



CHRISTENSEN
KJÆRULFF

PERSONLIGT ENGAGEMENT

STATSMYNDIGHEDEN
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Saybolt Danmark A/S


Fyrtårnvej 11, Prøvestenen, 2300 København S

Company reg. no. 89 97 62 19

Annual report

1 January - 31 December 2019

The annual report was submitted and approved by the general meeting on the 29 April 2020


Torben Waage
Chairman of the meeting

TORBEN WAAGE
Advokat, LL.M
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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.



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Management's report

The board of directors and the managing director have today presented the annual report of Saybolt Danmark A/S for the financial year 1 January to 31 December 2019.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2019 and of the company's results of its activities in the financial year 1 January to 31 December 2019.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

Copenhagen, 29 April 2020

Managing Director

P. W. Boks

Board of directors

P. W. Boks
Chairman

M. F. Elvig
Arie van der Kaaden



Independent auditor's report on extended review

To the shareholder of Saybolt Danmark A/S

Opinion

We have performed extended review of the annual accounts of Saybolt Danmark A/S for the financial year 1 January to 31 December 2019, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

Based on the work we have performed, we believe that the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2019 and of the results of the company's operations for the financial year 1 January to 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We performed the extended review in accordance with the standard from the Danish Business Authority applicable on auditor's reports to small enterprises and in accordance with the standard from the Danish Institute of State Authorised Public Accountants applicable on extended review of annual accounts prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the extended review of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the extended review of the annual accounts

Our responsibility is to express an opinion on the annual accounts. This requires that we plan and perform our procedures with the purpose of achieving moderate assurance as to our opinion on the annual accounts. Furthermore, it requires that we perform particularly required additional procedures with a view to achieving further assurance as to our opinion.





Independent auditor's report on extended review

An extended review comprises procedures primarily comprising inquiries to the management and to other persons within the enterprise when appropriate, analytical procedures, and the particularly required additional procedures along with an evaluation of the achieved audit evidence.

The scope of the procedures performed during an extended review is less than in case of an audit, and consequently, we do not express any audit opinion on the annual accounts.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our extended review of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the extended review, or whether it otherwise appears to contain material misstatement.

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

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not find any material misstatement in the management's review.

Copenhagen, *29. april 2020*

Christensen Kjærulff

Company reg. no. 15 97 56 41


Anders Nielsen
State Authorised Public Accountant
mne42832





Company information

The company	Saybolt Danmark A/S Fyrtårnvej 11 Prøvestenen 2300 København S
	Phone (+45) 32 95 31 32
	Web site www.saybolt.dk
	E mail Saybolt.denmark@corelab.com
	Company reg. no. 89 97 62 19
	Established: 4 February 1982
	Domicile: Copenhagen
	Financial year: 1 January - 31 December 38th financial year
Board of directors	P. W. Boks, Chairman M. F. Elvig Arie van der Kaaden
Managing Director	P. W. Boks
Auditors	Christensen Kjærulff Statsautoriseret Revisionsaktieselskab Store Kongensgade 68 1264 København K
Bankers	Jyske Bank Gl. Torv 5 4200 Slagelse
Lawyer	Kromann Reumert Sundkrogsgade 5 2100 København Ø
Parent company	Saybolt Holding B.V.



Management commentary

The principal activities of the company

The company's purpose is to carry out chemical analyzes and to advise on, control and test solid and liquid substances and related business.

Development in activities and financial matters

The net turnover for the year is DKK 29.019.000 against DKK 22.333.000 last year. The results from ordinary activities after tax are DKK 1.188.000 against DKK -1.509.000 last year. The management consider the results satisfactory.

Events subsequent to the financial year

The company faces challenges and financial risks due to the Corona virus / COVID-19. A number of measures have been taken to ensure the health of employees. The Corona /COVID-19 causes uncertainty both politically / socially and for the company. Current and any future political and economic measures that may be implemented could pose financial risks related to the company's operations and may limit the company's trading opportunities.

It is expected that the level of activity of the company solely on the basis of the political and economic measures that are current at the time of the financial reporting will be unchanged.



Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Net turnover	29.019.260	22.332.612
Other external costs	<u>-10.587.311</u>	<u>-8.443.648</u>
Gross profit	18.431.949	13.888.964
1 Staff costs	-16.795.935	-15.596.850
Depreciation and writedown relating to fixed assets	<u>-170.275</u>	<u>-344.819</u>
Operating profit	1.465.739	-2.052.705
2 Other financial income	71.620	128.099
3 Other financial costs	<u>-4.677</u>	<u>-3.404</u>
Pre-tax net profit or loss	1.532.682	-1.928.010
4 Tax on ordinary results	<u>-345.012</u>	<u>418.716</u>
Net profit or loss for the year	<u>1.187.670</u>	<u>-1.509.294</u>
Proposed appropriation of net profit:		
Transferred to retained earnings	1.187.670	0
Allocated from retained earnings	<u>0</u>	<u>-1.509.294</u>
Total allocations and transfers	<u>1.187.670</u>	<u>-1.509.294</u>



Statement of financial position 31 December

All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Assets		
Non-current assets		
5 Other fixtures and fittings, tools and equipment	505.231	602.582
Total property, plant, and equipment	<u>505.231</u>	<u>602.582</u>
Deposits	16.500	16.500
Total investments	<u>16.500</u>	<u>16.500</u>
Total non-current assets	<u>521.731</u>	<u>619.082</u>
Current assets		
Trade debtors	2.208.567	2.154.214
Amounts owed by group enterprises	1.881.162	993.846
Deferred tax assets	535.241	880.253
Accrued income and deferred expenses	220.012	202.581
Total receivables	<u>4.844.982</u>	<u>4.230.894</u>
Available funds	<u>649.105</u>	<u>649.388</u>
Total current assets	<u>5.494.087</u>	<u>4.880.282</u>
Total assets	<u>6.015.818</u>	<u>5.499.364</u>





Statement of financial position 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2019</u>	<u>2018</u>
Equity			
6	Share capital	500.000	500.000
6	Retained earnings	944.182	-243.488
	Total equity	1.444.182	256.512
Provisions			
	Other provisions	600.000	600.000
	Total provisions	600.000	600.000
Liabilities other than provisions			
	Trade creditors	595.213	1.048.643
	Debt to group enterprises	245.191	755.642
	Other debts	3.131.232	2.838.567
	Total short term liabilities other than provisions	3.971.636	4.642.852
	Total liabilities other than provisions	3.971.636	4.642.852
	Total equity and liabilities	6.015.818	5.499.364
7	Contingencies		
8	Related parties		



Notes

All amounts in DKK.

	<u>2019</u>	<u>2018</u>
1. Staff costs		
Salaries and wages	14.986.308	13.733.265
Pension costs	1.558.635	1.677.084
Other costs for social security	90.672	94.708
Other staff costs	<u>160.320</u>	<u>91.793</u>
	<u>16.795.935</u>	<u>15.596.850</u>
Average number of employees	<u>26</u>	<u>26</u>
2. Other financial income		
Interest received from group enterprises	38.887	58.152
Exchange differences	<u>32.733</u>	<u>69.947</u>
	<u>71.620</u>	<u>128.099</u>
3. Other financial costs		
Other financial costs	<u>4.677</u>	<u>3.404</u>
	<u>4.677</u>	<u>3.404</u>
4. Tax on ordinary results		
Tax of the results for the year	0	0
Adjustment for the year of deferred tax	<u>345.012</u>	<u>-418.716</u>
	<u>345.012</u>	<u>-418.716</u>



Notes

All amounts in DKK.

	<u>31/12 2019</u>	<u>31/12 2018</u>
5. Other fixtures and fittings, tools and equipment		
Cost 1 January 2019	5.204.023	5.658.843
Additions during the year	72.924	70.359
Disposals during the year	<u>-58.675</u>	<u>-525.179</u>
Cost 31 December 2019	<u>5.218.272</u>	<u>5.204.023</u>
Amortisation and writedown 1 January 2019	-4.601.441	-4.893.529
Depreciation for the year	-170.275	-233.091
Reversal of depreciation, amortisation and writedown, assets disposed of	<u>58.675</u>	<u>525.179</u>
Amortisation and writedown 31 December 2019	<u>-4.713.041</u>	<u>-4.601.441</u>
Carrying amount, 31 December 2019	<u>505.231</u>	<u>602.582</u>

6. Equity

	<u>Sharecapital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1. januar 2019	500.000	-243.488	256.512
Net profit/loss for the year	<u>0</u>	<u>1.187.670</u>	<u>1.187.670</u>
Equity 31. december 2019	<u>500.000</u>	<u>944.182</u>	<u>1.444.182</u>

7. Contingencies

Contingent liabilities

	<u>DKK in thousands</u>
Rental and lease obligations	<u>1.854.169</u>
Contingent liabilities in total	<u>1.854.169</u>

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

All amounts in DKK.

8. Related parties

Controlling interest

Saybolt Holding B.V

Stoomloggerweg

12 3133 KT Vlaardingen

Holland

Majority shareholder



Accounting policies

The annual report for Saybolt Denmark A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concern matters existing on the balance sheet date.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

Fixed assets and other non-monetary assets acquired in foreign currency and which are not considered to be investment assets purchased in foreign currencies are measured at the exchange rate on the transaction date.



Accounting policies

Income statement

Revenue

Revenue comprises the value of services provided during the year, including outlay for customers less VAT and price concessions directly associated with the sale.

Revenue is recognised in the income statement on the completion of sales. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- A binding sales agreement exists
- The sales price has been determined
- Payment has been received, or is anticipated with a reasonable degree of certainty.

This ensures that recognition does not take place until the total income and costs and stage of completion at the reporting date can be reliably validated and it seems probable that the economic benefits, including payments, will flow to the enterprise.

Other external costs

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concern the financial year.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.



Accounting policies

The balance sheet

Tangible fixed assets

Land and buildings are measured at cost with addition of revaluations and with deduction of accrued depreciation and writedown. Land is not depreciated.

Land and buildings are revaluated on the basis of regular, independent evaluation of the fair value. The net revaluation at fair value adjustment is recognised directly on the equity after deduction of deferred tax and tied up in a particular revaluation reserve. Net impairment at fair value adjustments is recognised in the profit and loss account.

The basis of depreciation is cost with the addition of revaluations at fair value and with the deduction of expected residual value after the end of the useful life of the asset. The depreciation period is fixed at the acquisition date and re-evaluated annually. If the residual value exceeds the book value of the asset, the depreciation expires.

Reversal of previous revaluations and recognised deferred taxes concerning revaluations are recognised directly in the company's equity.

Other tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

If the amortisation period or the residual value is changed, the effect on amortisation will in the future be recognised as a change in the accounting estimates.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

	Useful life
Buildings	18-22 years
Other plants, operating assets, fixtures and furniture	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.





Accounting policies

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

Leases

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Writedown of fixed assets

The book values of both intangible and tangible fixed assets as well as equity investments in subsidiaries and associated enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets respectively. Writedown takes place to the recoverable amount, if this value is lower than the book value.

The recoverable value is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow deriving from the use of the asset or the group of assets.

Previously recognised writedown is reversed when the condition for the writedown no longer exists. Writedown relating to goodwill is not reversed.

Financial fixed assets

Deposits

Deposits are measured at amortised cost and represent rent deposits, etc.

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in hand.



Accounting policies

Corporate tax and deferred tax

Current tax receivable and tax 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 previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Other provisions

Provisions comprise expected costs for guarantee liabilities, loss on work in progress, restructuring, etc. Provisions are recognised when the company has a legal or actual liability which is due to a previous event and when it is likely that the settlement of the liability will result in expenditure of the financial resources of the company.

If the settlement of the liability is expected to take place in some remote future, provisions are measured at the net realisable value or at fair value.

Guarantee liabilities comprise liabilities for repairs within the guarantee period of 1-5 years. The provisions are measured at the net realisable value and recognised on the basis of the obtained experience with guarantee work. If provisions have an expected due date later than 1 year from the balance sheet date, they are discounted at the average bond interest.

On the acquisition of enterprises, provisions for restructuring within the acquired enterprise is included in the acquisition cost, and thereby in the goodwill or the consolidated goodwill, to the extent that they have been approved and announced on the date of acquisition at the latest.

When it is likely that the total costs will exceed the total income of work in progress for the account of others, provisions are made for the total loss expected on the contract. Provisions are recognised as costs under production costs.

Liabilities

Liabilities are measured at amortised cost which usually corresponds to the nominal value.