

**A/S Poul Hastrup
Investering**
Energivej 40
5260 Odense
Central Business Registration No
12903898

Annual report 2016

The Annual General Meeting adopted the annual report on 16.06.2017

Chairman of the General Meeting

Name: Steen Hastrup

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Entity details

Entity

A/S Poul Hastrup Investering
Energivej 40
5260 Odense

Central Business Registration No: 12903898

Registered in: Odense

Financial year: 01.01.2016 - 31.12.2016

Phone: +4565506000

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Board of Directors

Steen Hastrup, Chairman
Camilla Hastrup Hermansen
Anders Top Hastrup

Executive Board

Camilla Hastrup Hermansen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Tværkajen 5
Postboks 10
5100 Odense C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of A/S Poul Hastrup Investering for the financial year 01.01.2016 - 31.12.2016.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2016 and of the results of its operations for the financial year 01.01.2016 - 31.12.2016.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Odense, 16.06.2017

Executive Board

Camilla Hastrup Hermansen

Board of Directors

Steen Hastrup
Chairman

Camilla Hastrup Hermansen

Anders Top Hastrup

Independent auditor's report

To the shareholders of A/S Poul Hastrup Investering

Opinion

We have audited the financial statements of A/S Poul Hastrup Investering for the financial year 01.01.2016 - 31.12.2016, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2016 and of the results of its operations for the financial year 01.01.2016 - 31.12.2016 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 judgement and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Independent auditor's report

Based on the work we have performed, we conclude that the management commentary 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 the management commentary.

Odense, 16.06.2017

Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No: 33963556

Claus Kolin
State Authorised Public Accountant

Allan Dydensborg Madsen
State Authorised Public Accountant

Management commentary

Primary activities

The purpose of the company is to own shares in Hastrup Holding and hereby related activities.

Development in activities and finances

The profit for the 2016 financial year was t.DKK 14.212, which is t.DKK 3.641 better than in 2015. The Equity improved to t.DKK 59.364 at 31 December 2016, compared to t.DKK 44.871 at the beginning of the year. The management is satisfied with the annual result.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2016

	<u>Notes</u>	<u>2016 DKK'000</u>	<u>2015 DKK'000</u>
Gross profit		0	0
Administrative costs		(40)	(126)
Operating profit/loss		(40)	(126)
Income from investments in group enterprises		13.282	9.893
Other financial income	1	1.572	1.502
Other financial expenses	2	(507)	(506)
Profit/loss before tax		14.307	10.763
Tax on profit/loss for the year	3	(95)	(191)
Profit/loss for the year		14.212	10.572
Proposed distribution of profit/loss			
Transferred to reserve for net revaluation according to the equity method		13.282	8.412
Retained earnings		930	2.160
		14.212	10.572

Balance sheet at 31.12.2016

	<u>Notes</u>	<u>2016 DKK'000</u>	<u>2015 DKK'000</u>
Investments in group enterprises		49.657	36.094
Receivables from group enterprises		<u>14.872</u>	<u>13.626</u>
Fixed asset investments	4	<u>64.529</u>	<u>49.720</u>
Fixed assets		<u>64.529</u>	<u>49.720</u>
Receivables from associates		<u>118</u>	<u>113</u>
Receivables		<u>118</u>	<u>113</u>
Other investments		<u>1.896</u>	<u>1.754</u>
Other investments		<u>1.896</u>	<u>1.754</u>
Cash		<u>710</u>	<u>1.158</u>
Current assets		<u>2.724</u>	<u>3.025</u>
Assets		<u>67.253</u>	<u>52.745</u>

Balance sheet at 31.12.2016

	<u>Notes</u>	<u>2016 DKK'000</u>	<u>2015 DKK'000</u>
Contributed capital	5	8.050	8.050
Reserve for net revaluation according to the equity method		21.975	8.412
Retained earnings		29.339	28.409
Equity		<u>59.364</u>	<u>44.871</u>
Deferred tax	6	1.386	1.386
Provisions		<u>1.386</u>	<u>1.386</u>
Subordinate loan capital		6.330	6.377
Non-current liabilities other than provisions		<u>6.330</u>	<u>6.377</u>
Income tax payable		144	87
Other payables		29	24
Current liabilities other than provisions		<u>173</u>	<u>111</u>
Liabilities other than provisions		<u>6.503</u>	<u>6.488</u>
Equity and liabilities		<u>67.253</u>	<u>52.745</u>
Contingent liabilities	7		
Mortgages and securities	8		
Group relations	9		

Statement of changes in equity for 2016

	Contributed capital DKK'000	Reserve for net revaluation according to the equity method DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	8.050	8.412	28.409	44.871
Exchange rate adjustments	0	281	0	281
Profit/loss for the year	0	13.282	930	14.212
Equity end of year	8.050	21.975	29.339	59.364

Notes

	2016	2015
	DKK'000	DKK'000
1. Other financial income		
Financial income arising from group enterprises	833	792
Interest income	0	1
Interest regarding tax paid on account	0	3
Other financial income	739	706
	1.572	1.502

	2016	2015
	DKK'000	DKK'000
2. Other financial expenses		
Interest regarding tax paid on account	1	0
Other financial expenses	506	506
	507	506

	2016	2015
	DKK'000	DKK'000
3. Tax on profit/loss for the year		
Tax on current year taxable income	95	93
Change in deferred tax for the year	0	98
	95	191

	Investments in group enterprises DKK'000	Receivables from group enterprises DKK'000
4. Fixed asset investments		
Cost beginning of year	27.682	13.626
Additions	0	1.246
Cost end of year	27.682	14.872
Revaluations beginning of year	8.412	0
Exchange rate adjustments	281	0
Share of profit/loss for the year	13.282	0
Revaluations end of year	21.975	0
Carrying amount end of year	49.657	14.872

Notes

	<u>Number</u>	<u>Nominal value DKK'000</u>
5. Contributed capital		
A-shares - nominal DKK 100 per share	10.000	1.000
B-shares - nominal DKK 100 per share	70.500	7.050
	<u>80.500</u>	<u>8.050</u>

Each A-share is assigned 10 votes and each B-share is assigned 1 vote. Shareholders are assigned right of first refusal in respect of share issues of the same class of share. In raising capital, priority subscription rights exist in respect of both A and B class shares. Holders of B-shares are entitled to a non-cumulative preference dividend of up to 8%. In all other respects, holders of shares of both classes have the same rights

	<u>2016 DKK'000</u>	<u>2015 DKK'000</u>
6. Deferred tax		
Tax losses carried forward	1.386	1.386
	<u>1.386</u>	<u>1.386</u>

7. Contingent liabilities

The Entity participates in a Danish joint taxation arrangement in which C&A Invest A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The total known net liability of the jointly taxed entities under the joint taxation arrangement is evident from the administration company's financial statements.

8. Mortgages and securities

The company's deposits in a limited partnership is EUR 277.900 and is listed under financial assets. In addition to deposit the company has a liability of EUR 72.100 against creditors.

9. Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group: C&A Invest A/S, Central Business Registration Number 37 27 37 83.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The annual report is compiled in DKK thousand.

Consolidated financial statements

Referring to section 112(2) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises of revenue, production costs and other operating income.

Administrative costs

Administrative costs include expenses relating to administrative staff, management, office premises and office expenses etc.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Accounting policies

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus or minus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation is imminent, a provision is recognised that is measured at present value of the costs deemed necessary to incur to settle the obligation.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Other investments

Securities recognised under current assets comprise listed securities measured at fair value (market price) at the balance sheet date.

Cash

Cash comprises cash in hand and bank deposits.

Accounting policies

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Other financial liabilities

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

Income tax receivable or payable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax