



Icopal Holding ApS

Lyskær 5
2730 Herlev

Annual Report 2016

Company registration no. 30 61 64 64

The annual report was presented and
adopted at the company's
annual general meeting
on 21 June 2017

Chairman
Henrik Hansen

Icopal Holding ApS

Table of Contents

PAGE

COMPANY DETAILS

Company details	1
-----------------	---

REPORTS

Statement by management on the annual report	2
--	---

Independent auditor's report	3
------------------------------	---

MANAGEMENT'S REPORT

Management's Report	6
---------------------	---

ANNUAL FINANCIAL STATEMENTS

Accounting Policies	7
---------------------	---

Income statements 1 January - 31 December	10
---	----

Balance Sheet 31 December	11
---------------------------	----

Statement of changes in equity	13
--------------------------------	----

Notes to the annual report	14
----------------------------	----

Icopal Holding ApS

Company details

Company	<p>Icopal Holding ApS Lyskær 5 2730 Herlev</p> <p>Company registration no.: 30 61 64 64 Financial period: 1 January - 31 December Municipality of domicile: Herlev</p>
Board of Directors	<p>Jason Ivan Pollack (Chairman) Thomas Joseph Anderson James Russell Schnepfer</p>
Executive Board	<p>James Russell Schnepfer Henrik Hansen</p>
Auditors	<p>Ernst & Young, Godkendt revisionspartnerselskab Osvald Helmuths Vej 4, 2000 Frederiksberg</p>
Consolidated Financial Statements	<p>Icopal Holding ApS is part of the consolidated financial statements for BMI Group Holdings UK Ltd.</p> <p>The consolidated financial statements for BMI Group Holdings UK Ltd. can be obtained from BMI Group Holdings UK Ltd., 20 Air Street 5th Floor, London W1B 5AN or cvr.dk.</p>

Icopal Holding ApS

Statement by Management on the annual report

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Icopal Holding ApS for the financial year 1 January - 31 December 2016.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

We recommend that the annual report be approved at the annual general meeting.

Herlev, 21 June 2017

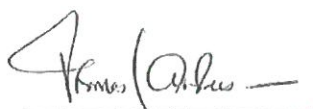
Executive Management


James Russell Schnepfer
CEO


Henrik Hansen
CFO

Board of Directors:


Jason Ivan Pollack
Chairman


Thomas Joseph Anderson


James Russell Schnepfer

Icopal Holding ApS**Independent auditor's report****To the shareholder of Icopal Holding ApS
Opinion**

We have audited the financial statements of Icopal Holding ApS for the financial year 1 January – 31 December 2016, which comprise accounting policies, an income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company's operations for the financial year 1 January – 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Icopal Holding ApS

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of 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.

Independent auditor's report

- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is 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 financial statements, including the note disclosures, and whether the financial statements represent 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 internal control that we identify during our audit.

Icopal Holding ApS

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on our procedures, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Frederiksberg, 21 June 2017
Ernst & Young
Godkendt Revisionspartnerselskab
Company registration no. 30 70 02 28



Søren Skov Larsen
State Authorised Public Accountant



Søren Gammelgaard
State Authorised Public Accountant

Icopal Holding ApS

MANAGEMENT'S REPORT

MAIN ACTIVITY

On 4 April 2016, the company was acquired by Cortes Acquisition Company ApS, as a share-deal from the former owner Investcorp.

The company's main activity is to exercise the ownership of shares in and provide lending to the Icopal Group.

DEVELOPMENT IN THE YEAR

The loss for the year amounted to tDKK 17.389.

The company's equity amounted to tDKK 1.589.479 as of 31 December 2016.

OTHER EVENTS DEEMED SIGNIFICANT FOR THE ANNUAL REPORT

The annual report is not impacted by uncertainty or unusual circumstances.

SUBSEQUENT EVENTS

The company's ultimate parent company, Standard Industries Inc., announced in April 2017 that it had acquired all the shares in the Brass-Monier Group, and that an integration process had commenced between the Brass-Monier and Icopal groups in Europe.

The acquisition has no impact on the company's financial position as at 31 December 2016.

There are no subsequent events of material significance in the assessment of the annual report.

Icopal Holding ApS

Accounting Policies

GENERAL

The annual report is prepared in accordance with the provisions in the Danish Financial Statements Act for Class B entities and elective choice of certain provisions applying to reporting class C entities.

Effective 1 January 2016, the company has adopted Act no. 738 of 1 June 2015. Aside from the new and amended presentation and information requirements arising from Act no. 738 of 1 June 2015, the financial statements are prepared according to the same accounting policy as previous years.

The annual report is prepared in DKK (thousands)

With reference to Section 112 of the Danish Financial Statements Act, there are no consolidated financial statements because Icopal Holding ApS is part of the consolidated financial statements for BMI Group Holdings UK Limited. The consolidated financial statements can be obtained from BMI Group Holdings UK Limited, 20 Air Street, 5th Floor, London W1B 5AN or cvr.dk.

Conversion of foreign currency

Transactions in foreign currency are converted at the transaction date's exchange rate. Gains and losses arising between the transaction date's exchange rate and the payment date's exchange rate are recognised in the profit and loss account as a financial item.

Foreign currency receivables and debt that have not been settled by the balance sheet date are converted at the balance sheet date's exchange rate. The difference between the balance sheet date's exchange rate and the transaction date's exchange rate is recognised in the profit and loss statement as a financial item.

PROFIT AND LOSS ACCOUNT

Administration costs

Administration costs include costs incurred during the year for management and administration of the company, including costs of administrative staff, office space and office expenses, as well as depreciation.

Financial income and expenses

Financial income and expenses comprise interest, expenses, realised and unrealised exchange rate gains and losses on debt and transactions in foreign currency. Financial income and expenses are recognised in the profit and loss account with the amounts relating to the financial year.

Tax for the year

The Company is subject to the Danish rules on mandatory joint taxation.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

The tax expense for the year, which comprises the year's current tax charge, joint taxation contributions and changes in the deferred tax charge – including changes arising from changes in tax rates – is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Icopal Holding ApS**Accounting Policies (cont.)****BALANCE SHEET****Financial assets**

Investments in subsidiaries are measured at cost. If there are indications of impairment, an impairment test is performed. Financial assets are written down to the lower of the carrying amount and the recoverable amount.

Write-downs of investments in subsidiaries are recognised in the income statements under "impairment of financial assets".

Receivables

Receivables are measured in the balance sheet at amortised cost or a lower net realizable value, which corresponds to nominal value less impairment losses.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Equity**Dividends**

Ordinary dividends which management proposes distributed for the financial year is shown as a separate item under equity.

Extraordinary dividends decided during the year are paid immediately after the decision and are reflected in the profit allocation.

Icopal Holding ApS

Accounting Policies (cont.)

BALANCE SHEET

Corporate tax and deferred tax

Current tax payables and receivables are recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on prior-year taxable income and tax paid on account.

Joint taxation contribution payable and receivable is recognised in the balance sheet as "Income tax receivable" or "Income tax payable".

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Liabilities

Liabilities are measured at amortised cost, which essentially equals the nominal value.

Icopal Holding ApS

INCOME STATEMENTS 1 JANUARY - 31 DECEMBER

DKK (thousands)	NOTE	2016	2015
Administration costs		(6.415)	(45.422)
LOSS BEFORE FINANCIAL ITEMS		(6.415)	(45.422)
Financial income	3	656	196
Financial expenses	4	(12.889)	(98.783)
Impairment of financial assets	6	-	(777.336)
LOSS BEFORE TAX		(18.648)	(921.345)
Tax for the year	5	1.259	1.736
LOSS FOR THE YEAR		(17.389)	(919.609)

Icopal Holding ApS

BALANCE SHEET 31 December

ASSETS			
DKK (thousands)	NOTE	2016	2015
Investments in subsidiaries	6	2.009.577	2.009.577
NON-CURRENT ASSETS		2.009.577	2.009.577
Tax assets		342	91
Income tax receivables		34.867	11.212
Other receivables		-	629
CURRENT ASSETS		35.209	11.932
TOTAL ASSETS		2.044.786	2.021.509

Icopal Holding ApS

BALANCE SHEET 31 December

LIABILITIES			
DKK (thousands)	NOTE	2016	2015
Share capital		224.091	224.091
Retained earnings		1.365.388	1.382.777
EQUITY		1.589.479	1.606.868
Loans from Group entities		12.064	10.978
NON-CURRENT LIABILITIES	7	12.064	10.978
Payables to Group entities		420.796	379.531
Income tax		22.391	-
Other payables		56	24.132
CURRENT LIABILITIES		443.243	403.663
TOTAL LIABILITIES		455.307	414.641
TOTAL EQUITY AND LIABILITIES		2.044.786	2.021.509
Subsequent events	2		
Contingent liabilities and other financial commitments	8		
Related parties	9		

Icopal Holding ApS

Statement of changes in equity

DKK (thousands)

	Note	Share capital	Retained earnings	In total
Equity 01.01.2015		224.091	2.302.386	2.526.477
Transfer, see appropriation of profit/loss	1		(919.609)	(919.609)
Equity 01.01.2016		224.091	1.382.777	1.606.868
Transfer, see appropriation of profit/loss	1		(17.389)	(17.389)
Equity 31.12.2016		224.091	1.365.388	1.589.479

The company's share capital amounts to DKK 224 million and are divided as shown below:

201.796 A-shares of DKK 10

477.400 B-shares of DKK 1

22.154.603 C-shares of 10

10.000 D-shares of 1

10.000 E-shares of 1

10.000 F-shares of 1

10.000 G-shares of 1

10.000 H-shares of 1

10.000 D-shares of 1

1 I-share of DKK 1

1 J-share of DKK 1

1 K-share of DKK 1

Analysis of changes in the share capital over the past five years:

	2016	2015	2014	2013	2012
Balance at 1 January	224.091	224.091	224.091	224.091	17.470
Capital increase					206.621
Balance at 31 December	224.091	224.091	224.091	224.091	224.091

Icopal Holding ApS

NOTES TO THE ANNUAL REPORT

DKK (thousands)	2016	2015
NOTE 1 - APPROPRIATION OF PROFIT/LOSS		
Suggestion for profit allocation:		
Transferred to equity reserves	(17.389)	(919.609)
TOTAL	(17.389)	(919.609)

NOTE 2 - SUBSEQUENT EVENTS

The company's ultimate parent company, Standard Industries Inc., announced in April 2017 that they had acquired all the shares in the Brass-Monier Group, and that an integration process had commenced between the Brass-Monier and Icopal groups in Europe.

The acquisition has no impact on the company's financial position as at 31 December 2016.

There are no subsequent events of material significance in the assessment of the annual report.

NOTE 3 - FINANCIAL INCOME

Other interest income	2	-
Exchange rate adjustments for foreign currency transactions	654	196
TOTAL	656	196

NOTE 4 - FINANCIAL EXPENSES

Interest expenses to Group entities	1.123	998
Other interest expenses	7.971	10.886
Other financial expenses	3.795	86.430
Exchange rate adjustments for foreign currency transactions	-	469
TOTAL	12.889	98.783

NOTE 5 - TAX ON PROFIT FOR THE YEAR

Current tax for the year	(1.008)	(647)
Adjustment of deferred tax	(251)	31
Adjustment of current tax relating to previous years	-	(1.120)
TOTAL	(1.259)	(1.736)

Icopal Holding ApS

NOTES TO THE ANNUAL REPORT

DKK (thousands)

NOTE 6 - FINANCIAL ASSETS

	Investments in subsidiaries
Cost price at 1 January	2.786.913
Cost price at 31 December	2.786.913
Value adjustments at 1 January	(777.336)
Value adjustments in the year	-
Value adjustments at 31 December	(777.336)
Book value at 31 December	2.009.577

Subsidiary:

Name	Location	Interest	Share capital	Equity	Loss for the year
RFG Midco ApS	Denmark	100%	500	1.874.093	(27.076)

NOTE 7 - NON-CURRENT LIABILITIES

The entire long-term debt matures in 1 to 5 years.

NOTE 8 - CONTINGENT LIABILITIES AND OTHER FINANCIAL COMMITMENTS

The company has no operational leases and lease agreements.

The company is jointly taxed with other Danish units and is jointly and severally liable for Danish company and withholding taxes.

A tax audit regarding the income years 2012 and 2013 is currently on-going. It is management opinion that, apart from what is recognised in the balance sheet, the outcome of the tax audit, will not have a material impact on the company's financial position.

NOTE 9 - RELATED PARTIES

Controlling interest	Basis
Cortes Acquisition Company ApS, Lyskær 5, 2730 Herlev	Danish parent company (100%)

Icopal Holding ApS is part of the consolidated financial statements for BMI Group Holdings UK Ltd.

The consolidated financial statements for BMI Group Holdings UK Ltd. can be obtained from BMI Group Holdings UK Ltd., 20 Air Street 5th Floor, London W1B 5AN or cvr.dk.

Transactions

All transactions with related parties are effected at market terms.