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# ***Northern Recycling Services ApS***

Amager Strandvej 390, st., DK-2770 Kastrup

## **Annual Report for 1 February 2017 - 30 June 2018**

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CVR No 38 40 44 23

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
16/11 2018

Michael Kristensson  
Chairman of the General  
Meeting



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## **Management's Statement**

The Executive Board has today considered and adopted the Annual Report of Northern Recycling Services ApS for the financial year 1 February 2017 - 30 June 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 at 30 June 2018 of the Company and of the results of the Company operations for 2017/18.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 16 November 2018

### **Executive Board**

David Kristensson

Michael Kristensson

# Independent Auditor's Report

To the Shareholders of Northern Recycling Services ApS

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 June 2018 and of the results of the Company's operations for the financial year 1 February 2017 - 30 June 2018 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Northern Recycling Services ApS for the financial year 1 February 2017 - 30 June 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## 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 about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

## Independent Auditor's Report

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:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

# Independent Auditor's Report

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 16 November 2018

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Mark Philip Beer

statsautoriseret revisor

mne29472

## **Company Information**

### **The Company**

Northern Recycling Services ApS  
Amager Strandvej 390, st.  
DK-2770 Kastrup

CVR No: 38 40 44 23

Financial period: 1 February 2017 - 30 June 2018

Municipality of reg. office: Tårnby

### **Executive Board**

David Kristensson  
Michael Kristensson

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## Income Statement 1 February - 30 June

	<u>Note</u>	<u>2017/18</u> DKK
<b>Gross profit/loss</b>		<b>-8.000</b>
<b>Profit/loss before tax</b>		<b>-8.000</b>
Tax on profit/loss for the year	2	<u>1.760</u>
<b>Net profit/loss for the year</b>		<b><u>-6.240</u></b>

## Distribution of profit

### Proposed distribution of profit

Retained earnings		<u>-6.240</u>
		<b><u>-6.240</u></b>

## Balance Sheet 30 June

	<u>Note</u>	<u>2017/18</u> DKK
<b>Assets</b>		
Receivables from group enterprises		307.007
Corporation tax receivable from group enterprises		1.760
<b>Receivables</b>		<u><b>308.767</b></u>
<b>Currents assets</b>		<u><b>308.767</b></u>
<b>Assets</b>		<u><b>308.767</b></u>
 <b>Liabilities and equity</b>		
Share capital		50.000
Retained earnings		-6.240
<b>Equity</b>		<u><b>43.760</b></u>
Trade payables		8.000
Payables to group enterprises		257.007
<b>Short-term debt</b>		<u><b>265.007</b></u>
<b>Debt</b>		<u><b>265.007</b></u>
<b>Liabilities and equity</b>		<u><b>308.767</b></u>
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## Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 February	50.000	0	50.000
Net profit/loss for the year	0	-6.240	-6.240
<b>Equity at 30 June</b>	<b>50.000</b>	<b>-6.240</b>	<b>43.760</b>

# Notes to the Financial Statements

## 1 Key activities

The objects for which the company is established are to business in recycling and to engage in other business related thereto.

## 2 Tax on profit/loss for the year

Current tax for the year

2017/18  
DKK

-1.760

**-1.760**

## 3 Contingent assets, liabilities and other financial obligations

### Contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Northern Offshore Services A/S, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on un-earned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

## 4 Related parties

### Basis

#### Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company:

Name

Northern Logistic Services AB

Place of registered office

Saltholmsgatan 44  
SE-426 76 Västra Frölunda  
Sweden

# Notes to the Financial Statements

## 5 Accounting Policies

The Annual Report of Northern Recycling Services ApS for 2017/18 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

This is the first accounting year.

The Financial Statements for 2017/18 are presented in DKK.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to 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.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

# Notes to the Financial Statements

## 5 Accounting Policies (continued)

### Income Statement

#### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

#### Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

#### Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

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

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

### Balance Sheet

#### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

#### Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

# Notes to the Financial Statements

## 5 Accounting Policies (continued)

### Financial debts

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.