



**RelyOn Nutec**

360° Safety

(BidCo RelyOn Nutec A/S)

**Interim financial report  
Q1 2019**

Company reg. no 39 46 78 36

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

BidCo RelyOn Nutec A/S  
CVR-nr. 39 46 78 36  
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# Management review

*“The operation in 2019 are in line with expectation”*

## Highlights in Q1 2019

The facility in Cherating, Malaysia, has been finalized and the operation has started. The facility is strategically located at the gateway to the east coast of the Malaysian Peninsula and only few hours' drive from Kuala Lumpur

The rebranding process are ongoing, and the global effort is to brand the group under one name.

## Safety

We have instructed and guided in safety training for decades. Safety is our DNA and is of utmost 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.

## Operation

Revenue and EBITDA for the period amounts to DKK 217 million and DKK 37 million respectively.

## 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 digitalization.

## Cash flow

Operating activities in the period generated a net outflow of DKK 9 million. There was a net cash outflow from investing activities of DKK 22 million. Cash outflow from investing activities are impacted by investments in equipment to support increased activity in the central European region, and finalizing a new training facility in Asia. Cash inflow from Financing activities was DKK 8 million. Net cash flow for the period were DKK 6 million negative.

## 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.

IFRS 16 have been adopted by 1 January 2019. Rights of use assets are accounted to DKK 257 million, and right of use liability are accounted to DKK 343 million.

**Torben Harring**

Group CEO

**Søren Strøm**

Group CFO

# Key figures

## Financial highlights

### Profit and loss accounts

Revenue  
 Operating profit before depreciation, amortization, and impairment losses (EBITDA)  
 Operating profit before other items (EBITA)  
 Non-recurring items  
 Profit/loss before tax for the year

### Balance sheet

Total assets  
 Total investment  
 Total equity attributable to owners of the parent company

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



Q1 2019  
DKKm

Cash flow	
217.4	Cash flow from operating activities
37.1	Cash flow from investing activities
19.2	Cash flows from financing activities
-0.1	Net cash flow from the period
9.6	

Empolyees	
1,265.1	Average number of employees
605.5	
267.8	

Key figures	
	ROCE

Q1 2019  
DKKm

9.5  
-22.2  
8.0  
-6.0

1,236

7%

## Locations and sectors (% of revenue Q1 2019)





# Financials



# Consolidated financial statements

## Statement of profit and loss

	Q1 2019 DKKm
Revenue	217
Cost of sales and external assistance	(46)
Employee costs	(102)
Other operating costs	(33)
<b>Operating profit before depreciation, amortization, and impairment losses (EBITDA)</b>	<b>37</b>
Depreciation and impairment losses on property, plant and equipment	(18)
<b>Operating profit before other items (EBITA)</b>	<b>19</b>
Special items	(0)
Amortization of intangible assets	(3)
<b>Operating profit (EBIT)</b>	<b>17</b>
Financial income	8
Financial expenses	(15)
<b>Profit/loss before tax</b>	<b>10</b>
Income tax	(9)
<b>Profit/loss for the year</b>	<b>1</b>
<b>Profit/loss for the year is attributable to:</b>	
Owners of BidCo RelyOn Nutec A/S	1
Non-controlling interests	(1)
<b>Total</b>	<b>1</b>

## Statement of comprehensive income

	Q1 2019 DKKm
Profit for the period	1
<b>Other comprehensive income</b>	
<i>Items that will be subsequently reclassified to profit or loss</i>	
Exchange rate adjustments of foreign entities	(7)
<b>Total comprehensive income for the period</b>	<b>(6)</b>
<b>Total comprehensive income for the period is attributable to:</b>	
Owners of BidCo RelyOn Nutec A/S	(10)
Non-controlling interests	3
<b>Total</b>	<b>(6)</b>

### Supplementary information

The Group was established on 20 September 2018, and there are no comparison figures as a result of it.

# Consolidated financial statements

## Balance sheet

	31 March 2019 DKKm
Goodwill	132
Brands	55
Customer contracts	58
Knowhow	27
Other intangible assets	10
Property and plant	207
Equipment	108
Leasehold improvement	33
Asset under construction	0
Right-of-use assets	257
Deferred tax asset	10
Other non-current assets	4
<b>Total non-current assets</b>	<b>902</b>
Trade receivables	196
Contract assets	19
Other receivables	41
Cash and cash equivalents	106
<b>Total current assets</b>	<b>363</b>
<b>Total assets</b>	<b>1,265</b>

	31 March 2019 DKKm
Share capital	2
Foreign currency translation reserve	(13)
Retained earnings	278
<b>Total equity attributable to owners of the parent company</b>	<b>268</b>
Non-controlling interests	30
<b>Total equity</b>	<b>298</b>
Bond	325
Provisions	26
Right-of-use liability	304
Other non-current debt	21
<b>Total non-current liabilities</b>	<b>676</b>
Credit facility	30
Right-of-use liability	31
Trade payables	108
Deferred consideration	58
Other liabilities	64
<b>Total current liabilities</b>	<b>291</b>
<b>Total liabilities</b>	<b>967</b>
<b>Total equity and liabilities</b>	<b>1,265</b>

# Consolidated financial statements

	Share capital	Foreign currency translation reserve	Proposed dividend	Retained earnings	Total equity attributable to owners of Bidco RelyOn Nutec A/S	Non- controlling interests	Total
DKKm							
<b>Equity at 31.12.2018</b>	2	-2	0	277	277	27	304
Profit for the period				1	1	-1	1
Other comprehensive income		-11			-11	4	-7
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>-11</b>	<b>0</b>	<b>1</b>	<b>-10</b>	<b>3</b>	<b>-6</b>
<i>Transactions with owners in their capacity as owners</i>							
<b>Total transactions with shareholders</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Equity at 31.03.2019</b>	<b>2</b>	<b>-13</b>	<b>0</b>	<b>278</b>	<b>268</b>	<b>30</b>	<b>298</b>



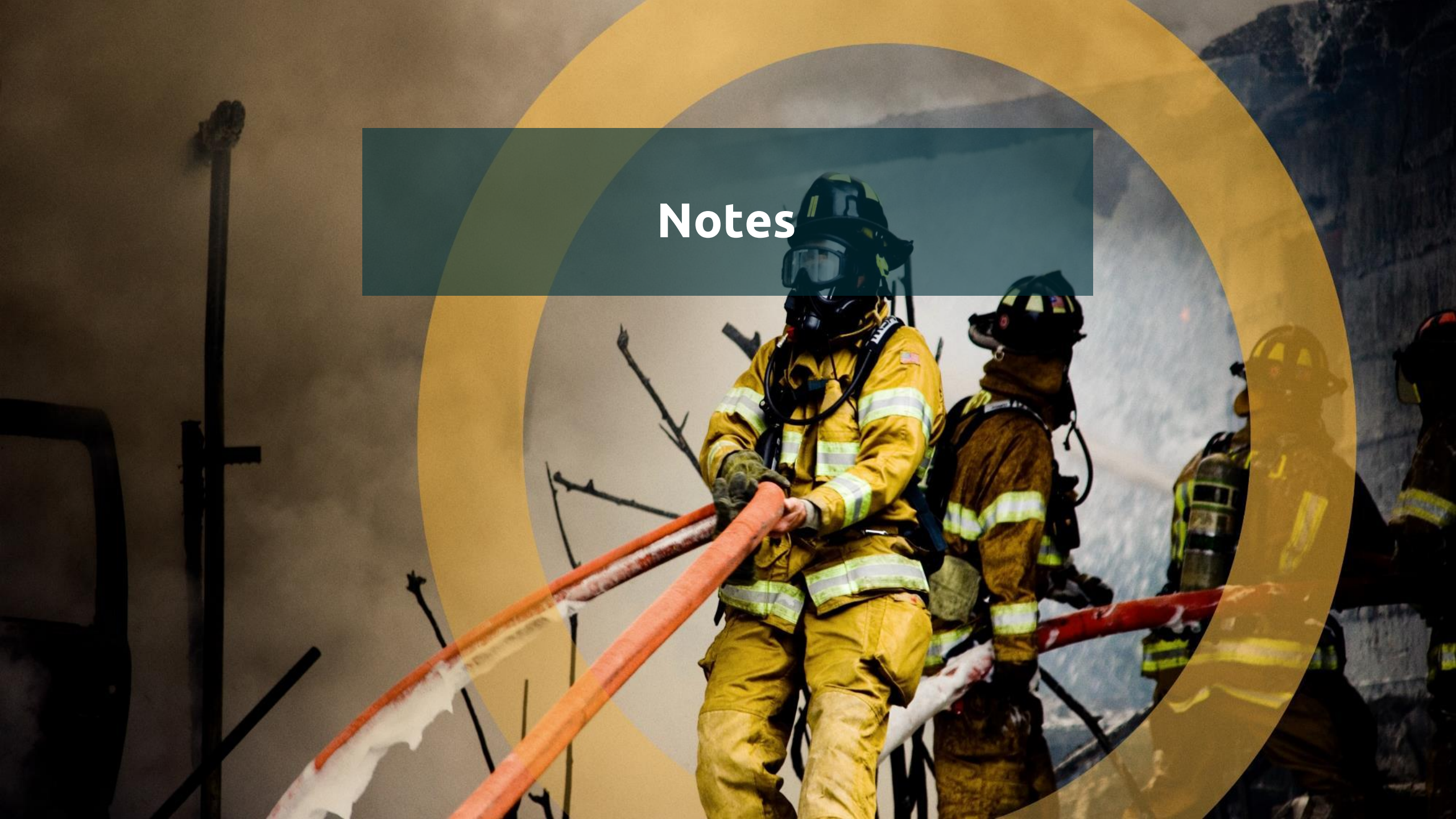
# Consolidated financial statements

Q1 2019

DKKm

Operating profit before depreciation, amortization, and impairment losses (EBITDA)	37
Changes in net working capital	(11)
Interests paid	(7)
Income taxes paid	(10)
Cash flow from non-recurring operation	(1)
<b>Net cash flow from operating activities</b>	<b>9</b>
Purchase of property, plant and equipment	(13)
Settlement of shares	(6)
Change in other investment activities	(3)
<b>Net cash flow from investing activities</b>	<b>(22)</b>
Proceeds from borrowings	5
Change in other financing activities	3
<b>Cash flow from financing activities</b>	<b>8</b>
<b>Net cash flow for the period</b>	<b>(6)</b>
Cash and cash equivalents, beginning of the period	107
Effects of exchange rate changes on cash and cash equivalents	5
Net cash flow for the period	(6)
<b>Cash and cash equivalents at end of the period</b>	<b>106</b>

# Notes



# Notes

## Transition to IFRS 16 leases

BidCo RelyOn Nutec A/S has adopted IFRS 16 retrospectively from 1 January 2019 without restating comparative figures by determining the lease liability as of 1 January 2019 and measure the right-of-use assets at the same amount. The adjustments arising from the new leasing rules are therefore recognized in the opening balance sheet on 1 January 2019.

The majority of the lease contracts are related to facility leases. These liabilities have been measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate as of 1 January 2019. The incremental borrowing rate applied to the lease liabilities on 1 January 2019 were in the range of 8.5%.

The Group has elected to use the exemptions not to recognize contracts with a lease term of 12 months or less and lease contracts for which the underlying asset is of low value. The Group has applied the following practical expedients on adoption of IFRS 16 Leases permitted by the standard:

- Leased contracts with a remaining term of 12 months or less as of 1 January 2019 or below threshold listed within IFRS 16 will not be recognized as leases assets.
- The carrying amount of the provision for onerous operating lease contracts will be offset against the carrying amount of the right-of-use assets.

The lease liability as of 1 January 2019 amounts to DKK 330 millions and can be reconciled to the operating lease commitment disclosed in the Annual Report 2018 note 4,4.

	DKKm
<b>Total operating lease commitments</b>	<b>330</b>
Total financial lease commitments	39
Correction to lease commitments	(20)
<b>Right-of-use liability as of 1 January 2019</b>	<b>349</b>
Provision for onerous contracts	(80)
Reversal of financial lease commitments	(39)
Total financial lease assets	29
<b>Right-of-use assets as of 1 January 2019</b>	<b>259</b>

	DKKm	31 December 2018	Change	1 January 2019
Intangible assets		286	-	286
Property and plant		205	-	205
Equipment		117	(29)	88
Leasehold improvement		30	-	30
Asset under construction		17	-	17
Right-of-use assets		-	259	259
Other non-current assets		17	-	17
<b>Total non-current assets</b>		<b>672</b>	<b>230</b>	<b>902</b>
<b>Total current assets</b>		<b>329</b>		<b>329</b>
<b>Total assets</b>		<b>1,001</b>	<b>230</b>	<b>1,231</b>
<b>Equity</b>		<b>304</b>	<b>-</b>	<b>304</b>
Financial lease		35	(35)	-
Provisions		92	(80)	12
Right-of-use liability		-	306	306
Other non-current debt		342	-	342
<b>Total non-current debt</b>		<b>469</b>	<b>191</b>	<b>660</b>
Provisions		12	-	12
Financial lease		4	(4)	-
Right-of-use liability		-	43	43
Other current debt		212	-	212
<b>Total current debt</b>		<b>228</b>	<b>39</b>	<b>267</b>
<b>Total liabilities</b>		<b>697</b>	<b>230</b>	<b>927</b>
<b>Total equity and liabilities</b>		<b>1,001</b>	<b>230</b>	<b>1,231</b>

# Notes

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

The interim report for BidCo RelyOn Nutec A/S is based on recognition and measurement criteria in International Financial Reporting Standards (IFRS) as adopted by the EU. The accounting policies applied by the Group are consistent with those applied by the Group in its Annual Report 2018.

The interim report has been prepared under the historical cost convention, except that derivatives and financial instruments are measured at fair value. The annual report is presented in Danish kroner (DKK) rounded to the nearest million.

## Accounting polices

The consolidated income statement, balance sheet, statement of change in equity and statement of cash-flow include the parent company, BidCo RelyOn Nutec A/S, and its subsidiaries. Subsidiaries are entities controlled by BidCo RelyOn Nutec A/S. Control means that the BidCo RelyOn Nutec Group controls the company, i.e. that the RelyOn Nutec Group is exposed or has rights to variable returns from the company and has the ability to affect the size of those returns through its power over the company. Control is usually achieved by directly or indirectly holding or controlling more than 50% of the voting rights or other rights such as agreements on management control. The consolidated financial statements are prepared on the basis of the financial statements of BidCo RelyOn Nutec A/S and subsidiaries by adding items of a like nature.

## Adoption of new and amended standards

IFRS 16 was issued in January 2016. It have resulted in almost all leases being recognized on the balance sheet by lessees, as the distinction between operating and finance leases is removed, ref. page 11. 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.

The Group have applied the standard from its mandatory adoption date of 1 January 2019. The Group have applied 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).

## Business combination

Companies acquired or established during the financial year are recognized as from the date of acquisition or inception. Acquisitions of subsidiaries are accounted for applying the acquisition method. Identifiable assets, liabilities and contingent liabilities of acquires are recognized at their fair value at the date of acquisition. Purchase price allocation from the acquisition of Falck Safety Services Holding A/S is preliminary.







**Additional information**



# Statement by the Executive Board

The interim report for Q1 2019, which has not been audited or reviewed by the company's independent auditors, has been prepared in accordance with IFRS as adopted by the EU.

However, In our opinion, the interim financial report gives a true and fair view of the Group's assets, liabilities and financial position at 31 March 2019 and of the results of the

Group's operations and cash flows for the period ended 31 March 2019.

Furthermore, in our opinion the management's review gives a fair presentation of the development in the Group's operations and

financial circumstances, of the results for the period, and of the overall financial position of the Group as well as a description of the most significant risks and elements of uncertainty facing the Group.

## Executive board

**Torben Harring**  
Group CEO

**Søren Strøm**  
Group CFO

# 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





# RelyOn Nutec

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