REVISIONSHUSET TAL & TANKER

DS Triple A/S

F.L.Smidths Vej 9, 8600 Silkeborg

Company reg. no. 37 96 34 61

Annual report

1 January - 31 December 2018

The annual report have been submitted and approved by the general meeting on the 20 May 2019.

Carl Erik Skovgaard
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 DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

The board of directors and the managing director have today presented the annual report of DS Triple A/S for the financial year 1 January to 31 December 2018.

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 2018 and of the company's results of its activities in the financial year 1 January to 31 December 2018.

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.

Silkeborg, 13 March 2019

Managing Director

Karsten Haubjerg Olesen

Board of directors

Carl Erik Skovgaard Chairmann	Søren Sten Rasmussen	John Bo Christensen
Karl Klaus Bruno Dam		

Independent auditor's report

To the shareholders of DS Triple A/S

Opinion

We have audited the annual accounts of DS Triple A/S for the financial year 1 January to 31 December 2018, which comprise accounting policies used, profit and loss account, balance sheet 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 2018 and of the results of the company's operations for the financial year 1 January to 31 December 2018 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.

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.

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.

Silkeborg, 13 March 2019

Revisionshuset Tal & Tanker
Statsautoriseret revisionspartnerselskab
Company reg. no. 37 31 56 64

Martin Brinch Therkelsen
State Authorised Public Accountant
mne35449

Company data

The company	DS Triple A/S F.L.Smidths Vej 9 8600 Silkeborg	
	Company reg. no.	37 96 34 61
	Established:	24 August 2016
	Domicile:	
	Financial year:	1 January - 31 December 2nd financial year
Board of directors	Carl Erik Skovgaard, Chairmann Søren Sten Rasmussen John Bo Christensen Karl Klaus Bruno Dam	
Managing Director	Karsten Haubjerg Olesen	
Auditors	Revisionshuset Tal & Tanker, Statsautoriseret revisionspartnerselskab Frichsvej 19 8600 Silkeborg	
Bankers	Danske Bank, Erhvervscenter Aarhus, Kannikegade 4-6, 8000 Aarhus C	

Management's review

The principal activities of the company

The main activity is development and manufacturing of thermal heat treatment plants for the Dairy, Food and Beverage industri and undertaking other activities that, in the opinion of the Board is related.

Development in activities and financial matters

The company delivers a positive result that the management considers satisfactory. The company is experiencing a positive development and has seen strong growth in revenue and the number of employees. The strong growth has affected the result for the year, as large investments have been made in employees and equipment.

Events subsequent to the financial year

Developments in activities and financial conditions for the financial year 2019 has been positive up to date, and continued growth in revenue is expected, as well as increased earnings for the entire financial year 2019.

Accounting policies used

The annual report for DS Triple A/S 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 accounts are presented in Danish kroner (DKK).

Comparative figures in the annual report covers the period August 24, 2016 - December 31, 2017.

The profit and loss account

Gross profit

The gross profit comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.

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.

Cost of sales include costs for the purchase of raw materials and consumables less discounts and changes in inventories.

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, amortisation and writedown for the year and gains and losses on disposal of intangible and tangible fixed assets.

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 concern the financial year.

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

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

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
Other plants, operating assets, fixtures and furniture	3-5 years	0 %

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 loss is recognised in the profit and loss account under depreciation.

Writedown of fixed assets

The book values of both intangible and tangible fixed assets as well as equity investments in subsidiaries and associated enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets respectively. Writedown takes place to the recoverable amount, if this value is lower than the book value.

The recoverable value is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow deriving from the use of the asset or the group of assets.

Previously recognised writedown is reversed when the condition for the writedown no longer exists. Writedown relating to goodwill is not reversed.

Inventories

Inventories are measured at cost on the basis of the FIFO method. In case the net realisable value of the inventories is lower than the cost, writedown takes place to this lower value.

The cost for trade goods, raw materials, and consumables comprises the acquisition cost with the addition of the delivery costs.

The cost for manufactured goods and works in progress comprises the cost for raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance of and depreciation on machinery, factory buildings and equipment applied during the production process, and costs for factory administration and factory management. Borrowing costs are not recognised in cost.

The net realisable value for inventories is recognised as the market price with deduction of completion costs and selling costs. The net realisable value is determined taking into consideration the negotiability, obsolescence, and development of the expected market price.

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.

Work in progress for the account of others

Contract work in progress is measured at the selling price of the work performed, however with deduction of invoicing on account and expected losses. Contract work in progress is characterised by the manufactured goods featuring a high level of individualisation in the design. Furthermore, it is a requirement that before work is commenced, a binding contract is to be been entered into, implying penalty or damages in case of subsequent cancellation.

The selling price is measured on the basis of the stage of completion on the balance sheet date and the total expected income from the individual contracts. The stage of completion is determined on the basis of an evaluation of the work performed, usually determined as the ratio of the costs incurred to the total expected cost of the contract in question.

When it is probable that the total contract costs will exceed the total contract revenue, the expected contract loss is immediately recognised as costs and provisions.

If the results of a contract can not be estimated reliably, the selling price is only recognised on a cost basis, however, to the extent that it is probable that the costs will be recovered.

Contracts for which the selling price of the work performed exceeds invoicing on account and expected losses are recognised as trade debtors. Contracts for which invoicing on account and expected losses exceed the selling price are recognised as liabilities.

Prepayments from customers are recognised under liabilities.

Costs in connection with sales work and the achievement of contracts are recognised in the profit and loss account when incurred.

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.

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

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

Profit and loss account

All amounts in DKK.

Note		1/1 2018 - 31/12 2018	24/8 2016 - 31/12 2017
	Gross profit	**7.595.175**	**1.633.327**
1	Staff costs	-5.966.976	-2.881.069
	Depreciation and writedown relating to tangible fixed assets	-125.229	-41.270
	Operating profit	**1.502.970**	**-1.289.012**
	Other financial income	12.224	10
	Other financial costs	-52.011	-4.272
	Results before tax	**1.463.183**	**-1.293.274**
	Tax on ordinary results	-325.206	283.521
	Results for the year	**1.137.977**	**-1.009.753**
	Proposed distribution of the results:		
	Allocated to results brought forward	1.137.977	0
	Allocated from results brought forward	0	-1.009.753
	Distribution in total	**1.137.977**	**-1.009.753**

Balance sheet 31 December

All amounts in DKK.

Note	Assets	2018	2017
	Fixed assets		
2	Other plants, operating assets, and fixtures and furniture	743.874	72.782
	Tangible fixed assets in total	743.874	72.782
	Fixed assets in total	**743.874**	**72.782**
	Current assets		
	Manufactured goods and trade goods	2.000.022	1.109.195
	Inventories in total	2.000.022	1.109.195
	Trade debtors	4.002.559	1.070.997
	Work in progress for the account of others	7.190.632	0
	Deferred tax assets	0	283.521
	Other debtors	2.008.932	0
	Accrued income and deferred expenses	98.202	58.901
	Debtors in total	13.300.325	1.413.419
	Available funds	1.314.966	3.005.227
	Current assets in total	**16.615.313**	**5.527.841**
	Assets in total	**17.359.187**	**5.600.623**

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities

Note		2018	2017
	Equity		
3	Contributed capital	3.000.000	3.000.000
4	Results brought forward	1.128.224	-9.753
	Equity in total	**4.128.224**	**2.990.247**
	Provisions		
	Provisions for deferred tax	41.685	0
	Provisions in total	**41.685**	**0**
	Liabilities		
	Work in progress for the account of others	4.125.344	940.208
	Trade creditors	5.182.648	1.249.936
	Other debts	3.881.286	420.232
	Short-term liabilities in total	13.189.278	2.610.376
	Liabilities in total	**13.189.278**	**2.610.376**
	Equity and liabilities in total	**17.359.187**	**5.600.623**

5 Mortgage and securities

6 Contingencies

Notes

All amounts in DKK.

		1/1 2018 - 31/12 2018	24/8 2016 - 31/12 2017
1.	**Staff costs**		
	Salaries and wages	5.048.232	2.499.725
	Pension costs	679.595	275.517
	Other costs for social security	32.376	16.756
	Other staff costs	206.773	89.071
		5.966.976	**2.881.069**
	Average number of employees	10	4
2.	**Other plants, operating assets, and fixtures and furniture**		
	Cost 1 January 2018	114.052	0
	Additions during the year	796.321	114.052
	Cost 31 December 2018	**910.373**	**114.052**
	Amortisation and writedown 1 January 2018	-41.270	0
	Depreciation for the year	-125.229	-41.270
	Amortisation and writedown 31 December 2018	**-166.499**	**-41.270**
	Book value 31 December 2018	**743.874**	**72.782**
3.	**Contributed capital**		
	Contributed capital 1 January 2018	3.000.000	780.000
	Cash capital increase	0	2.220.000
		3.000.000	**3.000.000**
4.	**Results brought forward**		
	Results brought forward 1 January 2018	-9.753	0
	Profit or loss for the year brought forward	1.137.977	-1.009.753
		0	1.000.000
		1.128.224	**-9.753**

Notes

All amounts in DKK.

5. Mortgage and securities

For the security of the company's rent contract, DKK 180.000 is deposited in a security account, and DKK 360.000 is bank guarantee. The deposited amount is included in the item Available funds.

6. Contingencies

Contingent liabilities

Rental obligations

The company has a rental obligation of 60 months rent equivalent to DKK 4.122.000.

Other obligations

The company has other rental obligations of 70 months equivalent to DKK 210.000.