

**ALPI Air & Sea A/S**  
Fastrupdalen 2, 7400 Herning

Company reg. no. 25 86 96 56

## **Annual report**

**2019**

The annual report was submitted and approved by the general meeting on the 26 May 2020.

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Kjeld B. Skov  
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

## **Management's report**

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The board of directors and the managing director have today presented the annual report of ALPI Air & Sea A/S for the financial year 1 January to 31 December 2019.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2019 and of the company's results of its activities and cash flows in the financial year 1 January to 31 December 2019.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

Herning, 17 April 2020

### **Managing Director**

Morten Høgsberg Nielsen

### **Board of directors**

John Blæsbjerg

Kjeld B. Skov

Sandro Pitigliani

Alessio Albini

## **Independent auditor's report**

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### **To the shareholders of ALPI Air & Sea A/S**

#### **Opinion**

We have audited the annual accounts of ALPI Air & Sea A/S for the financial year 1 January to 31 December 2019, which comprise accounting policies used, profit and loss account, balance sheet, cash flow statement and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2019 and of the results of the company's operations and cash flows for the financial year 1 January to 31 December 2019 in accordance with the Danish Financial Statements Act.

#### **Basis for opinion**

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

#### **The management's responsibilities for the annual accounts**

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

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the annual accounts**

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

## **Independent auditor's report**

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As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

### **Statement on the management's review**

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

## **Independent auditor's report**

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In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Herning, 17 April 2020

### **Partner Revision**

State Authorised Public Accountants  
Company reg. no. 15 80 77 76

Tommy H. Andersen

State Authorised Public Accountant  
mne31399

## Company information

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<b>The company</b>	ALPI Air & Sea A/S Fastrupdalen 2 7400 Herning
	Company reg. no. 25 86 96 56 Established: 9 January 2001 Domicile: Herning Financial year: 1 January - 31 December
<b>Board of directors</b>	John Blæsbjerg Kjeld B. Skov Sandro Pitigliani Alessio Albini
<b>Managing Director</b>	Morten Høgsberg Nielsen
<b>Auditors</b>	Partner Revision statsautoriseret revisionsaktieselskab Industrivej Nord 15 7400 Herning
<b>Bankers</b>	Spar Nord Bank A/S Dalgasgade 30 7400 Herning  Sydbank A/S Dalgasgade 22 7400 Herning
<b>Lawyer</b>	Dahl Advokatfirma, Kaj Munks Vej 4, 7400 Herning
<b>Parent company</b>	Alpi Danmark A/S

## Financial highlights

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DKK in thousands.	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Income statement:</b>					
Gross profit	35.151	30.579	25.493	23.251	21.454
Profit from ordinary operating activities	8.019	7.921	5.947	4.612	4.544
Net financials	-185	-4	-191	80	79
Net profit or loss for the year	6.071	6.155	4.445	3.631	3.481
<b>Statement of financial position:</b>					
Balance sheet total	60.522	43.753	38.082	25.574	25.978
Investments in property, plant and equipment	1.449	708	269	0	968
Equity	28.891	22.820	16.665	12.220	8.588
<b>Employees:</b>					
Average number of full-time employees	46	39	35	35	31
<b>Key figures in %:</b>					
Solvency ratio	47,7	52,2	43,8	47,8	33,1
Return on equity	23,5	31,2	30,8	34,9	68,0

The calculation of key figures and ratios follow the Danish Association of Finance Analysts' recommendations.



## **Management commentary**

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### **The principal activities of the company**

The company is a forwarding company specialised within sea- and air transport.

### **Development in activities and financial matters**

The gross profit for the year is DKK 35.151.000 against DKK 30.579.000 last year. The results from ordinary activities after tax are DKK 6.071.000 against DKK 6.155.000 last year. The management consider the results satisfactory.

### **Special risks**

#### *Operating risks*

The outbreak of Coronavirus (COVID-19) presents new challenges and risks for the company. A number of measures have been taken to ensure the health and health of employees. In connection with the health risks, the outbreak of viruses has meant uncertainty and instability both politically / socially and for the company. Current and any future political and economic measures that may be implemented could pose financial risks related to the company's operations and possibly limit the company's trading opportunities.

However, the company's current and planned activities do not give rise to particular financial risks, and the company's liquidity preparedness is deemed to be adequately hedged.

### **The expected development**

The result for 2020 is expected to be less than 2019 due lower activity in general and the outbreak of Coronavirus. A positive result is still expected.

### **Events subsequent to the financial year**

No circumstances have occurred after the balance sheet date that have a material impact on the assessment of the annual report. However, reference is made to the management report's section on special risks related to the mention of COVID19.

## **Accounting policies**

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The annual report for ALPI Air & Sea A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

### **Changes in the accounting policies**

The item “Staff costs” has been reclassified so that certain types of expenses previously recognised under “Staff costs” will, in the future, be recognised under the item “Other external charges”.

The change in classification has no effect on the net profit or loss for the year, nor on the statement of financial position, neither for the current financial year, nor the previous financial year. The comparative figures have been adjusted in accordance with the reclassification.

Except for the above, the accounting policies for the financial statements remain unchanged from last year.

### **Recognition and measurement in general**

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

### **Translation of foreign currency**

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

## **Accounting policies**

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Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

### **Income statement**

#### **Gross profit**

The gross profit comprises the net turnover, forwarding costs, other operating income, and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

#### **Forwarding costs**

Forwarding costs comprise cost for purchase of service and external cost that can be directly allocated to a specific transport.

Other operating income comprise accounting items of secondary nature in proportion to the principal activities of the enterprise, including gains on disposal of intangible and tangible fixed assets.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

#### **Staff costs**

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

#### **Depreciation, amortisation and writedown**

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

#### **Net financials**

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

## Accounting policies

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### Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

### The balance sheet

#### Tangible fixed assets

Other tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

If the amortisation period or the residual value is changed, the effect on amortisation will in the future be recognised as a change in the accounting estimates.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life :

	<i>Useful life</i>
<i>Other plants, operating assets, fixtures and furniture</i>	<i>3-5 years</i>

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

#### Leases

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

## **Accounting policies**

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### **Writedown of fixed assets**

The book values of both intangible and tangible fixed assets as well as equity investments in subsidiaries and associated enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets respectively. Writedown takes place to the recoverable amount, if this value is lower than the book value.

The recoverable value is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow deriving from the use of the asset or the group of assets.

Previously recognised writedown is reversed when the condition for the writedown no longer exist. Writedown relating to goodwill is not reversed.

### **Receivables**

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

### **Accrued income and deferred expenses**

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

### **Available funds**

Available funds comprise cash at bank and in hand.

### **Corporate tax and deferred tax**

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

According to the rules of joint taxation, ALPI Air & Sea A/S is proportionally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry over, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set off in deferred tax liabilities within the same legal tax unit.

## **Accounting policies**

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Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

### **Liabilities**

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

### **The cash flow statement**

The cash flow statement shows the cash flow of the company for the year, divided in cash flows deriving from operating activities, investment activities, and financing activities, respectively, the changes in the liabilities, and the available funds at the beginning and the end of the year respectively.

#### **Cash flow from operating activities**

Cash flow from operating activities are calculated as the results for the year adjusted for non-cash operating items, the change in the working capital, and corporate tax paid.

#### **Cash flow from investment activities**

Cash flow from investment activities comprises payments in connection with the acquisition and sale of intangible and tangible fixed assets and fixed asset investments respectively.

#### **Cash flow from financing activities**

Cash flow from financing activities comprises changes in the size or the composition of the share capital and the costs in this connection. Furthermore, these activities comprise borrowings, intercompany transactions, instalments on interestbearing debt, and payment of dividend to the shareholders.

#### **Available funds**

Available funds comprise cash funds with deduction of short-term bank debt.

## Income statement 1 January - 31 December

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All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
<b>Gross profit</b>	<b>35.151.377</b>	<b>30.578.887</b>
1 Staff costs	-26.837.732	-22.410.651
Depreciation and writedown relating to tangible fixed assets	-295.080	-246.805
<b>Operating profit</b>	<b>8.018.565</b>	<b>7.921.431</b>
Other financial income from group enterprises	179.429	120.052
Other financial income	605	30.223
Other financial costs	-364.620	-154.364
<b>Pre-tax net profit or loss</b>	<b>7.833.979</b>	<b>7.917.342</b>
2 Tax on ordinary results	-1.763.026	-1.761.898
<b>Net profit or loss for the year</b>	<b>6.070.953</b>	<b>6.155.444</b>
<b>Proposed appropriation of net profit:</b>		
Transferred to retained earnings	6.070.953	6.155.444
<b>Total allocations and transfers</b>	<b>6.070.953</b>	<b>6.155.444</b>

## Statement of financial position 31 December

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All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>2019</u>	<u>2018</u>
<b>Non-current assets</b>		
3 Other plants, operating assets, and fixtures and furniture	1.939.937	868.970
Total property, plant, and equipment	<u>1.939.937</u>	<u>868.970</u>
<b>Total non-current assets</b>	<b><u>1.939.937</u></b>	<b><u>868.970</u></b>
<b>Current assets</b>		
Trade debtors	30.738.044	27.943.381
Amounts owed by group enterprises	14.962.307	12.791.708
Deferred tax assets	0	17.800
Other debtors	1.311.554	391.173
Accrued income and deferred expenses	935.067	419.826
Total receivables	<u>47.946.972</u>	<u>41.563.888</u>
Available funds	<u>10.634.620</u>	<u>1.319.688</u>
<b>Total current assets</b>	<b><u>58.581.592</u></b>	<b><u>42.883.576</u></b>
<b>Total assets</b>	<b><u>60.521.529</u></b>	<b><u>43.752.546</u></b>



## Statement of financial position 31 December

All amounts in DKK.

<b>Equity and liabilities</b>		<u>2019</u>	<u>2018</u>
<u>Note</u>			
<b>Equity</b>			
4	Contributed capital	500.000	500.000
5	Retained earnings	28.391.115	22.320.162
	<b>Total equity</b>	<b><u>28.891.115</u></b>	<b><u>22.820.162</u></b>
<b>Provisions</b>			
	Provisions for deferred tax	60.730	0
	<b>Total provisions</b>	<b><u>60.730</u></b>	<b><u>0</u></b>
<b>Liabilities other than provisions</b>			
6	Other payables	910.578	0
	Total long term liabilities other than provisions	<u>910.578</u>	<u>0</u>
	Bank debts	53.318	19.613
	Trade payables	18.142.322	15.326.982
	Payables to group enterprises	6.545.441	0
	Corporate tax	1.684.496	1.743.698
	Other payables	4.233.529	3.842.091
	Total short term liabilities other than provisions	<u>30.659.106</u>	<u>20.932.384</u>
	<b>Total liabilities other than provisions</b>	<b><u>31.569.684</u></b>	<b><u>20.932.384</u></b>
	<b>Total equity and liabilities</b>	<b><u>60.521.529</u></b>	<b><u>43.752.546</u></b>
<b>7</b>	<b>Contingencies</b>		
<b>8</b>	<b>Related parties</b>		

## Statement of cash flows 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Results for the year	6.070.953	6.155.444
9 Adjustments	2.155.194	1.993.709
10 Change in working capital	<u>-1.023.476</u>	<u>-431.633</u>
Cash flow from operating activities before net financials	7.202.671	7.717.520
Interest received and similar amounts	180.033	150.283
Interest paid and similar amounts	<u>-13.844</u>	<u>-9.676</u>
Cash flow from ordinary activities	7.368.860	7.858.127
Corporate tax paid	<u>-1.743.698</u>	<u>-1.203.686</u>
<b>Cash flow from operating activities</b>	<b><u>5.625.162</u></b>	<b><u>6.654.441</u></b>
Purchase of tangible fixed assets	-1.448.549	-707.548
Sale of tangible fixed assets	<u>170.000</u>	<u>197.000</u>
<b>Cash flow from investment activities</b>	<b><u>-1.278.549</u></b>	<b><u>-510.548</u></b>
Raising of long-term debts	910.578	0
Cash flow from changes in intercompany accounts	<u>4.374.812</u>	<u>-13.789.472</u>
<b>Cash flow from financing activities</b>	<b><u>5.285.390</u></b>	<b><u>-13.789.472</u></b>
<b>Changes in available funds</b>	<b>9.632.003</b>	<b>-7.645.579</b>
Available funds 1 January	1.300.075	9.090.349
Exchange rate adjustments (available funds)	<u>-350.776</u>	<u>-144.695</u>
<b>Available funds 31 December</b>	<b><u>10.581.302</u></b>	<b><u>1.300.075</u></b>
<b>Available funds</b>		
Available funds	10.634.620	1.319.688
Short-term bank debts	<u>-53.318</u>	<u>-19.613</u>
<b>Available funds 31 December</b>	<b><u>10.581.302</u></b>	<b><u>1.300.075</u></b>

## Notes

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All amounts in DKK.

	<u>2019</u>	<u>2018</u>
<b>1. Staff costs</b>		
Salaries and wages	24.943.287	19.940.815
Pension costs	1.616.545	2.213.602
Other costs for social security	<u>277.900</u>	<u>256.234</u>
	<b><u>26.837.732</u></b>	<b><u>22.410.651</u></b>
Average number of employees	<u>46</u>	<u>39</u>
<b>2. Tax on ordinary results</b>		
Tax of the results for the year	1.684.496	1.743.698
Adjustment for the year of deferred tax	<u>78.530</u>	<u>18.200</u>
	<b><u>1.763.026</u></b>	<b><u>1.761.898</u></b>
<b>3. Other plants, operating assets, and fixtures and furniture</b>		
Cost 1 January	2.679.683	2.366.535
Additions during the year	1.448.549	707.548
Disposals during the year	<u>-499.604</u>	<u>-394.400</u>
<b>Cost 31 December</b>	<b><u>3.628.628</u></b>	<b><u>2.679.683</u></b>
Depreciation and writedown 1 January	-1.810.713	-1.780.392
Depreciation for the year	-295.082	-261.102
Reversal of depreciation, amortisation and writedown, assets disposed of	<u>417.104</u>	<u>230.781</u>
<b>Depreciation and writedown 31 December</b>	<b><u>-1.688.691</u></b>	<b><u>-1.810.713</u></b>
<b>Book value 31 December</b>	<b><u>1.939.937</u></b>	<b><u>868.970</u></b>

## Notes

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All amounts in DKK.

	<u>31/12 2019</u>	<u>31/12 2018</u>
<b>4. Contributed capital</b>		
Contributed capital 1 January	<u>500.000</u>	<u>500.000</u>
	<b><u>500.000</u></b>	<b><u>500.000</u></b>
<b>5. Retained earnings</b>		
Retained earnings 1 January	22.320.162	16.164.718
Profit or loss for the year brought forward	<u>6.070.953</u>	<u>6.155.444</u>
	<b><u>28.391.115</u></b>	<b><u>22.320.162</u></b>
<b>6. Other payables</b>		
Long term holiday obligation	<u>910.578</u>	<u>0</u>
	<b><u>910.578</u></b>	<b><u>0</u></b>

## 7. Contingencies

### Contingent liabilities

None of the assets in company is mortgaged.

The Company's obligations regarding rent of equipment:

In total TDKK 3.697 for the remaining period of the agreements.

Obligation regarding rent of office:

In total TDKK 2.688 for the notice period of the rent agreements.

There are no contingent liabilities except from the normal garanties which is incidental to the operation of the company.

### Joint taxation

With ALPI DANMARK A/S, company reg. no 15129506 as administration company, the company is subject to the Danish scheme of joint taxation and is proportionally liable for tax claims within the joint taxation scheme.

## Notes

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All amounts in DKK.

### 7. Contingencies (continued)

#### Joint taxation (continued)

The company is proportionally liable for any obligations to withhold tax on interest, royalties, and dividends of the jointly taxed companies.

The liabilities amount to a maximum amount corresponding to the share of the company capital, which is owned directly or indirectly by the ultimate parent company.

The jointly taxed enterprises' total known net liability to the Danish tax authorities emerges from the financial statements of the administration company.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

### 8. Related parties

#### Controlling interest

Alpi Danmark A/S

Majority shareholder

Fastrupdalen 2

7400 Herning

Denmark

#### Transactions

In the year 2019 there has been transactions with the parent company ALPI DANMARK A/S.

These transactions are not a material part of the companies' turnover and have been carried out according to normal business conditions.

## Notes

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All amounts in DKK.

### Consolidated annual accounts

The company is included in the consolidated annual accounts of:

Alpi Danmark A/S  
Fastrupdalen 2  
7400 Herning

The company is also included in the consolidated annual accounts of:

Albini & Pitigliani SPA  
Viale G. Marconi 46  
59100 Prato, Italy

The consolidated financial statements can be requested here:

[www.virk.dk](http://www.virk.dk)  
[www.registroimprese.it/en](http://www.registroimprese.it/en)

	<u>2019</u>	<u>2018</u>
<b>9. Adjustments</b>		
Depreciation and amortisation	295.082	261.102
Profit from sale of fixed assets	-87.500	-33.380
Other financial income	-180.034	-150.275
Other financial costs	364.620	154.364
Tax on ordinary results	<u>1.763.026</u>	<u>1.761.898</u>
	<b><u>2.155.194</u></b>	<b><u>1.993.709</u></b>
<b>10. Change in working capital</b>		
Change in debtors	-4.230.252	-384.823
Change in trade creditors and other liabilities	<u>3.206.776</u>	<u>-46.810</u>
	<b><u>-1.023.476</u></b>	<b><u>-431.633</u></b>