


**Arconic Denmark ApS
CVR no. 38959670
Copenhagen, Denmark**

**Annual report
for the period ended 31 December 2018**

**Adopted at the Company's Annual General Meeting
on 24 May 2019**



Chairman Rana Salame

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Company details

Company:	Arconic Denmark ApS
CVR no:	38959670
Management's review	c/o TMF Denmark A/S, Købmagergade 60, 1. tv. 1150 København K Denmark
Telephone:	+45 58 59 59 19
Financial year:	1st financial year
Directors:	Lluis Maria Fargas Mas István Gábor Katus

Management's review

Principal Activities of the Company

The Company's activities are to operate commercial sales and distribution business within lightweight constructed products and solutions for use in the transport industry, the automotive industry, and in construction.

Development in the Company's activities and financial matters

Arconic Denmark ApS was established on September, 25 2017, so this is the first fiscal year closing, after fifteen months of activity.

For this first fiscal year, the Company shows a pre-tax result of 70,349 Danish kroner.

Being the first year of the Company, it is not possible to compare the financial indicators of this fiscal year with previous periods, nor the evolution of the Company.

Significant events after the balance sheet date

No significant events have occurred after the balance sheet date which would influence the evaluation of the Company's financial position as at the balance sheet date.

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Statement by the Management on the annual report

The Directors have today discussed and approved the annual report of Arconic Denmark ApS (the Company) for the financial period 25 September 2017 – 31 December 2018.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 December 2018 and of the results of the Company's operations for the financial period 25 September 2017 – 31 December 2018.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Copenhagen, 24 May 2019

Directors:



Lluís Maria Fargas Mas



István Gábor Katus

Accounting policies

The annual report has been prepared in accordance with Danish financial statements legislation as well as generally accepted accounting principles.

The annual report has been prepared in accordance with the reporting requirements of the Danish Financial Statements Act of class B entities.

Recognition and Measurement

The financial statements have been prepared based on historical cost.

The income is recognised in the income statement as earned. Further to this, value adjustments of financial assets and liabilities measured at fair value or amortised costs are recognised. Furthermore, all costs incurred to earn the profit or loss for year have been recognised in the income statement, including amortisation, depreciation, write-down and provisions as well as reversals as a consequence of changed accounting estimates of amounts previously recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow into the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each financial statement item.

Certain financial assets and liabilities are measured at amortised cost, by which a constant redemption yield is recognised over the term. Amortised cost is calculated as original cost less instalments and addition/deduction of the accumulated amortisation of the difference between cost and the nominal amount. Thereby, capital and exchange losses or gains are allocated over the term.

On recognition and measurement, anticipated losses and risks that appear before presentation of the annual report and which confirm or invalidate affairs or conditions existing at the balance sheet date are considered.

The functional currency is Danish kroner, DKK. All other currencies are considered foreign currencies.

Foreign Currency Translations

During the year, transactions in foreign currencies have been translated applying the exchange rate at the transaction date. If currency positions are considered hedge of future cash flows, the value adjustments are recognised directly in equity.

Receivables and debt denominated in foreign currencies have been recognised at the exchange rate of the balance sheet date.

Realised and unrealised exchange gains and losses have been recognised in the income statement under other financial income and expenses.

Income Statement

Gross profit/loss

The Company has aggregated the items "revenue", "other operating income" as well as external expenses.

As income recognition criterion, the completed contract method is applied so that revenue comprises invoiced revenue for the year. Revenue is measured at fair value excl. VAT and less granted goods and customer discounts.

Accounting policies

Other operating income

Other operating income includes financial statement items of a secondary nature in relation to the primary activity of the enterprise, including profit on sale of fixed assets.

External expenses

External expenses comprise selling costs, facility costs and administrative expenses.

Other operating expenses

Other operating expenses include financial statement items of a secondary nature in relation to the primary activity of the enterprise, including losses from sale of fixed assets.

Other financial income and other financial expenses

Financial income and expenses comprise interest, realised and unrealised exchange gains and losses as well as interest surcharge and interest reimbursements under the Danish Tax Prepayment Scheme.

Tax on profit or loss for the year income taxes

Tax on profit or loss for the year represents 22% of the book profit or loss adjusted for non-taxable and non deductible items.

Tax on profit or loss for the year consists of the anticipated tax portion of the taxable income for the year adjusted for the changes for the year in deferred tax.

The Company is subject to the Danish Tax Prepayment Scheme. Interest reimbursement and interest surcharge have been recognised in financial income and expenses.

Balance Sheet

The balance sheet has been presented in account form.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by write-down for bad debt according to an individual assessment.

Prepayments

Prepayments comprise costs incurred relating to subsequent financial years.

Equity and Liabilities

Other liabilities other than provisions

Other liabilities other than provisions have been measured at amortised cost which corresponds to nominal value.

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Income statement

		Period ended
	Notes	31/12/2018
		DKK
Operating income	1	1,490,042
Gross profit		1,490,042
Staff costs	2	(931,618)
Other operating expenses	3	(486,709)
Operating profit/loss		71,715
Other financial expenses	4	(1,366)
Profit/loss before tax		70,349
Tax on profit/loss for the year		(15,610)
Profit/loss for the year		54,739
 Proposed profit/loss distribution		
Retained earnings		54,739
Profit/loss for the year		54,739

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Balance sheet

	Notes	As at 31/12/2018 DKK
Assets		
Current assets		
Receivables from group enterprises	5	372,542
Other receivables	6	18,295
Prepayments	7	3,900
		394,737
Cash		24,861
Total current assets		419,598
Total Assets		419,598
Equity and liabilities		
Equity	8	
Share capital		50,000
Retained earnings		54,739
Total equity		104,739
Liabilities		
Current liabilities		
Trade payables		28,914
Payables to group enterprises		119,873
Income tax payable		15,610
Other payables	9	150,462
Total current liabilities		314,859
Total liabilities		314,859
Total Equity and Liabilities		419,598

Notes to the financial statements

1 Operating Income

	31/12/2018 DKK
Service fees	1,490,042
	Management's review Statement by the Management on the annual report
	1,490,042

2 Staff costs

	31/12/2018 DKK
Gross salaries	(754,704)
Holiday accrual	(58,383)
Company pension contributions	(60,480)
Statutory pension and social contributions	(4,362)
Bonus	(50,684)
Insurance for employees	(3,005)
	(931,618)

The average number of employees in 2017-2018 totalled to 1

3 Other operating expenses

	31/12/2018 DKK
Stationery and office materials	(4,049)
Accounting and compliance services	(233,512)
Travel expenses	(30,083)
Bank charges	(2,171)
Other expenses	(151)
Telephone and mobile phone services	(11,084)
Car leasing	(44,398)
Car fuel and consumables	(2,182)
Car parking fees	(1,250)
Legal and advisory services	(25,000)
Recruitment services	(132,829)
	(486,709)

4 Other financial expenses

	31/12/2018 DKK
Foreign exchange losses	(91)
Interest paid to tax office	(605)
Other taxes and fees	(670)
	(1,366)

Notes to the financial statements

5 Receivables from group enterprises

	31/12/2018 DKK
Receivables for provided services to Arconic Denmark ApS	372,542
	<u>372,542</u>

6 Other receivables

	31/12/2018 DKK
VAT receivables	11,745
Advances for services	6,550
	<u>18,295</u>

7 Prepayments

	31/12/2018 DKK
Prepayment / deferred expences	3,900
	<u>3,900</u>

8 Equity

	31/12/2018 DKK
Share capital at 31 December 2018	50,000
Retained earnings at 25 September 2017	-
Transfer from profit/loss for the year	54,739
Retained earnings at 31 December 2018	<u>54,739</u>
Equity at 31 December 2018	<u>104,739</u>

The share capital consist of 50 000 shares of DKK 1,00. The shares have not been divided into classes.

9 Other payables

	31/12/2018 DKK
Payroll related taxes and contributions	(25,647)
Expense claims - refundable to employees	(29,053)
Holiday accrual	(57,312)
Holiday allowance accrual	(38,450)
	<u>(150,462)</u>

10 Contingent assets

The Company has no contingent assets

11 Contractual obligations

The Company has no contractual obligations.

12 Ownership

The following shareholders are subject to section 55 of Danish Public Companies Act:

Arconic Luxembourg S.à r.l., 1-3, Boulevard de la Foire 5th Floor, L-1528 Luxembourg

Arconic Luxembourg S.à r.l., 11-13, Boulevard de la Foire 4e étage, L-1528 Luxembourg

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