



**RelyOn Nutec**  
360° Safety

# Interim financial report Q2 2020

For the period 1 January 2020 to 30 June 2020

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

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# AT A GLANCE

The world's largest provider of specialist safety training for the offshore, maritime and renewables industries

DKKm	Q2 2020	Q2 2019	H1 2020	H1 2019	FY 2019
<b>Revenue</b>	<b>78</b>	<b>234</b>	<b>279</b>	<b>451</b>	<b>870</b>
<b>EBITDA*</b>	<b>(26)</b>	<b>49</b>	<b>1</b>	<b>86</b>	<b>153</b>
<b>EBITA</b>	<b>(45)</b>	<b>29</b>	<b>(39)</b>	<b>49</b>	<b>73</b>

\*EBITDA is Operating result before depreciation, amortization, impairment losses and special items

## Locations

- 5** Continents
- 21** Countries
- +30** Training centres



## Industries



Oil and gas

~62%



Maritime

~10%



Renewables

~9%



Other high risk industries

~19%

DKK **279m**  
Revenue YTD Q2 2020

DKK **1m**  
EBITDA YTD Q2 2020

DKK **(39)m**  
EBITA YTD Q2 2020

DKK **1,152m**  
In total assets, Q2 2020

DKK **679m**  
In NIBD, Q2 2020

# Highlights

## Financial Review

The extraordinary situation following the outbreak of COVID-19 led to a temporary shutdown of most training centres across the world. Naturally, this has impacted our Q2 2020 revenue and while we responded with determination and firm cost base adjustment earnings were negatively impacted.

As of 18 August, 30 of our 33 training centres are now open. The reopening started in Europe and we have experienced that the activity level is returning 75-80 percent of normal within 4 to 6 weeks upon reopening. We are still closed in Nigeria, Qatar and Azerbaijan, while we in other countries operate under restrictions.

In Q2 2020, we continued implementing the financial measures to reduce costs and preserve cashflow we had initiated as a consequence of COVID-19. Therefore the total number of employees were reduced to 936 by the end of June, compared to 1,103 by the end of December 2019. Likewise, we have successfully renegotiated burden full lease contracts and taken other measures that has considerably improved the long term cost base and made us more agile in the way we service customers.

Revenue for Q2 2020 was DKKm 78, which was DKKm 156 (67%) below the same period last year. EBITDA before special items for Q2 2020 ended at DKKm -26, which was DKKm 75 below Q2 2019. Revenue and EBITDA for H1 2020 ended at DKKm 279 (DKKm 451) and DKKm 1 (DKKm 86), respectively.

Special items in H1 2020 amounted to DKKm 7 and was mainly related to restructuring cost following the out-break of COVID-19.

*“COVID-19 led to a temporary shutdown of most of our training centres. While we responded with determination and applied a firm cost base adjustment we continued our digital ramp up and portfolio integration”*

The trade working capital came in at DKKm 24 (4% of revenue LTM<sup>1</sup>) compared to DKKm 112 (13% of revenue LTM) at the end of June 2019. The improvement was mainly driven by a continued focus on cash management.

Despite a lower EBITDA, the free cash flow for Q2 2020 were positive (DKKm 6) compared to DKKm 1 the same period last year. The improvement was driven by higher cash inflow from net working capital and a lower investment level.

At 30 June 2020 NIBD<sup>2</sup> was DKKm 679 compared to DKKm 610 at 30 June 2019. The change was mainly driven by the tap issues in 2019 and the new shareholder loan.

## Capital Resources

As announced in June, management has secured additional financing of approximately DKKm 100, to parry a potential liquidity shortfall. Please refer to the separate company announcements of 29 May 2020 and 8 June 2020, respectively, for further information regarding the refinancing elements and written resolution (<https://relyonnutec.com/en/investor/>).

The unused working capital facility amounted to DKKm 67 at the end of June 2020 and headroom to the minimum liquidity covenant (DKKm 35) is DKKm 96 as of 30 June 2020. In addition we have the opportunity to defer bond interest for the coming 3 quarters in an aggregate amount of DKKm 20.

Based on the above, management assesses that capital resources are sufficient.

## Business update

Despite COVID19 lockdown we continued our digital ramp up within simulation technology, competence software and digital learning in Q2. We have expanded our library of e-learning courses considerably and it now contains plus 100 titles for the oil and gas industry. Likewise, we started developing digital learning content for the renewables industry and have just launched the first blended learning courses approved and certified by GWO the leading governing body in the wind industry.

We launched several new commercial and digital initiatives in Q2. In June, we launched a campaign “Get 30 days access to our entire e-learning library”, where delegates who completed a safety training course at one of our centres get access to our entire e-learning library. The campaign integrates our traditional on premise training and our digital learning capabilities.

In Q2 we saw the first signs of a potential late 2020-recovery in the market for mergers and acquisition. There will be numerous acquisition opportunities arising and we will only acquire companies that ties well into our long term strategy and aspiration.

## COVID-19 (Coronavirus)

The outbreak of COVID-19 is unfortunate and critical to the global society. Management is committed to the health and safety of our customers and of course our own staff. During Q2 2020, we continued to take a number of measures to keep customers and employees safe during the out-break COVID-19 while also trying to limit the negative impact on the financial performance due the forced shutdowns of training centers.

We have examined the various local government aid programmes available and applied as applicable to counter the negative impact from COVID-19. In H1 2020 we have received DKKm 23 from government aid programmes, of which DKKm 22 is included in EBITDA. See further information in note 3.

The financial impacts of COVID-19 requires significant judgement and estimation and are included in the estimates of the activity of the group and the valuation of our asset base.

As of 30 June 2020, we have performed updated estimates to assess the recoverability of our asset base. The tests did not result in any impairment. Please refer to note 1 and 2 in this interim report for further information.

## Outlook

Obviously, the outbreak of the COVID-19 will continue to have a negative impact on the Group’s revenue as well as net profit for 2020, however at this point we see no negative changes on EBITDA and cash flow compared to the COVID-19 scenario we communicated on 29 May as part of the written resolution to our bondholders.

**Torben Harring**  
CEO

# Key figures and ratios

DKK m	Q2 2020	Q2 2019	H1 2020	H1 2019	2019
<b>Consolidated income statement</b>					
Revenue	78	234	279	451	870
Operating result before depreciation, amortization, impairment losses and special items (EBITDA)	(26)	49	1	86	153
Operating result before amortization and special items (EBITA)	(45)	29	(39)	49	73
Operating result (EBIT)	(56)	17	(58)	33	26
Net financials	(22)	(9)	(27)	(16)	(52)
Result before tax	(78)	8	(85)	17	(26)
Result for the period	(82)	3	(90)	4	(49)
<b>Consolidated statement of financial position</b>					
Total assets	1,152	1,250	1,152	1,250	1,303
Property, plant and equipment	312	341	312	341	342
Total equity	193	302	193	302	316
Trade working capital	24	112	24	112	88
Net interest bearing debt (NIBD)	679	610	679	610	666
<b>Consolidated statement of cash flows</b>					
Operating activities	16	30	37	45	102
Investing activities	(10)	(29)	(27)	(51)	(123)
Hereof investments in property, plant and equipment	(5)	(15)	(17)	(28)	(47)
Free cash flow	6	1	10	(6)	(21)
Financing activities	(5)	(18)	(3)	(17)	(18)
Net cash flow for the period	1	(17)	7	(23)	(39)
<b>Employees</b>					
Number of employees	936	1,092	936	1,092	1,103
<b>Key Ratios</b>					
Return on assets (%)	-7%	-	-8%	-	-4%
Solvency ratio (%)	17%	24%	17%	24%	24%
Trade Working Capital Ratio (%)	4%	13%	4%	13%	10%
Cash conversion	n.m.	n.m.	n.m.	-7.0	-15.0

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

An aerial photograph of a ship's deck. A bright yellow lifeboat is positioned in the center, surrounded by white metal railings and structural beams. The ship is moving through dark water, creating a white wake. The image is overlaid with a semi-transparent teal rectangle containing the title 'Financial statements' in white text.

# Financial statements

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## Consolidated income statement

DKKm	Notes	Q2 2020	Q2 2019	H1 2020	H1 2019	2019
Revenue	3	78	234	279	451	870
Other income		1	1	6	3	9
Cost of sales		(20)	(63)	(75)	(120)	(238)
Staff costs		(64)	(107)	(169)	(211)	(413)
Other external costs		(21)	(16)	(40)	(37)	(75)
<b>Operating result before depreciation, amortization, impairment losses and special items (EBITDA)</b>		<b>(26)</b>	<b>49</b>	<b>1</b>	<b>86</b>	<b>153</b>
Depreciation and impairment losses on property, plant and equipment		(19)	(20)	(40)	(37)	(80)
<b>Operating result before amortization and special items (EBITA)</b>		<b>(45)</b>	<b>29</b>	<b>(39)</b>	<b>49</b>	<b>73</b>
Amortization of intangible assets		(6)	(4)	(12)	(8)	(13)
<b>Operating result before special items</b>		<b>(51)</b>	<b>25</b>	<b>(51)</b>	<b>41</b>	<b>60</b>
Special items		(5)	(8)	(7)	(8)	(34)
<b>Operating result (EBIT)</b>		<b>(56)</b>	<b>17</b>	<b>(58)</b>	<b>33</b>	<b>26</b>
Financial income		8	6	9	10	5
Financial expenses		(30)	(15)	(36)	(26)	(57)
<b>Result before tax</b>		<b>(78)</b>	<b>8</b>	<b>(85)</b>	<b>17</b>	<b>(26)</b>
Income tax		(4)	(5)	(5)	(13)	(23)
<b>Result for the period</b>		<b>(82)</b>	<b>3</b>	<b>(90)</b>	<b>4</b>	<b>(49)</b>
<b>Result for the period is attributable to:</b>						
Owners of BidCo RelyOn Nutec A/S		(84)	(2)	(89)	(1)	(52)
Non-controlling interests		2	5	(1)	5	3
<b>Total</b>		<b>(82)</b>	<b>3</b>	<b>(90)</b>	<b>4</b>	<b>(49)</b>

## Consolidated statement of comprehensive income

DKKm	Q2 2020	Q2 2019	H1 2020	H1 2019	2019
Result for the period	(82)	3	(90)	4	(49)
<b>Other comprehensive income</b>					
<i>Items that will be subsequently reclassified to profit or loss</i>					
Exchange rate adjustments of foreign entities	4	1	(39)	(6)	(3)
<b>Total comprehensive income for the period</b>	<b>(78)</b>	<b>4</b>	<b>(129)</b>	<b>(2)</b>	<b>(52)</b>
<b>Total comprehensive income for the period is attributable to:</b>					
Owners of BidCo RelyOn Nutec A/S	(80)	4	(125)	(6)	(56)
Non-controlling interests	2	-	(4)	4	4
<b>Total</b>	<b>(78)</b>	<b>4</b>	<b>(129)</b>	<b>(2)</b>	<b>(52)</b>



# Consolidated statement of financial position

DKK <sup>m</sup>	Note	30 June 2020	30 June 2019	31 December 2019	DKK <sup>m</sup>	Note	30 June 2020	30 June 2019	31 December 2019
Goodwill		177	151	190	Share capital		2	2	2
Brands		54	55	57	Foreign currency translation reserve		(42)	(7)	(6)
Customer contracts		54	57	58	Retained earnings		210	276	293
Knowhow		22	27	24	<b>Total equity attributable to owners of the parent company</b>		<b>170</b>	<b>271</b>	<b>289</b>
Software		50	6	53	Non-controlling interests		23	31	27
Other intangible assets		11	4	8	<b>Total equity</b>		<b>193</b>	<b>302</b>	<b>316</b>
<b>Total intangible assets</b>		<b>368</b>	<b>300</b>	<b>390</b>	Bond	5	376	326	371
Property and plant		175	203	196	Shareholder loan	5	30	-	-
Equipment		96	99	107	Provisions		19	30	21
Leasehold improvement		35	35	38	Lease liabilities		288	300	301
Asset under construction		6	4	1	Deferred tax liabilities		10	-	10
<b>Total property, plant and equipment</b>		<b>312</b>	<b>341</b>	<b>342</b>	Other payables		28	28	34
Right-of-use assets		230	246	242	<b>Total non-current liabilities</b>		<b>751</b>	<b>684</b>	<b>737</b>
Deferred tax asset		17	11	17	Credit facility		40	42	42
Other non-current assets		4	4	4	Trade payables		68	103	97
<b>Total non-current assets</b>		<b>931</b>	<b>902</b>	<b>995</b>	Deferred consideration		3	30	3
Trade receivables		84	199	170	Lease liabilities		28	29	29
Contract assets		7	14	13	Other payables		69	60	79
Prepayments		12	20	15	<b>Total current liabilities</b>		<b>208</b>	<b>264</b>	<b>250</b>
Other receivables		35	28	33	<b>Total liabilities</b>		<b>959</b>	<b>948</b>	<b>987</b>
Cash and cash equivalents		83	87	77	<b>Total equity and liabilities</b>		<b>1,152</b>	<b>1,250</b>	<b>1,303</b>
<b>Total current assets</b>		<b>221</b>	<b>348</b>	<b>308</b>					
<b>Total assets</b>		<b>1,152</b>	<b>1,250</b>	<b>1,303</b>					

# Consolidated statement of changes in equity

DKKm	Share capital	Foreign currency translation reserve	Retained earnings	Total equity attributable to owners of Bidco RelyOn Nutec A/S	Non-controlling interests	Total
<b>Equity at 01.01.2019</b>	2	(2)	277	277	27	304
Result for the period	-	-	(1)	(1)	5	4
Other comprehensive income	-	(5)	-	(5)	(1)	(6)
<b>Total comprehensive income for the period</b>	-	<b>(5)</b>	<b>(1)</b>	<b>(6)</b>	<b>4</b>	<b>(2)</b>
<b>Total transactions with shareholders</b>	-	-	-	-	-	-
<b>Equity at 30.06.2019</b>	<b>2</b>	<b>(7)</b>	<b>276</b>	<b>271</b>	<b>31</b>	<b>302</b>
<b>Equity at 01.01.2020</b>	2	(6)	293	289	27	316
Result for the period	-	-	(89)	(89)	(1)	(90)
Other comprehensive income	-	(36)	-	(36)	(3)	(39)
<b>Total comprehensive income for the period</b>	-	<b>(36)</b>	<b>(89)</b>	<b>(125)</b>	<b>(4)</b>	<b>(129)</b>
<i>Transactions with owners in their capacity as owners</i>						
Group contribution	-	-	6	6	-	6
<b>Total transactions with shareholders</b>	-	-	<b>6</b>	<b>6</b>	-	<b>6</b>
<b>Equity at 30.06.2020</b>	<b>2</b>	<b>(42)</b>	<b>210</b>	<b>170</b>	<b>23</b>	<b>193</b>

# Consolidated statement of cash flows

DKKm	Q2 2020	Q2 2019	H1 2020	H1 2019	2019
Operating result before depreciation, amortization, impairment losses and special items (EBITDA)	(26)	49	1	86	153
Changes in net working capital	58	(10)	62	(21)	5
Income taxes paid	(2)	(5)	(10)	(15)	(25)
Special items paid	(14)	(4)	(16)	(5)	(31)
<b>Net cash flow from operating activities</b>	<b>16</b>	<b>30</b>	<b>37</b>	<b>45</b>	<b>102</b>
Purchase of property, plant and equipment	(5)	(15)	(17)	(28)	(47)
Purchase of intangible assets	(5)	(1)	(8)	(4)	(9)
Purchase of subsidiaries, net of cash	-	(13)	(2)	(19)	(67)
<b>Net cash flow from investing activities</b>	<b>(10)</b>	<b>(29)</b>	<b>(27)</b>	<b>(51)</b>	<b>(123)</b>
<b>Free cashflow</b>	<b>6</b>	<b>1</b>	<b>10</b>	<b>(6)</b>	<b>(21)</b>
Interests paid	(17)	(12)	(28)	(24)	(52)
Proceeds from borrowings	9	-	9	-	47
Drawdown on credit facilities	(22)	11	(2)	30	30
Installments on lease liabilities	(10)	(13)	(17)	(20)	(40)
Group contribution	-	-	6	-	-
Proceeds from shareholder loan	30	-	30	-	-
Dividend paid, non-controlling interests	-	-	-	-	(4)
Change in other financing activities	5	(4)	(1)	(3)	1
<b>Cash flow from financing activities</b>	<b>(5)</b>	<b>(18)</b>	<b>(3)</b>	<b>(17)</b>	<b>(18)</b>
<b>Net cash flow for the period</b>	<b>1</b>	<b>(17)</b>	<b>7</b>	<b>(23)</b>	<b>(39)</b>
Cash and cash equivalents, beginning of the period	83	106	77	106	106
Effects of exchange rate changes on cash and cash equivalents	(1)	(2)	(1)	4	10
<b>Cash and cash equivalents at end of the period</b>	<b>83</b>	<b>87</b>	<b>83</b>	<b>87</b>	<b>77</b>

An aerial photograph of a ship's deck. A bright yellow lifeboat is positioned in the center, surrounded by white metal railings and structural beams. The ship is moving through dark water, creating a white wake. The word "Notes" is centered in a white font on a dark teal rectangular background.

# Notes

<b>Note 1 – Accounting policies</b>	<b>13</b>
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#### NOTE 1 – ACCOUNTING POLICIES

The interim consolidated financial statements for the six months ended 30 June 2020 have been prepared in accordance with IAS 34 Interim financial reporting as adopted by the EU and additional Danish disclosure requirements for the interim financial reporting of listed companies.

The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2019.

The accounting policies, judgements and estimates are consistent with those applied in the consolidated annual report for 2019.

The Group structure has not changed during the first half of 2020. Please refer to note 6.8 in the 2019 Annual Report for further information about the Group's structure.

The interim report is presented in Danish kroner (DKK) rounded to the nearest million.

Reclassifications and adjustments have been made in the comparative figures. The result for the period and equity has not been impacted.

#### Significant accounting estimates and judgements

As disclosed in the Annual Report 2019 the COVID-19 outbreak encountered during Q1-2020 is considered to impose significant uncertainty to the interim financial statements. The financial impacts of COVID-19 requires significant judgement and estimation and are included in the estimates of the activity of the group and the valuation of our asset base.

As for any other significant uncertainties we will, given the evolving nature of the pandemic and the uncertainties involved, monitor the situation and implication on Group's financial position, activities and cash flows closely.

As of 30 June 2020, we have performed updated estimates to assess the recoverability of our asset base. During Q2-2020, we have been able to collect a significant amount of our outstanding receivables, but the uncertain market conditions and liquidity conditions prevails globally. This has been reflected in our expected credit losses (ECL).

As a result of renegotiations of lease contracts right of use assets and lease liabilities has been reduced by DKKm 22.

Please refer to note 2 in this interim report for further information regarding impairment test of goodwill and brands with indefinite lifetime and other non-current assets of the Group.

#### NOTE 2 – IMPAIRMENT TEST

Goodwill and brands with an indefinite life have together with other non-current assets been tested for impairment at 30 June 2020. The tests did not result in any impairment of carrying amounts.

The impairment test for Central Europe express a headroom of approximately DKKm 25. The carrying amounts of goodwill and brands with indefinite life are DKKm 15. As outlined in note 1 in this interim report, the financial impacts of COVID-19 requires significant judgement including the assessment of expected future cash flow for each CGU. Thus, reasonable possible adverse changes in the operational assumptions could make the headroom disappear.

The impairment test for Central Europe has been based on a growth rate in the terminal period of 1.5% and pre-tax discount rate of 9.5%. In case that the growth rate is less than 1% or the discount rate is increased to more than 10% (assuming that other assumptions and parameters are constant), the headroom will disappear.

**NOTE 3 – SEGMENT**

DKKm	Americas	Asia	Europe	Middle East and Africa	Non-allocated items and elimination	Total
<b>Q2 2020</b>						
Revenue from external customers	20	6	42	10	-	78
EBITDA*	(3)	(5)	(5)	(5)	(8)	(26)
EBITDA* excluding government aid programs	(10)	(5)	(18)	(6)	(8)	(47)
Non-current assets	247	120	553	65	(71)	914

DKKm	Americas	Asia	Europe	Middle East and Africa	Non-allocated items and elimination	Total
<b>Q2 2019</b>						
Revenue from external customers	63	28	112	31	-	234
EBITDA*	17	12	9	15	(4)	49
Non-current assets	219	109	519	75	(31)	891

DKKm	Americas	Asia	Europe	Middle East and Africa	Non-allocated items and elimination	Total
<b>H1 2020</b>						
Revenue from external customers	79	29	143	28	-	279
EBITDA*	9	5	2	(6)	(9)	1
EBITDA* excluding government aid programs	2	5	(12)	(7)	(9)	(21)
Non-current assets	247	120	553	65	(71)	914

DKKm	Americas	Asia	Europe	Middle East and Africa	Non-allocated items and elimination	Total
<b>H1 2019</b>						
Revenue from external customers	122	53	221	55	-	451
EBITDA*	33	23	22	18	(10)	86
Non-current assets	219	109	519	75	(31)	891

DKKm	Americas	Asia	Europe	Middle East and Africa	Non-allocated items and elimination	Total
<b>2019</b>						
Revenue from external customers	236	103	423	108	-	870
EBITDA*	55	46	39	28	(15)	153
Non-current assets	270	117	591	75	(75)	978

\*: EBITDA = Operating result before depreciation, amortization, impairment losses and special items

## NOTE 4 – REVENUE

DKKm	Oil and gas	Maritime	Renewables	Other high risk and industries	Total
<b>Q2 2020</b>					
Americas	13	3	-	4	20
Asia	3	-	-	3	6
Europe	16	7	9	10	42
Middle East and Africa	10	-	-	-	10
<b>Total</b>	<b>42</b>	<b>10</b>	<b>9</b>	<b>17</b>	<b>78</b>

DKKm	Oil and gas	Maritime	Renewables	Other high risk and industries	Total
<b>Q2 2019</b>					
Americas	55	7	-	1	63
Asia	24	2	-	2	28
Europe	52	9	15	36	112
Middle East and Africa	30	-	-	1	31
<b>Total</b>	<b>161</b>	<b>18</b>	<b>15</b>	<b>40</b>	<b>234</b>

DKKm	Oil and gas	Maritime	Renewables	Other high risk and industries	Total
<b>H1 2020</b>					
Americas	64	7	-	8	79
Asia	21	1	-	7	29
Europe	60	20	24	39	143
Middle East and Africa	28	-	-	-	28
<b>Total</b>	<b>173</b>	<b>28</b>	<b>24</b>	<b>54</b>	<b>279</b>

DKKm	Oil and gas	Maritime	Renewables	Other high risk and industries	Total
<b>H1 2019</b>					
Americas	106	11	-	5	122
Asia	46	3	-	4	53
Europe	105	18	30	68	221
Middle East and Africa	54	-	-	1	55
<b>Total</b>	<b>311</b>	<b>32</b>	<b>30</b>	<b>78</b>	<b>451</b>

DKKm	Oil and gas	Maritime	Renewables	Other high risk and industries	Total
<b>2019</b>					
Americas	219	7	-	10	236
Asia	89	6	-	8	103
Europe	208	36	50	129	423
Middle East and Africa	105	-	-	3	108
<b>Total</b>	<b>621</b>	<b>49</b>	<b>50</b>	<b>150</b>	<b>870</b>

### Supplementary information

Geographies with more than 10% of the Group revenue and home market (Denmark):

	Q2 2020	Q2 2019	H1 2020	H1 2019	FY 2019
United Kingdom	6	30	29	58	125
The Netherlands	6	25	28	53	105
Norway	12	26	34	52	99
US	9	25	30	50	94
Denmark	8	14	18	27	48
Other	37	114	140	211	399
<b>Total</b>	<b>78</b>	<b>234</b>	<b>279</b>	<b>451</b>	<b>870</b>

**NOTE 5 – 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.

DKKm	Carry Amount	Fair value Level 1	Fair value Level 2	Fair value Level 3
As of 30 June 2020				
<i>Fair value</i>				
Contingent consideration, non-controlling interest	16	-	-	16
<i>Amortised cost</i>				
Shareholder loan	30	-	30	-
Bond	376	274	-	-
<b>Total financial liabilities at fair value</b>	<b>422</b>	<b>274</b>	<b>30</b>	<b>16</b>

As of 30 June 2019

*Fair value:*

Contingent consideration, non-controlling interest	8	-	-	8
<i>Amortised cost:</i>				
Bond	326	-	-	336
<b>Total financial liabilities at fair value</b>	<b>663</b>	<b>-</b>	<b>369</b>	<b>344</b>

As of 31 December 2019

*Fair value:*

Contingent consideration, non-controlling interest	22	-	-	22
<i>Amortised cost:</i>				
Bond	371	384	-	-
<b>Total financial liabilities at fair value</b>	<b>723</b>	<b>384</b>	<b>362</b>	<b>22</b>

As announced in June, management has secured additional financing of approximately DKKm 100. The refinancing has the following main elements:

- An amendment of the terms for the EURm 100 bond facility to defer interest payments for the next interest payment date 11 June 2020 and a potential to defer three additional interest payments, in an aggregate amount of approximately EURm 3.7 (DKKm 27).
- An additional working capital facility in an amount of EURm 5.35 (DKKm 40), which has been committed by the Group's existing working capital lender, and which will be guaranteed to 70% by EKF, the Danish Export Credit Agency.

- Subordinated shareholder convertible loan by the ultimate owners of the Group in an amount of DKKm 30, which shall mature only after the bond.

Furthermore, in order to provide additional comfort to bondholders, RelyOn Nutec has committed to brief monthly reporting and to instate a minimum liquidity covenant to be tested monthly, which are to be in effect as long as RelyOn Nutec has the option to defer interest payments. The current headroom to the minimum liquidity covenant (DKKm 35) is DKKm 96 as of 30 June 2020.

Transaction costs amount to approximately DKKm 7.

**NOTE 6 – NET INTEREST BEARING DEBT****Fair value level 3 development**

<b>As of 01.01.2020</b>	<b>22</b>
Fair value adjustment recognized in the income statement	(6)
<b>As of 30.06.2020</b>	<b>16</b>

DKKm	Q2 2020	Q2 2019	FY 2019
Cash and cash equivalents	83	87	77
Credit facilities	40	42	42
Bond	376	326	371
Shareholder loan	30	-	-
Lease liabilities	316	329	330
Total interest bearing debt	762	697	743
<b>Net interest bearing debt</b>	<b>679</b>	<b>610</b>	<b>666</b>

**NOTE 7 – BUSINESS COMBINATIONS**

The purchase price allocations related to acquisitions in 2019 are preliminary. In Q2 2020 a fair value adjustment on other payables of DKKm 2 was posted against goodwill. The Management does not expect any further changes. RelyOn Nutec has settled one of the deferred considerations, total DKK 2m in Q1 2020.

For further information please refer to note 6.1 in the Annual Report 2019.

**NOTE 8 - EVENTS AFTER THE BALANCE SHEET DATE**

No events materially affecting the assessment of the interim report have occurred after the balance sheet that not already been included and adequately disclosed in this interim report.





# Management statement

Statement by the Board of Directors and  
Executive Management

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# Statement by the Board of Directors and Executive Management

The Board of Directors and the Executive Management have today reviewed and approved the interim report for the period 1 January to 30 June 2020 of BidCo RelyOn Nutec A/S.

The interim consolidated financial statements of BidCo RelyOn Nutec A/S have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU and additional Danish disclosure requirements for interim financial reporting for listed companies.

The interim consolidated financial statements have not been subject to audit or review by the company's independent auditors.

We consider the accounting policies applied to be appropriate and the accounting estimates and judgements made to be adequate. Furthermore, we find the overall presentation of the interim report to present a true and fair view.

Besides what has been disclosed in the Interim Report, no other significant changes in the

Group's risks and uncertainties have occurred relative to what was disclosed in the consolidated Annual Report for 2019.

In our opinion, the interim consolidated financial statements give a true and fair view of BidCo RelyOn Nutec A/S' consolidated assets, equity and liabilities and the financial position at 30 June 2020 as well as the result of BidCo RelyOn Nutec A/S' consolidated activities and cash flows for the period 1 January to 30 June 2020. Furthermore, in our opinion the Managements

Review gives a fair representation of the Group's activities and financial position as well as a description of the material risks and uncertainties which the Group is facing.

**Copenhagen, 18 August 2020**

## **Executive Management**

**Torben Harring**

Group CEO

## **Board of Directors**

**Jakob Thomsen**

Chairman

**Jesper Lok**

**Henrik Bonnerup**

**Jan Damsgaard**

# Company information

## Company

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CVR no. 39 46 78 36  
Financial year: 01.01.2020 - 31.12.2020  
Established 30 March 2018  
Municipality of headquarter: Copenhagen

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## Board of Directors

Jakob Thomasen, Chairman  
Jesper Teddy Lok  
Henrik Bonnerup  
Jan Damsgaard

## Executive Management

Torben Harring

## Auditor

PricewaterhouseCoopers  
Statusautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup  
Denmark



# RelyOn Nutec

360° Safety

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

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