

TIP Trailer Services Denmark ApS  
Annual Report 2018  
Registration no. 66293815

TIP Trailer Services

TIP Trailer Services Denmark ApS

## Annual Report 2018

Litauen Alle 7, 2630 Taastrup

Approved at the Company's annual general meeting on 24 May 2019

Chairman: Robert Fast

A handwritten signature in blue ink, appearing to read "Robert Fast", is written over a horizontal line. The signature is stylized and cursive.

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## Statement by the Executive and Board of Directors

The Board of Directors and the Executive Board have today discussed and approved the annual report of TIP Trailer Services Denmark ApS for the financial year 1 January – 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 and 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 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.


Copenhagen, 24.05.2019

Executive Board:

Christian Petersen  
Board of Directors:



Robert Fast  
Chairman



Malachy Mc Enroe



Christian Petersen

## Independent auditor's report

To the shareholders of Tip Trailer Services Denmark ApS

### Opinion

We have audited the financial statements of Tip Trailer Services Denmark ApS for the financial year 1 January – 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement 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 and 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 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 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 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 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 additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism 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.

## Independent auditor's report

- ▶ 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.

Aarhus, 24 May 2019  
ERNST & YOUNG  
Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28



Lone Nørgaard Eskildsen  
State Authorised  
Public Accountant  
mne32085

## **Management's review**

### **Company details**

TIP Trailer Services Denmark ApS  
Litauen Alle 7  
2630 Taastrup

Telephone: +45 7010 7300

Registration No.: 66 29 38 15  
Established: 3-Sept-1980  
Registered office: Copenhagen

### **Board of Directors**

Robert Fast  
Christian Petersen  
Malachy Mc Enroe

### **Executive Board**

Christian Petersen

### **Auditors**

Ernst & Young Godkendt  
Revisionspartnerselskab  
Vaerkmestergade 25, 8000 Aarhus C

## Management's review

### Financial highlights

DKK Thousand	2018	2017	2016	2015	2014
<b>Key figures</b>					
Revenue	192,337	145,565	113,118	107,542	118,481
Profit/(loss) from ordinary operating activities	5,120	(4,513)	(12,030)	(40,726)	(13,182)
Profit/(loss) from financial income and financial expenses	(2,753)	(989)	(882)	369	(456)
<b>Profit/(loss) for the year</b>	<b>2,367</b>	<b>(5,500)</b>	<b>(12,910)</b>	<b>(40,358)</b>	<b>(13,638)</b>
Fixed assets	496,071	365,937	315,424	262,484	246,845
Current assets	61,155	69,415	113,207	128,034	86,437
<b>Total assets</b>	<b>557,226</b>	<b>435,352</b>	<b>428,632</b>	<b>390,518</b>	<b>333,282</b>
Share capital	(60,006)	(60,006)	(60,006)	(60,006)	(60,006)
<b>Capital and reserves</b>	<b>(252,358)</b>	<b>(249,990)</b>	<b>(255,490)</b>	<b>(268,400)</b>	<b>(308,758)</b>
Short-term liabilities	(304,868)	(185,362)	(173,142)	(122,118)	(24,524)
Investments in Property, Plant and Equipment	(216,046)	(142,231)	(141,335)	(92,284)	(38,833)
<b>Financial ratios</b>					
Net profit ratio	3%	-3%	-11%	-38%	-11%
Return on investments	1%	-1%	-3%	-11%	-4%

The financial ratios have been calculated as follows:

Net profit ratio	$\text{Operating profit/(loss)} \times 100 / \text{Revenue}$
Return on investment	$\text{Operating profit/(loss)} \times 100 / \text{Average operating assets}$
Operating assets	Total Assets

## **Management's review**

### **Operating review**

#### **Activity**

TIP Trailer Services Denmark ApS (the "Company") principal activities are to provide leasing of trailers, lease management and maintenance services. The operating area is restricted to Denmark.

#### **Development in activities**

Operating profit amounts to DKK 5.1 million compared to 2017 where there was a loss of DKK 4.5 million.

The net book value of trailers has increased during the year from DKK 299 million in 2017 to DKK 424 million in 2018. Sales of trailers accounted for DKK 33 million while additions during 2018 amounted to DKK 188 million.

#### **Financial position**

The Company has capital and reserves of DKK 252 million at year end. The capital structure is considered satisfactory and sufficient to continue with the Company's activities in the upcoming financial year.

#### **Outlook**

Management expects an improvement on ordinary operations in 2019, by increasing the utilization rate and expanding the maintenance service in Denmark.

#### **Environmental issues**

The company's influence on the external environment and working environment aims to reduce the risk of pollution and avoid working accidents.

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

On January 1, 2019 the intra-group loan received from Global TIP Finance B.V. was extended till December 31, 2023.



## **Financial statements for the year ended 31 December**

### **Accounting policies**

The annual report of TIP Trailer Services Denmark ApS (the “Company”) for the year ended December 31, 2018 has been prepared in accordance with the provisions applying to class C enterprises under the Danish Financial Statements Act.

### **Recognition and measurement**

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

Liabilities are recognised in the balance sheet when an outflow of economic benefits is probable and when the liability can be reliably measured.

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities measured at fair value or amortised cost. Equally, costs incurred to generate the year's earnings are recognised, including depreciation, amortisation, impairment and provisions as well as reversals as a result of changes in accounting estimates of amounts which were previously recognised in the income statement.

## **Financial statements for the year ended 31 December**

### **Accounting policies**

#### **Foreign currency translation**

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

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

#### **Income statement**

##### **Revenue**

Revenue is comprised of lease income, rebills to customers and profit/loss on disposal of trailers.

Revenues are accrued so that leases invoiced, but covering a period of the coming financial year are stated as over-billings. Leases not invoiced covering the period of this financial year are stated as short-billings.

##### **Operating costs**

Operating costs comprise maintenance, lease expenses and insurance.

##### **Staff costs**

Staff costs comprise salaries, wages, remuneration, pensions, social costs and other staff costs to employees of the Company, including the executive and board of directors.

##### **Other external costs**

Other external costs comprise of rental expenses, travel costs, marketing, bad debt provisions, audit expense, office costs and bank charges.

##### **Interest income and expense and similar items**

Interest income and expense and similar items comprise interest income and expense, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme.

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

Tax for the year comprises current tax and changes in deferred tax for the year. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in capital and reserves is recognised directly in capital and reserves.

## **Financial statements for the year ended 31 December**

### **Accounting policies**

#### **Balance sheet**

##### **Property, plant and equipment excluding trailers**

Land and buildings, and fixtures and fittings, and tools and equipment are measured at cost less accumulated depreciation and impairment.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

The basis of depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are 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 depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

Buildings	40 years
Fixtures and fittings, tools and equipment	3-5 years

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the sales price less disposal costs and the carrying amount at the date of disposal. The gains or losses are recognised in the income statement as other operating income or costs.

## **Financial statements for the year ended 31 December**

### **Accounting policies**

#### **Balance sheet**

##### **Intangible fixed assets**

Goodwill represents the excess of the cost of the acquisition over the Company's interest in the net realisable value of the assets acquired and (contingent) liabilities assumed at the transfer date less cumulative amortisation and cumulative impairment losses. Goodwill is paid upon the acquisition. The capitalised goodwill is amortised on a straight-line basis over the estimated useful life.

##### **Fleet**

The lease portfolio is operating lease and is recorded in the balance sheet under tangible assets.

The valuation of the trailer fleet is based on cost less accumulated depreciation. Trailers are depreciated on a straight line basis so that the costs of the trailers less expected market value at termination of the lease contracts are depreciated over the contract period. The depreciation period and the residual value are 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 amortisation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Major refurbishments are capitalised and depreciated together with the trailers.

Trailers are written down to the recoverable amount if this is lower than the carrying amount. Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired.

##### **Inventories**

Inventories are carried at the lower of cost and net realizable value and are to be sold within one year. The cost of inventories is usually the current net book value of Fleet transferred to inventories and is determined for each item individually. The net realizable value is periodically re-assessed for all units that have been held for sale for six months or more and adjusted, if necessary.

Sales of inventories are recognised when the significant risks and rewards of ownership have been transferred to the buyer, usually on receipt of cash. Book value of the assets sold and any costs directly associated with the sale are recorded at the same time. The revenue and the related book value are recognised as revenue from disposal of Fleet and cost of disposed Fleet respectively in the statement of profit or loss.

## **Financial statements for the year ended 31 December**

### **Accounting policies**

#### **Impairment of non-current assets**

The carrying amount of property, plant and equipment, including trailers, is subject to an annual test of indications of impairment other than the decrease in value reflected by amortization or depreciation. Impairment tests are conducted on individual assets or group of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

#### **Receivables**

Receivables are measured at amortised cost. Write-down is made to net realisable value for bad debt losses.

#### **Prepayments**

Prepayments comprise costs incurred concerning subsequent financial years.

#### **Corporation tax and deferred tax**

Current tax payable and receivable is recognized in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet 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 equipment and other items where temporary differences 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 the planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry forwards, 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 and jurisdiction.

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. The change in deferred tax as a result of changes in tax rates is recognised in the income statement.

### **Financial liabilities**

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the 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.

### **Cash flow statement**

The cash flow statement shows the cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Company's cash and cash equivalent at the beginning and end of the year.

Cash and cash equivalent comprise cash at bank and in hand.

## Financial statements for the year ended 31 December

### Income statement

DKK'000	Note	2018	2017
<b>Revenue</b>		<b>192,337</b>	<b>145,565</b>
Operating Costs		(44,386)	(34,898)
<b>Gross Margin</b>		<b>147,951</b>	<b>110,666</b>
Depreciation and Impairment	1	(52,157)	(45,275)
<b>Ordinary Operating Profit</b>		<b>95,794</b>	<b>65,391</b>
Staff Costs	2	(67,627)	(54,683)
Other External Costs		(23,047)	(15,220)
<b>Operating Profit/(Loss)</b>		<b>5,120</b>	<b>(4,513)</b>
Interest income from group companies		75	1,170
Interest expense from group companies		(2,828)	(2,158)
<b>Profit/(Loss) from ordinary activities before tax</b>		<b>2,367</b>	<b>(5,500)</b>
Tax on loss from ordinary activities	3	-	-
<b>Profit/(Loss) for the year</b>		<b>2,367</b>	<b>(5,500)</b>

## Financial statements for the year ended 31 December

### Balance sheet

DKK'000	Note	2018	2017
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Property, plant and equipment</b>	4		
Land and buildings		67,943	62,981
Fleet		424,249	298,540
Fixtures and fittings, tools and equipment		343	307
		<u>492,535</u>	<u>361,828</u>
<b>Intangible assets</b>	5		
Customer list/ Goodwill		3,536	4,108
<b>Total Intangible Assets</b>		<u>3,536</u>	<u>4,108</u>
<b>Total Fixed and Intangible Assets</b>		<u>496,071</u>	<u>365,937</u>
<b>Current assets</b>			
Inventories		5,075	4,414
<b>Receivables</b>			
Trade receivables		54,041	43,584
Security Deposits		-	5,421
Prepayments		664	12,549
		<u>59,780</u>	<u>65,968</u>
<b>Cash at bank and in hand</b>		1,375	3,447
<b>Total current assets</b>		<u>61,155</u>	<u>69,415</u>
<b>TOTAL ASSETS</b>		<u>557,226</u>	<u>435,352</u>



## Financial statements for the year ended 31 December

### Balance sheet

DKK'000	Note	2018	2017
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Share capital		60,006	60,006
Retained earnings		192,352	189,984
<b>Total capital and reserves</b>		<b>252,358</b>	<b>249,990</b>
<b>Short-term liabilities</b>			
Amounts owed to group enterprises		232,394	147,791
Trade payables		46,344	17,098
Deposits received from customers		207	-
Other payables		24,829	19,697
VAT Payable		1,093	776
		304,868	185,362
<b>Total liabilities</b>		<b>304,868</b>	<b>185,362</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>557,226</b>	<b>435,352</b>
<b>Contingent liabilities</b>	6		
<b>Related party disclosures</b>	7		
<b>Mortgages and Collateral</b>	8		

## Financial statements for the year ended 31 December

### Statement of Changes in Equity

#### Capital and reserves

DKK'000	Share Capital	Retained earnings	Total
<b>Capital and reserves at 1 January 2018</b>	60,006	189,984	249,990
Profit for the year	-	2,367	2,367
<b>Capital and reserves at 31 December 2018</b>	<u>60,006</u>	<u>192,351</u>	<u>252,357</u>

The share capital comprises 60.006 shares of DKK 1,000 thousand each.

Share capital for the latest five years is specified as follows:

DKK'000	2018	2017	2016	2015	2014
Share capital at 1 January	<u>60,006</u>	<u>60,006</u>	<u>60,006</u>	<u>60,006</u>	<u>60,005</u>
Share capital at 31 December	<u>60,006</u>	<u>60,006</u>	<u>60,006</u>	<u>60,006</u>	<u>60,006</u>

## Financial statements for the year ended 31 December

### Cash flow statement

DKK'000	Note	2018	2017
Lease revenue		192,337	145,565
Operating costs		(44,386)	(34,898)
Staff costs		(67,627)	(54,683)
Other operating costs		(23,047)	(17,168)
<b>Cash generated from operation activities before changes in working capital</b>		<b>57,277</b>	<b>38,816</b>
Changes in working capital		41,091	(40,519)
Cash generated from operating activities		<b>98,369</b>	<b>(1,703)</b>
Interest received		75	1,170
Interest paid		(2,828)	(2,158)
<b>Cash flows from operating activities</b>		<b>95,616</b>	<b>(2,691)</b>
Acquisition of fixed assets		(216,046)	(146,528)
Disposal of fixed assets		33,753	52,688
<b>Cash flows (used in)/ from investing activities</b>		<b>(182,293)</b>	<b>(93,840)</b>
Change in Group financing		84,604	98,198
<b>Cash flows from financing activities</b>		<b>84,604</b>	<b>98,198</b>
<b>Net cash flows from/(used in) operating, investing and financing activities</b>		<b>(2,074)</b>	<b>1,667</b>
Cash and cash equivalents at 1 January		3,447	1,780
<b>Cash and cash equivalents at 31 December</b>		<b>1,375</b>	<b>3,447</b>

## Financial statements for the year ended 31 December

### Notes

DKK'000	<u>2018</u>	<u>2017</u>
<b>1 Depreciation and impairment</b>		
Land and buildings	3,294	2,200
Fleet	48,220	42,812
Customer list	572	189
Fixtures and fittings, tools and equipment	<u>70</u>	<u>76</u>
	<u>52,157</u>	<u>45,276</u>
<b>2 Staff costs</b>		
Wages and salaries	62,727	50,859
Pensions	<u>4,900</u>	<u>3,824</u>
	<u>67,627</u>	<u>54,683</u>
Average number of employees	<u>129</u>	<u>89</u>

With reference to the Danish Financial Statements Act. §98 b, 3, the wage for the executive Board is not described. The board of directors have not received a wage.

### 3 Tax on the loss for the year

Current tax for the year	0	0
Adjustment for deferred tax for the year	0	0
Income tax payments/refund from joint taxation, prior years	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>

Deferred tax assets amounts to DKK 157 million.

Deferred tax assets have not been recognised since the potential value is uncertain.

## Financial statements for the year ended 31 December

### Notes

#### 4 Property, plant and equipment

DKK'000	Land and buildings	Trailers	Fixtures and fittings, tools and equipment	Total
Cost at 1 January 2018	96,250	577,922	2,032	676,206
Additions	8,256	188,063	107	196,427
Transferred from Group undertakings, original cost price	-	29,315	-	29,315
Transferred to Group undertakings, original cost price	-	(39,738)	-	(39,738)
Disposals	-	(70,640)	-	(70,640)
Cost at 31 December 2018	104,507	684,922	2,139	791,569
Depreciation at 1 January 2018	(33,270)	(279,381)	(1,726)	(314,378)
Depreciation	(3,294)	(48,220)	(70)	(51,585)
Transferred from Group undertakings	-	(9,696)	-	(9,696)
Transferred to Group undertakings	-	18,986	-	18,986
Disposals	-	57,638	-	57,638
Depreciation at 31 December 2018	(36,564)	(260,673)	(1,796)	(299,034)
<b>Carrying amount at 31 December 2018</b>	<b>67,943</b>	<b>424,249</b>	<b>343</b>	<b>492,535</b>

#### 5 Intangible Assets

DKK'000	Goodwill	Customer List	Total
Cost at 1 January 2018	1,276	3,021	4,297
Cost at 31 December 2018	1,276	3,021	4,297
Amortisation at 1 January 2018	-	(189)	(189)
Amortisation	-	(572)	(572)
Disposals	-	-	-
Amortisation at 31 December 2018	-	(761)	(761)
<b>Carrying amount at 31 December 2018</b>	<b>1,276</b>	<b>2,260</b>	<b>3,536</b>

## Financial statements for the year ended 31 December

### Notes

#### 6 Contingent liabilities, contingent assets and security

Total operating leasing obligations amounts to DKK 21,311 thousands.

#### 7 Related Party Disclosures and Transactions

Related parties in control of TIP Trailer Services Denmark ApS:

- Global TIP Holdings Two B.V. (main shareholder)
- ISQ Global Fund II GP, LLC (ultimate consolidated company)

Global TIP Holdings Two B.V. holds the entire share capital.

ISQ Global Fund II GP, LLC indirectly exercises management, control and operations of the Company via Cube Transportation Europe Coöperatief U.A. which is the most senior TIP holding company. ISQ Global Fund II GP, LLC is a limited liability company incorporated in Delaware on 5th of April 2017 and registered in Delaware under file number 6370470 with its registered address at Corporation Service Company, 251 Little Falls Drive, Wilmington, New Castle County, Delaware 19808. There is no natural person who ultimately is entitled to or controls (in each case whether directly or indirectly) more than a 25% share of the capital, profits, or voting rights of ISQ Global Fund II GP, LLC and the Company other than Mr. Sadek Wahba who indirectly controls more than 25% of the Company via his indirect interest of more than 25% in ISQ Global Fund II GP, LLC. As of the date of this report, there were no investors owning 10% or more of the economic interests in the entire ISQ Global Infrastructure Fund II structure, of which ISQ Global Fund II GP, LLC is the general partner.

- All transactions with related parties have been performed on arms length basis and therefore no information about transactions with related parties have been enclosed.

#### 8 Mortgages and Collateral

The Company is party to the Global TIP Holdings Two BV group revolving credit facility. Under this arrangement all assets:

- Land and buildings with a carrying amount of DKK 67,943 thousand at 31 December 2018 have been provided as collateral for mortgages of DKK 240,000 thousand.
- The Company's Trailers and Trade receivables with a carrying amount of DKK 478,290 thousand at 31 December 2018 have been provided as a collateral for mortgages of DKK 249,990 thousand and are secured by a cross guarantee to the lenders against amounts drawn down under this facility along with all group companies.

The guarantee towards other companies is limited to an amount equal to or the greater of

- The equity at the date of the accession of the agreement (DKK 249,990 thousand)
- The equity at the date when a claim for payment is made against the company

#### 9 Proposed distribution of profit/ loss

DKK'000	2018	2017
Proposed dividends	-	-
Retained earnings	2,367	(5,500)
	<u>2,367</u>	<u>(5,500)</u>