
RelyOn Nutec Denmark A/S

Uglviggårdsvej 3, DK-6705 Esbjerg Ø

Annual Report for 1 January - 31 December 2018

CVR No 27 46 08 28

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
5 /7 2019

Søren Strøm
Chairman of the General
Meeting



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of RelyOn Nutec Denmark A/S for the financial year 1 January - 31 December 2018.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2018 of the Company and of the results of the Company operations for 2018.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Esbjerg, 5 July 2019

Executive Board

Claus Nexø Hansen
CEO

Board of Directors

Torben Peder Korsgaard
Chairman

Torben Haring

Søren Strøm

Jesper René Daugbjerg

Rene Kjer Petersen

Independent Auditor's Report

To the Shareholders of RelyOn Nutec Denmark A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of RelyOn Nutec Denmark A/S for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements 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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, 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.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, 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 in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the

Independent Auditor's Report

audit. We also:

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

We communicate with those charged with governance 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.

Hellerup, 5 July 2019

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Bo Schou-Jacobsen

State Authorised Public Accountant

mne28703

Company Information

The Company

RelyOn Nutec Denmark A/S
Uglviggårdsvej 3
DK-6705 Esbjerg Ø

CVR No: 27 46 08 28

Financial period: 1 January - 31 December

Municipality of reg. office: Esbjerg

Board of Directors

Torben Peder Korsgaard, Chairman
Torben Harring
Søren Strøm
Jesper René Daugbjerg
Rene Kjer Petersen

Executive Board

Claus Nexø Hansen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Income Statement 1 January - 31 December

	Note	2018 DKK	2017 DKK
Gross profit/loss		41,137,151	30,401,330
Staff expenses	2	(28,560,796)	(26,615,569)
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		<u>(3,022,928)</u>	<u>(4,589,534)</u>
Profit/loss before financial income and expenses		9,553,427	(803,773)
Financial income	3	96,086	3,895
Financial expenses	4	<u>(193,480)</u>	<u>(261,645)</u>
Profit/loss before tax		9,456,033	(1,061,523)
Tax on profit/loss for the year	5	<u>(2,171,382)</u>	<u>(197,844)</u>
Net profit/loss for the year		<u>7,284,651</u>	<u>(1,259,367)</u>

Distribution of profit

Proposed distribution of profit

Retained earnings		<u>7,284,651</u>	<u>(1,259,367)</u>
		<u>7,284,651</u>	<u>(1,259,367)</u>

Balance Sheet 31 December

Assets

	Note	2018 DKK	2017 DKK
Land and buildings		593,419	593,419
Other fixtures and fittings, tools and equipment		8,968,644	9,386,484
Leasehold improvements		2,888,872	2,816,772
Property, plant and equipment in progress		352,687	161,990
Property, plant and equipment	6	12,803,622	12,958,665
Other receivables		0	694,888
Fixed asset investments		0	694,888
Fixed assets		12,803,622	13,653,553
Trade receivables		10,688,267	8,242,738
Receivables from group enterprises		9,623,199	2,160,814
Other receivables		2,623,002	2,776,816
Deferred tax asset		1,540,437	891,035
Corporation tax		1,132,685	368,824
Prepayments		1,588,796	428,268
Receivables		27,196,386	14,868,495
Cash at bank and in hand		379,708	2,565,403
Currents assets		27,576,094	17,433,898
Assets		40,379,716	31,087,451

Balance Sheet 31 December

Liabilities and equity

	Note	2018 DKK	2017 DKK
Share capital		2,010,000	2,010,000
Retained earnings		25,428,046	18,090,040
Equity	7	27,438,046	20,100,040
Lease obligations		802,726	857,086
Long-term debt	8	802,726	857,086
Lease obligations	8	54,360	45,074
Trade payables		3,848,635	2,778,805
Payables to group enterprises		1,109,760	2,058,824
Corporation tax		1,438,118	0
Other payables		5,688,071	5,247,622
Short-term debt		12,138,944	10,130,325
Debt		12,941,670	10,987,411
Liabilities and equity		40,379,716	31,087,451
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Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 January	2,010,000	18,090,040	20,100,040
Exchange adjustments	0	53,355	53,355
Net profit/loss for the year	0	7,284,651	7,284,651
Equity at 31 December	<u>2,010,000</u>	<u>25,428,046</u>	<u>27,438,046</u>

Notes to the Financial Statements

1 Key activities

The Entity's primary activity is to provide safety training and consultancy services to relevant high-risk industries, from facilities in Denmark and the branch in Germany.

	2018 DKK	2017 DKK
2 Staff expenses		
Wages and salaries	26,242,346	23,920,733
Pensions	2,318,450	2,694,836
	28,560,796	26,615,569
Average number of employees	57	53
3 Financial income		
Other financial income	53,786	3,895
Exchange gains	42,300	0
	96,086	3,895
4 Financial expenses		
Other financial expenses	193,480	223,173
Exchange loss	0	38,472
	193,480	261,645
5 Tax on profit/loss for the year		
Current tax for the year	2,800,254	582,114
Deferred tax for the year	(437,940)	(383,695)
Adjustment of tax concerning previous years	(190,932)	(575)
	2,171,382	197,844

Notes to the Financial Statements

6 Property, plant and equipment

	Land and buildings	Other fixtures and fittings, tools and equipment	Leasehold improvements	Property, plant and equipment in progress
	DKK	DKK	DKK	DKK
Cost at 1 January	2,952,694	38,523,068	5,260,756	161,990
Additions for the year	0	2,441,564	73,634	352,687
Transfers for the year	0	0	161,990	(161,990)
Cost at 31 December	<u>2,952,694</u>	<u>40,964,632</u>	<u>5,496,380</u>	<u>352,687</u>
Impairment losses and depreciation at 1 January	2,359,275	29,136,584	2,443,984	0
Depreciation for the year	0	2,859,404	163,524	0
Impairment losses and depreciation at 31 December	<u>2,359,275</u>	<u>31,995,988</u>	<u>2,607,508</u>	<u>0</u>
Carrying amount at 31 December	<u>593,419</u>	<u>8,968,644</u>	<u>2,888,872</u>	<u>352,687</u>
Including assets under finance leases amounting to	<u>0</u>	<u>770,000</u>	<u>0</u>	<u>0</u>

7 Equity

The share capital consists of 2,010,000 shares of a nominal value of DKK 2,010,000. No shares carry any special rights.

Notes to the Financial Statements

8 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	<u>2018</u> DKK	<u>2017</u> DKK
Lease obligations		
After 5 years	447,776	562,763
Between 1 and 5 years	354,950	294,323
Long-term part	<u>802,726</u>	<u>857,086</u>
Within 1 year	<u>54,360</u>	<u>45,074</u>
	<u>857,086</u>	<u>902,160</u>

9 Contingent assets, liabilities and other financial obligations

Contingent liabilities

The Company has signed an interminable rental agreement effective until 30 September 2036 for its buildings. Annual rent totals DKK 2,587k.

The Company has also signed a rental agreement for other premises effective until 31 October 2020. Annual rent amounts to DKK 1,546k

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of P-RelyOn Nutec A/S, which is the management company of the joint taxation purposes. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Notes to the Financial Statements

10 Related parties

Basis

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

Consolidated Financial Statements

The company is included in the consolidated report for the parent company

<u>Name</u>	<u>Place of registered office</u>
BidCo RelyOn Nutec A/S	Copenhagen

The Group Annual Report of BidCo RelyOn Nutec A/S may be obtained at the following address:

BidCo RelyOn Nutec A/S
Kalvebod Brygge 45,3.
DK-1560 København V

11 Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Notes to the Financial Statements

12 Accounting Policies

The Annual Report of RelyOn Nutec Denmark A/S for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2018 are presented in DKK.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between

Notes to the Financial Statements

12 Accounting Policies (continued)

the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

On recognition of foreign subsidiaries where operations are independent from the parent company, profit and loss accounts are translated at monthly average exchange rates, and balance sheet items are translated at the exchange rates ruling at the balance sheet date. Exchange differences arising on translation of the opening equity of foreign subsidiaries at the exchange rates ruling at the balance sheet date and on translation of profit and loss accounts from average exchange rates to the rates ruling at the balance sheet date are recognised directly in equity.

Income Statement

Revenue

Revenue from the sale of services is recognised when the risks and rewards relating to the services sold have been transferred to the purchaser.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Other external expenses

Other external expenses comprise expenses for premises and sales as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Notes to the Financial Statements

12 Accounting Policies (continued)

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with with Danish Group enterprises. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Buildings	20 years
Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	10 years

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Notes to the Financial Statements

12 Accounting Policies (continued)

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning incurred costs relating to subsequent financial years.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.