

RelyOn Nutec Denmark A/S

Uglviggårdsvej 3
6705 Esbjerg Ø
CVR no. 27 46 08 28

Annual report for 01.01.2022 - 31.12.2022

This annual report has been adopted at the annual general meeting on 29 June 2023

Birgitte Poulsen
Chairman of the general meeting

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Company information

The company

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

Tel.: 76 12 13 14

Registered office: Esbjerg

CVR no.: 27 46 08 28

Financial year: 01.01.2022-31.12.2022

Executive Board

Claus Nexø Hansen

Board of Directors

Torben Haring
Torben Peder Korsgaard
Birgitte Poulsen
Jesper René Daugbjerg
Eva Christensen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK – 2900 Hellerup

Statement by the Executive Board and Board of Directors on the annual report

We have on this day presented the annual report for the financial year 01.01.2022 - 31.12.2022 for RelyOn Nutec Denmark A/S.

The annual report is presented in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.12.2022 and of the results of the company's activities for the financial year 01.01.2022 - 31.12.2022.

The annual report is submitted for adoption by the general meeting.

Esbjerg, 29 June 2023.

Executive Board

Claus Nexø Hansen
CEO

Board of Directors

Torben Harring
Chairman

Torben Peder Korsgaard

Birgitte Poulsen

Jesper René Daugbjerg

Eva Christensen

Independent auditor's report

To the shareholder 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 2022, and of the results of the Company's operations for the financial year 1 January 2022 - 31 December 2022 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 2022 - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility 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 judgment and maintain professional skepticism throughout the 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, 29 June 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR no. 33 77 12 31

Allan Knudsen

State Authorized Public Accountant

MNE-no. mne29465

Income statement

DKK	Notes	2022	2021
Gross profit / loss		32.335.270	28.108.142
Staff costs	3	-26.370.309	-23.488.537
Depreciation, amortisation and impairment		-1.943.763	-1.709.065
Earnings before interest and taxes (EBIT)		4.021.198	2.910.540
Financial Income	4	374.906	145.304
Financial Expenses	5	-1.105.306	-618.258
Profit / loss before tax		3.290.798	2.437.586
Tax on profit / loss for the year	6	-1.079.981	104.699
Profit / loss for the year		2.210.817	2.542.285

Proposed distribution of profit

Retained earnings		2.210.817	2.542.285
Total		2.210.817	2.542.285

Balance sheet

DKK	Notes	2022	2021
Assets			
Land and buildings	7	2.556.288	1.756.352
Leasehold improvements	7	2.487.714	2.834.826
Fixtures and fittings, tools and equipment	7	4.893.464	4.406.699
Total property, plant and equipment		9.937.466	8.997.877
Equity investments in group enterprises	8	28.041.104	28.041.104
Receivables from group enterprises		0	10.966.004
Total financial fixed assets		28.041.104	39.007.108
Total non-current assets		37.978.570	48.004.985
Receivables from group enterprises		5.887.907	2.955.302
Trade Receivables		6.335.193	3.975.463
Deferred tax asset		0	498.124
Other receivables		2.741.794	2.868.416
Prepayments		622.160	669.826
Total receivables		15.587.054	10.967.131
Cash in bank and in hand		5.617.640	3.780.767
Total current assets		21.204.694	14.747.898
Total assets		59.183.264	62.752.883

Statement of changes in equity

DKK	Notes	2022	2021
<u>Equity and liabilities</u>			
Share capital		2.010.000	2.010.000
Retained earnings		31.875.165	29.705.102
Total equity		33.885.165	31.715.102
Lease obligations	9	384.784	645.409
Deferred tax liabilities		250.020	0
Payables to group enterprises		2.581.152	0
Other payables	9	0	3.035.684
Total non-current payables		3.215.956	3.681.093
Short-term part of long-term payables	9	218.625	1.229.874
Trade payables		2.632.791	2.980.789
Payables to group enterprises		6.651.318	14.730.721
Other payables		12.579.409	8.415.304
Total current payables		22.082.143	27.356.688
Total liabilities		25.298.099	31.037.781
Total equity and liabilities		59.183.264	62.752.883

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Statement of changes in equity

DKK '000	Share capital	Retained earnings	Total equity
Balance at 1 January 2021	2.010.000	27.162.817	29.172.817
Net profit/loss for the year	0	2.542.285	2.542.285
Balance at 31 December 2021	2.010.000	29.705.102	31.715.102
Balance at 1 January 2022	2.010.000	29.705.102	31.715.102
Net profit/loss for the year	0	2.210.817	2.210.817
Prior year adjustment	0	-40.754	-40.754
Balance at 31 December 2022	2.010.000	31.875.165	33.885.165

Notes

1. Primary 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 subsidiary in Germany.

2. Subsequent events

No important events have occurred after the end of the financial year.

3. Staff costs

DKK	2022	2021
Wages and salaries	19.992.249	20.984.489
Pensions	2.800.849	2.394.574
Other staff costs	3.577.211	109.474
Total	26.370.309	23.488.537
Average number of employees	39	36

4. Financial income

DKK	2022	2021
Interest received from group enterprises	45.800	70.275
Exchange rate gains	305.755	53.177
Other financial income	23.351	21.852
Total	374.906	145.304

5. Financial expenses

DKK	2022	2021
Exchange rate losses	314.187	40.818
Interest paid to group enterprises	1.763	0
Other financial expenses	789.356	577.440
Total	1.105.306	618.258

6. Tax on profit or loss for the year

DKK	2022	2021
Current tax for the year	370.847	0
Adjustment of deferred tax for the year	707.390	-104.699
Other	1.744	0
Total	1.079.981	-104.699

7. Property, plant and equipment

DKK	Land and buildings	Leasehold improve- ments	Fixtures and fittings, tools and equipment
Cost at 1 January 2022	4.261.627	6.843.506	31.427.140
Additions during the year	1.046.953	0	1.871.831
Disposals during the year	-51.450	-17.600	-2.113.479
Movements	0	27	-27
Cost at 31 December 2022	5.257.130	6.825.933	31.185.465
Depreciation and impairments at 1 January 2022	-2.505.275	-4.008.680	-27.020.441
Depreciation during the year	-217.005	-544.478	-1.182.280
Disposals during the year	21.438	12.179	2.113.480
Movements	0	202.760	-202.760
Depreciation and impairments at 31 December 2022	-2.700.842	-4.338.219	-26.292.001
Carrying amount at 31 December 2022	2.556.288	2.487.714	4.893.464

8. Equity investments in group enterprises

DKK	Equity investments in group enterprises
Cost as at 01.01.22	28.041.104
Cost as at 31.12.22	28.041.104
Carrying amount as at 31.12.22	28.041.104

Name and registered office:	Ownership interest
Subsidiaries:	0
RelyOn Nutec Germany GmbH, Germany	100%

9. Long-term payables

DKK	Due within 1 year	Due within 1-5 years	Due after 5 years	Total
Lease commitments	201.498	645.409	0	846.907
Other payables	1.028.376	3.035.684	0	4.064.060
Payables at 31 December 2021	1.229.874	3.681.093	0	4.910.967
Lease commitments	218.625	384.784	0	603.409
Payables at 31 December 2022	218.625	384.784	0	603.409

10. Contingent liabilities*Other contingent liabilities*

The Company has signed an rental agreement effective until 30 September 2036 for its buildings. Annual rent amounts to DKK 2,810k. The total lease payments under this agreement amounts DKK 38,641k.

The Company has also signed other lease and rental agreements effective 12-24 months after the balance sheet date. Annual rent amounts to DKK 643k. The total lease payments under these agreements amount DKK 1.087k.

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

11. Related parties

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: BidCo RelyOn Nutec A/S, Copenhagen V.

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 Copenhagen V.

12. Accounting policies

GENERAL

The Annual Report of RelyOn Nutec Holding A/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The financial statements for 2022 are presented in DKK.

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of BidCo RelyOn Nutec A/S, the Company has not prepared consolidated financial statements.

Basis of recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

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.

CURRENCY

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 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.

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.

INCOME STATEMENT

Gross result

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

Revenue

Revenue from sale is recognised when the risks and rewards relating is transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

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, consultants, office expenses, etc.

Staff costs

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.

Income from equity investments in group enterprises

Dividends from equity investments measured at cost are recognised as income in the financial year in which the dividend is declared.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and property, plant and equipment.

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 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.

Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction. All indirectly attributable borrowing expenses are recognised in the income statement.

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	5 years

Depreciation periods and residual values are reassessed annually.

Equity investments in group enterprises

Equity investments in subsidiaries are measured in the balance sheet at cost less any impairment losses. Transaction costs directly attributable to the acquisition are recognized in the cost of equity investments.

Gains or losses on disposal of equity investments are determined as the difference between the disposal consideration and the carrying amount of net assets at the time of sale, including non-amortised goodwill, as well as the expected costs of divestment or discontinuation. Gains and losses are recognised in the income

statement under income from equity investments.

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment. If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

If dividends are distributed on equity investments in subsidiaries exceeding the year earnings from the enterprise in question, this is considered an indication of impairment.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

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.

Cash

Cash includes deposits in bank accounts as well as operating cash.

Equity

An amount equivalent to internally generated development costs in the balance sheet is recognised in equity under reserve for development costs. The reserve is measured less deferred tax and reduced by amortisation and impairment losses on the asset. If impairment losses on development costs are subsequently reversed, the reserve will be restored with a corresponding amount.

The reserve is dissolved when the development costs are no longer recognized in the balance sheet, and the

remaining amount will be transferred to retained earnings.

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability. Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Non-current payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

Current payables are measured at amortised cost, normally corresponding to the nominal value of such payables.