BEIERHOLM
VI SKABER BALANCE

Four Design Danmark A/S

Faaborgvej 14, 5854 Gislev

CVR no. 14 79 09 77

Annual report
for the financial year 01.07.18 - 30.06.19

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 17.11.19

Anders Juhl Thomsen
Dirigent

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Company information etc.

The company

Four Design Danmark A/S
Faaborgvej 14
5854 Gislev
Tel.: 62 29 11 32
Registered office: Gislev
CVR no.: 14 79 09 77
Financial year: 01.07 - 30.06
28. regnskabsår

Executive Board

Anders Juhl Thomsen

Board of Directors

Alistair Storrar Gough, chairman
Stephen Alan Thomas
Anders Juhl Thomsen
Peter Gudemoos Jørgensen
Christian Julin Markenfeldt

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

Bank

Danske Bank

Parent company

OCEE International Limited, England

Statement of the Board of Directors and Executive Board on the annual report

We have on this day presented the annual report for the financial year 01.07.18 - 30.06.19 for Four Design Danmark A/S.

The annual report is presented in accordance with Danish Financial Statements Act (Årsregnskabsloven).

In our opinion, the financial statements give a true and fair view of the assets, liabilities and financial position as at 30.06.19 and of the results of the activities and cash flows for the financial year 01.07.18 - 30.06.19.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Gislev, September 20, 2019

Executive Board

Anders Juhl Thomsen

Board of Directors

Alistair Storrar Gough Chairman	Stephen Alan Thomas	Anders Juhl Thomsen
Peter Gudemoos Jørgensen	Christian Julin Markenfeldt	

To the Shareholder of Four Design Danmark A/S

Opinion

We have audited the financial statements of Four Design Danmark A/S for the financial year 01.07.18 - 30.06.19, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial statements are prepared in accordance with Danish Financial Statements Act (Årsregnskabsloven).

In our opinion the financial statements give a true and fair view of the assets, liabilities and financial position at 30.06.19 and of the results of the operations and cash flows for the financial year 01.07.18 - 30.06.19 in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

Basis for conclusion

We conducted our audit in accordance with International Standards on Auditing 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 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 regarding the 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 Acts. We did not identify any material misstatement of management’s review.

Management's responsibility for the financial statements

The Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore the Management is responsible for the internal control as the 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 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 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 International Standards on Auditing 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 International Standards on Auditing 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 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 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 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.

Odense, September 20, 2019

Beierholm
Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Henrik Welinder
State Authorized Public Accountant
MNE-no. mne23366

FINANCIAL HIGHLIGHTS

Key figures

Figures in DKK '000	2018/19	2017/18	2016/17	2015/16	2014/15
Profit/loss					
Operating profit/loss	821	1.107	1.482	765	110
Total net financials	-3	-3	0	-1	5
Profit/loss for the year	638	861	1.156	596	88
Balance					
Total assets	6.985	5.404	4.406	5.329	5.674
Investments in property, plant and equipment	435	0	0	0	0
Index	-	-	-	-	100
Equity	4.158	4.520	3.659	3.504	2.908

Ratios

	2018/19	2017/18	2016/17	2015/16	2014/15
Profitability					
Return on equity	15%	21%	32%	19%	3%
Equity ratio					
Equity interest	60%	84%	83%	66%	51%

Return on equity: $\frac{\text{Profit/loss for the year x 100}}{\text{Average equity}}$

Equity interest: $\frac{\text{Equity, end of year x 100}}{\text{Total assets}}$

Primary activities

The core activity of the company is development and sale of furnitures.

Development in activities and financial affairs

The income statement for the period 01.07.18 - 30.06.19 shows a profit/loss of DKK 637,606 against DKK 860,883 for the period 01.07.17 - 30.06.18. The balance sheet shows equity of DKK 4,157,772.

Subsequent events

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

Income statement

Note		2018/19 DKK	2017/18 DKK
	Gross profit	**886.054**	**1.106.900**
	Depreciation, amortisation, impairment losses and write-downs of property, plant and equipment	-65.300	0
	Profit/loss before net financials	**820.754**	**1.106.900**
1	Financial expenses	-3.327	-3.225
	Profit/loss before tax	**817.427**	**1.103.675**
2	Tax on profit or loss for the year	-179.821	-242.792
	Profit/loss for the year	**637.606**	**860.883**

Proposed appropriation account

Proposed dividend for the financial year	600.000	1.000.000
Retained earnings	37.606	-139.117
Total	**637.606**	**860.883**

Balance sheet

ASSETS

Note		30.06.19 DKK	30.06.18 DKK
	Other fixtures and fittings, tools and equipment	370.168	0
	Total property, plant and equipment	**370.168**	**0**
	Deposits	286.135	182.816
	Total investments	**286.135**	**182.816**
	Total non-current assets	**656.303**	**182.816**
	Trade receivables	6.127.763	5.083.528
	Other receivables	9.300	0
	Prepayments	56.443	0
	Total receivables	**6.193.506**	**5.083.528**
	Cash	**134.789**	**137.302**
	Total current assets	**6.328.295**	**5.220.830**
	Total assets	**6.984.598**	**5.403.646**

Balance sheet

EQUITY AND LIABILITIES

Note		30.06.19 DKK	30.06.18 DKK
	Share capital	500.000	500.000
	Retained earnings	3.057.772	3.020.166
	Proposed dividend for the financial year	600.000	1.000.000
	Total equity	**4.157.772**	**4.520.166**
	Provisions for deferred tax	9.585	0
	Total provisions	**9.585**	**0**
	Income taxes	170.236	242.792
	Total long-term payables	**170.236**	**242.792**
	Trade payables	133.887	43.699
	Payables to group enterprises	2.251.378	318.569
	Other payables	261.740	278.420
	Total short-term payables	**2.647.005**	**640.688**
	Total payables	**2.817.241**	**883.480**
	Total equity and liabilities	**6.984.598**	**5.403.646**

3 Contingent liabilities
4 Charges and security

Statement of changes in equity

Figures in DKK	Share capital	Retained earnings	Proposed dividend for the financial year	Total equity
Statement of changes in equity for 01.07.18 - 30.06.19				
Balance pr. 01.07.18	500.000	3.020.166	1.000.000	4.520.166
Dividend paid	0	0	-1.000.000	-1.000.000
Net profit/loss for the year	0	37.606	600.000	637.606
Balance as at 30.06.19	500.000	3.057.772	600.000	4.157.772

Cash flow statement

Note		2018/19 DKK	2017/18 DKK
	Net profit/loss for the year	**637.606**	**860.883**
5	Adjustments	248.448	246.017
	Change in working capital:		
	Receivables	-1.100.393	-858.926
	Trade payables	90.188	-2.221
	Other payables relating to operating activities	1.843.573	139.291
	Cash flows from operating activities before net financials	**1.719.422**	**385.044**
	Interest expenses and similar expenses paid	-3.327	-3.225
	Income tax paid	-179.821	-242.792
	Cash flows from operating activities	**1.536.274**	**139.027**
	Purchase of property, plant and equipment	-435.468	0
	Purchase of investments	-103.319	-4.950
	Cash flows from investing activities	**-538.787**	**-4.950**
	Dividend paid	-1.000.000	0
	Cash flows from financing activities	**-1.000.000**	**0**
	Total cash flows for the year	**-2.513**	**134.077**
	Cash, beginning of year	137.302	3.225
	Cash, end of year	**134.789**	**137.302**
	Cash, end of year, comprises:		
	Cash	134.789	137.302
	Total	**134.789**	**137.302**

	2018/19 DKK	2017/18 DKK

1. Financial expenses

Other interest expenses	3.327	3.225
Total	3.327	3.225

2. Tax on profit or loss for the year

Current tax for the year	170.236	242.792
Adjustment of deferred tax for the year	9.585	0
Total	179.821	242.792

3. Contingent liabilities

Lease commitments

The company has concluded lease agreements with terms to maturity of 6 months and average lease payments of 51 TDKK , a total of 308 TDKK.

Recourse guarantee commitments

The company has provided a guarantee for group enterprises' debt to credit institutions. The guarantee is unlimited.

Other contingent liabilities

The company is taxed jointly with the other Danish companies in the group and has joint, several and unlimited liability for income taxes and any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. The total known tax liability for the jointly taxed companies is TDKK 170 at the balance sheet date, of which TDKK 170 is recognised in the balance sheet. The liability also includes any subsequent corrections to the calculated tax liability as a consequence of changes made to the jointly taxable income etc.

4. Charges and security

The company has not provided any security over assets.

5. Adjustments for the cash flow statement

Depreciation, amortisation, impairment losses and write-downs	65.300	0
Financial expenses	3.327	3.225
Tax on profit or loss for the year	179.821	242.792
Total	248.448	246.017

6. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

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 depreciation, amortisation, impairment losses and write-downs, 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 , and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from , and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

LEASES

Lease payments relating to operating leases are recognised in the income statement on a straight-line basis over the lease term.

INCOME STATEMENT

Gross profit

Gross profit comprises revenue and raw materials and consumables and other external expenses.

6. Accounting policies - continued -

Revenue

Income from the sale of goods is recognised in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year and where the selling price can be determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise raw materials and consumables used for the year as well as any changes in inventories, including any inventory wastage.

Write-downs of inventories of raw materials and consumables are also recognised under raw materials and consumables to the extent that these do not exceed normal write-downs.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Depreciation and impairment losses

The depreciation of property, plant and equipment aim at systematic depreciation over the expected useful lives of the assets. Assets are depreciated according to the straight-line method based on the following expected useful lives and residual values:

	Useful life, year	Residual value, per cent
Other plant, fixtures and fittings, tools and equipment		5

The basis of depreciation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

6. Accounting policies - continued -

Other net financials

Interest income and interest expenses etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

is jointly taxed with Danish consolidated enterprises.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

6. Accounting policies - continued -

BALANCE SHEET

Property, plant and equipment

Property, plant and equipment comprise other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation and impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Deposits recognised under assets comprise deposits paid to the lessor under leases entered into by .

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

Cash

Cash includes deposits in bank accounts as well as operating cash.

6. Accounting policies - continued -

Equity

The proposed dividend for the financial year is recognised as a separate item in equity.

Current and deferred tax

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

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.

CASH FLOW STATEMENT

The cash flow statement is prepared using the indirect method, showing cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities comprise the net profit or loss for the year, adjusted for non-cash operating items, income tax paid and changes in working capital.

6. Accounting policies - continued -

Cash flows from investing activities comprise payments in connection with the acquisition and divestment of companies and financial assets as well as the purchase, development, improvement and sale of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in share capital and associated costs and financing from and dividends paid to shareholders as well as the arrangement and repayment of long-term payables.

Cash and cash equivalents at the beginning and end of the year comprise cash and short-term payables to credit institutions.