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 2017 - 30 April 2018

The annual report has been submitted and approved by the general meeting on the ~~10~~ 27. August 2018.

Peter Adser
Chairman of the meeting

Contents

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 board of directors and the managing director have today presented the annual report of THORKILD LARSEN A/S for the financial year 1 May 2017 to 30 April 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 as on 30 April 2018 and of the company's results of its activities in the financial year 1 May 2017 to 30 April 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.

Roskilde, 10 August 2018

Managing Director

Søren Stub Rasmussen
Managing Director

Board of directors

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

Independent auditor's report

To the shareholders of THORKILD LARSEN A/S

Opinion

We have audited the annual accounts of THORKILD LARSEN A/S for the financial year 1 May 2017 to 30 April 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 30 April 2018 and of the results of the company's operations for the financial year 1 May 2017 to 30 April 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.

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.

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, 10 August 2018

Christensen Kjærulff
Statsautoriseret Revisionsaktieselskab
Company reg. no. 15 91 56 41

John Mikkelsen
State Authorised Public Accountant
MNE-nr. 26748

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 Jacob Johansen	
Managing Director	Søren Stub Rasmussen, Managing Director	
Auditors	Christensen Kjærulff Statsautoriseret Revisionsaktieselskab Store Kongensgade 68 1264 København K	
Parent company	DANSCAN A/S	

The principal activities of the company

Like previous years, the principal activities of the company are marketing and sales of electrical components and products.

Development in activities and financial matters

The gross profit for the year is DKK 15.634.000 against DKK 13.086.000 last year. The results from ordinary activities after tax are DKK 3.528.000 against DKK 2.656.000 last year.

Profit and loss account 1 May - 30 April

All amounts in DKK.

Note		2017/18	2016/17
	Gross profit	**15.634.367**	**13.085.623**
1	Staff costs	-9.409.529	-8.277.468
	Depreciation, amortisation and writedown relating to tangible and intangible fixed assets	-928.018	-1.095.110
	Operating profit	**5.296.820**	**3.713.045**
	Other financial income	0	6.410
2	Other financial costs	-757.150	-440.510
	Results before tax	**4.539.670**	**3.278.945**
	Tax on ordinary results	-1.011.765	-622.699
	Results for the year	**3.527.905**	**2.656.246**
	Proposed distribution of the results:		
	Dividend for the financial year	3.300.000	2.340.000
	Allocated to results brought forward	227.905	316.246
	Distribution in total	**3.527.905**	**2.656.246**

Balance sheet 30 April

All amounts in DKK.

Note	Assets	2018	2017
	Fixed assets		
3	Acquired concessions, patents, licenses, trademarks and similar rights	766.106	218.063
4	Goodwill	2.835.175	3.910.714
	Intangible fixed assets in total	3.601.281	4.128.777
5	Other plants, operating assets, and fixtures and furniture	756.173	678.540
6	Decoration rented premises	127.960	174.491
	Tangible fixed assets in total	884.133	853.031
	Deposits	156.250	156.250
	Financial fixed assets in total	156.250	156.250
	Fixed assets in total	**4.641.664**	**5.138.058**
	Current assets		
	Raw materials and consumables	32.170.096	27.727.235
	Manufactured goods and trade goods	69.407	0
	Prepayments for goods	2.888.744	3.427.391
	Inventories in total	35.128.247	31.154.626
	Trade debtors	30.319.772	24.566.470
	Deferred tax assets	5.832	43.085
	Other debtors	270.572	540.162
	Accrued income and deferred expenses	275.089	490.358
	Debtors in total	30.871.265	25.640.075
	Available funds	135.128	11.168
	Current assets in total	**66.134.640**	**56.805.869**
	Assets in total	**70.776.304**	**61.943.927**

Balance sheet 30 April

All amounts in DKK.

Note	Equity and liabilities	2018	2017
	Equity		
7	Contributed capital	1.875.000	1.875.000
8	Results brought forward	15.246.789	15.018.823
9	Proposed dividend for the financial year	3.300.000	2.340.000
	Equity in total	**20.421.789**	**19.233.823**
	Liabilities		
	Bank debts	29.350.602	21.718.157
	Trade creditors	9.312.994	8.555.879
	Debt to group enterprises	6.046.875	8.118.893
	Corporate tax	804.505	600.750
	Other debts	4.839.539	3.716.425
	Short-term liabilities in total	50.354.515	42.710.104
	Liabilities in total	**50.354.515**	**42.710.104**
	Equity and liabilities in total	**70.776.304**	**61.943.927**

10 Contingencies

Notes

All amounts in DKK.

		2017/18	2016/17
1.	**Staff costs**		
	Salaries and wages	8.678.650	7.692.476
	Pension costs	432.161	371.414
	Other costs for social security	87.779	81.871
	Other staff costs	210.939	131.707
		9.409.529	**8.277.468**
	Average number of employees	15	13
2.	**Other financial costs**		
	Financial costs, group enterprises	183.208	131.054
	Other financial costs	573.942	309.456
		757.150	**440.510**

		30/4 2018	30/4 2017
3.	**Acquired concessions, patents, licenses, trademarks and similar rights**		
	Cost 1 May 2017	488.841	384.779
	Additions during the year	654.942	104.062
	Cost 30 April 2018	**1.143.783**	**488.841**
	Amortisation and writedown 1 May 2017	-270.778	-185.406
	Amortisation for the year	-106.899	-85.372
	Amortisation and writedown 30 April 2018	**-377.677**	**-270.778**
	Book value 30 April 2018	**766.106**	**218.063**

Notes

All amounts in DKK.

		30/4 2018	30/4 2017
4.	**Goodwill**		
	Cost 1 May 2017	4.500.000	0
	Additions during the year	0	4.500.000
	Disposals during the year	-719.767	0
	Cost 30 April 2018	**3.780.233**	**4.500.000**
	Amortisation and writedown 1 May 2017	-589.286	0
	Amortisation for the year	-450.027	-589.286
	Adjustment of writedown, opening balance	94.255	0
	Amortisation and writedown 30 April 2018	**-945.058**	**-589.286**
	Book value 30 April 2018	**2.835.175**	**3.910.714**
5.	**Other plants, operating assets, and fixtures and furniture**		
	Cost 1 May 2017	2.102.526	2.084.694
	Additions during the year	496.448	361.712
	Disposals during the year	-8.050	-343.880
	Cost 30 April 2018	**2.590.924**	**2.102.526**
	Amortisation and writedown 1 May 2017	-1.423.986	-1.318.947
	Depreciation for the year	-418.815	-448.919
	Reversal of depreciation, amortisation and writedown, assets disposed of	8.050	343.880
	Amortisation and writedown 30 April 2018	**-1.834.751**	**-1.423.986**
	Book value 30 April 2018	**756.173**	**678.540**

Notes

All amounts in DKK.

		30/4 2018	30/4 2017
6.	**Decoration rented premises**		
	Cost 1 May 2017	231.130	216.875
	Additions during the year	0	14.255
	Cost 30 April 2018	**231.130**	**231.130**
	Depreciation and writedown 1 May 2017	-56.639	-10.107
	Depreciation for the year	-46.531	-46.532
	Depreciation and writedown 30 April 2018	**-103.170**	**-56.639**
	Book value 30 April 2018	**127.960**	**174.491**
7.	**Contributed capital**		
	Contributed capital 1 May 2017	1.875.000	1.875.000
		1.875.000	**1.875.000**
8.	**Results brought forward**		
	Results brought forward 1 May 2017	15.018.823	14.870.738
	Profit or loss for the year brought forward	227.905	316.246
	Adjustment of inventories after tax	61	0
	Adjustment on hedging instruments at fair value at balance sheet date	0	-168.161
		15.246.789	**15.018.823**
9.	**Proposed dividend for the financial year**		
	Dividend 1 May 2017	2.340.000	832.660
	Distributed dividend	-2.340.000	-832.660
	Dividend for the financial year	3.300.000	2.340.000
		3.300.000	**2.340.000**

All amounts in DKK.

10. Contingencies

Joint taxation

Adserbi A/S, company reg. no 87802310 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.

As from 1 July 2012, the company is propertionally 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.

The jointly taxed enterprises' total, known net liability to the Danish tax authorities appears from the annual accounts of the administration company.

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

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. 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.

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.

Derived financial instruments

At the first recognition, derived financial instruments are recognised at cost in the balance sheet. Afterwards they are measured at fair value. Positive and negative fair values of derived financial instruments are recognised under other debtors and other creditors respectively.

Changes in the fair value of derived financial instruments classified as and meeting the criteria for hedging the fair value of a recognised asset or a recognised liability are recognised in the profit and loss account together with any changes in the fair value of the hedged asset or the hedged liability.

Changes in the fair value of derived financial instruments classified as and meeting the criteria for hedging future cash flows are recognised under amounts owed or other debt in the equity.

If the future transaction results in the recognition of assets or liabilities, amounts which have been recognised in the equity previously, are transferred to the cost for the asset or the liability, respectively. If the future transaction results in income or costs, amounts which have been recognised in the equity currently, are transferred to the profit and loss account in the period in which the hedged item influenced the profit and loss account.

As regards any derived financial instruments which do not meet the criteria for being treated as hedging instruments, changes in the fair value are recognised currently in the profit and loss account.

Changes in the fair value of derived financial instruments used for hedging net investments in independent foreign group enterprises or associated enterprises are recognised directly in the equity.

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.

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.

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

Other operating income 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 comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

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

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

Goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Goodwill is amortised on a straight-line basis over the amortisation period, which is between 5 and 25 years. The amortisation period is determined on the basis of an expected payback period, being the longer for strategical acquirees with a strong market position and an expected long-term earnings profile.

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:

	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.

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 measured average prices. In case the net realisable value is lower than the cost, writedown takes place at this lower value.

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 (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.

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.

Liabilities

Mortgage debt and bank debt are for instance measured at amortised cost. As to cash loans, this corresponds to the outstanding debt of the loan. For bond loans, the amortised cost corresponds to an outstanding debt calculated as the underlying cash value at the date of borrowing adjusted by amortisation of the market value adjustment on the date of the borrowing carried out over the repayment period.

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