Juvél A/S

Københavnsvej 222, DK-4600 Køge

Annual Report for 1 January - 31 December 2016

CVR No 11 56 07 76

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 10/05 2017

Stefan Hoetzl
Chairman

Contents

	Page
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Management's Review	
Company Information	5
Financial Highlights	6
Management's Review	7
Financial Statements	
Income Statement 1 January - 31 December	8
Balance Sheet 31 December	9
Notes to the Financial Statements	11
Notes, Accounting Policies	14

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Juvél A/S for the financial year 1 January - 31 December 2016.

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 31 December 2016 of the Company and of the results of the Company operations for 2016.

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

Køge, 10 May 2017

Executive Board

Jan Bertelsen
CEO

Board of Directors

Stefan Wolfgang Hötzl | Jorg Kleijssen | Jan Bertelsen

Norbert Hermann Finger

Independent Auditor's Report

To the Shareholders of Juvél A/S

Opinion
In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Juvél A/S for the financial year 1 January - 31 December 2016, which comprise income statement, balance sheet 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 Financials 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 Statement Act. We did not identify any material misstatement in Management's Review.

Independent Auditor's Report

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, 10 May 2017
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Ulrik Ræbild
statsautoriseret revisor

Steffen Kaj Pedersen
statsautoriseret revisor

Company Information

The Company	Juvél A/S Københavnsvej 222 DK-4600 Køge Telephone: + 45 36 34 02 88 Facsimile: + 45 36 34 02 89 Website: www.intra-teka.com CVR No: 11 56 07 76 Financial period: 1 January - 31 December Municipality of reg. office: Køge
Board of Directors	Stefan Wolfgang Hötzl Jorg Kleijssen Jan Bertelsen Norbert Hermann Finger
Executive Board	Jan Bertelsen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Financial Highlights

Seen over a five-year period, the development of the Company is described by the following financial highlights:

	2016	2015	2014	2013	2012
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Gross profit/loss	11.925	11.448	11.600	11.246	13.821
Operating profit/loss	2.550	2.812	2.454	2.072	3.991
Net financials	-48	-67	-99	-42	-77
Net profit/loss for the year	1.950	2.078	1.666	1.510	2.933
Balance sheet					
Balance sheet total	32.690	30.262	29.962	28.177	30.728
Equity	20.562	18.612	18.025	17.291	15.781
Investment in property, plant and equipment	24	429	-191	-165	0
Number of employees	15	15	16	17	19
Ratios					
Solvency ratio	62,9%	61,5%	60,2%	61,4%	51,4%
Return on equity	10,0%	11,3%	9,4%	9,1%	19,5%

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, see under accounting policies.

Management's Review

Main activity

The main activity from the sales and logistics centre in Køge was sale and distribution of stainless steel kitchen and bathroom sinks, sale of stainless steel sanitary products, mini kitchens and other kitchen and bathroom sinks. Here, the products are completed and distributed to Denmark, Europe and North America, primarily.

Development in the year

The income statement of the Company for 2016 shows a profit of DKK 1,950,207, and at 31 December 2016 the balance sheet of the Company shows equity of DKK 20,562,341.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 January - 31 December

	Note	2016	2015
		DKK	DKK
Gross profit/loss		**11.924.563**	**11.447.631**
Staff expenses	1	-9.059.659	-8.261.431
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-315.100	-374.240
Profit/loss before financial income and expenses		**2.549.804**	**2.811.960**
Financial income		0	7
Financial expenses		-47.811	-66.620
Profit/loss before tax		**2.501.993**	**2.745.347**
Tax on profit/loss for the year	2	-551.786	-667.796
Net profit/loss for the year		**1.950.207**	**2.077.551**

Distribution of profit

Proposed distribution of profit

Retained earnings	1.950.207	2.077.551
	1.950.207	**2.077.551**

Balance Sheet 31 December

Assets

	Note	2016	2015
		DKK	DKK
Prepayment		14.250	28.500
Intangible assets		**14.250**	**28.500**
Plant and machinery		37.631	72.426
Other fixtures and fittings, tools and equipment		262.181	344.532
Leasehold improvements		55.275	229.004
Property, plant and equipment	3	**355.087**	**645.962**
Other receivables		1.649.008	1.631.986
Fixed asset investments		**1.649.008**	**1.631.986**
Fixed assets		**2.018.345**	**2.306.448**
Raw materials and consumables		2.016.344	2.030.639
Finished goods and goods for resale		7.972.799	7.244.458
Inventories		**9.989.143**	**9.275.097**
Trade receivables		15.657.933	16.933.091
Receivables from group enterprises		4.290.058	1.130.378
Other receivables		735	1.052
Deferred tax asset		207.155	122.909
Prepayments		399.518	482.757
Receivables		**20.555.399**	**18.670.187**
Cash at bank and in hand		**126.978**	**10.711**
Currents assets		**30.671.520**	**27.955.995**
Assets		**32.689.865**	**30.262.443**

Balance Sheet 31 December

Liabilities and equity

	Note	2016	2015
		DKK	DKK
Share capital		6.000.000	6.000.000
Retained earnings		14.562.341	12.612.134
Equity	4	**20.562.341**	**18.612.134**
Other provisions		235.000	210.000
Provisions		**235.000**	**210.000**
Trade payables		5.571.673	5.691.223
Payables to group enterprises		3.620.062	2.954.886
Corporation tax		450.510	657.606
Other payables		2.250.279	2.136.594
Short-term debt		**11.892.524**	**11.440.309**
Debt		**11.892.524**	**11.440.309**
Liabilities and equity		**32.689.865**	**30.262.443**
Contingent assets, liabilities and other financial obligations	5		

Notes to the Financial Statements

		2016	2015
		DKK	DKK
1	**Staff expenses**		
	Wages and salaries	8.473.007	7.702.265
	Pensions	370.647	343.087
	Other social security expenses	216.005	216.079
		9.059.659	**8.261.431**
	Average number of employees	**15**	**15**

		2016	2015
2	**Tax on profit/loss for the year**		
	Current tax for the year	641.696	719.287
	Deferred tax for the year	-84.246	-51.491
	Adjustment of tax concerning previous years	-5.664	0
		551.786	**667.796**

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Notes to the Financial Statements

3 Property, plant and equipment

	Plant and machinery	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK	DKK	DKK
Cost at 1 January	2.118.573	3.506.870	1.628.998
Additions for the year	0	0	24.225
Cost at 31 December	2.118.573	3.506.870	1.653.223
Impairment losses and depreciation at 1 January	2.046.147	3.162.338	1.399.994
Depreciation for the year	34.795	82.351	197.954
Impairment losses and depreciation at 31 December	2.080.942	3.244.689	1.597.948
Carrying amount at 31 December	**37.631**	**262.181**	**55.275**
Depreciated over	5-10 years	3-6 years	5-10 years

4 Equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	6.000.000	12.612.134	18.612.134
Net profit/loss for the year	0	1.950.207	1.950.207
Equity at 31 December	**6.000.000**	**14.562.341**	**20.562.341**

The share capital consists of 6,000 shares of a nominal value of DKK 1,000. No shares carry any special rights.

Notes to the Financial Statements

	2016	2015
	DKK	DKK

5 Contingent assets, liabilities and other financial obligations

Rental and lease obligations

	2016 DKK	2015 DKK
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	303.317	314.579
Between 1 and 5 years	203.461	413.630
	506.778	**728.209**

Other contingent liabilities

Juvél A/S has entered into a lease of the Company's premises which is interminable and which runs until 1 October 2017. The obligations amounts to DKK 3,091k.

The Company is liable for bankguarantee of DKK 771k.

The Company is jointly and severally liable along with the other Group companies for unauthorised exceeding of the Groups total credit maximum with regards to the Group's cash-pool agreement. The Group's total drawing right has not been fully utilised at 31 December 2016.

Notes, Accounting Policies

Basis of Preparation

The Annual Report of Juvél A/S for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

Financial Statements for 2016 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.

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.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

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.

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.

Notes, Accounting Policies

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.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

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

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

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.

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Notes, Accounting Policies

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction. All indirectly attributable borrowing expenses are recognised in the income statement.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Plant and machinery	5-10	years
Other fixtures and fittings, tools and equipment	3-6	years
Leasehold improvements	5-10	years

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected sales sum.

The cost of goods for resale, raw materials and consumables equals landed cost.

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. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Notes, Accounting Policies

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - 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 warranty obligations in respect of repair work within the warranty period of . Provisions are measured and recognised based on experience with guarantee work.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

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.

Financial debts

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

Financial Highlights

Explanation of financial ratios

Return on assets	$\frac{\text{Profit before financials x 100}}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end x 100}}{\text{Total assets at year end}}$

Notes, Accounting Policies

Return on equity	$\frac{\text{Net profit for the year x 100}}{\text{Average equity}}$

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