Ton TopCo ApS

Kongens Nytorv 26, 2., 1050 København K

CVR no. 39 14 67 89

Annual report 2017/18

(As of the establishment of the Company 6 December 2017 - 31 December 2018)

Approved at the Company's annual general meeting on 21 June 2019

Chairman: Thomas Broe-Andersen

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Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	5
Financial statements for the period 6 December 2017 - 31 December 2018	7
Income statement	7
Balance sheet	8
Statement of changes in equity	10
Notes to the financial statements	11

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 Ton TopCo ApS for the financial year as of the establishment of the Company 6 December 2017 - 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 as of the establishment of the Company 6 December 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, 21 June 2019
Executive Board:

Marcus Peer Østergaard
Wintersø

Board of Directors:

Thomas Broe-Andersen Chairman	Adeline Anna Nicole Jennische	Nicolai Peter Norrbom

Independent auditor's report

To the shareholders of Ton TopCo ApS

Opinion

We have audited the financial statements of Ton TopCo ApS for the financial year as of the establishment of the Company 6 December 2017 - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are 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 as of the establishment of the company 6 December 2017 - 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 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 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 rules and requirements.

Emphasis of matter in the financial statements

We draw attention to note 2 in the company financial statement where Management has described the financial structure.

We have not modified our opinion in respect of this matter.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance 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 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 note 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.

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.

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 Statement Act. We did not identify any material misstatement of the Management's review.

Kolding, 21 June 2019
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Steen Skorstengaard
State Authorised Public Accountant
mne19709

Michael Vakker Maass
State Authorised Public Accountant
mne32772

Management's review

Company details

Name	Ton TopCo ApS
Address, Postal code, City	Kongens Nytorv 26, 2., 1050 København K
CVR no.	39 14 67 89
Established	6 December 2017
Registered office	København
Financial year	6 December 2017 - 31 December 2018
Board of Directors	Thomas Broe-Andersen, Chairman Adeline Anna Nicole Jennische Nicolai Peter Norrbom
Executive Board	Marcus Peer Østergaard Wintersø
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Kolding Åpark 1, 3. sal, 6000 Kolding, Denmark

Management's review

Business review

Ton TopCo ApS is the holding company of Kg BidCo ApS and the Gram Equipment Group. The company's objective is to invest in shares with the view to make a return and to provide management services in respect of strategic, managerial and business development matters.

Unusual matters having affected the financial statements

For a detailed account of unusual and special, non-recurring matters that affected the financial statements presented herein, reference is made to the annual report of Gram Equipment A/S.

Financial review

The income statement for 2017/18 shows a loss of DKK 637,938 thousand, and the balance sheet at 31 December 2018 shows a negative equity of DKK 1 thousand.

Events after the balance sheet date

In March 2019 the subsidiary Kg BidCo ApS received a payout of the full W&I insurance limit amounting to EUR 50 million (c. DKK 373 million) as part of the ongoing dispute with the seller of the Gram Equipment Group.

Financial statements for the period 6 December 2017 - 31 December 2018

Income statement

Note	DKK'000	2017/18 13 months
4	Staff costs	0
	Impairment from investments in group enterprises	-637,937
	Financial expenses	-1
	Profit/loss before tax	-637,938
	Tax for the year	0
	Profit/loss for the year	-637,938

Recommended appropriation of profit/loss	
Retained earnings/accumulated loss	-637,938
	-637,938

Financial statements for the period 6 December 2017 - 31 December 2018

Balance sheet

Note	DKK'000	2017/18
	ASSETS	
	Fixed assets	
5	Investments	
	Investments in group enterprises	0
		0
	Total fixed assets	0
	Non-fixed assets	
	Receivables	
	Other receivables	87
		87
	Total non-fixed assets	87
	TOTAL ASSETS	87

Financial statements for the period 6 December 2017 - 31 December 2018

Balance sheet

Note	DKK'000	2017/18
	EQUITY AND LIABILITIES	
	Equity	
6	Share capital	22,736
	Retained earnings	-22,737
	Total equity	-1
	Liabilities other than provisions	
	Current liabilities other than provisions	
	Bank debt	1
	Payables to group enterprises	87
		88
	Total liabilities other than provisions	88
	TOTAL EQUITY AND LIABILITIES	87

1 Accounting policies
2 Financial structure
3 Special items
7 Collateral
8 Related parties

Financial statements for the period 6 December 2017 - 31 December 2018

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Total
Cash payments concerning formation of enterprise	50	0	50
Capital increase	22,686	615,201	637,887
Transfer through appropriation of loss	0	-637,938	-637,938
Equity at 31 December 2018	22,736	-22,737	-1

Financial statements for the period 6 December 2017 - 31 December 2018

Notes to the financial statements

1 Accounting policies

The annual report of Ton TopCo ApS for 2017/18 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

In accordance with section 112 of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

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.

Income statement

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.

Profit from investments in subsidiaries

The item includes dividend received from subsidiaries in so far as the dividend does not exceed the accumulated earnings in the subsidiary in the period of ownership.

Financial 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, declared dividends from other securities and investments, financial expenses relating to finance leases, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

Financial statements for the period 6 December 2017 - 31 December 2018

Notes to the financial statements

1 Accounting policies (continued)

Tax

The 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.

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

Investments in subsidiaries

Investments in subsidiaries and associates are measured at cost. Dividends received that exceed the accumulated earnings in the subsidiary or the associate during the period of ownership are treated as a reduction in the cost of acquisition.

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.

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.

Cash

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

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".

Financial statements for the period 6 December 2017 - 31 December 2018

Notes to the financial statements

1 Accounting policies (continued)

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. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Financial statements for the period 6 December 2017 - 31 December 2018

Notes to the financial statements

2 Financial structure

The company's main activity is holding the shares of the subsidiary Kg BidCo Aps and underlying subsidiaries including GEH Invest ApS and Gram Equipment A/S. The company's equity is lost as of 31 December 2018. The company is depended on the financial performance of the subsidiaries, in order to recapitalize the equity through dividend, alternately the shareholders will support for company until 31 December 2019.

Investments in Kg BidCo ApS with a carrying amount of DKK 0 million have been pledged.

3 Special items

DKK'000	2017/18 13 months
Expenses	
Impairment from investments in group enterprises	-637,937
	-637,937
Special items are recognised in the below items of the financial statements	
Impairment from investments in group enterprises	-637,937
Net profit/loss on special items	-637,937

4 Staff costs

The Company has no employees.

5 Investments

DKK'000	Investments in group enterprises
Cost at 6 December 2017	0
Additions	637,937
Cost at 31 December 2018	637,937
Impairment losses	-637,937
Value adjustments at 31 December 2018	-637,937
Carrying amount at 31 December 2018	0

6 Share capital

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

DKK'000	2017/18	Opening balance at 6 December 2017
Establishment	50	50
Capital increase	22,686	0
	22,736	50

Financial statements for the period 6 December 2017 - 31 December 2018

Notes to the financial statements

7 Collateral

Investments in Kg BidCo ApS with a carrying amount of DKK 0 million have been pledged.

8 Related parties

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
FSN HoldCo ApS	Copenhagen K, Denmark	www.cvr.dk