

Cembrit Logistics A/S

Sohngårdsholmsvej 2, 9000 Aalborg

CVR no. 38 39 36 93

Annual report 2018

Approved at the Company's annual general meeting on 14 June 2019

Chairman:



Karsten Riis Andersen

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Cembrif Logistics 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 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.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

We recommend that the annual report be approved at the annual general meeting.

Aalborg, 14 June 2019
Executive Board:



Karsten Riis Andersen

Board of Directors:



Jørn Mørkeberg Nielsen
Chairman



Karsten Riis Andersen



Torben Axelsen



Independent Auditor's Report

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 2018, and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2018 in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

We have audited the Financial Statements of Cembrit Logistics 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 ("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 International Financial Reporting Standards as adopted by the EU and further requirements in 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

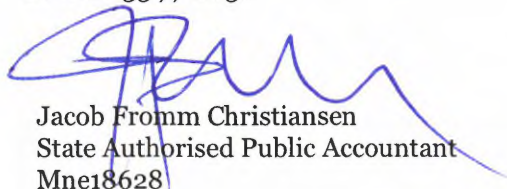
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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:

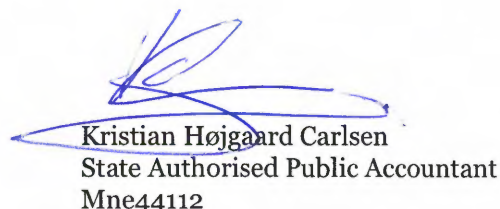
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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.

Hellerup,
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31



Jacob Fromm Christiansen
State Authorised Public Accountant
Mne18628



Kristian Højgaard Carlsen
State Authorised Public Accountant
Mne44112

Management's review

Company details

Name	Cembrit Logistics A/S
Address, Postal code, City	Sohngårdsholmsvej 2, 9000 Aalborg
CVR no.	38 39 36 93
Established	3 February 2017
Registered office	Aalborg
Financial year	1 January - 31 December

Board of Directors	Jørn Mørkeberg Nielsen, Chairman Karsten Riis Andersen Torben Axelsen
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Executive Board	Karsten Riis Andersen
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Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab CBR Strandvejen 44, 2900 Hellerup
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Financial highlights

DKK'000	2018 12 months	2017 11 months
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Key figures

Revenue	471,433	352,673
Gross margin	26,865	21,943
Ordinary operating profit/loss	5,208	1,255
Profit/loss before tax	-1,604	1,651
Profit/loss for the year	-1,448	1,287

Total assets	195,669	173,542
Investment in property, plant and equipment	0	600
Equity	12,763	1,787

Financial ratios

Gross margin	5.7%	6.2%
Return on assets	2.8%	0.7%
Equity ratio	6.5%	1.0%
Solvency ratio	-6.3%	7.5%

Average number of employees	17	18
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The financial ratios stated in the survey of financial highlights have been calculated as follows:

Gross margin ratio	$\frac{\text{Gross margin} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit/loss from operating activities} \times 100}{\text{Average assets}}$
Equity ratio	$\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$
Solvency ratio	$\frac{\text{Equity, year end} \times 100}{\text{Total assets, year end}}$

Management's review

Business review

The main activity of Cembrit Logistics A/S is to operate warehouse and logistic activities related to the Cembrit business.

To improve our logistics setup and reduce Cembrit's carbon footprint, the warehouse in Aalborg, Denmark, has been transferred to the southern part of Jutland, Denmark. The new warehouse will make rail transport more suitable, which will reduce Cembrit's carbon footprint compared to our predominant use of road transport in 2018 and reduce costs going forward when fully implemented.

Financial review

The income statement of the Company for 2018 shows a loss of DKKm -1,4 (2017: DKKm 1,3) and at 31 December 2018 the balance sheet of the Company shows equity of DKKm 12,8 (2017: DKKm 1,8).

During the preparation of the tax return for 2017 it was identified, that the Transfer Pricing adjustment according to the current transfer pricing setup was not included in the reported figures for 2017. The figures were adjusted to be able to report correct figures in the tax return, but because the 2017 Annual Report already was filled, no changes were made to this.

Because of this the 2017 figures have been adjusted in the 2018 Annual Report, which means that the profit for the year for 2017 is reduced with DKKm 11,3. In the 2017 Annual Report the full profit for the year was proposed as dividend which was approved, so in order to restore the capital loss which occurred when the dividend was paid out in 2018, a capital contribution of DKKm 25 was made from Cembrit Holding A/S by converting debt into equity.

Knowledge resources

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

Special risks

Risk will always play an important part in our business, and we maintain focus on the identification, mitigation and management of risks in our day-today work.

Cembrit's business is cyclical by nature. When the level of activity in the industry is high, as is currently the case, the primary focus is on new building rather than renovation. However, the expectation is that the renovation business will partly compensate for any decline in the construction industry in the event of a down-turn in the economy.

Statutory CSR report

For Cembrit, sustainability and CSR are about making the right choices to make life easier and better for our customers, colleagues, partners and other stakeholders. Behaving in a responsible manner has always been essential to Cembrit, and the CSR statement for Cembrit Group is the basis for our CSR work, together with our Code of Conduct, other policies, guidelines, tone from the top etc. Tone from the top has been and will continue to be a key element of Cembrit's CSR work to ensure ongoing adjustments and adherence to responsible behaviour. The CSR statement for Cembrit Group is based on the Global Compact's 10 principles. The company's CSR statement is included in the consolidated CSR statement of Cembrit Group A/S. The CSR statement of Cembrit Group is available on www.cembrit.com within the 'About Cembrit' and 'Finance' sections of the homepage.

Management's review

Account of the gender composition of Management

Equal opportunity for all employees is important to Cembrit, and accordingly we do not differentiate based on gender, race or religion when people are employed or promoted. The industry in which Cembrit operates has an overrepresentation of men, which makes it difficult to ensure a more balanced distribution between men and women. To further ensure gender diversity in the future, Cembrit will pursue the following initiatives, with a focus on women in management:

- Cembrit will always consider diversity when hiring or appointing people at all levels, including the Executive Management and the Board of Directors. If two or more candidates for a position are equally qualified, the candidate of the underrepresented gender will be preferred.
- When recruiting candidates for board positions, Cembrit will require at least one candidate of the underrepresented gender. Currently, Cembrit Logistics A/S's Board of Directors comprises three general assembly elected males. The Executive Board comprises one male.

It is Cembrit's target to have at least one general meeting-elected woman on the Board of Directors by 2021. Cembrit Logistics A/S had under 50 employees in 2018, so there is no requirement to implement and report about a gender target policy for underrepresented gender in the rest of the management levels.

Events 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.

Outlook

The level of activity is expected to be at the same level as of 2018.

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2018 12 months	2017 11 months
2	Revenue	471,433	352,673
	Cost of sales	-444,568	-330,730
	Gross profit	26,865	21,943
10	Distribution costs	-18,187	-17,100
10	Administrative expenses	-3,471	-3,588
	Operating profit	5,207	1,255
3	Financial income	3,757	1,804
4	Financial expenses	-10,568	-1,408
	Profit/loss before tax	-1,604	1,651
5	Tax for the year	156	-364
	Profit/loss for the year	-1,448	1,287

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2018	2017
	ASSETS		
	Fixed assets		
6	Property, plant and equipment		
	Plant and machinery	116	129
	Fixtures and fittings, other plant and equipment	157	174
		<u>273</u>	<u>303</u>
	Total fixed assets	<u>273</u>	<u>303</u>
	Non-fixed assets		
	Inventories		
	Finished goods and goods for resale	51,053	64,102
		<u>51,053</u>	<u>64,102</u>
	Receivables		
	Trade receivables	0	33
	Receivables from group enterprises	109,716	103,717
7	Deferred tax assets	216	65
	Other receivables	233	7
8	Prepayments	1,329	54
		<u>111,494</u>	<u>103,876</u>
	Cash	<u>32,849</u>	<u>5,261</u>
	Total non-fixed assets	<u>195,396</u>	<u>173,239</u>
	TOTAL ASSETS	<u>195,669</u>	<u>173,542</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2018	2017
	EQUITY AND LIABILITIES		
	Equity		
9	Share capital	500	500
	Retained earnings	12,263	-11,289
	Dividend proposed	0	12,576
	Total equity	12,763	1,787
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	16,543	29,328
	Payables to group enterprises	150,515	116,092
	Joint taxation contribution payable	0	429
	Other payables	15,848	25,906
		182,906	171,755
	Total liabilities other than provisions	182,906	171,755
	TOTAL EQUITY AND LIABILITIES	195,669	173,542

- 1 Accounting policies
- 11 Contractual obligations and contingencies, etc.
- 12 Collateral
- 13 Related parties
- 14 Fee to the auditors appointed by the Company in general meeting

Financial statements 1 January - 31 December

Statement of changes in equity

Note	DKK'000	Share capital	Retained earnings	Dividend proposed	Total
	Equity at				
	1 January 2018	500	0	12,576	13,076
	Adjustment of equity opening	0	-11,289	0	-11,289
15	Transfer, see "Appropriation of profit/loss"	0	-1,448	0	-1,448
	Dividend distributed	0	0	-12,576	-12,576
	Contribution from group	0	25,000	0	25,000
	Equity at				
	31 December 2018	500	12,263	0	12,763

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Cembrif Logistics A/S for 2018 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Material misstatements

During the preparation of the tax return for 2017 it was identified, that the Transfer Pricing adjustment according to the current transfer pricing setup was not included in the reported figures for 2017. The figures were adjusted to be able to report correct figures in the tax return, but because the 2017 Annual Report already was filled, no changes were made to this.

Because of this the 2017 figures have been adjusted in the 2018 Annual Report, which means that the profit for the year for 2017 is reduced with DKKm 11,3. In the 2017 Annual Report the full profit for the year was proposed as dividend which was approved, so to restore the capital loss which occurred when the dividend was paid out in 2018, a capital contribution of DKKm 25 was made from Cembrif Holding A/S by converting debt into equity.

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are reflected in the consolidated cash flow statement for the higher-ranking parent company Cembrif Group A/S.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Income statement

Revenue

The Company has chosen IAS 18 as interpretation for revenue recognition.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income from the sale of goods for resale and finished goods is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2010.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Distribution costs

Distribution costs comprise costs related to the distribution of goods sold in the year and to sales campaigns, etc. carried out in the year, including costs related to sales staff, advertising, exhibitions and amortisation/depreciation.

Administrative expenses

Administrative expenses include expenses incurred in the year for company management and administration, including expenses relating to administrative staff, Management, office premises and expenses as well as amortisation/depreciation of assets used for administrative purposes.

Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Plant and machinery	15 years
Fixtures and fittings, other plant and equipment	3-15 years

The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. In case of changes in the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Given the nature of the Group's cash pool arrangement, cash pool balances are not considered cash, but are recognised under "Receivables from group entities".

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Segment information

The allocation of revenue to activities and geographical markets is disclosed where these activities and markets differ significantly in the organisation of sales of goods and services.

Financial statements 1 January - 31 December

Notes to the financial statements

		2018 12 months	2017 11 months	
DKK'000				
2	Segment information			
	Breakdown of revenue by geographical segment:			
	Denmark	441,630	327,422	
	Other countries in Europe	29,803	25,251	
		<u>471,433</u>	<u>352,673</u>	
		2018 12 months	2017 11 months	
DKK'000				
3	Financial income			
	Exchange adjustments	0	1,803	
	Other financial income	3,757	1	
		<u>3,757</u>	<u>1,804</u>	
		2018 12 months	2017 11 months	
DKK'000				
4	Financial expenses			
	Interest expenses, group entities	3,784	939	
	Exchange adjustments	12	65	
	Other financial expenses	6,772	404	
		<u>10,568</u>	<u>1,408</u>	
		2018 12 months	2017 11 months	
DKK'000				
5	Tax for the year			
	Estimated tax charge for the year	-6	429	
	Deferred tax adjustments in the year	-150	-65	
		<u>-156</u>	<u>364</u>	
6	Property, plant and equipment			
		Plant and machinery	Fixtures and fittings, other plant and equipment	Total
DKK'000				
	Cost at 1 January 2018	130	470	600
	Cost at 31 December 2018	130	470	600
	Impairment losses and depreciation at 1 January 2018	1	296	297
	Depreciation	13	17	30
	Impairment losses and depreciation at 31 December 2018	14	313	327
	Carrying amount at 31 December 2018	<u>116</u>	<u>157</u>	<u>273</u>

Financial statements 1 January - 31 December

Notes to the financial statements

7 Deferred tax assets

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.

8 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years, including rent, DKK 1,045 thousand, utilities, DKK 200 thousand and other DKK 84 thousand.

DKK'000	2018	2017
9 Share capital		
Analysis of the share capital:		
5,000 A shares of DKK 100.00 nominal value each	500	500
	<u>500</u>	<u>500</u>

The Company's share capital has remained DKK 500 thousand in the past year.

DKK'000	2018 12 months	2017 11 months
10 Staff costs		
Wages/salaries	7,014	7,151
Pensions	545	573
Other social security costs	145	95
	<u>7,704</u>	<u>7,819</u>

Staff costs are recognised as follows in the financial statements:

Distribution	7,629	7,507
Administration	75	312
	<u>7,704</u>	<u>7,819</u>

	2018	2017
Average number of full-time employees	<u>17</u>	<u>18</u>

Part of the remuneration to the Company's Executive Board is paid by the parent Company.

11 Contractual obligations and contingencies, etc.

Other contingent liabilities

The Company is jointly taxed with its parent, Cembril Group A/S, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2017 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment.

Other financial obligations

Rent and lease liabilities totalling DKK 53,834 thousand in interminable rent agreements with remaining contract terms of 1-10 years.

Financial statements 1 January - 31 December

Notes to the financial statements

12 Collateral

The Company has not provided any security or other collateral in assets at 31 December 2018.

13 Related parties

Cembrit Logistics A/S' related parties comprise the following:

Parties exercising control

<u>Related party</u>	<u>Domicile</u>	<u>Basis for control</u>
Cembrit Holding A/S	Sohngaardsholmsvej 2, 9000 Aalborg	Parent Company

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
Cembrit Group A/S	Sohngaardsholmsvej 2, 9000 Aalborg	www.cembrit.com

Related party transactions

The Company solely discloses related party transactions that have not been carried out on an arm's length basis, cf. section 98c(7) of the Danish Financial Statements Act.

All transactions have been carried out on an arm's length basis.

14 Fee to the auditors appointed by the Company in general meeting

Audit fees are not disclosed with reference to section 96(3) of the Danish Financial Statements Act. The fee is specified in the consolidated financial statements for Cembrit Group A/S.

DKK'000	2018 12 months	2017 11 months
15 Appropriation of profit/loss		
Recommended appropriation of profit/loss	0	12,576
Proposed dividend recognised under equity	-1,448	-11,289
Retained earnings/accumulated loss	<u>-1,448</u>	<u>1,287</u>