

Aclass A/S
Hasselager Centervej 29, st.
8260 Viby J
Central Business Registration
No 28690924

Annual report 2018

The Annual General Meeting adopted the annual report on 12.03.2019

Chairman of the General Meeting

Name: Kurt Kvorning

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Entity details

Entity

Aclass A/S
Hasselager Centervej 29, st.
8260 Viby J

Central Business Registration No: 28690924
Registered in: Aarhus
Financial year: 01.01.2018 - 31.12.2018

Board of Directors

Kurt Kvorning, Chairman
Niels Garde Toft, Vice Chairman
René Andersen
Allan Dehn Søgaard

Executive Board

Claus Palmgren Jessen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 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 Aclass 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 and cash flows 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.

Viby, 12.03.2019

Executive Board

Claus Palmgren Jessen

Board of Directors

Kurt Kvorning
Chairman

Niels Garde Toft
Vice Chairman

René Andersen

Allan Dehn Søgaaard

Independent auditor's report

To the shareholders of Aclass A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of Aclass 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, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2018, and of the results of their operations and the consolidated cash flows 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 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 consolidated financial statements and the parent financial statements section of this auditor's report. We are independent of the Group 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 consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and 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 consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Group or the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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

Independent auditor's report

reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and parent 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:

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent 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 Group's and 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 consolidated financial statements and the parent 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 Group's and 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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Independent auditor's report

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent 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.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent 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.

Copenhagen, 12.03.2019

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No: 33963556

Bjørn Winkler Jakobsen
State Authorised Public Accountant
Identification number (MNE) mne32127

Management commentary

	2018 DKK'000	2017 DKK'000	2016 DKK'000
Financial highlights			
Key figures			
Gross profit	55.281	44.590	35.398
Operating profit/loss	22.659	15.944	12.605
Net financials	(41)	(3.283)	(1.877)
Profit/loss for the year	16.866	8.605	7.620
Total assets	192.088	177.410	162.309
Investments in property, plant and equipment	1.367	135	430
Equity	66.318	66.069	39.508
Cash flows from (used in) operating activities	21.771	28.341	19.939
Cash flows from (used in) investing activities	(5.822)	(1.336)	(2.030)
Cash flows from (used in) financing activities	(15.200)	(16.000)	(10.500)
Ratios			
Return on equity (%)	25,5	16,3	19,3
Equity ratio (%)	34,5	37,2	24,3

Referring to section 128(4) of the Danish Financial Statements Act, the statement of financial highlights only covers the figures for 2016, 2017 and 2018.

Financial highlights are defined and calculated in accordance with latest "Recommendations & Ratios" issued by the Danish Society of Financial Analysts.

Ratios	Calculation formula	Ratios
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$	The entity's return on capital invested in the entity by the owners.
Equity ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The financial strength of the entity.

Management commentary

Primary activities

In line with previous years, the primary activities of the company were to arrange travels etc.

Development in activities and finances

The Company's income statement for 2018 showed a profit before tax of DKK 22,618,423 (2017: 12,661,052) and the balance sheet at 31st december 2018 showed equity of DKK 66,317,856.

Management considers the profit satisfactory.

Profit/loss for the year in relation to expected developments

Realised results for the year are in accordance with Management's expectations for the financial year and the budget prepared.

Management considers profit for the year satisfactory and in accordance with Management's expectations.

Outlook

Aclass will continue execution of the agreed strategy in 2019. Initiatives started up in 2018 and new initiatives for 2019 are expected to contribute positively to the growth and thus activities are expected to further pick up throughout the year.

As a supplement to the initiatives outlined in the strategy, the continuously work on sales and operational excellence throughout the organization is also expected to support the positive outlook for 2019 and as a result, the management expects to see a higher result before tax.

Particular risks

The Group is exposed particularly to fluctuations in foreign currencies. Management is aware of this risk, which is reduced by hedging the foreign exchange rates.

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.

Consolidated income statement for 2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Gross profit		55.280.754	44.590.226
Staff costs	1	(27.070.511)	(23.784.486)
Depreciation, amortisation and impairment losses	2	(5.551.027)	(4.861.849)
Operating profit/loss		22.659.216	15.943.891
Other financial income		273.301	90.287
Other financial expenses		(314.094)	(3.373.126)
Profit/loss before tax		22.618.423	12.661.052
Tax on profit/loss for the year	3	(5.752.520)	(4.056.352)
Profit/loss for the year	4	16.865.903	8.604.700

Consolidated balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Acquired rights		7.526.646	5.075.907
Goodwill		49.487.195	52.714.619
Intangible assets	5	57.013.841	57.790.526
Other fixtures and fittings, tools and equipment		1.323.351	544.703
Leasehold improvements		159.904	97.267
Property, plant and equipment	6	1.483.255	641.970
Other receivables		431.800	225.668
Fixed asset investments	7	431.800	225.668
Fixed assets		58.928.896	58.658.164
Receivables from group enterprises		0	2.800.000
Deferred tax	8	41.000	29.000
Other receivables	9	66.641.127	50.380.982
Prepayments	10	827.520	641.513
Receivables		67.509.647	53.851.495
Cash		65.649.751	64.899.889
Current assets		133.159.398	118.751.384
Assets		192.088.294	177.409.548

Consolidated balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Contributed capital		500.000	500.000
Retained earnings		65.817.856	65.568.808
Equity		66.317.856	66.068.808
Prepayments received from customers	11	107.723.175	98.156.914
Trade payables		11.317.153	6.581.706
Income tax payable		468.717	195.342
Joint taxation contribution payable		1.049.500	1.611.714
Other payables		5.211.893	4.795.064
Current liabilities other than provisions		125.770.438	111.340.740
Liabilities other than provisions		125.770.438	111.340.740
Equity and liabilities		192.088.294	177.409.548
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Group relations	17		
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Consolidated statement of changes in equity for 2018

	Contributed capital DKK	Retained earnings DKK	Proposed extraordinary dividend DKK	Total DKK
Equity beginning of year	500.000	65.568.808	0	66.068.808
Extraordinary dividend paid	0	0	(18.000.000)	(18.000.000)
Exchange rate adjustments	0	5.776	0	5.776
Value adjustments	0	1.765.857	0	1.765.857
Tax of equity postings	0	(388.488)	0	(388.488)
Profit/loss for the year	0	(1.134.097)	18.000.000	16.865.903
Equity end of year	500.000	65.817.856	0	66.317.856

Consolidated cash flow statement for 2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Operating profit/loss		22.659.216	15.943.891
Amortisation, depreciation and impairment losses		5.551.027	4.861.849
Working capital changes	12	38.244	14.561.700
Cash flow from ordinary operating activities		28.248.487	35.367.440
Financial income received		273.301	90.287
Financial income paid		(314.094)	(3.373.126)
Income taxes refunded/(paid)		(6.436.249)	(3.743.873)
Cash flows from operating activities		21.771.445	28.340.728
Acquisition etc of intangible assets		(4.341.381)	(2.619.528)
Acquisition etc of property, plant and equipment		(1.366.939)	(135.281)
Sale of property, plant and equipment		92.869	0
Acquisition of fixed asset investments		(431.800)	(1.571)
Sale of fixed asset investments		225.668	16.422
Other cash flows from investing activities		0	1.404.351
Cash flows from investing activities		(5.821.583)	(1.335.607)
Instalments on loans etc		0	(35.000.000)
Dividend paid		(18.000.000)	0
Cash capital contribution		0	19.000.000
Received payment of receivables from group enterprises		2.800.000	0
Cash flows from financing activities		(15.200.000)	(16.000.000)
Increase/decrease in cash and cash equivalents		749.862	11.005.121
Cash and cash equivalents beginning of year		64.899.889	53.894.768
Cash and cash equivalents end of year		65.649.751	64.899.889

Notes to consolidated financial statements

	2018 DKK	2017 DKK
1. Staff costs		
Wages and salaries	23.448.039	20.753.875
Pension costs	1.671.664	1.401.474
Other social security costs	629.763	556.676
Other staff costs	1.321.045	1.072.461
	27.070.511	23.784.486
Average number of employees	46	41
	Remunera- tion of manage- ment 2018 DKK	Remunera- tion of manage- ment 2017 DKK
Total amount for management categories	1.816.472	1.583.416
	1.816.472	1.583.416
Referring to section 98b(3) of the Danish Financial Statements Act, management's remuneration has disclosed as an aggregate amount for management categories.		
	2018 DKK	2017 DKK
2. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	5.118.066	4.564.353
Depreciation of property, plant and equipment	432.961	297.496
	5.551.027	4.861.849
	2018 DKK	2017 DKK
3. Tax on profit/loss for the year		
Tax on current year taxable income	5.764.520	4.088.352
Change in deferred tax for the year	(12.000)	(32.000)
	5.752.520	4.056.352
	2018 DKK	2017 DKK
4. Proposed distribution of profit/loss		
Extraordinary dividend distributed in the financial year	18.000.000	0
Retained earnings	(1.134.097)	8.604.700
	16.865.903	8.604.700

Notes to consolidated financial statements

	Acquired rights DKK	Goodwill DKK
5. Intangible assets		
Cost beginning of year	8.098.893	64.548.512
Additions	4.341.381	0
Cost end of year	12.440.274	64.548.512
Amortisation and impairment losses beginning of year	(3.022.986)	(11.833.893)
Amortisation for the year	(1.890.642)	(3.227.424)
Amortisation and impairment losses end of year	(4.913.628)	(15.061.317)
Carrying amount end of year	7.526.646	49.487.195

Goodwill is amortised on a straight-line basis over its estimated useful time, which is determined based on Management's experience within each business area.

When determining the amortisation period, Management has chosen to base the amortisation on useful lives, which are determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile.

It is Management's assessment that the carrying amount of goodwill embodies useful lives which are assessed to be long-term since the goodwill relates to affiliated markets where the Company has a strong market profile and continuously invests to meet the potential. Consequently, Management assesses the earnings profile to be long-term.

Based on the above, Management has assessed that it will be a fairer presentation if the amortisation period of goodwill is 20 years. Moreover, Management will reassess the useful lives so that they reflect the continuous market and earnings profile.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Notes to consolidated financial statements

	Other fixtures and fittings, tools and equipment DKK	Leasehold improve- ments DKK
6. Property, plant and equipment		
Cost beginning of year	1.322.932	241.263
Exchange rate adjustments	273	0
Additions	1.225.724	141.215
Disposals	(195.795)	(81.746)
Cost end of year	2.353.134	300.732
Depreciation and impairment losses beginning of the year	(778.229)	(143.996)
Exchange rate adjustments	(97)	0
Depreciation for the year	(354.383)	(78.578)
Reversal regarding disposals	102.926	81.746
Depreciation and impairment losses end of the year	(1.029.783)	(140.828)
Carrying amount end of year	1.323.351	159.904
		Other receivables DKK
7. Fixed asset investments		
Cost beginning of year		225.668
Additions		431.800
Disposals		(225.668)
Cost end of year		431.800
Carrying amount end of year		431.800
	2018 DKK	2017 DKK
8. Deferred tax		
Intangible assets	61.000	36.000
Property, plant and equipment	(20.000)	(7.000)
	41.000	29.000
Changes during the year		
Beginning of year	29.000	
Recognised in the income statement	12.000	
End of year	41.000	

Notes to consolidated financial statements

	2018 DKK	2017 DKK
9. Other receivables		
Derivative financial instruments	831.494	0
Other receivables	65.809.633	50.380.982
	66.641.127	50.380.982

The derivative financial instruments are further described in note 13.

10. Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

11. 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.

	2018 DKK	2017 DKK
12. Change in working capital		
Increase/decrease in receivables	(14.680.295)	(7.173.831)
Increase/decrease in trade payables etc	14.718.539	21.735.531
	38.244	14.561.700

13. Financial instruments

Disclosure on forward exchange contracts acquired to hedge liabilities

Other receivables include a positive fair value of the forward exchange contracts of DKK 831k. The forward exchange contracts have been acquired to hedge the foreign currency risk of trade payables in USD, THB, SEK, GBP, NOK and ZAR. The exchange loss has been set off against the value adjustments of the hedged payables in the income statement. The forward exchange contracts have a term of 0-12 months. The forward exchange contracts have been entered into with the Company's usual bank.

	2018 DKK	2017 DKK
14. Unrecognised rental and lease commitments		
Hereof liabilities under rental or lease agreements until maturity in total	3.978.565	254.045

Unrecognised rental and lease commitments comprise rental commitments with a remaining contract period of 51 months. The commitment amounts to DKK 3,696k (2017: DKK 254k).

The remaining commitment comprises lease commitments relating to operating leases on other fixtures and fittings, tools and equipment. The commitment amounts to DKK 283k (2017: DKK 0k).

Notes to consolidated financial statements

15. Mortgages and securities

The Group has provided payment guarantees totalling DKK 6,572k. The amount is distributed as follows:

- Rejsegarantifonden, DKK 1,800k
- Air Travel Trust, DKK 4,706k
- Other guarantees, DKK 66k

16. Transactions with related parties

Only transactions with related parties that are not carried out at market terms are disclosed in the annual report. No such transactions have been performed.

17. Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

- Aclass Holding ApS, Copenhagen

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

- Aclass Holding ApS, Copenhagen

	Registered in	Corpo- rate form	Equity inte- rest %	Equity DKK	Profit/loss DKK
18. Subsidiaries					
ASClass GmbH	Henstedt-Ulzburg, Germany	GmbH	100,0	2.406.724	797.428
Aclass UK Ltd	Richmond, England	Ltd	100,0	243.054	3.054

Parent income statement for 2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Gross profit		51.830.280	41.365.705
Staff costs	1	(24.761.429)	(21.468.930)
Depreciation, amortisation and impairment losses	2	(5.541.456)	(4.851.190)
Operating profit/loss		21.527.395	15.045.585
Other financial income		273.301	90.287
Other financial expenses		(286.263)	(3.337.478)
Profit/loss before tax		21.514.433	11.798.394
Tax on profit/loss for the year	3	(5.449.012)	(3.817.958)
Profit/loss for the year	4	16.065.421	7.980.436

Parent balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Acquired rights		7.526.648	5.075.907
Goodwill		49.487.195	52.714.619
Intangible assets	5	<u>57.013.843</u>	<u>57.790.526</u>
Other fixtures and fittings, tools and equipment		1.267.237	491.082
Leasehold improvements		159.904	97.267
Property, plant and equipment	6	<u>1.427.141</u>	<u>588.349</u>
Investments in group enterprises		426.250	186.853
Other receivables		431.800	225.668
Fixed asset investments	7	<u>858.050</u>	<u>412.521</u>
Fixed assets		<u>59.299.034</u>	<u>58.791.396</u>
Receivables from group enterprises		1.216.077	2.800.000
Deferred tax	8	41.000	29.000
Other receivables	9	65.002.522	49.888.742
Prepayments	10	633.378	611.481
Receivables		<u>66.892.977</u>	<u>53.329.223</u>
Cash		<u>35.674.237</u>	<u>41.737.880</u>
Current assets		<u>102.567.214</u>	<u>95.067.103</u>
Assets		<u>161.866.248</u>	<u>153.858.499</u>

Parent balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Contributed capital	11	500.000	500.000
Retained earnings		63.594.328	64.151.538
Equity		<u>64.094.328</u>	<u>64.651.538</u>
Prepayments received from customers	12	79.314.789	76.631.836
Trade payables		11.317.153	6.581.706
Payables to group enterprises		1.323.118	0
Joint taxation contribution payable		1.049.500	1.611.714
Other payables		4.767.360	4.381.705
Current liabilities other than provisions		<u>97.771.920</u>	<u>89.206.961</u>
Liabilities other than provisions		<u>97.771.920</u>	<u>89.206.961</u>
Equity and liabilities		<u>161.866.248</u>	<u>153.858.499</u>
Financial instruments	13		
Unrecognised rental and lease commitments	14		
Contingent liabilities	15		
Mortgages and securities	16		
Related parties with controlling interest	17		
Transactions with related parties	18		

Parent statement of changes in equity for 2018

	Contributed capital DKK	Retained earnings DKK	Proposed extraordinary dividend DKK	Total DKK
Equity beginning of year	500.000	64.151.538	0	64.651.538
Extraordinary dividend paid	0	0	(18.000.000)	(18.000.000)
Value adjustments	0	1.765.857	0	1.765.857
Tax of equity postings	0	(388.488)	0	(388.488)
Profit/loss for the year	0	(1.934.579)	18.000.000	16.065.421
Equity end of year	500.000	63.594.328	0	64.094.328

Notes to parent financial statements

	2018 DKK	2017 DKK
1. Staff costs		
Wages and salaries	21.512.450	18.764.608
Pension costs	1.671.664	1.401.474
Other social security costs	256.270	230.387
Other staff costs	1.321.045	1.072.461
	24.761.429	21.468.930
Average number of employees	42	37
	Remunera- tion of manage- ment 2018 DKK	Remunera- tion of manage- ment 2017 DKK
Total amount for management categories	1.816.472	1.583.416
	1.816.472	1.583.416
Referring to section 98b (3) of the Danish Financial Statement Act, management's remuneration has been disclosed as an aggregate amount for management categories.		
	2018 DKK	2017 DKK
2. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	5.118.066	4.564.353
Depreciation of property, plant and equipment	423.390	286.837
	5.541.456	4.851.190
	2018 DKK	2017 DKK
3. Tax on profit/loss for the year		
Tax on current year taxable income	5.461.012	3.849.958
Change in deferred tax for the year	(12.000)	(32.000)
	5.449.012	3.817.958
	2018 DKK	2017 DKK
4. Proposed distribution of profit/loss		
Extraordinary dividend distributed in the financial year	18.000.000	0
Retained earnings	(1.934.579)	7.980.436
	16.065.421	7.980.436

Notes to parent financial statements

	Acquired rights DKK	Goodwill DKK
5. Intangible assets		
Cost beginning of year	8.098.893	64.548.512
Additions	4.341.383	0
Cost end of year	12.440.276	64.548.512
Amortisation and impairment losses beginning of year	(3.022.986)	(11.833.893)
Amortisation for the year	(1.890.642)	(3.227.424)
Amortisation and impairment losses end of year	(4.913.628)	(15.061.317)
Carrying amount end of year	7.526.648	49.487.195

Goodwill is amortised on a straight-line basis over its estimated useful time, which is determined based on Management's experience within each business area.

When determining the amortisation period, Management has chosen to base the amortisation on useful lives, which are determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile.

It is Management's assessment that the carrying amount of goodwill embodies useful lives which are assessed to be long-term since the goodwill relates to affiliated markets where the Company has a strong market profile and continuously invests to meet the potential. Consequently, Management assesses the earnings profile to be long-term.

Based on the above, Management has assessed that it will be a fairer presentation if the amortisation period of goodwill is 20 years. Moreover, Management will reassess the useful lives so that they reflect the continuous market and earnings profile.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Notes to parent financial statements

	Other fixtures and fittings, tools and equipment DKK	Leasehold improve- ments DKK			
6. Property, plant and equipment					
Cost beginning of year	1.238.741	241.263			
Additions	1.213.836	141.215			
Disposals	(195.795)	(81.746)			
Cost end of year	2.256.782	300.732			
Depreciation and impairment losses beginning of the year	(747.659)	(143.996)			
Depreciation for the year	(344.812)	(78.578)			
Reversal regarding disposals	102.926	81.746			
Depreciation and impairment losses end of the year	(989.545)	(140.828)			
Carrying amount end of year	1.267.237	159.904			
	Investments in group enterprises DKK	Other receivables DKK			
7. Fixed asset investments					
Cost beginning of year	186.853	225.668			
Additions	239.397	431.800			
Disposals	0	(225.668)			
Cost end of year	426.250	431.800			
Carrying amount end of year	426.250	431.800			
	Corpo- rate form	Equity inte- rest %	Equity DKK	Profit/loss DKK	
Subsidiaries	Registered in				
ASClass GmbH	Henstedt-Ulzburg, Germany	GmbH	100,0	2.406.724	797.428
Aclass UK Ltd	Richmond, England	Ltd	100,0	243.054	3.054

Notes to parent financial statements

	2018 DKK	2017 DKK
8. Deferred tax		
Intangible assets	61.000	36.000
Property, plant and equipment	(20.000)	(7.000)
	41.000	29.000

Changes during the year

Beginning of year	29.000
Recognised in the income statement	12.000
End of year	41.000

	2018 DKK	2017 DKK
9. Other receivables		
Derivative financial instruments	831.494	0
Other receivables	64.171.028	49.888.742
	65.002.522	49.888.742

The derivative financial instruments are further described in note 13.

10. Prepayments

Prepayments comprise costs incurred relating to subsequent financial years. Prepayments are measured at cost.

11. Contributed capital

Aclass Holding A/S has issued warrants for 750,000 shares, entitling the holder to subscribe for 1 share in the Company at a nominal value of DKK 1 per share. The warrants have been granted to the warrant holder free of charge. The warrants must be exercised by the end of June 2022 and may be exercised at any time until exercised in full.

12. 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.

13. Financial instruments

Disclosure on forward exchange contracts acquired to hedge liabilities

Other payables include a positive fair value of the forward exchange contracts of DKK 831k. The forward exchange contracts have been acquired to hedge the foreign currency risk of trade payables in USD, THB, SEK, GBP, NOK and ZAR. The exchange loss has been set off against the value adjustments of the hedged

Notes to parent financial statements

payables in the income statement. The forward exchange contracts have a term of 0-12 months. The forward exchange contracts have been entered into with the Company's usual bank.

	2018	2017
	DKK	DKK
14. Unrecognised rental and lease commitments		
Hereof liabilities under rental or lease agreements until maturity in total	3.953.120	228.600

Unrecognised rental and lease commitments comprise rental commitments with a remaining contract period of 51 months. The commitment amounts to DKK 3,670k (2017: DKK 229k).

The remaining commitment comprises lease commitments relating to operating leases on other fixtures and fittings, tools and equipment. The commitment amounts to DKK 283k (2017: DKK 0k).

15. Contingent liabilities

The Entity participates in a Danish joint taxation arrangement in which Aclass Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The total known net liability of the jointly taxed entities under the joint taxation arrangement is evident from the administration company's financial statements.

16. Mortgages and securities

The Company has provided payment guarantees totalling DKK 6,571k. The amount is distributed as follows:

- Rejsegarantifonden, DKK 1,800k
- Air Travel Trust, DKK 4,705k
- Other guarantees, DKK 66k

The Company has provided security for all intercompany accounts between Jyske Bank and the subsidiary Aclass GmbH. The bank debt in Aclass GmbH amounts to DKK 0 at 31.12.2018.

All intercompany accounts between Danske Bank and the subsidiary Aclass UK Ltd. have been secured on cash for a total of DKK 41k. The bank debt in Aclass UK Ltd. amounts to DKK 0 at 31.12.2018.

17. Related parties with controlling interest

Related parties with controlling interest in the Company include:

- Aclass Holding ApS, Gammeltorv 18, Copenhagen, holding the majority of voting rights.
- Maj Invest Equity 5 K/S, Langelinie Allé 35, Copenhagen, holding the majority of voting rights.

18. Transactions with related parties

Only transactions with related parties that are not carried out at market terms are disclosed in the annual report. No such transactions have been performed.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

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

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

Accounting policies

Business combinations

Newly acquired or newly established enterprises are recognised in the consolidated financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the consolidated income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. Provisions for costs of restructuring of the enterprise acquired are only made in so far as such restructuring was decided by the enterprise acquired prior to acquisition. Allowance is made for the tax effect of restatements.

For intra-group combinations, the uniting-of-interests method is applied. This means that the annual reports are combined as if the enterprises had been combined starting from the earliest accounting period forming part of the financial statements. The difference between the amount paid in contributed capital and any share premium plus any cash payment and the equity value of the subsidiary is clearly added to or deducted from reserves that may be used to cover losses.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised under intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful life. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful life is reassessed annually.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries which are considered part of the total investment in the subsidiary in question are classified directly as equity.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognised under other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging future transactions are recognised directly in equity. When the hedged transactions are realised, the accumulated changes are recognised as part of cost of the relevant financial statement items.

Accounting policies

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, cost of sales and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

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

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including net capital gains on securities, payables and transactions in foreign currencies as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including net capital losses on securities, payables and transactions in foreign currencies as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

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.

Accounting policies

The Entity is jointly taxed with Aclass Holding ApS. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Goodwill

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile, and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful lives are reassessed annually.

It is Management's assessment that the carrying amount of goodwill embodies useful lives which are assessed to be long-term since the goodwill relates to affiliated markets where the Company has a strong market profile and continuously invests to meet the potential. Consequently, Management assesses the earnings profile to be long-term.

Based on the above, Management has assessed that it will be a fairer presentation if the amortisation period of goodwill is 20 years. Moreover, Management will reassess the useful lives so that they reflect the continuous market and earnings profile.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc

Intellectual property rights etc comprise acquired rights.

Acquired rights are measured at cost less accumulated amortisation. Rights are amortised on a straight-line basis over the estimated useful life of 5 to 10 years.

Acquired rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

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

Cost comprises the acquisition price and costs directly attributable to the acquisition.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	5-10 years
Leasehold improvements	5 years

Accounting policies

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

Receivables

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

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carry forwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

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

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as inception of finance leases, instalments on interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash with an insignificant price risk less short-term bank loans.