



CHRISTENSEN
KJÆRULFF

PERSONLIGT ENGAGEMENT

STATSAUTORISERET
REVISIONSAKTIESELSKAB

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KLARSØ A/S

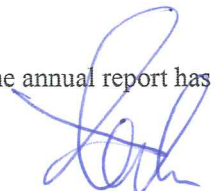
Søholm Park 1, 2900 Hellerup

Company reg. no. 11 15 83 90

Annual report

1 January - 31 December 2015

The annual report has been submitted and approved by the general meeting on the 14 March 2016.



Peter Adser
Chairman of the meeting

Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance DKK 146.940 is the same as the English amount of DKK 146,940, and that 23,5 % is the same as the English 23.5 %.



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Management's report

The board of directors and the managing director have today presented the annual report of KLARSØ A/S for the financial year 1 January to 31 December 2015.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 December 2015 and of the company's results of its activities in the financial year 1 January to 31 December 2015.

The annual report is recommended for approval by the general meeting.

Hellerup, 2 March 2016

Managing Director

Jacob Johansen
Managing Director

Board of directors

Peter Adser
Chairman

Lars Rønsholt

Claus Adser

Svend Christian Rimestad



The independent auditor's report on the annual accounts

To the shareholders of KLARSØ A/S

We have audited the annual accounts of KLARSØ A/S for the financial year 1 January to 31 December 2015, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

The management's responsibility for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore, the management is responsible for such internal control as it determines necessary in order to prepare annual accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the annual accounts based on our audit. We conducted our audit in accordance with international standards on auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of annual accounts that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as the overall presentation of the annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The audit has not resulted in any qualification.



The independent auditor's report on the annual accounts

Opinion

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2015 and of the results of the company's operations for the financial year 1 January to 31 December 2015 in accordance with the Danish Financial Statements Act.

Copenhagen, 2 March 2016

Christensen Kjarulff
Statsautoriseret Revisionsaktieselskab
CVR-nr. 15 91 56 41

John Mikkelsen
State Authorised Public Accountant



Company data

The company

KLARSØ A/S
Søholm Park 1
2900 Hellerup

Company reg. no.: 11 15 83 90
Established: 31 August 1987
Domicile: Gentofte
Financial year: 1 January - 31 December

Board of directors

Peter Adser, Chairman
Claus Adser
Svend Christian Rimestad
Lars Rønsholt

Managing Director

Jacob Johansen, Managing Director

Auditors

Christensen Kjarulff Statsautoriseret Revisionsaktieselskab



Profit and loss account 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2015</u>	<u>2014</u>
Gross profit	12.329.012	7.210.103
2 Staff costs	-2.264.573	-2.231.054
Depreciation and amortisation of tangible fixed assets	-116.103	-121.705
Operating profit	9.948.336	4.857.344
Financial income	1.987	10.607
Results before tax	9.950.323	4.867.951
Tax on the results for the year	-2.340.433	-1.186.146
Result for the year	7.609.890	3.681.805
Proposed distribution of the result:		
Dividend for the financial year	7.000.000	3.000.000
Retained earnings	609.890	681.805
Distribution in total	7.609.890	3.681.805



Balance sheet 31 December

All amounts in DKK.

<u>Note</u>	<u>2015</u>	<u>2014</u>
Assets		
Fixed assets		
3 Operating assets and other equipment	261.152	370.335
Tangible fixed assets in total	<u>261.152</u>	<u>370.335</u>
Other debtors	-10.967	275.915
Financial fixed assets in total	<u>-10.967</u>	<u>275.915</u>
Fixed assets in total	<u>250.185</u>	<u>646.250</u>
Current assets		
Rawmaterials	3.751.815	4.455.556
Inventories in total	<u>3.751.815</u>	<u>4.455.556</u>
Trade debtors	1.977.211	941.372
Receivable corporate tax	478.361	703.585
Other debtors	79.265	448.205
Accrued income and deferred expenses	14.896	16.021
Debtors in total	<u>2.549.733</u>	<u>2.109.183</u>
Cash funds	<u>13.632.829</u>	<u>9.549.484</u>
Current assets in total	<u>19.934.377</u>	<u>16.114.223</u>
Assets in total	<u>20.184.562</u>	<u>16.760.473</u>



Balance sheet 31 December

All amounts in DKK.

Liabilities	2015	2014
<u>Note</u>	<u> </u>	<u> </u>
Equity		
4 Share capital	500.000	500.000
5 Retained earnings	10.916.672	10.306.783
6 Proposed dividend for the financial year	7.000.000	3.000.000
Equity in total	<u>18.416.672</u>	<u>13.806.783</u>
 Provisions		
Provisions for deferred tax	33	6.874
Provisions in total	<u>33</u>	<u>6.874</u>
 Liabilities		
Trade accounts payables	1.596.168	2.201.821
Other liabilities	171.689	744.995
Short-term liabilities in total	<u>1.767.857</u>	<u>2.946.816</u>
Liabilities in total	<u>1.767.857</u>	<u>2.946.816</u>
 Equity and liabilities in total	 <u>20.184.562</u>	 <u>16.760.473</u>

7 Related parties



Notes

All amounts in DKK.

1. Principal activities

The company's principal activities consist of manufacturing and sale of pesticides and biocides.

	<u>2015</u>	<u>2014</u>
2. Staff costs		
Salaries and wages	2.239.819	2.217.644
Other costs for social security	22.852	25.771
Other staff costs	1.902	-12.361
	<u>2.264.573</u>	<u>2.231.054</u>
3. Operating assets and other equipment		
Cost 1 January 2015	657.705	823.136
Additions during the year	22.020	383.610
Disposals during the year	-65.000	-549.041
Cost 31 December 2015	<u>614.725</u>	<u>657.705</u>
Depreciation and writedown 1 January 2015	-287.370	-584.706
Depreciation and writedown for the year	-86.837	-63.487
Depreciation and writedown, assets disposed of	20.634	360.823
Depreciation and writedown 31 December 2015	<u>-353.573</u>	<u>-287.370</u>
Book value 31 December 2015	<u>261.152</u>	<u>370.335</u>
4. Share capital		
Share capital 1 January 2015	<u>500.000</u>	<u>500.000</u>
	<u>500.000</u>	<u>500.000</u>

The share capital consists of 500 shares, each with a nominal value of DKK 1.000. No shares hold particular rights.



Notes

All amounts in DKK.

	<u>31/12 2015</u>	<u>31/12 2014</u>
5. Retained earnings		
Retained earnings 1 January 2015	10.306.782	9.624.978
Retained earnings for the year	<u>609.890</u>	<u>681.805</u>
	<u>10.916.672</u>	<u>10.306.783</u>
6. Proposed dividend for the financial year		
Dividend 1 January 2015	3.000.000	5.000.000
Distributed dividend	-3.000.000	-5.000.000
Dividend for the financial year	<u>7.000.000</u>	<u>3.000.000</u>
	<u>7.000.000</u>	<u>3.000.000</u>

7. Related parties

Ownership

According to the company's list of shareholders, the following shareholders own a minimum of 5% of the voting rights or a minimum of 5% of the share capital:

Klarsø Holding ApS, Søholm Park 1, 2900 Hellerup



Accounting policies used

The annual report for KLARSØ A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to loose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

The profit and loss account

Gross profit

The gross profit comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.



Accounting policies used

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Net financials

Net financials include interest income, interest expenses, and realised and unrealised capital gains and losses on financial assets and liabilities. Net financials are recognised in the profit and loss account with the amounts concerning the financial year.

Interest and other costs concerning loans for financing the production of intangible and tangible fixed assets and concerning the production period are not recognised in the cost of the fixed asset.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

The balance sheet

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown. Land is not depreciated.

The basis of depreciation is cost with deduction of expected residual value after the end of the useful life of the asset.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

Other plants, operating assets, fixtures and furniture	3-5 years
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Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.



Accounting policies used

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

As regards self-constructed assets, the cost comprises costs for materials, components, deliveries from sub suppliers, direct wages expenditure, and indirect production costs.

Inventories

Inventories are measured at cost on basis of measured average prices. In case the net realisable value is lower than the cost, writedown takes place at this lower value.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Equity - dividend

Dividend expected to be distributed for the year is recognised as a separate item under the equity. Proposed dividend is recognised as a liability at the time of approval by the general meeting.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

According to the rules of joint taxation, KLARSØ A/S is unlimited, jointly and severally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax. In the period 2014 to 2016, the corporate tax rate will be reduced gradually from 25 % to 22 %, which will affect the deferred tax liabilities and deferred tax assets. Unless a recognition with a different tax rate than 22 % will result in a significant material deviation in the estimated deferred tax liability or tax asset, deferred tax liabilities and assets are recognised by 22 %.



Accounting policies used

Liabilities

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.