CHRISTENSEN
KJÆRULFF
PERSONLIGT ENGAGEMENT

STATSAUTORISERET
REVISIONSAKTIESELSKAB
ØSTBANEGADE 123
2100 KØBENHAVN Ø

CVR: 15 91 56 41
TLF: 33 30 15 15
E-MAIL: CK@CK.DK
WEB: WWW.CK.DK

Saybolt Danmark A/S

Fyrtårnvej 11, 2300 København S

Company reg. no. 89 97 62 19

Annual report

1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 14 May 2024.

Torben Waage
Chairman of the meeting

Notes:
- To ensure the greatest possible applicability of this document, IAS/IFRS 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 %.

Contents

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Saybolt Danmark A/S for the financial year 1 January - 31 December 2023.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Copenhagen, 10 May 2024

Managing Director

P. W. Boks

Board of directors

Arie van der Kaaden Chairman	Mark D. Tattoli	P. W. Boks

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 2023, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 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’ 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management’s Responsibilities 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.

Practitioner'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 in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

Statement on the Management's Review

Management is responsible for the Management's Review.

Our conclusion on the financial statements does not cover the 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 the Management's Review and, in doing so, consider whether the 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 the Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 the Management's Review.

Copenhagen, 10 May 2024

Christensen Kjærulff
Statsautoriseret Revisionsaktieselskab
Company reg. no. 15 91 56 41

Anders Nielsen
State Authorised Public Accountant
mne42832

Company information

The company	Saybolt Danmark A/S Fyrtårnvej 11 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 42nd financial year
Board of directors	Arie van der Kaaden, Chairman Mark D. Tattoli P. W. Boks	
Managing Director	P. W. Boks	
Auditors	Christensen Kjærulff Statsautoriseret Revisionsaktieselskab Østbanegade 123 2100 København Ø	
Bankers	Jyske Bank, Gl. Torv 5, 4200 Slagelse	
Lawyer	Kromann Reumert, Sundkrogsgade 5, 2100 København Ø	
Parent company	Core Laboratories Inc (indirect) Saybolt Holding B.V.	

Description of key 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 revenue for the year totals DKK 33.513.000 against DKK 33.385.000 last year. Income or loss from ordinary activities after tax totals DKK 3.934.000 against DKK 3.121.000 last year. Management considers the net profit or loss for the year satisfactory.

Events occurring after the end of the financial year

After the end of the financial year, no events have accured that could significantly affect the assessment of the company´s financial position.

Income statement 1 January - 31 December

All amounts in DKK.

Note		2023	2022
	Revenue	33.513.175	33.384.761
	Other external expenses	-12.024.218	-13.555.642
	Gross profit	**21.488.957**	**19.829.119**
1	Staff costs	-16.211.242	-16.668.740
	Depreciation and impairment of property, land, and equipment	-288.106	-182.487
	Operating profit	**4.989.609**	**2.977.892**
2	Other financial income	313.491	519.930
3	Other financial expenses	-215.489	-59.164
	Pre-tax net profit or loss	**5.087.611**	**3.438.658**
4	Tax on net profit or loss for the year	-1.153.448	-317.278
	Net profit or loss for the year	**3.934.163**	**3.121.380**

Proposed distribution of net profit:

	2023	2022
Transferred to retained earnings	3.934.163	3.121.380
Total allocations and transfers	**3.934.163**	**3.121.380**

Balance sheet at 31 December

All amounts in DKK.

Note	Assets	2023	2022
	Non-current assets		
5	Land and buildings	177.707	0
6	Other fixtures, fittings, tools and equipment	1.756.580	487.980
	Total property, plant, and equipment	1.934.287	487.980
7	Deposits	16.500	16.500
	Total investments	16.500	16.500
	Total non-current assets	**1.950.787**	**504.480**
	Current assets		
	Trade receivables	2.886.128	2.035.568
	Receivables from group enterprises	5.669.266	2.041.583
	Deferred tax assets	77.884	145.434
	Other debtors	0	10.000
	Prepayments	272.912	893.402
	Total receivables	8.906.190	5.125.987
	Cash and cash equivalents	963.241	848.159
	Total current assets	**9.869.431**	**5.974.146**
	Total assets	**11.820.218**	**6.478.626**

Balance sheet at 31 December

All amounts in DKK.

Note	Equity and liabilities	2023	2022
	Equity		
	Contributed capital	500.000	500.000
	Retained earnings	6.767.899	2.833.736
	Total equity	**7.267.899**	**3.333.736**
	Provisions		
	Other provisions	600.000	600.000
	Total provisions	**600.000**	**600.000**
	Liabilities other than provisions		
	Trade payables	809.501	1.260.824
	Payables to group enterprises	820.772	132.051
	Income tax payable	385.898	12.712
	Other payables	1.936.148	1.139.303
	Total short term liabilities other than provisions	3.952.319	2.544.890
	Total liabilities other than provisions	**3.952.319**	**2.544.890**
	Total equity and liabilities	**11.820.218**	**6.478.626**

8 Contingencies

9 Related parties

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
Equity 1 January 2022	500.000	-287.644	212.356
Profit or loss for the year brought forward	0	3.121.380	3.121.380
Equity 1 January 2022	500.000	2.833.736	3.333.736
Profit or loss for the year brought forward	0	3.934.163	3.934.163
	500.000	**6.767.899**	**7.267.899**

Notes

All amounts in DKK.

		2023	2022
1.	**Staff costs**		
	Salaries and wages	14.383.491	14.698.885
	Pension costs	1.659.433	1.680.817
	Other costs for social security	168.318	289.038
		16.211.242	**16.668.740**
	Average number of employees	25	26
2.	**Other financial income**		
	Interest, banks	247	0
	Exchange differences	0	405.380
	Interest received from group enterprises	313.244	114.550
		313.491	**519.930**
3.	**Other financial expenses**		
	Other financial costs	215.489	59.164
		215.489	**59.164**
4.	**Tax on net profit or loss for the year**		
	Tax of the results for the year, parent company	1.085.898	162.712
	Adjustment for the year of deferred tax	67.550	154.566
		1.153.448	**317.278**

Notes

All amounts in DKK.

		31/12 2023	31/12 2022
5.	**Land and buildings**		
	Cost 1 January 2023	1.488.089	1.488.089
	Additions during the year	188.160	0
	Disposals during the year	-40.200	0
	Cost 31 December 2023	**1.636.049**	**1.488.089**
	Depreciation and write-down 1 January 2023	-1.488.089	-1.488.089
	Depreciation for the year	-10.453	0
	Reversal of depreciation, amortisation and writedown, assets disposed of	40.200	0
	Depreciation and write-down 31 December 2023	**-1.458.342**	**-1.488.089**
	Carrying amount, 31 December 2023	**177.707**	**0**
6.	**Other fixtures, fittings, tools and equipment**		
	Cost 1 January 2023	4.870.471	5.374.932
	Additions during the year	1.546.252	0
	Disposals during the year	-59.733	-504.461
	Cost 31 December 2023	**6.356.990**	**4.870.471**
	Amortisation and write-down 1 January 2023	-4.382.491	-4.704.465
	Depreciation for the year	-277.652	-182.487
	Reversal of depreciation, amortisation and writedown, assets disposed of	59.733	504.461
	Amortisation and write-down 31 December 2023	**-4.600.410**	**-4.382.491**
	Carrying amount, 31 December 2023	**1.756.580**	**487.980**

All amounts in DKK.

		31/12 2023	31/12 2022
7.	**Deposits**		
	Cost 1 January 2023	16.500	16.500
	Cost 31 December 2023	**16.500**	**16.500**
	Carrying amount, 31 December 2023	**16.500**	**16.500**

8. Contingencies

Contingent liabilities

	DKK in thousands
Total contingent liabilities	1.978

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.

9. Related parties

Controlling interest

Saybolt Holding B.V Stoomloggerweg 12 3133 KT Vlaardingen Holland	Majority shareholder
Core Laboratories Inc Delaware USA	Ultimate shareholder

The annual report for Saybolt Danmark 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 income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, write-downs for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

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. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Income statement

Revenue
The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of 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 operating income
Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets, operating loss and conflict compensation as well as salary reimbursements received. Compensation is recognized when it is overwhelmingly probable that the company will receive the compensation.

Other external costs
Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

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

Depreciation, amortisation, and write-down for impairment
Depreciation, amortisation, and write-down for impairment comprise depreciation on, amortisation of, and write-down for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Property, plant, and equipment

Land and buildings is measured at cost plus revaluations and less accrued depreciation and write-down for impairment. Land is not subject to depreciation.

The depreciable amount is cost plus revaluations at fair value less expected residual value after the end of the useful life of the asset. The amortisation period is fixed at the acquisition date and reassessed annually. If the residual value exceeds the carrying mount of the asset, depreciation is discontinued.

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

Other property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment.

The depreciable amount is cost less 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 carrying amount, the depreciation is discontinued.

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

The cost comprises acquisition cost and costs directly associated with 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, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Buildings	18-22 years
Other fixtures and fittings, tools and equipment	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement 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.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets 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. write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Investments

Deposits

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

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, 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. Any deferred net tax assets are measured at net realisable value.

Provisions

Provisions comprise expected costs of warranty commitments, loss on work in progress, restructuring, etc. Provisions are recognised when the company has a legal or actual commitment resulting from a previously occurred event and when it is probable that the settlement of the liability will result in consumption of the financial resources of the company.

Provisions are measured at net realisable value or at fair value. If the fulfilment of a liability is expected to take place far in the future, the liability is measured at fair value.

On the acquisition of entities, provisions for restructuring within the acquired entity are included in the acquisition cost, and thereby in the goodwill or the consolidated goodwill, to the extent that they have been recognised in the financial statements of the acquired entity in advance of the acquisition. Provisions for restructuring are included to the extent that they have been decided at the date of acquisition at the latest and that the process have been commenced.

When it is likely that the total costs will exceed the total income of contract work in progress, the total expected loss on the contract work in progress will be recognised as provisions for liabilities. The provision is recognised under production costs.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.