
VM Building Solutions Scandinavia A/S

Lysbrohøjen 5, DK-8600 Silkeborg

Annual Report for 1 January - 31 December 2017

CVR No 19 67 82 02

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
16/5 2018

Mads Balsby Wilkens
Chairman

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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of VM Building Solutions Scandinavia A/S for the financial year 1 January - 31 December 2017.

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 2017 of the Company and of the results of the Company operations for 2017.

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

Silkeborg, 6 March 2018

Executive Board

Erik Andersen
CEO

Board of Directors

Mark Vandecruys
Chairman

Erik Andersen

Franck Martinelli

Independent Auditor's Report

To the Shareholders of VM Building Solutions Scandinavia 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 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of VM Building Solutions Scandinavia A/S for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies ("the 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.

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 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 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.

Aarhus, 6 March 2018

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Michael Nielsson
State Authorised Public Accountant
mne15151

Peter Ulrik Faurschou
State Authorised Public Accountant
mne34502

Company Information

The Company

VM Building Solutions Scandinavia A/S
Lysbrohøjen 5
DK-8600 Silkeborg

CVR No: 19 67 82 02

Financial period: 1 January - 31 December

Municipality of reg. office: Silkeborg

Board of Directors

Mark Vandecruys, Chairman
Erik Andersen
Franck Martinelli

Executive Board

Erik Andersen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Nobelparken
Jens Chr. Skous Vej 1
DK-8000 Aarhus C

Income Statement 1 January - 31 December

	Note	2017 DKK	2016 DKK
Gross profit/loss		13.739.687	13.427.628
Staff expenses	2	-7.698.685	-7.730.475
Depreciation and impairment of property, plant and equipment		-10.023	-43.853
Profit/loss before financial income and expenses		6.030.979	5.653.300
Financial income		147.380	246.881
Financial expenses		-310.439	-360.578
Profit/loss before tax		5.867.920	5.539.603
Tax on profit/loss for the year	3	-1.367.866	-1.233.263
Net profit/loss for the year		4.500.054	4.306.340

Distribution of profit

	2017 DKK	2016 DKK
Proposed distribution of profit		
Proposed dividend for the year	0	4.306.340
Retained earnings	4.500.054	0
	4.500.054	4.306.340

Balance Sheet 31 December

Assets

	Note	2017 DKK	2016 DKK
Other fixtures and fittings, tools and equipment		2.623	12.646
Property, plant and equipment		2.623	12.646
Other receivables		196.000	196.000
Fixed asset investments		196.000	196.000
Fixed assets		198.623	208.646
Finished goods and goods for resale		4.113.047	3.384.126
Inventories		4.113.047	3.384.126
Trade receivables		12.859.421	8.791.379
Receivables from group enterprises		1.398.631	5.403.901
Other receivables		20.212	27.379
Deferred tax asset		23.800	29.800
Receivables		14.302.064	14.252.459
Cash at bank and in hand		7.724.381	2.178.548
Currents assets		26.139.492	19.815.133
Assets		26.338.115	20.023.779

Balance Sheet 31 December

Liabilities and equity

	Note	2017 DKK	2016 DKK
Share capital		1.500.000	1.500.000
Retained earnings		12.153.668	7.653.614
Proposed dividend for the year		0	4.306.340
Equity	4	13.653.668	13.459.954
Trade payables		439.714	407.178
Payables to group enterprises		7.807.587	2.248.276
Corporation tax		893.866	904.154
Other payables		3.543.280	3.004.217
Short-term debt		12.684.447	6.563.825
Debt		12.684.447	6.563.825
Liabilities and equity		26.338.115	20.023.779
Key activities	1		
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Notes to the Financial Statements

1 Key activities

As in previous years, the key activity of the Company is to market and sell all types of laminated zinc products and accessories related herewith, primarily for the building industry, as well as to further develop for the market for the above mentioned products. Furthermore, the Company has engaged in technical support in connection with the application of the above mentioned products and accessories.

2 Staff expenses

	2017 DKK	2016 DKK
Wages and salaries	6.335.558	6.192.671
Other social security expenses	805.767	825.656
Other staff expenses	557.360	712.148
	7.698.685	7.730.475
 Average number of employees	 12	 12

3 Tax on profit/loss for the year

Current tax for the year	1.361.866	1.231.063
Deferred tax for the year	6.000	2.200
	1.367.866	1.233.263

4 Equity

	Share capital DKK	Retained earnings DKK	Proposed dividend for the year DKK	Total DKK
Equity at 1 January	1.500.000	7.653.614	4.306.340	13.459.954
Ordinary dividend paid	0	0	-4.306.340	-4.306.340
Net profit/loss for the year	0	4.500.054	0	4.500.054
Equity at 31 December	1.500.000	12.153.668	0	13.653.668

5 Contingent assets, liabilities and other financial obligations

	2017 DKK	2016 DKK
Rental and lease obligations	656.787	814.992

Notes to the Financial Statements

6 Related parties

Consolidated Financial Statements

The company is included in the Group Annual Report of

Name

Place of registered office

Fedrus International NV

Puurs, Belgium

Notes to the Financial Statements

7 Accounting Policies

The Annual Report of VM Building Solutions Scandinavia A/S for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2017 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, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been 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.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

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.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt

Notes to the Financial Statements

7 Accounting Policies (continued)

arose are recognised in financial income and expenses in the income statement.

Income Statement

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.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

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 deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Notes to the Financial Statements

7 Accounting Policies (continued)

Balance Sheet

Property, plant and equipment

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

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

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:

Automobiles	5 years
Other fixtures and fittings, tools and equipment	5 years
Leasehold improvements	3 years

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Fixed asset investments

Fixed asset investments consist of deposit.

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 of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

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

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour.

Notes to the Financial Statements

7 Accounting Policies (continued)

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.

Equity

Dividend

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

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 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 or in equity if the deferred tax relates to items recognised in equity.

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.