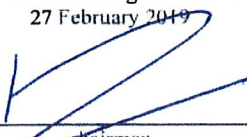




RECALL A/S
Greve Main 20
2670 Greve

Annual report for 2018

Adopted at the annual general meeting on
27 February 2019



chairman
ANDRÁS SZAKONYI

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MAZARS
STATSAUTORISERET REVISIONSPARTNERBESKÆFT

CVR-nr. 19 39 69 32

Praxity
MEMBER
GLOBAL ALLIANCE OF
INDEPENDENT FIRMS

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STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The supervisory and executive boards have today discussed and approved the annual report of Recall A/S for the financial year 1 January - 31 December 2018.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January - 31 December 2018.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

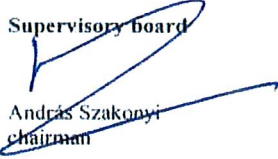
Greve, 27 February 2019

Executive board



Claus Aalling Jensen
Director

Supervisory board



András Szakonyi
chairman



Tamás Soós



Carl Fredrik Norelid

INDEPENDENT AUDITOR'S REPORT

To the shareholder of Recall A/S

Opinion

We have audited the financial statements of Recall A/S for the financial year 1 January - 31 December 2018, which comprise a summary of significant accounting policies, income statement, balance sheet and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January - 31 December 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 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 company 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 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 the 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 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 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.

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:

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 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 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 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.

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 management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT

In connection with our audit of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's 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 management's review provides the information required under the Danish Financial Statements Act.

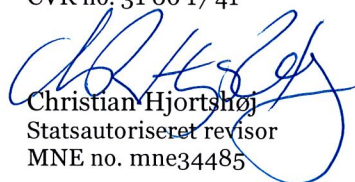
Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 27 February 2019

MAZARS

Statsautoriseret Revisionspartnerselskab

CVR no. 31 06 17 41



Christian Hjortshøj
Statsautoriseret revisor
MNE no. mne34485

COMPANY DETAILS

The company

Recall A/S
Greve Main 20
2670 Greve

Telephone: 70 21 77 00

CVR no.: 19 39 69 32

Reporting period: 1 January - 31 December 2018

Domicile: Greve

Supervisory board

András Szakonyi, chairman
Tamás Soós
Carl Fredrik Norelid

Executive board

Claus Aalling Jensen

Auditors

Mazars
Statsautoriseret Revisionspartnerselskab
Østerfælled Torv 10, 2. sal
2100 København Ø

MANAGEMENT'S REVIEW

Business activities

Recall is world leader in the business areas: storage, digitalization of documents, document management, security shredding services and data media management.

Business review

The company's income statement for the year ended 31 December shows a profit of DKK 7.881.870, and the balance sheet at 31 December 2018 shows equity of DKK 26.156.933.

Significant events occurring after end of reporting period

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

It is known at the balance sheet date that the company's management plans to merge the company with its sister company Iron Mountain A/S in 2019. A final decision on this matter has not yet been made.

ACCOUNTING POLICIES

The annual report of Recall A/S for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected provisions as regards larger entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2018 is presented in DKK

Basis of recognition and measurement

Revenues are recognized as income as they are earned while costs are recognized by the amounts relating to the financial year.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Cost of sales

Cost of sales comprise goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

ACCOUNTING POLICIES

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions.

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Tangible assets

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life	Residual value
Equipment	3 years	0 %
Other fixtures and fittings	5-10 years	0 %
Racks	20 years	0 %

ACCOUNTING POLICIES

Stocks

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

The net realisable value of stocks is calculated as the selling price less costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Receivables

Receivables are measured at amortised cost.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured by reference to the stage of completion at the balance sheet date and the expected aggregate income from the individual work in progress. The stage of completion is determined as the share of the expenses incurred relative to the expected total expenses for the individual work in progress.

Where the selling price of work in progress cannot be estimated reliably, the selling price is measured at the lower of costs incurred and net realisable value.

The individual work in progress is recognised in the balance sheet under receivables or payables. Net assets comprise the sum of work in progress where the selling price of the work performed exceeds invoicing on account. Net liabilities comprise the sum of work in progress where invoicing on account exceeds the selling price.

Selling costs and costs incurred in securing contracts are recognised in the income statement as incurred.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

ACCOUNTING POLICIES

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, 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. Any deferred net tax assets are measured at net realisable value.

Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	<u>Note</u>	<u>2018</u> DKK	<u>2017</u> TDKK
Gross profit		28.284.905	19.098
Staff costs	1	-16.446.495	-17.260
Depreciation		<u>-1.735.431</u>	<u>-1.670</u>
Profit/loss before net financials		10.102.979	168
Financial income		3.156	3
Financial costs		<u>-522</u>	<u>0</u>
Profit/loss before tax		10.105.613	171
Tax on profit/loss for the year	2	<u>-2.223.743</u>	<u>357</u>
Profit/loss for the year		<u>7.881.870</u>	<u>528</u>
 Recommended appropriation of profit/loss			
Retained earnings		<u>7.881.870</u>	<u>528</u>
		<u>7.881.870</u>	<u>528</u>

BALANCE SHEET 31 DECEMBER

	<u>Note</u>	<u>2018</u> DKK	<u>2017</u> TDKK
ASSETS			
Other fixtures and fittings, tools and equipment		13.332.523	14.675
Tangible assets	3	<u>13.332.523</u>	<u>14.675</u>
Deposits		2.125.000	2.125
Fixed asset investments		<u>2.125.000</u>	<u>2.125</u>
Total non-current assets		<u>15.457.523</u>	<u>16.800</u>
Raw materials and consumables		105.379	132
Stocks		<u>105.379</u>	<u>132</u>
Trade receivables		18.201.573	19.029
Contract work in progress		28.551	2.740
Receivables from group enterprises		11.151.772	988
Other receivables		1.873	2
Prepayments		1.893.571	877
Receivables		<u>31.277.340</u>	<u>23.636</u>
Cash at bank and in hand		<u>5.640.792</u>	<u>3.849</u>
Total current assets		<u>37.023.511</u>	<u>27.617</u>
Total assets		<u><u>52.481.034</u></u>	<u><u>44.417</u></u>

BALANCE SHEET 31 DECEMBER

	<u>Note</u>	<u>2018</u> DKK	<u>2017</u> TDKK
EQUITY AND LIABILITIES			
Share capital		4.334.200	4.334
Retained earnings		<u>21.822.733</u>	<u>13.941</u>
Equity	4	<u>26.156.933</u>	<u>18.275</u>
Provision for deferred tax		<u>1.056.880</u>	<u>848</u>
Total provisions		<u>1.056.880</u>	<u>848</u>
Trade payables		837.725	1.777
Payables to group enterprises		1.795.415	264
Corporation tax		0	1.026
Other payables		9.960.908	10.366
Deferred income		<u>12.673.173</u>	<u>11.861</u>
Total current liabilities		<u>25.267.221</u>	<u>25.294</u>
Total liabilities		<u>25.267.221</u>	<u>25.294</u>
Total equity and liabilities		<u>52.481.034</u>	<u>44.417</u>
Contingent assets, liabilities and other financial obligations	5		

NOTES

	<u>2018</u> DKK	<u>2017</u> TDKK
1 STAFF COSTS		
Wages and salaries	13.866.624	14.550
Pensions	1.534.940	1.209
Other social security costs	603.008	758
Other staff costs	441.923	743
	<u>16.446.495</u>	<u>17.260</u>
Average number of employees	<u>28</u>	<u>27</u>
 2 TAX ON PROFIT/LOSS FOR THE YEAR		
Current tax for the year	2.015.112	144
Deferred tax for the year	208.631	-294
Adjustment of tax concerning previous years	0	-207
	<u>2.223.743</u>	<u>-357</u>
 3 TANGIBLE ASSETS		
		<u>Other fixtures and fittings, tools and equipment</u>
Cost at 1 January 2018		34.191.702
Additions for the year		<u>392.502</u>
Cost at 31 December 2018		<u>34.584.204</u>
Impairment losses and depreciation at 1 January 2018		19.516.250
Depreciation for the year		<u>1.735.431</u>
Impairment losses and depreciation at 31 December 2018		<u>21.251.681</u>
Carrying amount at 31 December 2018		<u>13.332.523</u>

NOTES

4 EQUITY

	Share capital	Retained earnings	Total
Equity at 1 January 2018	4.334.200	13.940.863	18.275.063
Net profit/loss for the year	0	7.881.870	7.881.870
Equity at 31 December 2018	4.334.200	21.822.733	26.156.933

There have been no changes in the share capital during the last 5 years.

5 CONTINGENT ASSETS, LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

The company is jointly taxed with Iron Mountain A/S (management company), and is jointly and severally liable with the other jointly taxed entities for the payment of income taxes for income years 2013 onwards and withholding taxes on dividends, interest and royalties falling due for payment on or after 1 July 2012.

Other Contingent Liabilities

Recall A/S has entered into a lease of the Company's premises which is interminable and which runs until 1 May 2026. The obligations amounts to TDKK 29.924.

Recall A/S has liabilities under lease agreements of TDKK 58.736 with third parties until maturity.

The company is liable for a bankguarantee of TDKK 2.125.

The company is jointly and severally liable along with the other Group companies for unauthorised exceeding of the Groups total credit maximum with regards to the Group's cash-pool agreement. The Group's total drawing right has not been fully utilised at 31. December 2018.