

Premier Tax Free ApS

Rådhusstræde 3, 2. sal, 1466 København K

Company reg. no. 29 60 24 92

Annual report

1 January - 31 December 2017

The annual report has been submitted and approved by the general meeting on the 8 June 2018.

Nicki Bech

Chairman of the meeting

Notes to users of the English version of this document:

- 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 %.



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Management's report

The managing director has today presented the annual report of Premier Tax Free ApS for the financial year 1 January to 31 December 2017.

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

I consider the accounting policies used appropriate, and in my opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 December 2017 and of the company's results of its activities in the financial year 1 January to 31 December 2017.

I am 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.

Copenhagen, 8 June 2018

Managing Director

Peter Aidan Daly



Independent auditor's report

To the shareholder of Premier Tax Free ApS

Opinion

We have audited the annual accounts of Premier Tax Free ApS for the financial year 1 January to 31 December 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 31 December 2017 and of the results of the company's operations for the financial year 1 January to 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 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:



Independent auditor's report

- 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.



Independent auditor's report

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, 8 June 2018

Christensen Kjarulff

Statsautoriseret Revisionsaktieselskab
Company reg. no. 15 91 56 41

Sven-Erik Vejlbj
State Authorised Public Accountant
MNE-nr. 25075



Company data

The company

Premier Tax Free ApS
Rådhusstræde 3, 2. sal
1466 København K

Company reg. no. 29 60 24 92
Established: 22 May 2006
Domicile: Copenhagen
Financial year: 1 January - 31 December
12th financial year

Managing Director

Peter Aidan Daly

Auditors

Christensen Kjarulff
Statsautoriseret Revisionsaktieselskab
Store Kongensgade 68
1264 København K



Management's review

The principal activities of the company

The principal activities include establishment and operation of systems and concepts in connection with VAT refunds for tourists.

Uncertainties as to recognition or measurement

Trade creditors recognized with 400 TDKK include estimated payables to tourists regarding VAT vouchers. The estimate relates to future events and circumstances. The actual results may vary and may cause significant adjustments to the company's valuation of trade creditors.

Development in activities and financial matters

The gross profit for the year is DKK 4.223.000 against DKK 3.472.000 last year. The results from ordinary activities after tax are DKK 466.000 against DKK 136.000 last year. The management consider the results satisfactory.

The company began in the end of 2017 and has continued into 2018, to strengthen the Finance department significantly, to be able to improve the routines and procedures.



Profit and loss account 1 January - 31 December

Amounts concerning 2017: DKK.

Amounts concerning 2016: DKK in thousands.

<u>Note</u>	<u>2017</u>	<u>2016</u>
Gross profit	4.222.529	3.472
2 Staff costs	-3.464.481	-2.940
3 Depreciation and writedown relating to tangible fixed assets	-136.715	-140
Other operating costs	0	-198
Operating profit	621.333	194
Other financial costs	-15.764	-17
Results before tax	605.569	177
4 Tax on ordinary results	-139.211	-41
Results for the year	466.358	136
Proposed distribution of the results:		
Allocated to results brought forward	466.358	136
Distribution in total	466.358	136



Balance sheet 31 December

Amounts concerning 2017: DKK.

Amounts concerning 2016: DKK in thousands.

<u>Note</u>	<u>2017</u>	<u>2016</u>
Assets		
Fixed assets		
5 Other plants, operating assets, and fixtures and furniture	480.884	278
Tangible fixed assets in total	<u>480.884</u>	<u>278</u>
6 Other debtors	325.589	96
Financial fixed assets in total	<u>325.589</u>	<u>96</u>
Fixed assets in total	<u>806.473</u>	<u>374</u>
Current assets		
Trade debtors	5.418.043	3.299
Amounts owed by group enterprises	3.948.806	550
7 Deferred tax assets	93.202	105
Accrued income and deferred expenses	259.171	23
Debtors in total	<u>9.719.222</u>	<u>3.977</u>
Available funds	<u>1.141.148</u>	<u>3.394</u>
Current assets in total	<u>10.860.370</u>	<u>7.371</u>
Assets in total	<u>11.666.843</u>	<u>7.745</u>



Balance sheet 31 December

Amounts concerning 2017: DKK.

Amounts concerning 2016: DKK in thousands.

<u>Note</u>	<u>2017</u>	<u>2016</u>
Equity and liabilities		
Equity		
8 Contributed capital	135.000	135
9 Results brought forward	2.071.111	1.605
Equity in total	2.206.111	1.740
Provisions		
10 Other provisions	399.544	334
Provisions in total	399.544	334
Liabilities		
Trade creditors	1.142.467	788
Debt to group enterprises	6.829.191	3.553
Corporate tax	127.600	0
Other debts	961.930	1.330
Short-term liabilities in total	9.061.188	5.671
Liabilities in total	9.061.188	5.671
Equity and liabilities in total	11.666.843	7.745

1 Uncertainties concerning recognition and measurement

11 Mortgage and securities

12 Contingencies



Notes

Amounts concerning 2017: DKK.

Amounts concerning 2016: DKK in thousands.

1. Uncertainties concerning recognition and measurement

Other provisions recognized with 400 TDKK include estimated payables to tourists regarding VAT vouchers. The estimate relates to future events and circumstances. The actual results may vary and may cause significant adjustments to the company's valuation of other provisions.

Subsequent to the balance sheet date, the management has initiated measurements to strengthen the company's financial function, so that uncertainties in the registration procedures that may exist at 31 December 2017, will be met in the 2018 financial year.

	<u>2017</u>	<u>2016</u>
2. Staff costs		
Salaries and wages	2.979.975	2.618
Pension costs	223.668	161
Other costs for social security	13.272	28
Other staff costs	<u>247.566</u>	<u>133</u>
	<u>3.464.481</u>	<u>2.940</u>
Average number of employees	<u>7</u>	<u>7</u>
3. Depreciation and writedown relating to tangible fixed assets		
Depreciation on plants, operating assets, fixtures and furniture	<u>136.715</u>	<u>140</u>
	<u>136.715</u>	<u>140</u>
4. Tax on ordinary results		
Tax of the results for the year, parent company	127.600	0
Adjustment for the year of deferred tax	<u>11.611</u>	<u>41</u>
	<u>139.211</u>	<u>41</u>



Notes

Amounts concerning 2017: DKK.

Amounts concerning 2016: DKK in thousands.

	<u>31/12 2017</u>	<u>31/12 2016</u>
5. Other plants, operating assets, and fixtures and furniture		
Cost 1 January 2017	1.484.407	1.354
Additions during the year	340.744	136
Disposals during the year	-941.048	-5
Cost 31 December 2017	<u>884.103</u>	<u>1.485</u>
Depreciation and writedown 1 January 2017	-1.207.553	-1.067
Depreciation for the year	-136.715	-140
Adjustment of writedown, opening balance	941.049	0
Depreciation and writedown 31 December 2017	<u>-403.219</u>	<u>-1.207</u>
Book value 31 December 2017	<u>480.884</u>	<u>278</u>
6. Other debtors		
Cost 1 January 2017	95.608	96
Additions during the year	229.981	0
Cost 31 December 2017	<u>325.589</u>	<u>96</u>
Book value 31 December 2017	<u>325.589</u>	<u>96</u>
Deposits	325.589	96
	<u>325.589</u>	<u>96</u>
7. Deferred tax assets		
Deferred tax assets 1 January 2017	104.813	105
Adjustment for the year	-11.611	0
	<u>93.202</u>	<u>105</u>
The following items are subject to deferred tax:		
Tangible fixed assets	15.265	24
Losses brought forward from previous years	77.937	81
	<u>93.202</u>	<u>105</u>



Notes

Amounts concerning 2017: DKK.

Amounts concerning 2016: DKK in thousands.

	<u>31/12 2017</u>	<u>31/12 2016</u>
8. Contributed capital		
Contributed capital 1 January 2017	<u>135.000</u>	<u>135</u>
	<u>135.000</u>	<u>135</u>
<p>Within the latest 5 years, the following changes in the share capital have taken place:</p>		
<p>In 2012, the company performed a capital increase of nominal 10.000 DKK by conversion of debt at market price 20.000 equivalent to a total of 2.000 TDKK. Costs related to the capital increase of 25 TDKK was recognized directly in the equity.</p>		
9. Results brought forward		
Results brought forward 1 January 2017	1.604.753	1.469
Profit or loss for the year brought forward	<u>466.358</u>	<u>136</u>
	<u>2.071.111</u>	<u>1.605</u>
10. Other provisions		
Other provisions	333.656	387
Change of the year in other provisions	<u>65.888</u>	<u>-53</u>
	<u>399.544</u>	<u>334</u>

11. Mortgage and securities

The company has not provided any mortgage and securities at 31 December 2017.



Notes

Amounts concerning 2017: DKK.

Amounts concerning 2016: DKK in thousands.

12. Contingencies

Contingent liabilities

	DKK in thousands
Leasing liabilities	<u>1.457</u>
Contingent liabilities in total	<u>1.457</u>

The company has entered into operational leasing contracts with an average annual leasing payment of 460 TDKK. The leasing contracts have 38 months left to run, and the total outstanding leasing payment is 1.457 TDKK.

Joint taxation

The company is the administration company of the group of companies subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.

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 Premier Tax Free ApS 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.

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.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

The profit and loss account

Gross profit

The gross profit comprises the net turnover, 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.

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 on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

Other operating costs

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

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 company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable of the income of the Danish consolidated companies is paid to the tax authorities by the company.

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).



Accounting policies used

The balance sheet

Tangible fixed assets

Other 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:

	<i>Useful life</i>
<i>Other plants, operating assets, fixtures and furniture</i>	<i>3-5 years</i>

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 losses are recognised in the profit and loss account as other operating income or other operating expenses.

Leasing contracts

All leasing contracts are considered operational leasing. Payments in connection with operational leasing and other rental agreements are recognised in the profit and loss account over the term of the contract. The company's total liabilities concerning operational leasing and rental agreements are recognised under contingencies etc.

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.



Accounting policies used

Available funds

Available funds comprise cash at bank and in hand.

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.

Premier Tax Free ApS is jointly taxed with the Danish group companies and acts in this respect as the administration company. According to the rules of joint taxation, Premier Tax Free ApS is unlimited, jointly and severally 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.

Payable and receivable joint taxation contributions are recognised in the balance sheet as "Receivable corporate tax" or "Payable corporate tax".

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.

Other provisions

Provisions comprise expected payments to tourists regarding VAT vouchers. Provisions are recognised when the company has a legal or actual liability which is due to a previous event and when it is likely that the settlement of the liability will result in expenditure of the financial resources of the company.

If the settlement of the liability is expected to take place in some remote future, provisions are measured at the net realisable value or at fair value.

Liabilities

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