



# RelyOn Nutec

360° Safety

(BidCo RelyOn Nutec A/S)

## **UNAUDITED INTERIM FINANCIAL REPORT Q4 2018**



# Content

Management’s commentary

CEO’s commentary	3
Management statement	4

Financial statement

Consolidated interim financial statements	5
Significant accounting policy	9
Group companies	10

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# CEO's commentary

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“

***We want to take a 360° perspective on safety and cover safety from all directions***

”

The rebranding process were initiated shortly after the carve-out. Dedicated employees have evaluated existing names and potential new names for our Group. The final result is a product of our heritage and name for decades in many countries. “Nutec” have been a brand and measure point for quality in our business for decades.

The Group is united with one shared vision *“To be the leading global safety partner, providing complete and lasting safety competencies that goes beyond compliance”*.

## **Safety**

We have instructed and guided in safety training through decades. Safety is our DNA and is outmost important for us. We have had one LTI in Malaysia from a non-training related activity. We encourage our delegates and employees to thing about safety in there daily work.

## **Operation**

All regions have performed well and according to expectation. Revenue and EBITDA are increased compare to same period 2018. The management consider the result as satisfying.

## **Europe**

Europe comprises training centers in Denmark, Norway, United Kingdom, Germany, Belgium and the Netherlands.

The construction of the new training facility in Rotterdam were finalized in Q4. We are now able to welcome delegates and employees in a world leading training environment.

## **Middle East & Africa**

Middle East & Africa comprises training centers in UAE, Qatar, Azerbaijan, Oman and Nigeria. The development within the region are driven by a positive development in Nigeria.

## **Asia**

Asia comprises training centers in Singapore, Thailand and Malaysia. The new training center in Malaysia are slight delayed, and the facility were able to welcome delegates and employees in January 2019.

## **Americans**

Americans comprises training centers in Canada, USA, Mexico, Trinidad & Tobago and Brazil. The operation in Canada, USA and Trinidad & Tobago have been satisfied.

## **Acquisition**

RelyOn Nutec have acquired the remaining 75% of the shares in Aberdeen Drilling School Ltd. as of October 2018. At the time of acquiring the remaining shares, RelyOn Nutec had already control of the company as the acquisition was made through utilization of a call-option.

“

***Our change of name is not a change of direction – it's accelerating our transformation and expansion***

”

**Torben Harring**  
CEO

# Statement by the Executive Board

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The interim report for Q4 2018, 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 December 31 2018 and of the results of the

Group's operations and cash flows for the period ended December 31 2018.

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

# Income statement

	Q4 2018 DKKm	YTD DKKm
Revenue	220	248
Cost of sales and external assistance	-48	-56
Employee costs	-100	-113
Other operating costs	-43	-44
<b>Operating profit before depreciation, amortization, and impairment losses (EBITDA)</b>	<b>29</b>	<b>35</b>
Depreciation and impairment losses on property, plant and equipment	-14	-15
<b>Operating profit before other items (EBITA)</b>	<b>15</b>	<b>20</b>
Transactions costs	-26	-26
Restructuring costs	-9	-9
Amortization of intangible assets	0	0
<b>Operating profit (EBIT)</b>	<b>-20</b>	<b>-15</b>
Financial income	2	3
Financial expenses	-7	-8
<b>Profit/loss before tax</b>	<b>-25</b>	<b>-20</b>
Income tax	5	3
<b>Profit/loss for the year</b>	<b>-20</b>	<b>-17</b>
<b>Profit/loss for the year is attributable to:</b>		
Owners of BidCo RelyOn Nutec A/S	-23	-20
Non-controlling interests	3	3
	<b>-20</b>	<b>-17</b>

The company is established on March 30, 2018, and consolidation is from September 20, 2018 after the acquisition.

# Balance sheet

	31 December 2018 DKKm		31 December 2018 DKKm
Goodwill	144	Share capital	2
Customer contracts	62	Foreign currency translation reserve	17
Brands	55	Retained earnings	219
Knowhow	27	<b>Total equity attributable to owners of the parent company</b>	<b>238</b>
Other intangible assets	8	Non-controlling interests	33
Property and plant	205	<b>Total equity</b>	<b>271</b>
Equipment	101		
Leasehold improvement	30	Bond	325
Asset under construction	17	Deferred tax liabilities	12
Deferred tax asset	6	Provisions	25
Other non-current assets	4	Other non-current debt	121
<b>Total non-current assets</b>	<b>659</b>	<b>Total non-current liabilities</b>	<b>483</b>
Trade receivables	182	Credit facility	12
Prepayments	19	Trade payables	118
Other receivables	23	Other liabilities	106
Cash and cash equivalents	107	<b>Total current liabilities</b>	<b>236</b>
<b>Total current assets</b>	<b>331</b>	<b>Total liabilities</b>	<b>719</b>
<b>Total assets</b>	<b>990</b>	<b>Total equity and liabilities</b>	<b>990</b>

# Statement of change 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>	1			1		1
Profit for the period			-20	-20	3	-17
Other comprehensive income		-18		-18		-18
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>-18</b>	<b>-20</b>	<b>-38</b>	<b>3</b>	<b>-35</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	34	34
Dividend				0	-5	-5
<b>Equity at 31.12.2018</b>	<b>3</b>	<b>-18</b>	<b>254</b>	<b>239</b>	<b>32</b>	<b>271</b>

# Statement of cash flow

	YTD DKKm
Operating profit before depreciation, amortization, and impairment losses (EBITDA)	35
Changes in net working capital	12
Interests paid	(10)
Income taxes paid	(2)
Cash flow from non-recurring operation	(8)
<b>Net cash flow from operating activities</b>	<b>27</b>
Purchase of property, plant and equipment	(19)
Proceeds from sale of property, plant and equipment	3
Settlement of shares	(42)
Purchase of subsidiaries, net of cash	(413)
Change in other investment activities	(9)
<b>Net cash flow from investing activities</b>	<b>(481)</b>
Proceeds from borrowings	348
Share capital	276
Dividend paid	(5)
Payment of transaction cost	(38)
Change in other financing activities	(20)
<b>Cash flow from financing activities</b>	<b>561</b>
<b>Net cash flow for the year</b>	<b>107</b>
Cash and cash equivalents, beginning of the year	0
<b>Cash and cash equivalents at end of the year</b>	<b>107</b>



# Significant accounting policy

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 Q3 2018 Interim Financial Report.

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 policies

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 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.

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).

## 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.



# Group companies

Country	Legal name	Equity interest	Country	Legal name	Equity interest
Azerbaijan	Falck Caspian Safe LLC	100.0%	Norway	RelyOn Nutec Norway AS	100.0%
Belgium	RelyOn Nutec Belgium BVBA	100.0%	Oman	Aberdeen Drilling International Co. LLC	70.0%
Brazil	Falck Nutec Brasil Participacoes Ltda	100.0%	Qatar	Falck Safety Services LLC	49.0%
Brazil	RelyOn Nutec Brasil Participacoes Ltda	100.0%	Singapore	MSTS Asia (S'pore) Pte. Ltd.	100.0%
Canada	Falck Safety Services Canada Incorporated	67.6%	Thailand	Southfield Ltd	49.5%
Canada	Falck Safety Services Canada (NL) Incorporated	100.0%	Thailand	Falck Nutec (Thailand) Ltd	65.0%
Canada	Falck Safety Services Canada (LA) Incorporated	100.0%	The Netherlands	Falck Global Safety B.V.	100.0%
Denmark	Bidco RelyOn Nutec A/S	100.0%	The Netherlands	Falck B.V.	100.0%
Denmark	RelyOn Nutec Holding A/S	100.0%	The Netherlands	RelyOn Nutec Netherlands B.V.	100.0%
Denmark	RelyOn Nutec Denmark A/S	100.0%	Trinidad & Tobago	Falck Safety Services Limited	100.0%
Malaysia	MSTS Asia Sdn. Bhd.	70.0%	Trinidad & Tobago	Haztec Services Trinidad, Ltd.	100.0%
Malaysia	Risktec (M) Sdn. Bhd.	100.0%	UAE	Falck Safety Services LLC	49.0%
Malaysia	Falck Bestari Healthcare Sdn Bhd	82.0%	UAE	Aberdeen Drilling International Limited	100.0%
Malaysia	Falck Nutec Malaysia Sdn. Bhd.	70.0%	United Kingdom	Falck Nutec Ltd.	100.0%
Malaysia	Aberdeen Drilling International (Malaysia) SDN BHD	100.0%	United Kingdom	Aberdeen Drilling School Ltd	100.0%
Mexico	Falck Holding de México, S.A. de C.V.	100.0%	USA	RelyOn Nutec USA Holdings, LLC	100.0%
Mexico	Falck Safety Services de México, S.A.P.I. de C.V.	60.0%	USA	RelyOn Nutec Services, Inc.	100.0%
Nigeria	Falck Safety Services Nigeria Limited	51.0%	USA	RelyOn Nutec USA, LLC	100.0%
Nigeria	Falck Prime Atlantic Limited	51.0%	Vietnam	Falck Nutec Vietnam Limited	88.0%

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