

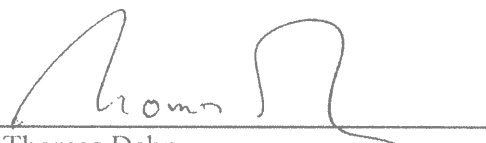
DESITEK A/S

Sunekær 8
5471 Søndersø

CVR no. 12 57 35 45

Annual report for 2017/18
(30th Financial year)

Adopted at the annual general
meeting on 22 November 2018

A handwritten signature in black ink, appearing to read 'Thomas Dehn', is written over a horizontal line.

Thomas Dehn
chairman

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Statement by management on the annual report

The supervisory and executive boards have today discussed and approved the annual report of DESITEK A/S for the financial year 1 July 2017 - 30 June 2018.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 30 June 2018 and of the results of the company's operations for the financial year 1 July 2017 - 30 June 2018.

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

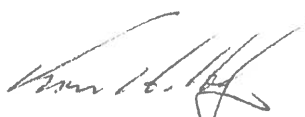
Management recommends that the annual report should be approved at the annual general meeting.

Søndersø, 21 September 2018

Executive board

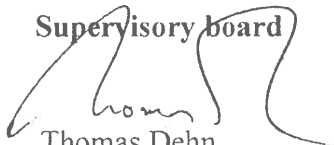


Steen Jep Emming
Managing Director Finance &
Operation



Kim Holzendorf Hafjall
Managing Director Sales

Supervisory board



Thomas Dehn
chairman



Helmut Pusch



David Reece

Independent auditor's report

To the shareholder of DESITEK A/S

Opinion

We have audited the financial statements of DESITEK A/S for the financial year 1 July 2017 - 30 June 2018, which comprise a summary of significant accounting policies, income statement, balance sheet and notes. The financial statements are prepared under the Danish Financial Statements Act.

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

Basis for Opinion

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

Management's responsibilities for the financial statements

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

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Independent auditor's report

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.

Independent auditor's report

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

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.

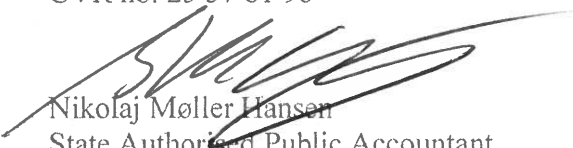
In connection with our audit of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially 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, we conclude that 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 of management's review.

Kolding, 21 September 2018

KPMG P/S
CVR no. 25 57 81 98



Nikolaj Møller Hansen
State Authorised Public Accountant
MNE no. mne33220

Company details

The company	DESITEK A/S Sunekær 8 5471 Sønderlø
	Telephone: 6389 3210
	E-mail: desitek@desitek.dk
	Website: www.desitek.dk
	CVR no.: 12 57 35 45
	Reporting period: 1 July 2017 - 30 June 2018
	Incorporated: 2. November 1988
	Domicile: Nordfyns Kommune
Supervisory board	Thomas Dehn, chairman Helmut Pusch David Reece
Executive board	Steen Jep Emming, managing director finance & operation Kim Holzendorff Hafjall, managing director sales
Shareholder	DEHN Beteiligungen GmbH, Rennweg 15, 90489 Nürnberg, Tyskland
Affiliated companies	DEHN + SÖHNE GmbH + Co. KG., Hans-Dehn-Strasse 1, 92318 Neumark/Opf., Tyskland
Auditors	KPMG P/S Jupitervej 4 6000 Kolding

Management's review

Business activities

The Company is a sales and engineering company, which has specialized in the area; electrical plants and installations. Due to a very narrow contact to its parent company DEHN + SÖHNE GmbH + Co. KG as well as to its other suppliers, the Company draws on the highest international expert knowledge.

Recognition and measurement uncertainties

The recognition and measurement of items in the financial statements is not subject to any uncertainty.

Business review

The Company's income statement for the year ended 30 June shows a profit of DKK 754.135, and the balance sheet at 30 June 2018 shows equity of DKK 21.738.394.

Significant events occurring after end of reporting period

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

Accounting policies

The annual report of DESITEK A/S for 2017/18 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 provisions as regards larger entities.

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

The annual report for 2017/18 is presented in DKK

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 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 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.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

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.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less raw materials and consumables and other external expenses.

Accounting policies

Revenue

Revenue from the sale of goods for resale and finished goods 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.

Raw materials and consumables

Expenses for raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

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.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

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.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and 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. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

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.

Accounting policies

Balance sheet

Tangible assets

Items of land and buildings, plant and machinery and fixtures and fittings, tools and equipment 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. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Land and buildings	50	years
Other fixtures and fittings, tools, equipments	3-5	years

Gains or losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Other securities and investments, fixed assets

Investments, which the Company expects to keep until expiry, are booked at the original acquisition price.

Inventory

Inventory are measured using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is reviewed for impairment, other than what is reflected through normal amortisation and depreciation, on an annual basis.

Receivables

Receivables are measured at amortised cost.

Accounting policies

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Equity

Provisions

Provisions comprise expected expenses relating to guarantee commitments, losses on work in progress, reconstructions, etc. Provisions are recognised when as a result of a past event the company's has a legal or constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Income tax and deferred tax

Current tax payable and receivable are recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities measured on the planned use of the asset or settlement of the liability, respectively. However, deferred tax is not recognised on temporary differences relating to office buildings non-deductible for tax purposes and other items where temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Liabilities other than provisions

Other liabilities are measured at amortised cost, which usually corresponds to normal value.

Deferred income

Deferred income comprises payments received concerning income in subsequent reporting years.

Income statement 1 July - 30 June

	Note	2017/18 DKK	2016/17 DKK
Gross profit		13.897.955	15.693.966
Staff costs	1	-12.184.842	-11.506.198
Resultat før af- og nedskrivninger		1.713.113	4.187.768
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	2	-703.304	-988.678
Profit/loss from ordinary operating activities before gains/losses from fair value adjustments		1.009.809	3.199.090
Profit/loss before financial income and expenses		1.009.809	3.199.090
Financial income	3	36.885	78.898
Financial costs	4	-78.883	-22.654
Profit/loss before tax		967.811	3.255.334
Tax on profit/loss for the year	5	-213.676	-733.920
Net profit/loss for the year		754.135	2.521.414
Retained earnings		754.135	2.521.414
		754.135	2.521.414

Balance sheet 30 June

	<u>Note</u>	<u>2017/18</u> DKK	<u>2016/17</u> DKK
Assets			
Land and buildings		5.481.413	5.192.647
Other fixtures and fittings, tools and equipment		1.430.959	1.395.939
Tangible assets	6	<u>6.912.372</u>	<u>6.588.586</u>
Other fixed asset investments		10.500	10.500
Fixed asset investments		<u>10.500</u>	<u>10.500</u>
Fixed assets total		<u>6.922.872</u>	<u>6.599.086</u>
Raw materials and consumables		6.216.260	6.971.131
Stocks		<u>6.216.260</u>	<u>6.971.131</u>
Trade receivables		15.561.898	20.731.175
Prepayments		99.891	233.114
Receivables		<u>15.661.789</u>	<u>20.964.289</u>
Cash at bank and in hand		<u>2.540.950</u>	<u>6.179.703</u>
Current assets total		<u>24.418.999</u>	<u>34.115.123</u>
Assets total		<u><u>31.341.871</u></u>	<u><u>40.714.209</u></u>

Balance sheet 30 June

	<u>Note</u>	<u>2017/18</u> DKK	<u>2016/17</u> DKK
Liabilities and equity			
Share capital		500.000	500.000
Retained earnings		21.238.394	22.484.259
Equity	7	<u>21.738.394</u>	<u>22.984.259</u>
Provision for deferred tax	8	772.458	652.700
Provisions total		<u>772.458</u>	<u>652.700</u>
Trade payables		4.521.718	6.076.201
Payables to subsidiaries		560.308	6.004.656
Corporation tax		878.439	1.551.089
Other payables		2.823.853	3.351.902
Deferred income		46.701	93.402
Short-term debt		<u>8.831.019</u>	<u>17.077.250</u>
Debt total		<u>8.831.019</u>	<u>17.077.250</u>
Liabilities and equity total		<u><u>31.341.871</u></u>	<u><u>40.714.209</u></u>
Contingent assets, liabilities and other financial obligations	9		
Charges and securities	10		

Notes

	<u>2017/18</u>	<u>2016/17</u>
	DKK	DKK
1 Staff costs		
Wages and salaries	9.839.129	9.206.059
Pensions	2.039.625	1.940.304
Other social security costs	140.473	142.181
Other staff costs	165.615	217.654
	<u>12.184.842</u>	<u>11.506.198</u>
Average number of employees	<u>20</u>	<u>18</u>
2 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		
Depreciation tangible assets	<u>703.304</u>	<u>988.678</u>
	<u>703.304</u>	<u>988.678</u>
3 Financial income		
Other financial income	5.862	3.040
Exchange gains	<u>31.023</u>	<u>75.858</u>
	<u>36.885</u>	<u>78.898</u>

Notes

	<u>2017/18</u>	<u>2016/17</u>
	DKK	DKK
4 Financial costs		
Other financial costs	10.143	2.081
Exchange loss	42.677	0
Percentage surcharge, corporation tax	26.063	20.573
	<u>78.883</u>	<u>22.654</u>
5 Tax on profit/loss for the year		
Current tax for the year	93.918	784.520
Deferred tax for the year	119.758	-50.600
	<u>213.676</u>	<u>733.920</u>
6 Tangible assets		
	Land and buildings	Other fixtures and fittings, tools and equipment
	<u> </u>	<u> </u>
Cost at 1 July 2017	7.329.190	7.413.507
Additions for the year	427.005	686.749
Disposals for the year	0	-400.000
Cost at 30 June 2018	<u>7.756.195</u>	<u>7.700.256</u>
Impairment losses and depreciation at 1 July 2017	2.136.542	6.017.568
Depreciation for the year	138.240	565.064
Reversal of impairment and depreciation of sold assets	0	-313.335
Impairment losses and depreciation at 30 June 2018	<u>2.274.782</u>	<u>6.269.297</u>
Carrying amount at 30 June 2018	<u>5.481.413</u>	<u>1.430.959</u>

Notes

7 Equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 July 2017	500.000	20.484.259	20.984.259
Net profit/loss for the year	0	754.135	754.135
Equity at 30 June 2018	<u>500.000</u>	<u>21.238.394</u>	<u>21.738.394</u>

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

	<u>2017/18</u>	<u>2016/17</u>
	DKK	DKK
8 Provision for deferred tax		
Provision for deferred tax at 1 July 2017	<u>772.458</u>	<u>652.700</u>
Provision for deferred tax at 30 June 2018	<u>772.458</u>	<u>652.700</u>
Property, plant and equipment	772.458	689.845
Trade receivables	0	-37.100
Tax loss carry-forward	<u>0</u>	<u>-45</u>
	<u>772.458</u>	<u>652.700</u>

Notes

9 Contingent assets, liabilities and other financial obligations

The Company has the following lease commitments:

Opel Insignia, remaining contract period 12 months at DKK 6.030 incl. VAT i.e. DKK 72.159 total

Ford Focus, remaining contract period 11 months at DKK 5.752,5 incl. VAT i.e. DKK 63.278 total

VW Passat, remaining contract period 14,97 months at DKK 6.362,50 incl. VAT i.e. DKK 95.225

Toyota Avensis Stationcar, remaining contract period 28,97 months at DKK 7.588,75 incl. VAT i.e. DKK 219.821 total

Ford Mondeo Stationcar, remaining contract period 47 months at DKK 6.300 incl. VAT i.e. DKK 296.100 total

10 Charges and securities

As far as land and buildings, with a net asset value of TDK 5.481, are concerned a mortgage deed of TDK 5.000 has been registered as security for the debt to credit institutions. The public land assessment of land and buildings at the annual regulations per 1st. October, 2016 was fixed at TDK 6.800.