Company's report on the Transparency act can be found under the QHSE section on the Group's international website - <https://www.pentagonfreight.com/qhse/>

Allocation of net income

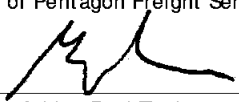
The Board of Directors has proposed the net profit of Pentagon Freight Services AS to be attributed to:

	Amount (MNOK)
Other equity	14,9
Total	14,9

Kristiansand, 06.10.2023

The board of Pentagon Freight Services AS

Morten Årikstad
Chairman of the Board


Ashley Paul Taylor
Member of the Board

Lars Reidar Grimestad
Managing Director

Penneo Dokumentnøkkel: HHTV-G7TG8-VHL6F-XZWCZ-V2O2M-EBBZM

Organization number: 997 329 910



Profit and Loss Statement

Pentagon Freight Services AS

	Note	2023	2022
Sales revenue	1, 2	474 165 442	530 430 724
Other revenues	1	0	2 623 312
Total Operating Revenues		474 165 442	533 054 036
Raw materials and consumables used	1	360 486 707	418 622 165
Payroll expenses	3	55 007 063	60 214 689
Depreciation of tangible and intangible fixed assets	4	2 384 168	2 516 318
Other expenses	1, 3, 5	35 896 137	34 738 790
Total Operating Expenses		453 774 075	516 091 962
Operating Profit/ Loss		20 391 367	16 962 075
Financial income and expenses			
Other interest income		1 965 344	777 588
Other financial income		1 908 599	402 526
Other interest expenses		2 800 724	1 784 179
Other financial expenses		2 306 410	437 557
Net Financial Items	6	(1 233 192)	(1 041 622)
Profit before Income tax		19 158 175	15 920 453
Income tax expense	7	4 233 426	3 547 922
Net Profit		14 924 749	12 372 531
Attributable to			
Losses prior years		0	1 931 791
Other equity		14 924 749	10 440 739
Total	8	14 924 749	12 372 531

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Balance sheet
Pentagon Freight Services AS

Assets	Note	2023	2022
Fixed Assets			
Intangible Assets			
Deferred tax assets	7	732 085	608 386
Goodwill	4	1 640 298	3 167 833
Total Intangible Assets		2 372 383	3 776 219
Tangible Fixed Assets			
Plant and machinery	4, 9	1 060 500	1 868 574
Total Tangible Fixed Assets	4	1 060 500	1 868 574
Financial Fixed Assets			
Investments in subsidiaries	10	5 675 000	2 000 000
Loan to group companies	11	23 261 236	24 968 985
Investments in associated companies	10	375 000	375 000
Other long-term receivables		723 421	723 421
Total Financial Fixed Assets		30 034 657	28 067 406
Total Fixed Assets		33 467 540	33 712 199
Current assets			
Receivables			
Accounts receivable	5, 9, 11, 12	73 843 188	106 244 191
Other short-term receivables		12 658 429	9 638 007
Receivables from group companies	11	9 775 325	7 054 914
Total Receivables		96 276 942	122 937 111
Cash and Cash Equivalents	13	1 820 099	2 627 155
Total Current Assets		98 097 041	125 564 266
Total Assets		131 564 581	159 276 465


Penneo Dokumentnøkkel: HHBTV-G7TG8-VHL6F-XZWGZ-V2O2M-EBBZM




Balance sheet
Pentagon Freight Services AS

Equity and Liabilities	Note	2023	2022
Equity			
Share capital	8, 14	10 100 000	10 100 000
Total Paid-in Capital		10 100 000	10 100 000
Retained earnings			
Other equity	8	9 917 500	10 440 739
Total Retained Earnings		9 917 500	10 440 739
Total Equity		20 017 500	20 540 739
Liabilities			
Long-term Liabilities			
Liabilities to group companies	11	2 500 000	2 500 000
Liabilities to financial institutions	9	3 300 000	8 650 000
Total Long-term Liabilities		5 800 000	11 150 000
Short-term Liabilities			
Liabilities to financial institutions	9	14 781 833	16 288 747
Accounts payable	11	34 677 279	60 883 119
Public duties payable		1 428 902	4 537 059
Liabilities to group companies	11	19 805 113	0
Other short-term liabilities	9, 11, 12	35 053 954	45 876 800
Total Short-term Liabilities		105 747 080	127 585 726
Total Liabilities		111 547 080	138 735 726
Total Equity and Liabilities		131 564 581	159 276 465

Kristiansand, 06.10.2023
The board of Pentagon Freight Services AS


Morten Årikstad
Chairman of the Board


Ashley Paul Taylor
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Managing Director

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Indirect cash flow Pentagon Freight Services AS

Cash Flow from Operating Activities	Note	2023	2022
Profit before Income tax		19 158 175	15 920 453
(Profit)/ loss sale on sale of fixed assets	4, 10	0	(402 526)
Depreciation of tangible and intangible fixed assets	4	2 384 168	2 516 318
Change in accounts receivable	5, 11	32 401 002	(43 835 485)
Change in accounts payable	11	(26 205 840)	26 347 881
Change in other accrued items	11	(18 948 383)	2 119 157
Net Cash Flow from Operating Activities		8 789 122	2 665 797
Cash Flow from Investment Activities			
Proceeds from sale of fixed assets	4	0	225 000
Payment for purchase of fixed assets	4	(48 559)	(945 733)
Proceeds from sale of shares in other companies	10	0	4 927 619
Payment to buy shares in other companies	10	(3 675 000)	(2 000 000)
Net Cash Flow from Investment Activities		(3 723 559)	2 206 886
Cash Flow from Financing Activities			
Repayment of long-term liabilities	9	(5 350 000)	(5 350 000)
Payment of long term receivables to Group Company	11	984 296	(10 090 774)
Net change in bank overdraft	9	(1 506 914)	12 181 490
Payment of Group contributions		0	(1 300 000)
Net Cash Flow from Financing Activities		(5 872 618)	(4 559 284)
Net change of Cash and Cash Equivalents		(807 055)	313 399
Cash and Cash Equivalents 1 May		2 627 155	2 313 757
Net Cash and Cash Equivalents 30 April		1 820 099	2 627 155
Restricted funds		1 820 099	2 627 155
Unused overdraft facilities		4 718 167	3 211 000

Penneo Dokumentnøkkel: HHTV-G7TG8-VHL6F-XZWGZ-V2O2M-EBBZM



Notes to the Financial Statement 2023

Accounting Principles

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway. The fiscal year covers the period from 01.05.2022 to 30.04.2023.

Revenue recognition

Revenues from the sale of goods are recognised in the income statement once delivery has taken place and most of the risk and return has been transferred. Revenues from the sale of services are recognised when the services are performed and the company has a right to payment for the performed services. The revenues are measured at fair value, net after deduction of VAT, returns, discounts and reductions.

Balance sheet classification

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities.

Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value.

Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value.

Fixed Assets

Fixed assets are capitalized and depreciated linearly over the estimated useful life. Significant fixed assets which consist of substantial components with dissimilar economic life have been unbundled; depreciation of each component is based on the economic life of the component. Costs for maintenance are expensed as incurred, whereas costs for improving and upgrading property plant and equipment are added to the acquisition cost and depreciated with the related asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net realisable value and value in use. In assessing value in use, the discounted estimated future cash flows from the asset are discounted are used.

Costs related to leases of fixed assets are expensed over the lease period. Prepayments are reflected in the balance sheet as a prepaid expense, and are distributed over the rental period.

Subsidiaries and investment in associates

Subsidiaries and investments in associates are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiary, less any impairment losses. An impairment loss is recognised if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a later period.

Dividends, group contributions and other distributions from subsidiaries are recognised in the same year as they are recognised in the financial statement of the provider. If dividends / group contribution exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet for the parent company.

Receivables

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the different receivables. For the remaining receivables, a general provision is estimated based on expected loss.



Notes to the Financial Statement 2023

Accounting Principles cont.

Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/ tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22 percent of temporary differences and the tax effect of tax losses carried forward.

Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

Foreign Currencies

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognised in the income statement as they occur during the accounting period.

Cash Flow Statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

Penneo Dokumentnøkkel: HHTV-G7TG8-VHL6F-XZWCZ-V2O2M-EBBZM



Notes to the Financial Statement 2023

Note 1 Transactions with related parties

Revenues	Amount	Description of the transactions
Company		
Pentagon Transport Nordic AS	12 201 849	Spedition/ transport
Pentagon Transport AS	176 927	Spedition/ transport
Pentagon Freight Services DK	481 939	Spedition/ transport
Purchases		
Company		
Pentagon Transport AS	657 810	Spedition/ transport
Pentagon North Europe AS	10 633 623	Accounting services and administration
Pentagon Transport Nordic AS	25 810 089	Spedition/ transport
Pentagon Freight Services DK	1 296 917	Spedition/ transport
Pentagon Freight Services PI	1 248 101	Spedition/ transport

Note 2 Revenue by segment

Allocation of revenues	2023	2022
Spedition/ transport	474 165 442	530 430 724
Total	474 165 442	530 430 724
Geographical distribution of revenues		
	2023	2022
Norway	310 439 853	419 137 710
Europe	59 995 979	103 681 995
Brazil	13 848 907	4 235 665
Canada	795 638	1 354 719
United Arab Emirates	3 965 558	586 594
Australia	2 285 532	356 634
Asia	3 834 742	1 077 407
Africa	68 956	0
USA	78 930 278	0
Total	474 165 442	530 430 724

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Notes to the Financial Statement 2023

Note 3 Payroll expenses and number of employees

Payroll expenses	2023	2022
Salaries/ wages	45 407 957	48 489 270
Social security fees	4 929 823	6 715 404
Pension expenses	2 241 658	2 423 345
Other remuneration	2 427 624	2 586 669
Total	55 007 063	60 214 689

Average number of employees during the financial year 51 77

Remuneration to general manager and board

General Manager receives salary for his role through the parent company, Pentagon North Europe AS. No remuneration are paid to the Board during 2023.

No loans/ sureties have been granted to the General Manager, Chairman of the Board or other related parties.

OTP (Statutory occupational pension)

The company is required to have a pension scheme in accordance with the Norwegian law on required occupational pension ("lov om obligatorisk tjenstepensjon"). The company's pension scheme meets the requirement of this law.

Auditors fee

Ordinary annual audit fee	170 000
Fees for technical assistance	17 500
Total	187 500

The amounts are reported excluding VAT.

Note 4 Fixed Assets

	Goodwill	Plant and machinery	Total
Acquisition cost per 01.05	31 243 547	5 021 897	36 265 444
Additions		48 559	48 559
Disposals			0
Acquisition cost 30.04	31 243 547	5 070 456	36 314 003
Acc. depreciation	29 603 249	4 009 956	33 613 205
Book value 30.04	1 640 298	1 060 500	2 700 798
Depreciation	1 527 535	856 633	2 384 168
Useful economic life	3-5 years	3-5 years	
Depreciation principle	Straight-line	Straight-line	

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Notes to the Financial Statement 2023

Note 5 Provision for losses on accounts receivable

	2023	2022
Realized loss on accounts receivable	383 213	275 339
Received payment on already depreciated accounts receivable	0	402 526
Provision for losses	450 000	450 000
	2023	2022
Accrued income	667 611	3 300 332

Note 6 Specification of financial income and financial expenses

Financial Income	2023	2022
Interest income	1 965 344	777 588
Agio	1 908 599	0
Sundry income	0	402 526
Total Financial Income	3 873 943	1 180 114
	2023	2022
Financial Expenses		
Interest expenses	2 800 724	1 784 179
Other financial expenses	613 725	329 799
Disagio	1 692 685	107 758
Total Financial Expenses	5 107 135	2 221 736
Net Financial Items	-1 233 192	-1 041 622

Penneo Dokumentnøkkel: HHTV-G7TG8-VHL6F-XZWGZ-V2O2M-EBBZM



Notes to the Financial Statement 2023

Note 7 Tax

This year's tax expense	2023	2022
Entered tax on ordinary profit/ loss:		
Payable tax	4 357 125	0
Changes in deferred tax assets	-123 699	3 547 922
Tax expense on ordinary profit/loss	4 233 426	3 547 922
Taxable income:		
Result before tax	19 158 175	15 920 453
Permanent differences	84 729	206 466
Changes in temporary differences	584 368	182 823
Provided intra-group contribution	-19 805 113	0
Allocation of loss to be brought forward	-22 160	-16 309 741
Taxable income	0	0
Payable tax in the balance:		
Payable tax on this year's result	4 357 125	0
Payable tax on provided Group contribution	-4 357 125	0
Total payable tax in the balance	0	0
Calculation of effective tax rate		
Profit before tax	19 158 175	15 920 453
Calculated tax on profit before tax	4 214 799	3 502 500
Tax effect of permanent differences	18 640	45 422
Total	4 233 439	3 547 922
Effective tax rate	22,1 %	22,3 %

The tax effect of temporary differences that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences

	2023	2022	Difference
Tangible assets	-2 738 495	-1 903 788	834 707
Accounts receivable	-450 000	-450 000	0
Other differences	1 682 431	1 432 092	-250 339
Total	-1 506 064	-921 696	584 368
Accumulated loss to be brought forward	0	-22 160	-22 160
Not included in the deferred tax calculation	-1 821 594	-1 821 594	0
Basis for deferred tax assets	-3 327 658	-2 765 450	562 209
Deferred tax assets (22 %)	-732 085	-608 399	123 686

Note 8 Equity

	Share capital	Other equity	Total equity
Equity 01.05	10 100 000	10 440 739	20 540 739
Group contribution		-15 447 988	-15 447 988
Net profit		14 924 749	14 924 749
Equity 30.04	10 100 000	9 917 501	20 017 501



Notes to the Financial Statement 2023

Note 9 Receivables, liabilities and pledges

	2023	2022
Debtors which fall due later than one year after the expiry of the financial year	0	0
Long-term debtors which fall due later than five years after the expiry of the financial year	0	0
Liabilities to finance institutions (including factoring)	31 286 916	56 759 440
Total	31 286 916	56 759 440

Assets pledged as security and carrying values	2023	2022
Fixed Assets	1 060 500	1 868 574
Accounts receivable	73 843 188	106 244 191
Total	74 903 689	108 112 765

Assets are also placed as security for the following companies and amounts:

Pentagon Transport AS	16 000 000
Pentagon Transport Nordic AS	11 000 000
Vennesla Transport AS	11 000 000
Total	38 000 000

Note 10 Investments in subsidiaries and associated companies

Subsidiary:	Ownership	Head office	Share of this year's result	Share of equity	Book value
VT Holding AS	100 %	Kristiansand	-74 566	3 931 978	5 675 000
Sum					5 675 000

Associated company:	Ownership	Head office	Share of this year's result	Share of equity	Book Value
FFS Ponton AS*	25 %	Farsund	-33 750	224 000	375 000
Total					375 000

*Numbers are per 31.12.2022 for the affiliated company.

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Notes to the Financial Statement 2023

Note 11 Intercompany balances

Receivables	2023	2022
Loan to group companies	23 261 236	24 968 985
Accounts receivable	1 882 139	1 882 139
Receivables from group companies	9 775 325	7 054 914
Total receivables	34 918 700	33 906 037

Liabilities	2023	2022
Long-term liabilities	2 500 000	2 500 000
Accounts payable	792 187	792 187
Group contribution	19 805 113	0
Total liabilities	23 097 300	3 292 187

The company is collectively registered in the Norwegian VAT register with its parent company Pentagon North Europe AS.

Note 12 Factoring

The company has an agreement with DNB Factoring, where NOK 13 205 084 is received as prepayments from DNB Factoring in relation to accounts receivable. The prepayments are included in other short-term liabilities. The equivalent amount last year was NOK 30 512 701. The agreement provides collateral for DNB Factoring through the company's accounts receivable, which amounted to NOK 72 470 107 this year and NOK 103 712 653 last year.

Note 13 Cash and cash equivalents

	2023	2022
Bank deposits	1 820 099	2 627 155
Of which restricted funds	1 820 099	2 627 155

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Notes to the Financial Statement 2023

Note 14 Shareholders

Share capital	Number	Nominal value	Book value
Ordinary shares	10 100	1 000	10 100 000

Shareholders at year end:	Number of shares	Ownership
Pentagon North Europe AS	10 100	100 %
Total	10 100	100 %

The company has on class of shares and all shares come with full voting rights.

The consolidated group accounts are prepared by Pentagon North Europe AS and available at Mjåavannsvegen 154, 4628 Kristiansand S.

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

Lars Reidar Grimestad

Managing Director

On behalf of: Pentagon Freight Services AS

Serial number: 9578-5993-4-2581991

IP: 46.15.xxx.xxx

2023-10-06 10:03:55 UTC



Morten Årikstad

Chairman of the Board

On behalf of: Pentagon Freight Services AS

Serial number: UN:NO-9578-5993-4-3162919

IP: 85.167.xxx.xxx

2023-10-08 19:50:10 UTC



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Skatteetaten

Vår dato
23.09.2022

Din/Deres dato
13.09.2022

Saksbehandler
Vibeke Horne

800 80 000
Skatteetaten.no

Din/Deres referanse
AR506354147

Telefon
90518192

Org.nr
974761076

Vår referanse
2022/5772849

Postadresse
Postboks 9200 Grønland
0134 OSLO

PENTAGON NORTH EUROPE AS
Mjåvannsvegen 154
4628 KRISTIANSAND S

Att. Øyvind Rønning

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk

Vi viser til deres brev av 13. september 2022 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for følgende selskaper:

Pentagon North Europe AS	org. nr. 914 310 415
Pentagon Freight Services AS	org. nr. 997 329 910
Pentagon Transport AS	org. nr. 911 876 000
Pentagon Transport Nordic AS	org. nr. 927 568 411

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

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

Bakgrunn

Selskapene inngår i et internasjonalt konsern. Forretningsvirksomheten er kjøp og salg av tjenester på det internasjonale markedet vedrørende alle typer transport, inkludert eierskap i utstyr og deltagelse i selskaper med lignede virksomhet, samt alt som står i naturlig forbindelse med dette. Arbeidsspråket i konsernet er engelsk.

Skattekontorets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen [...] være på norsk. Departementet kan ved [...] enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

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



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

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

Det er etter skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapene er en del av et internasjonalt konsern. Videre er det vektlagt at selskapene driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Vibeke Horne
rådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.