



CHRISTENSEN  
KJÆRULFF

PERSONLIGT ENGAGEMENT

STATSAUTORISERET  
REVISIONSAKTIESELSKAB

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# KLARSØ Holding ApS

Skovmindevej 25, 2840 Holte

Company reg. no. 26 12 93 97

## Annual report

1 January - 31 December 2016

The annual report has been submitted and approved by the general meeting on the 23.02.2017

Peter Adser

Chairman of the meeting

Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance DKK 146.940 is the same as the English amount of DKK 146,940, and that 23,5 % is the same as the English 23.5 %.



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## **Management's report**

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The managing director has today presented the annual report of KLARSØ Holding ApS for the financial year 1 January to 31 December 2016.

The annual report has been presented in accordance with the Danish Financial Statements Act.

I consider the accounting policies used appropriate, and in my opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 December 2016 and of the company's results of its activities in the financial year 1 January to 31 December 2016.

The annual report is recommended for approval by the general meeting.

Holte, 17 February 2017

**Managing Director**

Peter Adser  
Managing Director



## **Independent auditor's report**

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**To the shareholders of KLARSØ Holding ApS**

### **Opinion**

We have audited the annual accounts of KLARSØ Holding ApS for the financial year 1 January to 31 December 2016, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2016 and of the results of the company's operations for the financial year 1 January to 31 December 2016 in accordance with the Danish Financial Statements Act.

### **Basis for opinion**

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

### **The management's responsibilities for the annual accounts**

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.





## **Independent auditor's report**

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### **Auditor's responsibilities for the audit of the annual accounts**

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect the underlying transactions and events in a manner that gives a true and fair view.



## Independent auditor's report

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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 the internal control that we identify during our audit.

Copenhagen, 17 February 2017

### **Christensen Kjærulff**

Statsautoriseret Revisionsaktieselskab  
Company reg. no. 15 91 56 41



**John Mikkelsen**

State Authorised Public Accountant



## Company data

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### The company

KLARSØ Holding ApS  
Skovmindevej 25  
2840 Holte

Company reg. no. 26 12 93 97  
Established: 9 July 2001  
Domicile: Rudersdal  
Financial year: 1 January - 31 December

### Managing Director

Peter Adser, Managing Director

### Auditors

Christensen Kjærulff Statsautoriseret Revisionsaktieselskab



## Profit and loss account 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2016</u>	<u>2015</u>
<b>Gross loss</b>	<b>-67.493</b>	<b>12.506</b>
Depreciation and amortisation to tangible fixed assets	-40.000	0
<b>Operating profit</b>	<b>-107.493</b>	<b>12.506</b>
Income from equity investment in group enterprises	7.761.951	7.609.890
Financial income	5.720.536	2.544.513
1 Financial costs	-17.366	-2.853
<b>Results before tax</b>	<b>13.357.628</b>	<b>10.164.056</b>
Tax on the results for the year	-1.287.645	-606.911
<b>Results from ordinary activities after tax</b>	<b>12.069.983</b>	<b>9.557.145</b>
<b>Results for the year</b>	<b>12.069.983</b>	<b>9.557.145</b>
<b>Proposed distribution of the results:</b>		
Reserves for net revaluation as per the equity method	7.761.951	3.416.668
Dividend for the financial year	7.000.000	7.000.000
Allocated from results brought forward	-2.691.968	-859.523
<b>Distribution in total</b>	<b>12.069.983</b>	<b>9.557.145</b>





## Balance sheet 31 December

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All amounts in DKK.

<b>Assets</b>	2016	2015
<u>Note</u>	<u>                    </u>	<u>                    </u>
<b>Fixed assets</b>		
Other plants, operating assets, and fixtures and furniture	160.000	0
Tangible fixed assets in total	<u>160.000</u>	<u>0</u>
2 Equity investment in group enterprise	19.178.619	18.416.668
Financial fixed assets in total	<u>19.178.619</u>	<u>18.416.668</u>
<b>Fixed assets in total</b>	<b><u>19.338.619</u></b>	<b><u>18.416.668</u></b>
<b>Current assets</b>		
Other debtors	861.328	724.248
Debtors in total	<u>861.328</u>	<u>724.248</u>
Equity investments in associated enterprises	992.475	992.475
Other securities and equity investments	87.817.411	79.617.239
Securities in total	<u>88.809.886</u>	<u>80.609.714</u>
Available funds	<u>7.811.602</u>	<u>11.988.327</u>
<b>Current assets in total</b>	<b><u>97.482.816</u></b>	<b><u>93.322.289</u></b>
<b>Assets in total</b>	<b><u>116.821.435</u></b>	<b><u>111.738.957</u></b>



## Balance sheet 31 December

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All amounts in DKK.

### Equity and liabilities

<u>Note</u>	<u>2016</u>	<u>2015</u>
<b>Equity</b>		
3 Contributed capital	200.000	200.000
4 Reserves for net revaluation as per the equity method	11.178.619	3.416.668
5 Results brought forward	97.656.791	100.348.759
6 Proposed dividend for the financial year	7.000.000	7.000.000
<b>Equity in total</b>	<b><u>116.035.410</u></b>	<b><u>110.965.427</u></b>
<b>Provisions</b>		
Provisions for deferred tax	2.200	0
<b>Provisions in total</b>	<b><u>2.200</u></b>	<b><u>0</u></b>
<b>Liabilities</b>		
Trade creditors	46.775	78.870
Debt to group enterprises	384.611	0
Corporate tax	340.868	677.675
Other debts	11.571	16.985
Short-term liabilities in total	<u>783.825</u>	<u>773.530</u>
<b>Liabilities in total</b>	<b><u>783.825</u></b>	<b><u>773.530</u></b>
<b>Equity and liabilities in total</b>	<b><u>116.821.435</u></b>	<b><u>111.738.957</u></b>



## Notes

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All amounts in DKK.

	<u>2016</u>	<u>2015</u>
<b>1. Financial costs</b>		
Other financial costs	17.366	2.853
	<b>17.366</b>	<b>2.853</b>
<b>2. Equity investment in group enterprise</b>		
Cost 1 January 1 January	15.000.000	15.000.000
<b>Cost 31 December</b>	<b>15.000.000</b>	<b>15.000.000</b>
Revaluation 1 January 1 January	3.416.668	-1.193.222
Results for the year before goodwill amortisation	7.761.951	7.609.890
Dividend	-7.000.000	-3.000.000
<b>Revaluation 31 December</b>	<b>4.178.619</b>	<b>3.416.668</b>
<b>Book value 31 December</b>	<b>19.178.619</b>	<b>18.416.668</b>
<b>3. Contributed capital</b>		
Contributed capital 1 January	200.000	200.000
	<b>200.000</b>	<b>200.000</b>
<b>4. Reserves for net revaluation as per the equity method</b>		
Reserves for net revaluation 1 January	3.416.668	0
Share of results	7.761.951	3.416.668
	<b>11.178.619</b>	<b>3.416.668</b>
<b>5. Results brought forward</b>		
Results brought forward 1 January	100.348.759	101.208.282
Retained earnings for the year	-2.691.968	-859.523
	<b>97.656.791</b>	<b>100.348.759</b>



## Notes

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All amounts in DKK.

	<u>31/12 2016</u>	<u>31/12 2015</u>
<b>6. Proposed dividend for the financial year</b>		
Dividend for the financial year	<u>7.000.000</u>	<u>7.000.000</u>
	<u><b>7.000.000</b></u>	<u><b>7.000.000</b></u>



## **Accounting policies used**

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The annual report for KLARSØ Holding ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

### **Recognition and measurement in general**

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

## **The profit and loss account**

### **Gross loss**

The gross loss comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.





## **Accounting policies used**

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The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Contract work in progress concerning construction contracts is recognised concurrently in the net turnover with the progress of the production. Thus the net turnover corresponds to the sales value of the completed productions of the year (the production method). The net turnover is recognised when the total income and costs of the contract and the scope of completion on the balance sheet date can be determined reliably, and when it is likely that the financial benefits will be received by the company.

When the results of a contract can not be determined reliably, the net turnover is only recognised on a cost basis, however, to the extent that it is probable that the costs will be recovered.

### **Rental income from investment property**

Rental income comprises income from the lease of property and from charged joint costs, and it is recognised in the profit and loss account for the period relating to the lease payment. Income from the heating account is recognised in the balance sheet as a balance among the lessees.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

### **Costs concerning investment properties**

Costs concerning investment properties comprise operation costs, repair and maintenance costs, taxes, charges and other costs. Costs concerning the heating accounts are recognised in the balance sheet as a balance among the lessees.

### **Net financials**

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Interest and other costs concerning loans for financing the production of intangible and tangible fixed assets and concerning the production period are not recognised in the cost of the fixed asset.



## Accounting policies used

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### Results from equity investment in group enterprise

After full elimination of intercompany profit or loss and deduction of amortisation of consolidated goodwill, the equity investment in the group enterprise is recognised in the profit and loss account at a proportional share of the group enterprise's results after tax.

### Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

## The balance sheet

### Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown. Land is not depreciated.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

If the amortisation period or the residual value is changed, the effect on amortisation will in the future be recognised as a change in the accounting estimates.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

Buildings	30 years
Technical plants and machinery	5-10 years
Other plants, operating assets, fixtures and furniture	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.





## **Accounting policies used**

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Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

As regards assets of own production, the cost comprises direct and indirect costs for materials, components, deliveries from sub-suppliers, payroll costs, and borrowing costs from specific and general borrowing concerning the construction of each individual asset.

### **Financial fixed assets**

#### **Equity investment in group enterprises and associated enterprises**

Equity investment in group enterprises and associated enterprises is recognised in the balance sheet at a proportional share under the equity method, the value being calculated on the basis of the accounting policies of the parent company by the deduction or addition of unrealised intercompany profits and losses, and with the addition or deduction of residual value of positive or negative goodwill measured by applying the acquisition method.

Group enterprises and associated enterprises with negative equity are recognised without any value, and to the extent they are considered irrevocable, amounts owed by these companies are written down by the parent's share of the equity. If the negative equity exceeds the debtors, the residual amount is recognised under liability provisions to the extent the parent has a legal or actual liability to cover the negative equity of the subsidiary.

To the extent the equity exceeds the cost, the net revaluation of equity investment in is transferred to the reserves under the equity for net revaluation as per the equity method. Dividend from expected to be decided before the approval of this annual report are not subject to a limitation of the revaluation reserves. The reserves are adjusted by other equity movements in .

Newly taken over or newly established companies are recognised in the annual accounts as of the time of acquisition. Sold or liquidated companies are recognised at the time of cession.

Profit or loss in connection with the sale of are measured as the difference between the sales amount and the book value of net assets at the time of the sale, inclusive of remaining consolidated goodwill and expected costs for sale and cession. Profit and loss are recognised in the profit and loss account under net financials.

In connection with the acquisition of new group enterprises and associated enterprises, the acquisition method is applied, by which the acquirees' assets and liabilities are measured at fair value at the time of acquisition. Provisions for payment of costs for decided restructuring activities in the acquirees in relation to the acquisition are recognised. The tax effect of the revaluations carried out is taken into consideration.



## **Accounting policies used**

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Positive differences (goodwill) between cost and fair value of identifiable, acquired assets and liabilities, inclusive of liability provisions for restructuring, are recognised under equity investment in , and they is amortised over their estimated useful life. The useful life is determined on the basis of the management's experience with the individual business areas. The amortisation period is maximum 20 years, being the longer for strategical acquirees with a strong market position and a long-range earnings potential. The book value of goodwill is evaluated currently and written down in the profit and loss account in those cases where the book value exceeds the expected future net income from the enterprise or the activity, to which the goodwill is attached.

### **Other securities and equity investments**

Securities and equity investments recognised under fixed assets comprise listed bonds and shares which are measured at fair value on the balance sheet date. Listed securities are measured at market price.

Other unlisted securities are measured at fair value. The measurement is made on the basis of a return-based cash flow model based on expected future net cash flow over a period of 5 years and a terminal period. Furthermore, the fair value is adjusted for net interest-bearing debt.

Other unlisted securities are measured at cost. Writedown takes place to the recoverable amount, if this value is lower than the book value.

### **Inventories**

Inventories are measured at cost on basis of measured average prices. In case the net realisable value is lower than the cost, writedown takes place at this lower value.

The cost for trade goods, raw materials, and consumables comprises the acquisition cost with the addition of the delivery costs.

The cost for manufactured goods and works in progress comprises the cost for raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance of and depreciation on machinery, factory buildings and equipment applied during the production process, and costs for factory administration and factory management. Borrowing costs are not recognised in cost.

The net realisable value for inventories is recognised as the market price with deduction of completion costs and selling costs. The net realisable value is determined taking into consideration the negotiability, obsolescence, and development of the expected market price.

### **Debtors**

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.





## **Accounting policies used**

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### **Securities and equity investments**

Securities and equity investments recognised as current assets are measured at fair value on the balance sheet date.

### **Equity**

#### **Reserves for net revaluation as per the equity method**

Reserves for net revaluation as per the equity method comprise net revaluation of equity investments in subsidiaries and associates in proportion to cost.

The reserves may be eliminated in case of losses, realisation of equity investments or changes in the financial estimates.

It is not possible to recognise the reserves with a negative amount.

### **Dividend**

Dividend expected to be distributed for the year is recognised as a separate item under the equity. Proposed dividend is recognised as a liability at the time of approval by the general meeting (the time of declaration).

### **Corporate tax and deferred tax**

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

### **Liabilities**

Financial liabilities related to borrowings are recognised at the received proceeds with the deduction of transaction costs incurred. In following periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value by use of the effective interest. The difference between the proceeds and the nominal value is recognised in the profit and loss account during the term of the loan.





## **Accounting policies used**

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Mortgage debt and bank debt are for instance measured at amortised cost. As to cash loans, this corresponds to the outstanding debt of the loan. For bond loans, the amortised cost corresponds to an outstanding debt calculated as the underlying cash value at the date of borrowing adjusted by amortisation of the market value adjustment on the date of the borrowing carried out over the repayment period.

Also capitalised residual leasing liabilities in connection with financial leasing contracts are recognised in the financial liabilities.

Liabilities relating to investment properties are measured at amortised cost.

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