



CHRISTENSEN
KJÆRULFF

PERSONLIGT ENGAGEMENT

STATSAUTORISERET
REVISIONSAKTIESELSKAB

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Hollingsworth Pack ApS

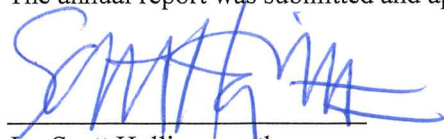
Øster Søgade 22 1. sal, 1357 København K

Company reg. no. 28 89 76 77

Annual report

1 January - 31 December 2018

The annual report was submitted and approved by the general meeting on the 24 June 2019.


Joe Scott Hollingsworth
Chairman of the meeting



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Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.



Management's report

The executive board has today presented the annual report of Hollingsworth Pack ApS for the financial year 1 January to 31 December 2018.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2018 and of the company's results of its activities in the financial year 1 January to 31 December 2018.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

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

København K, 21 June 2019

Executive board



Joe Scott Hollingsworth



Neal Scott Hollingsworth



Independent auditor's report

To the shareholder of Hollingsworth Pack ApS

Opinion

We have audited the annual accounts of Hollingsworth Pack ApS for the financial year 1 January to 31 December 2018, 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 2018 and of the results of the company's operations for the financial year 1 January to 31 December 2018 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.

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.



Independent auditor's report

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.

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.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.



Independent auditor's report

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

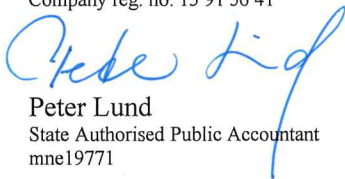
Furthermore, it is our responsibility to consider whether the management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 21 June 2019

Christensen Kjaerulff

Company reg. no. 15 91 56 41



Peter Lund
State Authorised Public Accountant
mne19771



Company data

The company

Hollingsworth Pack ApS
Øster Søgade 22 1. sal
1357 København K

Phone 40 70 03 01

Web site www.holl-pack.com

Company reg. no. 28 89 76 77

Established: 1 July 2005

Domicile: Copenhagen

Financial year: 1 January - 31 December

Executive board

Joe Scott Hollingsworth
Neal Scott Hollingsworth

Auditors

Christensen Kjarulff
Statsautoriseret Revisionsaktieselskab
Store Kongensgade 68
1264 København K

Bankers

Bank Nordik, Amager Landevej 56, 2770 Kastrup

Parent company

Hollingsworth-Pack Corporation

Associated enterprise

KBHBase ApS, København



Management's review

The principal activities of the company

The company's main business is consulting in construction and related activities.

Development in activities and financial matters

The gross profit for the year is DKK 3.255.000 against DKK 2.413.000 last year. The results from ordinary activities after tax are DKK 2.586.000 against DKK 1.685.000 last year. The management considers the results satisfactory.

Events subsequent to the financial year

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.



Profit and loss account 1 January - 31 December

All amounts in DKK.

Note	2018	2017
Gross profit	3.255.433	2.413.271
Depreciation and writedown relating to tangible fixed assets	-1.587	-18.844
Operating profit	3.253.846	2.394.427
Income from equity investment in associated enterprise	0	-36.027
Other financial income	81.575	32.958
1 Other financial costs	-17.233	-200.301
Results before tax	3.318.188	2.191.057
2 Tax on ordinary results	-732.460	-505.675
Results for the year	2.585.728	1.685.382
Proposed distribution of the results:		
Extraordinary dividend adopted during the financial year	2.350.000	0
Dividend for the financial year	0	2.500.000
Allocated to results brought forward	235.728	0
Allocated from results brought forward	0	-814.618
Distribution in total	2.585.728	1.685.382



Balance sheet 31 December

All amounts in DKK.

Assets			
Note		2018	2017
Fixed assets			
3	Acquired concessions, patents, licenses, trademarks and similar rights	0	0
	Intangible fixed assets in total	0	0
4	Other plants, operating assets, and fixtures and furniture	1.059	2.646
	Tangible fixed assets in total	1.059	2.646
5	Equity investment in associated enterprise	0	0
	Amounts owed by associated enterprises	97.000	22.000
	Deposits	3.278	3.278
	Financial fixed assets in total	100.278	25.278
	Fixed assets in total	101.337	27.924
Current assets			
	Trade debtors	3.215.263	2.338.429
6	Work in progress for the account of others	0	830.748
	Receivable corporate tax	44.410	0
	Other debtors	127.147	155.000
	Accrued income and deferred expenses	1.648	932
	Debtors in total	3.388.468	3.325.109
	Available funds	858.408	3.485.123
	Current assets in total	4.246.876	6.810.232
	Assets in total	4.348.213	6.838.156



Balance sheet 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2018</u>	<u>2017</u>
Equity			
7	Contributed capital	125.000	125.000
8	Results brought forward	2.503.094	2.267.367
	Proposed dividend for the financial year	0	2.500.000
	Equity in total	<u>2.628.094</u>	<u>4.892.367</u>
Provisions			
	Provisions for deferred tax	233	23.453
	Provisions in total	<u>233</u>	<u>23.453</u>
Liabilities			
	Trade creditors	516.268	582.931
	Debt to group enterprises	0	766.164
	Corporate tax	0	31.523
	Other debts	796.795	249.553
	Accrued expenses and deferred income	406.823	292.165
	Unpaid extraordinary dividend	0	0
	Short-term liabilities in total	<u>1.719.886</u>	<u>1.922.336</u>
	Liabilities in total	<u>1.719.886</u>	<u>1.922.336</u>
	Equity and liabilities in total	<u>4.348.213</u>	<u>6.838.156</u>



Notes

All amounts in DKK.

	2018	2017
1. Other financial costs		
Other financial costs	17.233	200.301
	17.233	200.301
2. Tax on ordinary results		
Tax of the results for the year	755.634	468.204
Adjustment for the year of deferred tax	-23.220	22.374
Adjustment of tax for previous years	90	15.097
Calculated addition	-44	0
	732.460	505.675
3. Acquired concessions, patents, licenses, trademarks and similar rights		
Cost 1 January	46.020	46.020
Cost 31 December	46.020	46.020
Amortisation and writedown 1 January	-46.020	-28.763
Amortisation for the year	0	-17.257
Amortisation and writedown 31 December	-46.020	-46.020
Book value 31 December	0	0
4. Other plants, operating assets, and fixtures and furniture		
Cost 1 January	70.080	65.847
Additions during the year	0	4.233
Cost 31 December	70.080	70.080
Depreciation and writedown 1 January	-67.434	-65.847
Depreciation for the year	-1.587	-1.587
Depreciation and writedown 31 December	-69.021	-67.434
Book value 31 December	1.059	2.646



Notes

All amounts in DKK.

	31/12 2018	31/12 2017
5. Equity investment in associated enterprise		
Acquisition sum, opening balance 1 January	51.802	51.802
Cost 31 December	51.802	51.802
Revaluation, opening balance 1 January	-51.802	-15.775
Results for the year before goodwill amortisation	11.747	-79.001
Correction of negative equity	-11.747	42.974
31 December	-51.802	-51.802
Book value 31 December	0	0
Associated enterprise:		
	Domicile	Share of ownership
KBHBase ApS	København	25 %
6. Work in progress for the account of others		
Sales value of the production of the period	0	830.748
Work in progress for the account of others, net	0	830.748



Notes

All amounts in DKK.

	<u>31/12 2018</u>	<u>31/12 2017</u>
7. Contributed capital		
Contributed capital 1 January	<u>125.000</u>	<u>125.000</u>
	<u>125.000</u>	<u>125.000</u>
8. Results brought forward		
Results brought forward 1 January	2.267.366	3.081.985
Profit or loss for the year brought forward	235.728	-814.618
Extraordinary dividend adopted during the financial year	2.350.000	0
Distributed extraordinary dividend adopted during the financial year.	<u>-2.350.000</u>	<u>0</u>
	<u>2.503.094</u>	<u>2.267.367</u>



Accounting policies used

The annual report for Hollingsworth Pack ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C 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.

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.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

Currency adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in the equity. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised in the equity.



Accounting policies used

The profit and loss account

Gross profit

The gross profit comprises the net turnover, work performed for own purposes and capitalised and external costs.

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.

Costs of sales includes costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs for administration and premises.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation, amortisation and writedown for the year and gains and losses on disposal of intangible and tangible fixed assets.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Results from equity investment in associated enterprise

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



Accounting policies used

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

Intangible fixed assets

Development projects, patents, and licences

Patents and licenses are measured at cost with deduction of accrued amortisation. Patents are amortised on a straight-line basis over the remaining patent period, and licenses are amortised over the contract period, however, for a maximum of 10 years.

Gain and loss from the sale of development projects, patents, and licenses are measured as the difference between the sales price with deduction of sales costs and the book value at the time of the sale. Profit or loss is recognised in the profit and loss account under amortisation.

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

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 and the residual value of the individual assets:

	<i>Useful life</i>	<i>Residual value</i>
<i>Other plants, operating assets, fixtures and furniture</i>	<i>3-5 years</i>	<i>0-20 %</i>

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

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 loss is recognised in the profit and loss account under depreciation.

Financial fixed assets

Equity investment in associated enterprise

Equity investment in associated enterprise 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.

Associated enterprise with negative equity is 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 associated enterprise is transferred to the reserves under the equity for net revaluation as per the equity method. The reserves are adjusted by other equity movements in associated enterprise.

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 associated enterprise is 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.

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.

Deposits

Deposits are measured at amortised cost and represent rent deposits, etc.

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

Work in progress for the account of others

Contract work in progress is measured at the selling price of the work performed, however with deduction of invoicing on account and expected losses. Contract work in progress is characterised by the manufactured goods featuring a high level of individualisation in the design. Furthermore, it is a requirement that before work is commenced, a binding contract is to be entered into, implying penalty or damages in case of subsequent cancellation.

The selling price is measured on the basis of the stage of completion on the balance sheet date and the total expected income from the individual contracts. The stage of completion is determined on the basis of an evaluation of the work performed, usually determined as the ratio of the costs incurred to the total expected cost of the contract in question.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in hand.

Equity

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 assets, including the tax value of tax losses eligible for carry-over, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit.

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.



Accounting policies used

Liabilities

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

Accrued expenses and deferred income

Received payments concerning income during the following years are recognised under accrued expenses and deferred income.