Part of Alimentation Couche-Tard

Annual Report 2018/19

1 May 2018 – 30 April 2019

Circle K Danmark A/S

CVR: 28142412

Borgmester Christiansens Gade 50

2450 København SV

The Annual Report was presented and approved at the Annual General Meeting on 30 September 2019.

Chairman of the Annual General Meeting:

Ivan Vijay Thygesen

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MANAGEMENT'S STATEMENT

The Executive Board and Board of Directors have today considered and adopted the Annual Report for Circle K Danmark A/S for the financial year 1 May 2018 - 30 April 2019.

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 April 2019 of the Company and of the results of the Company operations for the financial year 1 May 2018 - 30 April 2019.

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

Copenhagen, 30 September 2019

Executive Board

Mette Uglebjerg

Board of Directors

Hans-Olav Høidahl
(chairman)

Jeremy Knights

Joachim Røberg-Larsen

Michael Sæderup Starcke
(employee representative)

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INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Circle K Danmark A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 April 2019, and of the results of the Company's operations for the financial year 1 May 2018 - 30 April 2019 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Circle K Danmark A/S for the financial year 1 May 2018 - 30 April 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("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.

Statement on Management's Review

Management is responsible for Management's Review.

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

Based on the work we have performed, in our view, 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 in Management's Review.

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.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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.

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, 30 September 2019

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Torben Jensen
State Authorised Public Accountant
MNE18651

Rikke Lund-Kühl
State Authorised Public Accountant
MNE33507

INFORMATION ABOUT THE COMPANY

Circle K Danmark A/S
Borgmester Christiansens Gade 50
2450 København SV
Telephone: +45 70 101 101
Telefax: +45 70 101 401
CVR-no. 28 14 24 12

Board of Directors

Hans-Olav Høidahl (chairman)
Jeremy Knights
Joachim Røberg-Larsen
Michael Sæderup Starcke (employee representative)

Executive Board

Mette Uglebjerg

Parent Company:

Circle K AS, Oslo, Norway, Ownership 100 %

Ultimate Parent Company:

Alimentation Couche-Tard Inc., Montreal, Canada, Ownership 100 %

Associated Companies

Motorvejscenterselskabet af 1990 A/S, Ownership 50 %

Partnerships

I/S Fællesskiltning, Ownership 58,5 %

Auditors:

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup

Upon written request addressed to the company annual report of Circle K AS will be made available.
The Annual Reports for Alimentation Couche-Tard Inc. can be downloaded on
http://corpo.couche-tard.com/en/investor-relations/annual-quarterly-reports/

FINANCIAL HIGHLIGHTS

Amounts in DKK million	2018/19	2017/18	2016/17	2015/16	2014/15
Revenue	10 690	9 342	8 425	6 820	8 429
Profit before financial income and expenses, etc	192	128	(28)	157	74
Financial income and expenses	(14)	(19)	(23)	(266)	(38)
Profit before tax	178	109	(51)	(109)	36
Tax on the profit for the year	(31)	(13)	22	(38)	8
Net profit/loss for the year	148	95	(29)	(147)	44
Total assets	6 547	5 814	4 500	4 417	3 414
Equity	2 334	2 187	2 091	2 626	843
Investments in property, plant and equipment	186	286	1 322	136	174
Average number of employees	1 850	2 137	1 941	1 422	1 425

Ratios

	2018/19	2017/18	2016/17	2015/16	2014/15
Profit margin *Profit before financial income and expenses, etc in per cent of revenue*	2%	1%	0%	2%	1%
Return on assets *Profit before financial income and expenses, etc in per cent of total assets*	3%	2%	-1%	4%	2%
Return on equity *Net profit/loss for the year in per cent of opening equity*	7%	5%	-1%	-17%	6%
Solvency ratio *Equity in per cent of assets*	36%	38%	46%	59%	25%

MANAGEMENT REVIEW

Circle K Danmark A/S

Circle K Danmark A/S is a subsidiary of Circle K AS, which in turn is a wholly-owned indirect subsidiary of Alimentation Couche-Tard Inc. (Couche-Tard). Couche-Tard is the leader in the Canadian convenience store industry. In the United States, it is the largest independent convenience store operator in terms of the number of company-operated stores. In Europe, Couche-Tard is a leader in convenience store and road transportation fuel retail in the Scandinavian countries (Norway, Sweden and Denmark), in the Baltic countries (Estonia, Latvia and Lithuania), as well as in Ireland, and has an important presence in Poland.

As of 28 April 2019, Couche-Tard's network comprised 9,866 convenience stores throughout North America, including 8,629 stores with road transportation fuel dispensing. Its North American network consists of 19 business units, including 15 in the United States covering 48 states and 4 in Canada covering all 10 provinces. Approximately 109,000 people are employed throughout its network and at its service offices in North America. In addition, though CrossAmerica Partners LP ("CAPL), Couche-Tard supply road transportation fuel under various brands to approximately 1,300 locations in the United States.

In Europe, Couche-Tard operates a broad retail network across Scandinavia, Ireland, Poland, the Baltics and Russia through ten business units. As of 28 April 2019, Couche-Tard's network comprised 2,709 stores, the majority of which offer road transportation fuel and convenience products while the others are unmanned automated fuel stations which only offer road transportation fuel. Couche-Tard also offers other products, including aviation fuel and energy for stationary engines. Including employees at its branded franchise stores, approximately 24,000 people work in its retail network, terminals and service offices across Europe.

In addition, under licensing agreements, more than 2,150 stores are operated under the Circle K banner in 15 other countries and territories (Cambodia, China, Costa Rica, Egypt, Guam, Honduras, Hong Kong, Indonesia, Macau, Mexico, Mongolia, New Zealand, Saudi Arabia, the United Arab Emirates and Vietnam), which brings the total network to more than 16,000 stores.

The Danish network comprise 440 sites under the brands Circle K, INGO and 1-2-3, 229 sites are full-service sites and 211 are automat / truck sites as well as direct sale of fuel products for transport, heating and other industrial purposes.

Our mission is to make our customers' lives a little easier every day. To this end, we strive to meet the demands and needs of people on the go. We offer fast and friendly service, providing food, hot and cold beverages, car wash services, and other high quality products and services including road transportation fuel, designed to meet or exceed our customers' demand in a clean, welcoming and efficient environment. Couche-Tard's business model is key to success. Couche-Tard's have a decentralized management structure, routinely

compare best practices, and use our global experience to enhance our operational expertise. Couche-Tard continually invest in its people and its stores, while maintaining a strong cost discipline.

Couche-Tard is a Canadian company which shares are listed on the Toronto Stock Exchange (TSE: ATD.A and ATD.B).

Profit for the year

The operating profit of DKK 191.8 million is an improvement of DKK 64.3 million compared to last year where the operating profit amounted to DKK 127.5 million.

Net profit after tax was DKK 147.5 million versus DKK 95.4 million last year.

Fiscal year 2018/19 (1May 2018 - 30 April 2019) was another record year for the Danish Circle K organisation. Following fiscal 2017/18, which was a year of refinement, where we refined our organisation, our customer offer, our operation and our network, the focus for 2018/19 was to drive organic growth. On Fuel, despite a flat, and in some segments declining, market, we managed to grow our volumes by 1%. Within Convenience, our key categories performed extremely well, with some categories growing in excess of 10%. This is not due to one or a few direct factors but from a number of initiatives and consistent hard work over time which we are now harvesting. We are not only outperforming the market growth within convenience but have done so in parallel with increasing the perception of Circle K as a high quality destination for fresh food on the go.

The Activities

The Oil Market in Denmark

A small decrease in gasoline consumption countered by a small increase in diesel consumption resulted in a market that was flat on volume compared to previous fiscal year.

The fiscal year started with a crude oil price in the mid usd 70's. The price increase steadily to a high level of the fiscal year in the mid usd 80's around new Year, caused by uncertainty about the situation in Iran and possible embargo by the USA. Increased oil production from especially USA and uncertainty over the international trade caused the price to drop back to the mid usd 70's by the end of the year.

Retail prices for both diesel and gasoline followed the same pattern - prices increasing over the autumn and early winter only to drop back again at the end of the year where they closed slightly higher than in the beginning of the year. The slightly higher price end of the year than in the beginning of the year was caused by a slightly higher usd/dkk exchange rate. We buy products in usd.

Our stores

A key contributor in last year's success within Convenience, and especially Food, is the development and roll-out of our new store concept, which is developed with the ambition to present Circle K as an attractive food destination. We have during the last year rolled out our

new concept on 35 stores across Denmark. The response from our customers has been very positive and we are looking forward to continue the roll-out during this year and next.

Convenience

Making it easy and convenient for our customers is a corner stone in the overall strategy.

We continue to focus on providing a high quality and a pleasant costumer experience in our stores mainly on bakery, coffee and fresh food meal deals in the stores. Main drivers as quality, freshness and taste have been the most important key words for our new initiatives in convenience. During fiscal 2018/19 we have seen an intensified competition in the market for fresh food and the to go segment. Circle K aims to be a leading provider in this segment.

During the last year, we rebuilt 12 sites and implemented our extended fresh food concept. The selection of fresh food will be rolled out further during this year, alongside the rebuilt of our customer friendly store concept.

Carwash is an important business area for us and has been a good driver of customers to our stores. A customer friendly and attractive offer on carwash remains to be a core focus area and this year a subscription offer was tested and introduced at 9 sites.

The company has kept focus on the loyalty concept Circle K EXTRA Club which offers additional benefits to customers using optional debit/credit card.

Heating Oil

The heating oil market continues its decline due to conversion to alternative means of heating. This coupled with a heating season that again this year was relatively mild resulted in a very low volume heating oil market

INGO

During the fiscal year 2018/19, INGO increased the operation both within the Carwash business (+3 new Carwash sites) and the fuel business Fuel (+26 new sites) and by that becoming the 4. largest fuel brand in Denmark.

To get closer to the customers, INGO introduced a Customer loyalty program based on an INGO APP, where customers can find many helpful functions and even win free liters.

INGO will continue the focus to offer low priced fuel to the Danish customers and have always clean, tidy and well-functioning stations.

Terminals

As of 1 May 2018 Circle K Danmark A/S carve out the Terminal activity to Circle K Terminal Denmark ApS. The transaction has been considered insignificant compared to Circle K Danmark A/S overall operation.

The employees

During financial year 16/17, we integrated 987 store employees into the Circle K family. This was a significant but highly rewarding effort, making them truly feel part of our family and ambassadors of our brand. We are in retrospect proud to say that the integration went above all expectations and that a couple of old Shell stores are now flagship stores in terms of operational excellence.

During the last two years, training has been a key focus area. As we are continuously developing our food offer, training our employees is key in order to deliver on our promise of Safe Quality Food. This focus continues into fiscal year 2019/20.

By the end of fiscal year 2018/19, the number of employees was 3,214. The number comprise 204 employees at the headquarter, including 31 employees which is part of the European organization. Furthermore there was 3,010 full- and part-time employees at the company's stores.

Special risks

Primary operational risks

- The Company's activities include primary storage, transportation and sale of petroleum products. Such activities involve certain risks, especially at terminals and other storage facilities where large quantities of fuel are stored and handled, and at the stores.
- Exposure to the Danish pricing on the sale of petroleum products.

Primary financial risks are similar to earlier

As a result of operating, investing and financing the Company is exposed to changes in exchange rates (primarily U.S. dollars) and in interest rates. Management of these risks is carried out in conjunction with the Group's interbank, including the deployment of the Company's cash reserves.

Foreign Exchange

Foreign exchange risk arises from transactions in currencies other than Danish kroner and by the assets and liabilities related to working capital and monetary items denominated in foreign currencies.

Credit

There are granted substantial credits to our customers, primarily in the form of trade credit. It is a company policy to make an ongoing credit evaluation of our customers. Provisions for bad debts are made where appropriate.

Events after the balance sheet date

The management is not aware of any events after the balance sheet date, which could change the company's financial position.

The Future

Circle K Danmark A/S aims to maintain the strong position in Denmark and to be the customers preferred destination for convenience and fuel. We will continue the roll-out of our new store concept which will further bring us even further towards our goal of being the preferred destination for fresh high quality food for people on the go.

Further, we are today working actively to develop new alternative zero- or low emission transportation energy solutions. This work will intensify going forward and we will seek find solutions both across energy sources. We have a good and frequent dialogue with both the political environment, industry experts and research institutions.

In fiscal year 2020, a moderate growth in the result before tax is expected.

Statutory statement on Corporate Social Responsibility in accordance with Danish financial statement act section §99A and §99B

For information on strategies, commitments and efforts regarding social responsibility and sustainability please refer to published report availed at
https://www.circlek.dk/dk_DK/pg1334072966423/OmCircleK-karriere/OmCircleK/%C3%85rsrapporter.html

ACCOUNTING POLICIES

Basis of Preparation

The Annual Report of Circle K Danmark A/S has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied is unchanged from last year.

The Annual Report is presented in Danish kroner (DKK).

Recognition and measurement

Revenues is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. Moreover, all expenses and depreciation, amortisation and impairment losses for accounting purposes are recognised in the income statement.

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

Liabilities are recognised in the balance sheet when it is probable that the Company has to give up future economic benefits, and the value of the liability can be measured reliably.

Assets and liabilities are 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 the transaction. Exchange differences arising between the transaction date rates and the rates at the date of payment are recognised in financial income and expenses in the income statement.

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 difference between the exchange rate at the balance sheet date and the rate at the date when the item arises is recognised in financial income and expenses in the income statement.

Cash Flow Statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement is prepared.

Income Statement

Revenue

Revenue from the sale of oil products, services and sale at the stores is recognised in the income statement at the date of delivery if the income can be measured reliably and is expected to be realised. Revenue is recognised exclusive of VAT and indirect taxes and net of customer discounts relating to sales.

Cost of sales

Cost of sales and production costs comprise costs, incurred to achieve revenue for the year. Moreover, energy costs, freight, services and maintenance costs that do not meet the criteria for recognition as assets in the balance sheet are recognised in cost of sales and production costs.

Administrative expenses

Administrative expenses comprise expenses related to sale, marketing, administration, office premises, office expenses etc.

Staff expenses

Staff expenses include wages and salaries, social security cost, pensions etc.

Other operating income and expenses

Other operating income and expenses comprise items of a secondary nature to the core activities of the Company, including gains and losses on the sale of intangible assets and property, plant and equipment.

Result from investment in subsidiaries and associates

Circle K Danmark A/S's share of results from subsidiaries are stated in the income statement.

Financial income and expenses

Financial income and expenses comprise interest income and expenses. Realised and unrealised exchange gains and losses relating to receivables, payables and transactions in foreign currencies are shown as a separate item in the income statement. Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year.

Corporation tax and deferred tax

Tax for the year, which consists of current tax for the year, provision for deferred tax and tax relating to previous years, is recognised in the income statement. Tax attributable to entries directly in equity is recognised in equity.

Provision for deferred tax is calculated at 22% on all temporary differences between the values for accounting and tax purposes except for temporary differences arising at the date of acquisition of assets and liabilities and which have no effect on either profit or taxable income. Deferred tax assets are recognised at the value at which they are expected to be

realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

The enterprises of the Danish part of the Circle K Group are jointly taxed. The Danish corporation tax is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation).

Balance Sheet

Intangible assets

Goodwill

Positive differences (goodwill) between the cost and fair value of acquired assets and liabilities are recognised in intangible assets and amortised over the expected useful life, which is determined based on Management's experience in the business area concerned. The carrying amount of goodwill is assessed on a current basis and is amortised over the income statement if the carrying amount exceeds the expected future net payments from the activity to which the goodwill relates. The assets are amortised on a straight-line basis over the following expected useful lives:

Goodwill	20 years

The goodwill represents the synergy effect of the brands Circle K and Ingo. We have a large number of sites all over Denmark and the customer is often close to a Circle K or INGO site and therefore the standard useful life of 10 years is assessed not to be sufficient.

Acquired rights

Acquired rights are measured at cost less accumulated amortisation. Investments in distribution contracts relate to underlying fixed assets which are expected to have useful lives of 10-15 years, and amortisation is calculated on a straight-line basis over the expected useful life.

An impairment test is carried out on acquired intangible assets if there is any indication of impairment. The impairment test is made for each individual asset or group of assets. The assets are written down to the higher of the value in use and the net selling price (recoverable amount) of the asset or the group of assets if lower than the carrying amount.

Fixed assets

Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses. Land is not depreciated. Depreciation is based on cost reduced by any scrap value after the end of useful life.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use. Moreover, estimated future costs are recognised if they qualify for recognition of provisions.

The assets are depreciated on a straight-line basis over the following expected useful life:

Buildings and tanks	20 - 50 years
Plant and machinery	10 - 20 years
Fixtures and fittings, tools and equipment	4 - 10 years

An impairment test is carried out on property, plant and equipment if there is any indication of impairment. The impairment test is made for each individual asset or group of assets. The assets are written down to the higher of the value in use and the net selling price (recoverable amount) of the asset or the group of assets if lower than the carrying amount.

Leases

Leases in terms of which Circle K Danmark A/S in fact assumes or retains substantially all risks and rewards of ownership are assets (finance leases) and are recognised in the balance sheet as property, plant and equipment. The remaining lease obligation is capitalised and recognised in debt. The interest element on the lease payments is recognised over the lease term in the income statement.

Investments in associates

Income statement

The item Income from investments in associates in the income statement includes the proportionate share of profit after tax of associates.

Balance Sheet

Investments in associates are recognised and measured under the equity method. The item Investments in associates in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of any remaining value of positive differences (goodwill) and deduction of any remaining value of negative differences (negative goodwill).

Associates with a negative net asset value are recognised at DKK 0 in the balance sheet. Any receivable from these enterprises is written down by the Parent Company's share of the negative net asset value to the extent it is considered uncollectible. If the negative net asset value exceeds a receivable, the remaining amount is recognised as a provision to the extent that the Parent Company has an obligation to cover the negative equity of the enterprise.

The net revaluation of investments in associates is transferred to the item reserve for net revaluation under the equity method under equity to the extent that the carrying amount exceeds cost less goodwill amortisation. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the associates.

Receivables from group enterprises

Receivables from group enterprises are recognised at nominal value in the balance sheet.

Receivables

Receivables are measured at amortised cost, generally corresponding to nominal value. Provisions for estimated bad debts are made.

Inventories

Inventories are measured at cost under the FIFO method. Where cost is higher than the net realisable value, inventories are written down to the lower net realisable value.

The cost of raw materials and consumables equals landed cost.

The net realisable value of inventories is calculated as the selling price less costs of completion and costs incurred to effect the sale.

Prepayments

Prepayments comprise expenses incurred relating to the subsequent financial year. Prepayments are measured at amortised cost, generally corresponding to nominal value.

Cash at bank and in hand

Cash at bank and in hand comprises cash as well as readily available bank deposits.

Proposed dividend for the year

Dividend is recognised as a liability at the time of adoption at the General Meeting. Dividend expected to be paid for the year is disclosed as a separate equity item.

Other provisions

Provisions are recognised when - in consequence of events occurred - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Other provisions include expected demolition costs and costs for the removal of known contamination. Obligations for expected demolition costs are recognised at the net present value of expected future costs and a similar amount is capitalised as part of the asset concerned. Subsequent changes to the net present value due to changes to the discount rate or estimated future costs are added to or deducted from the asset.

Debt

Trade payables and payables to group enterprises as well as other debt are measured at amortised costs corresponding to the nominal remaining debt.

Equity

Equity includes the share capital, revaluation reserves and retained earnings including any adjustments relating to previous years as well as any proposed dividend for the year.

INCOME STATEMENT FOR THE PERIOD 1 MAY - 30 APRIL

Amounts in DKK '000

Note		2018/19	2017/18
1	Revenue	10 689 622	9 341 568
	Cost of sales	(8 696 367)	(7 379 273)
	Gross profit	1 993 255	1 962 295
	Administative expenses	(804 374)	(844 721)
2	Staff expenses	(770 411)	(741 961)
	Earning before interest, depreciation, amortization, impairment and taxes (EBITDA)	418 470	375 613
	Depreciation and impairment of intangible and and property, plant and equipment	(244 061)	(252 085)
12	Loss from investments in associates	(102)	(132)
3	Other operating income	35 135	50 680
3	Other operating expenses	(17 623)	(46 547)
	Earning before financial income and expenses, etc	191 819	127 529
4	Financial income etc	8 668	13 752
5	Financial expenses etc	(22 319)	(32 596)
	Earning before tax	178 168	108 685
6	Tax on the profit/loss for the year	(30 614)	(13 197)
7	Net profit/loss for the year	147 554	95 488

8 Notes to which no references are made in the Financial Statements

BALANCE SHEET AT 30 APRIL

Amounts in DKK '000

Note		2019	2018
	Assets		
	Fixed assets		
9	Intangible assets		
	Goodwill	399 749	423 101
	Acquired rights	4 328	6 101
		404 077	429 202
10	Property, plant and equipment:		
	Land, buildings and tanks	1 232 015	1 350 179
	Plant and machinery	313 269	346 770
	Other fixtures and fittings, tools and equipment	309 254	277 232
	Property, plant and equipment under construction	87 630	160 875
		1 942 168	2 135 056
11	Other financial assets:		
12	Investments in associates	487	589
	Receivables from associates	6 183	7 258
	Other securities and investments	1 665	1 697
	Other receivables	13 433	15 689
		21 768	25 233
	Total fixed assets	2 368 013	2 589 491
	Current assets		
	Inventories:		
	Manufactured goods and commodities	261 859	265 116
		261 859	265 116
	Receivables:		
6	Deferred tax asset	15 333	41 090
	Trade receivables	1 547 905	1 494 873
	Receivables from group enterprises	2 228 750	1 289 897
	Tax receivables	4 218	0
13	Prepayments	21 498	17 547
		3 817 704	2 843 407
	Cash at bank and in hand	99 709	115 971
	Total current assets	4 179 272	3 224 494
	Total assets	6 547 285	5 813 985

BALANCE SHEET AT 30 APRIL

Amounts in DKK '000

Note		2019	2018
	Equity		
	Share capital	177 000	177 000
	Reserve for revaluation	9 279	9 279
	Retained earnings	2 148 006	2 000 452
		2 334 285	2 186 731
	Provisions		
14	Other provisions	334 808	349 236
		334 808	349 236
15	Long-term debt		
	Other payables	41 832	80 468
		41 832	80 468
	Short-term debt		
	Trade payables	306 520	304 700
	Payables to group enterprises	2 631 890	1 963 569
	Accrued public indirect taxes	645 361	663 337
	Other payables	252 589	265 944
		3 836 360	3 197 550
	Total debt	3 878 192	3 278 018
	Total liabilities and equity	6 547 285	5 813 985

16 Contingent liabilities and other financial obligations
17 Related parties

STATEMENT OF CHANGES IN EQUITY

Amounts in DKK '000

	2019	2018
Equity		
Share capital		
Balance at 1 May	177 000	177 000
Balance at 30 April	**177 000**	**177 000**
Revaluation reserve		
Balance at 1 May	9 279	9 279
Balance at 30 April	**9 279**	**9 279**
Retained earnings		
Retained earnings at 1 May	2 000 452	1 904 965
Net result for the year	147 554	95 487
Retained earnings at 30 April	**2 148 006**	**2 000 452**
Total equity	**2 334 285**	**2 186 731**

In the previous five years, the share capital has been composed as follows:

	2019	2018	2017	2016	2015
Shares of DKK 1,000	177 000	177 000	177 000	178 000	800 000
	177 000	**177 000**	**177 000**	**178 000**	**800 000**

The shares are all held by Circle K AS, Oslo.

NOTES TO THE FINANCIAL STATEMENTS

Amounts in DKK '000

	2018/19	2017/18
1 Revenue		
Sale of oil products in the Danish market	7 766 483	6 623 642
Other sales in the Danish market	2 904 153	2 702 612
Export of oil products	18 986	15 314
	10 689 622	9 341 568
2 Staff expenses		
Wages and salaries	(699 708)	(671 983)
Pensions	(49 188)	(47 568)
Other social security expenses	(3 995)	(4 616)
Other staff expensens	(17 520)	(17 794)
	(770 411)	(741 961)
Average number of employees	1 850	2 137

With reference to section 98 B(3) of the Danish Financial Statements Act, remuneration to Management is not disclosed.

3 Other operating income and expenses

Includes various accounting assistance provided to service stations and profit and loss on sale and disposal of real property/business divisions.

4 Financial income etc		
Financial income from group enterprises	4 915	3 391
Other financial income	3 753	10 361
	8 668	13 752
5 Financial expenses etc		
Financial expenses to group enterprises	(733)	(1 479)
Other financial expenses	(21 586)	(31 117)
	(22 319)	(32 596)

Amounts in DKK '000

	2018/19	2017/18
6 Corporation tax		
Corporation Tax	(4 359)	0
Adjustment of deferred tax	(25 757)	(21 442)
Tax on the profit/loss for the year	(30 116)	(21 442)
Adjustment of corporation tax relating to previous years	(498)	1 625
Adjustment of deferred tax relating to previous years	0	6 620
Adjustment of corporation tax relating to previous years	(498)	8 245
Total tax in the income statement	(30 614)	(13 197)
The deferred tax asset breaks down as follows:		
Property, plant and equipment	(97 008)	(107 538)
Intangible assets	17 457	38 492
Leased assets and lease obligations (net)	2 151	1 270
Prepayment / deferred income	(4 730)	(3 860)
Obligation relating to provisions	73 658	76 832
Tax loss carry forward	23 805	35 894
Total deferred tax asset	15 333	41 090

7 Distribution of net profit/loss for the year

Which the Board of Directors proposes be distributed as follows:

Retained earnings	147 554	95 488
Total amount at disposal	147 554	95 488

8 Notes to which no references are made in the Financial Statements

Audit fees:

Fee for statutory audit	595	595
Fee for other assurance engagements	346	257
Fee for tax advisory services	322	438
Fee for non-audit services	29	295
	1 292	1 585

Amounts in DKK '000

9 Intangible assets	Goodwill	Acquired rights	Total
Cost:			
Balance at 1 May	460 959	9 736	470 695
Additions for the year	0	95	95
Disposals for the year	(307)	0	(307)
Balance at 30 April	**460 652**	**9 831**	**470 483**
Amortisation and impairment losses:			
Balance at 1 May	37 858	3 635	41 493
Amortisation for the year	23 065	1 868	24 933
Amortisation of assets sold	(20)	0	(20)
Balance at 30 April	**60 903**	**5 503**	**66 406**
Carrying amount at 30 April	**399 749**	**4 328**	**404 077**

Amounts in DKK '000

10 Property, plant and equipment	Land, buildings and tanks	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment under construction	Total
Cost:					
Balance at 1 May	2 476 146	955 526	513 132	160 875	4 105 679
Additions for the year	16 455	30 672	40 645	98 070	185 842
Disposals for the year	(95 938)	(62 737)	(14 757)	(86 654)	(260 086)
Transfer	(37 126)	44 374	77 413	(84 661)	0
Balance at 30 April	**2 359 537**	**967 835**	**616 433**	**87 630**	**4 031 435**
Revaluations:					
Balance at 1 May	5 175	7 455	0	0	12 630
Disposals for the year	0	0	0	0	0
Balance at 30 April	**5 175**	**7 455**	**0**	**0**	**12 630**
Depreciation and impairment losses:					
Balance at 1 May	1 131 142	616 211	235 900	0	1 983 253
Depreciation for the year	81 393	84 330	54 013	0	219 736
Depreciation of assets sold	(79 838)	(38 520)	17 266	0	(101 092)
Balance at 30 April	**1 132 697**	**662 021**	**307 179**	**0**	**2 101 897**
Carrying amount at 30 April	**1 232 015**	**313 269**	**309 254**	**87 630**	**1 942 168**

The carrying amount of land and buildings includes leased assets corresponding to DKK 33 million (2018: DKK 88 million).

Amounts in DKK '000

	Investments in associates	Receivables from associates	Other securities and investments	Other receivables	Total
11 Other financial assets					
Cost:					
Balance at 1 May	1 639	13 710	1 984	16 564	33 897
Additions for the year	0	0	0	413	413
Disposals for the year	0	0	(32)	(2 262)	(2 294)
Balance at 30 April	**1 639**	**13 710**	**1 952**	**14 715**	**32 016**
Amortisation and impairment losses:					
Balance at 1 May	1 050	6 452	287	875	8 664
Amortisation and impairment losses for the year	102	1 075	0	407	1 584
Balance at 30 April	**1 152**	**7 527**	**287**	**1 282**	**10 248**
Carrying amount at 30 April (acc to the balance sheet)	**487**	**6 183**	**1 665**	**13 433**	**21 768**

	Profit for the year after tax	Net asset value year end	Carrying amount year end
12 Investments in associates comprise shares in the following enterprises:			
Motorvejscenterselskabet af 1990 A/S, Copenhagen (50%)	0	612	306
I/S Fællesskiltning, Nyborg (58,5%)	(102)	312	181
	(102)	**924**	**487**

13 Prepayments

Prepayments comprise prepaid expenses for rent, property taxes and insurance.

Amounts in DKK '000

	2019	2018
14 Other provisions		
Decontamination obligations:		
Balance at 1 May	77 590	75 885
Additions for the year	7 100	18 359
Applied in the year	(7 818)	(12 740)
Adjustment for the year	(9 713)	(3 914)
Balance at 30 April	**67 159**	**77 590**
Expected applied within one year	17 556	19 582
Expected applied after one year	49 603	58 008
	67 159	**77 590**
Demolition obligation:		
Balance at 1 May	270 210	275 440
Additions for the year	5 968	53 765
Applied in the year	0	(1 190)
Adjustment for the year	(8 529)	(57 805)
Balance at 30 April	**267 649**	**270 210**
Expected applied within one year	136 888	78 061
Expected applied after one year	130 761	192 149
	267 649	**270 210**
Other obligation:		
Balance at 1 May	1 436	1 300
Additions for the year	191	3 264
Applied in the year	(710)	(3 130)
Adjustment for the year	(917)	2
Balance at 30 April	**0**	**1 436**
Expected applied within one year	0	1 331
Expected applied after one year	0	105
	0	**1 436**
Total provisions	**334 808**	**349 236**

Amounts in DKK '000

15 Long-term debt:

	Due 1-5 years	Due after 5 years	Total
Other payables	20 062	21 770	41 832
	20 062	21 770	41 832

	2018	2017
16 Contingent liabilities and other financial obligations		
Rental and lease obligations	227 338	329 703
	227 338	329 703

The total rental and leased obligation included DKK 66 million for lease of office premisis. Circle K Danmark A/S is liable for the payment of the outstanding debt from time to time to grocery wholesalers for deliveries to stations that are not owned and managed by Circle K Danmark A/S.

Circle K Danmark A/S has issued bank guarantees totalling DKK 8.8 million towards the Company's business partners.

Together with other subsidiaries in the Group, the Company has issued a guarantee totalling DKK 40.801 million for the liabilities of the parent Company.

The enterprises of the Danish part of the Circle K Group are jointly taxed. The Danish jointly taxed companies are included in a Danish on-account tax payment scheme for Danish corporate income tax. All current taxed under the scheme are recorded in the individual companies. Circle K Danmark A/S is the administration company in the joint taxation.

17 Related parties

Controlling interest:	Basis
Circle K AS Schweigaards gate 16 N-0191 Oslo, Norway	Main shareholder/Parent Company (100% ownership)
Alimentation Couche-Tard Inc. 4204 Industriel Blvd. Laval (Quebec) H7L 0E3 Canada	Ultimate parent company