



# Cembrit Logistics A/S

*Sohngårdsholmsvej 2, DK-9000 Aalborg*  
*Central Business Registration No. 38393693*

**Annual report 2017**

**3 February – 31 December 2017**

The Annual General Meeting adopted the annual report on 30/4 2018

## **Chairman of the Annual General Meeting**

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Name: Rikke Alsted Houlberg  
General Counsel

# Entity details

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## **Address**

Cembrit Logistics A/S  
Sohngårdsholmsvej 2, DK-9000 Aalborg

## **Entity details**

Central Business Reg. No.: 38393693  
Established: 3 February 2017  
Registered office: Aalborg, Denmark  
Financial year: 3 February – 31 DececeMBER

## **Board of Directors**

Rikke Alsted Houlberg, Chairman  
Torben Axelsen  
Jacob Moesgård

## **Executive Directors**

Jacob Moesgård

## **Company auditors**

PRICEWATERHOUSECOOPERS  
Statsautoriseret Revisionspartnerselskab

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## Statement by Management

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We have today considered and approved the Annual Report of Cembrit Logistics A/S for the financial year 3 February 2017 – 31 December 2017.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the Entity's financial position at 31 December 2017 and of the results of its operations for the financial year 3 February 2017 – 31 December 2017.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

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

Aalborg, 30/4 2018

### Executive Board



Jacob Moesgård  
Director

### Board of Directors



Rikke Alsted Houlberg  
Chairman



Torben Axelsen



Jacob Moesgård

# Independent auditor's reports

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To the Shareholders of Cembrit Logistics 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 2017, and of the results of the Company's operations for the financial year 3 February - 31 December 2017 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Cembrit Logistics A/S for the financial year 3 February - 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("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.

## **Statement on Management's Review**

Management is responsible for 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 audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, 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 in Management's Review.

### **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.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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.

*Aalborg, 30/4 2018*

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
CVR no. 33 77 12 31



Mikkel Styrup  
State Authorised Public Accountant  
mne26693



Søren Korgaard-Møllerup  
State Authorised Public Accountant  
mne31477

# Management commentary

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The Company was established 3 February 2017 and the primary activity is to operate warehouse and logistic activities.

## **Development in the year**

The Company has from 1 April 2017 taken over the warehouse and logistic activities from the Sister Company Cembrit A/S.

Revenue for the period 3 February – 31 December 2017 amounted to DKK 352,7m. Profit for the period 3 February – 31 December 2017 was DKK 13m. The result is at a satisfactory level.

## **Expectations to 2018**

Expectation for 2018 is a result at the same level as 2017.

## **Uncertainty relating to recognition and measurement**

There are no material uncertainty relating to recognition and measurement.

## **Risk factors – general risks**

Cembrit Logistics A/S acts as a warehouse and logistic function in Cembrit Group. Therefore, it is important to continue to improve strong delivery performance.

## **Intellectual capital resources**

The Company is characterized by a dynamic environment, which places great demands on the company when it comes to attracting and retaining skilled employees.

## **Employees and working environment**

Due to their know-how, networks and competencies the company's employees are a significant competitive factor for the company. Therefore, job satisfaction is of great importance to the company.

The Company has an open and clear employment policy where there is room for diversity and development. In addition, a number of employee benefits to improve their physical, psychological and social well-being are offered. There is continuous focus on improving working conditions and the environment in the Company to retain committed employees and create a positive environment.

## **Statutory statement on social responsibility in accordance with section 99a of the Danish Financial Statements Act**

Acting with uncompromising integrity is an important enabler of being successful in today's business environment. Cembrit Logistics A/S focuses on CSR (Corporate Social Responsibility).

## **Environment and climate**

Cembrit Logistics A/S focuses on sustainability in the consumption of resources and by optimising transport.



Cembrit adheres to environmental regulatory requirements and keep the related activities of the company in compliance with valid permits. Cembritle encourage staff to environmentally friendly mode of operation and high focus is paid on using environmentally friendly materials.

Further details regarding environment and climate can be found in Cembritle Groups Management Commentary (the ultimate parent company).

### **Code of Conduct**

The Cembritle Code of Conduct is a set of principles outlining the expected ethical behaviour of employees and stakeholders doing business with or on behalf of Cembritle.

The Code of Conduct sets the standards in various areas in order to uphold Cembritle's reputation as a company with a high level of integrity and trustworthiness.

In relation to employees, Cembritle strives to create a work environment characterized by mutual trust, teamwork and respect for the individual.

Cembritle considers its employees to be important resources in achieving its goals and gives safety the highest priority; all employees are entitled to a safe and secure workplace where no one is exposed to unnecessary risk. As such Cembritle is committed to giving employees the training and information they need to manage risks in their own work areas.

Furthermore, Cembritle gives the highest priorities to ensure the following for all Cembritle employees

- Respect and Fairness
- Basic employee rights
- Equality and non-discrimination
- Harassment-free working environment
- Respect for data privacy

During 2017 Cembritle has actively promoted its own standards towards the primary business partners introducing the Cembritle Code of Conduct as a part of the basis of contracts when renegotiating contract terms. The process during 2017 was to have all primary suppliers commit to the principles of the Cembritle Code of Conduct or to evaluate if the suppliers own Code of Conduct was compliant. This initiative will be followed up by a Supplier Code of Conduct in 2018 based on the same principles of the Cembritle Code of Conduct.

### **Human rights and labour**

At Cembritle we are strong advocates of the rights of our employees both under the International Bill of Human Rights and the International Labour Organization & fundamental conventions. The following highlights specific areas, where Cembritle's Code of Conduct highlight expectations of business partner performance:

- Respect and Fairness
- Illegal labour
- Basic employee rights
- Equality and non-discrimination
- Harassment-free working environment
- Respect for privacy
- Information security

Cembrit published in 2017 a UK Modern Slavery Statement giving the overview of steps taken to ensure that modern slavery and human trafficking is not taking place within the business of Cembrit or its supply chain. The Statement is supported by the implementation of the Cembrit Human Rights Policy in 2017.

As an important area of focus related to the respect for human rights, Cembrit continually works to protect the right to privacy. In 2017, Cembrit has achieved several significant results regarding the protection of personal data and information security. Through data mapping and internal procedures and processes we have personal data protection and information security across the organisation as well as with the company's suppliers.

### **Social responsibility**

Acting with uncompromising integrity is an important enabler of being successful in today's business environment. Cembrit focus on CSR (Corporate Social Responsibility).

To underline Cembrit's strong focus on corporate behaviour and how we strive to work with customers, suppliers, competitors and other stakeholders a number of new policies was implemented in 2016 as a part of our Group Code of Conduct setting the standards in various areas to uphold Cembrit's reputation as a company with a high level of integrity and trustworthiness. Together with the internal policies specified below the Group Code of Conduct implemented in May 2016 outlined the principles and minimum standards regarding the expected ethical behaviour of employees and stakeholders doing business with or on behalf of Cembrit thereby focusing on Human Rights and Labour, Internal Issues, External Partners and the Environment & External Community.

#### *Anti-bribery Policy*

Bribery is a criminal offence. Not only can bribery expose you to personal criminal prosecution, but can also result in legal and reputational issues for Cembrit. Cembrit employees must not engage in any form of bribery, such practices are illegal and unacceptable.

Not only do we explicitly not tolerate bribery within our own organization, but also through business partners undertaking business on our behalf (e.g. distributors, agents, consultants, lobbyists etc.).

#### *Anti-Competition Policy*

Competition is an essential element of an effective industry. Any arrangement that restricts competition jeopardises business, and will ultimately harm not only the companies concerned, but also society in general. Anti-competition laws apply in every country where Cembrit conducts business.

Cembrit's recognises that not only can business and reputation be damaged by illegal and anti-competitive behaviour, but there would be potential legal actions for the company and individuals.

Cembrit commits to not engaging in any anti-competitive practices. Cembrit does not tolerate any such actions that would breach these practices.

The practical guidance for anti-competition within Cembrit is never to discuss any potentially sensitive commercial matters under any circumstances. Furthermore, authorisations within Cembrit are in place to avoid unfortunate situations.

In 2017 internal manuals and procedures were introduced to the employees of Cembrit to ensure that all entities within the Group are prepared to support any government inspections and investigations in a professionally and orderly manner.

### *Conflict of interest Policy*

A conflict of interest occurs when an individual's obligations and interests as a trusted employee conflicts with their private interests. Even the mere appearance of a conflict of interest can seriously damage a company's reputation.

It is important that Cembrit conducts business activities in the best interests of the company and that employees do not place their own personal interests ahead of those of Cembrit's business.

Cembrit recognises that employees are entitled to take part in legitimate financial, business and other activities outside of work. To the extent that these other activities might affect (or potentially be perceived by others to affect) their ability to carry out their role effectively at Cembrit, or affect their judgement, objectivity or loyalty to the Group, they must be disclosed, authorised and potentially terminated.

A practical guidance has been made related to investments, relatives and close friends, outside employment and directorships and exchange of non-monetary items. Furthermore, internal approvals in the organisation are accomplished.

These policies implemented back in 2016 created a focus and awareness in the Group of acting in a social responsible way. The contribution from doing business in a social responsible way – both to employees, business partners, customers and other stakeholders - are of great importance to Cembrit.

In 2017 a risk assessment process was completed focusing on Cembrit Business Partners. Cembrit performed an annual screening of the main suppliers to identify potential risks and to mitigate such going forward. The screening was done based on criteria of turnover and focuses on suppliers of raw materials and buy-for-resale, to evaluate if the suppliers are compliant with the Cembrit Code of Conduct.

As the next natural step the following policies will be completed in 2018:

- Cembrit Business Partner Policy
- Cembrit Gifts & Entertainment Policy
- Cembrit Supplier Code of Conduct

### **Statutory statement on the underrepresented gender in accordance with section 99b of the Danish financial statement act**

Cembrit's target is to have a balanced gender diversity on Board of Directors. It is Cembrit's objective that the underrepresented gender must be aligned with the recommendations from the Danish Business Authority for board members elected at the annual general meeting.

To ensure the diversity in Cembrit in the future, Cembrit focus on the following initiatives:

- Cembrit is a company that always strive to hire or appoint the best-qualified people at all levels including executive and board positions. If two or more candidates for a board position are evenly qualified, the person that represents the underrepresented gender will be preferred
- When recruiting candidates for board positions, Cembrit requires that at least one of the candidates represents the underrepresented gender

The current gender ratio in top management, the Board of Directors, is two male and one female.

The current gender ratio in the executive board is one male.

- It is always Cembrit's overall goal to comply with applicable law, which means to reach the targets in the recommendations from the Danish Business Authorities. It is Cembrit's target, to have at least one woman on the Board of Directors. This target is fulfilled.

### **Ownership**

The Company is 100% owned by Cembrit Holding A/S.

### **Events occurring after the balance sheet date**

From the balance sheet date and until today, no events have occurred which change the evaluation of the annual report.

## Financial highlights

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	<b>2017*</b> <u>DKK (000)</u>
<b>INCOME STATEMENT</b>	
Revenue	352,673
Gross profit/loss	36,120
Operating profit/loss	15,729
Profit/loss from ordinary activities before tax	16,125
<b>Profit/loss for the year</b>	<b>12,576</b>
<b>BALANCE SHEET</b>	
Total assets	173,542
Equity	13,076
Investments	600
<b>FINANCIAL RATIOS</b>	
Gross margin	10.2%
Net margin	3.6%
Return on assets	9.3%
Return on equity	123.3%
Solvency ratio	7.5%

\*Cembrit Logistics A/S was established 3 February 2017.

The ratios have been prepared in accordance with the definitions under accounting policies.

## Accounting policies

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### **Basis of Preparation**

This Annual Report of Cembrit Logistics A/S for 2017 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

Financial Statements for 2017 are presented in TDKK.

### **Cash-flow statement**

With reference to section 86 (4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statement of Cembrit Group A/S, the Company has not prepared a cash flow statement.

### **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, write-downs and provisions as well as reversals due to altered accounting estimates of amounts which were previously recognized 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 the Company has a legal or constructive obligation as a result of a prior event and 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.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

### **Leases**

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

### **Translation policies**

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

### **Revenue**

Information on business segments and geographical segments are based on the Company's risks and returns and its internal financial reporting system. Business segments are regarded as the primary segments. The company has one activity/business area.

## **Income statement**

### **Revenue**

Revenue is recognised in the income statement when the sale is considered effected based on the following criteria:

- delivery has been made before year end;
- a binding sales agreement has been made;
- the sales price has been determined; and
- payment has been received or may with reason able certainty be expected to be received.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

### **Cost of sales**

Cost of sales comprises costs incurred to achieve revenue for the year. Cost comprises finished goods and goods-for-resale.

### **Distribution costs**

Distribution costs comprise costs in the form of salaries to sales and distribution staff, advertising and marketing expenses as well as operation of motor vehicles, depreciation, etc.

### **Administrative costs**

Administrative costs comprise expenses for Management, administrative staff, office expenses, depreciation, etc.

### **Financial income and expenses**

Financial income and expenses comprise interest, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the onaccount taxation scheme.

### **Tax on profit/loss for the year**

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to profit/loss for the year and recognised directly in equity by the portion attributable to entries directly in equity.

In 2017 the Company is jointly taxed with the other Danish group enterprises owned by Cembrit Group A/S. The share of the joint taxation income is fully allocated according to the current rules governing joint taxation.

## **Balance sheet**

### ***Property, plant and equipment***

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

- Plant and machinery: 15 years
- Other fixtures and fittings, tools and equipment: 3-15 years

Depreciation period and residual value are reassessed annually.

### ***Impairment of fixed assets***

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount. If so, the asset is written down to its lower recoverable amount.

### ***Inventories***

Inventories are measured at the lower of cost using the FIFO method and net realizable value.

The cost of finished goods and goods for resale equals landed cost.

### ***Receivables***

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

### ***Prepayments***

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

### ***Cash***

Cash comprises cash in hand and bank deposits.

## **Equity**

### ***Dividend***

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

### ***Deferred tax assets and liabilities***

Deferred tax is recognised on all temporary differences between the carrying amount and the tax base of assets and liabilities, for which the tax base of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.



### Current tax receivables and liabilities

Current tax liabilities and current tax receivables are recognized in the balance sheet as calculated tax on the taxable income, which is adjusted for prepaid tax.

### Financial debts

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

### Financial highlights

Explanation of financial ratios:

<b>Ratios</b>	<b>Calculation formula</b>
<i>Gross margin (%)</i>	$\frac{\text{Gross profit} * 100}{\text{Revenue}}$
<i>Net margin (%)</i>	$\frac{\text{Profit (loss) for the year} * 100}{\text{Revenue}}$
<i>Return on assets (%)</i>	$\frac{\text{Profit before tax} * 100}{\text{Average assets}}$
<i>Return on equity (%)</i>	$\frac{\text{Profit before tax} * 100}{\text{Average equity}}$
<i>Solvency ratio (%)</i>	$\frac{\text{Equity at year end} * 100}{\text{Total assets at year end}}$

## Income statement

DKK (000)	Notes	3/2-31/12 2017
Revenue	1	352,673
Cost of sales		(316,553)
<b>Gross profit/loss</b>		<b>36,120</b>
Distribution costs	2/4	(16,803)
Administrative costs	2/3	(3,588)
<b>Operating profit/loss</b>		<b>15,729</b>
Financial income	5	1,804
Financial expenses	6	(1,408)
<b>Profit/loss from ordinary activities before tax</b>		<b>16,125</b>
Tax on profit/loss from ordinary activities	7	(3,549)
<b>Profit/loss for the year</b>		<b>12,576</b>
<b>Proposed distribution of profit/loss</b>	8	
Proposed dividend for the year		12,576
		<b>12,576</b>

## Balance sheet – Assets at 31 December

DKK (000)	Notes	2017
Plant and machinery		129
Other fixtures and fittings, tools and equipment		174
<b>Property, plant and equipment</b>	9	<b>303</b>
<b>Fixed assets</b>		<b>303</b>
Finished goods and goods for resale		64,102
<b>Inventories</b>		<b>64,102</b>
Trade receivables		33
Receivables from group enterprises		103,717
Other receivables		7
Prepayments		54
Deferred tax	10	65
<b>Receivables</b>		<b>103,876</b>
<b>Cash</b>		<b>5,261</b>
<b>Current assets</b>		<b>173,239</b>
<b>Assets</b>		<b>173,542</b>

## Balance sheet – Equity & liabilities at 31 December

DKK (000)	Notes	2017
Share capital		500
Proposed dividend for the year		12,576
<b>Equity</b>	<b>11</b>	<b>13,076</b>
Trade payables		29,328
Payables to group enterprises		101,618
Corporation tax		3,614
Other payables	12	25,906
<b>Current liabilities other than provisions</b>		<b>160,466</b>
<b>Liabilities</b>		<b>160,466</b>
<b>Equity and liabilities</b>		<b>173,542</b>
Contingent liabilities	13	
Related parties	14	
Event occurring after the balance sheet date	15	

## Statement of changes in equity

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<u>DKK (000)</u>	<u>Share capital</u>	<u>Proposed dividend for the year</u>	<u>Total</u>
Equity 3 February 2017	500	0	500
Profit/loss for the year	<u>0</u>	<u>12,576</u>	<u>12,576</u>
<b>Equity 31 December 2017</b>	<b><u>500</u></b>	<b><u>12,576</u></b>	<b><u>13,076</u></b>

# Notes to the Financial Statements

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## 1. Revenue

DKK (000)	3/2-31/12 2017
<b>Revenue by geographical area</b>	
Denmark	327,422
Other countries in Europe	25,251
	<b>352,673</b>

The Company is considered only to have one activity/segment.

## 2. Staff costs

DKK (000)	3/2-31/12 2017
Wages and salaries	7,151
Pension costs	573
Other social security costs	95
	<b>7,819</b>

Staff costs are allocated as shown below:

Sales and distribution costs	7,507
Administrative costs	312
	<b>7,819</b>

Average number of employees	<b>18</b>
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The executive board and board of directors are not remunerated.

## 3. Fee to auditor appointed at Annual General Meeting

According to section 96 (3) of the Danish Financial Statements Act, fees to auditor elected at Annual General Meeting has not been disclosed.

#### 4. Depreciation and impairment losses

DKK (000)	3/2-31/12 2017
Depreciation on property, plant and equipment	297
	<b>297</b>
Depreciation are allocated as shown below:	
Distribution costs	297
	<b>297</b>

#### 5. Financial income

DKK (000)	3/2-31/12 2017
Exchange rate adjustments	1,803
Other interest income	1
	<b>1,804</b>

#### 6. Financial expenses

DKK (000)	3/2-31/12 2017
Financial expenses from group enterprises	939
Exchange rate adjustments	65
Other interest expenses	404
	<b>1,408</b>

## 7. Tax on profit/loss from ordinary activities

DKK (000)	3/2-31/12 2017
Current tax	3,614
Change in deferred tax	(65)
	<u><b>3,549</b></u>

## 8. Proposed distribution of profit/loss

DKK (000)	3/2-31/12 2017
Proposed dividend for the year	12,576
	<u><b>12,576</b></u>

## 9. Property, plant and equipment

DKK (000)	Plant and machinery	Other fixtures and fittings, tools and equipment	Total
<b>Property, plant and equipment</b>			
Cost beginning of year	0	0	0
Additions	130	470	600
<b>Cost end of year</b>	<u><b>130</b></u>	<u><b>470</b></u>	<u><b>600</b></u>
Depreciation and impairment losses beginning of year	0	0	0
Depreciation for the year	(1)	(296)	(297)
<b>Depreciation and impairment losses end of year</b>	<u><b>(1)</b></u>	<u><b>(296)</b></u>	<u><b>(297)</b></u>
<b>Carrying amount end of year</b>	<u><b>129</b></u>	<u><b>174</b></u>	<u><b>303</b></u>



## 10. Deferred tax

DKK (000)	<u>Total</u>
Tangible assets	<u>65</u>
Carrying amount at 31 December 2017	<u><u>65</u></u>

The tax value of losses that are expected with adequate certainty to be available for utilization against future taxable income is included in the measurement of deferred tax.

## 11. Equity

There has been no changes in share capital during the year.

## 12. Other payables

Other short-term liabilities include due holiday pay, public taxes, bonuses etc.

## 13. Contingent liabilities

Rental and lease commitments total DKK 8.4m.

Cembrit Logistics A/S participates in a Danish joint taxation arrangement with Cembrit Group A/S. Therefore, the Company has partial joint and partial secondary liability for any obligations to withhold tax on interest, royalties and dividend for the jointly taxed companies. However, secondary liability cannot exceed an amount equalling the share of capital held by the Company, which is owned directly or indirectly by the ultimate parent.

## **14. Related parties**

Cembrit Logistics A/S is 100% owned by Cembrit Holding A/S, Sohngårdsholmsvej 2, 9000 Aalborg.

Cembrit Logistics A/S is included in the Consolidated financial statement of the ultimate parent company, Cembrit Group A/S.

The Group Annual Report of Cembrit Group A/S may be obtained on the following address:

Cembrit Group A/S  
Sohngårdsholmsvej 2  
9000 Aalborg.

There have not been transactions with related parties that have not been carried out at arms length.

## **15. Event occurring after the balance sheet date**

From the balance sheet date and until today, no events have occurred which change the evaluation of the annual report.