Doms Metrology ApS

Formervangen 28, 2600 Glostrup

CVR no. 29 60 70 79

Annual report for 2017

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 28.05.18

Jonathan Wright
Dirigent

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Company information etc.

The company

Doms Metrology ApS
c/o DOMS ApS
Formervangen 28
2600 Glostrup
Registered office: Glostrup
CVR no.: 29 60 70 79
Financial year: 01.01 - 31.12

Executive Board

Søren Nordby Riishøj

Board Of Directors

Andreas Wenzel
Stuart Graham
Søren Nordby Riishøj

Auditors

Ernst & Young
Godkendt Revisionspartnerselskab

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

We have on this day presented the annual report for the financial year 01.01.17 - 31.12.17 for Doms Metrology ApS.

The annual report is presented in accordance with Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the the company's assets, liabilities and financial position as at 31.12.17 and of the results of the the company's activities for the financial year 01.01.17 - 31.12.17.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

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

Glostrup, May 28, 2018

Executive Board

Søren Nordby Riishøj

Board Of Directors

Andreas Wenzel

Stuart Graham

Søren Nordby Riishøj

To the capital owner of Doms Metrology ApS

AUDITORS'S REPORT ON THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Doms Metrology ApS for the financial year 1 January – 31 December 2017, which comprise income statement, balance sheet and notes, including accounting policies. The financial statements are 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 of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January – 31 December 2017 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

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 as to 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 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 the financial statements.

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

Statement regarding the management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's review and, in doing so, consider whether Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Acts. We did not identify any material misstatement of the Management's review.

Report on other legal and regulatory requirements

Violation of Danish VAT legislation

In violation of the Danish VAT legislation, the Company has not filed VAT statements to the Danish Customs and TAX Administration in due time. As a result, Management may be held liable.

Copenhagen, May 28, 2018

Ernst & Young

Godkendt Revisionspartnerselskab
CVR no. 30700228

Henrik Kronborg Iversen	Rasmus Bloch Jespersen
State Authorized Public Accountant	State Authorized Public Accountant
MNE-no. mne24687	MNE-no. mne35503

Primary activities

Doms Metrology ApS operates within the area of legal metrology control, i.e. inspection and verification of measuring equipment in accordance with the provision of the MID regulations, 2004/22/EU and national legislation within the oil and gasoline sector. Doms Metrology is accredited by Danak, an EU notified organ.

Development in activities and financial affairs

The income statement for the period 01.01.17 - 31.12.17 showed a result of DKK -903,791 against a result of DKK -114,206 for the period 01.01.16 - 31.12.16. The balance sheet at 31 December showed equity of DKK 982,098.

Management considers the loss for the year to be unsatisfactory.

Outlook

The expectations for the future are positive even though the competition on the Danish market has increased, since the number of petrol stations in Denmark have declined. Management is expecting positive net profit for 2018 and onwards.

External environment

The company is eco-concious and is making an ongoing effort to reduce the environmental impact of its operations. Also, though regular training and dissemination of information to all employees, the company seeks to foster a responsible and reasonable attitude to the environment as well as security issues.

Subsequent events

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

Income statement

Note		2017 DKK	2016 DKK
	Gross profit	**2,258,182**	**2,431,949**
2	Staff costs	-3,376,479	-2,511,936
	Depreciation, amortisation, impairment losses and write-downs of property, plant and equipment	-37,824	-47,676
	Profit/loss before net financials	**-1,156,121**	**-127,663**
3	Financial income	19,830	0
4	Financial expenses	-18,612	-40,363
	Profit/loss before tax	**-1,154,903**	**-168,026**
5	Tax on profit or loss for the year	251,112	53,820
	Profit/loss for the year	**-903,791**	**-114,206**

Proposed appropriation account

Retained earnings	-903,791	-114,206
Total	**-903,791**	**-114,206**

Balance sheet

ASSETS

Note		31.12.17 DKK	31.12.16 DKK
	Other fixtures and fittings, tools and equipment	14,940	52,764
	Total property, plant and equipment	**14,940**	**52,764**
	Total non-current assets	**14,940**	**52,764**
	Trade receivables	711,496	865,979
	Receivables from group enterprises	2,305,999	2,980,795
	Deferred tax asset	26,690	44,419
	Income tax receivable	240,352	0
	Other receivables	75,452	7,365
	Prepayments	53,761	57,753
	Total receivables	**3,413,750**	**3,956,311**
	Total current assets	**3,413,750**	**3,956,311**
	Total assets	**3,428,690**	**4,009,075**

Balance sheet

EQUITY AND LIABILITIES

Note		31.12.17 DKK	31.12.16 DKK
	Contributed capital	125,000	125,000
	Retained earnings	857,098	1,760,889
	Total equity	**982,098**	**1,885,889**
	Prepayments received from customers	0	258,714
	Trade payables	548,427	564,752
	Payables to group enterprises	1,317,649	726,908
	Income taxes	0	26,253
	Other payables	580,516	546,559
	Total short-term payables	**2,446,592**	**2,123,186**
	Total payables	**2,446,592**	**2,123,186**
	Total equity and liabilities	**3,428,690**	**4,009,075**

6 Contingent liabilities
7 Related parties

Statement of changes in equity

Figures in DKK	Share capital	Retained earnings	Total equity
Statement of changes in equity for 01.01.16 - 31.12.16			
Balance pr. 01.01.16	125,000	1,875,095	2,000,095
Net profit/loss for the year	0	-114,206	-114,206
Balance as at 31.12.16	125,000	1,760,889	1,885,889
Statement of changes in equity for 01.01.17 - 31.12.17			
Balance as at 01.01.17	125,000	1,760,889	1,885,889
Net profit/loss for the year	0	-903,791	-903,791
Balance as at 31.12.17	125,000	857,098	982,098

There have been no changes in share capital during the five preceding financial years.

1. Special items

Special items are income and expenses that are special due to their size and nature. The following special items were recorded in the financial year:

		2017	2016
Cost related to restructured executive board	Staff costs	634,000	0

	2017 DKK	2016 DKK
2. Staff costs		
Wages and salaries	3,126,448	2,221,527
Pensions	185,925	224,302
Other social security costs	63,846	65,751
Other staff costs	260	356
Total	3,376,479	2,511,936
Average number of employees during the year	4	5

3. Financial income

Foreign currency translation adjustments	19,830	0
Total	19,830	0

	2017 DKK	2016 DKK

4. Financial expenses

Interest, group enterprises	12,092	1,389
Other interest expenses	3,250	19,434
Foreign currency translation adjustments	3,270	19,540
Other financial expenses total	6,520	38,974
Total	18,612	40,363

5. Tax on profit or loss for the year

Current tax for the year	-240,352	0
Adjustment of deferred tax for the year	17,729	-36,458
Adjustment of tax in respect of previous years	-28,489	-17,362
Total	-251,112	-53,820

6. Contingent liabilities

Lease commitments

The company has concluded lease agreements with terms to maturity of 26 months and average lease payments of DKK 17,885, a total of DKK 465,000 (2016: DKK 619,669).

Joint taxation

At 31 December 2017, the company is jointly taxed with Fluke Danmark A/S, which is the ‘tax administration' company (Administrationsselskab) for the Danish joint taxation of Fortive Corporation.

The company is 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 2017 of the administration company for the joint taxation purpose Fluke Denmark A/S. Moreover, the 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.

7. Related parties

Doms Metrology ApS is included in the consolidated financial statements of Fortive Corporation, 6920 Seaway Blvd., Everett WA 98203, United States. Requisition of the parents consolidated financial statements at http://investors.fortive.com/proxy-statements

8. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rate at the transaction date and the rate at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at closing rates. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

8. Accounting policies - continued -

Non-current assets acquired in foreign currency are measured at the exchange rate at the transaction date.

LEASES

Lease payments relating to operating leases are recognised in the income statement on a straight-line basis over the lease term.

INCOME STATEMENT

Gross profit

Gross profit comprises revenue and cost of sales and other external expenses.

Revenue

Income from the sale of services, which include service contracts, is recognised in revenue on a straight-line basis as the services are rendered, as the services are provided in the form of an indefinite number of actions over a specified period of time.

Revenue is measured at fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Cost of sales

Cost of sales comprises cost of sales for the year measured at cost plus any changes in inventories, including write-downs to the extent that these do not exceed normal write-downs.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

8. Accounting policies - continued -

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs. The item is net of refunds made by public authorities.

Depreciation and impairment losses

The amortisation and depreciation of property, plant and equipment aim at systematic depreciation and amortisation over the expected useful lives of the assets. Assets are depreciated/amortised according to the straight-line method based on the following expected useful lives and residual values:

	Useful life, year	Residual value, per cent
Other plant, fixtures and fittings, tools and equipment	2-4	0

The basis of depreciation/amortisation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation/amortisation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

Other net financials

Interest income and interest expenses etc. are recognised in financial income and financial expenses.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

The company is jointly taxed with Danish group enterprises.

8. Accounting policies - continued -

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

Special items

Special items comprise significant income and expenses of a special nature relative to the Company's revenue-generating operating activities, e.g. expenses incurred to extensive structuring of processes and basic structural adjustments, as well as any relating disposal gains and losses, and which over time have a material impact. Special items further comprise other substantial, non-recurring amounts.

BALANCE SHEET

Property, plant and equipment

Property, plant and equipment comprise other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the ‘Depreciation and impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

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.

8. Accounting policies - continued -

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.

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 at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

Cash

Balances in the group's cash pool scheme are not, due to the nature of the scheme, considered cash, but are recognised under "Receivable from group enterprises".

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 on prior years' taxable income and tax paid on account.

8. Accounting policies - continued -

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 within the same jurisdiction.

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

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