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**BelmaFlex A/S**  
**Central Business Registration No**  
**25645316**  
**Tulipanvej 21**  
**9640 Farsø**

**Annual report 2015/16**

The Annual General Meeting adopted the annual report on 24.02.2017

**Chairman of the General Meeting**

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Name: Jacob Mou

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## **Entity details**

### **Entity**

BelmaFlex A/S  
Tulipanvej 21  
9640 Farsø

Central Business Registration No: 25645316

Registered in: Vesthimmerland

Financial year: 01.10.2015 - 30.09.2016

### **Board of Directors**

Jacob Mou, president

Christian Mou

Henrik Mou

### **Executive Board**

Martin Schousboe, director

### **Auditors**

Deloitte Statsautoriseret Revisionspartnerselskab

Dokken 8

Postbox 200

6701 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 BelmaFlex A/S for the financial year 01.10.2015 - 30.09.2016.

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 30.09.2016 and of the results of its operations and cash flows for the financial year 01.10.2015 - 30.09.2016.

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.

Farsø, 24.02.2017

### **Executive Board**

Martin Schousboe  
director

### **Board of Directors**

Jacob Mou  
president

Christian Mou

Henrik Mou

## **Independent auditor's reports**

### **To the owners of BelmaFlex A/S**

#### **Report on the financial statements**

We have audited the financial statements of BelmaFlex A/S for the financial year 01.10.2015 - 30.09.2016, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity, cash flow statement and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

#### **Management's responsibility 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.

#### **Auditor's responsibility**

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation of financial statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as the overall presentation of the financial statements.

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

Our audit has not resulted in any qualification.

#### **Opinion**

In our opinion, the financial statements give a true and fair view of the Company's financial position at 30.09.2016 and of the results of its operations and cash flows for the financial year 01.10.2015 - 30.09.2016 in accordance with the Danish Financial Statements Act.

## **Independent auditor's reports**

### **Statement on the management commentary**

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the financial statements.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the financial statements.

Esbjerg, 24.02.2017

### **Deloitte**

Statsautoriseret Revisionspartnerselskab

Peder Rene Pedersen

State Authorised Public Accountant

Ove Nielsen

State Authorised Public Accountant

CVR-nr. 33963556

## Management commentary

### Primary activities

The main activities consist of designing, processing, production and sales of plastic parts.

### Development in activities and finances

The fiscal year of 2015/16 is significantly affected by a long range of ground breaking restructuring activities – all of which aimed at transforming the company into a modern, scalable, performance oriented, digitalized and international supply chain partner for the customer segments served and targeted.

The loss for the year of 10,145 DKK'000 represent the accumulated and consolidated effect of non-recurring / one-time costs and, to a significantly lesser degree, a reduced activity level in the European district heating infrastructure market in 2016.

The non-recurring and one-time costs incurred in 2015/16 are related to (1) a fundamental restructuring and strengthening of the international management team and specialist competencies, incl. both recruitment costs and costs related to severance schemes, (2) commissioning of and relocation to new 7,000m<sup>2</sup> production site in Zabrze, Poland, (3) total refurbishing of the Polish production lines and equipment, (4) preparations for Q1-2016 commissioning of a new group ERP platform, (5) preparations for ISO9001 certification in q1/2-2017, (6) partial restructuring of the company's sales channel (to direct OEM sales), (7) inventory write-offs, (8) establishment of new polyurethane production line the Zabrze plant, (9) write-offs related to Russian joint venture activities.

Of these nine examples, and with reference to the below, item no. 9 alone represent approximately 30% of the net loss for 2015/16.

After the distribution of profit of the year (net loss) the equity is 13,198 DKK'000

The Balance is, in ref. to the above, affected by the affiliated company's investment in property in Poland. The investment is financed by BelmaFlex A/S why, among other, the receivables from group enterprises is increased by 15,465 DKK'000, bank loans is increased by 14,335 DKK'000 and payables to group enterprises is increased by 422 DKK'000.

The outlook for the fiscal year 2016/17 is positive and - based on the general market expectations of a rebound in investment activities in the European district heating sector - management expect an immediate return to group level profitability in 2016/17.

### 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.

## **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 for these financial statements are consistent with those applied last year.

### **Consolidated financial statements**

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

### **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.

### **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 and is measured at fair value of the consideration fixed.



## **Accounting policies**

### **Other operating income**

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

### **Costs of raw materials and consumables**

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary write-downs of the relevant inventories.

### **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 write-downs 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.

### **Amortisation, depreciation and impairment losses**

Amortisation, depreciation and impairment losses relating to intangible assets and 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 as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

### **Income from investments in group enterprises**

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of internal profits or losses.

### **Income from investments in associates**

Income from investments in associates comprises the pro rata share of the individual associates' profit/loss after elimination of internal profits or losses.

### **Other financial income**

Other financial income comprises interest income, including interest income on receivables from group enterprises, payables and foreign currency transactions.

### **Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and foreign currency transactions.

## Accounting policies

### Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement

The Entity is jointly taxed with Parent. 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

#### Intellectual property rights etc

Intellectual property rights etc comprise completed development projects and patent rights.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using the estimated useful lives of the assets. The amortisation period is 5 years.

Development projects are written down to the lower of recoverable and carrying amount.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised over their remaining duration, and licences are amortised over the term of the agreement, but over no more than 5 years.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

#### Property, plant and equipment

Plant and machinery as well as 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. For self-constructed assets, cost comprises direct and indirect costs of materials, components, subsuppliers and labour costs. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

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:

## Accounting policies

Plant and machinery	5-10 years
Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	5 years

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

### Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

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

### Investments in associates

Investments in associates are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the associates' equity value.

Upon distribution of profit or loss, net revaluation of investments in associates is transferred to Reserve for net revaluation according to the equity method under equity.

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

### Receivables

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

### 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. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance, depreciation and impairment losses for machinery, factory buildings and equipment applied for the manufacturing process as well as costs of factory administration and management. Finance costs are not included in cost.

## Accounting policies

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

### 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.

### Cash

Cash comprises cash in hand and bank deposits.

### 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 calculated on this *year's* taxable income, adjusted for prepaid tax.

### Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, instalments on interest-bearing debt, purchase of treasury shares, and payment of dividend.

Cash and cash equivalents comprise cash and short-term bank loans.

## Income statement for 2015/16

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK</u>
<b>Gross profit</b>		<b>12.300.669</b>	<b>13.515.687</b>
Staff costs	1	(13.078.517)	(10.779.164)
Depreciation, amortisation and impairment losses	2	<u>(2.632.379)</u>	<u>(2.222.770)</u>
<b>Operating profit/loss</b>		<b>(3.410.227)</b>	<b>513.753</b>
Income from investments in group enterprises		(4.068.178)	3.176.211
Income from investments in associates		(3.201.598)	(62.907)
Other financial income	3	1.747.249	350.154
Other financial expenses	4	<u>(2.022.822)</u>	<u>(1.104.872)</u>
<b>Profit/loss from ordinary activities before tax</b>		<b>(10.955.576)</b>	<b>2.872.339</b>
Tax on profit/loss from ordinary activities	5	<u>811.000</u>	<u>43.000</u>
<b>Profit/loss for the year</b>		<b><u>(10.144.576)</u></b>	<b><u>2.915.339</u></b>
 <b>Proposed distribution of profit/loss</b>			
Reserve for net revaluation according to the equity method		(4.005.679)	3.176.211
Retained earnings		<u>(6.138.897)</u>	<u>(260.872)</u>
		<b><u>(10.144.576)</u></b>	<b><u>2.915.339</u></b>

**Balance sheet at 30.09.2016**

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK</u>
Completed development projects		26.549	443.552
Acquired patents		0	0
<b>Intangible assets</b>	6	<u><b>26.549</b></u>	<u><b>443.552</b></u>
Plant and machinery		3.348.178	4.173.400
Other fixtures and fittings, tools and equipment		752.757	994.490
Leasehold improvements		262.227	376.111
Property, plant and equipment in progress		700.369	1.342.287
<b>Property, plant and equipment</b>	7	<u><b>5.063.531</b></u>	<u><b>6.886.288</b></u>
Investments in group enterprises		9.677.117	13.745.295
Investments in associates		0	0
Other receivables		60.000	60.000
<b>Fixed asset investments</b>	8	<u><b>9.737.117</b></u>	<u><b>13.805.295</b></u>
<b>Fixed assets</b>		<u><b>14.827.197</b></u>	<u><b>21.135.135</b></u>
Raw materials and consumables		7.553.852	7.613.538
Manufactured goods and goods for resale		1.595.440	1.711.200
<b>Inventories</b>		<u><b>9.149.292</b></u>	<u><b>9.324.738</b></u>
Trade receivables		6.800.749	9.102.227
Receivables from group enterprises		37.106.909	21.641.914
Receivables from associates		0	3.326.598
Deferred tax assets	9	439.000	0
Other short-term receivables		6.705	264.729
<b>Receivables</b>		<u><b>44.353.363</b></u>	<u><b>34.335.468</b></u>
<b>Cash</b>		<u><b>1.876.556</b></u>	<u><b>401.233</b></u>
<b>Current assets</b>		<u><b>55.379.211</b></u>	<u><b>44.061.439</b></u>
<b>Assets</b>		<u><u><b>70.206.408</b></u></u>	<u><u><b>65.196.574</b></u></u>

**Balance sheet at 30.09.2016**

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK</u>
Contributed capital	10	3.000.000	3.000.000
Reserve for net revaluation according to the equity method		6.753.970	10.759.649
Retained earnings		3.444.081	9.582.978
<b>Equity</b>		<u><b>13.198.051</b></u>	<u><b>23.342.627</b></u>
Provisions for deferred tax	9	0	372.000
<b>Provisions</b>		<u><b>0</b></u>	<u><b>372.000</b></u>
Bank loans		35.833.075	21.498.082
Trade payables		3.534.997	2.569.837
Debt to group enterprises		14.472.029	14.050.514
Income tax payable		0	133.000
Other payables		3.168.256	3.230.514
<b>Current liabilities other than provisions</b>		<u><b>57.008.357</b></u>	<u><b>41.481.947</b></u>
<b>Liabilities other than provisions</b>		<u><b>57.008.357</b></u>	<u><b>41.481.947</b></u>
<b>Equity and liabilities</b>		<u><u><b>70.206.408</b></u></u>	<u><u><b>65.196.574</b></u></u>
Contingent liabilities	12		
Assets charged and collateral	13		
Consolidation	14		

**Statement of changes in equity for 2015/16**

	<b>Contributed capital DKK</b>	<b>Reserve for net revalua- tion accor- ding to the equity me- thod DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
Equity beginning of year	3.000.000	10.759.649	9.582.978	23.342.627
Profit/loss for the year	0	(4.005.679)	(6.138.897)	(10.144.576)
<b>Equity end of year</b>	<b>3.000.000</b>	<b>6.753.970</b>	<b>3.444.081</b>	<b>13.198.051</b>



## Cash flow statement 2015/16

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK</u>
Operating profit/loss		(3.410.227)	513.753
Amortisation, depreciation and impairment losses		2.632.379	2.222.770
Working capital changes	11	<u>(11.280.631)</u>	<u>(15.122.068)</u>
<b>Cash flow from ordinary operating activities</b>		<b>(12.058.479)</b>	<b>(12.385.545)</b>
Financial income received		1.747.249	350.154
Financial income paid		(2.022.822)	(1.104.872)
Income taxes refunded/(paid)		<u>(133.000)</u>	<u>(510.000)</u>
<b>Cash flows from operating activities</b>		<b>(12.467.052)</b>	<b>(13.650.263)</b>
Acquisition etc of property, plant and equipment		(392.618)	(1.448.950)
Sale of property, plant and equipment		0	50.000
Acquisition of fixed asset investments		<u>0</u>	<u>(1.188.927)</u>
<b>Cash flows from investing activities</b>		<b>(392.618)</b>	<b>(2.587.877)</b>
Instalments on loans etc		<u>0</u>	<u>(148.216)</u>
<b>Cash flows from financing activities</b>		<b>0</b>	<b>(148.216)</b>
<b>Increase/decrease in cash and cash equivalents</b>		<b>(12.859.670)</b>	<b>(16.386.356)</b>
Cash and cash equivalents beginning of year		<u>(21.096.849)</u>	<u>(4.710.493)</u>
<b>Cash and cash equivalents end of year</b>		<b><u>(33.956.519)</u></b>	<b><u>(21.096.849)</u></b>
Cash and cash equivalents at year-end are composed of:			
Cash		1.876.556	401.233
Short-term debt to banks		<u>(35.833.075)</u>	<u>(21.498.082)</u>
<b>Cash and cash equivalents end of year</b>		<b>(33.956.519)</b>	<b>(21.096.849)</b>

## Notes

	<b>2015/16 DKK</b>	<b>2014/15 DKK</b>
<b>1. Staff costs</b>		
Wages and salaries	11.798.702	9.762.978
Pension costs	1.030.716	777.588
Other social security costs	249.099	238.598
	<b>13.078.517</b>	<b>10.779.164</b>
	<b>2015/16 DKK</b>	<b>2014/15 DKK</b>
<b>2. Depreciation, amortisation and impairment losses</b>		
Amortisation of intangible assets	178.429	178.429
Impairment losses on intangible assets	238.574	0
Depreciation of property, plant and equipment	1.986.786	1.925.341
Profit/loss from sale of intangible assets and property, plant and equipment	228.590	119.000
	<b>2.632.379</b>	<b>2.222.770</b>
	<b>2015/16 DKK</b>	<b>2014/15 DKK</b>
<b>3. Other financial income</b>		
Financial income arising from group enterprises	1.533.889	0
Financial income from associates	0	141.640
Exchange rate adjustments	211.760	208.514
Other financial income	1.600	0
	<b>1.747.249</b>	<b>350.154</b>
	<b>2015/16 DKK</b>	<b>2014/15 DKK</b>
<b>4. Other financial expenses</b>		
Financial expenses from group enterprises	421.515	342.017
Interest expenses	838.846	219.650
Exchange rate adjustments	810.280	484.612
Other financial expenses	(47.819)	58.593
	<b>2.022.822</b>	<b>1.104.872</b>

## Notes

	<b>2015/16 DKK</b>	<b>2014/15 DKK</b>		
<b>5. Tax on ordinary profit/loss for the year</b>				
Current tax	0	133.000		
Change in deferred tax for the year	<u>(811.000)</u>	<u>(176.000)</u>		
	<b><u>(811.000)</u></b>	<b><u>(43.000)</u></b>		
	<b>Completed development projects DKK</b>	<b>Acquired patents DKK</b>		
<b>6. Intangible assets</b>				
Cost beginning of year	<u>1.088.531</u>	<u>124.170</u>		
<b>Cost end of year</b>	<b><u>1.088.531</u></b>	<b><u>124.170</u></b>		
Amortisation and impairment losses beginning of year	(644.979)	(124.170)		
Impairment losses for the year	(238.574)	0		
Amortisation for the year	<u>(178.429)</u>	<u>0</u>		
<b>Amortisation and impairment losses end of year</b>	<b><u>(1.061.982)</u></b>	<b><u>(124.170)</u></b>		
Carrying amount end of year	<u>26.549</u>	<u>0</u>		
	<b>Plant and machinery DKK</b>	<b>Other fixtures and fittings, tools and equipment DKK</b>	<b>Leasehold improvements DKK</b>	<b>Property, plant and equipment in progress DKK</b>
<b>7. Property, plant and equipment</b>				
Cost beginning of year	15.528.459	3.271.021	1.746.369	1.342.287
Additions	753.448	52.499	0	503.782
Disposals	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1.145.700)</u>
<b>Cost end of year</b>	<b><u>16.281.907</u></b>	<b><u>3.323.520</u></b>	<b><u>1.746.369</u></b>	<b><u>700.369</u></b>
Depreciation and impairment losses beginning of the year	(11.355.059)	(2.276.531)	(1.370.258)	0
Depreciation for the year	<u>(1.578.670)</u>	<u>(294.232)</u>	<u>(113.884)</u>	<u>0</u>
<b>Depreciation and impair- ment losses end of the year</b>	<b><u>(12.933.729)</u></b>	<b><u>(2.570.763)</u></b>	<b><u>(1.484.142)</u></b>	<b><u>0</u></b>
Carrying amount end of year	<u>3.348.178</u>	<u>752.757</u>	<u>262.227</u>	<u>700.369</u>

## Notes

	<b>Investments in group en- terprises DKK</b>	<b>Investments in associates DKK</b>	<b>Other recei- vables DKK</b>
<b>8. Fixed asset investments</b>			
Cost beginning of year	2.923.146	62.500	60.000
<b>Cost end of year</b>	<b>2.923.146</b>	<b>62.500</b>	<b>60.000</b>
Revaluations beginning of year	10.822.149	(62.500)	0
Exchange rate adjustments	(250.382)	0	0
Share of profit/loss after tax	(3.817.796)	3.201.598	0
Other adjustments	0	(3.201.598)	0
<b>Revaluations end of year</b>	<b>6.753.971</b>	<b>(62.500)</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>9.677.117</b>	<b>0</b>	<b>60.000</b>

	<b>Registered in</b>	<b>Corpo- rate form</b>	<b>Equity interest %</b>
Subsidiaries:			
BelmaFlex Polska sp.zo.o	Polen	sp. z o. o.	99,00

	<b>Registered in</b>	<b>Corpo- rate form</b>	<b>Equity interest %</b>
Associates:			
Belmawex ApS	Vesthimmer- land	ApS	50,00

	<b>2015/16 DKK</b>	<b>2014/15 DKK</b>
<b>9. Deferred tax</b>		
Intangible assets	64.000	0
Property, plant and equipment	(184.000)	(384.000)
Inventories	(28.000)	0
Liabilities other than provisions	12.000	12.000
Tax losses carried forward	575.000	0
	<b>439.000</b>	<b>(372.000)</b>

## Notes

	<u>Number</u>	<u>Par value DKK</u>	<u>Nominal value DKK</u>
<b>10. Contributed capital</b>			
Ordinary Shares	3	1.000.000,00	3.000.000
	<u>3</u>		<u>3.000.000</u>
		<u>2015/16 DKK</u>	<u>2014/15 DKK</u>
<b>11. Change in working capital</b>			
Increase/decrease in inventories		175.446	596.222
Increase/decrease in receivables		(12.780.494)	(23.185.049)
Increase/decrease in trade payables etc		<u>1.324.417</u>	<u>7.466.759</u>
		<u>(11.280.631)</u>	<u>(15.122.068)</u>

## 12. Contingent liabilities

The company has entered into one rental agreement concerning premises. Total rent amount to DKK 554.684. The Entity participates in a Danish joint taxation arrangement in which Mou Invest ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable from the financial year 2013 for income taxes etc for the jointly taxed companies and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

## 13. Assets charged and collateral

Bank debt is secured by way of a deposited mortgage deed registered to the mortgagor on plant of DKK 2,5 million nominal in plant and machinery as well as other fixtures and fittings, tools and equipment. Furthermore bank debt is secured by deed DKK 8.0 million nominal in receivables, inventories, goodwill, plant and machinery as well as other fixtures and fittings, tools and equipment.

The carrying amount of mortgaged assets amounts to DKK 21,013,572

## 14. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Mou Invest ApS, Esbjerg, CVR-nr. 29 85 34 60