

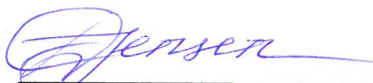
The English part of this document is an unofficial translation of the original Danish text. In case of discrepancies, the Danish version shall apply.

**Hovedstadens Handel K/S
Center Boulevard 5
2300 Copenhagen**

**THE ANNUAL REPORT
The year 2017**

CVR-nr: 25 32 76 40

Approved at the General Meeting, the 03/04 2018



Chairman

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COMPANY INFORMATION

Company number: 25 32 76 40

Executive board: Diana K. Jensen

MANAGEMENT'S STATEMENT

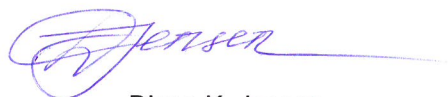
The unaudited Annual Report has been prepared in conformity with the Financial Statements Act. The Executive Board considers the conditions for not performing an audit to have been met.

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. januar - 31. december 2017.

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

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

Copenhagen, *23/04* 2018



Diana K. Jensen

MANAGEMENT COMMENTARY

As in previous years, the main activities of the Company were ...

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 performance and results for the year are considered satisfactory.

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

Opting out of audit

The annual report has not been audited. The Executive Board considers the conditions for opting out of audit to have been met.

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ACCOUNTING POLICIES

GENERAL INFORMATION

The financial statements of Hovedstadens Handel 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 euro.

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.

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', 'Change in inventories of finished goods, work in progress and goods for resale', 'Other operating income', 'Cost of raw materials and consumables' and 'Other external costs'.

Administrative expenses

Administrative expenses include expenses for Management and administrative staff, office expenses, amortisation and depreciation, etc.

Other external expenses

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

ACCOUNTING POLICIES

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.

BALANCE SHEET

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.

Impairment of accounts receivable past due is established on individual assessment of receivables.

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).

Other payables, comprising trade payables and amounts owed to Group enterprises and associates and other accounts payable, are measured at amortised cost, which normally corresponds to the nominal value.

INCOME STATEMENT
1. JANUAR - 31. DECEMBER 2017

	2017 EUR	2016 TEUR
GROSS PROFIT	-3.710	0
Other financial expenses	-1.272	-2
	<hr/>	<hr/>
PROFIT OR LOSS BEFORE TAX	-4.982	-2
Income Tax for the year	0	0
	<hr/>	<hr/>
PROFIT OR LOSS FOR THE YEAR	-4.982	-2
	<hr/> <hr/>	<hr/> <hr/>
 PROPOSED DISTRIBUTION OF NET PROFIT		
Retained earnings.....	-4.982	-2
	<hr/>	<hr/>
SETTLEMENT OF DISTRIBUTION TOTAL	-4.982	-2
	<hr/> <hr/>	<hr/> <hr/>

BALANCE SHEET AT 31. DECEMBER 2017

ASSETS

	2017 EUR	2016 TEUR
Cash	3.525	9
CURRENT ASSETS	<u>3.525</u>	<u>9</u>
ASSETS	<u>3.525</u>	<u>9</u>

BALANCE SHEET AT 31. DECEMBER 2017
EQUITY AND LIABILITIES

	2017 EUR	2016 TEUR
Contributed capital.....	11.000	11
Retained earnings.....	-7.475	-2
1 EQUITY.....	3.525	9
EQUITY AND LIABILITIES.....	3.525	9

NOTES

	Opening balance	Proposed distribution of net profit	Closing balance
1 Equity			
Contributed capital.....	11.000	0	11.000
Retained earnings.....	-2.493	-4.982	-7.475
	<u>8.507</u>	<u>-4.982</u>	<u>3.525</u>