

# ISS Holding France A/S

Buddingevej 197

2860 Søborg

## Annual Report 2017

The Annual Report was presented and adopted at  
the Annual General Meeting of the Company

on 23 May 2018



Chairman

CVR nr. 29 21 72 03

*This report contains 15 pages*

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## **Statement by the Board of Directors and the Executive Board**

The Board of Directors and Executive Board have today discussed and adopted the annual report of ISS Holding France A/S for the financial year 1 January – 31 December 2017.

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

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 December 2017 and of the results of the Company's operations for the financial year 1 January – 31 December 2017.

Further, in our opinion, the Management's review gives a fair review of the development and performance of the Company's activities and of the Company's results for the year and the financial position.

We recommend that the annual report be approved at the annual general meeting.

Søborg, den 3 May 2018

Executive Board:



Bjørn Raasteen

Board of Directors:



Pierre-François Riolacci  
Chairman



Bjørn Raasteen



Kasper Fangel

## **Independent auditor's report**

### **To the shareholders of ISS Holding France A/S**

#### **Opinion**

We have audited the financial statements of ISS Holding France A/S for the financial year 1 January – 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January – 31 December 2017 in accordance with the Danish Financial Statements Act.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Independence**

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

#### **Management's responsibilities 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.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

## Independent auditor's report

- The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of 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 and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on 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 financial statements 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 financial statements, including the note disclosures, and whether the financial statements represent 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 internal control that we identify during our audit.

### Statement on the Management's review

Management is responsible for the Management's review.


Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, 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 conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 3 May 2018  
ERNST & YOUNG  
Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

  
Michael Groth Hansen  
State Authorised  
Public Accountant  
MNE no.: mne33228

## **Company Information**

### **Company details**

ISS Holding France A/S  
Buddingevej 197  
DK - 2860 Søborg

CVR No: 29 21 72 03  
Established: 27 December 2005  
Registered office: Søborg  
Financial year: 1 January - 31 December

### **Board of Directors**

Pierre-François Riolacci (Chairman)  
Bjørn Raasteen  
Kasper Fangel

### **Executive Board**

Bjørn Raasteen

### **Auditors**

ERNST & YOUNG  
Godkendt Revisionspartnerselskab  
Osvald Helmuths Vej 4  
DK - 2000 Frederiksberg

### **Annual General Meeting**

The Annual General Meeting is expected to be held on 23 May 2018 at the Company's address.

## **Management's Review**

### **Operating review**

The company is founded with the purpose of possessing shares in ISS Holding Paris SA, France.

### **Development in activities and financial position**

The company had in 2017 financial income of 5,111 T.DKK (2016: 5,445 T.DKK) and financial expenses of 24,039 T.DKK (2016: 21,232 T.DKK).

Result for the year is a loss of 145,322 T.DKK (2016: profit 629,552 T.DKK). The loss is primarily due to write-down of investment in subsidiaries of 125,000 T.DKK. The result for the year is not satisfactory.

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

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

## Financial statements for period 1 January - 31 December 2017

### Income statement

	Note	2017 T.DKK	2016 T.DKK
Financial income	2	5,111	5,445
Financial expenses	3	-24,039	-21,232
Write-down of investment in subsidiaries	6	-125,000	-
Income from subsidiaries	6	-	643,057
Other expenses	4	-22	-20
<b>Loss before tax</b>		<b>-143,950</b>	<b>627,250</b>
Tax on loss for the year	5	-1,372	2,302
<b>Loss for the year</b>		<b>-145,322</b>	<b>629,552</b>

### Proposed loss appropriation

Retained earnings	-145,322	629,552
	<u>-145,322</u>	<u>629,552</u>



## Financial statements for period 1 January – 31 December 2017

### Balance sheet

	Note	2017 T.DKK	2016 T.DKK
<b>ASSETS</b>			
<b>Investments</b>			
Investments in subsidiaries	6	2,923,240	3,048,240
<b>Investments</b>		<u>2,923,240</u>	<u>3,048,240</u>
<b>Long term receivables</b>			
Receivables from affiliates		165,948	312,597
<b>Receivables</b>		<u>165,948</u>	<u>312,597</u>
<b>Short term receivables</b>			
Receivables from affiliates		-	3
<b>Receivables</b>		<u>-</u>	<u>3</u>
<b>TOTAL ASSETS</b>		<u>3,089,188</u>	<u>3,360,840</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	8	100,000	100,000
Retained earnings		1,479,225	1,624,547
<b>Total equity</b>	7	<u>1,579,225</u>	<u>1,724,547</u>
<b>Long-term debt</b>			
Debt to affiliates		1,163,279	1,636,272
<b>Long-term debt</b>		<u>1,163,279</u>	<u>1,636,272</u>
<b>Short-term debt</b>			
Trade payables		-	13
Payables to affiliates		346,661	-
Other payables		23	8
<b>Short-term debt</b>		<u>346,684</u>	<u>21</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>3,089,188</u>	<u>3,360,840</u>
<b>Contingent liabilities</b>			
Related parties	9 10		

## Financial statements for period 1 January - 31 December 2017

### Notes to the financial statements

#### 1 Accounting policies

##### **Basis of Preparation**

The Financial Statements of ISS Holding France A/S for the financial year ended 31 December 2017 have been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B with some additional choices of certain provisions applying to class C.

The accounting policies are consistent with those of last year.

In accordance with § 112 of the Danish Financial Statements Act, consolidated financial statements have not been prepared as the company and its subsidiary are included in the consolidated financial statement of the parent company ISS Global A/S (CVR no. 21 40 83 95) and ISS A/S (CVR no. 28 50 47 99).

##### **Recognition and measurement**

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each below. Recognition and measurement consider gains, losses and risks that arise before the annual report is presented and which prove or disprove matters existing at the balance sheet date.

Value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciations, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts previously recognised in the income statement.

##### **Translation policies**

Transactions in foreign currencies are translated at the exchange rates at the date of the transaction. Assets and liabilities in foreign currencies are translated at the exchange rates at the balance sheet date. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income.

## **Financial statements for period 1 January - 31 December 2017**

### **Notes to the financial statements**

#### **1 Accounting policies (continued)**

##### **Income Statement**

###### **Financial income and expenses**

Financial income and expenses comprise interests, realised and unrealised gains and losses on foreign currency. Financial expenses also include additional charges or refunds included in the Danish tax on account scheme. Financial income and expenses are recognised in the income statement irrespective of payment.

###### **Income from subsidiaries**

Income from subsidiaries include dividends declared during the year and gains and losses from sale of subsidiaries. If the dividends declared exceed the accumulated earnings the dividends are not recognised in the income statement but is instead recognised as a reduction of cost price.

###### **Other operating expenses**

Other operating expenses include expenses for external assistance as well as other administrative expenses.

###### **Tax on profit/loss for the year**

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

##### **Balance Sheet**

###### **Investments**

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value. Cost is reduced with received dividends which exceeds the accumulated earnings after acquisition.

###### **Receivables**

Receivables are measured at amortised cost less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

## **Financial statements for period 1 January - 31 December 2017**

### **Notes to the financial statements**

#### **1 Accounting policies (continued)**

##### **Corporation tax and deferred tax**

The company is covered by the Danish rules of joint taxation with the ultimate Danish holding company ISS A/S and other Danish subsidiaries. ISS A/S is the management company for the joint taxation and settles all tax payments with the tax authorities. The Danish income tax payable is allocated between the jointly taxed Danish companies based on their proportion of taxable income (full absorption including reimbursement of tax deficits). Payable and receivable joint tax contributions are recognised in the balance sheet as receivables or debt to affiliates.

Deferred tax is measured in accordance with the liability method and comprises all temporary differences between accounting and tax values of assets and liabilities. When alternative taxation rules can be applied to determine the tax base, deferred tax is measured according to management's intended use of the assets or settlement of the liability, respectively.

Deferred tax is measured according to the taxation rules and tax rates applicable at the reporting date when the deferred tax is expected to be realised as current tax. Deferred tax assets, including the tax base of tax losses carried forward, are recognised at the expected value of their utilisation, either as a set-off against tax on future income or as a set-off against deferred tax liabilities.

##### **Debt**

Debt is measured at net realisable value.

## Financial statements for period 1 January – 31 December 2017

### Notes to the financial statements

	2017	2016
	T.DKK	T.DKK
<b>2 Financial income</b>		
Interest income from affiliates	4,731	5,445
Gain on foreign exchange	380	-
	<u>5,111</u>	<u>5,445</u>
<b>3 Financial expenses</b>		
Interest expenses to affiliates	-24,039	-20,240
Loss in foreign exchange	-	-988
Other financial expenses	-	-4
	<u>-24,039</u>	<u>-21,232</u>
<b>4 Staff costs</b>		
There are no employees of the company. Executive Board and Board of Directors have received no remuneration from this company. Executive Board and Board of Directors are employed in and receive remuneration from ISS A/S or ISS World Services A/S.		
<b>5 Income taxes</b>		
Current tax for the year	373	2,302
Tax relating to previous years	-1,745	-
	<u>-1,372</u>	<u>2,302</u>

The company has no deferred tax.

## Financial statements for period 1 January – 31 December 2017

### Notes to the financial statements

	2017	2016	
	T.DKK	T.DKK	
<b>6 Investments in subsidiaries</b>			
Cost at 1 January	5,195,040	5,195,040	
Additions	-	-	
Cost at 31 December	5,195,040	5,195,040	
Revaluation at 1 January	-2,146,800	-2,726,800	
Write-down of investment in subsidiaries	-125,000	-	
Reversal of prior years' write-down of investment in subsidiaries	-	580,000	
Revaluation at 31 December	-2,271,800	-2,146,800	
Carrying amount at 31 December	2,923,240	3,048,240	
<b>Income from subsidiaries</b>			
Received dividend	-	63,057	
Reversal of prior years' write-down of investment in subsidiaries	-	580,000	
Income from subsidiaries	-	643,057	
<b>7 Equity</b>			
T.DKK	Share capital	Retained earnings	Total
Balance at 1 January 2017	100,000	1,624,547	1,724,547
Distribution of profit	-	-145,322	-145,322
Balance at 31 December 2017	100,000	1,479,225	1,579,225

The share capital consist of 100 million shares of a nominal value of DKK 1.

## Financial statements for period 1 January – 31 December 2017

### Notes to the financial statements

#### 8 Share capital

T.DKK	2017	2016	2015	2014	2013
Share capital at 1 January	100,000	100,000	100,000	100,000	50,000
Capital increase	-	-	-	-	50,000
Share capital at 31 December	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

#### 9 Contingent liabilities

The company is jointly registered for VAT with ISS World Services A/S and is jointly liable for the payment hereof.

The company is jointly taxed with the Danish companies in the ISS Group. Together with the other Danish companies, the company have a joint and unlimited liability of Danish corporation taxes and Danish withholding taxes on dividends, interests and royalties in the joint taxation. At 31 December 2017, the jointly taxed companies' net liabilities to SKAT amounted to 0 T.DKK. Any subsequent corrections of the taxable income subject to joint taxation may entail that the Company's liability will increase.

In addition, there are no company liabilities not recognised in the financial statement.

#### 10 Related party disclosures

ISS Holding France A/S's related parties comprise the following:

##### Parties exercising control

ISS Global A/S owns 100% of the shares of the company. The company is included in the consolidated financial statements for ISS Global A/S (CVR no. 21 40 83 95) and Danish holding company ISS A/S (CVR no. 28 50 47 99), both Buddingevej 197, DK - 2860 Søborg.

##### Transactions with related parties

In addition to deposits, loans and interest on the outstanding balances there have been no transactions with related parties.