

**Midform Holding ApS
Central Business Registration No
28118996
Grævlingevænget 13
6000 Kolding**

Annual report 2015/16

The Annual General Meeting adopted the annual report on 13.12.2016

Chairman of the General Meeting

Name: Lars Aaen

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Entity details

Entity

Midform Holding ApS
Grævlingevænget 13
6000 Kolding

Central Business Registration No: 28118996

Registered in: Kolding, Denmark

Financial year: 01.10.2015 - 30.09.2016

Board of Directors

Lars Aaen
Claus Hansson
Dion Møberg Eriksen

Executive Board

Lars Ryholl
Claus Hansson

Entity auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Egtved Allé 4
6000 Kolding

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Midform Holding ApS 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 consolidated financial statements give a true and fair view of the Group's and the Parent's financial position at 30.09.2016 and of the results of their operations as well as consolidated 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.

Kolding, 13.12.2016

Executive Board

Lars Ryholl

Claus Hansson

Board of Directors

Lars Aaen

Claus Hansson

Dion Møberg Eriksen

Independent auditor's reports

To the owners of Midform Holding ApS Report on the financial statements

We have audited the consolidated financial statements and parent financial statements of Midform Holding ApS for the financial year 01.10.2015 - 30.09.2016, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes for the Group as well as for the Parent. The consolidated financial statements and parent financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the consolidated financial statements and parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent 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 consolidated financial statements and parent 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 consolidated financial statements and parent financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and parent financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the consolidated financial statements and parent 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 consolidated financial statements and parent 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 consolidated financial statements and parent 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 consolidated financial statements and parent financial statements give a true and fair view of the Group's and the Parent's financial position at 30.09.2016, and of the results of their operations for the financial year 01.10.2015 - 30.09.2016 in accordance with the Danish Financial Statements Act.

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 consolidated financial statements and parent financial statement.

Independent auditor's reports

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

Kolding, 13.12.2016

Deloitte

Statsautoriseret Revisionspartnerselskab

Anders Rosendahl Poulsen
State Authorised Public Accountant

CVR-nr. 33963556

Management commentary

	<u>2015/16</u> <u>DKK'000</u>	<u>2014/15</u> <u>DKK'000</u>
Financial highlights		
Key figures		
Gross profit	74.048	59.077
Operating profit/loss	45.143	28.943
Net financials	(3.217)	(4.071)
Profit/loss for the year	30.252	17.456
Total assets	71.235	71.874
Investments in property, plant and equipment	6.505	2.469
Equity	31.026	20.503
Ratios		
Equity Ratio(%)	39,9	28,5

Management commentary

Primary activities

The operating activities of the Group comprise development, production and sale of advanced ergonomic high adjustable table solutions for the use in modern companies around the globe. In addition, a minor part of the group concentrate on producing high grade moulded plywood components and solutions to the contract furniture segment.

Development in activities and finances

2015/16 has again been a very satisfactory year for the Midform Group. The gross profit increased by 25,3 % compared to last year, some of the increase is related to volume growth and some is related to improvement in the efficiency in production. Most of the turnover is still realized in USA. The EBITDA reached a level of 46,7 mill. compared with a level last year of 29,7 mill. equal to a growth of 57,2 %. The result before tax in 2015/16 was 41,9 mill. and also this was significantly higher than last year with 17,0 mill. equal to an increase in result before tax of 68,6 %. Net result in 2015/16 was 30,3 mill.DKK. The board considers the result very satisfactory.

During 2015/16 the Group has worked hard to strengthen the distribution network by agreeing on a collaboration agreement with one of the world's largest architect and lifestyle companies Gensler (www.gensler.com) in the US. The agreement is based upon a launch of a total newly developed ground breaking high adjustable table concept. In addition, the group has agreed to sell their products through Amazon.com business web site, which primarily will be interesting for small or medium sized companies, whereas the group today mainly supplies very big multinational companies. The group expects a significant growth in sales from these two new sales channels.

The focus has also been to increase product development and two new product series have been introduced a Fiellø family of high adjustable tables which as explained above was developed together with Gensler and a Ellehaven family. The Ellehaven line was awarded with an Innovative design award "Innovation Award - A product of excellence" at the highly important Neocon contract furniture exhibition in the US.

Outlook

The continued expansion of sales channels and the introduction of new product lines is expected to increase and significantly grow sales in 2016/17. In addition, we believe we will be able to grow the result strongly also in 2016/17.

Particular risks

The group has no particular business and financial risks beyond risks of common occurrence within the industry.

Management commentary

Intellectual capital resources

The group has thorough knowledge of the market for moulded plywood, and development and production of modern and functional high adjustable/telescopic table solutions and has during many years built up a considerable competence within this area.

Environmental performance

The group has a considerable own production which to a high extent consists in assembly and mounting. The environmental impact by the group is limited. The group is continuously trying to reduce the environmental impact by introducing new improvements in this area.

Research and development activities

The group is currently working on product development and development of innovative solutions for both the business-to-business market and the private market.

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 C enterprises.

The accounting policies applied for this consolidated financial statements and parent 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.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence are regarded as associates.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Accounting policies

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in the income statement and the balance sheet, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

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 one 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.

Income statement

Gross profit or loss

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

Revenue

Revenue is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises costs of sales for the financial year measured at cost, adjusted for ordinary inventory write-downs.

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.

Accounting policies

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 and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

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 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 the Parent and all its 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

Intellectual property rights etc

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in ques-

Accounting policies

tion, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred.

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 between 2-5 years. For development projects protected by intellectual property rights, the maximum amortisation period is the remaining duration of the relevant rights. Development projects are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Land and buildings, plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

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-manufactured 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:

Buildings	50 years
Plant and machinery	3-25 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 plus or minus unamortised positive, or negative, goodwill and minus or plus unrealised intra-group profits or losses.

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.

Accounting policies

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 of, depreciation on and impairment losses relating to machinery, factory buildings and equipment applied for the manufacturing process as well as costs of factory administration and management.

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 write-downs for bad and doubtful debts.

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. The proposed dividend for the financial year is disclosed as a separate item in equity.

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.

Deferred tax relating to re-taxation of previously deducted losses of foreign subsidiaries is recognised based on a specific assessment of the purpose of the individual subsidiary,

Accounting policies

Mortgage debt

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

Other financial liabilities

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

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

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

Cash flow statement is excluded according to the Danish Financial Statement Act. § 86 clause 4

Financial highlights

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2015" issued by the Danish Society of Financial Analysts.

Ratios

Calculation formula

Ratios reflect

Equity Ratio(%)

$$\frac{\text{Equity} \times 100}{\text{Total assets}}$$

The financial strength of the Entity

Consolidated income statement for 2015/16

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK'000</u>
Gross profit		74.048.308	59.077
Staff costs	1	(27.376.154)	(29.422)
Depreciation, amortisation and impairment losses	2	<u>(1.528.961)</u>	<u>(712)</u>
Operating profit/loss		45.143.193	28.943
Other financial income		160.545	456
Other financial expenses		<u>(3.377.367)</u>	<u>(4.527)</u>
Profit/loss from ordinary activities before tax		41.926.371	24.872
Tax on profit/loss from ordinary activities	3	<u>(11.674.072)</u>	<u>(7.416)</u>
Profit/loss for the year		<u>30.252.299</u>	<u>17.456</u>
Proposed distribution of profit/loss			
Dividend for the financial year		10.000.000	0
Extraordinary dividend		20.000.000	0
Retained earnings		<u>252.299</u>	<u>17.456</u>
		<u>30.252.299</u>	<u>17.456</u>

Consolidated balance sheet at 30.09.2016

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK'000</u>
Completed development projects		272.466	217
Intangible assets	4	<u>272.466</u>	<u>217</u>
Land and buildings		16.304.252	12.236
Other fixtures and fittings, tools and equipment		3.967.479	3.061
Property, plant and equipment	5	<u>20.271.731</u>	<u>15.297</u>
Deposits		0	293
Fixed asset investments	6	<u>0</u>	<u>293</u>
Fixed assets		<u>20.544.197</u>	<u>15.807</u>
Raw materials and consumables		1.524.883	8.241
Work in progress		2.506.880	3.116
Manufactured goods and goods for resale		19.496.239	10.259
Inventories		<u>23.528.002</u>	<u>21.616</u>
Trade receivables		19.630.557	15.892
Receivables from group enterprises		0	8
Deferred tax assets		363.527	1.289
Other short-term receivables		2.502.146	696
Prepayments		1.045.042	1.202
Receivables		<u>23.541.272</u>	<u>19.087</u>
Cash		<u>3.621.314</u>	<u>15.364</u>
Current assets		<u>50.690.588</u>	<u>56.067</u>
Assets		<u>71.234.785</u>	<u>71.874</u>

Consolidated balance sheet at 30.09.2016

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK'000</u>
Contributed capital		125.000	125
Retained earnings		20.900.826	20.378
Proposed dividend		10.000.000	0
Equity		<u>31.025.826</u>	<u>20.503</u>
Provisions for deferred tax		450.860	0
Provisions		<u>450.860</u>	<u>0</u>
Mortgage debts		5.664.833	6.739
Other credit institutions		5.337.865	6.015
Income tax payable		1.038.988	0
Non-current liabilities other than provisions	7	<u>12.041.686</u>	<u>12.754</u>
Current portion of long-term liabilities other than provisions	7	2.358.421	1.903
Bank loans		2.139.756	11.122
Prepayments received from customers		250.154	0
Trade payables		10.750.463	7.458
Payables to group enterprises		303.982	1.229
Income tax payable		7.191.353	7.083
Other payables		4.722.284	9.822
Current liabilities other than provisions		<u>27.716.413</u>	<u>38.617</u>
Liabilities other than provisions		<u>39.758.099</u>	<u>51.371</u>
Equity and liabilities		<u>71.234.785</u>	<u>71.874</u>
Contingent liabilities	8		
Mortgages and securities	9		

Consolidated statement of changes in equity for 2015/16

	Contributed capital DKK	Retained ear- nings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	125.000	20.378.168	0	20.503.168
Extraordinary dividend paid	0	(20.000.000)	0	(20.000.000)
Exchange rate adjustments	0	45.437	0	45.437
Other adjustments	0	224.922	0	224.922
Profit/loss for the year	0	20.252.299	10.000.000	30.252.299
Equity end of year	125.000	20.900.826	10.000.000	31.025.826

Notes to consolidated financial statements

	2015/16 DKK	2014/15 DKK'000
1. Staff costs		
Wages and salaries	25.363.674	23.170
Pension costs	1.138.075	5.170
Other staff costs	874.405	1.082
	27.376.154	29.422
Average number of employees	40	40
	2015/16 DKK	2014/15 DKK'000
2. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	109.878	104
Depreciation of property, plant and equipment	1.419.083	608
	1.528.961	712
	2015/16 DKK	2014/15 DKK'000
3. Tax on profit/loss from ordinary activities		
Tax on current year taxable income	11.875.569	8.987
Change in deferred tax for the year	777.268	(1.472)
Adjustment concerning previous years	(978.765)	0
Effect of changed tax rates	0	(99)
	11.674.072	7.416
The adjustment relating to previous year concerns the allocation in the joint taxation.		
		Completed development projects DKK
4. Intangible assets		
Cost beginning of year		480.982
Additions		165.026
Cost end of year		646.008
Amortisation and impairment losses beginning of year		(263.664)
Amortisation for the year		(109.878)
Amortisation and impairment losses end of year		(373.542)
Carrying amount end of year		272.466

Notes to consolidated financial statements

	Land and buildings DKK	Other fix- tures and fittings, tools and equipment DKK
5. Property, plant and equipment		
Cost beginning of year	11.360.986	20.055.860
Exchange rate adjustments	0	353.575
Additions	4.480.105	2.024.785
Disposals	0	(454.455)
Cost end of year	15.841.091	21.979.765
Revaluations beginning of year	6.000.000	0
Revaluations end of year	6.000.000	0
Depreciation and impairment losses beginning of the year	(5.125.179)	(16.995.439)
Exchange rate adjustments	0	(9.424)
Depreciation for the year	(411.660)	(1.007.423)
Depreciation and impairment losses end of the year	(5.536.839)	(18.012.286)
Carrying amount end of year	16.304.252	3.967.479
6. Fixed asset investments		
Cost beginning of year		292.604
Disposals		(292.604)
Cost end of year		0
Carrying amount end of year		0

Notes to consolidated financial statements

	Instalments within 12 months 2015/16 DKK	Instalments within 12 months 2014/15 DKK'000	Instalments beyond 12 months 2015/16 DKK	Outstanding after 5 years DKK
7. Long-term liabilities other than provisions				
Mortgage debts	410.734	1.460	5.664.833	4.021.896
Other credit institutions	1.947.687	443	5.337.865	0
Income tax payable	0	0	1.038.988	0
	<u>2.358.421</u>	<u>1.903</u>	<u>12.041.686</u>	<u>4.021.896</u>

8. Contingent liabilities

The group has entered a lease contract on property, production equipment and operating equipment. At 30.09.2016 the lease commitments amount to DKK 4.248k.

The group participates in a Danish joint taxation arrangement in which C. Hansson Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the group is therefore liable from the financial year 2012/13 for income taxes etc for the jointly taxed companies and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for these companies.

9. Mortgages and securities

Mortgage debt is secured by way of mortgage on properties. The mortgage also comprises production equipment and machinery appurtenant to the properties.

Bank debt is secured by way of a deposited mortgage deed registered to the mortgagor on the property of totaly DKK 8.000k nominal.

Carrying amount of property pledged is DKK 16.304k.

Bank debt is secured by way of a company pledge with security in an all-moneys mortgage of DKK 15.500k comprising unsecured debt from sale of goods and finished goods, fixtures and fittings etc. and operating equipment as well as goodwill, domain names and intellectual rights.

	<u>2015/16 DKK'000</u>
Carrying amount of inventories pledged	<u>12.281</u>
Carrying amount of fixtures and equipment pledged	<u>3.335</u>
Carrying amount of receivables pledged	<u>4.285</u>

Part of the trade receivables have been transported as security for factoring debt. Moreover, a mortgage restraint on trade receivables has been registered.

Parent income statement for 2015/16

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK'000</u>
Gross profit		3.576.306	2.006
Staff costs	1	(2.883.704)	(2.045)
Depreciation, amortisation and impairment losses	2	(242.334)	0
Operating profit/loss		450.268	(39)
Income from investments in group enterprises		30.619.814	20.091
Other financial income		0	39
Other financial expenses	3	(1.096.847)	(3.288)
Profit/loss from ordinary activities before tax		29.973.235	16.803
Tax on profit/loss from ordinary activities	4	279.064	653
Profit/loss for the year		<u>30.252.299</u>	<u>17.456</u>
Proposed distribution of profit/loss			
Dividend for the financial year		10.000.000	0
Extraordinary dividend		20.000.000	0
Reserve for net revaluation according to the equity method		30.619.814	0
Retained earnings		(30.367.515)	17.456
		<u>30.252.299</u>	<u>17.456</u>

Parent balance sheet at 30.09.2016

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK'000</u>
Other fixtures and fittings, tools and equipment		526.931	628
Property, plant and equipment	5	<u>526.931</u>	<u>628</u>
Investments in group enterprises		37.444.676	34.554
Fixed asset investments	6	<u>37.444.676</u>	<u>34.554</u>
Fixed assets		<u>37.971.607</u>	<u>35.182</u>
Receivables from group enterprises		751.624	8.873
Dividends receivable from group enterprises		35.000.000	0
Deferred tax assets		142.247	919
Other short-term receivables		575.368	77
Income tax receivable		0	574
Receivables		<u>36.469.239</u>	<u>10.443</u>
Cash		<u>6.296</u>	<u>2</u>
Current assets		<u>36.475.535</u>	<u>10.445</u>
Assets		<u>74.447.142</u>	<u>45.627</u>

Parent balance sheet at 30.09.2016

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK'000</u>
Contributed capital	7	125.000	125
Reserve for net revaluation according to the equity method		6.959.238	0
Retained earnings		13.941.587	20.378
Proposed dividend		10.000.000	0
Equity		<u>31.025.825</u>	<u>20.503</u>
Other credit institutions		5.337.865	6.740
Non-current liabilities other than provisions	8	<u>5.337.865</u>	<u>6.740</u>
Current portion of long-term liabilities other than provisions	8	1.947.687	1.461
Trade payables		269.576	154
Payables to group enterprises		35.596.067	16.483
Other payables		270.122	286
Current liabilities other than provisions		<u>38.083.452</u>	<u>18.384</u>
Liabilities other than provisions		<u>43.421.317</u>	<u>25.124</u>
Equity and liabilities		<u>74.447.142</u>	<u>45.627</u>
Unrecognised rental and lease commitments	9		
Contingent liabilities	10		
Mortgages and securities	11		

Parent statement of changes in equity for 2015/16

	Contributed capital DKK	Reserve for net revaluati- on according to the equity method DKK	Retained ear- nings DKK	Proposed dividend DKK
Equity beginning of year	125.000	0	20.378.167	0
Dividend	0	0	(20.000.000)	0
Exchange rate adjustments	0	45.437	0	0
Other adjustments	0	224.922	0	0
Transfer to reserves	0	(23.930.935)	23.930.935	0
Profit/loss for the year	0	30.619.814	(10.367.515)	10.000.000
Equity end of year	125.000	6.959.238	13.941.587	10.000.000
				Total DKK
Equity beginning of year				20.503.167
Dividend				(20.000.000)
Exchange rate adjustments				45.437
Other adjustments				224.922
Transfer to reserves				0
Profit/loss for the year				30.252.299
Equity end of year				31.025.825

Notes to parent financial statements

	2015/16	2014/15
	DKK	DKK'000
1. Staff costs		
Wages and salaries	2.594.635	1.865
Pension costs	202.840	118
Other social security costs	86.229	62
	2.883.704	2.045
	2015/16	2014/15
	DKK	DKK'000
2. Depreciation, amortisation and impairment losses		
Depreciation of property, plant and equipment	242.334	0
	242.334	0
	2015/16	2014/15
	DKK	DKK'000
3. Other financial expenses		
Financial expenses from group enterprises	412.242	173
Interest expenses	549.959	3.115
Other financial expenses	134.646	0
	1.096.847	3.288
	2015/16	2014/15
	DKK	DKK'000
4. Tax on profit/loss from ordinary activities		
Tax on current year taxable income	0	(574)
Change in deferred tax for the year	362.561	(79)
Adjustment concerning previous years	(641.625)	0
	(279.064)	(653)

The adjustment relating to previous year concerns the allocation in the joint taxation.

Notes to parent financial statements

	Other fixtures and fittings, tools and equipment DKK
5. Property, plant and equipment	
Cost beginning of year	627.815
Additions	141.450
Cost end of year	769.265
Depreciation for the year	(242.334)
Depreciation and impairment losses end of the year	(242.334)
Carrying amount end of year	526.931
	Investments in group enterprises DKK
6. Fixed asset investments	
Cost beginning of year	23.485.438
Additions	7.000.000
Cost end of year	30.485.438
Revaluations beginning of year	11.069.065
Exchange rate adjustments	45.437
Share of profit/loss for the year	30.417.014
Adjustment of intra-group profits	202.800
Dividend	(35.000.000)
Other adjustments	224.922
Revaluations end of year	6.959.238
Carrying amount end of year	37.444.676
Subsidiaries:	
Midform A/S, Middelfart, Equity interest: 100%	
SIS USA Inc., New Hampshire, USA, Equity interest: 100%	
Rufac A/S, Rudkøbing, Equity interest: 100%	

Notes to parent financial statements

	<u>Number</u>	<u>Par value DKK</u>	<u>Nominal value DKK</u>
7. Contributed capital			
Shares	125	1.000	125.000
	<u>125</u>		<u>125.000</u>
	Instalments within 12 months 2015/16 DKK	Instalments within 12 months 2014/15 DKK'000	Instalments beyond 12 months 2015/16 DKK
8. Long-term liabilities other than provisions			
Other credit institutions	1.947.687	1.461	5.337.865
	<u>1.947.687</u>	<u>1.461</u>	<u>5.337.865</u>
		2015/16 DKK	2014/15 DKK'000
9. Unrecognised rental and lease commitments			
Commitments under rental agreements or leases until expiry		<u>134.527</u>	<u>204.715</u>

10. Contingent liabilities

The Company participates in a Danish joint taxation arrangement in which C. Hansson Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2012/13 for income taxes etc for the jointly taxed companies and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for these companies.

Notes to parent financial statements

11. Mortgages and securities

Bank debt is secured by way of a pledge in equity holdings and dividend receivable in two subsidiaries. The carrying amount of equity holdings and dividends pledged amounts to DKK 56.843k in total.

The Company has issued a guarantee of payment concerning C. Hansson Holding ApS', Midform A/S' and Rufac ApS' bank debt.

	2016	2015
	<u>DKK'000</u>	<u>DKK'000</u>
Bank debt is secured by way of a company pledge with security in an all-moneys mortgage of DKK 15.500k comprising unsecured debt from sale of goods and services, inventories of raw materials, semi-manufactured goods and finished goods, fixtures and fittings etc. and operating equipment as well as goodwill, domain names and intellectual rights.		
Carrying amount of other fixtures and fittings, etc. pledged	<u>527</u>	<u>628</u>
Carrying amount of receivables from group enterprises	<u>7.752</u>	<u>8.873</u>