CHRISTENSEN
KJÆRULFF
PERSONLIGT ENGAGEMENT

STATSAUTORISERET
REVISIONSAKTIESELSKAB

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THORKILD LARSEN A/S

Algade 43, 4000 Roskilde

Company reg. no. 29 39 85 18

Annual report

1 May 2015 - 30 April 2016

The annual report has been submitted and approved by the general meeting on the 05.09-2016

Peter Adser
Chairman of the meeting

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 %.

Contents

Management's report

The board of directors and the managing director have today presented the annual report of THORKILD LARSEN A/S for the financial year 1 May 2015 to 30 April 2016.

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 as on 30 April 2016 and of the company's results of its activities in the financial year 1 May 2015 to 30 April 2016.

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.

Roskilde, 1 August 2016

Managing Director

Søren Stub Rasmussen
Managing Director

Board of directors

Peter Adser Chairman	Søren Stub Rasmussen	Svend Christian Rimestad
Claus Adser	Lars Adser	

The independent auditor's reports

To the shareholders of THORKILD LARSEN A/S

Report on the annual accounts

We have audited the annual accounts of THORKILD LARSEN A/S for the financial year 1 May 2015 to 30 April 2016, 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.

The management's responsibility 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. Furthermore, the management is responsible for such internal control as it determines necessary in order to prepare annual accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the annual accounts 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 annual accounts are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of annual accounts 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as the overall presentation of the annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The audit has not resulted in any qualification.

Opinion

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 30 April 2016 and of the results of the company's operations for the financial year 1 May 2015 to 30 April 2016 in accordance with the Danish Financial Statements Act.

Statement on the management's review

Pursuant to the Danish Financial Statements Act, we have read the management's review. We have not performed any further procedures in addition to the audit of the annual accounts. On this basis, it is our opinion that the information provided in the management's review is consistent with the annual accounts.

Copenhagen, 1 August 2016

Christensen Kjærulff
Statsautoriseret Revisionsaktieselskab
CVR-nr. 15 91 56 41

John Mikkelsen
State Authorised Public Accountant

Company data

The company	THORKILD LARSEN A/S Algade 43 4000 Roskilde	
	Phone:	48186666
	Company reg. no.:	29 39 85 18
	Established:	1 September 1969
	Domicile:	Roskilde
	Financial year:	1 May - 30 April
Board of directors	Peter Adser, Chairman Søren Stub Rasmussen Svend Christian Rimestad Claus Adser Lars Adser	
Managing Director	Søren Stub Rasmussen, Managing Director	
Auditors	Christensen Kjærulff Statsautoriseret Revisionsaktieselskab	
Parent company	DANSCAN A/S	

Management's review

Principal activities

The company's principal activities are marketing and sales of electrical components and products.

Development in activities and financial matters

Developments in activities and financial affairs are shown in the following profit and loss account and the balance sheet. The results for 2015/16 are significantly affected by a number of extraordinary costs related to the company's relocation and the outsourcing of the company's warehouse operations. In view of this, results for 2015/16 are considered fair.

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 May - 30 April

All amounts in DKK.

Note		2015/16	2014/15
	Gross profit	**8.854.366**	**10.725.767**
1	Staff costs	-6.585.714	-7.475.304
	Depreciation and amortisation of tangible and intangible fixed assets	-583.216	-930.093
	Operating profit	**1.685.436**	**2.320.370**
	Other financial income	49.138	118.602
2	Other financial costs	-273.874	-173.262
	Results before tax	**1.460.700**	**2.265.710**
	Tax on profit	-164.102	-858.049
	Results for the year	**1.296.598**	**1.407.661**
	Proposed distribution of the results:		
	Dividend for the financial year	832.660	0
	Allocated to results brought forward	463.938	1.407.661
	Distribution in total	**1.296.598**	**1.407.661**

Balance sheet 30 April

All amounts in DKK.

Note	Assets	2016	2015
	Fixed assets		
3	Acquired concessions, patents, licenses, trademarks and similar rights	199.373	131.257
	Intangible fixed assets in total	199.373	131.257
4	Other property and equipment	765.747	702.587
5	Decoration rented premises	206.768	0
	Tangible fixed assets in total	972.515	702.587
	Fixed assets in total	**1.171.888**	**833.844**
	Current assets		
	Inventories	14.786.608	13.714.454
	Inventories in total	14.786.608	13.714.454
	Trade receivables	16.362.048	12.547.900
	Other receivables	3.757	40.478
	Accrued income and deferred expenses	452.278	429.199
	Debtors in total	16.818.083	13.017.577
	Cash funds	2.467.590	407.242
	Current assets in total	**34.072.281**	**27.139.273**
	Assets in total	**35.244.169**	**27.973.117**

Balance sheet 30 April

All amounts in DKK.

Note	Equity and liabilities	2016	2015
	Equity		
6	Contributed capital	1.875.000	1.500.000
7	Retained earnings	14.870.738	14.406.012
8	Proposed dividend for the financial year	832.660	0
	Equity in total	**17.578.398**	**15.906.012**
	Provisions		
	Provisions for deferred tax	62.966	252.294
	Provisions in total	**62.966**	**252.294**
	Liabilities		
	Bank debt	5.737.289	0
	Trade payables	3.171.953	3.824.396
	Debt to group enterprises	5.016.005	4.000.000
	Corporate tax	206.430	771.469
	Other payables	3.471.128	3.218.946
	Short-term liabilities in total	17.602.805	11.814.811
	Liabilities in total	**17.602.805**	**11.814.811**
	Equity and liabilities in total	**35.244.169**	**27.973.117**

9 Mortgage and securities

10 Contingencies

11 Related parties

Notes

All amounts in DKK.

		2015/16	2014/15
1.	**Staff costs**		
	Salaries and wages	6.011.965	6.844.123
	Pension costs	303.747	349.603
	Other costs for social security	80.532	111.582
	Other staff costs	189.470	169.996
		6.585.714	**7.475.304**
	Board of directors	0	50.000
	Average number of employees	11	14
2.	**Other financial costs**		
	Interest, group enterprises	103.053	16.666
	Other interest costs	170.821	156.596
		273.874	**173.262**

		30/4 2016	30/4 2015
3.	**Acquired concessions, patents, licenses, trademarks and similar rights**		
	Cost at 1 May 2015	240.230	181.389
	Additions during the year	144.549	58.841
	Disposals during the year	0	0
	Cost at 30 April 2016	**384.779**	**240.230**
	Amortisation and writedown 1 May 2015	-108.973	-64.847
	Amortisation for the year	-76.433	-44.126
	Amortisation and writedown at 30 April 2016	**-185.406**	**-108.973**
	Book value 30 April 2016	**199.373**	**131.257**

Notes

All amounts in DKK.

		30/4 2016	30/4 2015
4.	**Other property and equipment**		
	Cost 1 May 2015	4.379.114	4.870.878
	Additions during the year	619.337	179.486
	Disposals during the year	-2.913.757	-671.250
	Cost 30 April 2016	**2.084.694**	**4.379.114**
	Amortisation and writedown 1 May 2015	-3.676.527	-3.728.815
	Depreciation for the year	-450.247	-405.355
	Reversal of depreciation, amortisation and writedown, assets disposed of	2.807.827	457.643
	Amortisation and writedown 30 April 2016	**-1.318.947**	**-3.676.527**
	Book value 30 April 2016	**765.747**	**702.587**
5.	**Decoration rented premises**		
	Cost 1 May 2015	0	0
	Additions during the year	216.875	0
	Disposals during the year	0	0
	Cost 30 April 2016	**216.875**	**0**
	Depreciation and writedown 1 May 2015	0	0
	Depreciation for the year	-10.107	0
	Depreciation and writedown 30 April 2016	**-10.107**	**0**
	Book value 30 April 2016	**206.768**	**0**
6.	**Contributed capital**		
	Share capital at 1 May 2015	1.500.000	1.500.000
	Cash capital increase	375.000	0
		1.875.000	**1.500.000**

The share capital consists of 1 share, with a nominal value of DKK 1.500.000. No shares hold particular rights.

Notes

All amounts in DKK.

	30/4 2016	30/4 2015
7. Retained earnings		
Retained earnings 1 May 2015	14.406.012	12.998.351
Profit or loss for the year brought forward	463.938	1.407.661
Adjustment of inventories after tax	788	0
	14.870.738	**14.406.012**
8. Proposed dividend for the financial year		
Dividend for the financial year	832.660	0
	832.660	**0**

9. Mortgage and securities

The company has no mortgage and securities as of 30th April 2016.

10. Contingencies

Contingent liabilities

The company has entered into rental contract, not terminable before 1 November 2017. The annual rent is DKK 582.000.

Operational leasing

The company has entered into operational leasing contracts with a total outstanding leasing payment at t.DKK 361.

Joint taxation

ADSERBI A/S being the administration company, the company is subject to the Danish scheme of joint taxation and it is proportionally liable for tax claims within the joint taxation scheme.

The company is proportionally liable for any obligation to withhold tax on interest, royalties and dividends of the jointly taxed companies.

The liabilities amount to a maximum corresponding to that share of the company capital, which is owned directly or indirectly by the ultimate parent company.

Notes

All amounts in DKK.

10. Contingencies (continued)

Joint taxation (continued)

The liability relating to obligations in connection with corporation tax represents an estimated maximum of DKK 6.000 thousand. The liability relating to obligations in connection with withholding taxes represents an estimated maximum of DKK 0 thousand.

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.

11. Related parties

Ownership

According to the company's list of shareholders, the following shareholders own a minimum of 5 % of the voting rights or a minimum of 5 % of the share capital:

Stub Holding 2015 ApS
Vibevej 4
2630 Taastrup

DANSCAN A/S
Søholm Park 1
2900 Hellerup

Accounting policies used

The annual report for THORKILD LARSEN A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B 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.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

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.

The profit and loss account

Gross profit

The gross profit comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.

Accounting policies used

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.

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

Other operating income and costs comprise accounting items of secondary nature in proportion to the principal activities of the enterprise.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

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

Interest and other costs concerning loans for financing the production of intangible and tangible fixed assets and concerning the production period are not recognised in the cost of the fixed asset.

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 company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

The balance sheet

Intangible fixed assets

Development projects, patents, and licences

Development costs comprise e.g. salaries, wages, and amortisation which directly and indirectly refer to the development activities.

Clearly defined and identifiable development projects are recognised as intangible fixed assets provided that the technical feasibility, sufficient resources, and a potential market or a development opportunity can be demonstrated, and provided that it is the intention to produce, market or utilise the project. It is, however, a condition that the cost can be calculated reliably and that a sufficiently high degree of certainty indicates that future earnings will cover the costs for production, sales, and administration. Other development costs are recognised in the profit and loss account concurrently with their realisation.

Development costs recognised in the balance sheet are measured at cost with deduction of accrued depreciation and writedown.

After completion of the development work, capitalised development costs are amortised on a straight line basis over the estimated financial useful life. Usually, the amortisation period is 10 years.

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.

Goodwill

Purchased goodwill is measured at cost with deduction of accumulated amortisation. Goodwill is amortised on a straight-line basis over the estimated financial life which is 5 years.

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown. Land is not depreciated.

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:

Other plants, operating assets, fixtures and furniture	3-5 years

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.

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.

Writedown of fixed assets

The book values of both intangible and tangible fixed assets as well as equity investments in subsidiaries and associated enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets respectively. Writedown takes place to the recoverable amount, if this value is lower than the book value.

The recoverable value is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow deriving from the use of the asset or the group of assets.

Previously recognised writedown is reversed when the condition for the writedown no longer exist. Writedown relating to goodwill is not reversed.

Decoration of rented premises

Decoration of rented premises are measured at cost with deduction of accrued depreciation. Depreciation takes place on a straight-line basis over the estimated useful life of the asset, which is set at 5 years.

Inventories

Inventories are measured at cost on basis of the FIFO method. In case the net realisable value of the inventories is lower than the cost, writedown takes place to this lower value.

The cost for trade goods, raw materials, and consumables comprises the acquisition cost with the addition of the delivery costs.

The net realisable value for inventories is recognised as the market price with deduction of completion costs and selling costs. The net realisable value is determined taking into consideration the negotiability, obsolescence, and development of the expected market price.

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.

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.

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.

According to the rules of joint taxation, THORKILD LARSEN A/S is proportionally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

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. In the period 2014 to 2016, the corporate tax rate will be reduced gradually from 25 % to 22 %, which will affect the deferred tax liabilities and deferred tax assets. Unless a recognition with a different tax rate than 22 % will result in a significant material deviation in the estimated deferred tax liability or tax asset, deferred tax liabilities and assets are recognised by 22 %.

Liabilities

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