
Saybolt Danmark A/S

Fyrtårnsvej 11, Prøvestenen, DK-2300 København S

Annual Report for 1 January - 31 December 2018

CVR No 89 97 62 19

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
6 /5 2019

Torben Waage
Chairman of the General
Meeting



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 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.

Copenhagen, 6 May 2019

Executive Board

P.W. Boks

Board of Directors

P. W. Boks
Chairman

M. F. Elvig

Arie van der Kaaden

The Independent Practitioner's Report

To the Shareholder of Saybolt Danmark A/S

Conclusion

We have performed an extended review of the Financial Statements of Saybolt Danmark A/S for the financial year 1 January - 31 December 2018, 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.

Based on the work performed, 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 operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

Basis for conclusion

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 in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review 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 rules and requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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 extended review of the Financial Statements

Our responsibility is to express a conclusion on the Financial Statements. This requires 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.

The Independent Practitioner's Report

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

Statement on Management's Review

Management is responsible for 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 extended review 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 extended review, 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 Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Hellerup, 6 May 2019

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Torben Jensen

State Authorised Public Accountant

mne18651

Company Information

The Company

Saybolt Danmark A/S
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Prøvestenen
DK-2300 København S

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Facsimile: + 45 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: 37th financial year
Municipality of reg. office: København

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

Management's Review

Financial Statements of Saybolt Danmark 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 Annual Report has been prepared under the same accounting policies as last year.

Development in the year

The income statement of the Company for 2018 shows a loss of DKK 1,509,294, and at 31 December 2018 the balance sheet of the Company shows equity of DKK 256,513.

Income Statement 1 January - 31 December

	Note	2018 DKK	2017 DKK
Revenue		22.332.612	28.581.998
Other external expenses		-8.443.648	-10.449.836
Gross profit/loss		13.888.964	18.132.162
Staff expenses	2	-15.596.850	-18.889.928
Depreciation and impairment of property, plant and equipment		-344.819	-334.119
Profit/loss before financial income and expenses		-2.052.705	-1.091.885
Financial income	3	128.099	146.419
Financial expenses	4	-3.404	-768.502
Profit/loss before tax		-1.928.010	-1.713.968
Tax on profit/loss for the year	5	418.716	371.889
Net profit/loss for the year		-1.509.294	-1.342.079

Distribution of profit

Proposed distribution of profit

Retained earnings		-1.509.294	-1.342.079
		-1.509.294	-1.342.079

Balance Sheet 31 December

Assets

	Note	2018 DKK	2017 DKK
Land and buildings		0	100.000
Other fixtures and fittings, tools and equipment		602.582	777.042
Tangible assets		602.582	877.042
Other receivables		16.500	16.500
		16.500	16.500
Fixed assets		619.082	893.542
Trade receivables		2.154.214	2.094.245
Receivables from group enterprises		993.846	2.661.921
Deferred tax asset		880.253	461.260
Corporation tax		0	274.274
Prepayments		202.581	113.323
Receivables		4.230.894	5.605.023
Cash at bank and in hand		649.388	414.848
Currents assets		4.880.282	6.019.871
Assets		5.499.364	6.913.413

Balance Sheet 31 December

Liabilities and equity

	Note	2018 DKK	2017 DKK
Share capital		500.000	500.000
Retained earnings		-243.487	1.265.807
Equity	6	256.513	1.765.807
Other provisions		600.000	565.290
Provisions		600.000	565.290
Trade payables		1.048.643	954.308
Payables to group enterprises		755.642	645.177
Other payables		2.838.566	2.982.831
		4.642.851	4.582.316
Debt		4.642.851	4.582.316
Liabilities and equity		5.499.364	6.913.413
Going concern	1		
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Notes to the Financial Statements

1 Going concern

The Company's continued operations depends on that the parent company Core Laboratories N.V. will provide liquidity if needed. Therefore, the Company has received a letter of support from the parent company Core Laboratories N.V. The letter is effective until 1 January 2020.

	<u>2018</u> DKK	<u>2017</u> DKK
2 Staff expenses		
Wages and salaries	13.733.265	16.570.041
Pensions	1.677.084	2.034.872
Other social security expenses	94.708	112.504
Other staff expenses	<u>91.793</u>	<u>172.511</u>
	<u>15.596.850</u>	<u>18.889.928</u>
Average number of employees	<u>26</u>	<u>32</u>
3 Financial income		
Interest received from group enterprises	58.152	146.419
Exchange adjustments	<u>69.947</u>	<u>0</u>
	<u>128.099</u>	<u>146.419</u>
4 Financial expenses		
Other financial expenses	3.404	7.860
Exchange adjustments	<u>0</u>	<u>760.642</u>
	<u>3.404</u>	<u>768.502</u>

Notes to the Financial Statements

	2018 DKK	2017 DKK
5 Tax on profit/loss for the year		
Current tax for the year	0	0
Deferred tax for the year	-418.716	-371.889
	-418.716	-371.889

6 Equity

	Share capital DKK	Retained earnings DKK	Total DKK
Equity at 1 January	500.000	1.265.807	1.765.807
Net profit/loss for the year	0	-1.509.294	-1.509.294
Equity at 31 December	500.000	-243.487	256.513

	2018 DKK	2017 DKK
7 Contingent assets, liabilities and other financial obligations		

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	405.989	251.683
Between 1 and 5 years	1.754.684	328.966
	2.160.673	580.649

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.

Notes to the Financial Statements

8 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 to the Financial Statements

9 Accounting Policies

The Annual Report of Saybolt Danmark 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

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.

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 to the Financial Statements

9 Accounting Policies (continued)

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.

Amortisation, depreciation and impairment losses

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

Notes to the Financial Statements

9 Accounting Policies (continued)

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 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 to the Financial Statements

9 Accounting Policies (continued)

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 warranty obligations in respect of repair work within the warranty period of . Provisions are measured and recognised based on experience with guarantee work.

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 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

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