


# Krogius Scandinavia ApS

*Lindevangs Alle 6, 1. 2000 Frederiksberg*

**Company reg. no.: 20042680**

**Annual report  
1<sup>st</sup> January – 31<sup>st</sup> December 2017**

Approved at the annual General Meeting of the Company on 19/ 4 2018



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Chairman of the meeting  
Jan Smedemann

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## MANAGEMENT'S STATEMENT

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Today the Executive Board has discussed and approved the Annual Report of Krogius Scandinavia ApS for the period 1 January - 31 December 2017.

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 31 December 2017 and of its financial performance for the period 1 January - 31 December 2017.

In my opinion the Management commentary includes a fair review of the matters described.

We recommend that the Annual General Meeting approve the Annual Report.

Frederiksberg, <sup>19</sup>~~20~~ / 4 2018

### Management



Jan Smedeman

## **INDEPENDENT AUDITOR'S REPORT**

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### **To the shareholders in Krogius Scandinavia ApS**

#### **Auditor's report on the financial statements**

##### **Conclusion**

We have audited the Financial Statements for the period 1 January - 31 December 2017, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies. The Financial Statements are prepared under the Danish Financial Statements Act.

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 operations for the period 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

##### **Basis for conclusion**

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.

##### **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.

##### **Management's responsibility for the financial statements**

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.

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.

## INDEPENDENT AUDITOR'S REPORT

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### **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 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 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 Company 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.

## INDEPENDENT AUDITOR'S REPORT

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### Statement on Management commentary

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 Financial Statements Act.

Except for this matter and based on the procedures performed, it is our opinion that the management commentary is consistent with the financial statements and has been prepared in accordance with the criteria laid down in the Financial Statements Act.

Frederiksberg, den 19/9 2018

### Revision København

Certified Public Accountants (Ltd.)

CVR-no.: 34 61 96 54



Brian Hansen  
Certified Public Accountant FSR - Danske Revisorer

mne36174

## COMPANY INFORMATION

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**The Company**

Krogius Scandinavia ApS  
Lindevangs Alle 6, 1.  
2000 Frederiksberg

CVR-no.: 20 04 26 80  
Financial year: 1 January - 31 December

**Executive board**

Jan Smedeman

**Bank**

Nordea

**Accountant**

Revision København  
Godkendt Revisionspartnerselskab  
Nimbusparken 24, 3.  
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 COMMENTARY

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### **Main activities of the Company**

As in previous years, the main activities of the Company were is to inspect and validate damages for third parties and perform all related activities, including acting as agents for Danish and foreign insurance companies.

### **Unusual circumstances**

There hasn't been any significant events during the financial year, which has been of considerable importance, that it has to be mentioned in the management's review.

Disclosure related to the company's revenue are omitted due to competitive considerations.

### **Uncertainty connected with recognition or measurement**

During the financial year there has not been ascertained any considerable uncertainty connected with recognition or measurement.

### **Development in the activities and the financial situation of the Company**

The company has continued its operations and has presented an unsatisfactory result, and therefore reduces the company's equity.

The Company has continued its operations. No significant one-off events occurred in the financial year that need to be included in the management commentary.

The Company's status as a going concern depends on the willingness of the bank and other external creditors to continue making available the capital required. We expect this to be the case. Reference is made to note one of the financial statements.

The Company has lost more than half of the share capital, but expects to restore its capital through earnings.

### **Material events after the reporting date**

No events have occurred after the reporting date that may materially affect the financial position of the company.



## ACCOUNTING POLICIES

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### GENERAL INFORMATION

The financial statements of Krogius Scandinavia ApS for the financial year 2017 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

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### 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.

#### 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.

Any change in deferred tax as a result of changes in the tax rate, the share attributable to the profit is recognized in the income statement, and the share attributable directly to equity is recognized directly in equity.

## ACCOUNTING POLICIES

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### 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 realizable value.

Work in progress is recognized 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 recognized 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 realizable 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 realizable 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 1. JANUAR - 31. DECEMBER 2017**

	2017 kr.	2016 kr.
<b>GROSS PROFIT</b>	<b>988.271</b>	<b>602.859</b>
2 Staff costs	-1.089.659	-826.060
<b>OPERATING PROFIT OR LOSS</b>	<b>-101.388</b>	<b>-223.201</b>
Other financial income	9.957	20.176
Financial expenses arising from Group enterprises	0	-81.058
Other financial expenses	-31.964	-92.754
<b>PROFIT OR LOSS BEFORE TAX</b>	<b>-123.395</b>	<b>-376.837</b>
<b>PROFIT OR LOSS FOR THE YEAR</b>	<b>-123.395</b>	<b>-376.837</b>
<b>PROPOSED DISTRIBUTION OF NET PROFIT</b>		
Retained earnings	-123.395	-376.837
<b>SETTLEMENT OF DISTRIBUTION TOTAL</b>	<b>-123.395</b>	<b>-376.837</b>

**BALANCE SHEET AT 31. DECEMBER 2017 ASSETS**

	2017 kr.	2016 kr.
Deposits	4.000	6.585
<b>Investments</b>	<b>4.000</b>	<b>6.585</b>
<b>NON-CURRENT ASSETS</b>	<b>4.000</b>	<b>6.585</b>
Trade receivables	947.878	925.174
3 Contract work in progress	289.575	300.145
Receivables from group enterprises	36.185	36.593
Other receivables	51.878	60.948
Deferred tax asset	0	0
<b>Receivables</b>	<b>1.325.516</b>	<b>1.322.860</b>
<b>Cash</b>	<b>180.776</b>	<b>113.056</b>
<b>CURRENT ASSETS</b>	<b>1.506.292</b>	<b>1.435.916</b>
<b>ASSETS</b>	<b>1.510.292</b>	<b>1.442.501</b>

**BALANCE SHEET AT 31. DECEMBER 2017 EQUITY AND LIABILITIES**

	2017 kr.	2016 kr.
Contributed capital	125.000	125.000
Retained earnings	-3.293.723	-3.170.328
<b>4 EQUITY</b>	<b>-3.168.723</b>	<b>-3.045.328</b>
Credit institutions	0	13
Trade creditors	783.329	757.953
Amounts owed to group enterprises	3.771.752	3.603.855
Other accounts payable	123.934	126.008
<b>Short-term payables</b>	<b>4.679.015</b>	<b>4.487.829</b>
<b>PAYABLES</b>	<b>4.679.015</b>	<b>4.487.829</b>
<b>EQUITY AND LIABILITIES</b>	<b>1.510.292</b>	<b>1.442.501</b>

5 Charges and securities

6 Related parties

## NOTES

	2017 kr.	2016 kr.
<b>1 Uncertainty regarding the going concern status</b>		
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 debt and that the necessary liquidity will be supported, so the company is able to continue its operations for the next 12 to 18 months.		
<b>2 Staff costs</b>		
Number of people employed	2	2
Wages and salaries	986.515	797.648
Pensions	51.723	0
Other social security costs	51.421	28.412
	<b>1.089.659</b>	<b>826.060</b>
<b>3 Contract work in progress</b>		
Contract work in progress	289.575	300.145
	<b>289.575</b>	<b>300.145</b>

## NOTES

	Opening balance	Proposed distribution of net profit	Closing balance
<b>4 Equity</b>			
Contributed capital	125.000	0	125.000
Retained earnings	-3.170.328	-123.395	-3.293.723
	<b>-3.045.328</b>	<b>-123.395</b>	<b>-3.168.723</b>

The share capital is divided as follows:

125 shares of nom. DKK 1.000	-125.000
	<b>-125.000</b>

## 5 Charges and securities

The company has from previous years a tax asset of DKK 314.666 and by year-end 2017 a total of DKK 341.778. 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.

## 6 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