

POMPdeLUX ApS
Omega 3
8382 Hinnerup
Central Business Registration No 29622035

Annual report 2015/16

The Annual General Meeting adopted the annual report on 28.11.2016


Chairman of the General Meeting

Name: Marianne Hoffmann Dyrbøl

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Entity details

Entity

POMPdeLUX ApS

Omega 3

8382 Hinnerup

Central Business Registration No: 29622035

Registered in: Favrskov

Financial year: 01.07.2015 - 30.06.2016

Phone: 86787871

Internet: www.pompedelux.dk

Executive Board

Marianne Hoffmann Dyrbøl

Entity auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of POMPdeLUX ApS for the financial year 01.07.2015 - 30.06.2016.

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

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 30.06.2016 and of the results of its operations and cash flows for the financial year 01.07.2015 - 30.06.2016.

I believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

I recommend the annual report for adoption at the Annual General Meeting.

Aarhus, 28.11.2016

Executive Board

Marianne Hoffmann Dyrbøl

Independent auditor's reports

To the shareholders of POMPdeLUX ApS

Report on the financial statements

We have audited the consolidated financial statements and parent financial statements of POMPdeLUX ApS for the financial year 01.07.2015 - 30.06.2016, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes for the Group as well as for the Parent and the consolidated cash flow statement. The consolidated financial statements and parent financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the consolidated financial statements and parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the consolidated financial statements and parent financial statements 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 consolidated financial statements and parent financial statements are free from material misstatement.

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

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

Our audit has not resulted in any qualification.

Opinion

In our opinion, the consolidated financial statements and parent financial statements give a true and fair view of the Group's and the Parent's financial position at 30.06.2016 and of the results of their operations og and the Group's cash flows for the financial year 01.07.2015 - 30.06.2016 in accordance with the Danish Financial Statements Act.

Independent auditor's reports

Statement on the management commentary


Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the consolidated financial statements and parent financial statements.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the consolidated financial statements and parent financial statements.

Aarhus, 28.11.2016

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No 33963556


Klaus Tvede-Jensen
statsautoriseret revisor

Management commentary

	<u>2015/16</u> <u>DKK'000</u>	<u>2014/15</u> <u>DKK'000</u>	<u>2013/14</u> <u>DKK'000</u>	<u>2012/13</u> <u>DKK'000</u>	<u>2011/12</u> <u>DKK'000</u>
Financial high-lights					
Key figures					
Gross profit	52.298	76.980	66.383	75.996	74.239
Operating profit/loss	11.909	30.722	28.722	45.603	49.551
Net financials	(359)	(1.350)	(6.582)	(1.646)	(3.693)
Profit/loss for the year	8.547	22.444	16.421	32.981	34.228
Total assets	74.344	59.151	64.267	76.712	67.624
Investments in property, plant and equipment	2.088	859	4.147	1.346	2.570
Equity	23.196	34.856	24.315	40.158	41.281
Ratios					
Return on equity (%)	29,4	64,4	50,9	81,0	82,9
Equity ratio (%)	31,2	58,9	37,8	52,3	61,0

Financial highlights

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2015" issued by the Danish Society of Financial Analysts.

Ratios	Calculation formula	Ratios reflect
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$	The entity's return on capital invested in the entity by the owners.
Solvency ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The financial strength of the entity.

Management commentary

Primary activities

The primary activities of the Group are design of and trade in children's wear.

Development in activities and finances

Profit for the year is DKK 8,547 thousand, which is considered unsatisfactory. Equity amounts to DKK 23,196 thousand at 30 June 2016.

Events during the financial year

POMPdeLUX concentrates on transparency in everything we do in relation to both employees and business partners. This focus is carried out in practice through our CSR activities, which are undergoing constant development.

This financial year, POMPdeLuX has been subject to a fundamental restructuring and domicile relocation, which has affected the performance for the year.

Outlook

Management expects that results will improve in the next financial year.

Particular risks

The Group is exposed particularly to fluctuations in foreign currencies. Management is aware of the exposure and follows developments in foreign exchange rates on an ongoing basis.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises.

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year apart from a few reclassifications.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Accounting policies

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in the income statement and the balance sheet, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates as well as out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in equity.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary write-downs of the relevant inventories.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

Accounting policies

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and plant & equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of internal profits or losses.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with the Parent and all the Parent's other Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise, acquired intellectual property rights.

Accounting policies

The cost of acquired intellectual rights comprises cost, including external fees that are directly and indirectly attributable to the intellectual property rights.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Straight-line amortisation is made on the basis of the estimated useful lives of asset which are 3-5 years.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	5 years
Leasehold improvements	3-5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity plus or minus unamortised positive, or negative, goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity are measured at DKK 0, and any receivables from these enterprises are written down by the Parent's share of such negative equity value if it is deemed irrecoverable. If the negative equity value exceeds the amount receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Accounting policies

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. The proposed dividend for the financial year is disclosed as a separate item in equity.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Deferred tax relating to re-taxation of previously deducted losses of foreign subsidiaries is recognised based on a specific assessment of the purpose of the individual subsidiary.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Accounting policies

Other financial liabilities

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

Income tax receivable or payable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as payment of dividend.

Cash and cash equivalents comprise cash with an insignificant price risk less short-term bank loans.

Consolidated income statement for 2015/16

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK</u>
Gross profit		52.297.553	76.980.487
Staff costs	1	(37.050.523)	(42.263.826)
Depreciation, amortisation and impairment losses	2	<u>(3.338.238)</u>	<u>(3.994.320)</u>
Operating profit/loss		11.908.792	30.722.341
Other financial income		1.429.276	3.376.297
Other financial expenses		<u>(1.788.113)</u>	<u>(4.726.078)</u>
Profit/loss from ordinary activities before tax		11.549.955	29.372.560
Tax on profit/loss from ordinary activities	3	<u>(3.002.946)</u>	<u>(6.928.256)</u>
Profit/loss for the year		<u>8.547.009</u>	<u>22.444.304</u>
Proposed distribution of profit/loss			
Dividend for the financial year		10.000.000	20.000.000
Retained earnings		<u>(1.452.991)</u>	<u>2.444.304</u>
		<u>8.547.009</u>	<u>22.444.304</u>

Consolidated balance sheet at 30.06.2016

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK</u>
Acquired rights		1.572.502	2.836.735
Intangible assets	4	<u>1.572.502</u>	<u>2.836.735</u>
Other fixtures and fittings, tools and equipment		2.463.618	3.278.523
Leasehold improvements		2.192.624	943.887
Property, plant and equipment	5	<u>4.656.242</u>	<u>4.222.410</u>
Other receivables		499.263	998.525
Fixed asset investments	6	<u>499.263</u>	<u>998.525</u>
Fixed assets		<u>6.728.007</u>	<u>8.057.670</u>
Manufactured goods and goods for resale		26.123.469	24.067.927
Inventories		<u>26.123.469</u>	<u>24.067.927</u>
Trade receivables		4.548.882	5.517.724
Other short-term receivables		2.546.301	240.785
Prepayments	8	1.880.684	2.151.316
Receivables		<u>8.975.867</u>	<u>7.909.825</u>
Cash		<u>32.517.004</u>	<u>19.115.086</u>
Current assets		<u>67.616.340</u>	<u>51.092.838</u>
Assets		<u>74.344.347</u>	<u>59.150.508</u>

Consolidated balance sheet at 30.06.2016

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK</u>
Contributed capital		125.000	125.000
Retained earnings		13.070.932	14.730.541
Proposed dividend		<u>10.000.000</u>	<u>20.000.000</u>
Equity		<u>23.195.932</u>	<u>34.855.541</u>
Provisions for deferred tax		<u>349.729</u>	<u>701.982</u>
Provisions		<u>349.729</u>	<u>701.982</u>
Bank loans		24.786.309	0
Trade payables		13.100.395	10.499.942
Payables to group enterprises		1.501.966	0
Income tax payable		802.033	3.290.585
Other payables		9.955.410	9.802.458
Deferred income	9	<u>652.573</u>	<u>0</u>
Current liabilities other than provisions		<u>50.798.686</u>	<u>23.592.985</u>
Liabilities other than provisions		<u>50.798.686</u>	<u>23.592.985</u>
Equity and liabilities		<u>74.344.347</u>	<u>59.150.508</u>
Subsidiaries	7		
Unrecognised rental and lease commitments	11		
Mortgages and securities	12		

Consolidated statement of changes in equity for 2015/16

	Contributed capital DKK	Retained ear- nings DKK	Proposed di- vidend DKK	Total DKK
Equity beginning of year	125.000	14.730.541	20.000.000	34.855.541
Ordinary dividend paid	0	0	(20.000.000)	(20.000.000)
Exchange rate adjustments	0	(206.618)	0	(206.618)
Profit/loss for the year	0	(1.452.991)	10.000.000	8.547.009
Equity end of year	125.000	13.070.932	10.000.000	23.195.932

Consolidated cash flow statement for 2015/16

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK</u>
Operating profit/loss		11.908.792	30.722.341
Amortisation, depreciation and impairment losses		3.338.238	3.994.320
Working capital changes	10	785.621	241.574
Other adjustments		<u>(206.617)</u>	<u>96.500</u>
Cash flow from ordinary operating activities		15.826.034	35.054.735
Financial income received		1.254.454	3.376.298
Financial income paid		(1.613.291)	(4.707.693)
Income taxes refunded/(paid)		<u>(5.843.751)</u>	<u>(13.841.744)</u>
Cash flows from operating activities		9.623.446	19.881.596
Acquisition etc of intangible assets		(529.811)	(102.670)
Acquisition etc of property, plant and equipment		(2.088.026)	(859.300)
Sale of property, plant and equipment		<u>110.000</u>	<u>480.000</u>
Cash flows from investing activities		(2.507.837)	(481.970)
Loans raised		1.500.000	0
Dividend paid		<u>(20.000.000)</u>	<u>(12.000.000)</u>
Cash flows from financing activities		(18.500.000)	(12.000.000)
Increase/decrease in cash and cash equivalents		(11.384.391)	7.399.626
Cash and cash equivalents beginning of year		<u>19.115.086</u>	<u>11.715.460</u>
Cash and cash equivalents end of year		<u>7.730.695</u>	<u>19.115.086</u>
Cash and cash equivalents at year-end are composed of:			
Cash		32.517.004	19.115.086
Short-term debt to banks		<u>(24.786.309)</u>	<u>0</u>
Cash and cash equivalents end of year		<u>7.730.695</u>	<u>19.115.086</u>

Notes to consolidated financial statements

	<u>2015/16</u> DKK	<u>2014/15</u> DKK
1. Staff costs		
Wages and salaries	32.784.448	36.150.622
Pension costs	3.455.660	3.672.201
Other social security costs	806.377	2.441.003
Other staff costs	4.038	0
	<u>37.050.523</u>	<u>42.263.826</u>
Average number of employees	<u>77</u>	<u>73</u>

Referring to §98b of the Danish Financial Statement Act, disclosures on management's remuneration have been omitted.

	<u>2015/16</u> DKK	<u>2014/15</u> DKK
2. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	1.794.044	2.443.837
Depreciation of property, plant and equipment	1.508.927	1.504.941
Profit/loss from sale of intangible assets and property, plant and equipment	35.267	45.542
	<u>3.338.238</u>	<u>3.994.320</u>
	<u>2015/16</u> DKK	<u>2014/15</u> DKK
3. Tax on profit/loss from ordinary activities		
Tax on current year taxable income	3.111.656	7.496.157
Change in deferred tax for the year	(360.000)	(589.208)
Adjustment concerning previous years	251.290	0
Effect of changed tax rates	0	21.307
	<u>3.002.946</u>	<u>6.928.256</u>

Notes to consolidated financial statements

		Acquired rights DKK
		<u>DKK</u>
4. Intangible assets		
Cost beginning of year		15.663.441
Additions		<u>529.811</u>
Cost end of year		<u>16.193.252</u>
Amortisation and impairment losses beginning of year		(12.826.706)
Amortisation for the year		<u>(1.794.044)</u>
Amortisation and impairment losses end of year		<u>(14.620.750)</u>
Carrying amount end of year		<u>1.572.502</u>
	Other fix- tures and fit- tings, tools and equipment DKK	Leasehold improve- ments DKK
	<u>DKK</u>	<u>DKK</u>
5. Property, plant and equipment		
Cost beginning of year	6.639.217	2.163.004
Additions	447.992	1.640.033
Disposals	<u>(699.232)</u>	<u>(943.535)</u>
Cost end of year	<u>6.387.977</u>	<u>2.859.502</u>
Depreciation and impairment losses beginning of the year	(3.360.694)	(1.219.117)
Depreciation for the year	(1.117.631)	(391.296)
Reversal regarding disposals	<u>553.966</u>	<u>943.535</u>
Depreciation and impairment losses end of the year	<u>(3.924.359)</u>	<u>(666.878)</u>
Carrying amount end of year	<u>2.463.618</u>	<u>2.192.624</u>
		Other recei- vables DKK
		<u>DKK</u>
6. Fixed asset investments		
Cost beginning of year		998.525
Disposals		<u>(499.262)</u>
Cost end of year		<u>499.263</u>
Carrying amount end of year		<u>499.263</u>

Notes to consolidated financial statements

	<u>Registered in</u>	<u>Corpo- rate form</u>	<u>Equit y inte- rest %</u>
7. Subsidiaries			
POMPdeLUX NO AS	Oslo	AS	100,0
POMPdeLUX Sverige AB	Malmö	AB	100,0
POMPdeLUX FI Oy	Helsinki	OY	100,0
POMPdeLUX NL B.V	Eindhoven	B.V	100,0
POMPdeLUX DE GmbH	Hamburg	GmbH	100,0
POMPdeLUX A GmbH	Wien	GmbH	100,0
POMPdeLUX CH GmbH	Zürich	GmbH	100,0
POMPdeLUX Outlet ApS	Favrskov	ApS	100,0

8. Prepayments

Prepayments comprise incurred costs relation to subsequent financial years. Prepayments are measured at cost.

9. Short-term deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

	<u>2015/16 DKK</u>	<u>2014/15 DKK</u>
10. Change in working capital		
Increase/decrease in inventories	(2.055.542)	8.920.780
Increase/decrease in receivables	(566.780)	(1.906.963)
Increase/decrease in trade payables etc	3.407.943	(6.772.243)
	<u>785.621</u>	<u>241.574</u>
	<u>2015/16 DKK</u>	<u>2014/15 DKK</u>
11. Unrecognised rental and lease commitments		
Liabilities under rental or lease agreements with third parties until maturity	<u>7.036.924</u>	<u>1.737.591</u>

Notes to consolidated financial statements

12. Mortgages and securities

The Company has provided a floating charge to Nordea Bank Danmark A/S of DKK 15,000,000. The floating charge is granted on unsecured claims arising from sale the sale of goods and services, inventories, operating equipment as well as intellectual property rights.

The carrying amount is per 30.06.2016 DKK 37,400k.

POMPdeLUX Outlet ApS has provided a guarantee to Ringsted Outlet P/S of DKK 181k and POMPdeLux ApS has provided a guarantee to Strålfors Information Logistics of DKK 1.078k.

Parent income statement for 2015/16

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK</u>
Gross profit		41.982.875	48.449.826
Staff costs	1	(34.897.810)	(39.297.033)
Depreciation, amortisation and impairment losses	2	<u>(3.338.238)</u>	<u>(3.994.320)</u>
Operating profit/loss		3.746.827	5.158.473
Income from investments in group enterprises		6.178.297	6.057.195
Other financial income	3	766.001	16.492.113
Other financial expenses	4	<u>(1.154.534)</u>	<u>(179.535)</u>
Profit/loss from ordinary activities before tax		9.536.591	27.528.246
Tax on profit/loss from ordinary activities	5	<u>(989.582)</u>	<u>(5.083.942)</u>
Profit/loss for the year		<u>8.547.009</u>	<u>22.444.304</u>
Proposed distribution of profit/loss			
Dividend for the financial year		10.000.000	20.000.000
Reserve for net revaluation according to the equity method		1.999.828	3.038.506
Retained earnings		<u>(3.452.819)</u>	<u>(594.202)</u>
		<u>8.547.009</u>	<u>22.444.304</u>

Parent balance sheet at 30.06.2016

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK</u>
Acquired rights		1.572.502	2.836.735
Intangible assets	6	<u>1.572.502</u>	<u>2.836.735</u>
Other fixtures and fittings, tools and equipment		2.463.618	3.278.523
Leasehold improvements		2.192.624	943.887
Property, plant and equipment	7	<u>4.656.242</u>	<u>4.222.410</u>
Investments in group enterprises		11.473.432	9.680.222
Other receivables		499.263	998.525
Fixed asset investments	8	<u>11.972.695</u>	<u>10.678.747</u>
Fixed assets		<u>18.201.439</u>	<u>17.737.892</u>
Manufactured goods and goods for resale		26.123.469	19.079.778
Inventories		<u>26.123.469</u>	<u>19.079.778</u>
Trade receivables		473.258	3.049.587
Receivables from group enterprises		888.343	12.728.707
Other short-term receivables		1.335.290	239.078
Tax receivables from group enterprises		0	751.307
Prepayments	9	1.841.454	2.151.316
Receivables		<u>4.538.345</u>	<u>18.919.995</u>
Cash		<u>26.292.139</u>	<u>1.679.410</u>
Current assets		<u>56.953.953</u>	<u>39.679.183</u>
Assets		<u><u>75.155.392</u></u>	<u><u>57.417.075</u></u>

Parent balance sheet at 30.06.2016

	<u>Notes</u>	<u>2015/16</u> <u>DKK</u>	<u>2014/15</u> <u>DKK</u>
Contributed capital		125.000	125.000
Reserve for net revaluation according to the equity method		10.715.575	8.922.365
Retained earnings		2.355.357	5.808.176
Proposed dividend		10.000.000	20.000.000
Equity		<u>23.195.932</u>	<u>34.855.541</u>
Provisions for deferred tax		350.000	710.000
Provisions		<u>350.000</u>	<u>710.000</u>
Bank loans		24.786.309	0
Trade payables		10.972.406	3.381.403
Payables to group enterprises		7.399.663	6.260.365
Income tax payable		1.098.128	3.244.682
Tax payable to group enterprises		0	751.307
Other payables		6.700.381	8.213.777
Deferred income	10	652.573	0
Current liabilities other than provisions		<u>51.609.460</u>	<u>21.851.534</u>
Liabilities other than provisions		<u>51.609.460</u>	<u>21.851.534</u>
Equity and liabilities		<u>75.155.392</u>	<u>57.417.075</u>
Unrecognised rental and lease commitments	11		
Contingent liabilities	12		
Mortgages and securities	13		

Parent statement of changes in equity for 2015/16

	Contributed capital DKK	Reserve for net revalua- tion accor- ding to the equity me- thod DKK	Retained ear- nings DKK	Proposed di- vidend DKK
Equity beginning of year	125.000	8.922.365	5.808.176	20.000.000
Ordinary dividend paid	0	0	0	(20.000.000)
Exchange rate adjustments	0	(206.618)	0	0
Profit/loss for the year	0	1.999.828	(3.452.819)	10.000.000
Equity end of year	125.000	10.715.575	2.355.357	10.000.000
				Total DKK
Equity beginning of year				34.855.541
Ordinary dividend paid				(20.000.000)
Exchange rate adjustments				(206.618)
Profit/loss for the year				8.547.009
Equity end of year				23.195.932

Notes to parent financial statements

	2015/16	2014/15
	DKK	DKK
1. Staff costs		
Wages and salaries	30.859.010	34.990.930
Pension costs	3.358.707	3.597.627
Other social security costs	680.093	708.476
	34.897.810	39.297.033
Average number of employees	75	73
Referring to §98b of the Danish Financial Statement Act, disclosures on management's remuneration have been omitted.		
	2015/16	2014/15
	DKK	DKK
2. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	1.794.044	2.443.837
Depreciation of property, plant and equipment	1.508.927	1.504.941
Profit/loss from sale of intangible assets and property, plant and equipment	35.267	45.542
	3.338.238	3.994.320
	2015/16	2014/15
	DKK	DKK
3. Other financial income		
Financial income arising from group enterprises	394.801	309.990
Interest income	433	5.986
Exchange rate adjustments	370.767	16.176.137
	766.001	16.492.113
	2015/16	2014/15
	DKK	DKK
4. Other financial expenses		
Financial expenses from group enterprises	604.113	0
Interest expenses	273.624	166.058
Other financial expenses	276.797	13.477
	1.154.534	179.535

Notes to parent financial statements

	<u>2015/16</u> DKK	<u>2014/15</u> DKK
5. Tax on profit/loss from ordinary activities		
Tax on current year taxable income	1.098.292	5.651.843
Change in deferred tax for the year	(360.000)	(589.208)
Adjustment concerning previous years	251.290	0
Effect of changed tax rates	0	21.307
	<u>989.582</u>	<u>5.083.942</u>
		Acquired rights
		DKK
6. Intangible assets		
Cost beginning of year		15.663.441
Additions		529.811
Cost end of year		<u>16.193.252</u>
Amortisation and impairment losses beginning of year		(12.826.706)
Amortisation for the year		(1.794.044)
Amortisation and impairment losses end of year		<u>(14.620.750)</u>
Carrying amount end of year		<u>1.572.502</u>
	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK	DKK
7. Property, plant and equipment		
Cost beginning of year	6.639.217	2.163.004
Additions	447.992	1.640.033
Disposals	(699.232)	(943.535)
Cost end of year	<u>6.387.977</u>	<u>2.859.502</u>
Depreciation and impairment losses beginning of the year	(3.360.694)	(1.219.117)
Depreciation for the year	(1.117.631)	(391.296)
Reversal regarding disposals	553.966	943.535
Depreciation and impairment losses end of the year	<u>(3.924.359)</u>	<u>(666.878)</u>
Carrying amount end of year	<u>2.463.618</u>	<u>2.192.624</u>

Notes to parent financial statements

	Investments in group en- terprises DKK	Other recei- vables DKK
8. Fixed asset investments		
Cost beginning of year	757.857	998.525
Disposals	0	(499.262)
Cost end of year	757.857	499.263
Revaluations beginning of year	8.922.365	0
Exchange rate adjustments	(206.619)	0
Share of profit/loss for the year	5.583.057	0
Dividend	(4.178.468)	0
Other adjustments	595.240	0
Revaluations end of year	10.715.575	0
Carrying amount end of year	11.473.432	499.263

Subsidiaries	Registered in	Corpo- rate form	Equity inte- rest %
POMPdeLUX NO AS	Oslo	AS	100,0
POMPdeLUX Sverige AB	Malmö	AB	100,0
POMPdeLUX FI Oy	Helsinki	OY	100,0
POMPdeLUX NL B.V	Eindhoven	B.V	100,0
POMPdeLUX DE GmbH	Hamburg	GmbH	100,0
POMPdeLUX A GmbH	Wien	GmbH	100,0
POMPdeLUX CH GmbH	Zürich	GmbH	100,0
POMPdeLUX Outlet ApS	Favrskov	ApS	100,0

9. Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

10. Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Notes to parent financial statements

	<u>2015/16</u> DKK	<u>2014/15</u> DKK
11. Unrecognised rental and lease commitments		
Liabilities under rental or lease agreements with third parties until maturity	<u>6.236.949</u>	<u>1.737.591</u>

12. Contingent liabilities

The Entity participates in a Danish joint taxation arrangement in which MH Holding Sabro ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore alternatively liable for income taxes etc for the jointly taxed entities, but only for the share by which the Entity is included in the Group and for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities. The total known net liability of the jointly taxed entities under the joint taxation arrangement is evident from the administration company's financial statements.

For period until 30.06.2015 The Entity serves as an administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable from the financial year 2013 for income taxes etc for the jointly taxed entities and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities.

13. Mortgages and securities

The Company has provided a floating charge to Nordea Bank Danmark A/S of DKK 15,000,000. The floating charge is granted on unsecured claims arising from the sale of goods and services, inventories, operating equipment as well as intellectual property rights.

The carrying amount is per 30.06.2016 DKK 37,400k.

POMPdeLux ApS has provided a guarantee to Strålfors Information Logistics of DKK 1.078k.