RelyOn Nutec Denmark A/S

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

Annual report for 01.01.21 - 31.12.21

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 30.06.22

Birgitte Poulsen
Dirigent

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Company information etc.

The company

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

Registered office: Esbjerg
CVR no.: 27 46 08 28
Financial year: 01.01 - 31.12

Executive Board

Claus Nexø Hansen

Board of Directors

Torben Peder Korsgaard
Birgitte Poulsen
Torben Harring
Rene Kjer Petersen
Jesper René Daugbjerg

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 01.01.21 - 31.12.21 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 31.12.21 and of the results of the company's activities for the financial year 01.01.21 - 31.12.21.

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

Esbjerg Ø, June 30, 2022

Executive Board

Claus Nexø Hansen

Board of Directors

Torben Peder Korsgaard Chairman	Birgitte Poulsen	Torben Harring
Rene Kjer Petersen	Jesper René Daugbjerg	

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 2021, and of the results of the Company's operations for the financial year 1 January - 31 December 2021 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 2021, 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, June 30, 2022

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31

Allan Knudsen
Registered Public Accountant
MNE-no. mne29465

Frederik Tvedeskov Jantzen
State Authorized Public Accountant
MNE-no. mne47815

Income statement

Note		2021 DKK	2020 DKK
	Gross profit	**28,108,142**	**21,155,035**
3	Staff costs	-23,488,537	-20,249,250
	Depreciation and impairments losses of property, plant and equipment	-1,709,065	-1,981,253
	Operating profit/loss	**2,910,540**	**-1,075,468**
4	Financial income	145,304	83,554
5	Financial expenses	-618,258	-519,013
	Profit/loss before tax	**2,437,586**	**-1,510,927**
6	Tax on profit or loss for the year	104,699	928,883
	Profit/loss for the year	**2,542,285**	**-582,044**

Proposed appropriation account

Retained earnings	2,542,285	-582,044
Total	**2,542,285**	**-582,044**

Balance sheet

ASSETS

Note		31.12.21 DKK	31.12.20 DKK
	Land and buildings	1,756,352	1,155,264
	Leasehold improvements	2,834,826	3,405,197
	Other fixtures and fittings, tools and equipment	4,406,699	3,699,677
7	**Total property, plant and equipment**	**8,997,877**	**8,260,138**
8	Equity investments in group enterprises	28,041,104	28,041,104
	Receivables from group enterprises	10,966,004	2,414,067
	Financial fixed assets	**39,007,108**	**30,455,171**
	Total non-current assets	**48,004,985**	**38,715,309**
	Trade receivables	3,975,463	2,942,334
	Receivables from group enterprises	2,955,302	3,088,672
	Deferred tax asset	498,124	393,425
	Other receivables	2,868,416	2,517,049
	Prepayments	669,826	669,687
	Total receivables	**10,967,131**	**9,611,167**
	Cash	**3,780,767**	**3,696,598**
	Total current assets	**14,747,898**	**13,307,765**
	Total assets	**62,752,883**	**52,023,074**

Balance sheet

EQUITY AND LIABILITIES

Note		31.12.21 DKK	31.12.20 DKK
	Share capital	2,010,000	2,010,000
	Retained earnings	29,705,102	27,162,817
	Total equity	**31,715,102**	**29,172,817**
9	Lease obligations	645,409	930,456
9	Other payables	3,035,684	0
	Total long-term payables	**3,681,093**	**930,456**
9	Short-term part of long-term payables	1,229,874	186,163
	Trade payables	2,980,789	1,223,627
	Payables to group enterprises	14,730,721	14,619,329
	Other payables	8,415,304	5,890,682
	Total short-term payables	**27,356,688**	**21,919,801**
	Total payables	**31,037,781**	**22,850,257**
	Total equity and liabilities	**62,752,883**	**52,023,074**

1 Primary activities
2 Subsequent event
10 Contingent liabilities
11 Related parties
12 Accounting policies

Statement of changes in equity

Figures in DKK	Share capital	Retained earnings	Total equity
Statement of changes in equity for 01.01.20 - 31.12.20			
Balance as at 01.01.20	2,010,000	27,744,861	29,754,861
Net profit/loss for the year	0	-582,044	-582,044
Balance as at 31.12.20	2,010,000	27,162,817	29,172,817
Statement of changes in equity for 01.01.21 - 31.12.21			
Balance as at 01.01.21	2,010,000	27,162,817	29,172,817
Net profit/loss for the year	0	2,542,285	2,542,285
Balance as at 31.12.21	2,010,000	29,705,102	31,715,102

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.

	2021 DKK	2020 DKK
3. Staff costs		
Wages and salaries	20,984,489	18,628,397
Pensions	2,394,574	1,544,879
Other staff costs	109,474	75,974
Total	23,488,537	20,249,250
Average number of employees during the year	36	34

4. Financial income

Interest, group enterprises	70,275	24,513
Foreign exchange gains	53,177	24,527
Other financial income	21,852	34,514
Total	145,304	83,554

	2021 DKK	2020 DKK

5. Financial expenses

	2021 DKK	2020 DKK
Other interest expenses	577,440	519,013
Foreign currency translation adjustments	40,818	0
Total	618,258	519,013

6. Tax on profit or loss for the year

	2021 DKK	2020 DKK
Adjustment of deferred tax for the year	-104,699	-866,480
Adjustment of tax in respect of previous years	0	-62,403
Total	-104,699	-928,883

7. Property, plant and equipment

Figures in DKK	Land and buildings	Leasehold improvements	Other fixtures and fittings, tools and equipment
Cost as at 01.01.21	3,536,257	6,662,062	29,887,150
Additions during the year	725,370	181,444	1,539,990
Cost as at 31.12.21	4,261,627	6,843,506	31,427,140
Depreciation and impairment losses as at 01.01.21	-2,380,993	-3,256,865	-26,187,473
Depreciation during the year	-124,282	-751,815	-832,968
Depreciation and impairment losses as at 31.12.21	-2,505,275	-4,008,680	-27,020,441
Carrying amount as at 31.12.21	1,756,352	2,834,826	4,406,699
Carrying amount of assets held under finance leases as at 31.12.21	0	0	387,583

8. Equity investments in group enterprises

Figures in DKK	Equity investments in group enterprises
Cost as at 01.01.21	28,041,104
Cost as at 31.12.21	28,041,104
Carrying amount as at 31.12.21	28,041,104

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

9. Long-term payables

Figures in DKK	Repayment first year	Outstanding debt after 5 years	Total payables at 31.12.21	Total payables at 31.12.20
Lease commitments	201,498	0	846,907	1,116,619
Other payables	1,028,376	0	4,064,060	0
Total	1,229,874	0	4,910,967	1,116,619

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 2,533k. The total lease payments under this agreement amounts 45,629k.

The Company has also signed other lease and rental agreements effective 12-24 months after the balance sheet date. Annual rent amounts to 422k. The total lease payments under these agreements amount 743k.

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 financial statements of the parent 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 Denmark A/S for 2021 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 2021 are presented in DKK.

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

Basis of 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.

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.

12. Accounting policies - continued -

On recognition of foreign operations where operations are independent from the parent compay, 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 operations 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.

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 profit

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.

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.

12. Accounting policies - continued -

Other operating income

Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including rental income, negative goodwill and gains on the sale of intangible assets and property, plant and equipment.

Other external expenses

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

Staff costs

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

Depreciation and impairment losses

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

Other net financials

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.

12. Accounting policies - continued -

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.

Equity investments in group entreprises

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

12. Accounting policies - continued -

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

Current and deferred tax

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.

12. Accounting policies - continued -

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 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.

Payables

Long-term 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.

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