

**Change of Scandinavia A/S
Central Business Registration No
28711328
Farum Gydevej 73
DK-3520 Farum**

Annual report 2015/16

The Annual General Meeting adopted the annual report on 15.12.2016

Chairman of the General Meeting

Name: Tom Deichmann

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Entity details

Entity

Change of Scandinavia A/S
Farum Gydevej 73
DK-3520 Farum

Central Business Registration No: 28711328
Registered in: Furesø
Financial year: 01.07.2015 - 30.06.2016

Board of Directors

Claus Walther Jensen
Gitte Breil
Niels Nielsen Krogh

Executive Board

Claus Walther Jensen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
P.O. Box 1600
0900 Copenhagen C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Change of Scandinavia A/S for the financial year 01.07.2015 - 30.06.2016.

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 30.06.2016 and of the results of its operations for the financial year 01.07.2015 - 30.06.2016.

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.

Farum, 15.12.2016

Executive Board

Claus Walther Jensen

Board of Directors

Claus Walther Jensen

Gitte Breil

Niels Nielsen Krogh

Independent auditor's reports

To the owner of Change of Scandinavia A/S

Report on the financial statements

We have audited the financial statements of Change of Scandinavia A/S for the financial year 01.07.2015 - 30.06.2016, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity 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 30.06.2016 and of the results of its operations for the financial year 01.07.2015 - 30.06.2016 in accordance with the Danish Financial Statements Act.

Report on other legal and regulatory requirements

Emphasis of matter regarding other issues

As a result of some defects in the Company's ERP systems etc, the Company has prepared erroneous VAT declarations during the year, which is in contravention of the Danish VAT Act. Consequently, Management may be held liable.

The Company has granted a loan to a member of Management which is against section 210 of the Danish Companies Act, and consequently Management may be held liable.

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.

Copenhagen, 15.12.2016

Deloitte

Statsautoriseret Revisionspartnerselskab

Henrik Wellejus
State Authorised Public Accountant

Martin Juul Møller
State Authorised Public Accountant

CVR-nr. 33963556

Management commentary

	2015/16	2014/15	2013/14	2012/13	2011/12
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Financial high-lights					
Key figures					
Gross profit	58.367	41.948	53.521	63.210	42.142
Operating profit/loss	14.656	(3.104)	18.936	28.661	4.735
Net financials	986	12.959	(852)	1.051	(1.389)
Profit/loss for the year	12.736	7.199	13.869	21.554	2.508
Total assets	240.242	213.793	201.073	177.880	194.437
Investments in property, plant and equipment	22.373	7.684	6.744	2.496	5.554
Equity	134.406	123.208	115.384	101.970	80.418
Employees in average	76	80	62	71	72
Ratios					
Return on equity (%)	9,9	6,0	12,8	23,6	3,2
Solvency ratio (%)	55,5	57,6	57,4	57,3	41,4

Management commentary

Primary activities

The primary activity of the Company concerns the distribution of lingerie, swimwear, nightwear and other associated products.

Development in activities and finances

The Company's income statement for 2015/16 shows a profit of DKK 12,736 thousand and the balance sheet shows equity of DKK 134,406 thousand at 30.06.2016.

The performance is considered satisfactory.

The Parent has issued a letter of support to the Company thus it is able to meet its obligations.

Particular risks

General risks

It is assessed that the Company is not exposed to any special business or financial risks apart from the risks generally occurring in the industry.

Currency risks

The Company is exposed to general currency risks as regards operations, however the risk mainly relates to USD. The main part of the Company's purchasing is done in USD while the Company invoices in DKK, SEK, NOK, EUR and CAD.

Profit/loss for the year in relation to expected developments

Profit for the year has been significantly improved compared to last year and fulfils the expectations for the year.

Disclosures on non-financial issues

Environmental performance

The direct environmental impact from the Company's operating activities is very low. The Company works on general optimisation of its energy consumption on a current basis.

Outlook

Management expects that the positive development in revenue, gross profit and earnings will continue 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 C enterprises (medium).

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

Fundamental errors in previous years

A German VAT receivable balance was recognised as other receivables in the annual report for 2014/15 by mistake. However, the outstanding amount did not exist in the financial year 2014/15 for which reason the correction has been treated as a fundamental error and adjusted in equity at the beginning of the year.

The correction has affected equity negatively by DKK 753 thousand and has been recognised as a decrease of equity through corrections of errors. The assets have been decreased by DKK 753 thousand while the correction has no impact on the profit for the year.

Recognition and measurement

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

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

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

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

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

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the 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.

Accounting policies

Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognised under other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging future transactions are recognised directly in equity. When the hedged transactions are realised, the accumulated changes are recognised as part of cost of the relevant financial statement items.

For derivative financial instruments that do not comply with the requirements for being treated as hedging instruments, changes in fair value are recognised currently in the income statement as financial income or financial expenses.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, other operating income, cost of sales and other 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.

Other operating income

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

Cost of sales

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

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 operating expenses

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

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital gains on 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 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 its Parent as well as all Danish and foreign 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 acquired intellectual property rights including licences and domains.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Licences and domains are amortised over the term of the agreement, but over no more than 20 years.

Accounting policies

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

Property, plant and equipment

Land and buildings, other fixtures and fittings, tools and equipment as well as leasehold improvements 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 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
Other fixtures and fittings, tools and equipment	3-8 years
Leasehold improvements	5-8 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Property, plant and equipment 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.

Other investments

Other investments comprise securities which are measured at fair value at the balance sheet date.

Inventories

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

Cost of goods for resale, raw materials and consumables consists of purchase price plus delivery costs.

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

Prepayments

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

Accounting policies

Product development costs relating to new collections are recognised as prepayments. Product development costs are expensed when the sale of collections is realised. Direct costs of materials and collections incurred as well as indirect costs of wages and salaries and freight are capitalised.

Cash

Cash comprises cash in hand and bank deposits.

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.

Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments and returns.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Finance lease commitments

Lease commitments relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease commitments are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

Operating leases

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

Other financial liabilities

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

Income tax receivable or payable

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

Accounting policies

Cash flow statement

According to section 86(4) of the Danish Financial Statements Act, a cash flow statement has been omitted.

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
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$	The Entity's return on capital invested in the Entity by the owners.
Solvency ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The financial strength of the Entity.

Income statement for 2015/16

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK'000</u>
Gross profit		58.367.082	41.948
Staff costs	1	(38.897.356)	(38.380)
Depreciation, amortisation and impairment losses	2	(3.069.718)	(3.740)
Other operating expenses		<u>(1.743.680)</u>	<u>(2.932)</u>
Operating profit/loss		14.656.328	(3.104)
Other financial income	3	4.013.177	15.382
Other financial expenses	4	<u>(3.027.612)</u>	<u>(2.423)</u>
Profit/loss from ordinary activities before tax		15.641.893	9.855
Tax on profit/loss from ordinary activities	5	<u>(2.905.457)</u>	<u>(2.656)</u>
Profit/loss for the year		<u>12.736.436</u>	<u>7.199</u>
Proposed distribution of profit/loss			
Retained earnings		<u>12.736.436</u>	<u>7.199</u>
		<u>12.736.436</u>	<u>7.199</u>

Balance sheet at 30.06.2016

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK'000</u>
Acquired rights		9.338	12
Intangible assets	6	9.338	12
Land and buildings		7.679.319	0
Other fixtures and fittings, tools and equipment		6.525.184	9.357
Leasehold improvements		93.901	88
Property, plant and equipment in progress		13.566.894	2.504
Property, plant and equipment	7	27.865.298	11.949
Receivables from group enterprises		19.144.516	13.847
Other investments		30.000	30
Deposits		1.641.952	1.736
Other receivables		8.829.292	10.241
Fixed asset investments	8	29.645.760	25.854
Fixed assets		57.520.396	37.815
Manufactured goods and goods for resale		29.472.143	39.760
Prepayments for goods		12.228.587	7.362
Inventories		41.700.730	47.122
Trade receivables		22.642.152	14.726
Receivables from group enterprises		111.600.495	99.459
Other short-term receivables		3.071.346	10.250
Receivables from owners and management	9	1.820	0
Prepayments	10	3.598.375	4.376
Receivables		140.914.188	128.811
Cash		106.471	45
Current assets		182.721.389	175.978
Assets		240.241.785	213.793

Balance sheet at 30.06.2016

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK'000</u>
Contributed capital	11	500.000	500
Retained earnings		<u>133.905.547</u>	<u>122.708</u>
Equity		<u>134.405.547</u>	<u>123.208</u>
Provisions for deferred tax	12	2.770.056	437
Other provisions	13	<u>0</u>	<u>6.500</u>
Provisions		<u>2.770.056</u>	<u>6.937</u>
Finance lease liabilities		6.933.597	9.593
Other credit institutions		174.748	264
Income tax payable		<u>350.044</u>	<u>582</u>
Non-current liabilities other than provisions	14	<u>7.458.389</u>	<u>10.439</u>
Current portion of long-term liabilities other than provisions	14	8.393.877	9.073
Bank loans		7.535.467	0
Other credit institutions		38.588.068	24.827
Trade payables		8.144.494	8.867
Debt to group enterprises		25.680.078	18.469
Income tax payable		582.424	5.380
Other payables	15	<u>6.683.385</u>	<u>6.593</u>
Current liabilities other than provisions		<u>95.607.793</u>	<u>73.209</u>
Liabilities other than provisions		<u>103.066.182</u>	<u>83.648</u>
Equity and liabilities		<u>240.241.785</u>	<u>213.793</u>
Unrecognised rental and lease commitments	16		
Contingent liabilities	17		
Assets charged and collateral	18		
Related parties with control	19		
Ownership	20		
Consolidation	21		

Statement of changes in equity for 2015/16

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	500.000	122.708.545	123.208.545
Increase (decrease) of equity through corrections of errors	0	(752.638)	(752.638)
Value adjustments	0	(1.008.713)	(1.008.713)
Tax of equity postings	0	221.917	221.917
Profit/loss for the year	0	12.736.436	12.736.436
Equity end of year	500.000	133.905.547	134.405.547

Notes

	2015/16	2014/15
	DKK	DKK'000
1. Staff costs		
Wages and salaries	30.105.289	32.278
Pension costs	2.712.159	2.832
Other social security costs	557.517	549
Other staff costs	5.522.391	2.721
	38.897.356	38.380
Average number of employees	76	80

According to section 98b(3) of the Danish Financial Statements Act, remuneration to Management has not been disclosed.

	2015/16	2014/15
	DKK	DKK'000
2. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	1.144	190
Depreciation of property, plant and equipment	3.498.259	3.423
Profit/loss from sale of intangible assets and property, plant and equipment	(429.685)	127
	3.069.718	3.740

	2015/16	2014/15
	DKK	DKK'000
3. Other financial income		
Financial income arising from group enterprises	2.426.000	2.129
Interest income	1.587.177	727
Exchange rate adjustments	0	12.526
	4.013.177	15.382

	2015/16	2014/15
	DKK	DKK'000
4. Other financial expenses		
Interest expenses	2.586.715	2.421
Exchange rate adjustments	416.612	0
Other financial expenses	24.285	2
	3.027.612	2.423

Notes

	2015/16	2014/15
	DKK	DKK'000
5. Tax on ordinary profit/loss for the year		
Current tax	571.961	390
Change in deferred tax for the year	2.333.496	1.926
Adjustment relating to previous years	0	427
Effect of changed tax rates	0	(87)
	2.905.457	2.656
		Acquired
		rights
		DKK
6. Intangible assets		
Cost beginning of year		33.204
Cost end of year		33.204
Amortisation and impairment losses beginning of year		(22.722)
Amortisation for the year		(1.144)
Amortisation and impairment losses end of year		(23.866)
Carrying amount end of year		9.338

Notes

	Land and buildings DKK	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK	Property, plant and equipment in progress DKK
7. Property, plant and equipment				
Cost beginning of year	0	19.622.374	1.469.598	2.504.103
Additions	7.679.319	2.333.854	33.956	12.326.106
Disposals	0	(4.032.257)	0	(1.263.315)
Cost end of year	7.679.319	17.923.971	1.503.554	13.566.894
Depreciation and impairment losses beginning of the year	0	(10.264.575)	(1.381.150)	0
Depreciation for the year	0	(3.469.756)	(28.503)	0
Reversal regarding disposals	0	2.335.544	0	0
Depreciation and impairment losses end of the year	0	(11.398.787)	(1.409.653)	0
Carrying amount end of year	7.679.319	6.525.184	93.901	13.566.894

Of the carrying amount at 30.06.2016 for property, plant and equipment amounting to a total of DKK 27,865 thousand, recognised assets not owned by the Entity constitute DKK 3,008 thousand.

	Receivables from group enterprises DKK	Other invest- ments DKK	Deposits DKK	Other recei- vables DKK
8. Fixed asset investments				
Cost beginning of year	13.846.455	30.000	1.735.030	10.240.941
Transfer to and from other items	1.919.410	0	0	(1.259.442)
Additions	8.919.899	0	18.506	2.091.894
Disposals	(5.541.248)	0	(111.584)	(2.244.101)
Cost end of year	19.144.516	30.000	1.641.952	8.829.292
Carrying amount end of year	19.144.516	30.000	1.641.952	8.829.292

Receivables from group enterprises and other receivables comprise finance leases.

Notes

9. Short-term receivables from owners and management

In the financial year, the Company granted a loan to a member of Management. The loan is not subject to any special terms or conditions and carries interest at the rate of 10.5%. The principal amount was repaid in the financial year so that only the interest remains unpaid at the balance sheet date.

10. Prepayments

Prepayments comprise costs relating to the next financial year.

	<u>Number</u>	<u>Par value DKK</u>	<u>Nominal value DKK</u>
11. Contributed capital			
Ordinary shares	10	50.000,00	500.000
	<u>10</u>		<u>500.000</u>

	<u>2015/16 DKK</u>	<u>2014/15 DKK'000</u>
12. Deferred tax		
Intangible assets	2.054	2
Property, plant and equipment	(3.475.408)	(1.011)
Fixed asset investments	6.243.410	2.191
Receivables	0	(745)
	<u>2.770.056</u>	<u>437</u>

13. Other provisions

Other provisions comprise anticipated costs of returns.

	<u>Instal- ments within 12 months 2014/15 DKK'000</u>	<u>Instalments within 12 months 2015/16 DKK</u>	<u>Instalments beyond 12 months 2015/16 DKK</u>
14. Long-term liabilities other than provisions			
Finance lease liabilities	8.979	8.297.404	6.933.597
Other credit institutions	94	96.473	174.748
Income tax payable	0	0	350.044
	<u>9.073</u>	<u>8.393.877</u>	<u>7.458.389</u>

Notes

	2015/16	2014/15
	DKK	DKK'000
15. Other short-term payables		
VAT and duties	1.778.879	1.721
Wages and salaries, personal income taxes, social security costs, etc. payable	65.768	67
Holiday pay obligation	4.042.473	4.805
Derivative financial instruments	793.628	0
Other costs payable	2.637	0
	6.683.385	6.593

	2015/16	2014/15
	DKK	DKK'000
16. Unrecognised rental and lease commitments		
Commitments under rental agreements or leases until expiry	3.163.580	5.629
Commitments under rental agreements or leases with group enterprises until expiry	6.137.709	8.333

17. Contingent liabilities

The Company participates in Danish international joint taxation with Asian Import ApS as the administration company and, consequently, according to the Danish Corporation Tax Act, is liable for any income taxes etc for the jointly taxed companies, and for any obligation to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. The jointly taxed companies' total known net liability in the joint taxation arrangement is stated in the financial statements of the administration company.

The Company has a pending case with a former supplier who has made a claim against the Company of DKK 1.3 million. Management finds the claim unjustified for which reason a provision has not been recognised in the balance sheet. At present, the case remains unsettled.

Notes

18. Assets charged and collateral

Bank debts of the Company and the sister subsidiary are secured by way of a company charge of DKK 30,000 thousand nominal value. The bank debts amount to DKK 45,808 thousand at 30.06.2016.

On behalf of the Company, the Company's bankers have provided warranty commitments of DKK 6,840 thousand.

Bank guarantees of DKK 7,223 thousand have been provided to a third party regarding existing leases.

Payables to credit institution are secured by way of a charge on operating equipment of DKK 284 thousand. The carrying amount of the operating equipment is DKK 340 thousand.

The Company as well as the group companies Change of Scandinavia Retail A/S and Change of Scandinavia Holding A/S have undertaken guarantee of payment of DKK 21 million of the Parent's, Asian Import ApS, payment obligations to external lender. The loan including interest amounts to DKK 97 million at 30.06.2016 and is subject to a number of loan conditions and covenants which, among other things, include requirements of the Group's and the Parent's EBITDA against the Group's and the Parent's net interest-bearing debt.

19. Related parties with control

The Entity's related parties include the Parent, Change of Scandinavia Holding A/S, the Ultimate Parent, Asian Import ApS, as well as the Board of Directors and the Chief Executive Officer, Claus Walther Jensen, Tagetesvej 8, 3250 Gilleleje, who is the principal shareholder of Asian Import ApS.

Notes

20. Ownership

The Company has registered the following shareholder to hold more than 5% of the voting share capital or of the nominal value of the share capital:

Change of Scandinavia Holding A/S, Farum Gydevej 73, DK-3250 Farum

21. Consolidation

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

Asian Import ApS, Farum Gydevej 73, DK-3520 Farum

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

Change of Scandinavia Holding A/S, Farum Gydevej 73, DK-3520 Farum