
Alsik A/S

Nørre Havnegade 43, c/o Bitten & Mads Clausens
Fond, DK-6400 Sønderborg

Annual Report for 1 January - 31 December 2018

CVR No 37 38 96 09

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
16/5 2019

Per Egebæk Have
Chairman of the General
Meeting



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Alsik A/S for the financial year 1 January - 31 December 2018.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2018 of the Company and of the results of the Company operations for 2018.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Sønderborg, 16 May 2019

Executive Board

Per Egebæk Have
Executive Officer

Marek Nicolas Riegger
Executive Officer

Board of Directors

Peter M. Clausen
Chairman

Marek Nicolas Riegger

Per Egebæk Have

Gert Prantner

Gitte Tveen

Independent Auditor's Report

To the Shareholders of Alsik A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Alsik A/S for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

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 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 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 audit of the Financial Statements

Our objectives are to obtain reasonable assurance about 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 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 reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

Independent Auditor's Report

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 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.

Independent Auditor's Report

Hellerup, 16 May 2019

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Mads Melgaard

State Authorised Public Accountant

mne34354

Kristian Kjær Jensen

State Authorised Public Accountant

mne35627

Company Information

The Company

Alsik A/S
Nørre Havnegade 43
c/o Bitten & Mads Clausens Fond
DK-6400 Sønderborg

CVR No: 37 38 96 09
Financial period: 1 January - 31 December
Municipality of reg. office: Sønderborg

Board of Directors

Peter M. Clausen, Chairman
Marek Nicolas Riegger
Per Egebæk Have
Gert Prantner
Gitte Tveen

Executive Board

Per Egebæk Have
Marek Nicolas Riegger

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Income Statement 1 January - 31 December 2018

	Note	2018 TDKK	2017 TDKK
Gross profit/loss		-7,854	-1,421
Financial income		0	4
Financial expenses	2	-40	-25
Profit/loss before tax		-7,894	-1,442
Tax on profit/loss for the year	3	1,736	317
Net profit/loss for the year		-6,158	-1,125

Distribution of profit

Proposed distribution of profit

Retained earnings		-6,158	-1,125
		-6,158	-1,125

Balance Sheet 31 December

Assets

	<u>Note</u>	<u>2018</u> TDKK	<u>2017</u> TDKK
Other receivables		567	162
Deferred tax asset	3	6	0
Corporation tax receivable from group enterprises		1,730	317
Prepayments		<u>834</u>	<u>0</u>
Receivables		<u>3,137</u>	<u>479</u>
Cash at bank and in hand		<u>9,685</u>	<u>7,751</u>
Currents assets		<u>12,822</u>	<u>8,230</u>
Assets		<u>12,822</u>	<u>8,230</u>

Balance Sheet 31 December

Liabilities and equity

	Note	2018 TDKK	2017 TDKK
Share capital		10,000	10,000
Retained earnings		-8,039	-1,881
Equity		1,961	8,119
Trade payables		805	111
Payables to group enterprises		10,025	0
Other payables		31	0
Short-term debt		10,861	111
Debt		10,861	111
Liabilities and equity		12,822	8,230
Key activities	1		
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Statement of Changes in Equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January	10,000	-1,881	8,119
Net profit/loss for the year	0	-6,158	-6,158
Equity at 31 December	10,000	-8,039	1,961

Notes to the Financial Statements

1 Key activities

The Company's main activity is hotel business in Sønderborg and related activities.

	2018 TDKK	2017 TDKK
2 Financial expenses		
Interest paid to group enterprises	25	0
Other financial expenses	15	25
	40	25
3 Tax on profit/loss for the year		
Current tax for the year	-1,730	-317
Deferred tax for the year	-6	0
	-1,736	-317

4 Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Lease obligation, period of non-terminability varies between 3-6 months.	138	64
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Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Danfoss A/S, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Notes to the Financial Statements

5 Related parties

Ownership

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Bitten & Mads Clausens Fond, Nordborgvej 81, 6430 Nordborg.

Consolidated Financial Statements

The company is included in the Group Annual Report of parent:

<u>Name</u>	<u>Place of registered office</u>
Bitten & Mads Clausens Fond	Nordborg

Notes to the Financial Statements

6 Accounting Policies

The Annual Report of Alsik A/S for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2018 are presented in TDKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset 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 out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Income Statement

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of other external expenses.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Notes to the Financial Statements

6 Accounting Policies (continued)

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed Danfoss-group wholly owned danish subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable income and losses (fully allocation when reimbursement of taxable loss).

Balance Sheet

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning fixed assets.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Notes to the Financial Statements

6 Accounting Policies (continued)

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.