

Krogius Scandinavia ApS

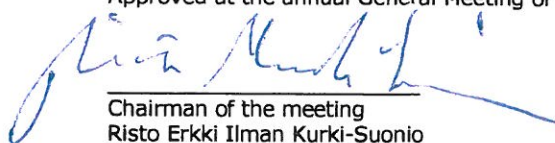
Frederiksborggade 15 2nd floor, DK-1360 Copenhagen K

Company reg. no.: 20 04 26 80

**Annual report
1st January – 31st December 2015**

(3rd Financial year)

Approved at the annual General Meeting of the Company on 8/7 2016



Chairman of the meeting
Risto Erkki Ilman Kurki-Suonio

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COMPANY INFORMATION

The Company	Krogius Scandinavia ApS Frederiksborggade 15, 2 nd floor DK-1360 Copenhagen K
	CVR-no.: 20 04 26 80
	Financial year: 1 st January – 31 st December
Executive board	Risto Erkki Ilman Kurki-Suonio
Bank	Nordea
Accountant	Revision København Godkendt Revisionspartnerselskab Finsensvej 80 A DK-2000 Frederiksberg
Main activity	The company's purpose is to inspect and validate damages for third parties and perform all related activities, including acting as agents for Danish and foreign insurance companies.

MANAGEMENT'S STATEMENT

Today the Executive Board has discussed and approved the Annual Report of Krogius Scandinavia ApS for the period 1st January – 31st December 2015.

The Annual Report has been prepared in conformity with the Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the Company's assets, equity, liabilities and financial position at 31st December 2015 and of its financial performance for the period 1st January – 31st December 2015.

We recommend that the Annual Report be approved by the Annual General Meeting.

Frederiksberg, 8 / 7 2016

Management



Risto Erkki Ilman Kurki-Suonio

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

To the shareholders of Krogius Scandinavia ApS

We have audited the financial statements of Krogius Scandinavia ApS for the period 1st January – 31st December 2015 , including accounting policies, income statement, balance sheet and notes. The financial statements have been prepared in conformity with the Danish Financial Statements Act.

Management's responsibility for the financial statements

The Company's Management is responsible for the preparation and fair presentation of financial statements in conformity with the Danish Financial Statements Act. Management is also responsible for the internal control that it deems necessary for the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We have performed the audit in accordance with international auditing standards and additional requirements under Danish audit regulations. That requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit includes performing procedures to obtain audit evidence of the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of financial statements 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. An audit also includes evaluating the appropriateness of the accounting policies applied and the reasonableness of the accounting estimates made by Management as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our qualified opinion.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

Basis for qualified, adverse or disclaimer of conclusion

The company has recognised a VAT receivable of DKK 107.745 relating to a VAT correction following a decision by the Danish Tax Authorities. The decision concerns the financial year 2014, but is recognized as extraordinary income in 2015. As a result, we are taking reservations for the item extraordinary income and as a consequence of the above mentioned, the comparative figures for the year 2014.

Qualified conclusion

In our opinion, except for the possible effect of the matters described in the Basis for qualified opinion paragraph, the financial statements give a true and fair view of the Company's assets, equity, liabilities and financial position at 31st December 2015 and of its financial performance for the period 1st January – 31st December 2015 in conformity with the Danish Financial Statements Act.

Emphasis of matter

Without affecting our conclusion, we draw attention to the notes that outline conditions to be met in order to continue operations. Management's assessment that conditions can be met and report accordingly the financial statements assuming its continued operation.

Frederiksberg 8. juli 2016

Revision København

Certified Public Accountants (Ltd.)

CVR-nr.: 34619654



Brian Hansen

Certified Public Accountant FSR - Danske Revisorer

ACCOUNTING POLICIES

GENERAL INFORMATION

The financial statements of Krogius Scandinavia ApS for the financial year 2015 have been prepared in conformity with the provisions of the Financial Statements Act on class B enterprises.

The accounting policies applied in the financial statements are consistent with those of the previous year. The reporting currency is Danish kroner.

Recognition and measurement in general

The financial statements have been prepared under the historical cost convention.

Income is recognised in the income statement when earned. Value adjustments of financial assets and liabilities measured at fair value or amortised cost are also recognised in the income statement. Costs incurred to generate the earnings for the year are also recognised in the income statement, including amortisation, depreciation, impairment losses and provisions as well as reversals resulting from changed accounting estimates of amounts previously recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future financial benefits will flow to the Company and it is possible to obtain a reliable measurement of the individual assets.

Liabilities are recognised in the balance sheet when it is probable that future financial benefits will flow from the Company and it is possible to obtain a reliable measurement of the individual liabilities.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item.

Certain financial assets and liabilities are measured at amortised cost, whereby a constant effective interest rate is recognised over the life of the individual asset or liability. Amortised cost is determined as original cost less any repayments and with the addition/deduction of the accumulated amortisation of the difference between cost and nominal amount.

Anticipated losses and risks arising before the presentation of the financial statements and confirming or disconfirming facts and circumstances known at the reporting date are taken into consideration at recognition and measurement.

The functional currency used is Danish kroner. All other currencies are considered foreign currencies.

ACCOUNTING POLICIES

INCOME STATEMENT

General information

Certain income and expenses have been aggregated in the item designated 'Gross profit' with reference to section 32 of the Financial Statements Act.

Gross profit

Gross profit is a combination of the items of 'Revenue' and 'Other external costs'.

Revenue

Revenue from the sale of finished goods is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end. Revenue is recognised exclusive of VAT and net of sales discounts.

Other external expenses

Other external expenses include costs for sales, advertising, administration, premises, bad debts, rental expenses under operating leases, etc.

Staff costs

Staff costs include wages, salaries and other pay-related costs, such as sickness benefits for enterprise employees less wage/salary reimbursement from the Government.

Financial income and expenses

Financial income and expenses are recognised in the income statement based on the amounts which relate to the financial year. Financial income and expenses include interest revenue and expenses, finance charges in respect of finance leases, realised and unrealised capital gains and losses on securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the tax prepayment scheme. Dividends from other equity investments are recognised as income in the financial year in which the dividends are declared.

Extraordinary income and expenses

Extraordinary income and expenses include income and expenses attributable to events or transactions that are clearly distinct from the ordinary operations and are expected to be non-recurring.

Tax on net profit for the year

Tax for the year comprises current tax and changes in deferred tax. The share attributable to the profit or loss for the year is recognised in the income statement, and the share attributable directly to equity is recognised directly in equity.

ACCOUNTING POLICIES

BALANCE SHEET

Deposits

Deposits are measured at cost.

Receivables

Receivables are measured at amortised cost, which normally corresponds to the nominal value. The value is reduced by an allowance for expected impairment losses.

Contract work in progress

Contract work in progress is measured at the selling price of work carried out. The selling price is measured by reference to the stage of completion at the reporting date and total expected income from the work in progress.

Where it is difficult to determine a reliable selling price, the selling price is measured at the lower of costs incurred and the net realisable value.

Work in progress is recognised in the balance sheet under receivables or payables depending on the net value of the selling price less billings on account and prepayments.

Advertising and promotional costs and costs of negotiating contracts are expensed when incurred.

Corporate income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as tax calculated on the taxable income for the year adjusted for tax on the taxable income for previous years and for prepaid taxes.

Deferred tax is measured using the balance-sheet liability method on any temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. In cases where the tax base can be determined under alternative taxation rules, such as in relation to shares, deferred tax is measured on the basis of the intended use of the relevant asset or settlement of the liability.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are measured at their anticipated realisable values, either by elimination in tax on future earnings or by being offset against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at their net realisable values.

Payables

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest method, so that the difference between proceeds and nominal value is recognised in the income statement over the life of the financial instrument(s).

INCOME STATEMENT 1ST JANUARY – 31ST DECEMBER 2015

	2015 kr.	2014 kr.
GROSS PROFIT	569.029	490.193
2 Staff costs	-839.757	-809.495
OPERATING PROFIT OR LOSS	-270.728	-319.302
Other financial income	25.108	24.232
Financial expenses arising from Group enterprises	-80.522	-212.414
Other financial expenses	-39.066	-14.255
PROFIT OR LOSS BEFORE EXTRAORDINARY ITEMS	-365.208	-521.739
Extraordinary items	107.745	0
PROFIT OR LOSS BEFORE TAX	-257.463	-521.739
3 Tax on net profit for the year	-187.661	-282.412
PROFIT OR LOSS FOR THE YEAR	-445.124	-804.151
PROPOSED DISTRIBUTION OF NET PROFIT		
Retained earnings	-445.124	-804.151
SETTLEMENT OF DISTRIBUTION TOTAL	-445.124	-804.151

BALANCE SHEET AT 31ST DECEMBER 2015 ASSETS

	2015 kr.	2014 kr.
Deposits	29.263	20.975
Investments	29.263	20.975
NON-CURRENT ASSETS	29.263	20.975
Trade receivables	705.491	1.320.492
4 Contract work in progress	362.246	627.270
Receivables from group enterprises	51.615	42.915
Other receivables	181.295	109.771
Deferred tax asset	0	187.661
Accruals	1.684	0
Receivables	1.302.331	2.288.109
Cash	217.086	157.053
CURRENT ASSETS	1.519.417	2.445.162
ASSETS	1.548.680	2.466.137

BALANCE SHEET AT 31ST DECEMBER 2015 EQUITY AND LIABILITIES

	2015 kr.	2014 kr.
Contributed capital	125.000	125.000
Retained earnings	-2.793.491	-2.348.367
5 EQUITY	-2.668.491	-2.223.367
Credit institutions	0	218
Trade creditors	788.916	1.418.262
Amounts owed to group enterprises	3.305.461	3.151.223
Other accounts payable	122.794	119.801
Short-term payables	4.217.171	4.689.504
PAYABLES	4.217.171	4.689.504
EQUITY AND LIABILITIES	1.548.680	2.466.137

6 Charges and securities

7 Related parties

NOTES

	2015 kr.	2014 kr.
1 Uncertainty regarding the going concern status		
There is considerable uncertainty regarding the going concern status of the enterprise. The management declares that their debt stands behind all external creditors, and the financial statements have accordingly been prepared using the going concern assumption.		
Managements assessment that conditions can be met and report accordingly the financial statements assuming its continued operation.		
It's the managements assessment, that the parent company is liable for the company's debts and that the necessary liquidity will be supported, so the company is able to continue its operations for the next 12 to 18 months.		
2 Staff costs		
Number of people employed	2	2
Wages and salaries	820.797	790.124
Other social security costs	18.960	19.371
	839.757	809.495
3 Tax on net profit for the year		
Adjustment of deferred tax	0	282.412
Write down tax asset	187.661	0
	187.661	282.412
4 Contract work in progress		
Contract work in progress	362.246	627.270
	362.246	627.270

NOTES

	Opening balance	Proposed distribution of net profit	Closing balance
5 Equity			
Contributed capital	125.000	0	125.000
Retained earnings	-2.348.367	-445.124	-2.793.491
	-2.223.367	-445.124	-2.668.491

The share capital is divided as follows:

125 shares of nom. DKK 1.000	-125.000
	-125.000

6 Charges and securities

The company has from previous years a tax asset of DKK 187.661 and by year-end 2015 a total of DKK 231.882. As the tax asset no longer meets the requirements for recognition, as well as the justified uncertainty about future utilization, the tax asset has been written down to a total of DKK 0.

7 Related parties

According to the company's list of shareholders, the following shareholders own a minimum of 5% of the voting rights or a minimum of 5% of the share capital:

OY Lars Krogius AB, Finland
Sörnäisten rantatie 25
00500 Helsinki
Finland