

**N&W (Denmark) ApS**  
**Central Business Registration No**  
**29198594**  
**C.F. Tietgens Boulevard 19**  
**5220 Odense SØ**

**Annual report 2015**

The Annual General Meeting adopted the annual report on 31.05.2016

## **Chairman of the General Meeting**

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Name: Andrea Zocchi

## Contents

	<b><u>Page</u></b>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's reports	3
Management commentary	5
Accounting policies	7
Income statement for 2015	10
Balance sheet at 31.12.2015	11
Statement of changes in equity for 2015	13
Notes	14

## **Entity details**

### **Entity**

N&W (Denmark) ApS  
C.F. Tietgens Boulevard 19  
5220 Odense SØ

Central Business Registration No: 29198594

Registered in: Odense

Financial year: 01.01.2015 - 31.12.2015

### **Board of Directors**

Andrea Zocchi, Chairman

### **Executive Board**

Andrea Zocchi, Chief Executive Officer

### **Bank**

ING Bank NV  
Via Paleocapa 5  
20131 Milano, IT Italien

### **Auditors**

Deloitte Statsautoriseret Revisionspartnerselskab  
Tværkajen 5  
Postboks 10  
5100 Odense 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 N&W (Denmark) ApS for the financial year 01.01.2015 - 31.12.2015.

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 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015.

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.

Odense, 31.05.2016

### **Executive Board**

Andrea Zocchi  
Chief Executive Officer

### **Board of Directors**

Andrea Zocchi  
Chairman

## **Independent auditor's reports**

### **To the owners of N&W (Denmark) ApS**

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

We have audited the financial statements of N&W (Denmark) ApS for the financial year 01.01.2015 - 31.12.2015, 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 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

#### **Emphasis of matter affecting the financial statements**

Without modifying our conclusion, we refer to the information in note no. 1, from which it is evident that, for 2015, the Company has realized a result of DKK 2.7m and at 31 December 2015, has an equity totalling DKK 31.7m. The Company has received a letter of financial support from its Parent, N&W Global Vending S.p.A., Italy, which is valid until 30 June 2017, for which reason Management finds that the Company has sufficient liquidity in 2015. Accordingly, the Management has presented the financial statements on a going concern basis. We have no reason to take a different view than that of the Management.

#### **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.

## **Independent auditor's reports**

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

Odense, 31.05.2016

### **Deloitte**

Statsautoriseret Revisionspartnerselskab

Lars Knage Nielsen  
State Authorised Public Accountant

CVR-nr. 33963556

## Management commentary

	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>
<b>Financial high-lights</b>					
<b>Key figures</b>					
Gross profit/loss	(138)	(114)	(85)	(91)	(146)
Operating profit/loss	(138)	(114)	(85)	(91)	(146)
Net financials	(842)	(5,161)	(8,842)	(21,189)	(52,726)
Profit/loss for the year	2,655	(2,108)	(5,251)	(15,999)	(47,466)
Total assets	429,519	467,418	477,266	466,559	469,052
Equity	31,664	26,646	32,097	37,188	7,847
<b>Ratios</b>					
Return on equity (%)	9.1	(7.2)	(15.2)	(71.1)	(150.3)
Solvency ratio (%)	7.4	5.7	6.7	8.0	1.7

## **Management commentary**

### **Primary activities**

N&W (Denmark) ApS holds 100% of the shares in Wittenborg ApS, and is part of the European market leader within vending machine production, N&W Global Vending Group.

### **Development in activities and finances**

The earnings after tax for 2015 is 2,655 Tkr. compared to (2,108) Tkr. for last year and the company's balance sheet as per 31<sup>st</sup> of December 2015 shows an equity of 31,664 Tkr.

### **Special risks**

The currency risks of N&W (Denmark) ApS are hedged at group level through the treasury department of the Group headquarters. N&W (Denmark) ApS does not hedge own foreign exchange risks. The major part of the foreign exchange risk relates to loans in EUR.

### **Expectations for the coming year**

Expectations for 2016 are higher than what was achieved in 2015 due to expectations of good results in Wittenborg ApS and further reduction in the financial expenses.

### **Events after the balance sheet date**

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.



## Accounting policies

### Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C. With reference to section 112 in the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

The accounting policies applied for these 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.

### 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

#### 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, amortisation, depreciation etc.

## Accounting policies

### Income from investments in group enterprises

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

### 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 all 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

### 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.

Group enterprises with negative equity are measured at DKK 0, and any receivables from these enterprises are written down by the Parent's share of such negative equity value if it is deemed irrecoverable. If the negative equity value exceeds the amount receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

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.

## Accounting policies

Goodwill is calculated as the difference between cost of the investments and fair value of the assets and liabilities acquired. Goodwill is amortised over its estimated useful life which is normally 5 years, however, in certain cases it may be up to 20 years for strategically acquired enterprises with a strong market position and a long-term earnings profile if the longer amortisation period is considered to give a better reflection of the benefit from the relevant resources. Goodwill is amortised over a period of 15 years, due to the reflection of the benefit from the resources.

Investments in group enterprises 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.

### Income tax payable or receivable

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

Cash comprises cash in hand and bank deposits.

### Other financial liabilities

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

## Financial highlights

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2010" 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

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK'000</u>
Other external expenses		(137,916)	(114)
<b>Operating profit/loss</b>		<b>(137,916)</b>	<b>(114)</b>
Income from investments in group enterprises	2	13,130,525	7,653
Other financial income	3	98,861	859
Other financial expenses	4	(14,071,237)	(13,673)
<b>Profit/loss from ordinary activities before tax</b>		<b>(979,767)</b>	<b>(5,275)</b>
Tax on profit/loss from ordinary activities	5	3,635,004	3,167
<b>Profit/loss for the year</b>		<b><u>2,655,237</u></b>	<b><u>(2,108)</u></b>
 <b>Proposed distribution of profit/loss</b>			
Retained earnings		<u>2,655,237</u>	<u>(2,108)</u>
		<b><u>2,655,237</u></b>	<b><u>(2,108)</u></b>

**Balance sheet at 31.12.2015**

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK'000</u>
Investments in group enterprises		424,504,944	459,009
<b>Fixed asset investments</b>	6	<u>424,504,944</u>	<u>459,009</u>
<b>Fixed assets</b>		<u>424,504,944</u>	<u>459,009</u>
Other short-term receivables		1,444,067	5,171
Income tax receivable		3,489,413	3,167
<b>Receivables</b>		<u>4,933,480</u>	<u>8,338</u>
<b>Cash</b>		<u>80,816</u>	<u>71</u>
<b>Current assets</b>		<u>5,014,296</u>	<u>8,409</u>
<b>Assets</b>		<u>429,519,240</u>	<u>467,418</u>

**Balance sheet at 31.12.2015**

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK'000</u>
Contributed capital	7	745,000	745
Retained earnings		<u>30,919,216</u>	<u>25,901</u>
<b>Equity</b>		<b><u>31,664,216</u></b>	<b><u>26,646</u></b>
Bank loans		<u>0</u>	<u>217,176</u>
<b>Non-current liabilities other than provisions</b>		<b><u>0</u></b>	<b><u>217,176</u></b>
Bank loans		233,104,308	30,777
Debt to group enterprises		163,599,198	191,353
Other payables		<u>1,151,518</u>	<u>1,466</u>
<b>Current liabilities other than provisions</b>		<b><u>397,855,024</u></b>	<b><u>223,596</u></b>
<b>Liabilities other than provisions</b>		<b><u>397,855,024</u></b>	<b><u>440,772</u></b>
<b>Equity and liabilities</b>		<b><u><u>429,519,240</u></u></b>	<b><u><u>467,418</u></u></b>
Going concern	1		
Related parties with control	8		
Ownership	9		

**Statement of changes in equity for 2015**

	<b>Contributed capital DKK</b>	<b>Retained ear- nings DKK</b>	<b>Total DKK</b>
Equity beginning of year	745,000	25,901,000	26,646,000
Fair value adjustments of hedging instruments	0	2,365,350	2,365,350
Other adjustments	0	(2,371)	(2,371)
Profit/loss for the year	0	2,655,237	2,655,237
<b>Equity end of year</b>	<b>745,000</b>	<b>30,919,216</b>	<b>31,664,216</b>

## Notes

### 1. Going concern

The Company realized a result of DKK 2.7m and at 31 December 2015, has an equity totalling DKK 31.7m. It has, however, also received a letter of financial support from its Parent, N&W Global Vending S.p.A., Italy, which is valid until 30 June 2017, for which reason Management finds that the Company has sufficient liquidity in 2015. Accordingly, the Management has presented the financial statements on a going concern basis.

### 2. Income from investments in group enterprises

Income from investment in group enterprises consists of the result from Wittenborg ApS, deducted amortisation of goodwill.

	<b>2015</b>	<b>2014</b>
	<b>DKK</b>	<b>DKK'000</b>
<b>3. Other financial income</b>		
Exchange rate adjustments	0	859
Other financial income	98,861	0
	<b>98,861</b>	<b>859</b>
	<b>2015</b>	<b>2014</b>
	<b>DKK</b>	<b>DKK'000</b>
<b>4. Other financial expenses</b>		
Financial expenses from group enterprises	189,932	315
Interest expenses	12,809,810	13,357
Exchange rate adjustments	1,069,894	0
Other financial expenses	1,601	1
	<b>14,071,237</b>	<b>13,673</b>
	<b>2015</b>	<b>2014</b>
	<b>DKK</b>	<b>DKK'000</b>
<b>5. Tax on ordinary profit/loss for the year</b>		
Current tax	(3,489,413)	(3,167)
Adjustment relating to previous years	(145,591)	0
	<b>(3,635,004)</b>	<b>(3,167)</b>



## Notes

	<b>Investments in group en- terprises DKK</b>
<b>6. Fixed asset investments</b>	
Cost beginning of year	731,894,000
<b>Cost end of year</b>	<b>731,894,000</b>
Impairment losses beginning of year	(272,884,931)
Amortisation of goodwill	(35,351,000)
Share of profit/loss after tax	48,481,525
Dividend	(50,000,000)
Other adjustments	2,365,350
<b>Impairment losses end of year</b>	<b>(307,389,056)</b>
<b>Carrying amount end of year</b>	<b>424,504,944</b>
Carrying value of recognized goodwill: 173.810.000 DKK	

	<b>Registered in</b>	<b>Corpo- rate form</b>	<b>Equity interest %</b>	<b>Equity DKK</b>
Subsidiaries:				
Wittenborg ApS	Odense	ApS	100.00	75,000,000

	<b>Number</b>	<b>Par value DKK</b>	<b>Nominal value DKK</b>
<b>7. Contributed capital</b>			
Share capital	100,000	7.45	745,000
	<b>100,000</b>		<b>745,000</b>

## 8. Related parties with control

During the year the company has had the following transactions with related parties:  
subsidiary in Denmark – Wittenborg ApS, Odense

Transaktions between related parties and N&W (Denmark) ApS in 2015:

Management fees

Loan with parent company

## Notes

### Group Relations:

The company's immediate parent, of which the company is a subsidiary, is N&W Global Vending S.p.A., Italy.

The company's ultimate parent, which prepares the consolidated annual accounts, where the company is subsidiary is N&W Holdings Sarl, RC Luxembourg B141097.

The consolidated annual accounts can be requested on application to N&W (Denmark) ApS, C.F. Tietgens Boulevard 19, 5220 Odense SØ, Denmark.

## 9. Ownership

The company has registered the following shareholders holding more than 5% of the voting rights or nominal value:

N&W Global Vending S.p.A., Valbrembo, Italy