



# RelyOn Nutec

360° Safety

(BidCo RelyOn Nutec A/S)

## Annual Report 2018

30.03-31.12 2018

Company reg. no 39 46 78 36

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# Management review

*“A solid start for us as an independent company”*

RelyOn Nutec Holding A/S (formerly Falck Safety Service Holding A/S) were successfully carved out of the Falck Group on 20 September 2018 and acquired by Polaris Private Equity via BidCo RelyOn Nutec A/S.

The Annual Report covers the period from 30 March 2018, where the BidCo RelyOn Nutec A/S was formed to acquire Falck Safety Services Holding A/S (Now RelyOn Nutec Holding A/S). However, the Annual Report only includes consolidated numbers for the RelyOn Nutec Group from closing, i.e. 20 September to 31 December 2018.

Following the effect of the downturn in the oil and gas sector, we have in recent years conducted a thorough and necessary global cost adjustment and carved out more than one third of the cost base. In parallel we initiated a process of streamlining and commercialising our business. This has now started to pay off, and we are well on track with our plan as a stand alone business.

For 2018 our full year (unaudited) proforma revenue increased from DKK 756 million in 2017 to DKK 831 million in 2018, while EBITDA increased from DKK 69 million in 2017 to DKK 97 million in 2018.

## Outlook

We have a real opportunity to leverage our leading international position by driving commercial excellence, service expansions and global alignment.

We see signs of recovery of the Oil & Gas sector within the next one to three years, and long term supportive growth in the offshore wind and the maritime sectors.

Furthermore there are interesting acquisition opportunities that can further strengthen our position both in terms geographic expansion, service portfolio expansions and digitalisation.

## Safety

We have instructed and guided in safety training for decades. Safety is our DNA and is of outmost importance to us. We continuously strive to provide a safe environment for our employees and delegates and we encourage them to think about safety in their daily work.

## Preparation

The annual report has been prepared in accordance with IFRS as adopted by the EU and with the recommendation outlined by Danish Venture Capital Association.

## Operation

The Annual Report for the group consist of the consolidated numbers from closing, i.e. 20 September – 31 December 2018.

In 2018 the primary source of revenue derives from safety training. Revenue and EBITDA for the period amounts to DKK 248 million and DKK 35 million respectively.

The result for the year amounts to DKK -20 million and includes one cost of DKK 27 million related to the acquisition.

The result for the year is deemed as satisfactory.

## Cash flow

Operating activities in the period generated a net outflow of DKK -11 million. There was a net cash outflow from investing activities of DKK 482 million, where of DKK 413 million is related to the acquisition of Falck Safety Services Holding A/S. Cash inflow from Financing activities was DKK 599 million. The vast majority, DKK 624 million, related to the financing of the acquisition mentioned before.

## Acquisition

RelyOn Nutec has acquired the remaining 75% of the shares in Aberdeen Drilling School Ltd. as of October 2018.

*“Changing our name signals an acceleration of our transformation and expansion”*

**Torben Harring**  
Group CEO

**Søren Strøm**  
Group CFO

# Key figures

## Financial highlights

### Profit and loss accounts

Revenue	248
Operating profit before depreciation, amortization, and impairment losses (EBITDA)	35
Operating profit before other items (EBITA)	24
Net financials	(6)
Profit/loss for the year	(19)

### Balance sheet

Total assets	1,001
Investments	369
Total equity attributable to owners of the parent company	277

The financial ratios have been calculated in accordance with the recommendations of the Association of Danish Financial Analysts (2015).

DKK	Cash flows	DKK
248	Operating activities	(11)
35	Investing activities	(482)
24	Hereof investments in intangible and tangible fixed assets	(21)
(6)	Financing activities	599
(19)	Net cash flow for the year	106

### Employees

Average number of employees	1,043
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### Key Ratios

Solvency ratio (%) (Equity / Assets)	28%
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## Locations and sectors (% of revenue 2018)



A large yellow circular graphic is overlaid on the image. The background shows a helicopter in flight, hoisting a person over the ocean. The person is suspended from the helicopter by a rope. In the foreground, several people in scuba gear are on the deck of a boat, looking out at the helicopter. The sky is blue with white clouds, and the water is dark blue with whitecaps.

# Our legacy

# RelyOn Nutec evolved from a Danish fire training provider to an international multi-service safety, survival and skills training provider

RelyOn Nutec has grown steadily to be the world's leading international training provider. With operations in key locations worldwide, we continue to build on the foundations of the past, as we look to future.

## *Focused on our mission*

Our mission is to manage and deliver training for our customers, so that they can focus on their core business. We want to ensure that your people are competent and compliant at the right time to the right level. We ensure they have the skills to deliver your business goals.

## *True to our foundation*

Our business was founded on the belief that real life, practical training is the key to acquiring the competences needed to execute complex and dangerous tasks. Whether the challenge is focused on fire or water, we will train your people to better understand their own emotional reactions in stressful situations. By ensuring people are familiar with these emotions under expertly managed conditions, we give them the skills to respond under any crisis situation.

## *Responding to customer needs*

Our extensive experience has given us an unrivalled insight into the ever-changing needs of our customers in the market. As more and more customers look to outsource their training management needs, we have developed

Training Management Services as a core part of our business today. Indeed, our expertise in navigating and administering the complex landscape of training regulations, and turning it into a seamless, structured training process has proven to be the most cost effective and efficient way to ensure personnel are compliant.

## *Embracing new technologies*

Technological advances are driving our industry to new levels of effectiveness. New tools and approaches such as 3D digital platforms, elearning and blended training are making the training experience increasingly realistic – and increasingly efficient. We have formed a series of partnerships with technology partners to help our customers embrace the many benefits of these exciting new training techniques.

## *Driving our expertise forward*

Many of the sectors in which we operate have experienced major changes and challenges in recent years. Increasingly we have seen short-term global economic pressures impact on our customers' long-term business forecasts. Many businesses worldwide have had to rationalise and reinvent themselves. To ensure that we continue to help our customers to navigate this landscape, we look to drive continuous improvement in our own business. Our ambition is to always be at the forefront of innovation in training and skills development to ensure our customers are among the first to benefit from the new solutions of the future.



# Our business

A photograph of firefighters in full yellow protective gear, including helmets and masks, working at a fire scene. They are holding a thick red fire hose. The scene is filled with smoke and debris, with a large circular graphic overlay in shades of yellow and orange. A semi-transparent dark teal rectangle is positioned over the center of the image, containing the text 'Our business' in white.

# WE SEE SAFETY FROM A COMPLETE 360° PERSPECTIVE

## OUR VALUE PROPOSITION

**WE ARE THE GLOBAL PARTNER IN SAFETY SOLUTIONS THAT PUTS PEOPLE FIRST**

The 360° safety cycle enables us to uncover all elements of risk to our customers' safety.

By taking the 360° perspective we help consider risks that people may not even be aware of, especially those beyond regulatory compliance.

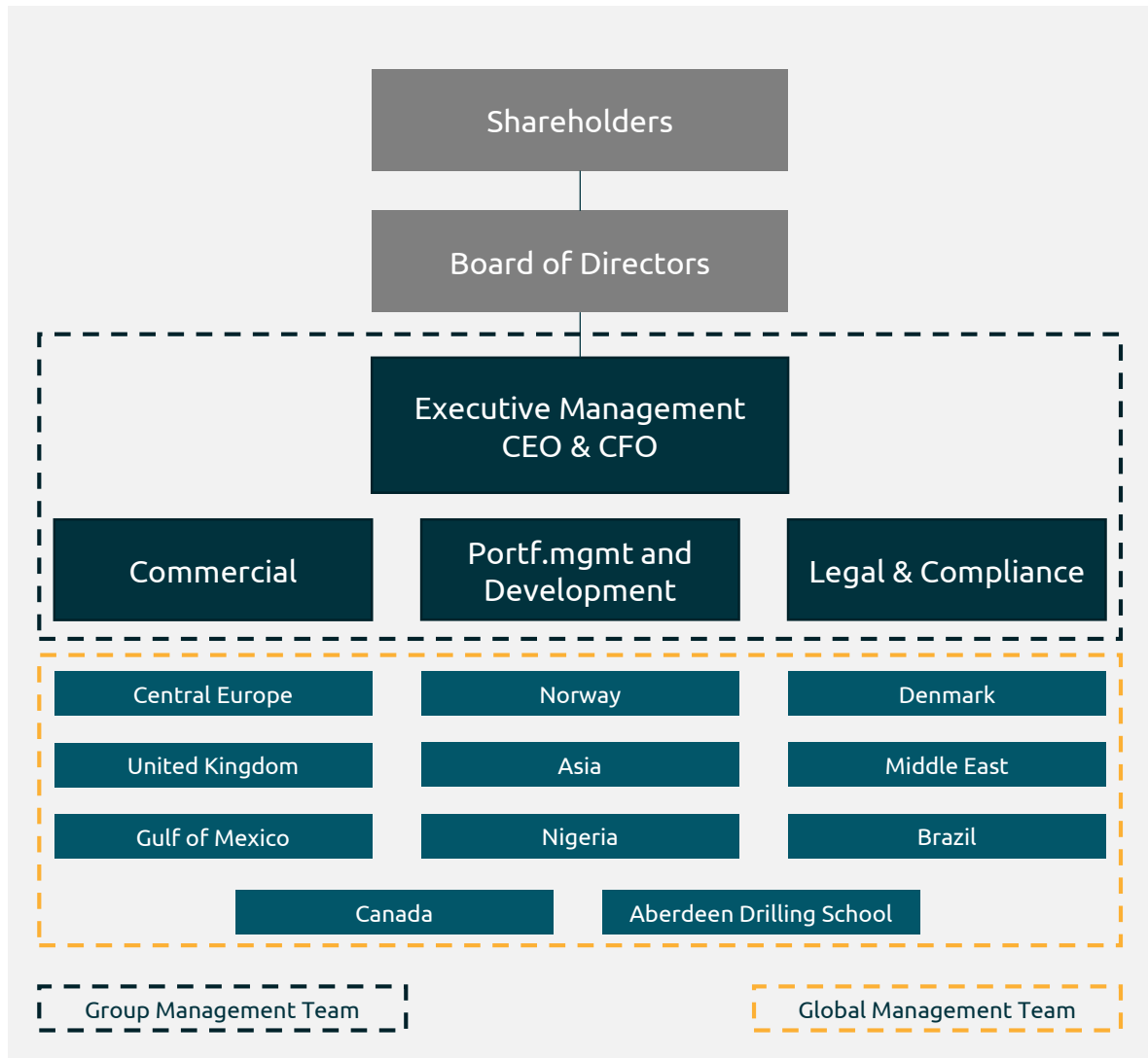






# Corporate governance & risk

# Corporate governance



## Board of Directors

**The general Meeting elects the members of the Board of Directors.**

The Board of Directors shall annually revise and oversee the overall strategy, business and action plan for RelyOn Nutec and approve the annual budget for the next financial year.

The Board of Directors has decided not to establish an Audit Committee, however the Board of Directors handles the tasked related to such an committee.

Outline of responsibility:

- Lay down general business and management principles of the Company
- Decide on strategy and risk policies for the Company
- Supervise the performance of the Company, the Executive Management and secure the proper organization of the Company
- Review the Company's financial position, capital resources and reporting on financials and performance
- Appoint members of the Executive Management

The board of Directors will convene at least four times per year.

## Executive Management

**The Executive Management is appointed by the Board of Directors and consist of Chief Executive Officer ( Group CEO) and Chief Financial Officer (Group CFO).**

The Executive Management is responsible for RelyOn Nutec's day-to-day management of the Company in accordance with the directions provided by the Board of Directors, among others comprising:

- Develop the business and provide strategies for the Company to be approved by the Board of Directors
- Implement the strategy for the Company and execute on investments and divestments
- Develop the organizational structure of the Company and allocate resources
- Drive and monitor the performance of the Company
- Prepare internal and external financial reporting
- Establish internal policies and procedures for relevant topics such as accounting, finance, IT, etc.
- Oversee Enterprise Risk Management
- Report to the Board of Directors

# Risk management

RelyOn Nutec is required to consistently identify, manage and monitor risks globally and rapidly share risk mitigation solutions against critical risks.

RelyOn Nutec maintains a reporting and review process to create an overview of risks and full transparency into mitigating controls for the entire Group and its constituent entities, divisions and business streams.

The objective is to demonstrate that RelyOn Nutec is aware of risks and is actively managing top risks in order to deliver the best possible service to customers, protect the value of the business, safeguard future earnings and reduce costs associated with risk events.

Risk is defined as "*all threats to the current value of the business and its future cash flows*".

**Identification**  
Identification is made in a joint effort between HQ and the local teams. Evaluation and control are performed through the global risk management platform.

**Evaluation**  
All identified risks are evaluated through the global risk management platform. Risk assessment is rated for impact and likelihood.

**Control**  
Risk response actions depend on the evaluation. Response actions have the nature of control, awareness, communication and/or other preventing actions.

**Report**  
Communication and monitoring are made through the global risk management platform.

An overall report is presented to the Executive Management, which includes risk assessment and risk response for the following risks:

- Safety incidents
- Material slowdown in exploration or industry
- Change in industry standards
- Competition
- Technology disruption
- Claims and litigations
- Taxes and charges
- Employment related matters
- IT breakdown
- Loss of certificates and accreditation

Definition and mitigation of risk are outlined on page 12 and 13. Financial risk are outlined in note 3.1



## Risk management principles

The Board of Directors assist the Executive Management in overseeing the Company's overall risk-taking while the Executive Management is responsible for identifying and analyzing material risks and developing the Company's risk management. Exposures and the utilization of the framework are reported to the Board of Directors on a monthly basis.

# Risk Management

## Safety incidents

Risk	Mitigation
Incident occurs where student is severely injured or even killed.	Safety instructions prior to the start of any training sessions. Documentation of incidents and close communication with customers about any incidents.

## Change in industry standards

Risk	Mitigation
The Group is affected by various legislation, regulations and standards, including, global industry standards, environmental regulations and service liability regulations with regards to safety and security. Amendments or restatements of laws, regulations and standards, leading to stricter requirements and changed conditions regarding safety, health and environment, or a development to a stricter implementation and application by the authorities of existing laws and regulations may have several negative implications for the Group.	The QHSE departments are responsible for ensuring compliance with existing standards and for implementing new standards. The QHSE departments ensure test of new standards prior to enforcing the change in the training sessions. After the change in standards, the regulator is to approve the change in industry standards before they are reflected in practice.

## Material slowdown in exploration or industry

Risk	Mitigation
The majority of activities is related to the Oil and Gas market, ref. note 4. Profitability and cash flow are dependent on the level of oil and gas capital spending by such companies who are dependent on the market price of oil and gas.	Roll-out of Compliance Management Systems are ongoing, which ensures volume, stickiness and market intelligence. Product development and entry into new industries are ongoing, however, with a decreased focus towards the oil and gas market.

## Competition

Risk	Mitigation
The Group's competitors compete on price, location, quality and range of services, and service offering availability in a generally commoditized market, with small differences between the service providers. There is a risk that an increase in competition will lead to price pressure within the industry as a whole and for individual customers with regards to seeking out new customers, as well as retaining current customers.	Roll-out of Complimentary Management Systems are ongoing, which ensures volume, stickiness and market intelligence.

# Risk Management

## Technology disruption

Risk	Mitigation
There is a risk that new technologies will be developed, and that the Group will be unable to implement these technologies or adapt its service range and business model in time to exploit the benefits of new or existing technologies. There is also a risk of future new technologies making the Group's services less competitive and more difficult to sell.	The Group monitors the demand for training through market intelligence and requests from the market. The Group invests in the areas needed to keep up with market developments and technology requirements.

## Taxes and charges

Risk	Mitigation
The Group conducts its business in accordance with its interpretation of applicable tax regulations, including the applicable tax rates, and applicable requirements and decisions. There is a risk that changes in legislation or practice or any challenge by the tax authorities of the Group's interpretation of applicable laws will lead to an increase in the Group's tax liabilities and/or lead to sanctions by the tax authorities, resulting in adverse effects on the Group's business, earnings and financial position.	The Group acknowledges its responsibility to pay accurate taxes and/or charges which are related to the operation. The Group is cooperating with local advisors to ensure compliance with local legislation.

## IT breakdown

Risk	Mitigation
The Group depends on information technology to manage critical business processes, including administrative and financial functions. Failure of the Group's information technology systems could cause transaction errors and loss of customers, and could have an adverse effect on the Group's business, earnings, and financial position as well as future prospects.	The Group has a dedicated IT Department to monitor business critical application.  The Group aims at using standard systems, whenever possible. The purpose is to lower exposure and increase the ability to receive assistance from external resources.

## Claims and litigation

Risk	Mitigation
The Group is and may in the future become involved in different disputes in connection with its operations. Disputes may relate to inter alia agreements, intellectual property and failure to deliver stipulated services. Such disputes may be costly, time consuming, relate to large amounts and may disrupt the normal business of the Group.	The exposure is mitigated through two elements:  - The Legal Counsel has approved the possibility for larger contracts with customers to lower potential new exposures.  - Insurance is used as mitigation.

## Employment related matters

Risk	Mitigation
As the Group employs staff in different countries, there are demanding requirements for the Group to comply with many different labour regulations and requirements regarding pension schemes, salaries, working hours, etc.	The Group employs staff according to local legislation. The Group aims at avoiding cross-border employment to lower the risk for incorrect employment.

## Loss of certificates and accreditation

Risk	Mitigation
Several certificates and accreditation are business critical for the operation.	The Group has enforced a QHSE department to ensure compliance with standards. The department is responsible for internal and external quality audits.

# Corporate Social Responsibility

RelyOn Nutec was carved-out from Falck in 2018 and is undergoing a significant transformation. Corporate Social Responsibility is one of the key areas of focus and in 2018 the focus was on preparing and establishing an appropriate governance and framework around CSR. This work will continue and be developed in 2019, which will also entail improved and more detailed reporting for 2019.

## Business model

For a description of our business model please refer to page 8.

## Approach to CSR

RelyOn Nutec does not have a separate CSR policy as elements that may be included in a CSR policy are already an integral part of RelyOn Nutec's business behavior, including the company's Code of Conduct and other relevant specific policies and procedures.

However, RelyOn Nutec is committed to respect human rights, to manage environmental impacts and manage anti-corruption. RelyOn Nutec adheres to all applicable laws as well as internal policies and procedures.

Therefore, RelyOn Nutec is in the process of introducing an improved culture on compliance and complete a review of the existing framework and governance. This also entails that new targets and objectives for the corporate social responsibility area will be defined during 2019.

Governance documents and procedures have been prepared and implemented to support and ensure that the above vision is complied with. Further, a management system is in place in order to support and ensure due implementation, improving performance and ensure an appropriate culture with respect to the policies and procedures in place.

## Code of Conduct and UN Global Compact

RelyOn Nutec has a Code of Conduct, outlining the expectations to and reflecting the principles on how we conduct our business, and how our providers and employees are expected and required to act.

It has been decided that the RelyOn Nutec Group will work towards signing up to the UN Global Compact, hence initiatives will be initiated to ensure that this will be achieved in due course. This will also entail that the Code of Conduct will be reviewed and updated during 2019.

## Primary CSR Related Risks and Policies

### Labour

RelyOn Nutec believes that an engaged and motivated workforce that is offered development opportunities will produce better quality work and be more satisfied. RelyOn Nutec invests in the development of employee skills, knowledge and competencies as this is essential for the success of the group and continued satisfaction of the employees.

RelyOn Nutec has numerous policies in place to ensure the well-being, health, safety and security of our employees, including policy on health and safety, on safe driving and on human rights. With respect to health, safety and security we have in 2018 continued to work systematically to implement improvements across the Group.

The RelyOn Nutec Group wishes to contribute to the society and to the people that we engage with when conducting our business. Our commitment to respect and protect human rights is among other things following the UN Guiding Principles on Business and Human Rights and inspired by ILO Declaration on Fundamental Principles and Rights at Work.

## Human Rights and Data Protection

Further, RelyOn Nutec has great focus on ensuring that the employees and customers' personal data is not misused. This is ensured by compliance initiatives and ongoing projects with respect to processing and protecting personal data to continuously ensure the highest standard of data protection. All such data protection projects and initiatives continued throughout 2018 and are anchored with the Group General Counsel.

## Environment and climate

RelyOn Nutec does not have a separate policy on environment and climate as this is not deemed appropriate. However, some environmental elements are already an integral part of RelyOn Nutec's business behavior, including the company's Code of Conduct and other relevant specific policies and procedures.

## Anti-corruption

RelyOn Nutec conducts business in accordance with all relevant laws and regulations in all countries including the FCPA and the UK Bribery Act and adheres to all policies and procedures. The RelyOn Nutec Group operates in areas of the world where corruption is not an uncommon practice. Therefore, it is crucial that appropriate policies and procedures are duly implemented and that measures are taken to mitigate this risk and to prevent non-compliant practices. One initiative implemented in 2018 to mitigate the risk in this area is a roll-out of business ethics through e-learning sessions across the RelyOn Nutec Group. Continuous focus will remain on anti-corruption and additional initiatives will be implemented in order to mitigate and prevent non-compliant practices.

## Activities and Results in 2018

It is assessed by Group Management that the continued work with and focus on human rights and corporate social responsibility contributes positively to the Group's reputation and performance.

Due to the transformation RelyOn Nutec has undergone in 2018, and due to that our CSR related activities in 2018 were all about creating the proper set up and governance around CSR, we do not have results to report area by area. It is our ambition that this will be possible in 2019.

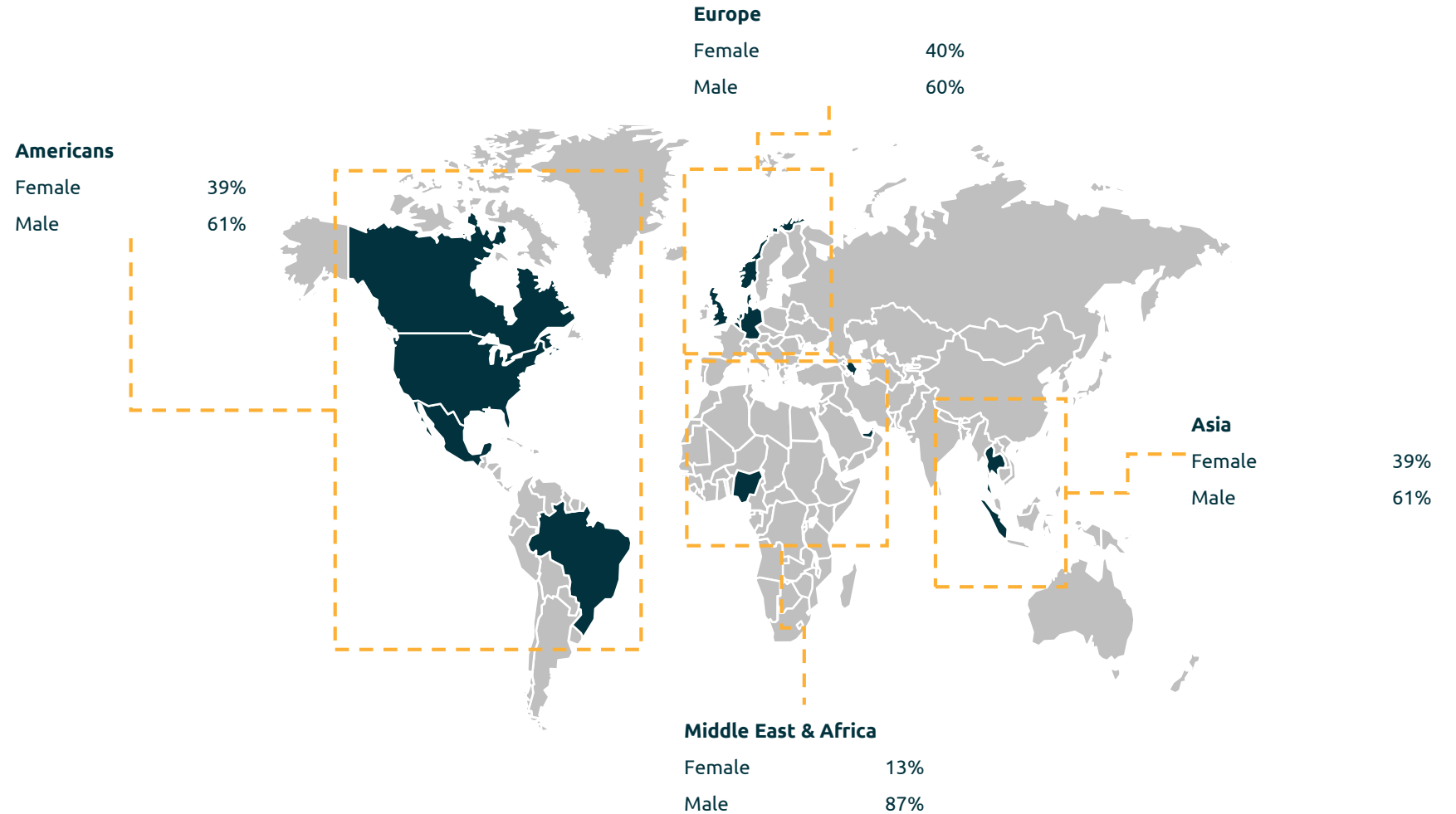
# Diversity

RelyOn Nutec’s core principle for diversity is to ensure equal conditions and opportunities for every individual, including gender diversity. Following this principle, RelyOn Nutec’s approach to gender diversity is that the composition of the management levels, over a number of years, should reflect the composition of the wider group of employees.

The core principle for diversity is that there must be equal conditions for all, this applies e.g. both with respect to external candidates applying for leadership positions within the RelyOn Nutec Group and regarding internal promotions.

The composition of employees of the RelyOn Nutec Group consists of 34% women and 66% men. The management level below Group Management consists of 21% women and 79% men. The Board of Directors consist of three men, while Group Management in 2018 consisted of 3 men and one woman. The target in relation to gender composition of Group Management is that at least 20% of Group Management underrepresented gender. It is the target within five years, that the Board of Directors must consider at least 1/3 of the underrepresented gender.

RelyOn Nutec has continuous focus on diversity including gender composition across the Group. Further assessments will be initiated to monitor diversity within the Group and RelyOn Nutec will in 2019 define a more detailed policy for this area.



# Financials





# Consolidated Financial Statements 2018

# Consolidated financial statements

## Income statement

	Note	30.03 - 31.12.2018 DKKm
Revenue	1.1	248
Other income		3
Cost of sales and external assistance		(59)
Employee costs	1.2	(113)
Other operating costs		(44)
<b>Operating profit before depreciation, amortization, impairment losses and other items (EBITDA)</b>		<b>35</b>
Depreciation and impairment losses on property, plant and equipment	1.3	(11)
<b>Operating profit before other items (EBITA)</b>		<b>24</b>
Special items	1.4	(36)
Amortization of intangible assets	1.3	(2)
<b>Operating profit (EBIT)</b>		<b>(14)</b>
Financial income	1.5	4
Financial expenses	1.6	(10)
<b>Profit/loss before tax</b>		<b>(20)</b>
Income tax	1.7	1
<b>Profit/loss for the period</b>		<b>(19)</b>
<b>Profit/loss for the year is attributable to:</b>		
Owners of BidCo RelyOn Nutec A/S		(22)
Non-controlling interests		3
<b>Total</b>		<b>(19)</b>

## Statement of comprehensive income

	30.03 - 31.12.2018 DKKm
Profit for the period	(19)
<b>Other comprehensive income</b>	
<i>Items that will be subsequently reclassified to profit or loss</i>	
Exchange rate adjustments of foreign entities	(2)
<b>Total comprehensive income for the period</b>	<b>(21)</b>
<b>Total comprehensive income for the period is attributable to:</b>	
Owners of BidCo RelyOn Nutec A/S	(24)
Non-controlling interests	3
<b>Total</b>	<b>(21)</b>

### Supplementary information

The consolidated financial statements include consolidated figures from 20 September 2018 to year-end.

# Consolidated financial statements

## Balance sheet

	Notes	31 December 2018 DKKm
Goodwill	2.1	136
Brands	2.1	55
Customer contracts	2.1	60
Knowhow	2.1	27
Other intangible assets	2.1	8
Property and plant	2.2	205
Equipment	2.2	117
Leasehold improvement	2.2	30
Asset under construction	2.2	17
Deferred tax asset	2.3	13
Other non-current assets		4
<b>Total non-current assets</b>		<b>672</b>
Trade receivables	2.4	162
Contract assets	2.4	19
Prepayments		18
Other receivables		24
Cash and cash equivalents		106
<b>Total current assets</b>		<b>329</b>
<b>Total assets</b>		<b>1,001</b>

	Notes	31 December 2018 DKKm
Share capital		2
Foreign currency translation reserve		(2)
Retained earnings		277
<b>Total equity attributable to owners of the parent company</b>		<b>277</b>
Non-controlling interests		27
<b>Total equity</b>	<b>2.5</b>	<b>304</b>
Bond	3.6	326
Provisions	4.3	92
Financial lease	4.4	35
Other non-current debt		16
<b>Total non-current liabilities</b>		<b>469</b>
Provisions	4.3	12
Credit facility	3.4	12
Trade payables		93
Deferred consideration		50
Financial lease	4.4	4
Other liabilities		57
<b>Total current liabilities</b>		<b>228</b>
<b>Total liabilities</b>		<b>697</b>
<b>Total equity and liabilities</b>		<b>1,001</b>

# Consolidated financial statements

## Statement of changes in equity

	Share capital	Foreign currency translation reserve	Retained earnings	Total equity attributable to owners of Bidco RelyOn Nutec A/S	Non- controlling interests	Total
DKKm						
<b>Equity at 30.03.2018</b>	0			0		0
Profit for the period			(22)	(22)	3	(19)
Other comprehensive income		(2)		(2)		(2)
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>(2)</b>	<b>(22)</b>	<b>(24)</b>	<b>3</b>	<b>(21)</b>
<i>Transactions with owners in their capacity as owners</i>						
Capital increase	2		274	276		276
Non-controlling interests on acquisition of subsidiary				0	29	29
Group contribution			25	25		25
Dividend				0	(5)	(5)
<b>Total transactions with shareholders</b>	<b>2</b>	<b>0</b>	<b>299</b>	<b>301</b>	<b>24</b>	<b>325</b>
<b>Equity at 31.12.2018</b>	<b>2</b>	<b>(2)</b>	<b>277</b>	<b>277</b>	<b>27</b>	<b>304</b>

# Consolidated financial statements

## Cash flow statement

		30.03 - 31.12.2018
	Notes	DKKm
Operating profit before depreciation, amortization, impairment losses and other items (EBITDA)		35
Changes in net working capital	4.5	12
Interests paid		(10)
Income taxes paid	1.6	(2)
Special items paid		(46)
<b>Net cash flow from operating activities</b>		<b>(11)</b>
Purchase of property, plant and equipment	2.2	(19)
Purchase of intangible assets	2.1	(2)
Proceeds from sale of property, plant and equipment		3
Purchase of shares from minority shareholders		(42)
Purchase of subsidiaries, net of cash	4.2	(413)
Change in other investment activities		(9)
<b>Net cash flow from investing activities</b>		<b>(482)</b>
Proceeds from borrowings	3.7	348
Capital increase		276
Dividend paid, non-controlling interest		(5)
Change in other financing activities		(20)
<b>Cash flow from financing activities</b>		<b>599</b>
<b>Net cash flow for the period</b>		<b>106</b>
Cash and cash equivalents, beginning of the year		0
Effects of exchange rate changes on cash and cash equivalents		0
<b>Cash and cash equivalents at end of the year</b>	<b>4.5</b>	<b>106</b>

# Notes

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### Basis of preparation

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# Notes

## Note 1.1 - Revenue

	Offshore Oil and gas	Renewable	Maritime	Industrial	30.03 - 31.12.2018
<b>DKKm</b>					
Americas	51	0	5	4	60
Asia	22	0	2	6	30
Europe	59	9	1	53	122
Middle East & Africa	31	0	0	5	36
<b>Total</b>	<b>163</b>	<b>9</b>	<b>8</b>	<b>68</b>	<b>248</b>

### Accounting policy

The Group generates revenue from delivering of safety training services to its customers within the oil and gas, wind and maritime industry globally.

Revenue from providing services is recognized in the accounting period in which the services are rendered.

The activity is pay-per-use, and the payment terms for customers are 30-60 days, and invoicing is shortly after completion of courses.

If the services rendered exceed the payment, a contract asset is recognized. If the payments exceed the services rendered, a contract liability is recognized. A receivable is recognized when the receipt of payment is conditional on passage of time only.

Where another party is involved in providing the services to the customer, the Group assesses on a contract by contract basis, whether the Group is acting as a principal or as an agent. The Group is acting as a principal when the nature of its promise is a performance obligation to provide the specified services itself. On the contrary the Group is acting as an agent when it is arranging for the services to be provided by the other party.

When the Group obtains control over the specified service before it is transferred to the customer, it is a principal and thus recognizes revenue on a gross basis. When the Group is acting as an agent, the commission rather than the gross income is recognized as revenue.



## Offshore Oil & Gas

Everything from basic safety courses to high-level crisis management and contingency plans for entire organisations. The ideal combination of global consistency and local flexibility.



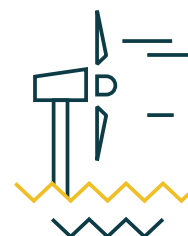
## Maritime

We have trained personnel from the maritime industry for over 30 years. Including the management of passenger safety in the cruise sector.



## Industrial

A wide range of training and competency solutions for construction, engineering, manufacturing, aerospace and aviation, food and drink, and defence.



## Renewables

Practical and realistic safety training designed specifically for the renewables sector. Dedicated facilities including wind turbine training towers and boat transfer simulators.

# Notes

	30.03 - 31.12.2018 DKKk
<b>Note 1.2 – Staff costs</b>	
Wages and salaries	88
Pensions, defined contribution plans	4
Other social security costs	8
Other staff costs	13
<b>Total</b>	<b>113</b>
Average number of full-time employees	1,043
<b>Key Management Compensation</b>	
Key Management consists of Board of Directors and Group Management Team. The compensation paid or payable is shown below:	
Executive Board and Board of Directors	1
Other key management personnel	1
<b>Total</b>	<b>2</b>
Wages and salaries	2
Pensions	0
<b>Total</b>	<b>2</b>

## Accounting policy

Employee costs comprise wages and salaries as well as expenses for payroll and pensions.

## Supplementary information

Pursuant to § 98B.3 of the Danish Financial Statements Act the remuneration to the Executive Board has not been disclosed separately

	30.03 - 31.12.2018 DKKk
<b>Note 1.3 - Amortization, depreciation and impairment losses</b>	
Depreciation on property, plant and equipment, cf. note 2.2	(11)
Amortisation, cf. note 2.1	(2)
<b>Total</b>	<b>(13)</b>
<b>Note 1.4 - Special items</b>	
Transactions costs	(27)
Restructuring costs	(9)
<b>Total</b>	<b>(36)</b>

## Accounting policy

Special items consist of non-recurring income and expenses that the Group does not consider to be part of its ordinary operations such as restructuring projects. The use of special items entails Management judgement in the separation from the ordinary operations of the Group. When using special items, it is essential that these constitute items that cannot be attributed directly to the Group's ordinary operating activities.



# Notes

30.03 - 31.12.2018

DKKm

## Note 1.5 - Financial income

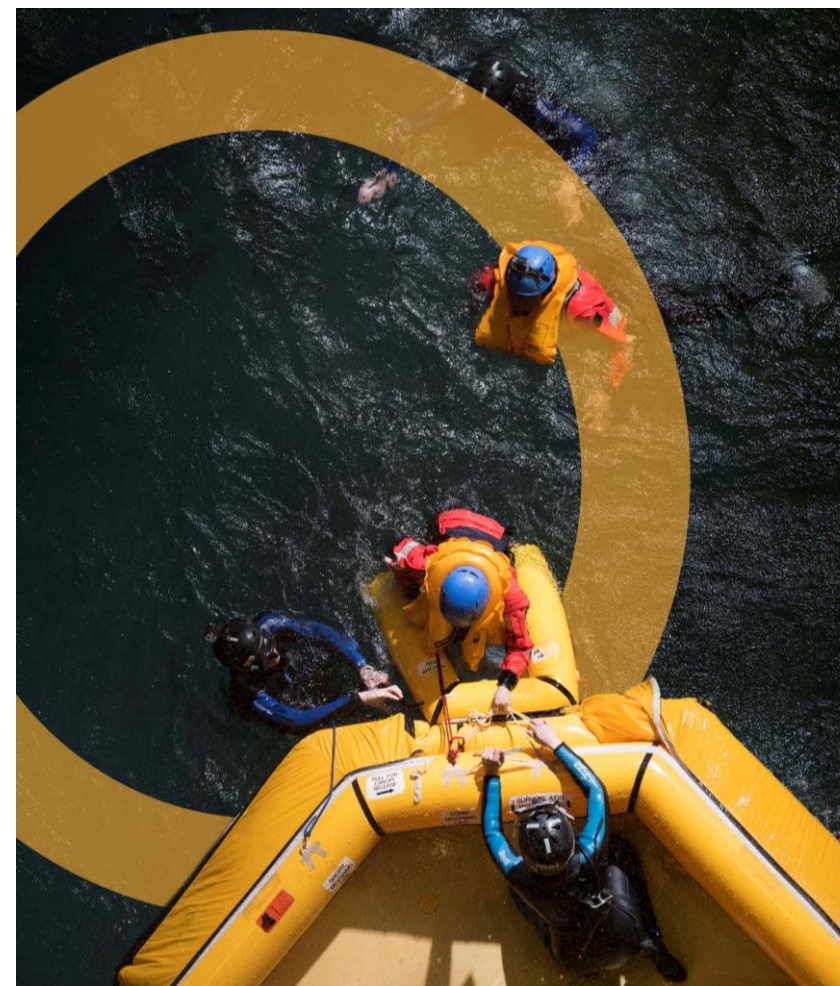
Exchange rate gain	4
<b>Total</b>	<b>4</b>

## Note 1.6 - Financial expenses

Bond interest (amortized cost)	(7)
Other financial expenses	(3)
<b>Total</b>	<b>(10)</b>

### Accounting policy

Financial income and expenses represent interest income and interest expense, realized and unrealized exchange rate gains and losses and amortization related to financial assets and liabilities. Dividends to capital holders who have received put options in connection with business combinations are recognized as a financial expense in cases where the option price is independent of dividend payments. Financials are recognized at the amounts related to the year.



# Notes

	30.03 - 31.12.2018 DKKm
<b>Note 1.7 - Tax on profit for the period</b>	
Current tax:	
Current tax on profits for the period	(1)
Deferred tax on profit for the period	2
<b>Total</b>	<b>1</b>
Tax for the period has been recognized as follows:	
Tax on profit for the period	1
<b>Total</b>	<b>1</b>
<b>Calculated 22.0% tax on profit for the period before income tax</b>	<b>4</b>
<b>Tax effects of:</b>	
Non-taxable income	5
Non-deductible expenses	(7)
Deferred tax adjustment	(3)
Difference in foreign tax rates	2
<b>Total</b>	<b>1</b>
<b>Effective tax rate</b>	<b>5%</b>

## Accounting policy

BidCo RelyOn Nutec A/S and the Group's Danish subsidiaries are jointly taxed. Danish corporation tax is allocated among the jointly taxed companies according to the taxable income of these companies. Income tax for the year, consisting of current tax for the year and changes in deferred tax, is recognized in profit for the year with respect to the part that can be attributed to profit for the year and in other comprehensive income with respect to the part that can be attributed to other comprehensive income or directly to equity.

Corporation tax payables include corporation taxes made up on the basis of estimated taxable income for the financial year and prior-year adjustments.

Deferred tax is calculated according to the balance sheet liability method and is based on all timing differences between the carrying amount and the tax base of assets and liabilities. Deferred tax is not recognized on goodwill that is not tax deductible, and deferred tax is not recognized on undistributed profits in subsidiaries and timing differences that arose at the time of recognition in the balance sheet other than for acquisitions, if such differences will not affect profit or taxable income. When alternative tax rules can be applied to determine the tax base, deferred tax is measured based on planned use of the asset or settlement of the liability respectively.

Deferred tax assets, including the tax base of tax losses carried forward, are recognized under other non-current assets at the expected value of their utilization, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity and jurisdiction. Deferred tax assets and liabilities are offset within the same legal tax entity or jurisdiction. Deferred tax assets are measured at the value at which they are expected to be realized. Deferred tax is measured using the tax rate expected to apply when timing differences are reversed. Changes in deferred tax as a result of changes in tax rates are recognized in the income statement.

# Notes

## Note 2.1 - Intangible assets

	Goodwill	Brands	Customer contracts	Knowhow	Other intangible assets	Total
DKK m						
Cost:						
At 30.03.2018	0	0	0	0	0	0
Acquisition of business, cf. note 4.2	136	55	63	27	6	287
Additions	0	0	0	0	2	2
<b>At 31.12.2018</b>	<b>136</b>	<b>55</b>	<b>63</b>	<b>27</b>	<b>8</b>	<b>289</b>
Accumulated amortisation and impairment:						
At 30.03.2018	0	0	0	0	0	0
Amortisation for the period	0	0	(2)	(0)	0	(2)
Exchange rates	0	0	(1)	(0)	0	(1)
<b>At 31.12.2018</b>	<b>0</b>	<b>0</b>	<b>(3)</b>	<b>(0)</b>	<b>0</b>	<b>(3)</b>
<b>Carrying amount 31.12.2018</b>	<b>136</b>	<b>55</b>	<b>60</b>	<b>27</b>	<b>8</b>	<b>286</b>

Remaining expected economic lifetime	Indefinite	Indefinite	10 years	10 years	3 -5 years
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### Supplementary information

Brand includes active brands within RelyOn Nutec Group; RelyOn Nutec, Aberdeen Drilling School and MSTs. Nutec is our heritage. Nutec is dated back to 2004 and it is a symbol for safety training in multiple parts of the world. Aberdeen Drilling School is a world known-brand to deliver well-control training. MSTs is the local brand in the Asian region, which is associated with high quality safety training. Nutec is the only material brand, which carrying amount is DKKm 38.

Knowhow includes the knowledge for obtaining business critical certificates, such as OPITO, GWO, ISO etc.

### Accounting policy

#### Goodwill

Goodwill is recognized in the balance sheet at cost on initial recognition as described under "Business combinations", note 4.2. Goodwill is subsequently measured at cost less accumulated impairment losses. Goodwill is not amortized, but is tested for impairment at least once a year.

On initial recognition, goodwill is allocated to those of the Group's activities that generate separate cash flows (cash-generating units). The determination of cash-generating units is based on the Group's management structure and internal financial management and reporting.

#### Brands

Brands acquired in a business combination are recognized at fair value at the acquisition date. They have an indefinite useful life and are subsequently carried at cost less accumulated impairment losses.

#### Customer contracts and knowhow

Customer contracts and knowhow acquired in a business combination are recognized at fair value at the acquisition date. Knowhow are based on obtaining business required certificates to perform the operation. They have a finite useful life and are subsequently carried at cost less accumulated amortization and impairment losses. Intangible assets acquired on acquisitions are amortized over the expected economic life, estimated to be 10 years.

#### Other intangible assets

Other intangible assets include software etc. Other intangible assets are measured at cost including costs which can be directly or indirectly attributed to the assets in question less accumulated impairment and amortization are amortized on a straight-line basis over the expected economic life, estimated to be 3 to 5 years.

# Notes

## Accounting policy

Each year, the assets are reviewed in order to assess whether there are indications of impairment. If such indications exist, the recoverable amount, determined as the higher amount of the fair value of the asset adjusted for expected costs to sell and the value in use of the asset, is calculated. The value in use is calculated based on the estimated future cash flows, discounted by using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or its cash-generating unit is lower than the carrying amount, an impairment charge is recognized in respect of the asset. The impairment loss is recognized in the income statement. In addition, for goodwill and other intangible assets with indefinite useful lives, impairment tests are performed at each balance sheet date, regardless of whether there are any indications of impairment. For acquisitions, the first impairment test is performed before the end of the year of acquisition.

In addition, for goodwill and brands with indefinite useful lives, impairment tests are performed at each balance sheet date, regardless of whether there are any indications of impairment. For acquisitions, the first impairment test is performed before the end of the year of acquisition.

Impairment losses are reversed if the recoverable amount increases. Impairment losses will only be reversed to the extent that the value in use does not exceed the carrying amount of the asset if the impairment loss had never been charged. Impairment losses on goodwill are not reversed.

## Impairment test

Goodwill and Brands are monitored by management at the CGU level. As of 31 December 2018, allocation of goodwill by CGU is preliminary. Goodwill and brands are preliminarily allocated to CGU's, as per below.

Due to the short period between the acquisition date and the balance sheet date, management has determined the recoverable amount as fair value less costs to sell by considering the key assumptions underlying the transaction price and changes, if any changes to these assumptions during the ownership period.

Fair value less costs to sell is determined on the basis of a discounted cash flow model. In the calculation future free net cash flow is estimated based on budgets and financial forecasts reflecting expectations as of the acquisition date adjusted for changes, if any, during the ownership period. Cash flows comprise a four year forecast period and a terminal value. The key parameters in determining expected cash flows costs to sell are revenue, EBITDA margin and, capital expenditure. The revenue growth rate in the forecast period is between 5% and 9%, and the EBITDA margin is expected to be constant over the period. Annual Investments are expected to amount to 3-7% of revenue.

The post tax discount rate applied is 11.9% and the growth rate in the terminal period is 1.5%

Fair value is determined on the basis of unobservable input (level 3)

## Critical accounting estimates

Goodwill and Brands have a indefinite lifetime since there is no foreseeable limit to the period over which Goodwill and Brands are expected to generate net cash inflows. The group tests whether goodwill has suffered any impairment on an annual basis. For the 2018 reporting period, the recoverable amount of the cash generating units (CGUs) was determined based on fair value less costs to sell which require the use of assumptions. The calculations use cash flow projections for multiple years with extrapolation beyond the forecast period using the estimated growth rates.

Factors that played a significant role in the determining that brands have an indefinite useful lifetime; 1) brands have existed in decades, 2) the strategy is based on the brands, and 3) the brands have a low maintenance costs attached.

CGU	Carrying amount		
	Goodwill	Brand	Total
Asia	43	24	67
Americans	44	12	58
Europe	40	17	57
Middle East & Africa	9	2	11
<b>Total</b>	<b>136</b>	<b>55</b>	<b>191</b>

# Notes

## Note 2.2 - Property, plant and equipment

DKKm	Land and buildings	Equipment	Leasehold improvement	Assets under construction	Total
Cost:					
At 30.03.2018	0	0	0	0	0
Acquisition of business	163	123	32	51	369
Additions	12	5	1	2	20
Transferred	38	0	0	(38)	0
Disposals	(5)	(8)	0	0	(13)
Exchange difference	0	(2)	(1)	2	(1)
<b>At 31.12.2018</b>	<b>208</b>	<b>118</b>	<b>32</b>	<b>17</b>	<b>375</b>
Accumulated depreciation and impairment:					
At 30.03.2018	0	0	0	0	0
Depreciation for the period	(3)	(7)	(1)	0	(11)
Impairment for the period	0	0	0	0	0
Reversals regarding disposals	0	8	0	0	8
Exchange difference	0	(2)	(1)	0	(3)
<b>At 31.12.2018</b>	<b>(3)</b>	<b>(1)</b>	<b>(2)</b>	<b>0</b>	<b>(6)</b>
<b>Carrying amount 31.12.2018</b>	<b>205</b>	<b>117</b>	<b>30</b>	<b>17</b>	<b>369</b>
Of which relates to finance leases, cf. note 4.4	12	15	4	0	31

### Supplementary information

Committed CAPEX on December 31, 2018 are related to completion of the new facility in Asia, total DKKm 2

### Accounting policy

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes direct costs related to the asset and the initial estimate of the costs related to dismantling and removing the item and restoring the site on which it is located, if the costs meet the definition of a liability. Cost further includes borrowing costs from specific and general borrowings directly relating to the acquisition, construction or development of the individual qualifying asset during the period that is required to complete and prepare the asset for its intended use.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items.

Depreciations are calculated using the straight-line method to allocate their cost, net of their residual values over their estimated useful lives, as follows:

Land and buildings	25 - 30 years
Equipment	3 - 10 years
Leasehold improvements	Term of lease
Land	Not depreciated

The residual value and useful life is determined at the date of acquisition and revalued each year. Where the residual value exceeds the carrying amount, the asset ceases to be depreciated.

Gains and losses on the disposal or scrapping of property, plant and equipment are determined as the difference between the sales price less dismantling, selling and re-establishing costs and the carrying amount. Gains and losses are recognized in the income statement as other operating income and external expenses, respectively.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life, as described above, or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the group will obtain ownership at the end of the lease term.

Each year, the assets are reviewed in order to assess, whether there are any indicators of impairment, cf. note 2.1

# Notes

	2018 DKKm
<b>Note 2.3 – Deferred tax asset</b>	
Deferred tax at 30.03.2018	0
Acquisition of business, cf. note 4.2	14
Deferred tax recognised in the income statement	(1)
<b>Deferred tax at 31.12.2018</b>	<b>13</b>
<b>Deferred tax relates to:</b>	
Intangible assets	8
Tax loss carry forward	5
<b>Total</b>	<b>13</b>

## Supplement information

The Group has unrecognized tax losses to carry forward, total DKKm 46. The Group is of the opinion, that utilization within 3-5 years is not possible. There is no expire on the tax losses to carry forward. Further, there are unrecognized deferred tax assets related to property, plant and equipment, and trade receivable, total DKKm 12.

## Note 2.4 - Trade receivable and contract assets

The Group has recognized the following assets related to contracts with customers	Trade receivable	Contracts assets
Balance as of 30.03.2018	0	0
Balance as of 31.12.2018	162	19
<b>Supplementary information</b>		
The increase in balances of receivables and contracts assets are primarily related to business combinations, which increased trade receivables with DKKm 143 and contracts assets DKKm 24. Please refer to note 4.2 for further information.		
Total at 31 December	164	20
Expected credit loss	(2)	(1)
<b>Total net</b>	<b>162</b>	<b>19</b>

## Accounting policy

On initial recognition, receivables are measured at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortized cost.

Trade receivables and contract assets are written down for expected credit losses. The Group applies the simplified approach in IFRS 9 to measuring expected credit losses which uses a lifetime expected loss allowance for trade receivables and contract assets. The Group's impairment policies are further described in note 3.3. A write-down is recognized in other external costs.

# Notes

## Critical Accounting Estimate

To measure the expected credit losses trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over a 12 month period and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward looking information affecting the ability of the customers to settle the receivables.

	Expected loss rate	Gross carrying amount, trade receivables	Expected credit loss	Net
<b>DKKm</b>				
Contracts assets	5%	20	(1)	19
Not due	1%	71	(1)	70
More than 1 day past due	2%	45	(1)	44
More than 30 days past due	0%	23	(0)	23
More than 60 days past due	0%	9	0	9
More than 90 days past due	0%	16	0	16
<b>Total</b>		<b>184</b>	<b>(3)</b>	<b>181</b>
<b>Opening balances of loss allowance</b>				0
Expected credit loss during the year				(3)
<b>Expected credit loss allowance at 31 December 2018</b>				<b>(3)</b>

## Supplementary information

As described in note 4.2, the trade receivables acquired as part of the business combination were recognized by the Group at their fair value of DKKm 167, net of an amount of DKKm 26 which were expected to be uncollectible. Accordingly, the remaining balances of the trade receivables originating from the acquisition of business are included in the gross carrying amount in the table above by their acquisition date fair value.

## Note 2.5 - Share capital

	Number of shares	Nominal value DKKm
The share capital comprise:		
Share capital 30.03.2018	500,000	0
Capital increase 19.09.2018	1,651,925	2
Capital increase 09.10.2018	170,000	0
<b>Share capital 31.12.2018</b>	<b>2,321,925</b>	<b>2</b>

## Supplementary information

All shares have nominal value of DKK 1.

All shares have the same rights, preferences and restrictions.

All shares are fully paid up.

# Notes

## Note 3.1 - Financial risk management

### Financial risk factors

As part of a global operation, the Group is exposed to cash flow in multiple different currencies. The Group has adopted an expected credit loss model to calculate credit exposure relating to trade receivable. Liquidity risk arises from the financing facility for the Group. Financing facilities are in EUR, which are based on 3M Euribor rate.

### Note 3.2 - Market risk

The Group is exposed to foreign exchange risk. Changes in currency exchange rates result from various factors such as macro-economic factors, speculative transactions and interventions by central banks and governments. In addition, government and monetary authorities may impose exchange controls that could adversely affect an applicable currency exchange rate. The risk arises as per change in exchange rates.

The objective is to minimize impact from change in exchange rates:

- Natural hedges (income and expenses in same currency) minimize the impact in the profit and loss.
- The majority of the current cash position is within low risk foreign currency; GBP, MYR, EUR, TTD and USD.
- The Bond and credit facility are in EURO.

### Sensitivity

As describe above, the Group is primarily exposed to changes in GBP, MYR, NOK, TTD and USD exchange rates. The sensitivity – as per below - to reasonably possible changes in the exchange rates and impact in profit and loss and equity. Impact on profit after tax, trade receivable, cash and trade payables are based on change to exchange rates applied in the Group. The following rates have been applied:

	- 10 %	Year-end rates	+ 10 %
DKK / GBP	744.5	827.2	909.9
DKK / MYR	141.3	157.0	172.7
DKK / NOK	67.4	74.9	82.4
DKK / USD	586.7	651.9	717.1
DKK / TTD	86.3	95.9	105.4

DKKm	Impact on Equity		Impact on total assets or total liabilities					
	Profit after tax		Trade receivable		Cash		Trade payable	
	-10%	10%	-10%	10%	-10%	10%	-10%	10%
DKK / GBP	0	1	-2	2	-1	1	-1	1
DKK / MYR	-1	2	-2	2	-2	2	0	0
DKK / NOK	1	0	-1	1	0	0	0	0
DKK / USD	1	0	-2	2	0	0	0	0
DKK / TTD	0	3	-1	1	-3	3	0	0

### Interest rate risk

Interest rates on Bonds and credit facility depends on several factors, one of the most significant over time being the level of market interest. The interest rate on the Bonds is based on the 3M Euribor rate.

### Sensitivity

The sensitivity of profit or loss is based on changes in in the interest rates.

DKKm	Profit after tax / Equity	
	- 0.5%	+ 0.5%
Change in 3M Euribor	2	-2

Sensitivity analysis are based on annual interest expenses.

The Group is not using hedging instrument to mitigate the risk.



# Notes

## Note 3.3 - Credit risk

In accordance with IFRS 9, the Group is to recognize a loss allowance for expected credit loss ("ECL") on its trade receivables.

The ECL for the Groups "private and commercial" customers and "major oil companies or public companies" customers is estimated separately in the model due to differences in the credit characteristics of these customer segments. Expected credit losses are estimated on customers categorized as "private and commercial". Based on experience, actual credit losses for customers categorized as "major oil companies or public companies" are limited.

The impairment model is based on a roll rate method. The roll rate method is derived from the provision matrix described in IFRS 9 as a historical credit loss matrix based on number of days a trade receivable is overdue.

Probability of default ("PD") is based on historical roll rate for each category and based on Moody's' country-specific PDs.

Loss Given Default is estimated using a loss ratio calculated as the incurred loss divided by the outstanding balance of trade receivables.

The risk is monitored local, and global follow-up as per development in outstanding.

For further information about the Group's credit loss allowance, refer to note 2.4.

## Note 3.4 - Liquidity risk

The Group has Bond facility available with a maximum of DKKm 745. The Bond is expected to be listed on the Norwegian Stock Exchange during 2019. The interest is based on 3M Euribor rate plus a margin. The bond facility expire in 2023.

The Group has credit facility facility available with a maximum of DKKm 42 for financing of working capital. The interest is based on 3M Euribor rate plus a margin. Drawings on the credit facility expire less than one year.

### Maturity analysis

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows incl. interest payments calculated under current conditions.

	Less than 1 year	Between 1 and 5 year	More than 5 years	Total	Net book value
<b>DKKm</b>					
<b>As at 31.12.2018</b>					
Bond	24	94	354	472	326
Credit facility	12	0	0	12	12
Deferred consideration	50	0	0	50	50
Trade payables	93	0	0	93	93
Finance lease liabilities	5	19	25	49	39
<b>Total</b>	<b>184</b>	<b>113</b>	<b>379</b>	<b>676</b>	<b>515</b>
<b>Financial assets and liabilities per measurement category</b>					
<b>Financial assets</b>					
Financial assets at amortized cost:					
Trade receivables				162	
Contract assets				19	
Prepayments				18	
Other receivable				24	
Cash and cash equivalents				106	
<b>Total</b>				<b>329</b>	
<b>Financial liabilities</b>					
Liabilities at amortised cost:					
Bond				326	
Trade payables				93	
Bank loans				12	
Deferred consideration				50	
Finance lease liabilities				39	
<b>Total</b>				<b>520</b>	
Liabilities at fair value					
Contingent consideration, non-controlling interest (part of other liabilities in the balance sheet)				8	
<b>Total</b>				<b>528</b>	

# Notes

## Note 3.6 - Measurement and fair value hierarchy

Financial instruments measured at fair value are shown in accordance with the following accounting hierarchy:

- Level 1; Observable market prices of identical instruments.
- Level 2; Valuation models primarily based on observable prices or trading prices of comparable instruments.
- Level 3; Valuation models primarily based on non-observable prices.

	Carrying Amount	Fair value Level 1	Fair value Level 2	Fair value Level 3
Fair value:				
Contingent consideration	8	0	0	8
Amortised cost:				
Finance lease	39	0	49	0
Bond	326	0	0	336
<b>Total</b>	<b>373</b>	<b>0</b>	<b>49</b>	<b>344</b>

### Supplementary information

The fair value of contingent considerations to non-controlling interests amounts to DKKm 8 at 31 December 2018. The fair value of the contingent consideration is determined as the present value of the EBITDA multiple less net debt. Significant unobservable inputs include assumptions about the expected development in EBITDA and the discount rate. The estimated fair value will increase, if the expected EBITDA increases or if the present value is based on a lower discount rate. Contingent consideration is based on current EBITDA and expected EBITDA until date of utilization. Management does not expect a reasonable possible change in one or more of the significant unobservable inputs will have a material impact of the estimated fair value.

As the bond was recently issued in September 2018 and carries a variable interest rate, the fair value of the bond has been assessed to approximate the principal amount of DKKm 336. The bond is classified as level 3 fair value in the fair value hierarchy due to the use of unobservable inputs, including own credit risk, which has been reassessed at year-end.

Finance lease is calculated according to minimum lease payment and interest rates. Changes in the interest rates will not have a significant impact.

The fair value of other financial instruments is approximately equal to the carrying amounts due to short maturity.

## Note 3.7 - Changes in liabilities arising from financing activities

DKKm	30.03.2018	Non-cash changes		31.12.2018	
		Cash	Acquisitions		Other
Current interest bearing debt	0	12	0	0	12
Non-current interest bearing debt	0	336	0	(10)	326
Finance lease liabilities	0	0	39	0	39
<b>Total liabilities from financing activities</b>	<b>0</b>	<b>348</b>	<b>39</b>	<b>(10)</b>	<b>377</b>

Other includes amortized loans cost and accrued interest.

## Note 3.8 - Capital management

The Group's objectives when managing capital are to;

- Safeguarding the ability to continue as a going concern, so entities can continue to provide returns for shareholders and benefits for other stakeholders,
- Maintain an optimal capital structure on a global scale,
- Cash pool is used within some areas to optimize cash position,
- Cash flow forecasting on a bi-weekly frequency.

As part of the bond, the Group have to comply with the following covenants:

- LTM EBITDA / NIDB < 4,5
- Finance lease < DKKm 11

One lease contract have change from operational lease liability to finance lease liability as part the purchase price allocation. The contract origin back to 2014 and were present at the time of completion of the term of condition. Beside it, the Group are in compliance with the covenants.

# Notes

## Note 4.1 - Fee to auditors appointed at the general meeting

	30.03 - 31.12.2018
	DKKm
Audit fee to PwC	2
Other assurance engagements	0
Tax advisory services	0
Non-audit services	4
<b>Total</b>	<b>6</b>

## Note 4.2 - Business combination

On 20 September 2018, the parent company acquired the entire share capital of RelyOn Nutec Holding A/S, former known as Falck Safety Services Holding A/S, which operates in the business of safety training services to the oil and gas, wind and maritime industry globally, and other related business.

Details of the purchase consideration, the net asset acquired and goodwill are described below. Purchase price allocations are preliminary, however the Management does not expect any changes.

	DKKm
Purchase consideration:	
Cash paid for shares and deferred consideration including group contribution	116
Settlement of acquires debt to seller	448
Deferred consideration	50
<b>Total purchase consideration</b>	<b>614</b>
	<b>Fair value</b>
	<b>DKKm</b>
The assets and liabilities recognized as a result of the acquisition are as follows:	
Cash	126
Trade receivables	143
Contracts assets	24
Tangible assets: Property, plant and equipment	369
Intangible assets: customer contracts	63
Intangible assets: brand	55
Intangible assets: knowhow	27
Intangible assets: other	6
Deferred tax assets	14
Other assets	52
Trade payables	(118)
Onerous contracts	(83)
Finance lease	(40)
Other liabilities	(131)
<b>Net identifiable assets acquired</b>	<b>507</b>
Non-controlling interests	(29)
Goodwill	136
<b>Net assets acquired</b>	<b>614</b>

# Notes

The Group has elected to measure non-controlling interests in the RelyOn Nutec Group at its proportionate share of the net assets acquired. The goodwill amounting to DKKm 136 is attributable to workforce etc. It will not be deducted for tax purposes. The fair value of acquired trade receivables is DKKm 167. The gross contractual amount for trade receivables due is DKKm 193, of which DKKm 26 is expected to be uncollectable.

The acquired RelyOn Nutec business contributed revenues of DKKm 248 and net profit of DKKm (19). If the acquisition had occurred on 30 March 2018, consolidated pro-forma revenue and profit for the year ended 31 December 2018 would have been DKKm 620 and DKKm (12), respectively.

## Cash flow on acquisition

Outflow of cash to acquire RelyOn Nutec	DKKm
Cash consideration	91
Settlement of acquires debt to seller	448
Less cash acquired	-126
<b>Net outflow of cash - investing activities</b>	<b>413</b>

Acquisition-related costs of DKKm 27 have been recognized in the income statement within special items.

## Note 4.3 - Provisions

The movement in each class of provision during the year is set out below:

	Onerous contracts	Refurbishment provision	Other provisions	Total
<b>DKKm</b>				
At 30.03.2018	0	0	0	0
Acquisition of business	83	20	5	108
Change during the period	(3)	0	(1)	(4)
<b>At 31.12.2018</b>	<b>80</b>	<b>20</b>	<b>4</b>	<b>104</b>

### Accounting policy

Provisions are recognized when, as a consequence of an event occurring before or on the balance sheet date, the Group has a legal or constructive obligation and it is probable that an outflow of resources will be required to settle the obligation. The amount recognized as a provision is Management's best estimate of the present value of expenses required to settle the obligation.

Provisions for restructuring are recognized when a detailed, formal plan for the restructuring has been made before or on the balance sheet date and has been announced to the parties involved.

Provisions for retained risks related to occupational injuries are recognized at the time of the claim and include an estimate of claims incurred but not reported based on actuarial calculations.

A provision for onerous contracts is made when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

### Supplementary information

Provision for refurbishment obligation are related to clean up on the facilities within the Group. Refurbishment provision will be an obligation prior relocation. Relocation is not highly likely, hence all provisions are non-current. Onerous contracts expire within 0 - 15 years.

# Notes

## Note 4.4 - Leases

Commitments related to finance leases as of 31 December 2018 are payable as follows:

The fair value of lease liabilities are determined by discounting the future cash flows using a current borrowing rate.

### DKKm

	Minimum lease payment	Present value of minimum lease payments
Within one year	5	3
Later than one year but not later than five years	19	15
Later than five years	25	21
<b>Total</b>	<b>49</b>	<b>39</b>

Future finance charges	(10)	
<b>Present value of minimum lease payments</b>	<b>39</b>	

### Accounting policy

For financial reporting purposes, lease liabilities are classified as either finance or operating lease liabilities.

Leases are classified as finance leases when substantially all risks and rewards of ownership of the leased assets are transferred to the Group. Other leases are classified as operating leases.

The accounting treatment of assets held under finance leases and the related liability is described in the sections on property, plant and equipment and financial liabilities respectively.

Assets held under operating leases are not recognized in the balance sheet. Lease liabilities under operating leases are disclosed as contingent liabilities. Lease payments concerning operating leases are recognized in the income statement on a straight-line basis over the term of the lease.

### Supplement information

The Group leases some equipment globally and a facility in Norway, which are classified as finance leases.

	30.03 - 31.12.2018 DKKm
Minimum lease payments on the Group's operating lease obligations amount to:	
Less than 1 year	66
1 to 5 years	119
More than 5 years	151
<b>Total</b>	<b>330</b>

### Supplementary information

The Group leases property, plant and equipment under non-cancellable operating leases expiring within 1 to 25 years. The leases have varying terms, escalation clauses and renewal rights.

During the period, the Group has recognized operating lease expenses amounting to DKKm 21 in the income statement within other external costs.

# Notes

## Note 4.5 - Cash flow specification

	31.12.2018 DKKm
Change in trade receivables	(26)
Change in contract assets	12
Change in prepaid expenses	1
Change in trade payables	20
Change in other receivables	6
Change in other operating liabilities	(1)
<b>Total</b>	<b>12</b>

### Accounting policy

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

### Supplementary information

Some of the cash and cash equivalents are not available for general use to other Group entities within the Group, total DKKm 26 on Trinidad & Tobago.

## Note 4.6 - Related parties

The Group is controlled by the following entities:

Immediate parent entity:	P-Holding RelyOn Nutec A/S
Ultimate parent entity and controlling party:	Polaris Private Equity IV K/S

Note 4.9 includes information about the Group's structure and the Group's related parties. Information about management's remuneration has been disclosed in note 1.2.

The following transactions occurred with the immediate other related parties:

- Capital increase, DKKm 276
- Group contribution, DKKm 25

The ultimate parent entity, Polaris Private Equity IV K/S, have paid for some of the transactions cost, total DKKm 1. There are no balance on 31 December 2018.

## Note 4.7 - Commitments and contingent liabilities

### Joint taxation scheme

The Danish Group companies are jointly and severally liable for tax on the jointly taxed income etc. of the Group. The total amount of corporation tax payable by the Group is disclosed in the financial statements of P-RelyOn Nutec 2018 A/S, which is the management company of the joint taxation. The Danish companies are jointly and severally liable for the joint taxation liability. The joint taxation liability covers income taxes and withholding taxes on dividends, royalties and interest.

### Contingent liabilities and guaranties

As part of the bond agreement, share pledges have been issued.

The Group has guaranties related to the operation, of which non of the guaranties are material.

Claims have been made against the Group, primarily concerning construction of a facility, etc. The Group and its legal advisors consider the claims unjustified and do not perceive that the Group will incur any losses as a result of the actions for damages.

## Note 4.8 - Events after the balance sheet date

No events materially affecting the assessment of the annual report have occurred after the balance sheet date.

# Notes

## Note 4.9 – Group companies

Country	Legal name	Equity interest	Country	Legal name	Equity interest
Azerbaijan	Falck Caspian Safe LLC	100%	Norway	RelyOn Nutec Norway AS	100%
Belgium	RelyOn Nutec Belgium BVBA	100%	Oman	Aberdeen Drilling International Co. LLC	70%
Brazil	Falck Nutec Brasil Participacoes Ltda	100%	Qatar	Falck Safety Services LLC *	49%
Brazil	RelyOn Nutec Brasil Participacoes Ltda	100%	Singapore	MSTS Asia (S'pore) Pte. Ltd.	100%
Canada	Falck Safety Services Canada Incorporated	68%	Thailand	Southfield Ltd *	49%
Canada	Falck Safety Services Canada (NL) Incorporated	68%	Thailand	Falck Nutec (Thailand) Ltd	65%
Canada	Falck Safety Services Canada (LA) Incorporated	68%	The Netherlands	Falck Global Safety B.V.	100%
Denmark	Bidco RelyOn Nutec A/S	100%	The Netherlands	Falck B.V.	100%
Denmark	RelyOn Nutec Holding A/S	100%	The Netherlands	RelyOn Nutec Netherlands B.V.	100%
Denmark	RelyOn Nutec Denmark A/S	100%	Trinidad & Tobago	Falck Safety Services Limited	100%
Malaysia	MSTS Asia Sdn. Bhd.	60%	Trinidad & Tobago	Haztec Services Trinidad, Ltd.	100%
Malaysia	Risktec (M) Sdn. Bhd.	60%	UAE	Falck Safety Services LLC *	49%
Malaysia	Falck Bestari Healthcare Sdn Bhd	60%	UAE	Aberdeen Drilling International Limited	100%
Malaysia	Falck Nutec Malaysia Sdn. Bhd.	60%	United Kingdom	Falck Nutec Ltd.	100%
Malaysia	Aberdeen Drilling International (Malaysia) SDN BHD	100%	United Kingdom	Aberdeen Drilling School Ltd	100%
Mexico	Falck Holding de México, S.A. de C.V.	100%	USA	RelyOn Nutec USA Holdings, LLC	100%
Mexico	Falck Safety Services de México, S.A.P.I. de C.V.	60%	USA	RelyOn Nutec Services, Inc.	100%
Nigeria	Falck Safety Services Nigeria Limited *	49%	USA	RelyOn Nutec USA, LLC	100%
Nigeria	Falck Prime Atlantic Limited *	49%	Vietnam	Falck Nutec Vietnam Limited	88%

\* For these companies, the group holds an equity interest of less than 50%. However, due to rights arising from shareholders' agreements, the Group has determined that it has control of those companies, which are thus classified as subsidiaries and fully consolidated.

# Notes

## Note 5.1 – Basis of preparation

The activity of BidCo RelyOn Nutec A/S and group companies (the Group), consists of holding shares in subsidiaries and through the subsidiaries operate in the business of safety training services to the oil and gas, wind and maritime industry globally, and other related business.

The annual report has been prepared under the historical cost convention, except that derivatives and financial instruments are measured at fair value. The financial statements are presented in Danish Kroner (DKK), as this is the Company's functional currency. The financial statements have been rounded to the nearest million.

The annual report comprises the first financial year, ie 30 March – 31 December 2018.

## Note 5.2 - Accounting policies

The consolidated financial statements for BidCo RelyOn Nutec A/S have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union as well as additional Danish disclosure requirements applying to entities of reporting class C for large enterprises.

### *Adoption of new and amended standards*

The IASB has issued a number of new or amended standards and interpretations effective for financial years beginning after 31 December 2018. Some of these have not yet been endorsed by the EU. Most relevant to the Group is the following:

IFRS 16 was issued in January 2016. It will result in almost all leases being recognized on the balance sheet by lessees, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognized. The only exceptions are short-term and low-value leases.

At the commencement date of a lease, a lessee is required to recognize a liability to make lease payments over the lease term (i.e. the lease liability) and an asset representing the right-to-use the underlying asset during the lease term (i.e. the right-of-use asset). Interest expense on the lease liability and the depreciation expense on the right-of-use asset will be separately recognized.

### *Adopting IFRS 16*

The Group will apply the standard from its mandatory adoption date of 1 January 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets will be measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses).

### *Impact*

The Group has reviewed its leasing arrangements in light of the new lease accounting rules in IFRS 16. The standard will affect primarily the accounting for the Group's operating leases.

The Group leases include properties and various equipment, such as office equipment and cars. The portfolio of rental contracts are made for varying periods of years but may have extension options, which will be included in the lease term if the Group is reasonably certain to exercise the extension options.

As at the reporting date, the Group has non-cancellable operating lease commitments of DKK 330. The balance will be affected by "rights of use assets", total DKKm 330, and "rights of use liabilities", DKKm 330. Of these commitments, DKK 0 relate to short-term leases and low value leases which will be recognized on a straight-line basis as expense in profit or loss. Adjusted EBITDA is expected to increase by approximately by DKKm 66.

## Basis of consolidation

The consolidated financial statements include the parent company, BidCo RelyOn Nutec A/S and its subsidiaries. Subsidiaries are entities that are controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

On consolidation, investments in subsidiaries, intra-group income and expenses, intra-group balances and dividends and realized and unrealized gains and losses on transactions between Group entities are eliminated. The line items of the financial statements of subsidiaries are fully consolidated in the consolidated financial statements. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

### *Business combination*

Companies acquired or established during the financial year are recognized as from the date of acquisition or inception. The comparative figures are not restated to reflect companies acquired. Acquisitions of subsidiaries apply the acquisition method. Identifiable assets, liabilities and contingent liabilities of acquires are recognized at their fair value at the date of acquisition.

Identifiable intangible assets are recognized if they are separable or derive from a contractual right. Deferred tax on fair value adjustments is recognized.

The acquisition date is the date on which the Group obtains control of the acquire.



# Notes

Any positive difference between the consideration and the value of non-controlling interests in the acquirer and the fair value of any previously held interests in the acquirer, on the one hand, and the fair value of the identifiable assets, liabilities and contingent liabilities, on the other hand, is recognized in the balance sheet as goodwill. Goodwill is not amortized, but is tested for impairment at least once a year. On acquisition, goodwill is allocated to the cash-generating units which will subsequently form the basis for future impairment tests.

Any negative difference is recognized in the income statement on the date of acquisition.

The consideration for an entity consists of the fair value of the agreed purchase price. For business combinations in which the agreement includes a provision on adjustment of the consideration conditional on future events, the fair value of this part of the consideration is recognized at the date of acquisition. Any changes in the fair value of the contingent consideration after initial recognition are recognized in the income statement. Put options issued to minority shareholders in connection with acquisitions for them to sell their remaining shares to the Group, the value of which is contingent on future events, will be recognized as part of the consideration at the date of acquisition. The put options issued are subsequently measured at the present value of the expected exercise price. Any changes in the value of the issued put options after initial recognition are recognized in equity. Acquisition costs and the interest element of discounting are recognized in the income statement.

If uncertainties regarding the measurement of acquired identifiable assets, liabilities, contingent liabilities or the consideration for the business combination exist at the acquisition date, initial recognition takes place on the basis of preliminary fair values. If identifiable assets, liabilities, contingent liabilities and the consideration for the business combination are subsequently determined to have had a different fair value at the acquisition date than first assumed, goodwill is adjusted until 12 months after the acquisition date. The effect of the adjustments is recognized in the opening equity, and the comparative figures are restated accordingly. Goodwill is not adjusted subsequently except in the event of material errors.

#### *Non-controlling interests*

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

On initial recognition, non-controlling interests are measured either at fair value (including the fair value of goodwill related to non-controlling interests in the acquiree) or as non-controlling interests' proportionate share of the acquiree's identifiable assets, liabilities and contingent liabilities measured at fair value (excluding the fair value of goodwill related to non-controlling interests' share of the acquiree). The measurement basis for non-controlling interests is selected for each individual transaction.

When the Group assumes an obligation from a put option to acquire shares from a non-controlling interest a financial liability is recognized, which is measured at the present value of the expected redemption amount. Where the significant risks and rewards of the shares related to the put option have not transferred to the Group, the non-controlling interest remains being recognized. Otherwise, a corresponding entry is made against the Group's share of equity.

#### **Foreign currency translation**

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

#### *Transactions and balances*

On initial recognition, transactions denominated in foreign currencies are translated to the functional currency at the exchange rates at the transaction date. Exchange differences arising between the exchange rate at the transaction date and the exchange rate at the date of actual payment are recognized in the income statement under financial income or financial expenses.

Receivables, payables and other monetary items in foreign currency are translated to the functional currency at the exchange rate at the balance sheet date. The difference between the exchange rate at the balance sheet date and the exchange rate at the date when the receivable or payable arose or the exchange rate applied in the most recent financial statements is recognized in the income statement under financial income or financial expenses.

On recognition in the consolidated financial statements of entities with a functional currency other than DKK, income and expenses for the statement of comprehensive income are translated at the exchange rates at the transaction date. Average exchange rates for the month are used as the exchange rate at the transaction date to the extent that this does not significantly change the presentation of the underlying transactions. Assets and liabilities are translated at the exchange rates at the closing rate of the balance sheet date. All resulting exchange differences are recognized in other comprehensive income, and classified in equity in a separate currency translation reserve.

#### **Income Statement**

##### *Cost of sales and external assistance*

Cost of sales and external assistance comprise expenses for related to course material and subcontractors.

##### *Other external costs*

Other external costs comprise marketing, external consultancy, facilities etc.

##### *Other operating income and expenses*

Other operating income and other expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and property, plant and equipment.

# Notes

## Balance

### *Fair value*

Fair value is the price that would be received when asset is sold or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial instruments that are not traded in an active market is determined using generally accepted valuation techniques based on observable inputs from active markets. For financial liabilities where the fair value is disclosed, the fair value is estimated by discounting future contractual cash flows at the current market interest rate.

### *Financial liabilities*

Financial liabilities primarily comprise of bonds, banks loans, trade payables and deferred considerations are initially recognised at fair value less transaction costs. In subsequent periods, financial liabilities are measured at amortised cost.

Residual lease commitments from finance leases and other financial liabilities are recognised and subsequently measured at amortised cost.

## Cashflow statement

The cash flow statement shows the Group's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are calculated as the operating profit before other items (EBITA) adjusted for changes in working capital and non-cash operating items such as depreciation, amortization and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities comprise cash flows from the raising and repayment of long term debt as well as payments to and from shareholders.

## Key figures

The financial ratios have been computed in accordance with the latest Guidelines issued by the Danish Finance Society.

## Note 5.3 - Critical accounting estimates and judgements

In the preparation of the consolidated financial statements according to IFRS, Management is required to make certain estimates. Many financial statement items cannot be reliably measured, but must be based on estimations as the value of assets and liabilities often depends on future events that are somewhat uncertain.

The judgements, estimates and assumptions made are based on historical experience and other factors that Management considers to be reliable, but which by their very nature are associated with uncertainty and unpredictability. These assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise. The most critical judgments, estimates and assumptions for the individual items are described below.

### *Critical accounting estimates*

In connection with acquisitions, the identifiable net assets acquired from the seller are recognized at fair value. This includes an assessment of the value of e.g. customer relations and customer contracts. The valuation thereof is based on the "Multi-Period Excess Earnings Method (MEEM method)" in which the value is calculated on the basis of an expected future cash flow. The principal assumptions are expected lives of the existing agreements and portfolios, earnings and contribution for using associated assets and employees.

Critical accounting estimates related to;

- Goodwill, cf. Note 2.1
- Business combination, cf. note 4.2

# Parent Company Financial Statements 2018

# Parent Company Financial Statements

## Income statement

	Note	30.03 - 31.12.2018 DKKm
Revenue		1
Employee costs	1.1	(1)
<b>Operating profit (EBIT)</b>		<b>0</b>
Finance expenses		(9)
<b>Profit/loss before tax</b>		<b>(9)</b>
Income tax		2
<b>Profit/loss for the year</b>		<b>(7)</b>

## Changes in equity

	Note	Share capital	Retained earnings	Total DKKm
<b>Equity at 30.03.2018</b>		<b>0</b>		<b>0</b>
Profit for the period			(7)	<b>(7)</b>
Group contribution			25	<b>25</b>
Capital increase		2	274	<b>276</b>
<b>Equity at 31.12.2018</b>	<b>2.2</b>	<b>2</b>	<b>292</b>	<b>294</b>

# Parent Company Financial Statements

## Balance sheet

	Notes	31 December 2018 DKKm
Investment in subsidiaries	2.1	155
Receivables from subsidiaries		464
Deferred tax asset		2
<b>Total non-current assets</b>		<b>621</b>
Cash and cash equivalents		0
<b>Total current assets</b>		<b>0</b>
<b>Total assets</b>		<b>621</b>

	Notes	31 December 2018 DKKm
Share capital	2.2	2
Retained earnings		292
<b>Total equity</b>		<b>294</b>
Bond	2.3	325
<b>Total non-current liabilities</b>		<b>325</b>
Trade payables		1
Debt to subsidiaries		1
<b>Total current liabilities</b>		<b>2</b>
<b>Total liabilities</b>		<b>327</b>
<b>Total equity and liabilities</b>		<b>621</b>

# Notes

## Section 1

### Income statement

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## Section 2

### Balance

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## Section 3

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## Section 4

### Basis of preparation

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# Notes

<b>Note 1.1 - Staff costs</b>	<b>30.03 - 31.12.2018</b>
	<b>DKKm</b>
Wages and salaries	(1)
Pensions	(0)
<b>Total</b>	<b>(1)</b>
Average number of employees	2

## Accounting policy

Employee costs comprise wages and salaries as well as expenses for payroll and pensions.

## Supplementary information

Pursuant to § 98B.3 of the Danish Financial Statements Act the remuneration to the Executive Board has not been disclosed separately

<b>Note 2.1 - Investment in subsidiaries</b>	<b>30.03 - 31.12.2018</b>
	<b>DKKm</b>
Cost:	
At 30.03.2018	0
Acquisition of business	140
Additions	15
<b>At 31.12.2018</b>	<b>155</b>
Accumulated impairment:	
At 30.03.2018	0
Impairment for the period	0
<b>At 31.12.2018</b>	<b>0</b>
<b>Carrying amount 31.12.2018</b>	<b>155</b>

## Subsidiaries comprise:

RelyOn Nutec Holding A/S	100%
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## Accounting policy

Investment in subsidiaries are measured at cost or at a lower recoverable amount. If indications of impairments are identified, an impairment test as described in the accounting policies for the consolidated financial statements is prepared. If the recoverable amount is lower than the carrying amount, the asset is written down to its lower recoverable amount.

# Notes

## Note 2.2 - Share capital

<i>The share capital comprise:</i>	Number of shares	Nominal value (DKK'000)
Share capital 30.03.2018	500,000	0
Capital increase 19.09.2018	1,651,925	2
Capital increase 09.10.2018	170,000	0
<b>Share capital 31.12.2018</b>	<b>2,321,925</b>	<b>2</b>

## Note 2.3 – Bond

DKKm	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Bond	0	0	325	325
<b>Total</b>	<b>0</b>	<b>0</b>	<b>325</b>	<b>325</b>

### Accounting policy

Financial liabilities primarily comprise bonds that are initially recognized at fair value less transaction costs. In subsequent periods, financial liabilities are measured at amortized cost.

## Note 3.1 - Related parties

The Group is controlled by the following entities:

Immediate parent entity:	P-Holding RelyOn Nutec A/S
Ultimate parent entity and controlling party:	Polaris Private Equity IV K/S

Note 4.9 in consolidated financial statement includes information about the Group's structure and the Group's related parties. Information about management's remuneration has been disclosed in note 1.2 in consolidated financial statement.

All transactions with related parties have been carried out on arm's length terms.

The Company is included in the Consolidated Financial Statement of P-RelyOn Nutec 2018 A/S. The Consolidated Financial Statements can be obtained on the following addresses: Malmøgade 3, 2100 København Ø

## Note 3.2 - Commitments and contingent liabilities

### Joint taxation scheme

The Danish Group companies are jointly and severally liable for tax on the jointly taxed income etc. of the Group. The total amount of corporation tax payable by the Group is disclosed in the financial statements of P-RelyOn Nutec 2018 A/S, which is the management company of the joint taxation. The Danish companies are jointly and severally liable for the joint taxation liability. The joint taxation liability covers income taxes and withholding taxes on dividends, royalties and interest.

### Contingent liabilities and guaranties

As part of the bond agreement, share pledges have been issued.

## Note 3.3 - Events after the balance sheet date

No events materially affecting the assessment of the annual report have occurred after the balance sheet date.



# Notes

## Note 4.1 – Basis of preparation

BidCo RelyOn Nutec A/S prepares the parent company financial statements in accordance with the Danish Financial Statements Act applying to enterprises of reporting class C.

The annual report has been prepared under the historical cost convention, except that derivatives and financial instruments are measured at fair value. The financial statements are presented in Danish Kroner (DKK), as this is the Company's functional currency. The financial statements have been rounded up/down to the nearest million.

The annual report comprises the first financial year, ie 30 March – 31 December 2018.

## Note 4.2 - Accounting policies

### *Other accounting policies*

With reference to the provisions of the Danish Financial Statements Act, the Company has refrained from both preparing a cash flow statement and presenting segment information in the parent company financial statements. For this information, see the consolidated financial statements for BidCo RelyOn Nutec A/S. Please see note 1 "Basis of preparation" in the consolidated financial statements for other accounting policies.

## Income statement

### *Revenue*

Income from the sale of services is recognized in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year and where the selling price can be determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

### *Financial income and expenses*

Financial income and expenses represent interest income and interest expense, realized and unrealized capital gains and losses and amortization related to financial assets and liabilities.

Furthermore, realized and unrealized gains and losses on derivative financial instruments which cannot be classified as hedging arrangements are included.

### *Income tax and deferred tax*

BidCo RelyOn Nutec A/S and the Group's Danish subsidiaries are jointly taxed. Danish corporation tax is allocated among the jointly taxed companies according to the taxable income of these companies. Income tax for the year, consisting of current tax for the year and changes in deferred tax, is recognized in profit for the year with respect to the part that can be attributed to profit for the year and in other comprehensive income with respect to the part that can be attributed to other comprehensive income or directly to equity.

Corporation tax payables include corporation taxes made up on the basis of estimated taxable income for the financial year and prior-year adjustments.

Deferred tax is calculated according to the balance sheet liability method and is based on all timing differences between the carrying amount and the tax base of assets and liabilities. Deferred tax is not recognized on goodwill that is not tax deductible, and deferred tax is not recognized on undistributed profits in subsidiaries and timing differences that arose at the time of recognition in the balance sheet other than for acquisitions, if such differences will not affect profit or taxable income. When alternative tax rules can be applied to determine the tax base, deferred tax is measured based on planned use of the asset or settlement of the liability respectively.

Deferred tax assets, including the tax base of tax losses carried forward, are recognized under other non-current assets at the expected value of their utilization, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity and jurisdiction. Deferred tax assets and liabilities are offset within the same legal tax entity or jurisdiction. Deferred tax assets are measured at the value at which they are expected to be realized. Deferred tax is measured using the tax rate expected to apply when timing differences are reversed. Changes in deferred tax as a result of changes in tax rates are recognized in the income statement.

## Balance

### *Receivables*

Receivables are measured in the balance sheet at the lower of amortized cost and net realizable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

### *Cash and cash equivalents*

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

# Statement of the Board of Directors and Executive Management

The Board of Directors and the Executive Management have today considered and adopted the Annual Report of BidCo RelyOn Nutec A/S for the financial year 30 March – 31 December 2018.

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act. The Parent Company Financial Statements and Management Review have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position as of 31 December 2018 of the Group and the Parent Company and of the results of the Group and Parent Company operations and consolidated cash flows for the financial year 30 March - 31 December 2018.

In our opinion, the Management Review includes a true and fair account of the development in the operations and financial circumstances of the Group and the Parent Company, of the results for the year and of the financial position of the Group and the Parent Company as well as a description of the most significant risks and elements of uncertainty facing the Group and the Parent Company.

**Copenhagen, 20 March 2019**

## Executive Management

Torben Harring  
Group CEO

Søren Strøm  
Group CFO

## Board of Directors

Jakob Thomasen  
Chairman

Jesper Lok

Henrik Bonnerup

# Independent Auditor's Report

To the Shareholder of BidCo RelyOn Nutec A/S

## Opinion

In our opinion, the Consolidated Financial Statements give a true and fair view of the Group's financial position as of 31 December 2018 and of the results of the Group's operations and cash flows for the financial year 30 March to 31 December 2018 in accordance with the International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

Moreover, in our opinion, the Parent Company Financial Statements give a true and fair view of the Parent Company's financial position at 31 December 2018 and of the results of the Parent Company's operations for the financial year 30 March to 31 December 2018 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of BidCo RelyOn Nutec A/S for the financial year 30 March - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as statement of comprehensive income and cash flow statement for the Group ("financial statements").

## Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 are independent of the Group 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 any other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Statement of Management Review

Management is responsible for the Management 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 the Management 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 the Management Review provides the information required under the Danish Financial Statements Act.

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

## Management Responsibilities for the Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act and for the preparation of Parent Company 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 of the Financial Statements, Management is responsible for assessing the Group's and the Parent 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 Group or the Parent 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 about 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 the 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 these financial statements.

# Independent Auditors Report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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 Group's and the Parent 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 Group's and the Parent 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 Group and the Parent 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

**Copenhagen, 20 March 2019**

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab  
CVR No 33 77 12 31

Bo Schou-Jacobsen  
State Authorised Public Accountant  
mne28703

Thomas Wraae Holm  
State Authorised Public Accountant  
mne30141



**Additional information**

# Company information

## **The company**

BidCo RelyOn Nutec A/S  
Kalvebod Brygge 45, 3rd floor  
DK-1560 Copenhagen  
Phone +45 76 12 13 14

CVR no. 39 46 78 36  
Financial year 30.03.2018 - 31.12.2018  
Established 30 March 2018  
Municipality of headquarter; Copenhagen

Website: [www.relyonnutec.com](http://www.relyonnutec.com)  
E-mail: [contact@relyonnutec.com](mailto:contact@relyonnutec.com)

## **Board of directors**

Jakob Thomasen, Chairman  
Jesper Teddy Lok  
Henrik Bonnerup

## **Executive Management**

Torben Harring  
Søren Strøm

## **Auditor**

PriceWaterhouseCoopers  
Statusautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup  
Denmark

# Board of directors

<b>Jakob Bo Thomsen</b>		<b>Jesper Teddy Lok</b>		<b>Henrik Bonnerup</b>	
Position	Chairman	Position	Board member	Position	Board member
Other directorships	DHI A/S ESVAGT A/S RelyOn Nutec Holding A/S	Other directorships	ALLIANCEPLUS HOLDING A/S Dagrofa ApS Global Maritime Forum Fonden Newsec Datea A/S RelyOn Nutec Holding A/S Santa Fe Group A/S Vestergaard Company A/S	Other directorships	Allianceplus Holding A/S Jetpak Top Holding AB RelyOn Nutec Holding A/S
Relevans skills	Experience with management of global, listed shipping and oil companies, strategy, investment, sale and purchase, financial issues and risk management	Relevans skills	Experience with general management, shipping, financial and business insight	Relevans skills	Experience with management, M&A, financial and strategy
Board member since	2018	Board member since	2018	Board member since	2018
Gender	Male	Gender	Male	Gender	Male
Nationality	Danish	Nationality	Danish	Nationality	Danish
Independence	Is regarded as independent	Independence	Is regarded as independent	Independence	Represents Polaris A/S and is not regarded as independent

# Technical terms and abbreviations

- A Americas** Comprise Brazil, Canada, Mexico, Trinidad & Tobago and USA
- Asia** Comprises Malaysia, Thailand and Singapore
- C CAPEX** Investments in intangible assets and property, plant and equipment
- CGU** Cash Generating Units
- CSR** Corporate social responsibility
- E EBIT** Earnings before interest and tax
- EBITA** Earnings before interest, tax and amortization
- EBITDA** Earnings before interest, tax, depreciation and amortization
- Europe** Comprises Belgium, Denmark, Germany, Netherlands, Norway and United Kingdom
- F FCPA** Foreign Corrupt Practices Act
- G GWO** The global industry standard in wind organization for safety, skills, and competence.
- I IAS** International Accounting Standards
- IFRS** International Financial Reporting Standards
- ILO** International Labour Organization
- ISO** The International Organization for Standardization is an international standard-setting body composed of representatives from various national standards organizations.
- M Middle East & Africa** Comprises Azerbaijan, Nigeria, UAE and Qatar
- MSTS** Malaysia Safety Training & Competence Services
- N NUTEC** Norwegian Underwater Training Emergency Center
- O OPITO** The global industry standard in oil and gas safety, skills, and competence. Setting industry standards for oil and gas training providers and courses.
- R Return on assets** Ratio that shows the percentage of profit a company earns in relation to its overall resources
- S Solvency ratio** Ratios used to measure the ability of a company to meet its long term debt
- U UK Bribery Act** The UK Bribery Act 2010 establishes company liability for corrupt acts committed by persons acting on behalf of the company.
- UN Global Compact** The UN's social charter for enterprises, etc.





# RelyOn Nutec

360° Safety

[www.relyonnutec.com](http://www.relyonnutec.com)

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