

Ammeraal Beltech Danmark A/S

Hjulgagervej 21
7100 Vejle
Denmark

CVR no. 31 17 21 60

Annual report 2019

The annual report was presented and approved at
the Company's annual general meeting on

20 August 2020

chairman

Ammeraal Beltech Danmark A/S
Annual report 2019
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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Ammeraal Beltech Danmark A/S for the financial year 1 January – 31 December 2019.

The annual report has been 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 assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 2019.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

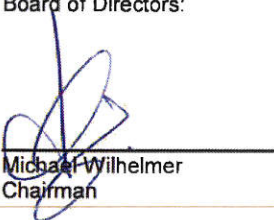
We recommend that the annual report be approved at the annual general meeting.

Veile, 20 August 2020
Executive Board:

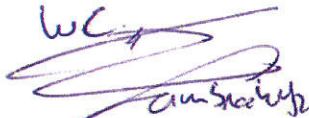


Alex Peter Ludvigsen

Board of Directors:



Michael Wilhelmer
Chairman



Willem Cornelis Lambrecht



Carsten Frees



Independent auditor's report

To the shareholder of Ammeraal Beltech Danmark A/S

Opinion

We have audited the financial statements of Ammeraal Beltech Danmark A/S for the financial year 1 January – 31 December 2019 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 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 (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 rules and requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility 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 that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the 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 as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made on the basis of these financial statements.

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

Independent auditor's report

- identify and assess the risks of material misstatement of the company 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 the Management's review

Management is responsible for the Management's review.

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

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



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Independent auditor's report

Based on the work we have performed, we conclude that the 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 the Management's review.

Kolding, 20 August 2020

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Nikolaj Møller Hansen

State Authorised

Public Accountant

mne33220

Ammeraal Beltech Danmark A/S
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Management's review

Company details

Ammeraal Beltech Danmark A/S
Hjulmagervej 21
7100 Vejle
Denmark

CVR no.: 31 17 21 60
Financial year: 1 January – 31 December

Board of Directors

Michael Wilhelmer, Chairman
Willem Cornelis Lambrecht
Carsten Frees

Executive Board

Alex Peter Ludvigsen

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Jupitervej 4, st.
6000 Kolding
Denmark

Management's review

Operating review

Principal activities

The Company's principal activity is to be a holding company and hold shares in Ammeraal Beltech Modular A/S.

Profit/loss for the year

The Company's income statement for 2019 shows a profit of DKK 139,781 as against DKK 27,836 in 2018. Equity in the Company's balance sheet at 31 December 2019 stood at DKK 197,330 as against DKK 56,807 at 1 January 2018.

The subsidiary Ammeraal Beltech Modular A/S is expected to be faced with declining interest in its products due to the COVID-19 crisis. Accordingly, results for 2020 are expected to be at the same level as in 2019. However, as the products are used in a broad range of industries, we only expect to see a short-term impact.

The financial year was in line with forecast, and results for the year are considered satisfactory.

From 3 January 2019, Ammega Holding Denmark ApS has held the shares in the Company.

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2019	2018
Gross profit/loss		-52	-30
Operating profit/loss		-52	-30
Income from equity investments in group entities		144,358	37,825
Financial income		87	0
Financial expenses	2	-5,899	-12,777
Profit before tax		138,494	25,018
Tax on profit for the year	3	1,287	2,818
Profit for the year		139,781	27,836
Proposed profit appropriation			
Retained earnings		139,781	27,836

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2019	31/12 2018
ASSETS			
Fixed assets			
Investments	4		
Equity investments in group entities		255,817	222,634
Total fixed assets		255,817	222,634
Current assets			
Receivables			
Receivables from group entities		7,383	10,643
Corporation tax		5,103	7,260
		12,486	17,903
Cash at bank and in hand		163	0
Total current assets		12,649	17,903
TOTAL ASSETS		268,466	240,537
EQUITY AND LIABILITIES			
Equity			
Contributed capital		600	600
Retained earnings		196,730	56,207
Total equity		197,330	56,807
Liabilities			
Current liabilities			
Payables to group entities		71,096	183,354
Other payables		40	376
		71,136	183,730
Total liabilities		71,136	183,730
TOTAL EQUITY AND LIABILITIES		268,466	240,537

Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Contributed capital	Retained earnings	Total
Equity at 1 January 2019	600	56,207	56,807
Net effect from merger	0	742	742
Transferred over the profit appropriation	0	139,781	139,781
Equity at 31 December 2019	600	196,730	197,330

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Ammeraal Beltech Danmark A/S for 2019 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

The annual report for 2019 is presented in DKK thousand.

Omission of consolidated financial statements

Pursuant to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of Ammeraal Beltech Danmark A/S and group entities are included in the consolidated financial statements of Al Alabama Midco B.V., Herengracht 450-11017 CA Amsterdam, The Netherlands.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

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.

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.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Upon recognition of foreign subsidiaries and associates that are independent entities, the income statements are translated into Danish kroner at average exchange rates for the month, and balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising upon translation of foreign subsidiaries' opening equity and results at the exchange rates at the balance sheet date are recognised directly in equity.

Foreign exchange adjustments of balances with independent foreign subsidiaries considered part of the total investment in the subsidiary are recognised directly in equity. Similarly, foreign exchange gains and losses on loans and derivative financial instruments taken out for the purpose of hedging investments in foreign subsidiaries are recognised directly in equity.

Upon recognition of foreign subsidiaries that are integrated entities, monetary items are translated at the exchange rates at the balance sheet date. Non-monetary items are translated at the exchange rates at the date of acquisition or the date of subsequent revaluations of the asset. Income statement items are translated at the exchange rates at the transaction date, whereas items derived from non-monetary items are translated at historical exchange rates for the non-monetary item.

Income statement

Gross profit

Pursuant to Section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Other external costs

Other external costs comprise administration, office premises, etc.

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Dividends from equity investments in group entities measured at cost are recognised as income in the Parent Company's income statement in the financial year when the dividends are declared.

Income from equity investments in group entities

The proportionate share of the individual subsidiaries' profit/loss after tax is recognised in the Company's income statement after full elimination of intra-group gains/losses and amortisation of goodwill and other excess values at the time of acquisition.

Tax on profit/loss for the year

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation 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 used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

Balance sheet

Intangible assets

Equity investments in group entities

Equity investments in group entities are measured at the proportionate share of the entities' net asset value calculated in accordance with the Parent Company's accounting policies plus or minus unrealised intra-group gains or losses and plus or minus the residual value of positive and negative goodwill calculated in accordance with the acquisition method.

Equity investments in group entities with negative net asset values are measured at DKK 0, and any receivables from these entities are written down by an amount equivalent to the negative net asset value. To the extent that the negative net asset value exceeds the receivable, the residual amount is recognised as provisions.

Net revaluation of equity investments in group entities is tied as a net revaluation reserve under equity according to the equity method to the extent that the carrying amount exceeds cost. Dividends from group entities expected to be adopted in the group entities prior to the approval of the Company's annual report, are not tied up in the revaluation reserve.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are assessed for objective indication of impairment on a portfolio basis. The portfolios are primarily based on the debtors' registered offices and credit rating in accordance with the Company's credit risk management policy. The objective indicators used in relation to portfolios are determined on the basis of historical loss experience.

Equity

Dividends

The expected dividend payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at net realisable value.

Financial statements 1 January – 31 December

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DKK'000	2019	2018
2 Financial expenses		
Interest expense to group entities	4,009	4,020
Other financial costs	48	324
Exchange losses	1,842	8,338
Percentage surcharge, corporation tax	0	95
	<u>5,899</u>	<u>12,777</u>
3 Tax on profit for the year		
Current tax for the year	<u>-1,287</u>	<u>-2,818</u>
	<u>-1,287</u>	<u>-2,818</u>
4 Investments		
Cost at 1 January 2019	<u>466,850</u>	<u>466,850</u>
Cost at 31 December 2019	<u>466,850</u>	<u>466,850</u>
Revaluations at 1 January 2019	<u>-244,216</u>	<u>-205,541</u>
Net profit/loss for the year	144,358	37,825
Dividends to the Parent Company	-111,917	-76,500
Net effect of merger	<u>742</u>	<u>0</u>
Revaluations 31 December 2019	<u>-211,033</u>	<u>-244,216</u>
Carrying amount at 31 December 2019	<u>255,817</u>	<u>222,634</u>

Name	Registered office	Voting rights and ownership interest
Ammeraal Beltech Modular A/S	Vejle	100

5 Contractual obligations, contingencies, etc.

Contingent liabilities

As management company, the Company is jointly taxed with other Danish group entities and is jointly and severally liable with other jointly taxed group entities for the payment of income taxes for the income year 2013 and onwards as well as for withholding taxes on interest, royalties and dividends falling due for payment on or after 1 July 2012. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, etc., may entail an increase in the entities' liability. The Group as a whole is not liable to any other parties.

Financial statements 1 January – 31 December

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6 Charges and collateral

The Company is a party to a financing agreement entered into by the Group. As collateral for the Group's financing agreement, the Company has issued a company charge to Cooperatieve Centrale Raiffeisen-Boerenleenbank B.A secured upon the Company's group receivables and shares.

7 Related party disclosures

Ammeraal Beltech Danmark A/S' related parties comprise the following:

Ammega Holding Denmark ApS, Hjulmagervej 21, 7100 Vejle.

Ammega Holding Denmark ApS holds the majority of the contributed capital in the Company

Ammeraal Beltech Danmark A/S is part of the consolidated financial statements of Alpha AB Bidco B.V. Comeniusstraat 8, 1817 MS Alkmaar, P.O. Box 38, 1700 AA Heerhugowaard, The Netherlands, and the consolidated financial statements of Al Alabama Midco B.V. Herengracht 450-11017 CA Amsterdam, The Netherlands, which is the smallest and largest group, respectively, in which the Company is included as a subsidiary.

The consolidated financial statements can be obtained by contacting the companies at the addresses above.