Grant Thornton

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Global Tunnelling Experts (Danmark) ApS

Gulagervej 3, 4173 Fjenneslev

Company reg. no. 33 35 60 05

Annual report

1 January - 31 December 2019

The annual report was submitted and approved by the general meeting on the

Nils Kjellegaard Jensen
Chairman of the meeting

Contents

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 EUR 146.940 means the amount of EUR 146,940, and that 23,5 % means 23.5 %.

Management's report

The board of directors and the executive board have today presented the annual report of Global Tunnelling Experts (Danmark) ApS 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 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.

The annual report is recommended for approval by the general meeting.

Fjenneslev, 5 March 2020

Executive board

Kevin Browning

Claus Nielsen

Board of directors

Günter Riehler

Nils Kjellegaard Jensen

Independent auditor's report

To the shareholders of Global Tunnelling Experts (Danmark) ApS

Opinion

We have audited the annual accounts of Global Tunnelling Experts (Danmark) ApS for the financial year 1 January to 31 December 2019, which comprise accounting policies used, profit and loss account, balance sheet, statement of changes in equity 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 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

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

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.

Viby Sj., 5 March 2020

Grant Thornton
State Authorised Public Accountants
Company reg. no. 34 20 99 36

Morten Skovbjerg Kristiansen
State Authorised Public Accountant
mne31448

Company data

The company	Global Tunnelling Experts (Danmark) ApS Gulagervej 3 4173 Fjenneslev	
	Company reg. no.	33 35 60 05
	Financial year:	1 January - 31 December 9th financial year
Board of directors	Günter Richter Nils Kjellegaard Jensen	
Executive board	Kevin Browning Claus Nielsen	
Auditors	Grant Thornton, Statsautoriseret Revisionspartnerselskab Søndergade 7 4130 Viby Sj.	
Parent company	Global Tunnelling Experts Holding B.V., Nederlands	

Management's review

The principal activities of the company

Like previous years, the principal activities are providing construction companies with qualified personnel for all jobs througout all the construction phases on tunnel construction sites.

Development in activities and financial matters

The net turnover for the year is EUR 7.874.000 against EUR 7.098.000 last year. The results from ordinary activities after tax are EUR 299.000 against EUR 319.000 last year. The management consider the results satisfactory.

Accounting policies used

The annual report for Global Tunnelling Experts (Danmark) ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

The accounting policies used are unchanged compared to last year, and the annual report is presented in euro (EUR).

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.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

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.

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.

Accounting policies used

Fixed assets and other non-monetary assets acquired in foreign currency and which are not considered to be investment assets purchased in foreign currencies are measured at the exchange rate on the transaction date.

Income statement

Net turnover

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.

Other external costs

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.

Interest and other costs concerning loans for financing the production of intangible and tangible fixed assets and concerning the production period are not recognised in the cost of the fixed asset.

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 balance sheet

Tangible fixed assets

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

Accounting policies used

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.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing.

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

	Useful life	Residual value
Buildings	30 years	20 %
Technical plants and machinery	5-10 years	0-20 %
Other plants, operating assets, fixtures and furniture	3-5 years	0-20 %

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 rental agreements are recognised in the profit and loss account over the term of the contract. The company's total liabilities concerning operating leases and rental agreements are recognised under contingencies etc.

Decoration of rented premises

Decoration of rented premises are measured at cost with deduction of accrued depreciation. Depreciation takes place on a straight-line basis over the estimated useful life of the asset, which is set at 5 years.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accounting policies used

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.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under the equity. Proposed dividend is recognised as a liability at the time of approval by the general meeting (the time of declaration).

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.

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.

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

Financial liabilities related to borrowings are recognised at the received proceeds with the deduction of transaction costs incurred. In following periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value by use of the effective interest. The difference between the proceeds and the nominal value is recognised in the profit and loss account during the term of the loan.

Mortgage debt and bank debt are for instance measured at amortised cost. As to cash loans, this corresponds to the outstanding debt of the loan. For bond loans, the amortised cost corresponds to an outstanding debt calculated as the underlying cash value at the date of borrowing adjusted by amortisation of the market value adjustment on the date of the borrowing carried out over the repayment period.

Also capitalised residual leasing liabilities in connection with financial leasing contracts are recognised in the financial liabilities.

Accounting policies used

Liabilities relating to investment properties are measured at amortised cost.

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

Profit and loss account 1 January - 31 December

All amounts in EUR.

Note		2019	2018
	Net turnover	7.873.757	7.097.638
	Other external costs	-629.984	-714.477
	Gross results	**7.243.773**	**6.383.161**
1	Staff costs	-6.841.376	-5.956.758
	Depreciation and writedown relating to tangible fixed assets	-11.470	-9.027
	Operating profit	**390.927**	**417.376**
	Other financial costs	-1.594	-4.971
	Results before tax	**389.333**	**412.405**
2	Tax on ordinary results	-90.166	-93.623
	Results from ordinary activities after tax	**299.167**	**318.782**
	Results for the year	**299.167**	**318.782**
	Proposed distribution of the results:		
	Dividend for the financial year	300.000	300.000
	Allocated to results brought forward	0	18.782
	Allocated from results brought forward	-833	0
	Distribution in total	**299.167**	**318.782**

Balance sheet 31 December

All amounts in EUR.

Note	Assets	2019	2018
	Fixed assets		
3	Other plants, operating assets, and fixtures and furniture	3.291	4.656
4	Decoration rented premises	32.767	42.872
	Tangible fixed assets in total	36.058	47.528
	Fixed assets in total	**36.058**	**47.528**
	Current assets		
	Trade debtors	172.620	0
	Amounts owed by group enterprises	550.060	888.304
	Receivable corporate tax	590	0
	Accrued income and deferred expenses	11.058	10.411
	Debtors in total	734.328	898.715
	Available funds	413.826	214.125
	Current assets in total	**1.148.154**	**1.112.840**
	Assets in total	**1.184.212**	**1.160.368**

Balance sheet 31 December

All amounts in EUR.

Note	Equity and liabilities	2019	2018
	Equity		
	Contributed capital	10.791	10.791
	Results brought forward	524.071	524.904
	Proposed dividend for the financial year	300.000	300.000
	Equity in total	**834.862**	**835.695**
	Provisions		
	Provisions for deferred tax	883	808
	Provisions in total	**883**	**808**
	Liabilities		
5	Other debts	11.752	0
	Long-term liabilities in total	11.752	0
	Trade creditors	31.844	47.957
	Debt to group enterprises	0	20.899
	Corporate tax	0	14.721
	Other debts	304.871	240.288
	Short-term liabilities in total	336.715	323.865
	Liabilities in total	**348.467**	**323.865**
	Equity and liabilities in total	**1.184.212**	**1.160.368**

6 Contingencies

Statement of changes in equity

All amounts in EUR.

	Contributed capital	Results brought forward	Proposed dividend for the financial year	In total
Equity 1 January 2018	10.791	506.122	0	516.913
Profit or loss for the year brought forward	0	18.782	300.000	318.782
Equity 1 January 2019	10.791	524.904	300.000	835.695
Distributed dividend	0	0	-300.000	-300.000
Profit or loss for the year brought forward	0	-833	300.000	299.167
	10.791	**524.071**	**300.000**	**834.862**

Notes

All amounts in EUR.

		2019	2018
1.	**Staff costs**		
	Salaries and wages	6.534.274	5.752.981
	Pension costs	36.980	22.372
	Other costs for social security	270.122	181.405
		6.841.376	**5.956.758**
	Average number of employees	96	90
2.	**Tax on ordinary results**		
	Tax of the results for the year, parent company	86.027	93.268
	Adjustment for the year of deferred tax	75	355
	Adjustment of tax for previous years	4.064	0
		90.166	**93.623**
3.	**Other plants, operating assets, and fixtures and furniture**		
	Cost 1 January 2019	6.813	6.813
	Cost 31 December 2019	**6.813**	**6.813**
	Amortisation and writedown 1 January 2019	-2.157	-795
	Depreciation for the year	-1.365	-1.362
	Amortisation and writedown 31 December 2019	**-3.522**	**-2.157**
	Book value 31 December 2019	**3.291**	**4.656**

Notes

All amounts in EUR.

		31/12 2019	31/12 2018
4.	**Decoration rented premises**		
	Cost 1 January 2019	50.537	28.758
	Additions during the year	0	21.779
	Cost 31 December 2019	**50.537**	**50.537**
	Depreciation and writedown 1 January 2019	-7.663	0
	Depreciation for the year	-10.107	-7.665
	Depreciation and writedown 31 December 2019	**-17.770**	**-7.665**
	Book value 31 December 2019	**32.767**	**42.872**

		31/12 2019	31/12 2018
5.	**Other debts**		
	Other debts in total	**11.752**	**0**
	Share of liabilities due after 5 years	11.752	0

6. Contingencies

Contingent liabilities

Leasing liabilities

The company has entered into operational leasing contracts with an average annual leasing payment of kEUR 20. The leasing contracts have in average 15 months left to run, and the total outstanding leasing payment is kEUR 40.