



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 2016 - 30 April 2017

The annual report has been submitted and approved by the general meeting on the 15 August 2017.

Peter Adser
Chairman of the meeting

Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance DKK 146.940 is the same as the English amount of DKK 146,940, and that 23,5 % is the same as the English 23.5 %.



Contents

	<u>Page</u>
Reports	
Management's report	1
Independent auditor's report	2
Management's review	
Company data	5
Management's review	6
Annual accounts 1 May 2016 - 30 April 2017	
Profit and loss account	7
Balance sheet	8
Notes	10
Accounting policies used	14



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 2016 to 30 April 2017.

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 2017 and of the company's results of its activities in the financial year 1 May 2016 to 30 April 2017.

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, 29 June 2017

Managing Director

Søren Stub Rasmussen
Managing Director

Board of directors

Peter Adser
Chairman

Claus Adser

Søren Stub Rasmussen

Lars Adser

Svend Christian Rimestad



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 2016 to 30 April 2017, 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 2017 and of the results of the company's operations for the financial year 1 May 2016 to 30 April 2017 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.



Independent auditor's report

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.



Independent auditor's report

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, 29 June 2017

Christensen Kjarulff

Statsautoriseret Revisionsaktieselskab
Company reg. no. 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 Store Kongensgade 68 1264 København K
Parent company	DANSCAN A/S



Management's review

The principal activities of the company

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 tDKK 13.086 against tDKK 8.854 last year. The results from ordinary activities after tax are tDKK 2.656 against tDKK 1.297 last year. The management consider the results satisfactory.



Profit and loss account 1 May - 30 April

All amounts in DKK.

<u>Note</u>	<u>2016/17</u>	<u>2015/16</u>
Gross profit	13.085.623	8.854.366
1 Staff costs	-8.277.468	-6.585.714
Depreciation, amortisation and writedown relating to tangible and intangible fixed assets	-1.095.110	-583.216
Operating profit	3.713.045	1.685.436
Other financial income	6.410	49.138
2 Other financial costs	-440.510	-273.874
Results before tax	3.278.945	1.460.700
Tax on ordinary results	-622.699	-164.102
Results for the year	2.656.246	1.296.598
 Proposed distribution of the results:		
Dividend for the financial year	2.340.000	832.660
Allocated to results brought forward	316.246	463.938
Distribution in total	2.656.246	1.296.598



Balance sheet 30 April

All amounts in DKK.

<u>Note</u>	<u>2017</u>	<u>2016</u>	
Assets			
Fixed assets			
3	Acquired concessions, patents, licenses, trademarks and similar rights	218.063	199.373
4	Goodwill	3.910.714	0
	Intangible fixed assets in total	<u>4.128.777</u>	<u>199.373</u>
5	Other plants, operating assets, and fixtures and furniture	678.540	765.747
6	Decoration rented premises	174.491	206.768
	Tangible fixed assets in total	<u>853.031</u>	<u>972.515</u>
	Deposits	156.250	0
	Financial fixed assets in total	<u>156.250</u>	<u>0</u>
	Fixed assets in total	<u>5.138.058</u>	<u>1.171.888</u>
Current assets			
	Raw materials and consumables	27.727.235	14.786.608
	Prepayments for goods	3.427.391	0
	Inventories in total	<u>31.154.626</u>	<u>14.786.608</u>
	Trade debtors	24.566.470	16.362.048
	Deferred tax assets	43.085	0
	Other debtors	540.162	3.757
	Accrued income and deferred expenses	490.358	452.278
	Debtors in total	<u>25.640.075</u>	<u>16.818.083</u>
	Available funds	<u>11.168</u>	<u>2.467.590</u>
	Current assets in total	<u>56.805.869</u>	<u>34.072.281</u>
	Assets in total	<u>61.943.927</u>	<u>35.244.169</u>



Balance sheet 30 April

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2017</u>	<u>2016</u>
Equity			
7	Contributed capital	1.875.000	1.875.000
8	Results brought forward	15.018.823	14.870.738
9	Proposed dividend for the financial year	2.340.000	832.660
	Equity in total	<u>19.233.823</u>	<u>17.578.398</u>
 Provisions			
	Provisions for deferred tax	0	62.966
	Provisions in total	<u>0</u>	<u>62.966</u>
 Liabilities			
	Bank debts	21.718.157	5.737.289
	Trade creditors	8.555.879	3.171.953
	Debt to group enterprises	8.118.893	5.016.005
	Corporate tax	600.750	206.430
	Other debts	3.716.425	3.471.128
	Short-term liabilities in total	<u>42.710.104</u>	<u>17.602.805</u>
	Liabilities in total	<u>42.710.104</u>	<u>17.602.805</u>
	Equity and liabilities in total	<u>61.943.927</u>	<u>35.244.169</u>

10 Contingencies



Notes

All amounts in DKK.

	<u>2016/17</u>	<u>2015/16</u>
1. Staff costs		
Salaries and wages	7.692.476	6.011.965
Pension costs	371.414	303.747
Other costs for social security	81.871	80.532
Other staff costs	131.707	189.470
	<u>8.277.468</u>	<u>6.585.714</u>
Average number of employees	<u>13</u>	<u>11</u>
2. Other financial costs		
Financial costs, group enterprises	131.054	103.053
Other financial costs	309.456	170.821
	<u>440.510</u>	<u>273.874</u>
3. Acquired concessions, patents, licenses, trademarks and similar rights		
Cost 1 May	384.779	240.230
Additions during the year	104.062	144.549
Cost 30 April	<u>488.841</u>	<u>384.779</u>
Amortisation and writedown 1 May	-185.406	-108.973
Amortisation for the year	-85.372	-76.433
Amortisation and writedown 30 April	<u>-270.778</u>	<u>-185.406</u>
Book value 30 April	<u>218.063</u>	<u>199.373</u>



Notes

All amounts in DKK.

	<u>30/4 2017</u>	<u>30/4 2016</u>
4. Goodwill		
Additions during the year	4.500.000	0
Cost 30 April	4.500.000	0
Amortisation for the year	-589.286	0
Amortisation and writedown 30 April	-589.286	0
Book value 30 April	3.910.714	0
5. Other plants, operating assets, and fixtures and furniture		
Cost 1 May	2.084.694	4.379.114
Additions during the year	361.712	619.337
Disposals during the year	-343.880	-2.913.757
Cost 30 April	2.102.526	2.084.694
Amortisation and writedown 1 May	-1.318.947	-3.676.527
Depreciation for the year	-448.919	-450.247
Reversal of depreciation, amortisation and writedown, assets disposed of	343.880	2.807.827
Amortisation and writedown 30 April	-1.423.986	-1.318.947
Book value 30 April	678.540	765.747
6. Decoration rented premises		
Cost 1 May	216.875	0
Additions during the year	14.255	216.875
Cost 30 April	231.130	216.875
Depreciation and writedown 1 May	-10.107	0
Depreciation for the year	-46.532	-10.107
Depreciation and writedown 30 April	-56.639	-10.107
Book value 30 April	174.491	206.768



Notes

All amounts in DKK.

	<u>30/4 2017</u>	<u>30/4 2016</u>
7. Contributed capital		
Contributed capital 1 May	1.875.000	1.500.000
Cash capital increase	0	375.000
	<u>1.875.000</u>	<u>1.875.000</u>
8. Results brought forward		
Results brought forward 1 May	14.870.738	14.406.012
Profit or loss for the year brought forward	316.246	463.938
Adjustment of inventories after tax	0	788
Adjustment on hedging instruments at fair value at balance sheet date	-168.161	0
	<u>15.018.823</u>	<u>14.870.738</u>
9. Proposed dividend for the financial year		
Dividend 1 May	832.660	0
Distributed dividend	-832.660	0
Dividend for the financial year	<u>2.340.000</u>	<u>832.660</u>
	<u>2.340.000</u>	<u>832.660</u>
10. Contingencies		
Contingent liabilities		
		DKK in thousands
Leasing liabilities		<u>208</u>
Other contingent liabilities		<u>388</u>
Contingent liabilities in total		<u>596</u>

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, as from the financial year 2012, it is proportionally liable for tax claims within the joint taxation scheme.



Notes

All amounts in DKK.

Contingencies (continued)

Joint taxation (continued)

As from 1 July 2012, 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.

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 future cash flows are recognised under amounts owed or other debt in the equity.



Accounting policies used

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.

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 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 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.



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 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 strategic 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.



Accounting policies used

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.

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.



Accounting policies used

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

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