

Plast Team A/S
Skodsborgvej 315
2850 Nærum
Central Business Registration No
19719685

Annual report 2017

The Annual General Meeting adopted the annual report on 03.05.2018

Chairman of the General Meeting


Name: Bente Kjær Jensen

Contents

	Page
Entity details	1
Statement by Management on the annual report	2
Independent auditor's report	3
Management commentary	6
Income statement for 2017	8
Balance sheet at 31.12.2017	9
Statement of changes in equity for 2017	11
Notes	12
Accounting policies	17

Entity details

Entity

Plast Team A/S
Skodsborgvej 315
2850 Nærum

Central Business Registration No: 19719685

Founded: 28.11.1996

Registered in: Copenhagen

Financial year: 01.01.2017 - 31.12.2017

Phone: +4545560220

Fax: +4545560230

Website: www.plast-team.com

E-mail: plast@plast.com

Board of Directors

Thomas Kræmer, chairman

Jacob Andersen

Frank Leiberg Nissen

Torben Hartvigsen

Executive Board

Jacob Andersen, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

Postboks 1600

0900 København 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 Plast Team A/S for the financial year 01.01.2017 - 31.12.2017.

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 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017.

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.


Copenhagen, 03.05.2018

Executive Board



Jacob Andersen

CEO



Board of Directors

Thomas Kræmer

chairman



Torben Hartvigsen



Jacob Andersen



Frank Leiberg Nissen

Independent auditor's report

To the shareholder of Plast Team A/S

Opinion

We have audited the financial statements of Plast Team A/S for the financial year 01.01.2017 - 31.12.2017, 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 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017 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.

Copenhagen, 03.05.2018

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No: 33963556



Kim Takata Mücke

State Authorised Public Accountant
Identification number (MNE) mne10944

Management commentary

	2017	2016	2015	2014	2013
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Financial highlights					
Key figures					
Gross profit	14.481	14.994	22.672	25.043	23.253
Operating profit/loss	4.203	289	5.192	6.463	7.669
Net financials	5.904	6.178	(3.679)	(4.896)	(4.069)
Profit/loss for the year	9.557	7.067	1.219	897	2.818
Total assets	135.340	118.103	125.167	129.826	138.945
Investments in property, plant and equipment	380	826	7.547	7.329	2.487
Equity	69.399	59.165	53.690	53.927	55.753
Ratios					
Return on equity (%)	14,9	12,5	2,3	1,6	5,1
Equity ratio (%)	51,3	50,1	42,9	41,5	40,1

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2015" issued by the Danish Society of Financial Analysts.

Ratios	Calculation formula	Ratios
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$	The entity's return on capital invested in the entity by the owners.
Equity ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The financial strength of the entity.

Management commentary

Primary activities

The Company's activity is production and marketing of household plastic products. The Company's products are primarily sold in the Nordic Countries and the rest of Europe.

Development in activities and finances

In the financial year 2017, the Company realised a gross profit of DKK 14,481k compared to DKK 14,994k prior year.

The result after tax is a profit of DKK 9,557k compared to DKK 7,067k prior year. The result is considered very satisfactory.

Events after the balance sheet date

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

Income statement for 2017

	<u>Notes</u>	<u>2017</u> <u>DKK'000</u>	<u>2016</u> <u>DKK'000</u>
Gross profit		14.481	14.994
Staff costs	1	(4.688)	(3.960)
Depreciation, amortisation and impairment losses	2	(374)	(246)
Other operating expenses		<u>(5.216)</u>	<u>(10.499)</u>
Operating profit/loss		4.203	289
Income from investments in group enterprises		7.728	8.963
Other financial income	3	337	330
Other financial expenses	4	<u>(2.161)</u>	<u>(3.115)</u>
Profit/loss before tax		10.107	6.467
Tax on profit/loss for the year	5	<u>(550)</u>	<u>600</u>
Profit/loss for the year	6	<u>9.557</u>	<u>7.067</u>

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017</u> <u>DKK'000</u>	<u>2016</u> <u>DKK'000</u>
Plant and machinery		2.534	2.832
Other fixtures and fittings, tools and equipment		304	0
Property, plant and equipment	7	<u>2.838</u>	<u>2.832</u>
Investments in group enterprises		47.927	40.770
Receivables from group enterprises		31.200	31.200
Deferred tax		3.700	4.250
Fixed asset investments	8	<u>82.827</u>	<u>76.220</u>
Fixed assets		<u>85.665</u>	<u>79.052</u>
Manufactured goods and goods for resale		6.445	5.558
Inventories		<u>6.445</u>	<u>5.558</u>
Trade receivables		25.237	23.619
Receivables from group enterprises		13.870	6.419
Other receivables		3.192	3.021
Prepayments	9	102	56
Receivables		<u>42.401</u>	<u>33.115</u>
Cash		<u>829</u>	<u>378</u>
Current assets		<u>49.675</u>	<u>39.051</u>
Assets		<u>135.340</u>	<u>118.103</u>

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017</u> <u>DKK'000</u>	<u>2016</u> <u>DKK'000</u>
Contributed capital		2.500	2.500
Reserve for net revaluation according to the equity method		33.990	26.833
Retained earnings		17.909	29.832
Proposed dividend		15.000	0
Equity		<u>69.399</u>	<u>59.165</u>
Provisions for investments in group enterprises	10	454	1.674
Provisions		<u>454</u>	<u>1.674</u>
Bank loans		372	758
Debt to other credit institutions		2.916	4.167
Non-current liabilities other than provisions	11	<u>3.288</u>	<u>4.925</u>
Current portion of long-term liabilities other than provisions	11	2.067	2.067
Bank loans		26.501	27.845
Trade payables		3.329	1.206
Payables to group enterprises		25.310	17.515
Other payables		4.992	3.706
Current liabilities other than provisions		<u>62.199</u>	<u>52.339</u>
Liabilities other than provisions		<u>65.487</u>	<u>57.264</u>
Equity and liabilities		<u>135.340</u>	<u>118.103</u>
Unrecognised rental and lease commitments	12		
Mortgages and securities	13		
Transactions with related parties	14		

Statement of changes in equity for 2017

	Contributed capital DKK'000	Reserve for net revaluation according to the equity method DKK'000	Retained earnings DKK'000	Proposed dividend DKK'000
Equity beginning of year	2.500	26.833	29.832	0
Exchange rate adjustments	0	677	0	0
Profit/loss for the year	0	6.480	(11.923)	15.000
Equity end of year	2.500	33.990	17.909	15.000
				Total DKK'000
Equity beginning of year				59.165
Exchange rate adjustments				677
Profit/loss for the year				9.557
Equity end of year				69.399

Notes

	2017	2016
	DKK'000	DKK'000
1. Staff costs		
Wages and salaries	4.498	3.720
Pension costs	96	172
Other social security costs	94	68
	4.688	3.960
Average number of employees	7	7
Remuneration of management is not disclosed as there is only one person in management.		
	2017	2016
	DKK'000	DKK'000
2. Depreciation, amortisation and impairment losses		
Depreciation of property, plant and equipment	374	246
	374	246
	2017	2016
	DKK'000	DKK'000
3. Other financial income		
Financial income arising from group enterprises	312	312
Interest income	25	18
	337	330
	2017	2016
	DKK'000	DKK'000
4. Other financial expenses		
Interest expenses	1.383	2.024
Exchange rate adjustments	399	137
Other financial expenses	379	954
	2.161	3.115
	2017	2016
	DKK'000	DKK'000
5. Tax on profit/loss for the year		
Change in deferred tax for the year	550	(600)
	550	(600)

Notes

	2017	2016
	DKK'000	DKK'000
6. Proposed distribution of profit/loss		
Ordinary dividend for the financial year	15.000	0
Transferred to reserve for net revaluation according to the equity method	6.480	6.285
Retained earnings	<u>(11.923)</u>	<u>782</u>
	<u>9.557</u>	<u>7.067</u>
		Other fixtures and fittings, tools and equipment
	Plant and machinery	DKK'000
	DKK'000	DKK'000
7. Property, plant and equipment		
Cost beginning of year	3.780	0
Additions	<u>0</u>	<u>380</u>
Cost end of year	<u>3.780</u>	<u>380</u>
Depreciation and impairment losses beginning of the year	(948)	0
Depreciation for the year	<u>(298)</u>	<u>(76)</u>
Depreciation and impairment losses end of the year	<u>(1.246)</u>	<u>(76)</u>
Carrying amount end of year	<u>2.534</u>	<u>304</u>

Notes

	Investments in group enterprises DKK'000	Receivables from group enterprises DKK'000	Deferred tax DKK'000
8. Fixed asset investments			
Cost beginning of year	13.937	31.200	4.250
Disposals	0	0	(550)
Cost end of year	13.937	31.200	3.700
Revaluations beginning of year	26.833	0	0
Exchange rate adjustments	677	0	0
Share of profit/loss for the year	7.728	0	0
Investments with negative equity transferred to provisions	(1.248)	0	0
Revaluations end of year	33.990	0	0
Carrying amount end of year	47.927	31.200	3.700

	Registered in	Corpo- rate form	Equity inte- rest %
Investments in group enterprises comprise:			
Plast Team Poland sp. z.o.o.	Poland	sp.z.o.o	100,0
Plast Team Vertriebs GmbH	Germany	GmbH	100,0

9. Prepayments

Prepayments consists of prepaid expenses.

10. Provisions for investments in group enterprises

Provisions for investments in group enterprises comprise the negative equity of a subsidiary, net of write-down of receivables against the same subsidiary.

Notes

	Instalments within 12 months 2017 DKK'000	Instalments within 12 months 2016 DKK'000	Instalments beyond 12 months 2017 DKK'000
11. Liabilities other than provisions			
Bank loans	400	400	372
Debt to other credit institutions	1.667	1.667	2.916
	2.067	2.067	3.288

No instalments due 5 years after the balance sheet date.

In addition, the Company has short-term bank debt of DKK 26,501k consisting of factoring and overdraft facilities.

	2017 DKK'000	2016 DKK'000
12. Unrecognised rental and lease commitments		
Hereof liabilities under rental or lease agreements until maturity in total	395	707

13. Mortgages and securities

Floating charges of totally DKK 66,000k have been established as security for loan agreements covering assets with a total book value of DKK 34,520k.

	2017 DKK'000	2016 DKK'000
Trade receivables pledged as security for bank debt	25,237	23,619

In connection with the conclusion of a Group Multi-Option Facility Agreement, the Company is jointly liable for all debts under the agreement together with all other companies in the Group.

14. Transactions with related parties

The following related parties have a controlling interest in the Group:

Name	Registered office	Basis of influence
Nordic Houseware Group A/S	2850 Nærum	Shareholder, parent company
Jacob Andersen Holding ApS	2680 Solrød Strand	Ultimate parent company
Jacob Andersen	2680 Solrød Strand	Ultimate majority shareholder

Transactions with related parties are based on arm's length terms.

Accounting policies

Reporting class

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

Consolidated financial statements

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

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 costs 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 financial statement item below.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

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.

Danish kroner are used as the reporting and measurement currency. All other currencies are regarded as foreign currencies.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, other operating income, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of goods for resale and finished goods is recognized in the income statement when delivery and transfer of risk has been made.

Accounting policies

Revenue is recognised exclusive of VAT and net of discounts relating to sales.

Other operating income

Other operating income consist of consultancy services for Nordic Houseware Group A/S, the immediate parent company.

Cost of sales

Cost of sales comprise the raw materials and consumables consumed to achieve revenue for the year and freight for the year.

Staff costs

Staff expenses comprise wages and salaries as well as payroll expenses.

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses comprise amortization, depreciation and impairment of intangible assets and property, plant and equipment, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Other operating expenses

Other operating expenses comprise expenses for distribution, sale, marketing, administration, premises, bad debts, etc.

Income from investments in group enterprises

Income from investments in subsidiaries include the proportionate share of profit/loss according to the equity-method.

Other financial income

Other financial income are recognized in the income statement at the amounts relating to the financial year. Other financial income comprise interest income and exchange gains.

Other financial expenses

Other financial expenses are recognized in the income statement at the amounts relating to the financial year. Other financial expenses comprise exchange losses, interest and other financial expenses.

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

The Company is part of a joint taxation. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Accounting policies

Balance sheet

Investments in group enterprises

Investments in subsidiaries are recognised and measured under the equity method.

Investments in subsidiaries include the proportionate ownership share of the equity of each subsidiary.

The total net revaluation of investments in subsidiaries is shown separately in equity in "Reserve for net revaluation under the equity method". The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in subsidiaries.

Subsidiaries with a negative net value are recognised and presented at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the subsidiary is presented as provisions.

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.

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

Receivables

Receivables are measured at nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

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

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.

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 in the process of normal operations with deduction of selling expenses and costs of completion.

The cost of goods for resale, raw materials and consumables comprises purchase price plus delivery costs.

Accounting policies

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Other provisions

Other provisions relate to negative equity values in subsidiaries as described under "Investments in group enterprises".

Other financial liabilities

Fixed-interest loans are recognized initially at the proceeds received, net of loan costs incurred. Subsequently, the loans are measured at amortised cost where the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Cash flow statement

A cash flow statement is presented for the entire Group, wherefore we refer to the annual report of Nordic Houseware Group A/S.