Freeze HoldCo ApS

Parkvej 5, 9352 Dybvad

CVR no. 38 60 61 31

Annual report 2018

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

Chairman:

Heidi Lynnerup Larsen

Building a better working world

Contents

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 Freeze HoldCo ApS 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 consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Company at 31 December 2018 and of the results of the Group's and the Company's operations and of the consolidated cash flows 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 Group's and the Company's operations and financial matters and the results of the Group's and the Company's operations and financial position.

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

Dybvad, 5 March 2019
Executive Board:

Lars Priess

Board of Directors:

Ib Sand Nykjær Chairman	Oskar Lindholm-Wu	Tomas Håkan Therén
Lasse Viegand Hansen	Klaus Beyer Nielsen	Niels Lykke Graugaard

Independent auditor's report

To the shareholders of Freeze HoldCo ApS

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Freeze HoldCo ApS for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2018, and of the results of the Group's and Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 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 (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 consolidated financial statements and the parent Company financial statements" (herinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group 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 rules and requirements.

Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company 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 Group's and the Parent 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 Group or the Parent 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 as to 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 the financial statements.

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:

Independent auditor's report

- 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 Group's and the Parent 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 Group's and the Parent 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 Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Independent auditor's report

Based on the work we have performed, we conclude that the 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 of the Management's review.

Aalborg, 5 March 2019
Ernst & Young
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Søren V. Nejmann State Authorised Public Accountant mne32775	Thomas S. Kallehauge State Authorised Public Accountant mne35422

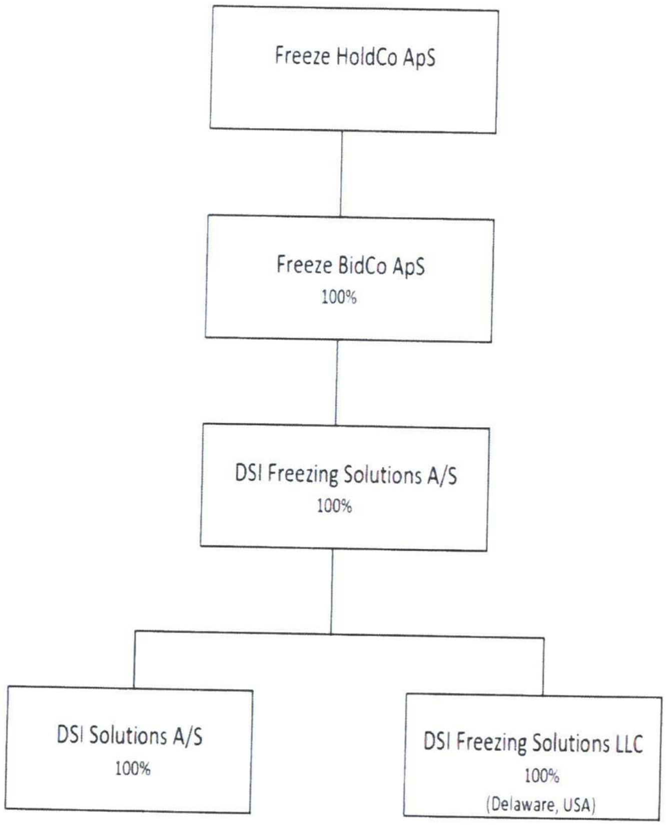
Management's review

Company details

Name	Freeze HoldCo ApS
Address, Postal code, City	Parkvej 5, 9352 Dybvad
CVR no.	38 60 61 31
Established	28 April 2017
Registered office	Frederikshavn
Financial year	1 January - 31 December
Board of Directors	Ib Sand Nykjær, Chairman Oskar Lindholm-Wu Tomas Håkan Therén Lasse Viegand Hansen Klaus Beyer Nielsen Niels Lykke Graugaard
Executive Board	Lars Priess
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Vestre Havnepromenade 1A, 9000 Aalborg, Denmark

Management's review

Group chart



Management's review

Financial highlights for the Group

DKK'000	2018 12 months	2017 8 months
Key figures		
Gross margin	100,689	36,379
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	46,219	19,220
Operating profit/loss	3,669	-3,529
Net financials	-12,317	-7,932
Profit/loss before tax	-8,648	-11,461
Profit/loss for the year	**-12,187**	**-11,896**
Fixed assets	341,302	382,093
Non-fixed assets	55,729	45,782
Total assets	**397,031**	**427,875**
Share capital	22,364	22,119
Equity	**157,483**	**167,881**
Provisions	29,402	33,484
Non-current liabilities other than provisions	167,205	177,276
Current liabilities other than provisions	42,941	49,234
Cash flows from operating activities	11,440	5,592
Net cash flows from investing activities	-1,759	-369,501
Investment in property, plant and equipment	-1,970	-17,170
Cash flows from financing activities	-9,562	372,783
Total cash flows	**119**	**8,874**
Financial ratios		
Return on assets	0.9%	-0.9%
Equity ratio	39.7%	39.2%
Return on equity	-7.5%	-6.8%
Average number of employees	**87**	**54**

The Group was established in 2017.

Management's review

Business review

The Group develops and manufactures plate freezers and the related automated handling equipment.

Unusual matters having affected the financial statements

During the year, it was discovered that the purchase method was not correctly applied to acquisitions of new businesses in the financial statements for 2017. Consequently, the financial statements for 2017 did not give a true and fair view.

The error amounted to DKK 9,890 thousand and has been corrected as a material misstatement by restating comparatives for 2017 and opening equity figures in the current-year financial statements for 2018. See further description in the section on accounting policies.

Financial review

The income statement for 2018 shows a loss of DKK 12,187 thousand against a loss of DKK 11,896 thousand last year, and the group's balance sheet at 31 December 2018 shows equity of DKK 157,483 thousand.

Earnings before interests, taxes and depreciations (EBITDA) amout to DKK 46,219 thousand in 2018 and is in line with the management's expectations.

Events after the balance sheet date

No events materially affecting the Group's and the Company's financial position have occurred subsequent to the financial year-end.

Outlook

The positive development of the Group's commercial basis and earnings is expected to continue in 2019.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Income statement

		Group		Parent company	
Note	DKK'000	2018 12 months	2017 8 months	2018 12 months	2017 8 months
	Gross margin	100,689	36,379	94	-234
2	Staff costs	-54,470	-17,159	0	0
	Depreciation of intangible assets and property, plant and equipment	-42,550	-22,749	0	0
	Profit/loss before net financials	3,669	-3,529	94	-234
	Income from investments in group enterprises	0	0	-12,250	-11,695
	Financial income	404	0	0	0
	Financial expenses	-12,721	-7,932	-13	-1
	Profit/loss before tax	-8,648	-11,461	-12,169	-11,930
3	Tax for the year	-3,539	-435	-18	34
	Profit/loss for the year	-12,187	-11,896	-12,187	-11,896

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	Group 2018	Group 2017	Parent company 2018	Parent company 2017
	ASSETS				
	Fixed assets				
4	**Intangible assets**				
	Technologies	103,772	116,032	0	0
	Brands	7,575	8,475	0	0
	Customer relationships	6,907	8,667	0	0
	Goodwill	208,518	233,373	0	0
		326,772	366,547	0	0
5	**Property, plant and equipment**				
	Land and buildings	9,618	10,109	0	0
	Plant and machinery	74	51	0	0
	Fixtures and fittings, other plant and equipment	4,808	5,356	0	0
	Leasehold improvements	0	0	0	0
		14,500	15,516	0	0
6	**Investments**				
	Investments in group enterprises	0	0	155,580	168,132
	Deposits	30	30	0	0
		30	30	155,580	168,132
	Total fixed assets	341,302	382,093	155,580	168,132
	Non-fixed assets				
	Inventories				
	Raw materials and consumables	4,373	7,108	0	0
	Work in progress	8,791	8,482	0	0
	Finished goods and goods for resale	2,294	226	0	0
		15,458	15,816	0	0
	Receivables				
	Trade receivables	17,541	14,798	0	0
7	Construction contracts	12,223	3,981	0	0
	Joint taxation contribution receivable	0	0	3,202	2,051
	Other receivables	1,237	404	0	0
8	Prepayments	277	148	0	0
		31,278	19,331	3,202	2,051
	Cash	8,993	10,635	4,018	41
	Total non-fixed assets	55,729	45,782	7,220	2,092
	TOTAL ASSETS	397,031	427,875	162,800	170,224

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	Group 2018	Group 2017	Parent company 2018	Parent company 2017
	EQUITY AND LIABILITIES				
	Equity				
9	Share capital	22,364	22,119	22,364	22,119
	Retained earnings	135,119	145,762	135,119	145,762
	Total equity	157,483	167,881	157,483	167,881
	Provisions				
10	Deferred tax	27,229	32,784	0	0
11	Other provisions	2,173	700	0	0
	Total provisions	29,402	33,484	0	0
	Liabilities other than provisions				
12	**Non-current liabilities other than provisions**				
	Mortgage debt	3,194	3,670	0	0
	Bank debt	105,727	119,601	0	0
	Other credit institutions	58,284	54,005	0	0
		167,205	177,276	0	0
	Current liabilities other than provisions				
12	Short-term part of long-term liabilities other than provisions	15,503	15,503	0	0
	Bank debt	0	1,761	0	0
	Prepayments received from customers	10,494	6,683	0	0
7	Construction contracts	0	2,988	0	0
	Trade payables	5,364	9,547	35	327
	Payables to group enterprises	0	0	2,062	0
	Corporation tax payable	535	2,122	536	394
	Joint taxation contribution payable	0	0	2,684	1,622
	Other payables	11,045	10,630	0	0
		42,941	49,234	5,317	2,343
	Total liabilities other than provisions	210,146	226,510	5,317	2,343
	TOTAL EQUITY AND LIABILITIES	397,031	427,875	162,800	170,224

1 Accounting policies
13 Contractual obligations and contingencies, etc.
14 Collateral
15 Related parties

Consolidated financial statements and parent company financial statements 1 January - 31 December

Statement of changes in equity

Note	DKK'000	Group		
		Share capital	Retained earnings	Total
	Equity at 1 January 2018	22,119	155,652	177,771
	Adjustment of equity through corrections of errors	0	-9,890	-9,890
	Adjusted equity at 1 January 2018	22,119	145,762	167,881
	Capital increase	245	1,755	2,000
	Transfer through appropriation of loss	0	-12,187	-12,187
	Adjustment of hedging instruments at fair value	0	-211	-211
	Equity at 31 December 2018	22,364	135,119	157,483

Note	DKK'000	Parent company		
		Share capital	Retained earnings	Total
	Equity at 1 January 2018	22,119	155,652	177,771
	Adjustment of equity through corrections of errors	0	-9,890	-9,890
	Adjusted equity at 1 January 2018	22,119	145,762	167,881
	Capital increase	245	1,755	2,000
16	Transfer, see "Appropriation of profit/loss"	0	-12,187	-12,187
	Adjustment of hedging instruments at fair value	0	-211	-211
	Equity at 31 December 2018	22,364	135,119	157,483

Consolidated financial statements and parent company financial statements 1 January - 31 December

Cash flow statement

Note	DKK'000	Group 2018 12 months	Group 2017 8 months
	Profit/loss for the year	-12,187	-11,896
17	Adjustments	48,782	22,789
	Cash generated from operations (operating activities)	36,595	10,893
18	Changes in working capital	-14,533	-5,301
	Cash generated from operations (operating activities)	22,062	5,592
	Income taxes paid	-10,622	0
	Cash flows from operating activities	11,440	5,592
	Additions of intangible assets	211	-356,663
	Additions of property, plant and equipment	-1,970	-17,170
	Disposals of property, plant and equipment	0	5
	Purchase of financial assets	0	-30
	Other cash flows from investing activities	0	4,357
	Cash flows to investing activities	-1,759	-369,501
	Proceeds of long-term liabilities	3,941	199,872
	Repayments, long-term liabilities	-503	0
	Repayments, debt to credit institutions	-15,000	-7,093
	Cash capital increase	2,000	180,004
	Cash flows from financing activities	-9,562	372,783
	Net cash flow	119	8,874
	Cash and cash equivalents at 1 January	8,874	0
19	**Cash and cash equivalents at 31 December**	8,993	8,874

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 **Accounting policies**

The annual report of Freeze HoldCo ApS for 2018 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

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

Material misstatements

The purchase method requires that the acquired businesses' identifiable assets, liabilities and contingent liabilities are measured at fair value at the acquisition date. During the year, it was discovered that the purchase method was not correctly applied to acquisitions of new businesses in the consolidated financial statements for 2017.

As a result, the Group's intangible fixed assets were not correctly separated from goodwill and depreciations were not applied correctly. Consequently, the financial statements for 2017 did not give a true and fair view. Therefore, the error has been corrected as a material misstatement by restating comparatives for 2017 and opening equity figures in the current-year financial statements for 2018.

In consequence of the restatement, other intangible assets have been separated from goodwill and deferred tax has been recognised in the consolidated financial statements. The result of 2017 has been restated and is adversely affected by DKK 9,890 thousand in both the consolidated financial statements and in the parent company financial statements.

In the consolidated financial statements, the restated balance sheet total at 31 December 2017 has increased with DKK 19,410 thousand, equity has been adversely affected by DKK 9,890 thousand and deferred tax has increased with DKK 29,300 thousand. In the parent company financial statements, the restated balance sheet total and equity is adversely affected by DKK 9,890 thousand.

Reporting currency

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

Consolidated financial statements

Control

The consolidated financial statements comprise the Parent Company and subsidiaries controlled by the Parent Company.

Control means a parent company's power to direct a subsidiary's financial and operating policy decisions. Besides the above power, the parent company should also be able to yield a return from its investment.

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity's financial and operating decisions.

Preparation of consolidated financial statements

The consolidated financial statements are prepared as a consolidation of the parent company's and the individual subsidiaries' financial statements, which are prepared according to the group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains if they do not reflect impairment.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

In the consolidated financial statements, the accounting items of subsidiaries are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries which are not wholly-owned are included in the group's profit/loss and equity, respectively, but are disclosed separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognised directly in equity as a transaction between shareholders.

Investments in associates and joint ventures are recognised in the consolidated financial statements using the equity method.

The group's activities in joint operations are recognised on a line-by-line basis.

External business combinations

Recently acquired entities are recognised in the consolidated financial statements from the date of acquisition. Entities sold or otherwise disposed of are recognised up to the date of disposal. Comparative figures are not restated to reflect newly acquired entities. Discontinued operations are presented separately, see below.

The date of acquisition is the date when the group actually obtains control of the acquiree.

The acquisition method is applied to the acquisition of new entities of which the group obtains control. The acquirees' identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax related to the revaluations is recognised.

Positive differences (goodwill) between, on the one hand, the consideration for the acquiree, the value of non-controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill under "Intangible assets". Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of the economic life of the asset.

Negative differences (negative goodwill) are recognised in the income statement at the date of acquisition.

Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a functional currency different from the presentation currency used in the consolidated financial statements are accounted for as assets and liabilities belonging to the foreign entity and are, on initial recognition, translated into the foreign entity's functional currency using the exchange rate at the transaction date.

The consideration paid for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the consideration is contingent on future events or compliance with agreed terms, such part of the consideration is recognised at fair value at the date of acquisition. Subsequent adjustments of contingent considerations are recognised in the income statement.

Expenses incurred to acquire entities are recognised in the income statement in the year in which they are incurred.

Where, at the date of acquisition, the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the consideration is associated with uncertainty, initial recognition will take place on the basis of provisional amounts. If it turns out subsequently that the identification or measurement of the consideration transferred, acquired assets, liabilities or contingent liabilities was incorrect on initial recognition, the statement will be adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Hereafter, any adjustments are recognised as misstatements.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Gains or losses from disposal of subsidiaries which result in loss of control are calculated as the difference between, on the one hand, the fair value of the selling price less selling expenses and, on the other hand, the carrying amount of net assets.

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.

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised at cost in the balance sheet and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in "Other receivables" and "Other payables", respectively.

Fair value adjustments of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognised asset or liability are recognised in the income statement along with changes in the fair value of the hedged asset or liability.

Fair value adjustments of derivative financial instruments designated as and qualifying for hedging of future assets or liabilities are recognised in other receivables or other payables, respectively, and in equity. If the hedged forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the hedged forecast transaction results in income or expenses, amounts previously deferred in equity are transferred to the income statement in the period in which the hedged item affects the profit/loss for the year.

Leases

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Group 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 Group's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income statement

Revenue

Income from the sale of goods for resale and finished goods, is recognised in revenue when the mostsignificant rewards and risks have been transferred to the buyer and provided the income can bemeasured reliably and payment is expected to be received.

Income from construction contracts involving a high degree of customisation is recognised as revenue by reference to the stage of completion. Accordingly, revenue corresponds to the market value of the contract work performed during the year (percentage-of-completion method). This method is used where the total income and expenses and the degree of completion of the contract can be measured reliably.

Where income from a construction contract cannot be estimated reliably, contract revenue corresponding to the expenses incurred is recognised only in so far as it is probable that such expenses will be recoverable from the counterparty.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross margin

The items revenue, cost of sales, other operating income, expenses, property and external expenses have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Amortisation/depreciation and impairment

The item comprises amortisation/depreciation and impairment of intangible assets and property, plant and equipment.

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

Technologies	10 years
Brands	10 years
Customer relationships	5 years
Goodwill	10 years
Land and buildings	10-40 years
Plant and machinery	5 years
Fixtures and fittings, other plant and equipment	5-10 years

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Profit from investments in subsidiaries

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

The proportionate share of the individual subsidiaries' profit/loss after tax after full elimination of internal gains/losses are recognised in the parent company's income statement.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Intangible assets

Intangible assets include goodwill, technologies, brands and customer relationships and are amortised over the expected economic life of the asset.

Intangible assets are measured at cost less accumulated amortisation and impairment losses.

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.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

The cost of self constructed assets includes the cost of direct materials and labour, etc. directly used in the production process and a portion of the relating production overheads.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Investments in subsidiaries

Equity investments in subsidiaries and associates are measured according to the equity method. Equity investments in joint ventures are also measured according to the equity method in the consolidated financial statements.

On initial recognition, equity investments in subsidiaries are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

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.

The cost of raw materials and consumables comprises the cost of acquisition plus delivery costs.

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Notes to the financial statements

1 Accounting policies (continued)

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct labour and indirect production overheads.

Indirect production overheads include the indirect cost of material and labour as well as maintenance and depreciation of production machinery, buildings and equipment and expenses relating to plant administration and management. Borrowing costs are not recognised in the sales price.

Receivables

Receivables are measured at amortised cost.

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.

Construction contracts

Service supplies and contract work in progress for third parties are measured at the market value of the work performed less progress billings. The market value is calculated based on the stage of completion at the balance sheet date and the total expected income from the relevant contract. The stage of completion is calculated based on the expenses incurred relative to the expected total expenses relating to the relevant contract.

Where the outcome of contract work in progress cannot be estimated reliably, the market value is measured at the expenses incurred in so far as they are expected to be paid by the purchaser.

Where the total expenses relating to the work in progress are expected to exceed the total market value, the expected loss is recognised as a loss-making agreement under "Provisions" and is expensed in the income statement.

The value of work in progress less progress billings is classified as assets when the selling price exceeds progress billings and as liabilities when progress billings exceed the market value.

Prepayments

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

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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".

Provisions

Provisions comprise anticipated expenses relating to warranty commitments, onerous contracts, restructurings, etc. Provisions are recognised when the Company has a legal or constructive obligation at the balance sheet date as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

Warranty commitments include expenses for remedial action in respect of the contract work within the warranty period of 1-2 years. Provisions for warranty commitments are measured at net realisable value and recognised based on past experience.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

As management company for all the entities in the joint taxation arrangement, the parent company is liable for payment of the subsidiaries' income taxes vis à vis the tax authorities as the subsidiaries pay their joint taxation contributions. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

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.

Other liabilities are measured at net realisable value.

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Notes to the financial statements

1 Accounting policies (continued)

Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Cash and cash equivalents comprise cash, short term bank loans and short term securities which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Return on assets $$\frac{\text{Profit/loss from operating activites} \times 100}{\text{Average assets}}$$

Equity ratio $$\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$$

Return on equity $$\frac{\text{Profit/loss for the year after tax} \times 100}{\text{Average equity}}$$

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	Group 2018 12 months	Group 2017 8 months	Parent company 2018 12 months	Parent company 2017 8 months
2 Staff costs				
Wages/salaries	50,375	14,359	0	0
Pensions	3,456	2,327	0	0
Other social security costs	639	473	0	0
	54,470	17,159	0	0
Average number of full-time employees	87	54	0	0

Group

Total remuneration to group Management : DKK 1,440 thousand (2017: DKK 1,075 thousand).

DKK'000	Group 2018 12 months	Group 2017 8 months	Parent company 2018 12 months	Parent company 2017 8 months
3 Tax for the year				
Estimated tax charge for the year	9,095	349	18	-34
Deferred tax adjustments in the year	-5,556	86	0	0
	3,539	435	18	-34

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

4 Intangible assets

	Group				
DKK'000	Technologies	Brands	Customer relationships	Goodwill	Total
Cost at 1 January 2018	122,600	9,000	9,600	246,527	387,727
Purchase price adjustments	0	0	0	-211	-211
Cost at 31 December 2018	122,600	9,000	9,600	246,316	387,516
Impairment losses and amortisation at 1 January 2018	6,568	525	933	13,154	21,180
Amortisation for the year	12,260	900	1,760	24,644	39,564
Impairment losses and amortisation at 31 December 2018	18,828	1,425	2,693	37,798	60,744
Carrying amount at 31 December 2018	103,772	7,575	6,907	208,518	326,772
Amortised over	10 years	10 years	5 years	10 years	

5 Property, plant and equipment

	Group				
DKK'000	Land and buildings	Plant and machinery	Fixtures and fittings, other plant and equipment	Leasehold improvements	Total
Cost at 1 January 2018	20,122	904	21,535	0	42,561
Additions	0	52	1,537	381	1,970
Cost at 31 December 2018	20,122	956	23,072	381	44,531
Impairment losses and depreciation at 1 January 2018	10,013	853	16,179	0	27,045
Impairment losses	0	0	0	356	356
Depreciation	491	29	2,085	25	2,630
Impairment losses and depreciation at 31 December 2018	10,504	882	18,264	381	30,031
Carrying amount at 31 December 2018	9,618	74	4,808	0	14,500

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

6 **Investments**

DKK'000	Parent company Investments in group enterprises
Cost at 1 January 2018	180,053
Disposals	-91
Cost at 31 December 2018	179,962
Value adjustments at 1 January 2018	-11,921
Changes in equity	-211
Revaluations for the year	-12,250
Value adjustments at 31 December 2018	-24,382
Carrying amount at 31 December 2018	155,580

Parent company

Name	Domicile	Interest	Equity DKK'000	Profit/loss DKK'000
Subsidiaries				
Freeze BidCo ApS	Dybvad	100.00%	155,580	-12,250

DKK'000	Group 2018	Group 2017	Parent company 2018	Parent company 2017
7 **Construction contracts**				
Selling price of work performed	18,893	29,470	0	0
Progress billings	-6,670	-28,477	0	0
	12,223	993	0	0
recognised as follows:				
Construction contracts (assets)	12,223	3,981	0	0
Construction contracts (liabilities)	0	-2,988	0	0
	12,223	993	0	0

8 **Prepayments**

Group

Prepayments include accrual of expenses relating to subsequent financial years, including insurancepolicies, contingents and ads etc.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	Parent company	
	2018	2017
9 Share capital		
Analysis of the share capital:		
7,208,213 A shares of DKK 1.00 nominal value each	7,208	6,963
15,156,213 B shares of DKK 1.00 nominal value each	15,156	15,156
	22,364	22,119

Analysis of changes in the share capital over the past 2 years:

DKK'000	2018	2017
Opening balance	22,119	0
Capital increase	245	22,119
	22,364	22,119

During 2018 245,757 A-shares of DKK 1 nominal value each was issued.

DKK'000	Group		Parent company	
	2018	2017	2018	2017
10 Deferred tax				
Deferred tax at 1 January	32,784	0	0	0
Deferred tax adjustments during the year	-5,555	86	0	0
Additions from merger and acquisition of business	0	32,698	0	0
Deferred tax at 31 December	27,229	32,784	0	0
Deferred tax relates to:				
Intangible assets	26,016	29,298	0	0
Property, plant and equipment	578	720	0	0
Receivables	1,471	3,057	0	0
Provisions	-478	-154	0	0
Liabilities	-358	-137	0	0
	27,229	32,784	0	0

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

11 Other provisions

The provisions are expected to be payable in:

DKK'000	Group		Parent company	
	2018	2017	2018	2017
0-1 year	1,803	370	0	0
> 1 year	370	330	0	0
	2,173	700	0	0

Other provisions include liabilities relating to common warranties of delivered plant. The warranty period is usually up to 2 years.

12 Non-current liabilities other than provisions

DKK'000	Group			
	Total debt at 31/12 2018	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Mortgage debt	3,697	503	3,194	1,264
Bank debt	120,727	15,000	105,727	0
Other credit institutions	58,284	0	58,284	0
	182,708	15,503	167,205	1,264

Loan from other credit institutions is subordinated in relation to bank debt. The term to maturity is November 2022. The interest is partly added to the principal and does not fall due for payment until the principal does.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

13 Contractual obligations and contingencies, etc.

Other contingent liabilities

Group

The group is subject to common warranties on delivered plant.

Other financial obligations

Group

Rent and lease liabilities include a rent obligation totalling DKK 455 thousand in rent agreements with remaining contract terms of one year. Furthermore, the Company has liabilities under operating leases for cars and IT equipment, totalling DKK 1,410 thousand, with remaining contract terms of 2-5 years.

Parent company

As management company, the Company is jointly taxed with other Danish group entities. The Company is jointly and severally liable with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends.

The company has guaranteed group entities' engagement with Danske Bank A/S. The guarantee has been maximised to DKK 143,500 thousand.

14 Collateral

Group

Land and buildings at a carrying amount of DKK 9,618 thousand at 31 December 2018 have been put up as security for debt to mortgage credit institutions, totalling DKK 3,697 thousand.

As security for bank debt, the company has issued owner's mortgages of DKK 4,000 thousand, providing security on land and buildings.

Parent company

Shares of a nominal amount of DKK 20,000 thousand in Freeze BidCo ApS, at a carrying amount of DKK 155,580 thousand at 31 December 2018, have been put up as security for the group's engagements with Danske Bank A/S.

15 Related parties

Freeze HoldCo ApS' related parties comprise the following:

Significant influence

Related party	Domicile	Basis for significant influence
Procuritas Capital Investors VI AB	Stockholm, Sweden	Participating interest

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	Parent company 2018 12 months	Parent company 2017 8 months
16 Appropriation of profit/loss		
Recommended appropriation of profit/loss		
Retained earnings/accumulated loss	-12,187	-11,896
	-12,187	-11,896

DKK'000	Group 2018 12 months	Group 2017 8 months
17 Adjustments		
Amortisation/depreciation and impairment losses	42,550	22,749
Gain/loss on the sale of non-current assets	0	-5
Provisions	1,473	0
Financial income	0	-290
Financial expenses	1,490	0
Financial liabilities	-270	0
Tax for the year	3,539	435
Other adjustments	0	-100
	48,782	22,789
18 Changes in working capital		
Change in inventories	358	-15,816
Change in receivables	-11,947	-19,330
Change in trade and other payables	-2,944	29,845
	-14,533	-5,301
19 Cash and cash equivalents at year-end		
Cash according to the balance sheet	8,993	10,635
Short-term debt to banks	0	-1,761
	8,993	8,874