



Top-Tek A/S

Top-Tek A/S
Industrivej 2
6690 Gørding
Business Registration No
20229136

Annual report 2017

The Annual General Meeting adopted the annual report on 17.05.2018

Chairman of the General Meeting

Name: Bert Jozef Vissers

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Entity details

Entity

Top-Tek A/S
Industrivej 2
6690 Gørding

Central Business Registration No (CVR): 20229136

Registered in: Esbjerg

Financial year: 01.01.2017 - 31.12.2017

Board of Directors

Bert Jozef Vissers, chairman of the board

Marjan Vermeulen

Walter Joanna J Vandenbulcke

Hans-Jørgen Torborg Jensen

Executive Board

Kristian Sønderby Voss

Entity auditors

BDO Statsautoriseret Revisionsaktieselskab

Bavnehøj 6

6700 Esbjerg

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Top-Tek 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.

Gørding, 22.02.2018

Executive Board

Kristian Sønderby Voss

Board of Directors

Bert Jozeff Wissers
chairman of the board

Hans-Jørgen Torborg Jensen

Marjan Vermeulen

Walter Joanna J Vandenbulcke

Independent auditor's report

To the shareholders of Top-Tek A/S

Opinion

We have audited the financial statements of Top-Tek 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.

Esbjerg, 22.02.2018

BDO

Statsautoriseret Revisionsaktieselskab

Central Business Registration No (CVR) 20222670



Flemming Bro Lund

State Authorised Public Accountant

Identification No (MNE) 31433

Management commentary

Primary activities

The company's main activity is to import, market and sell lubricants and providing associated products.

Development in activities and finances

The profit for the year was DKK 372k where the profit for 2016 was DKK 376k. The profit for the year is considered satisfying.

Events after the balance sheet date

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

Income statement for 2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Gross profit		8.868.982	8.057.318
Staff costs	1	(8.265.807)	(7.376.338)
Depreciation, amortisation and impairment losses	2	<u>(94.564)</u>	<u>(111.076)</u>
Operating profit/loss		508.611	569.904
Other financial income	3	19.748	33.562
Other financial expenses	4	<u>(49.023)</u>	<u>(121.408)</u>
Profit/loss before tax		479.336	482.058
Tax on profit/loss for the year	5	<u>(107.000)</u>	<u>(106.000)</u>
Profit/loss for the year		<u>372.336</u>	<u>376.058</u>
Proposed distribution of profit/loss			
Ordinary dividend for the financial year		0	100.000
Retained earnings		<u>372.336</u>	<u>276.058</u>
		<u>372.336</u>	<u>376.058</u>

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017</u> <u>DKK</u>	<u>2016</u> <u>DKK</u>
Other fixtures and fittings, tools and equipment		153.578	228.642
Property, plant and equipment	6	153.578	228.642
Fixed assets		153.578	228.642
Manufactured goods and goods for resale		2.184.814	1.903.872
Prepayments for goods		57.216	0
Inventories		2.242.030	1.903.872
Trade receivables		1.248.888	1.224.265
Receivables from group enterprises		728.138	21.022
Deferred tax		13.000	6.000
Other receivables		45.335	60.429
Prepayments		44.449	93.450
Receivables		2.079.810	1.405.166
Cash		6.180	10.148
Current assets		4.328.020	3.319.186
Assets		4.481.598	3.547.828

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Contributed capital		500.000	500.000
Retained earnings		920.603	548.267
Proposed dividend		0	100.000
Equity		<u>1.420.603</u>	<u>1.148.267</u>
Bank loans		1.171.466	505.210
Trade payables		224.046	218.662
Payables to group enterprises		0	12.549
Income tax payable		114.000	30.000
Other payables		1.551.483	1.633.140
Current liabilities other than provisions		<u>3.060.995</u>	<u>2.399.561</u>
Liabilities other than provisions		<u>3.060.995</u>	<u>2.399.561</u>
Equity and liabilities		<u>4.481.598</u>	<u>3.547.828</u>
Unrecognised rental and lease commitments	7		
Contingent liabilities	8		
Assets charged and collateral	9		

Statement of changes in equity for 2017

	Contributed capital DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	500.000	548.267	100.000	1.148.267
Ordinary dividend paid	0	0	(100.000)	(100.000)
Profit/loss for the year	0	372.336	0	372.336
Equity end of year	500.000	920.603	0	1.420.603

Notes

	2017	2016
	DKK	DKK
1. Staff costs		
Wages and salaries	7.953.676	7.072.133
Pension costs	197.190	193.725
Other social security costs	114.941	110.480
	8.265.807	7.376.338
Average number of employees	15	15
	2017	2016
	DKK	DKK
2. Depreciation, amortisation and impairment losses		
Depreciation of property, plant and equipment	94.564	112.693
Profit/loss from sale of intangible assets and property, plant and equipment	0	(1.617)
	94.564	111.076
	2017	2016
	DKK	DKK
3. Other financial income		
Financial income arising from group enterprises	14.531	22.484
Other financial income	5.217	11.078
	19.748	33.562
	2017	2016
	DKK	DKK
4. Other financial expenses		
Financial expenses from group enterprises	693	32.767
Other interest expenses	36.293	67.671
Other financial expenses	12.037	20.970
	49.023	121.408

Notes

	2017	2016
	DKK	DKK
5. Tax on profit/loss for the year		
Current tax	114.000	30.000
Change in deferred tax	(7.000)	76.000
	107.000	106.000

	Other fixtures and fittings, tools and equipment DKK
6. Property, plant and equipment	
Cost beginning of year	1.291.774
Additions	19.500
Cost end of year	1.311.274
Depreciation and impairment losses beginning of year	(1.063.132)
Depreciation for the year	(94.564)
Depreciation and impairment losses end of year	(1.157.696)
Carrying amount end of year	153.578

	2017	2016
	DKK	DKK
7. Unrecognised rental and lease commitments		
Liabilities under rental or lease agreements until maturity in total	58.824	93.431

In addition to the liabilities above the company has entered into a lease with an annual rent of DKK 268.872. The lease can be terminated with 3 months notice. The lease can not be terminated until 1/8 2019.

	2017	2016
	DKK	DKK
8. Contingent liabilities		
Recourse and non-recourse guarantee commitments	0	1.747.354
Contingent liabilities in total	0	1.747.354

Notes

The Entity participates in a Danish joint taxation arrangement in which Vest Holding ApS/Top-Tek A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The total known net liability of the jointly taxed entities under the joint taxation arrangement is evident from the administration company's financial statements.

9. Assets charged and collateral

Mortgage debt is secured by way of mortgage on plant and machinery as well as other fixtures, receivables and inventory of DKK 4.000.000. The carrying amount on plant and machinery as well as other fixtures, receivables and inventory is DKK 3.644k.

Accounting policies

Reporting class

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

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

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

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts.

Accounting policies

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses relating to property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, 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 property, plant and equipment.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all the parents Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

Accounting policies

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment 3-10 years

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

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.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

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.

Accounting policies

Operating leases

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

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Income tax receivable or payable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax