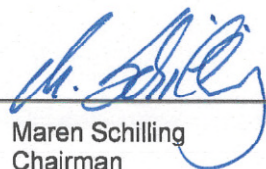


Monacor Danmark A/S

Farum Gydevej 65
3520 Farum
CVR no. 12 18 85 44

Annual report for 2015/16

Adopted at the annual general mee-
ting on 7/10-16


Maren Schilling
Chairman



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Statement by management on the annual report

Today, the board of directors and the executive board have discussed and approved the annual report of Monacor Danmark A/S for the financial year 1 June 2015 - 31 May 2016.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 May 2016 and of the results of its operations for the financial year 1 June 2015 - 31 May 2016.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

We recommend the adoption of the annual report at the annual general meeting.

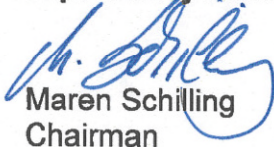
Farum, 5 September 2016

Executive Board




Svend Lund

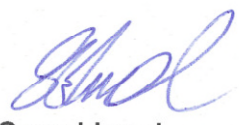
Supervisory Board



Maren Schilling
Chairman



Marco Willroth



Svend Lund

Independent auditor's report

To the Shareholder of Monacor Danmark A/S

Report on the financial statements

We have audited the financial statements of Monacor Danmark A/S for the financial year 1 June 2015 - 31 May 2016, which comprise summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements 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 entity'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 evaluating the overall presentation of the financial statements.

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.

Independent auditor's report

Opinion

In our opinion, the financial statement give a true and fair view of the company's financial position at 31 May 2016 and of the results of the company's operations for the financial year 1 June 2015 - 31 May 2016 in accordance with the Danish Financial Statements Act.

Statement on management's review

Pursuant to the Danish Financial Statements Act, we have read the management's review. We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the management's review is consistent with the financial statements.

Copenhagen, 5 September 2016

Addea Audit ApS
Statsautoriseret revisionsanpartsselskab
CVR-no. 36 07 49 81



John Petersson
State Authorised Public Accountant

Company details

The company

Monacor Danmark A/S
Farum Gydevej 65
3520 Farum
E-mail: mail@monacor.dk
Website: www.monacor.dk

CVR no.: 12 18 85 44
Financial year: 1 June - 31 May
Incorporated: 13.06.1988
Domicile: Furesø

Board of directors

Maren Schilling, Chairman
Marco Willroth,
Svend Lund

Executive board

Svend Lund

Auditors

Addea Audit ApS
Statsautoriseret revisionsanpartsselskab
Amaliegade 35, 1.
1256 København K

Management's review

The Company's business activities

The Company's primary activity is wholesale of security, audio and lighting equipment.

Business review

The company's income statement for the year ended 31 May 2016 shows a profit of DKK 1,448,944, and the balance sheet at 31 May 2016 shows equity of DKK 16,545,675.

Post balance sheet events

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Accounting policies

The annual report of Monacor Danmark A/S for 2015/16 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B enterprises.

The accounting policies applied are consistent with those applied last year.

The annual report for 2015/16 is presented in Danish kroner

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company's 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 from the company's and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the Company does not disclose its revenue.

The gross profit reflects an aggregation of revenue, changes in inventories of finished goods and other operating income less consumables and other external expenses.

Accounting policies

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

Cost of sales

Cost of sales comprises costs of sales for the financial year measured at cost, adjusted for ordinary inventory write-downs.

Other operating income

Other operating income comprises items of a secondary nature relative to the company's activities, including gains on the sale of intangible assets and property, plant and equipment.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Other external costs

Other external costs include expenses related to distribution, sale, advertising, administration, premises etc.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of property, plant and equipment.

Financial income and expenses

Financial income and expenses include interest, realised and unrealised exchange adjustments as well as extra payments and repayment under the onaccount taxation scheme.

Accounting policies

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, including changes arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to entries directly in equity.

Balance sheet

Tangible assets

Items of Tangible assets are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life. Land is not depreciated.

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

Where individual parts of an item of property, plant and equipment have different useful lives, the cost is divided into separate parts, which are depreciated separately.

Depreciation is provided on a straight-line basis over the expected useful life of the asset based on the following expected useful lives:

	Useful life	Residual value
Land and buildings	20-40 years	50 %
Other fixtures and fittings, tools and equipment	3-5 years	0 %

Gains or losses are recognised in the income statement as other operating income or other operating expenses, respectively.

Stocks

Stocks are measured by using the FIFO method. Where the net realisable value is lower than the cost, inventories are carried at this lower value.

The cost of goods for resale and consumables comprises the purchase price plus delivery costs.

The net realisable value of stocks is determined as the selling price less costs of completion and costs incurred to effect the sale, taking into account marketability, obsolescence and developments in the expected selling price.

Accounting policies

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and bank deposits..

Equity

Dividend

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability at the date of declaration by the annual general meeting.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax is measured on the basis of the taxation rules and taxation rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Liabilities

Other debts are measured at net realisable value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign-exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Accounting policies

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

Income statement 1 June - 31 May

	<u>Note</u>	<u>2015/16</u> kr.	<u>2014/15</u> kr.
Gross profit		7.382.531	7.142.572
Staff costs	1	<u>-4.872.074</u>	<u>-4.781.290</u>
Earnings before interest, tax, depreciation and amortisation		2.510.457	2.361.282
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	2	<u>-653.754</u>	<u>-629.250</u>
Profit/loss before financial income and expenses		1.856.703	1.732.032
Financial income		1.269	2.478
Financial costs		<u>-553</u>	<u>-153</u>
Profit/loss before tax		1.857.419	1.734.357
Tax on profit/loss for the year	3	<u>-408.475</u>	<u>-421.400</u>
Net profit/loss for the year		<u>1.448.944</u>	<u>1.312.957</u>
Proposed dividend for the year		1.400.000	1.200.000
Retained earnings		<u>48.944</u>	<u>112.957</u>
		<u>1.448.944</u>	<u>1.312.957</u>

Balance sheet at 31 May

	<u>Note</u>	<u>2015/16</u> kr.	<u>2014/15</u> kr.
Assets			
Land and buildings		11.691.538	12.050.175
Other fixtures and fittings, tools and equipment		<u>484.501</u>	<u>605.225</u>
Tangible assets	4	<u>12.176.039</u>	<u>12.655.400</u>
Fixed assets total		<u>12.176.039</u>	<u>12.655.400</u>
Finished goods and goods for resale		<u>2.976.441</u>	<u>2.906.246</u>
Stocks		<u>2.976.441</u>	<u>2.906.246</u>
Trade receivables		1.982.349	2.369.187
Receivables from group enterprises		101.706	374.758
Other receivables		177.298	110.719
Prepayments		<u>0</u>	<u>174.725</u>
Receivables		<u>2.261.353</u>	<u>3.029.389</u>
Cash at bank and in hand		<u>2.280.741</u>	<u>1.732.355</u>
Current assets total		<u>7.518.535</u>	<u>7.667.990</u>
Assets total		<u>19.694.574</u>	<u>20.323.390</u>

Balance sheet at 31 May

	<u>Note</u>	<u>2015/16</u> kr.	<u>2014/15</u> kr.
Liabilities and equity			
Share capital		600.000	600.000
Retained earnings		14.545.675	14.496.731
Proposed dividend for the year		<u>1.400.000</u>	<u>1.200.000</u>
Equity total	5	<u>16.545.675</u>	<u>16.296.731</u>
Provision for deferred tax		<u>329.781</u>	<u>309.606</u>
Provisions total		<u>329.781</u>	<u>309.606</u>
Trade payables		286.695	285.153
Payables to group enterprises		525.116	427.770
Corporation tax		188.300	220.380
Other payables		<u>1.819.007</u>	<u>2.783.750</u>
Short-term debt		<u>2.819.118</u>	<u>3.717.053</u>
Debt total		<u>2.819.118</u>	<u>3.717.053</u>
Liabilities and equity total		<u>19.694.574</u>	<u>20.323.390</u>
Collateral and security	6		
Related parties and ownership	7		

Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Proposed dividend for the year</u>	<u>Total</u>
Equity at 1 June 2015	600.000	14.496.731	1.200.000	16.296.731
Ordinary dividend paid	0	0	-1.200.000	-1.200.000
Net profit/loss for the year	0	48.944	1.400.000	1.448.944
Equity at 31 May 2016	<u>600.000</u>	<u>14.545.675</u>	<u>1.400.000</u>	<u>16.545.675</u>

Notes to the annual report

	<u>2015/16</u>	<u>2014/15</u>
	kr.	kr.
1 Staff costs		
Wages and salaries	4.409.044	4.281.563
Pensions	314.028	311.820
Other social security costs	65.983	68.934
Other staff costs	83.019	118.973
	<u>4.872.074</u>	<u>4.781.290</u>
Average number of employees	<u>11</u>	<u>11</u>
2 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		
Depreciation tangible assets	<u>653.754</u>	<u>629.250</u>
	<u>653.754</u>	<u>629.250</u>
which breaks down as follows:		
Buildings	454.171	431.967
Other fixtures and fittings, tools and equipment	<u>199.583</u>	<u>197.283</u>
	<u>653.754</u>	<u>629.250</u>
3 Tax on profit/loss for the year		
Current tax for the year	388.300	370.454
Deferred tax for the year	20.175	40.749
Adjustment of tax concerning previous years	<u>0</u>	<u>10.197</u>
	<u>408.475</u>	<u>421.400</u>

Notes to the annual report

4 Tangible assets

	Land and buildings	Other fixtures and fittings, tools and equipment
Cost at 1 June 2015	14.613.126	2.867.526
Additions for the year	95.534	117.295
Disposals for the year	0	-192.537
Cost at 31 May 2016	<u>14.708.660</u>	<u>2.792.284</u>
Impairment losses and depreciation at 1 June 2015	2.562.951	2.262.301
Depreciation for the year	454.171	199.583
Impairment and depreciation of sold assets for the year	0	-154.101
Impairment losses and depreciation at 31 May 2016	<u>3.017.122</u>	<u>2.307.783</u>
Carrying amount at 31 May 2016	<u>11.691.538</u>	<u>484.501</u>

5 Equity

The share capital consists of 600 shares of a nominal value of kr. 1.000. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

6 Collateral and security

The Company holds an unused mortgage deed of DKK 6,500,000 registered on the Company's property.

7 Related parties and ownership

Ownership

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

Monacor International GmbH & Co. KG, Bremen, Germany

Svend Lund, Linde Allé 48A, Vanløse, Denmark