
Saybolt Danmark A/S

Fyrtårnsvej 11, Prøvestenen, DK-2300 København S

Annual Report for 1 January - 31 December 2016

CVR No 89 97 62 19

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
1 /5 2017

Torben Waage
Chairman



pwc

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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Saybolt Danmark A/S for the financial year 1 January - 31 December 2016.

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 2016 of the Company and of the results of the Company operations for 2016.

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

Copenhagen, 1 May 2017

Executive Board

P.W. Boks

Board of Directors

P. W. Boks
Chairman

M. F. Elvig

Arie van der Kaaden

Independent Auditor's Report on the Financial Statements

To the Shareholder of Saybolt Danmark A/S

We have performed an extended review of the Financial Statements of Saybolt Danmark A/S for the financial year 1 January - 31 December 2016, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

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.

Auditor's responsibility

Our responsibility is to express a conclusion on the Financial Statements. We conducted our extended review in accordance with the Danish Business Authority's assurance standard for small enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared under the Danish Financial Statements Act.

This requires that we comply with the Danish Act on Approved Auditors and Audit Firms and FSR – Danish Auditors' Code of Ethics and that we plan and perform procedures to obtain limited assurance in respect of our conclusion on the Financial Statements and, moreover, that we perform supplementary procedures specifically required to obtain additional assurance in respect of our conclusion.

An extended review consists of making inquiries, primarily of Management and others within the enterprise, as appropriate, and applying analytical procedures and the supplementary procedures specifically required as well as assessing the evidence obtained.

An extended review is less in scope than an audit and, consequently, we do not express an audit opinion on the Financial Statements.

Conclusion

Based on the extended review, in our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

Hellerup, 1 May 2017

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Torben Jensen

State Authorised Public Accountant

Company Information

The Company

Saybolt Danmark A/S
Fyrtårnsvej 11
Prøvestenen
DK-2300 København S

Telephone: 32953132
Facsimile: 32953134
E-mail: saybolt.denmark@corelab.com
Website: www.saybolt.dk

CVR No: 89 97 62 19
Financial period: 1 January - 31 December
Financial year: 34th financial year
Municipality of reg. office: København

Main activity

The Company's main activity relates to independent inspections and analysis for the oil industry in Denmark.

Board of Directors

P. W. Boks, Chairman
M. F. Elvig
Arie van der Kaaden

Executive Board

P.W. Boks

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Lawyers

Kromann Reumert
Sundkrogsgade 5
DK-2100 København Ø

Bankers

Jyske Bank
Gl. Torv 5
DK-4200 Slagelse

Income Statement 1 January - 31 December

	Note	2016 DKK	2015 DKK
Revenue		36.398.986	33.936.669
Other external expenses		-12.491.838	-11.397.382
Gross profit/loss		23.907.148	22.539.287
Staff expenses	1	-20.117.002	-18.188.676
Depreciation and impairment of property, plant and equipment		-338.880	-409.670
Profit/loss before financial income and expenses		3.451.266	3.940.941
Financial income	2	232.606	1.216.739
Financial expenses	3	-2.851	-36.598
Profit/loss before tax		3.681.021	5.121.082
Tax on profit/loss for the year	4	-834.952	-1.216.224
Net profit/loss for the year		2.846.069	3.904.858

Distribution of profit

Proposed distribution of profit

Proposed dividend for the year	3.000.000	4.000.000
Retained earnings	-153.931	-95.142
	2.846.069	3.904.858

Balance Sheet 31 December

Assets

	<u>Note</u>	<u>2016</u> DKK	<u>2015</u> DKK
Land and buildings		200.000	300.000
Other fixtures and fittings, tools and equipment		844.387	1.044.862
Tangible assets		1.044.387	1.344.862
Other receivables		9.450	9.450
Fixed asset investments		9.450	9.450
Fixed assets		1.053.837	1.354.312
Trade receivables		1.748.924	1.945.235
Receivables from group enterprises		8.727.952	10.540.709
Deferred tax asset		89.349	77.197
Corporation tax		298.476	0
Prepayments		157.108	124.906
Receivables		11.021.809	12.688.047
Cash at bank and in hand		656.896	275.644
Currents assets		11.678.705	12.963.691
Assets		12.732.542	14.318.003

Balance Sheet 31 December

Liabilities and equity

	Note	2016 DKK	2015 DKK
Share capital		500.000	500.000
Retained earnings		2.607.886	2.761.817
Proposed dividend for the year		3.000.000	4.000.000
Equity	5	6.107.886	7.261.817
Other provisions		600.000	600.000
Provisions		600.000	600.000
Trade payables		1.036.270	1.460.280
Payables to group enterprises		1.636.090	1.191.576
Corporation tax		0	615.379
Other payables		3.352.296	3.188.951
Short-term debt		6.024.656	6.456.186
Debt		6.024.656	6.456.186
Liabilities and equity		12.732.542	14.318.003
Contingent assets, liabilities and other financial obligations	6		
Related parties	7		

Notes to the Financial Statements

	<u>2016</u> DKK	<u>2015</u> DKK
1 Staff expenses		
Wages and salaries	17.824.519	16.205.269
Pensions	2.030.473	1.864.117
Other social security expenses	109.036	107.006
Other staff expenses	152.974	12.284
	<u>20.117.002</u>	<u>18.188.676</u>
Average number of employees	<u>35</u>	<u>30</u>
2 Financial income		
Interest received from group enterprises	232.606	175.655
Exchange adjustments	0	1.041.084
	<u>232.606</u>	<u>1.216.739</u>
3 Financial expenses		
Other financial expenses	2.851	36.598
	<u>2.851</u>	<u>36.598</u>
4 Tax on profit/loss for the year		
Current tax for the year	822.778	1.225.995
Deferred tax for the year	12.174	-9.771
	<u>834.952</u>	<u>1.216.224</u>

Notes to the Financial Statements

5 Equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	500.000	2.761.817	4.000.000	7.261.817
Ordinary dividend paid	0	0	-4.000.000	-4.000.000
Net profit/loss for the year	0	-153.931	3.000.000	2.846.069
Equity at 31 December	500.000	2.607.886	3.000.000	6.107.886

The share capital consists of 500 shares of a nominal value of DKK 1. No shares carry any special rights

6 Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

	2016	2015
	DKK	DKK
Within 1 year	369.261	378.568
Between 1 and 5 years	99.405	265.626
	468.666	644.194

Other contingent liabilities

On the leased land where the Company's property is located, it is the Company's responsibility to demolish the building and clean up the site, no later than the termination date. There is no evidence of contamination.

The Company deposited DKK 924,878 as a bank guarantee towards Copenhagen Malmö Port AB relating to lease of the land.

7 Related parties

The following shareholder is recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Saybolt Holding B.V.
 Stoomloggerweg
 12 3133 KT Vlaardingen
 Holland

Notes, Accounting Policies

Basis of Preparation

The Annual Report of Saybolt Danmark A/S for 2016 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.

Financial Statements for 2016 are presented in DKK.

Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

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.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Danish kroner is used as the measurement currency. All other currencies are regarded as foreign currencies.

Leases

All 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.

Notes, Accounting Policies

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

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.

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.

Income Statement

Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement when the sale is considered effected based on the following criteria:

- delivery has been made before year end;
- a binding sales agreement has been made;
- the sales price has been determined; and
- payment has been received or may with reasonable certainty be expected to be received.

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 laboratory and inspection equipment, distribution, sale, marketing, administration, offices, bad debts, etc.

Staff expenses

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

Depreciation and impairment losses

Depreciation and impairment losses comprise depreciation and impairment of property, plant and equipment.

Notes, Accounting Policies

Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised exchange adjustments and extra payments and repayment under the on account taxation scheme.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and 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.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Balance Sheet

Tangible assets

Tangible assets 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 on rented land	18-22 years
Other fixtures and fittings, tools and equipment	3-5 years

Impairment of fixed assets

The carrying amounts of 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, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount. If so, the asset is written down to its lower recoverable amount.

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.

Notes, Accounting Policies

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums and subscriptions.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Other provisions include dismantling cost. Provisions are measured and recognised as a part of asset's cost base. The dismantling cost is therefore distributed over the useful life of the asset.

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities.

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. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, 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.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial debts

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