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Alliance Capital K/S
Lumringsbrovej 3A
2670 Greve

THE ANNUAL REPORT
The year 2018

CVR-no.: 31 34 85 44

Approved at the General Meeting, the ^{June 3/2-19} ~~June~~ 2019



Chairman

Lothar Shneider

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COMPANY INFORMATION

Company number: 31 34 85 44

Executive board: Lothar Siegfried Schneider
Mikhail Glukhov

Audit Kvist Revision ApS
CPH Business Park
Stamholmen 153
DK 2650 Hvidovre - Copenhagen

CVR-no.: 38818724

MANAGEMENT'S STATEMENT

The Annual Report has been prepared in conformity with the Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the Company's assets, equity, liabilities and financial position at 31. December 2018 and of its financial performance for the period 1. January - 31. December 2018.

In my opinion the Management commentary includes a fair review of the matters described.

Copenhagen, *June* 2019

Lothar Siegfried Schneider



Mikhail Glukhov



INDEPENDENT AUDITOR'S EXTENDED REVIEW REPORT

To the shareholders of Alliance Capital K/S

Conclusion

Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's financial position at 31. December 2018 and of the results of the Company's operations for the financial period from 1. January to 31. December 2018 in conformity with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the Danish Business Authority's Standard for Small Enterprises and FSR - Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other matters regarding the extended review

The management did not want us to have carried out the audit at the company's domicile and we have therefore not been able to discuss the audit with the company's management and other senior employees. It is our opinion that revisions of companies of this size cannot take place as distance audits.

We must therefore make reservations about the valuations regardless of whether the long-distance audit has not found any indications of errors.

The company's management has not signed and returned the Letter of Representation which is part of our foundation for our work.

This means that there may be circumstances that are not correctly included in the annual report.

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

In preparing the financial statements, Management is responsible for assessing the 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 extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as an evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

INDEPENDENT AUDITOR'S EXTENDED REVIEW REPORT

We are independent of the Company as set out in the IESBA Code of Ethics for Professional Accountants and relevant legal and regulatory requirements in Denmark, and we have complied with other ethical requirements under those rules and regulations.

Statement on the Management's review

Management is responsible for the Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our extended review 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 extended review, 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 Financial Statements Act.

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 Financial Statements Act. We did not identify any material misstatements in the Management's review.

Copenhagen,  7/7 2018

Carsten Kvist Jensen
Registered Public Accountant
Member of FSR – Danish Auditors
Auditors ID: MNE 5614
CVR-nr. 38 81 87 24

MANAGEMENT COMMENTARY

As in previous years, the main activities of the Company are trading and services.

Development in the activities and the financial situation of the company

The Company has continued its operations. No significant one-off events occurred in the financial year that need to be included in the management commentary.

The performance and results for the year are considered satisfactory.

No events have occurred after the reporting date that may materially affect the financial position of the company.

Expected development, including special assumptions and uncertain factors

No major changes are expected in future earnings.

ACCOUNTING POLICIES

GENERAL INFORMATION

The financial statements of Alliance Capital K/S for the financial year 2018 have been prepared in conformity with the provisions of the Financial Statements Act on class B enterprises.

The accounting policies applied in the financial statements are consistent with those of the previous year. The reporting currency is Danish kroner.

Recognition and measurement in general

The financial statements have been prepared under the historical cost convention.

Income is recognised in the income statement when earned. Value adjustments of financial assets and liabilities measured at fair value or amortised cost are also recognised in the income statement. Costs incurred to generate the earnings for the year are also recognised in the income statement, including amortisation, depreciation, impairment losses and provisions as well as reversals resulting from changed accounting estimates of amounts previously recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future financial benefits will flow to the Company and it is possible to obtain a reliable measurement of the individual assets.

Liabilities are recognised in the balance sheet when it is probable that future financial benefits will flow from the Company and it is possible to obtain a reliable measurement of the individual liabilities.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item.

Certain financial assets and liabilities are measured at amortised cost, whereby a constant effective interest rate is recognised over the life of the individual asset or liability. Amortised cost is determined as original cost less any repayments and with the addition/deduction of the accumulated amortisation of the difference between cost and nominal amount.

Foreign currency translation

Foreign currency transactions are translated at the exchange rates ruling at the transaction dates. Gains and losses arising from movements between the exchange rates at the date of the individual transaction and the date of payment are recognised in the income statement as financial income or financial expenses.

INCOME STATEMENT

General information

Certain income and expenses have been aggregated in the item designated 'Gross profit' with reference to section 32 of the Financial Statements Act.

Gross profit

Gross profit is a combination of the items of 'Revenue', 'Change in inventories of finished goods, work in progress and goods for resale', 'Other operating income', 'Cost of raw materials and consumables' and 'Other external costs'.

Administrative expenses

Administrative expenses include expenses for Management and administrative staff, office expenses, amortisation and depreciation, etc.

Other operating income

Other operating income includes items relating to activities secondary to the main activity of the enterprise.

ACCOUNTING POLICIES

Cost of raw materials and consumables

Cost of raw materials and consumables includes the cost of goods purchased less discounts and changes in inventories for the year.

Other external expenses

Other external expenses include costs for sales, advertising, administration, premises, bad debts, rental expenses under operating leases, etc.

Staff costs

Staff costs include wages, salaries and other pay-related costs, such as sickness benefits for enterprise employees less wage/salary reimbursement from the Government.

Financial income and expenses

Financial income and expenses are recognised in the income statement based on the amounts which relate to the financial year. Financial income and expenses include interest revenue and expenses, finance charges in respect of finance leases, realised and unrealised capital gains and losses on securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the tax prepayment scheme. Dividends from other equity investments are recognised as income in the financial year in which the dividends are declared.

Tax on net profit for the year

Tax for the year comprises current tax and changes in deferred tax. The share attributable to the profit or loss for the year is recognised in the income statement, and the share attributable directly to equity is recognised directly in equity.

BALANCE SHEET

Property, plant and equipment

Property, plant and equipment is measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the date of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of a composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual components differ.

Depreciation is calculated using the straight-line method over the following estimated useful lives of the individual assets and their residual values:

	<u>User time</u>	<u>Residual value</u>
Properties	10 years	0 %

Receivables

Receivables are measured at amortised cost, which normally corresponds to the nominal value. The value is reduced by an allowance for expected impairment losses.

ACCOUNTING POLICIES

Impairment of accounts receivable past due is established on individual assessment of receivables.

Payables

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest method, so that the difference between proceeds and nominal value is recognised in the income statement over the life of the financial instrument(s).

Other payables, comprising trade payables and amounts owed to Group enterprises and associates and other accounts payable, are measured at amortised cost, which normally corresponds to the nominal value.

INCOME STATEMENT
1. JANUARY - 31. DECEMBER 2018

	2018 DKK	2017 TDKK
GROSS PROFIT	5.188.073	63.431
Staff costs	-1.498.869	-1.302
Amortisation, depreciation and impairment losses - intangible assets and property, plant and equipment	-7.112.904	-6.785
Other operating costs	0	-649
OPERATING PROFIT OR LOSS	-3.423.700	54.695
Other financial income	4.124	3
Other financial expenses	-521.087	-517
PROFIT OR LOSS FOR THE YEAR	-3.940.663	54.181
 PROPOSED DISTRIBUTION OF NET PROFIT		
Retained earnings	-3.940.663	54.181
SETTLEMENT OF DISTRIBUTION TOTAL	-3.940.663	54.181

BALANCE SHEET AT 31. DECEMBER 2018

ASSETS

	2018 DKK	2017 TDKK
1 Other plant, fixtures and operating equipment	37.813.883	42.854
Property, plant and equipment	37.813.883	42.854
Other investments	20.728.236	11.592
Investments	20.728.236	11.592
NON-CURRENT ASSETS	58.542.119	54.446
Finished goods and goods for resale	60.783.027	48.332
Inventories	60.783.027	48.332
Trade receivables	150.439.436	124.738
Receivables	150.439.436	124.738
Cash	20.859.047	30.192
CURRENT ASSETS	232.081.510	203.262
ASSETS	290.623.629	257.708

BALANCE SHEET AT 31. DECEMBER 2018
EQUITY AND LIABILITIES

	2018 DKK	2017 TDKK
Contributed capital	4.136.537	3.946
Retained earnings	78.924.077	79.358
2 EQUITY	83.060.614	83.304
Credit institutions	51.085.363	48.280
Long-term payables	51.085.363	48.280
Trade creditors	156.477.653	126.123
Short-term payables	156.477.653	126.123
PAYABLES	207.563.016	174.403
EQUITY AND LIABILITIES	290.623.630	257.707

3 Contractual obligations and contingent items, etc.

4 Charges and securities

NOTES

	2018 DKK	2017 TDKK
1 Property, plant and equipment		
Cost at beginning of period		71.129.040
Additions during the year.....		0
Disposals during the year.....		0
		71.129.040
Depreciation and impairment losses arising on assets disposed of		-26.202.253
Amortisation, depreciation and impairment losses for the year		-7.112.904
		-33.315.157
Book value 31. December 2018		37.813.883
	Opening balance	Closing balance
2 Equity		
Contributed capital.....	3.945.672	4.136.537
Retained earnings	79.358.698	78.924.077
	83.495.235	83.060.614
3 Contractual obligations and contingent items, etc.		
None		
4 Charges and securities		
None		