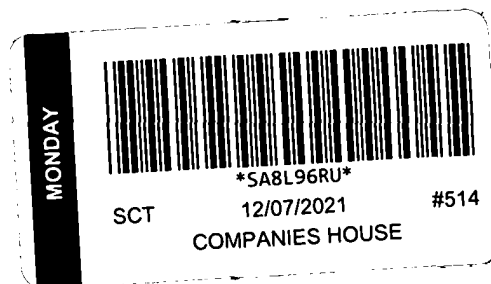


Forum Europe Holdings Limited
Annual report and financial statements
for the year ended 31 December 2020

Registered no: SC091614



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Forum Europe Holdings Limited

Directors and advisors

Directors

D L Williams

T K Schmitt

Company secretaries

J C Ivascu

Burness Paull LLP

Registered Office

Union Plaza (6th Floor)

1 Union Wynd

Aberdeen

Scotland

AB10 1DQ

Independent Auditors

Deloitte LLP

Chartered Accountant and Statutory Auditor

Union Plaza

1 Union Wynd

Aberdeen

Scotland

AB10 1SL

Forum Europe Holdings Limited

Directors' report for the year ended 31 December 2020

The directors present their annual report with the audited financial statements for the year ended 31 December 2020. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Principal activities

The principal activity of the company is that of a holding company. The principal activities of the associated undertaking are given in note 8 in the Notes to the Financial Statements.

Review of business

The loss before taxation incurred in 2020 was related to interest payable on intercompany loans of £110,000 (2019: £111,000) and professional fees of £12,000 (2019: nil), partially offset by foreign exchange gain of £65,000 (2019: gain of £75,000). Net assets decreased by £46,000 to £409,000 (2019: £455,000) due to the net loss for the year.

Results and dividends

The company's loss for the financial year was £46,000 (2019 loss: £29,000). The directors do not propose a dividend (2019: nil).

Directors

The directors who held office during the year and up to the date of signing the financial statements were as follows:

D L Williams
T K Schmitt

The company has no employees.

Directors indemnity

The company indemnifies the directors in its Articles of Association to the extent allowed under section 232 of the Companies Act 2006. Such qualifying third party indemnity provisions for the benefit of the company's directors remain in force at the date of this report.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are demand for products, competition, retention of employees and product availability. These risks are mitigated by having a diverse product offering.

The pace and strength of recovery in energy markets and in our results remain uncertain for 2021. The impact of the global COVID-19 pandemic on the world economy continues to cause operational disruptions, logistical constraints and travel restrictions which reduce the demand for energy. The Organization of Petroleum Exporting Countries ("OPEC") and other unaffiliated countries have continued production constraints which have supported higher oil prices. In 2020, Forum Energy Technologies, Inc., our parent company, implemented significant structural cost reductions which allowed the company to significantly offset lower sales volume and pricing. Forum now has a much leaner cost structure and operating results are expected to improve in line with incremental market activity increases. In 2020, the lower sales and cost reductions had a direct impact on the company's associated undertaking, Forum B+V Oil Tools GmbH.

Directors' report for the year ended 31 December 2020 (continued)

Brexit

In early 2021, a new trading deal was implemented between the European Union and the UK. However, certain details related to the deal continue to be developed. The company is therefore unable to assess the full impact on its UK subsidiaries in regards to the importation/exportation of goods and services from the UK. The company expects the direct impact to be limited and continues to seek guidance from external subject matter experts and government regulatory bodies. This could also potentially impact the investment company in Germany for goods exported to the UK.

Key performance indicators

The company has no key performance indicators beyond reported results.

Future developments

The strategy of the directors is to support investment in its subsidiaries to improve market share in existing markets and to develop new geographical markets and sales to new customers. As detailed above in principal risks and uncertainties, we expect the current market conditions to continue to impact our business in 2021. We will continue to mitigate these risks by managing our costs in order to preserve the operating margins in our subsidiary.

Financial risk

The company's operations expose it to a variety of risks, including liquidity risk, foreign exchange risk and interest rate risk.

Liquidity risk

To ensure that sufficient funds are available for on-going operations, the company has access to both long and short term borrowing facilities, via its ultimate parent company Forum Energy Technologies Inc.

Foreign exchange and interest rate risk

The company's activities expose it to the financial risks of movements in foreign currency exchange rates. Net currency exposures are monitored by the parent company. The company does not, at this time, enter into derivative financial instruments. In order to manage interest rate risk, the company minimises external borrowings.

Going concern

The directors remain confident in the future prospects for the company. Although inherent uncertainties exist within future projections, the directors expect the company's subsidiary to be cash generative for the foreseeable future.

The company is a member of the Forum Energy Technologies Inc. group of companies (the "group") and is a party to group banking arrangements. The group's ability to continue as a going concern is affected by the ability of the group headed by Forum Energy Technologies Inc. to comply with its ongoing banking terms and conditions. The directors have obtained information from Forum Energy Technologies Inc. and concluded that the banking terms and conditions are expected to be met for the foreseeable future.

The company has received confirmation from the parent company of continued support for the next 12 months. As a consequence, the directors believe that the company is well placed to manage its business risks successfully and therefore continue to adopt the going concern basis in the preparation of these financial statements.

The global COVID-19 pandemic continues to impact the outlook for our markets and as a result, the Company's forecasted financial condition. While taking precautions in relation to the health and safety of our employees, Forum Energy Technologies Inc. continues to provide essential services to energy and other critical industries. The Group has assessed the potential impact of different scenarios, but given its robust balance sheet and liquidity position, it believes it is in a strong position as the pandemic continues to evolve.

Registered Number

The Company registered no is SC091614 and is registered in Scotland.

Forum Europe Holdings Limited

Directors' report for the year ended 31 December 2020 (continued)

Independent Auditor

Deloitte LLP has indicated its willingness to be reappointed for another term and appropriate arrangements have been put in place for it to be deemed reappointed as auditor in the absence of a board meeting.

Disclosure of information to auditors

The directors, as at the date of this report, have confirmed that insofar as they are aware, there is no relevant audit information (that is, information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware, and have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

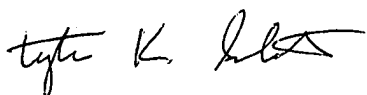
The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the Board of Directors and signed on behalf of the Board.



T K Schmitt
Director

24 June 2021

Independent auditors' report to the members of Forum Europe Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Forum Europe Holdings Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive loss;
- the balance sheet;
- the statement of changes in equity;
- the related notes 1 to 12

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

***Independent auditors' report to the members of Forum Europe Holdings Limited
(continued)***

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 respect of these matters.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

***Independent auditors' report to the members of Forum Europe Holdings Limited
(continued)***

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act 2006 and tax legislation.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of the board of directors.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report;
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

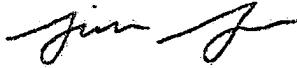
We have nothing to report in respect of these matters.

Forum Europe Holdings Limited

Independent auditors' report to the members of Forum Europe Holdings Limited (continued)

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Boyle CA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Aberdeen
24 June 2021

Forum Europe Holdings Limited

Statement of comprehensive loss for the year ended 31 December 2020

	Note	2020 £'000	2019 £'000
Administrative income	4	<u>53</u>	<u>75</u>
Operating profit		<u>53</u>	<u>75</u>
Interest payable and similar expenses	6	<u>(110)</u>	<u>(111)</u>
Loss before taxation		<u>(57)</u>	<u>(36)</u>
Tax credit on loss	7	<u>11</u>	<u>7</u>
Loss and total comprehensive loss for the year		<u>(46)</u>	<u>(29)</u>

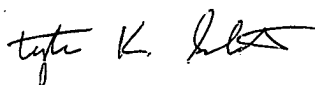
All amounts relate to continuing operations.

Forum Europe Holdings Limited

Balance Sheet as at 31 December 2020

	Note	2020 £'000	2019 £'000
Fixed assets			
Investments	8	<u>1</u>	<u>1</u>
Current assets			
Debtors	9	1,066	1,066
Creditors: amounts falling due within one year	10	<u>(658)</u>	<u>(612)</u>
Net current assets		<u>408</u>	<u>454</u>
Total assets less current liabilities		<u>409</u>	<u>455</u>
Net assets		<u>409</u>	<u>455</u>
Capital and reserves			
Called up share capital	11	10	10
Retained earnings		<u>399</u>	<u>445</u>
Total shareholders' funds		<u>409</u>	<u>455</u>

The financial statements on pages 9 to 17 were approved by the board of directors on 24 June 2021 and were signed on its behalf by:



T K Schmitt
Director

Forum Europe Holdings Limited

Statement of changes in equity for the year ended 31 December 2020

	Called up share capital	Retained earnings	Total shareholders' funds
	£'000	£'000	£'000
At 1 January 2019	10	474	484
Loss and total comprehensive loss for the year	—	(29)	(29)
At 31 December 2019	10	445	455
At 1 January 2020	10	445	455
Loss and total comprehensive loss for the year	—	(46)	(46)
At 31 December 2020	10	399	409

Notes to the financial statements for the year ended 31 December 2020

1. General information

Forum Europe Holdings Limited is a holding company. The company is a private company limited by shares and is incorporated in the United Kingdom. The address of its registered office is Union Plaza, 6th Floor, 1 Union Wynd, Aberdeen, AB10 1DQ.

2. Statement of compliance

The individual financial statements of Forum Europe Holdings Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 “The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland” (FRS 102) and the Companies Act 2006.

3. Accounting policies

Basis of accounting preparation

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom including Financial Reporting Standard 102, “The Financial Reporting Standard Applicable in the United Kingdom and Republic of Ireland” (FRS 102). The principal accounting policies, which have been applied consistently throughout the period, are set out below.

Going Concern

The Directors believe that preparing the financial statements on the going concern basis is appropriate due to the financial position and forecasted profitability of the company's subsidiary and the factors below.

The company is a member of the Forum Energy Technologies Inc. group of companies (the “group”) and is a party to group banking arrangements. The group’s ability to continue as a going concern is affected by the ability of the group headed by Forum Energy Technologies Inc. to comply with its ongoing banking terms and conditions. The directors have obtained information from Forum Energy Technologies Inc. and concluded that the banking terms and conditions are expected to be met for the foreseeable future.

The company has received confirmation from the parent company of continued support for the next 12 months. As a consequence, the directors believe that the company is well placed to manage its business risks successfully and therefore continue to adopt the going concern basis in the preparation of these financial statements.

The global COVID-19 pandemic continues to impact the outlook for our markets and as a result, the Company's forecasted financial condition. While taking precautions in relation to the health and safety of our employees, Forum Energy Technologies Inc. continues to provide essential services to energy and other critical industries. The Group has assessed the potential impact of different scenarios, but given its robust balance sheet and liquidity position, it believes it is in a strong position as the pandemic continues to evolve.

Consolidated financial statements

The financial statements contain information about Forum Europe Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Forum Energy Technologies Inc., a company incorporated in the USA and whose financial statements are publicly available.

Exemptions for qualifying entities under FRS 102

The company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Forum Energy Technologies Inc., includes the company’s cash flows in its own consolidated financial statements.

The company is a wholly owned subsidiary of Forum Energy Technologies, Inc. and is included in the consolidated financial statements of Forum Energy Technologies, Inc., which are publicly available. Consequently, the company has taken advantage of the exemption to disclose related party transactions under the terms of paragraph 33.1A of FRS 102.

Notes to the financial statements for the year ended 31 December 2020 (continued)

3. Accounting policies (continued)

Exemptions for qualifying entities under FRS 102 (Continued)

The company has taken advantage of the exemption, under FRS 102 paragraph 26.18(b), from disclosing the number and weighted average exercise prices of share options, FRS 102 paragraph 2.19 – 26.21, determination of fair values and information about modifications of share options and FRS 102 paragraph 26.23, impact on profit and loss.

The company has also taken advantage of the exemption, under FRS 102 paragraph 33.7, from disclosing key management personnel compensation in total.

Investments

Investments are stated at cost less provision for any impairment. An impairment loss is recognised when the recoverable amount of an investment is less than its carrying value. The recoverable amount of an investment is the higher of the fair value less costs to sell and value in use. Fair value is determined either through the use of an external valuation, or by means of an analysis of discounted future cash flows. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's continued use. An impairment loss represents the excess of carrying value over estimated recoverable amount.

Interest

Interest payable and interest receivable are recognised in the profit and loss account in the period in which they are incurred/received.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Exchange differences are included in the statement of comprehensive loss. The functional and presentational currency is GBP.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between taxable profits and results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

The company is part of a group that surrenders the benefit of any tax losses to other group companies in the form of group relief. Consideration for the full amount of the tax loss surrendered is payable by the claimant company and is recognised as group relief receivable or group relief payable within the balance sheet of the company.

Notes to the financial statements for the year ended 31 December 2020 (continued)

3. Accounting policies (continued)

Financial instruments

The company has chosen to adopt sections 11 and 12 of FRS 102 in respect of financial instruments:

i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank deposits are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the assets original effective interest rate. The impairment loss is recognised in profit or loss.

ii) Financial liabilities

Basic financial liabilities, including trade and other payables and loans from fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost using the effective rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Dividend distributions

Dividend distributions to the company's shareholders are recognised as liabilities in the company's financial statements in the period in which the dividends are approved by the company's shareholders and are dealt with in the Statement of changes in equity. Interim dividends are recognised when paid.

Dividend income

Dividend income received from subsidiary undertakings are recognised in the financial statements in the period that they are received and are dealt with in the Statement of comprehensive loss.

Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting judgements

There were no significant judgements in the accounting policies related to the presented financial statements.

Key Accounting Estimates and Assumptions

There were no significant accounting estimates and assumptions noted related to the presented financial statements.

Notes to the financial statements for the year ended 31 December 2020 (continued)

4. Administrative income

	2020	2019
	£'000	£'000
Administrative income includes:		
Foreign exchange gains	(65)	(75)
Professional fees	12	—
Administrative income	<u>(53)</u>	<u>(75)</u>

Statutory audit fees for 2020 were £2,200 which are included in professional fees in the table above. Statutory audit fees for 2019 were £1,500 which were borne by another group company.

5. Staff costs

The company does not employ any staff (2019: none).

Directors' remuneration is borne by another entity within the group and the directors are not remunerated for any services to the company and are nil. (2019: nil).

6. Interest payable and similar expenses

	2020	2019
	£'000	£'000
Intercompany interest	<u>110</u>	<u>111</u>

7. Tax on loss

	2020	2019
	£'000	£'000
Current Tax:		
UK corporation tax on loss for the year	11	7
Total current tax credit	<u>11</u>	<u>7</u>
Tax on loss	<u>11</u>	<u>7</u>

The tax credit for the year is the same (2019: same) as the standard rate of corporation tax in the UK of 19% (2019: 19%), as explained below:

	2020	2019
	£'000	£'000
Loss before taxation reconciliation	<u>(57)</u>	<u>(36)</u>
Loss before taxation at the standard rate of corporation tax in the UK of 19% (2019: 19%)	11	7
Total tax credit for year	<u>11</u>	<u>7</u>

Factors affecting current and future tax charges

The main rate of corporation tax from 1 April 2020 is 19%. There are no other factors affecting current and future tax charges or credits. The March 2021 Budget announced a further increase to the main rate of corporation tax to 25% from April 2023. This rate has not been substantively enacted at the balance sheet date.

Forum Europe Holdings Limited

Notes to the financial statements for the year ended 31 December 2020 (continued)

8. Investments

	Investments in group undertakings £'000
Cost and net book value	
At 1 January 2020	1
At 31 December 2020	<u>1</u>

The company owns 5% in ordinary share capital of Forum B+V Oil Tools GmbH, a group company incorporated in Germany, whose registered office address is Hermann-Blohm-Strasse 2, 20457 Hamburg, Germany. The principal activity is the manufacture and sale of pipe handling equipment for the oil and natural gas industry.

9. Debtors

	2020 £'000	2019 £'000
Amounts owed by group undertakings	<u>1,066</u>	<u>1,066</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

10. Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Amounts owed to group undertakings	656	612
Accrued liabilities	<u>2</u>	<u>—</u>
	<u>658</u>	<u>612</u>

Amounts owed to group undertakings are unsecured, have no fixed date of repayment and are repayable on demand. Interest on intercompany loans is charged at 8%.

11. Called up share capital

	2020 £'000	2019 £'000
Authorised:		
1,000 (2019: 1,000) ordinary shares of £1 each	1	1
16,450 (2019: 16,450) ordinary shares of US\$1 each	<u>10</u>	<u>10</u>
	<u>11</u>	<u>11</u>
Allotted and fully paid		
110 (2019: 110) ordinary shares of £1 each	—	—
16,450 (2019: 16,450) ordinary shares of US\$1 each	<u>10</u>	<u>10</u>
	<u>10</u>	<u>10</u>

Notes to the financial statements for the year ended 31 December 2020 (continued)

12. Ultimate parent company

The company's immediate parent undertaking is FET Global Holdings Limited, a company incorporated in the United Kingdom. The company's ultimate parent and controlling party is Forum Energy Technologies Inc., a company incorporated in the United States of America which was listed on the New York Stock Exchange on 12 April 2012 with registered office at 10344 Sam Houston Park Dr, Suite 300, Houston, TX 77064, USA.

Forum Energy Technologies Inc. is the parent undertaking of the smallest and largest group to consolidate these financial statements. Consolidated financial statements are available from the company website, www.f-e-t.com.