

**CEMENT PLANT  
CONSULTANTS A/S**  
Ramsingsvej 7  
2500 Valby  
Business Registration No  
15109130

**Annual report 2018**

The Annual General Meeting adopted the annual report on 12.06.2019

**Chairman of the General Meeting**

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Name: Peter Thomsen

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## Entity details

### Entity

CEMENT PLANT CONSULTANTS A/S

Ramsingsvej 7

2500 Valby

Central Business Registration No (CVR): 15109130

Registered in: København

Financial year: 01.01.2018 - 31.12.2018

### Board of Directors

Janne Stegmann Ebbe, Chairman

Peter Thomsen, Member

Martin Strouhal, Member

### Executive Board

Peter Thomsen

### Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

Postboks 1600

0900 København C

## Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of CEMENT PLANT CONSULTANTS A/S for the financial year 01.01.2018 - 31.12.2018.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Valby, 12.06.2019

### Executive Board

Peter Thomsen

### Board of Directors

Janne Stegmann Ebbe  
Chairman

Peter Thomsen  
Member

Martin Strouhal  
Member

# Independent auditor's report

## To the shareholders of CEMENT PLANT CONSULTANTS A/S

### Opinion

We have audited the financial statements of CEMENT PLANT CONSULTANTS A/S for the financial year 01.01.2018 - 31.12.2018, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our 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.

### Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

## Independent auditor's report

- 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

### Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

## **Independent auditor's report**

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

København, 12.06.2019

### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
Central Business Registration No (CVR) 33963556

Christian Dahlstrøm  
State Authorised Public Accountant  
Identification No (MNE) mne35660

## Management commentary

### Primary activities

The objective of the Company is to carry on engineering in, render consultancy services and sell personnel services to the cement and minerals industries in Denmark and abroad as well as to carry on any other activities as deemed related thereto by the Board og Directors.

The parent financial statements include the CPC Pakistan Branch, CPC Kazakhstan Branch and the CPC Kuwait Branch, which are all branches registered in Pakistan, Kazakhstan and Kuwait, respectively.

Cement Plant Consultants A/S is a wholly-owned subsidiary of EHL Fonden of Denmark which is registered with the Danish Business Authority

### Development in activities and finances

The loss for the year of DKK 4,019 thousand is to be transferred to next year. The balance sheet total at financial year-end 2018 is DKK 77,532 thousand and the equity at the balance sheet date is DKK 13,545 thousand.

The Company has not entered into any new contracts with customers in 2018. The activity of the Group has decreased significantly compared to 2017.

### Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.



## Income statement for 2018

	<u>Notes</u>	<u>2018 DKK'000</u>	<u>2017 DKK'000</u>
Revenue		48.820	58.900
Production costs		<u>(46.867)</u>	<u>(56.613)</u>
<b>Gross profit/loss</b>		<b>1.953</b>	<b>2.287</b>
Administrative expenses	1	<u>(4.567)</u>	<u>(4.721)</u>
<b>Operating profit/loss</b>		<b>(2.614)</b>	<b>(2.434)</b>
Income from investments in group enterprises		(1.835)	(1.323)
Other financial income	2	812	925
Other financial expenses	3	<u>(296)</u>	<u>(1.807)</u>
<b>Profit/loss before tax</b>		<b>(3.933)</b>	<b>(4.639)</b>
Tax on profit/loss for the year	4	<u>(86)</u>	<u>(2.047)</u>
<b>Profit/loss for the year</b>		<b><u>(4.019)</u></b>	<b><u>(6.686)</u></b>
<b>Proposed distribution of profit/loss</b>			
Ordinary dividend for the financial year		2.000	125
Transferred to reserve for net revaluation according to the equity method		(1.835)	(1.323)
Retained earnings		<u>(4.184)</u>	<u>(5.488)</u>
		<b><u>(4.019)</u></b>	<b><u>(6.686)</u></b>

## Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK'000</u>	<u>2017 DKK'000</u>
Investments in group enterprises		9.471	11.306
<b>Fixed asset investments</b>	5	<b>9.471</b>	<b>11.306</b>
<b>Fixed assets</b>		<b>9.471</b>	<b>11.306</b>
Trade receivables		15.673	15.457
Receivables from group enterprises		11.521	10.651
Other receivables		30.306	22.238
<b>Receivables</b>		<b>57.500</b>	<b>48.346</b>
<b>Cash</b>		<b>10.561</b>	<b>9.468</b>
<b>Current assets</b>		<b>68.061</b>	<b>57.814</b>
<b>Assets</b>		<b>77.532</b>	<b>69.120</b>

## Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018</u> <u>DKK'000</u>	<u>2017</u> <u>DKK'000</u>
Contributed capital		1.000	1.000
Reserve for net revaluation according to the equity method		5.270	7.105
Retained earnings		5.275	9.459
Proposed dividend		<u>2.000</u>	<u>125</u>
<b>Equity</b>		<b><u>13.545</u></b>	<b><u>17.689</u></b>
Bank loans		47	542
Prepayments received from customers		13.487	12.641
Trade payables		3.702	5.095
Payables to group enterprises		8.068	7.801
Income tax payable		263	263
Other payables		<u>38.420</u>	<u>25.089</u>
<b>Current liabilities other than provisions</b>		<b><u>63.987</u></b>	<b><u>51.431</u></b>
<b>Liabilities other than provisions</b>		<b><u>63.987</u></b>	<b><u>51.431</u></b>
<b>Equity and liabilities</b>		<b><u>77.532</u></b>	<b><u>69.120</u></b>

Contingent liabilities

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## Statement of changes in equity for 2018

	<b>Contributed capital DKK'000</b>	<b>Reserve for net revaluation according to the equity method DKK'000</b>	<b>Retained earnings DKK'000</b>
Equity beginning of year	1.000	7.105	9.459
Ordinary dividend paid	0	0	0
Profit/loss for the year	0	(1.835)	(4.184)
<b>Equity end of year</b>	<b>1.000</b>	<b>5.270</b>	<b>5.275</b>

	<b>Proposed dividend DKK'000</b>	<b>Total DKK'000</b>
Equity beginning of year	125	17.689
Ordinary dividend paid	(125)	(125)
Profit/loss for the year	2.000	(4.019)
<b>Equity end of year</b>	<b>2.000</b>	<b>13.545</b>

## Notes

	<b>2018</b>	<b>2017</b>
	<b>DKK'000</b>	<b>DKK'000</b>
<b>1. Staff costs</b>		
Wages and salaries	5.925	6.300
Pension costs	1.748	1.859
Other social security costs	27	29
	<b>7.700</b>	<b>8.188</b>
Average number of employees	<b>10</b>	<b>13</b>
	<b>2018</b>	<b>2017</b>
	<b>DKK'000</b>	<b>DKK'000</b>
<b>2. Other financial income</b>		
Financial income arising from group enterprises	0	4
Other interest income	4	10
Exchange rate adjustments	808	911
	<b>812</b>	<b>925</b>
	<b>2018</b>	<b>2017</b>
	<b>DKK'000</b>	<b>DKK'000</b>
<b>3. Other financial expenses</b>		
Other interest expenses	14	53
Exchange rate adjustments	282	1.754
	<b>296</b>	<b>1.807</b>
	<b>2018</b>	<b>2017</b>
	<b>DKK'000</b>	<b>DKK'000</b>
<b>4. Tax on profit/loss for the year</b>		
Current tax	86	2.744
Change in deferred tax	0	(697)
	<b>86</b>	<b>2.047</b>

## Notes

	<b>Invest- ments in group enterprises DKK'000</b>
<b>5. Fixed asset investments</b>	
Cost beginning of year	<u>4.202</u>
<b>Cost end of year</b>	<b><u>4.202</u></b>
Revaluations beginning of year	7.104
Share of profit/loss for the year	<u>(1.835)</u>
<b>Revaluations end of year</b>	<b><u>5.269</u></b>
<b>Carrying amount end of year</b>	<b><u>9.471</u></b>

### 6. Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for these entities.

## Accounting policies

### Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

### Income statement

#### Revenue

Revenue consists of goods and services provided during the year, and for contract work in progress it consists of the portion of the aggregate contractual sum that is attributable to work carried out during the year.

#### Production costs

Production: Production costs comprise expenses incurred to earn revenue for the financial year. Production costs comprise direct and indirect costs for raw materials and consumables.

#### Administrative costs

Administrative costs comprise expenses incurred for the Entity's administrative functions, including wages and salaries for administrative staff and Management.

#### Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

#### Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies.

#### Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies.

## Accounting policies

### Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Parent is jointly taxed with all Danish subsidiaries and is regarded as the administration company. Current income tax is allocated among the jointly taxed Danish enterprises proportionally to their taxable income (full allocation with a refund concerning tax losses)

### Balance sheet

#### Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

### Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

### Cash

Cash comprises cash in hand and bank deposits.

### Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity.

### Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

### Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.



## Accounting policies

### **Income tax receivable or payable**

Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.