The annual report has been presented
and adopted at the Company's
Annual General Meeting on 31 May 2018

(Chairman)

P-WT 2007 A/S

Malmøgade 3, København Ø, Denmark
Business Register No. (CVR-nr.) 31 07 45 41

Annual Report 2016/2017

(1 October 2016 – 31 December 2017)

Contents

Financial highlights and key ratios

DKK mio.	2016/17 (15 months)	2015/16	2014/15	2013/14	2012/13
Statement of comprehensive income					
Revenue	1,111	863	858	852	832
Gross profit	377	306	291	287	274
EBITDA	101	98	84	85	75
Profit/loss from ordinary activities	73	50	24	37	11
Profit/loss for the year	13	50	24	37	11
Comprehensive income for the year	13	50	24	38	16
Balance sheet					
Total assets	1,014	1,028	998	932	950
Investment in property, plant and equipment	67	57	42	24	23
Equity	507	498	448	420	383
Cash flows					
Cash flows from operating activities	159	48	9	66	22
Cash flows from investing activities, net	-47	-41	-35	-16	-15
Thereof, investment in property, plant and equipment	-19	-12	-11	-13	-8
Cash flows from financing activities	-44	1	2	-13	-4
Total cash flows	-68	7	-24	36	3
Employees					
Average number of employees	554	535	546	553	554
Financial ratios stated as a percentage					
Gross margin	33.9	35.5	33.8	33.7	32.9
Operating margin	6.5	9.0	8.1	8.2	6.5
Return on invested capital	7.3	7.8	7.3	7.4	5.9
Solvency ratio	50.8	48.5	44.9	45.1	40.3
Return on equity	2.6	10.5	2.2	3.6	0.5

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015".

For definitions, please see the accounting policies.

Year in short

Our strategic efforts to optimise PWT Group's business and improve the customer's experience continued during the financial year as we invested in the sales force as well as our online presence and omni-channel approach. We furthermore strengthened our footprint in Norway, Sweden and China, while ensuring a focused retail presence in Denmark.

The Group's financial performance was not satisfactory as our Danish retail chains were not able to maintain the momen tum of recent years in a challenging market. Our product mix entailed a shift towards a larger share of products at lower price points, and these developments combined with sizeable investments in the future put pressure on profitability.

We are committed to re-balancing the Group's product mix to accommodate customer demand across platforms, while simul tane ously generating satisfactory profit ability in 2018 and beyond.

Word from the CEO of PWT Holding – PWT Group dressed for the future

The employees of PWT Group continued their dedicated efforts to build a stronger business during the financial year, and we took important steps in the right direction as we invested in the Group's physical presence in Denmark and abroad as well as our omni-channel sales across stores and online platforms. Our strategic work is thus on track, and we remain committed to our overall financial ambitions and PWT Group's vision of maintaining our leading position in Denmark and expanding abroad.

While our strategic efforts progressed well during the year, our financial results were not satisfactory in 2016/17, which covered 15 months due to a change in the Group's accounting year. Our Danish retail chains have historically outperformed competition and won market shares in a challenging Danish retail market, but we were not able to maintain this trend in 2016/17. While we did see negative effects of the bad summer weather and general market developments, the most significant impact on sales and profitability was driven by an unfavourable change in our product mix. In short, we sold more products at lower price points from a product range that had become too broad.

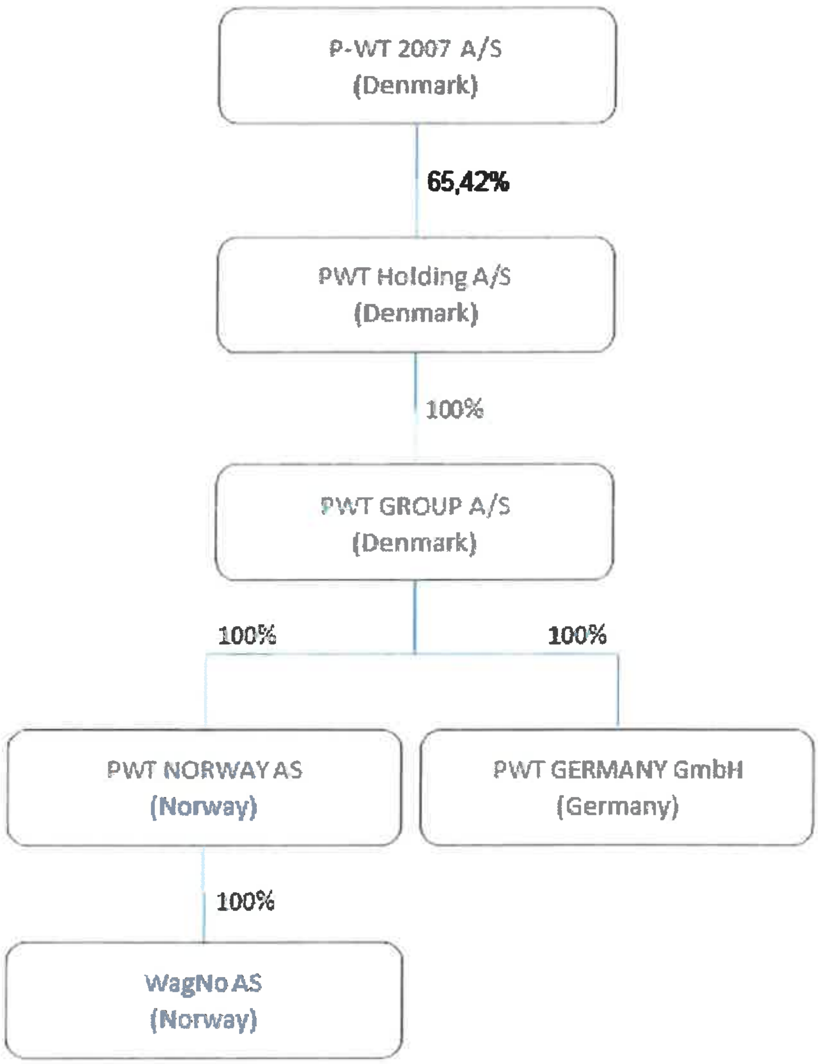
We have set in motion a number of initiatives to re-balance and focus our product range with a view to accommodating customer demand, while simultaneously returning to satisfactory profitability levels. We will reduce the number of designs in our collections to ensure sharpened attention on each product in terms of design and sourcing, and we have established a working group focused on optimisation, simplification and cooperation across the business. The share of entry price products will be reduced to allow for larger shares of medium-range and premium products that better fits market demand and will contribute to improving earnings. Finally, we are accelerating omni sales to further strengthen our competitiveness against other retail chains and dedicated online stores.

We are tailoring our product offering to meet customers' demand, ensure satisfactory profitability and build a stronger business poised for growth and prepared to seize the opportunities of the digital age. That is certainly a balancing act, and while we did encounter a bump on the road during the financial year, we are confident that PWT Group is well-positioned to return to the positive trajectory of previous years.

Ole Koch Hansen
CEO PWT Holding A/S

MANAGEMENT COMMENTARY

Group chart



Group activities

PWT Group is a leading Scandinavian menswear business, which owns and operates the two menswear chains, Tøjeksperten and Wagner, and the international brand and wholesale company within menswear, PWT Brands.

PWT Group's own two retail chains are operated under separate names and with focus on different target groups as the strategy also sets out to further optimise management and back office functions handling procurement, marketing and administration in order to capitalise on synergies and obtain economies of scale.

Tøjeksperten is the largest menswear chain in Denmark with 110 shops across the country, of which 60 are owned by the Group, while 50 are franchises. Tøjeksperten focuses on quality clothing for fashion-conscious men of all ages and sells both its own and external brands.

Wagner has 53 shops in Denmark and 18 in Norway. 27 Danish and 17 Norwegian shops are owned by the Group, while 26 Danish shops are franchises. Wagner primarily sells the Group's own brands.

PWT Brands is an international brand and wholesale company offering distinctive brands with a full product range within menswear. PWT Brands develops, produces and sells a wide range of strong brands – Lindbergh, Shine Original, Bison, JUNK de LUXE, Morgan, Jack's Sportswear Intl. and Huzar, which i.a. are sold by the Group's own two retail chains. In addition, the Group's brands are sold by more than 1,100 independent retailers in more than 25 countries.

Performance in the year under review

The Annual Report covers the 15-month period 1 October 2016 - 31 December 2017 as the Company has changed its accounting year to follow the calendar year in connection with a business combination. Because of the Company's nature and scope, including seasonality of the Group's activities, changes in total revenue, operating profit (EBITDA), net profit, equity, cash flows and notes relating hereto for the period 1 October 2016 - 31 December 2017 are not comparable with the 2015/16 financial year figures covering a period of 12 months.

PWT Group's performance in the financial year was not satisfactory as developments in total revenue and operating profit (EBITDA), among other metrics, did not reflect the expanded reporting period of 15 months against the 12 months covered in the 2015/16 Annual Report.

Total revenue came to DKK 1,111 million for the 2016/17 financial year covering 15 months against DKK 863 million in the 12 months of the prior financial year. The Group's wholesale business and retail chains were not able to maintain the momentum of recent years. The Norwegian business grew the number of shops and contributed positively to Group revenue.

Operating profit (EBITDA) was unsatisfactory and came to DKK 101 million corre sponding to an EBITDA margin of 9.1% for the 15 months ending on 31 December 2017 against DKK 98 million and 11.4% for the 12 months ending 30 September 2016. The decline in PWT Group's EBITDA margin was driven by the revenue development and negatively impacted by the Group's product mix as sales shifted towards a larger share of products at lower price points compared to recent years. This resulted in a lower contribution margin, which was supplemented by higher costs. Expansion in Norway, investments in our online business and other initiatives were made to maintain turnover under the current market conditions, and these measures put pressure on the EBITDA margin.

The Group's Danish retail chains, Wagner and Tøjeksperten, were challenged by the general market conditions in the Danish retail market during the financial year, and the chains did not maintain the positive momentum from recent financial years. During the 15 months ending on 31 December 2017, the chains generated revenue of DKK 701 million against DKK 549 million for the 12 months ending on 30 September 2016, and operating profit (EBITDA) of DKK 76 million corresponding to an EBITDA mar gin of 10.8% against DKK 64 million and 11.7%. Despite the slower development in the financial year, the two chains continue to have a strong market position and a solid basis for a substantial earnings increase when market conditions improve.

The brand and wholesale business segment, PWT Brands, saw stable revenue of DKK 614 million against DKK 484 million in the prior financial year, with operating profit (EBITDA) reaching DKK 35 million corresponding to 5.6% in the 15-month period against DKK 39 million and 8.1% for the 12 months ending on 30 September 2016.

The Group's segment 'Other units' comprises online business B2C and retail outside Denmark. The segment's contribution to revenue and operating profit (EBITDA) was DKK 100 million and DKK -9 million, respectively, against DKK 59 million and DKK -5 million in the prior financial year. PWT Group's Norwegian Wagner shops grew revenue following sales growth in existing shops and opening of new shops. The Norwegian business saw a decline in the contribution margin and higher costs from shop openings, among other things, and these developments drove a lower contribution to the Group's EBITDA margin.

The Group's financial expenses increased in 2016/17 due to adjustment of fair value of financial instruments arising from currency hedging in relation to the Group's clothes production, foreign exchange adjustmens and cost of bonds reissued. The profit before tax came to DKK 25 million in the 15 months ended 31 December 2017 against DKK 55 million in the prior financial year.

Operational optimisation

PWT Group continued its strategic efforts to optimise its business and improve the customer's experience with its brands and chains. Operational improvements continued, and the following results were achieved during the year:

- We invested in a strengthening of the sales force and our online presence, and our online sales continued the positive trend on the back of updated websites and new hires.
- Our omni channel approach has seen further progress with touch screens installed in our shops, among other things.
- In Norway, our footprint has increased to 18 shops following steady progress, and the majority of our new stores are seeing a positive development in revenue, whereas there is room for improvement in terms of contribution margin and cost level.
- Wagner's Swedish franchises saw positive developments with 5 new shops opening in 2016/17 and more coming in 2018.
- PWT Group's retail chains' customer club now has more than 600,000 members accounting for around 50% of retail revenue.
- PWT Group's joint venture with a Chinese partner and IFU is progressing, and 3 new Wagner shops opened in China in 2016/17, bringing the total number of shops to 18. Efforts to strengthen the joint venture will continue in 2018

Retail Denmark

Tøjeksperten

During the year, PWT Group's largest retail chain, Tøjeksperten, opened 3 stores and closed 4 stores. The chain reduced costs and thus protected the strong profitability reached in the prior year despite lower average revenue and contribution margin.

Wagner

Retail chain Wagner focused the network in Denmark, opening 6 new stores and closing 9 stores. Simultaneously, focused efforts were made to improve profitability in the coming period as revenue and contribution margin were under pressure in 2016/17.

PWT Group's new strategy in Norway has been implemented as the Group has focused the store network by opening 5 Wagner menswear stores in larger cities and closing combined menswear and womenswear stores in other areas. The process has been complex and dragged out, entailing a negative development in earnings in 2016/17 but improved prospects for the coming period.

Wholesale Worldwide

PWT Brands recorded stable revenue, but the contribution margin declined and costs increased during 2016/17. The order book remains stable, and PWT Group has retained staff to be able to seize growth opportunities when the Group's product mix has been re-balanced.

Events after the balance sheet date

No material events have occurred after the financial year-end.

Outlook

In 2018, PWT Group expects operating profit (EBITDA) to develop positively compared to the calender year 2017', driven by sharpened focus on customer demand and an improved contribution margin and cost reductions in a competitive and challenged market.

In the medium term (3-5 years), PWT Group aims to report annual revenue growth in the range of 2-5% with operating profit (EBITDA) improving around 10% in amount despite a continuation of the challenging market conditions. Growth is expected to be driven by increasing export sales of the Group's brands to independent retailers, our omni-channel sales across stores, online platforms and continued progress by the Group's retail chains, and profitability is expected to increase due to continued focus on operational optimisation.

Risk management

Risk management is an integrated part of the managerial process in PWT Group to limit uncertainties and risks in relation to the financial and strategic targets defined for the Group. As part of the annual update and approval of the strategy plan, Management assesses relevant business risks. For the purpose of risk assessment, Management considers, when required, the policy on currency risks adopted by the Board of Directors.

The Executive Board is responsible for ensuring that risks are continuously identified, assessed and accounted for in order to reduce any financial implications and probability of them becoming reality.

Operating risks

The Group's primary operating risks relate to the Group's ability to maintain a leading position on the Danish market for menswear.

The Group operates primarily within retail trading, which is sensitive to market fluctuations, as socioeconomic developments and private spending impact revenue and earnings. PWT Group is particularly affected by economic trends in Denmark from where the vast majority of Group revenue derives. Management regularly keeps track of realised and forecast market development to adjust costs and activities.

To counter market-related risks, the Group has, in recent years, invested heavily in developing the Group's brands and sale on the primary export markets by the wholesale business.

In Management's view, the notably strong market position diversifies and reduces operating risks to a certain degree.

Financial risks

The Group manages its financial risks centrally as well as coordinates liquidity management and funding. Together with the Board of Directors, Management annually assesses the Group's most important risks and, by way of regular monthly reporting, reports on aspects which may materially affect the Group's activities and risks. Corporate policy is not to engage in any speculation in financial risks, see note 35.

Internal control and risk management systems for financial reporting purposes

The Board of Directors and the Executive Board are overall responsible for risk management and internal controls in the Group for financial reporting purposes.

The Group's organisational structure and staff numbers are addressed at board meetings. In relation to the financial reporting process, Management pays special attention to the following internal controls, supporting a satisfactory financial reporting process:

- Credit rating of debtors
- Assessment of the valuation of USD positions
- Assessment of accrual and valuation of inventories

PWT Group has established a Group reporting process comprising monthly reporting in the form of budget follow-up, performance assessment and compliance with defined targets.

On the basis of the Group reporting and reporting on other selected areas, five board meetings are held each year at which the reporting received is discussed and assessed.

Moreover, central persons from the Group participate in the board meetings at which they describe and account for the risks and controls within their areas of responsibility.

Capital resources

Management regularly assesses the appropriateness of the Group's capital structure. At 31 December 2017, net interest-bearing debt of the Group had been reduced to DKK 263 million from DKK 375 million on 30 September 2016.

PWT Group has repaid its former senior secured bonds of DKK 300 million and issued new bonds of DKK 275 million listed at Nasdaq Stockholm. The bonds do not come with a fixed repayment schedule and are not subject to specific covenants other than full repayment in October 2022.

CORPORATE SOCIAL RESPONSIBILITY

In its capacity as a portfolio company under Polaris Private Equity, P-WT 2007 complies with the recommendations of the Danish Venture Capital and Private Equity Association (DVCA).

Reference is made to www.DVCA.dk for further information on the guidelines.

The global textile industry represents a range of risks towards human and labour rights, the environment, and anti-corruption, and PWT Group is well aware that being one of the large Danish textile companies in this industry comes with a responsibility. The Group continously identifies and addresses negative impacts that it is causing through its own business operations as well as the ones it is contributing to or connected to through its business relationships.

We want to dress men – with care for people and planet. PWT Group is convinced that working strategically with CSR is essential in order to ensure success within the three overall strategic focus areas;

PRODUCTS, CUSTOMERS AND GROWTH:

PRODUCTS	CUSTOMERS	GROWTH
Ensuring a sustainable **PRODUCTION** of textiles	Being able to meet **CUSTOMERS'** demands	Working strategically with CSR as a driver for sustainable **growth**
Responsible buying and design processes	Products without harmful chemicals or substances	Good moral and ethics
Proper working conditions	Sustainable usage of products	Continuously assess and improve
Environmental responsibility	CSR into the brands' storytelling	Cooperation and partnerships
Amfori BSCI and Accord engagement		

POLICY FRAMEWORK

PWT Group's sustainability work is based on the approach set forth in the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGP's), and PWT Group is committed to comply with internationally recognized principles for sustainability.

The CSR Policy Commitment, which covers social, environmental and economic sustainability, as well as animal welfare, is the general policy framework for the sustainability work. It has been endorsed by management and is included in the supplier manual which all suppliers are obliged to read and comply with. It describes how PWT Group works on developing and implementing due diligence processes in its business and throughout the supply chain.

Tackling global and wide-spread risks and challenges cannot be achieved by one company alone, and PWT Group firmly believes that working in partnerships leads to greater impact. Therefore, the Group is engaged with numerous organizations and initiatives, including:

DUE DILIGENCE PROCESSES

PWT Group has worked hard to develop and establish processes that enables the Group to identify, prevent, mitigate and remedy any potential or actual adverse impacts. Implementing such processes requires a continuous effort – and a lot of time and capacity building.

Among other things, a self-assessment procedure has been developed– one internally for PWT Group and one for the active factories. The self-assessment documents are based on Global Compact's 'SelfAssessment Tool', covering challenges with regard to business conduct, human and labour rights, environment and anti-corruption, as well as animal welfare. The individual self-assessments are regularly distributed to the factories in order to develop and maintain an open dialogue with factory managers.

PWT Group is working with a risk overview that is used in the monitoring and prioritizing of the suppliers. Some of the most predominant risks of negative impacts within the textile industry are the following[1]:

People

- Child labour
- Discrimination
- Forced labour
- Excessive overtime work
- Unsafe working environment
- Rights to collective bargaining and trade union activity
- Minimum wages below living wage

[1] Based on the OECD's "Due Diligence Guidance for Responsible Supply Chains in the Garment & Footwear Sector".

Planet

- Water and air pollution
- Energy consumption
- Excessive usage of water
- Usage of hazardous chemicals
- Undignified treatment of animals

Anti-coruption

- Facilitation money
- Conflict of interests
- Bribery
- Extortion
- The below tables show our primary due diligence processes in regard to our supply chain.

Requrements for supplies

- Sign and comply with CoC
- Sign and comply with REACH regulation in regard to no usage of harmful chemicals
- Provide valid building and fire safety documents
- Work with BSCI (or SA8000 or SEDEX)
- Work with the Accord (only Bangladeshi factories)

On-going actions for the suppliers

- BSCI inspections and remediation work
- Accord inspections and remediation work (only Bangladeshi factories)
- Self-Assessments
- Factory visits
- Testing
- Continuous dialogue with PWT Grou

COMMUNICATION AND REPORTING

PWT Group strives to report and communicate openly about the sustainability work and the risks facing the business.

The Group communicates about the CSR work on different occasions, and all policies are presented on the website.

GRIEVANCE MECHANISM

Employees at PWT Group can report grievances or suggestions to the working environment committee. On the website, a grievance mechanism has also been set up, and both internal and external stakeholders can report through this. Until now, no complaints have been received through the complaint mechanism. Potential complaints will be handled with care for anonymity.

Through the Accord initiative, workers at factories in Bangladesh who are part of the Accord, have access to an anonymous grievance mechanism which is handled by the Accord administration. This includes a hotline to which workers can call and raise a complaint. On the Accord's website you can read more about the procedure and results2. Until now, PWT Group has not received any complaints regarding the Group's active factories.

Through the amfori BSCI system, factories' grievance procedures are assessed – and they are expected to have a complaint/suggestion box.

PEOPLE

When it comes to human- and labour rights, the most predominant risk of adverse impacts arises from the production. Accordingly, PWT Group dedicates the vast majority of its CSR efforts to supporting suppliers in identifying, preventing and addressing adverse impacts on workers and the surrounding community.

The Danish context equals less risks, the Group still needs to continuously work on its own internal due diligence system, so that it can address potential and actual adverse impacts in its own business. This area has therefore been divided into 'internal procedures' and 'Supply Chain Management'.

INTERNAL PROCEDURES

Policy

The policy base for the internal work within this area is the Employee Handbook and the Code of Conduct. All new employees receive a copy of the Employee Handbook. The CoC was updated in autumn 2016 and follows the approach set forth in the OECD Guidelines and the UNGPs with focus on establishing a management system and a 'know and show' approach.

Actions and results

The most important resources for PWT Group are its employees, and the Group wants to ensure a satisfying and inspiring working environment. The working environment committee continuously assesses the working environment and makes recommendations for improvements. PWT Group generally promotes health and well-being at work and all employees are offered a health insurance scheme. During the year, the staff organization organizes events, seminars and workshops for social and educational purposes.

In 2017, PWT Group conducted a self-assessment, and in regards to human and labour rights, three risks were identified, covering; physical overload, excessive overtime, and lack of diversity. To all three issues, action plans have been set up.

SUPPLY CHAIN MANAGEMENT

Sourcing countries

PWT Group does not own any factories, but we cooperate with a range of suppliers; mainly from Bangladesh, China, Pakistan, Cambodia, Turkey and Portugal.

Policy

PWT Group requires suppliers to sign and comply with the Code of Conduct. Also, all suppliers are expected to send us valid building and fire safety certificates for all active factories[2].

PWT Group has, since 2013, been an active member of the amfori (earlier FTA) and the amfori BSCI platform is actively used as the main certification system. Suppliers are expected to work with the amfori BSCI (or other certification systems as SEDEX, or SA8000), but in cases where the factory has not yet started the BSCI process, PWT Group is willing to enter into a cooperation and then expects them to join over time.

Since 2013, PWT Group has been an active member of the Accord – an initiative aiming to create improvements within fire, building and electricity safety at production factories in Bangladesh. Through the initiative, PWT Group is committed to maintaining our sourcing volume in Bangladesh. PWT Group is

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[2] Building and fire safety (as well as electrical safety) is included in the scope of the Accord and amfori BSCI, but PWT Group still asks suppliers to provide these official documents

also committed to require all active Bangladeshi suppliers to work with the Accord Inspection Programme, help secure reme diation, and support worker participation and training programmes at the factories. The current Accord will end in May 2018, and PWT Group has already signed the 'Accord 2.0', which will take over from June 1, 2018.

Actions and results
PWT Group has intensified the daily dialogues with suppliers and factory managers substantially. In regards to collecting building and fire safety certificates, this effort has been intensified, but the aim of 100% for top 50-suppliers has not yet been accomplished.

In regards to the amfori BSCI work, PWT Group is in daily contact with suppliers regarding coming inspections, feedback and support, etc. The yearly third-party assessments of the factories' remediation work are used to promote dialogue and raise awareness with the factory managers.

77% of the top-50 suppliers are at an acceptable level in regards to the BSCI remediation work. However, PWT Group continuously works to support further improvements for these suppliers. 10% of the top-50 suppliers are at a non-acceptable level, and we are regularly in dialogue with them on how to ensure improvements. For the 13% who are not yet working with BSCI, we keep the dialogue open and encourage them to join the initiative.

In regard to the Accord work, inspection reports are received and acted upon on a daily basis. PWT Brands sources from 19 factories in Bangladesh – and PWT Group is 'lead brand' on 11 of these. The Accord also includes an extensive training programme for the factories' safety committees. Currently, 11 active factories and one inactive factory are participating in the programme. PWT Group has asked the Accord to include three additional factories to the programme, and they are expected to start the process during spring 2018. Three factories have completed the training program, and the remaining 12 factories are expected to complete the training program before May 2018. PWT Group encourages suppliers to participate in this, as local capacity building is an important tool for advancement within sustainability.

PLANET

The textile industry represents some serious adverse impacts on the environment – especially when it comes to the production and extraction of raw materials, as well as manufacturing of the readymade garments. PWT Group wants to take on its responsibility on these matters by supporting the suppliers in reducing the adverse impacts. Internally, the Group also wants to prevent and mitigate adverse impacts on the environment. Until now, CSR efforts have primarily focused on social sustainability in the supply chain, but PWT Group is committed to strengthening its work in regard to environ mental sustainability within the next few years.

Policy
The Group has not yet established a policy for this area, but plans to do so within the next few years. However, the area is covered in both our CSR Policy and CoC. When it comes to the suppliers, they are assessed on their work with environmental issues within the amfori BSCI scope. PWT Group is also exploring the possibility of strengthening the monitoring of its suppliers' work with environmental sustainability, through different systems.

In regards to the use of chemicals, all suppliers are required to sign a REACH declaration – they need to guarantee that their products comply with the REACH EU Directive. For many years now, PWT Group has required its suppliers to guarantee the non-use of AZO dyes.

In regard to animal welfare, all relevant suppliers need to sign and comply with the Animal Welfare Policy, which states, among other things, that PWT Group only accepts leather from animals bred for the food industry, that mulesing is not acceptable, and that no animals are to be skinned or plucked alive.

Actions and results
During PWT Group's self-assessment, issues were identified covering; transport, chemical testing, material use, and usage of our products (wash, recycling, etc.). To all issues, action plans have been set up.

PWT Group has worked diligently with both collecting REACH declarations and oekotex certificates from its suppliers, as well as strengthening the testing program. Until now, 99% of the tested products have passed the chemical testing in first try, and PWT Group is really proud of its suppliers' work in this regard. Going forward, the program will be strengthened by focusing on product groups with high risks (like leather).

Currently, 11 suppliers have a valid oekotex certificate, while 17 factories have provided oekotex certificates from their suppliers.

ANTI-CORRUPTION
PWT Group wishes to combat corruption and bribery and seeks to promote openness and transparency. The Group is aware that being present in countries like China and Bangladesh, it needs to be very attentive to the risk of corruption.

Indeed PWT Group's sourcing countries represent high-risk of corruptive business conduct:

COUNTRIES	RANKING OUT OF 176
Bangladesh	145
China	79
Pakistan	116
Cambodia	156
Turkey	75
Portugal	29

Source: Transparency International, Corruption Perceptions Index 2017

https://www.transparency.org/news/feature/corruption_perceptions_index_2017#table

Policy
PWT Group has established an Anti-Corruption Policy, which is based on the UN Convention against Corruption and signed by The Executive Board. It is included in the Employee Handbook and Supplier Manual.

Actions and results

The Anti-Corruption Policy was developed and implemented during 2017. Together with the policy, a 'Facilitation and Hospitality Register' was set up. Until now, three gifts have been registered and approved by management. The policy and procedure have been communicated internally, but during the coming years the aim is to communicate more about it in order to ensure integration throughout the business activities. During PWT Group's self-assessment process, one issue was identified concerning lack of training among employees. An action plan has been set for the issue.

CLOSING REMARKS

Across all three CSR areas, PWT Group has a range of future actions that it aims to onboard within the coming years. Among others, to develop more training material/information and conduct more training on CSR matters across the Group, to continue to strengthen the dialogues with suppliers, and to continue cooperating with different stakeholders.

PWT Group acknowledges that sustainability work is a long term and perpetual process requiring resources and time. The Group considers the CSR agenda as a fundamental and decisive factor for ope rating a sound and sustainable business, and it will continue its intensified engagement within the CSR agenda.

CORPORATE GOVERNANCE

PWT Group is a Group primarily owned by Polaris Private Equity, which holds a 65% stake. Other major shareholders include Ole Koch Hansen (CEO and board member) with a stake of 16%. In addition, the rest of the general management, the Board of Directors and former owners hold a stake of 19%. Reference is made to note 31-32 on related party disclosures and ownership.

Three members serve on the Board of Directors. The Board members are nominated and elected by the shareholders. Five board meetings were held during the financial year. Additionally, the chairman of the Board of Directors and the Executive Board meet approx. every second month. Extraordinary meetings are convened if mandated by the circumstances.

The duties of the Board of directors and the Executive Board are i.a. set out in PWT Group's Articles of Association, the Danish Companies Act, the Danish Financial Statements Act and good practice for enterprises of a similar size. In addition – in its capacity as a private equity-company – the Group complies with the guidelines for corporate governance.

The Board of Directors oversees that the Executive Board complies with the strategies and objectives laid down. Each month, the Executive Board reports in writing on the Group's position and on movements in profitability and capital resources.

The Board of Directors and the Executive Board are responsible for the Group's risk management and internal controls for the purpose of financial reporting. Organisational structure and internal guidelines make up the control environment together with laws and other rules applying to the Group. The Executive Board regularly assesses the Group's organisational structure as well as sets out and approves overall policies, procedures and controls relating to the financial reporting process.

PWT has developed a formal Group reporting process, comprising monthly reporting, which includes budget follow-up, assessment of performance as well as compliance with strategies adopted and targets laid down.

The Group has set up an audit committee. External auditors participate in board meetings and meetings in the audit committee as required by the circumstances, however, at least once year. The Board of Directors performs the duties set out in section 31.2 of the Danish Act on Approved Auditors and Audit firms.

The General Meeting has not granted any special powers, e.g. to dividend distribution.

REPORT ON THE GENDER COMPOSITION IN MANAGEMENT, CF. SECTION 99 B OF THE DANISH FINANCIAL STATEMENTS AC

Women are underrepresented on both the Board of Directors and in Management. The Board of Directors in the reportable entities (P-WT 2007 A/S, PWT Holding A/S and PWT Group A/S) has passed a resolution to the effect that the number of women serving on the Board of Directors must account for 20% on or before 1 April 2019. All reportable entities strives to find suitable female candidates when recruiting board members.

All reportable entities has still not reached its target regarding the underrepresented gender on the Board as no women are represented and since no new Board members were elected in 2016/17.

All reportable entities gender diversity policy for the Management Team emphasises diversity in the broadest sense and lays out the principle to always hire the most qualified person, regardless of gender, age, nationality, sexual orientation or religious beliefs. When an opening presents itself on the Management Team, the following recruitment procedures are applied in order to find suitable candidates:

- Candidates of both genders should be on the shortlist for recruitment
- Headhunters are obliged to present candidates of both genders

In 2016/17 there was no need for changes to the Management Team and consequently, a more equal gender split on the Management Team has not been achieved.

The management positions of the Board of Directors and the Executive Board are disclosed in note 32.

Find out more about Polaris Private Equity at www.polarisequity.dk.

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and adopted the Annual Report of P-WT 2007 A/S for the period 1 October 2016 - 31 December 2017.

The Annual Report has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish additional disclosure requirements of the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2017, and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 October 2016 - 31 December 2017.

In our opinion, the Management commentary includes a fair review of the development in the Group's and the Parent Company's operations and financial conditions, results for the year, cash flows and financial position as well as a description of the most significant risks and uncertainty factors that the Company face.

We recommend that the Annual General Meeting approve the Annual Report.

Copenhagen, 31 May 2018

Executive Board

Jan Johan Kühl

Board of Directors

Jan Johan Kühl	Allan Bach Pedersen	Henrik Bonnerup

Independent auditors' report

To the Shareholders of PWT Group A/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2017 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 October 2016 to 31 December 2017 in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of P-WT 2007 A/S for the financial year 1 October 2016 - 31 December 2017, which comprise income statement and statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies, for both the Group and the Parent Company ("financial statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements
Management is responsible for the preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in 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 Group's and the Parent 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 Group or the Parent 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 the 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 these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment 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 Group's and the Parent Company's internal control.
- 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 Group's and the Parent 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 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 Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Aalborg, 31 May 2018
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no 3377 1231

Søren Korgaard-Mollerup	Conrad Lundsgaard
State Authorised Public Accountant	State Authorised Public Accountant
mne31477	mne34529

Statement of comprehensive income for the period 1 October – 31 December

DKK'000	Note	Consolidated 2016/17 (15 months)	Consolidated 2015/16 (12 months)	Parent Company 2016/17 (15 months)	Parent Company 2015/16 (12 months)
Revenue	3	1,111,232	862,827	0	0
Cost of sales	4	502,885	381,076	0	0
Other operating income	5	75	0	0	0
Other external costs	6	231,324	175,643	80	52
Gross profit/loss		377,098	306,108	-80	-52
Staff costs	7	275,610	207,639	0	0
Profit/loss before depreciation/amortisation and impairment losses (EBITDA)		101,488	98,469	-80	-52
Depreciation/amortisation	8	29,063	20,647	0	0
Operating profit/loss		72,425	77,822	-80	-52
Financial income	9	2,436	7,886	0	0
Financial expenses	10	41,896	28,097	741	567
Share of net profit of associates	19	-8,302	-3,049	0	0
Profit before tax		24,663	54,562	-821	-619
Tax on profit/loss for the year	11	11,848	4,646	180	-8,252
Profit for the year		12,815	49,916	-641	7,633
Attributable to:					
Owners of the parent		8,161	35,295	-641	7,633
Non-controlling interests		4,654	14,621	0	0
Profit for the year		12,815	49,916	-641	7,633
Other comprehensive income					
Items available for reclassification into statement of comprehensive income items:					
Foreign exchange adjustments regarding translation of foreign entities		196	-53	0	0
Other comprehensive income before tax		196	-53	0	0
Tax on other comprehensive income	11	0	0	0	0
Other comprehensive income		196	-53	0	0
Attributable to:					
Owners of the parent		129	-35	0	0
Non-controlling interests		67	-18	0	0
Other comprehensive income		196	-53	0	0
Comprehensive income for the year		13,011	49,863	-641	7,633
Attributable to:					
Owners of the parent		8,290	35,260	-641	7,633
Non-controlling interests		4,721	14,603	0	0
		13,011	49,863	-641	7,633

Balance sheet at 31 December 2017 and 30 September 2016

		Consolidated		Parent Company	
DKK'000	Note	2016/17	2015/16	2016/17	2015/16
Assets					
Non-current assets					
Intangible assets					
Software	12	7,174	3,749	0	0
Trademarks	13	2,442	3,311	0	0
Goodwill	14	620,534	619,534	0	0
Other intangible assets	15	1,192	1,341	0	0
Total intangible assets property, plant and equipment		631,342	627,935	0	0
Fixtures and fittings, tools and equipment	16	31,753	25,490	0	0
Leasehold improvements	17	35,280	31,978	0	0
Total property, plant and equipment		67,033	57,468	0	0
Investments					
Investments in group enterprises	18	0	0	274,080	274,080
Investments in associates	19	0	7,086	0	0
Deferred tax assets	20	0	0	8,628	9,174
Deposits	21	15,186	14,743	0	0
Total investments		15,186	21,829	282,708	283,254
Total non-current assets		713,561	707,232	282,708	283,254
Current assets					
Inventories	22	191,076	214,613	0	0
Receivables					
Trade receivables	23	55,758	85,013	0	0
Amounts owed by group enterprises		0	0	10	0
Amounts owed by associated companies		6,779	648	0	0
Derivative financial instruments	27	0	1,471	0	0
Other receivables		4,724	2,228	0	0
Prepayments		6,785	5,924	0	0
Total receivables		74,046	95,284	10	0
Cash at bank and in hand		20,259	10,813	385	5
Total current assets		285,381	320,710	395	5
Total assets		998,942	1,027,942	283,103	283,259

Balance sheet at 31 December 2017 and 30 September 2016

	Note	Consolidated 2016/17	Consolidated 2015/16	Parent Company 2016/17	Parent Company 2015/16
Equity and liabilities					
Equity					
Share capital		37,530	37,530	37,530	37,530
Retained earnings		293,695	285,534	235,828	236,469
Foreign currency translation reserve		272	143	0	0
Equity attributable to owners of the parent		331,497	323,207	273,358	273,999
Non-controlling interests		175,612	170,890	0	0
Total equity	24	507,109	494,097	273,358	273,999
Liabilities					
Non-current liabilities					
Provisions	25	6,254	6,450	0	0
Bond loans	26	250,856	295,822	0	0
Amounts owed to group enterprises		9,683	8,874	9,595	8,874
Lease debt		420	0	0	0
Deferred income tax	20	13,456	1,450	0	0
Total non-current liabilities		280,669	312,596	9,595	8,874
Current liabilities					
Provisions	25	2,727	150	0	0
Bank loans and overdrafts	26	21,833	80,507	0	0
Lease debt		120	171	0	0
Trade payables		93,489	78,403	52	50
Corporation tax		3,055	4,330	0	0
Derivative financial instruments	27	2,171	0	0	0
Other payables		71,101	45,595	98	336
Deferred income	28	16,668	12,093	0	0
Total current liabilities		211,164	221,249	150	386
Total liabilities		491,833	533,845	9,745	9,260
Total equity and liabilities		998,942	1,027,942	283,103	283,259

Statement of changes in equity, Consolidated

DKK'000	Share capital	Retained earnings	Foreign currency translation reserve	Total
Equity at 1 October 2015	37,530	252,879	179	290,588
Correction of error	0	-2,640	0	-2,640
Restated total equity at the beginning of the financial year	37,530	250,239	179	287,948
Profit for the year	0	35,295	0	35,295
Other comprehensive income	0	0	-36	-36
Equity at 30 September 2016	37,530	285,534	143	323,207
Equity at 1 October 2016	37,530	285,534	143	323,207
Profit for the year	0	8,161	0	8,161
Other comprehensive income	0	0	129	129
Equity at 31 December 2017	37,530	293,695	272	331,497

	Consolidated	
Non-controlling interests	**2016/17**	**2015/16**
Non-controlling interests, 1 October	170,890	157,681
Correction of error	0	-1,395
Share of comprehensive income	4,654	14,604
Other regulations	68	0
Non-controlling interests, 31 December	175,612	170,890
Equity at 31 December 2017	507,109	494,097

Statement of changes in equity, Parent Company

DKK'000	Share capital	Retained earnings	Foreign currency translation reserve	Total
Equity at 1 October 2015	37,530	228,836	0	266,366
Profit for the year	0	7,633	0	7,633
Equity at 30 September 2016	37,530	236,469	0	273,999
Equity at 1 October 2016	37,530	236,469	0	273,999
Profit for the year	0	-641	0	-641
Equity at 31 December 2017	37,530	235,828	0	273,358

Cash flow statement

DKK'000	Note	Consolidated 2016/17 (15 months)	Consolidated 2015/16 (12 months)	Parent Company 2016/17 (15 months)	Parent Company 2015/16 (12 months)
Profit for the year before tax		24,663	54,562	-821	-619
Adjustments for non-cash operating items:					
Depreciation/amortisation and gain/loss on intangible assets and property, plant and equipment		28,988	20,647	0	0
Loss from associate		8,302	3,049	0	0
Other non-cash operating items, net		4,021	-928	0	0
Financial income		-2,436	-7,886	0	0
Financial expenses		41,896	28,102	740	567
Cash generated from operations (operating activities) before changes In working capital		105,434	97,546	-81	-52
Change in working capital:					
Change in receivables		15,120	3,986	0	0
Change in inventories		23,537	-19,213	0	0
Change in current liabilities in general		47,873	-10,488	-247	-694
Cash generated from operations (operating activities)		191,964	71,831	-328	-746
Interest income, received		2,436	2,815	0	0
Interest expense, paid		-34,593	-26,535	-740	-567
Corporation tax paid		-1,101	-80	727	774
Cash flows from operating activities		158,706	48,031	-341	-539
Acquisition of property, plant, leasehold and equipment		-38,292	-31,809	0	0
Acquisition of intangible assets		-7,915	-2,434	0	0
Acquisition of investments in financial assets		-443	-6,886	0	0
Disposal of property, plant and equipment		75	0	0	0
Cash flows from investing activities		-46,575	-41,129	0	0
Free cash flows		112,131	6,902	-341	-539
Change in bank loans		369	-25	0	0
Change in group debts		809	542	721	542
Repayment bonds		-153,190	0	0	0
Issue corporate bonds		108,000	0	0	0
Cash flows from financing activities		-44,012	517	721	542

Cash flow statement

DKK'000	Note	Consolidated 2016/17 (15 months)	Consolidated 2015/16 (12 months)	Parent Company 2016/17 (15 months)	Parent Company 2015/16 (12 months)
Changes in cash and cash equivalents		68,119	7,419	380	3
Cash and cash equivalents 1 October 2016		-69,689	-77,108	5	2
Cash and cash equivalents 31 December 2017		-1,570	-69,689	385	5

Cash and cash equivalents include bank loans and overdrafts (2016/17: 21,829) recognised as current liabilities less bonds and cash at bank and in hand and cash equivalents (2016/17: 20,259).

Notes

General matters

1 Accounting policies
2 Significant accounting estimates and judgements

Notes to the statement of comprehensive income

3 Revenue
4 Cost of sales
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Notes to the balance sheet

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Notes without reference

29 Chargers and collateral
30 Contingent items, etc.
31 Related party disclosures and ownership
32 Management positions of the Board of Directors and the Executive Board
33 Events after the balance sheet date
34 New financial reporting regulations
35 Financial risks and financial instruments

Notes

Note 1 – Accounting policies

Financial reporting basis
P-WT 2007 A/S is a limited liability company domiciled in Denmark. The financial part of the annual report for the period 1 October 2016 – 31 December 2017 comprise both the consolidated financial statements of P-WT 2007 A/S and its subsidiaries (group) as well as the parent company financial statements.

The Annual Report covers the period 1 October 2016 - 31 December 2017, thus covering a 15 month period, as the Company have changed ist its accounting year to follow the calendar year in connection with a business combination. Because of the Company's nature and scope, including seasonality of the Group's activities, changes in net profit, equity, cash flows and notes relating hereto for the period 1 October 2016 - 31 December 2017 is not comparable to a full period of 12 months.

In connection with preparing the annual report for 2016/17, management have identified an errorneous method for accounting of loyalty programmes in previous years. The net impact amounts to DKK 4.0 million and have been restated the opening balances of assets, liabilities and equity. The accounting treatment of loyallty programmes have been amended accordingly, cf. accounting policies for "Revenue" and "Deferred revenue".

The consolidated financial statements and parent company financial statements of P-WT 2007 A/S are presented in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and disclosure requirements of annual reports of reporting class D enterprises (large), see the Danish statutory order on the adoption of IFRS by enterprises subject to the Danish Financial Statements Act issued pursuant to the Danish Financial Statements Act. The Board of Directors and the Executive Board have discussed and adopted the annual report of P-WT 2007 A/S. The annual report will be presented for adoption by the shareholders of P-WT 2007 A/S at the annual general meeting on 28 May 2018.

Basis of preparation
The consolidated financial statements and the parent company financial statements are presented in Danish kroner (DKK), which is the reporting currency of the Group's activities and the Parent Company's functional currency. The annual report relies on the historical cost principle except for those instances where International Financial Reporting Standards specifically require a different basis of measurement.

The accounting policies, as set out below, have been consistently applied for the full financial year and for the comparative figures.

ACCOUNTING POLICIES

Implementation of new and revised standards and interpretations
P-WT 2007 A/S has implemented all relevant new and revised accounting standards issued by IASB and effective at 1 October 2016. The implementation of the new and revised accounting standards did

Notes

Note 1 – Accounting policies (continued)

not have any material monetary effect on the statement of P-WT 2007 A/S' results, assets and liabilities as well as equity for the purpose of the financial reporting for the financial years presented. Reference is made to note 34 for new financial reporting regulation.

Consolidation

Consolidated financial statements

The annual report comprises the Parent Company, P-WT 2007 A/S, and enterprises under the control of the Parent Company. The Parent Company is deemed to exercise control when the Group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Associates are all entities over which the group has significant influense but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

The acquisition method of accounting is used to account for business combinations by the group. Upon acquisition of new subsidiaries, the acquisition method is applied, and subsequently the newly acquired enterprises' assets and liabilities are measured at fair value at the date of acquisition. The tax effect of any reassessments is taken into account.

Consolidation principles

The consolidated financial statements are prepared on the basis of the financial statements of P-WT 2007 A/S and its subsidiaries in which similar financial statement items are integrated. On consolidation, intra-group income and expenses, shareholdings, dividends, intra-group balances as well as realised and unrealised internal gains and losses on intra-group transactions are eliminated.

The annual reports used for preparing the consolidated financial statements have been recognised in accordance with the accounting policies of the Group.

Foreign currency translation

On initial recognition, transactions denominated in currencies different from the individual enterprise's functional currency are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the statement of comprehensive income as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose is recognised in the statement of comprehensive income as financial income or financial expenses.

Notes

Note 1 – Accounting policies (continued)

Upon recognition in the consolidated financial statements of enterprises with a functional currency different from DKK, the statements of comprehensive income are translated into Danish kroner at average exchange rates for the year, and balance sheet items are translated at the exchange rates at the balance sheet.

Foreign exchange differences arising upon translation of foreign subsidiaries' balance sheet items at the beginning of the year to the exchange rates at the balance sheet date and upon translation of statements of comprehensive income from average exchange rates to the exchange rates at the balance sheet date are recognised as other comprehensive income.

Derivative financial instruments
Derivative financial instruments are initially recognised at fair value at the settlement date and subsequently measured at fair value at the balance sheet date. Positive and negative fair values of derivative financial instruments are recognised as a separate balance sheet item.

Changes in fair value of derivative financial instruments designated as or qualifying for recognition as an effective hedge of future transactions are recognised as other comprehensive income. The ineffective part is recognised immediately in the statement of comprehensive income. When the hedged transactions are carried out, the accumulated changes are recognised together with the hedged transactions.

For derivative financial instruments not qualifying for treatment as hedging instruments, changes are regularly recognised in the statement of comprehensive income as financial income and financial expenses.

STATEMENT OF COMPREHENSIVE INCOME
Revenue
Income from the sale of goods for resale and finished goods is recognised in the statement of comprehensive income provided that delivery and transfer of risk to the buyer have taken place before the year end and the income may be reliably measured and is expected to be received. Revenue is measured excluding VAT and duties, less discounts in relation to the sale and less discounts and bonus points relating to loyaltyprograms (customer club).

Bonus points relating to loyalty programs collected are recognised in the statement of comprehensive income as a reduction in revenue and under the liability "deferred income". The collected bonus points are measured based on the projected utilisation thereof.

Costs of goods for resale
Together with changes in inventories of goods for resale, this item comprises costs in generating revenue. Changes in inventories of goods for resale are recognised as costs of goods for resale.

Other external costs
Other external costs comprise costs of premises, sales and distribution costs as well as administrative expenses. Supplements to cover marketing costs are recognised as other external costs.

Staff costs
Staff costs comprise payroll, pensions and other social security costs relating to staff.

Notes

Note 1 – Accounting policies (continued)

Other operating income and costs
Other operating income and costs comprise items secondary to the primary activities of the enterprises, including gains on disposal of intangible assets and property, plant and equipment.

Financial income and expenses
Financial income and expenses comprise interest income and expense, realised and unrealised exchange gains and losses on transactions in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme. Financial income and expenses are recognised at the amounts relating to the financial year.

Financial income and expenses also comprises fair value adjustments at derivative instruments.

Corporation tax and deferred tax
The Company is jointly taxed with its parent company and the other jointly taxed Danish subsidiaries. Danish corporation tax is allocated among the jointly taxed Danish companies in proportion to their taxable income. The parent company, P-WT 2007 A/S, serves as the management company for the jointly taxed entity and thereby handles the payment of tax, etc. to the Danish tax authorities. Tax for the year comprises current tax for the year and changes in deferred tax and is recognised in the profit for the year, as other comprehensive income or directly in equity all depending on the recognition of the underlying element.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Notes

Note 1 – Accounting policies (continued)

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Balance sheet

Intangible assets

Goodwill

Goodwill acquired are measured at cost less accumulated impairment losses. Upon recognition of goodwill, the goodwill amount is allocated on the activities of the Group's activities generating independent cash inflows (cash-generating units). The determination of cash-generating units follows the managerial structure and internal financial management and reporting in the Group.

Goodwill is not amortised, but subject to impairment testing at least once a year. The carrying amount of goodwill is written down in the statement of comprehensive income in the cases where the carrying amount exceeds projected future net income from the enterprise/activity generating the goodwill.

As the group have reorganised its reporting structure in a way that changes the composition of it's cash-generating units to which goodwill has been allocated, the goodwill have been reallocated to the reorganised units. This reallocation have been performed using an approach where the goodwill is reallocated based on the original business cases from the aquisitions by which the goodwill is allocated to the reorganised cash-generating units according to the business aquired. Corresponding information for earlier periods have been restated accordingly.

Software

Software is measured at cost less accumulated amortisation and impairment losses. The basis of amortisation is cost less projected residual value after the end of the useful life.

Trademarks

Trademarks are measured at cost less accumulated amortisation. The basis of amortisation is cost. The expected useful life is based on the trademarks marked position.

Notes

Note 1 – Accounting policies (continued)

Other intangible assets

Other intangible assets are measured at cost less accumulated amortisation. The basis of amortisation is cost less projected residual value after the end of the useful life.

	Useful life
Software	5 years
Trademarks	5-10 years
Other intangible assets	10 years

Property, plant and equipment

Fixtures and fittings, tools and equipment as well as leasehold improvements (shops) are measured at cost less accumulated depreciation and impairment losses.

The basis of depreciation is cost less projected residual value after the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use.

Financially leased assets are recognised on the balance sheet at the lower of fair value and net present value of discounted lease payments. Financially leased assets are depreciated in accordance with the Company's general accounting policies. The capitalised value of the lease obligation is recognised as a liability on the balance sheet, and the interest element of the lease payment is recognised as an expense in the statement of comprehensive income.

Depreciation is provided on a straight line basis relying on the following assessment of the assets' projected useful lives:

	Useful life
Fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5-7 years

The basis of depreciation is stated taking into account the scrap value of the asset and is reduced by impairment losses. The period of depreciation and the scrap value are determined at the date of acquisition and re-assessed annually.

Impairment of property, plant and equipment and intangible assets

The carrying amount of intangible assets and property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation. If such an indication exist, the recoverable amount of the asset is stated to determine the need for impairment and the scope thereof.

Notes

Note 1 – Accounting policies (continued)

The recoverable amount of goodwill is determined at least once a year irrespective of whether there is any indication of impairment.

If the asset does not generate any cash inflows independently of other assets, the recoverable amount of the smallest cash-generating unit in which the asset is included is determined.

The recoverable amount is the higher of an asset's or the cash-generating unit's fair value less sales costs and its value in use. When the value in use is determined, projected future cash flows are discounted to present value using a discount rate reflecting actual market assessment of the time value of funds and the special risks attributable to the asset and the cash-generating unit and for which no adjustment has been made in projected future cash flows.

If the asset's or the cash-generating unit's recoverable amount is lower than its carrying amount, the carrying amount is written down to the recoverable amount. With regard to cash-generating units, the goodwill amount is initially written down, and subsequently any need for additional impairment is allocated on the residual assets of the unit. However, the individual asset is not written down to a value lower than its fair value less projected sales costs.

Impairment is recognised in results. In case of any subsequent reversal of impairment arising from changes in assumptions of the stated recoverable amount, the asset's or the cash-generating unit's carrying amount is increased to adjusted recoverable amount, however, not exceeding the carrying amount which the asset of the cash-generating unit would have had if no impairment had taken place. Impairment of goodwill is not reversed.

Investments in subsidiaries
Investments in subsidiaries are recognised and measured at cost less any impairment losses in the parent company financial statements.

Impairment testing is conducted annually as set out above when the carrying amount exceeds the book value of net assets in the consolidated financial statements or if there is any other indication of impairment. If the carrying amount exceeds the recoverable amount, write-down is made to this lower amount.

Newly acquired or newly established enterprises are recognised in the financial statements from the date of acquisition.

Positive differences (goodwill) between cost and the fair value of assets and liabilities taken over are recognised as investments in group enterprises in line with the same principles as acquired goodwill described above in the section on intangible assets.

Notes

Note 1 – Accounting policies (continued)

Investments in associates

Investments in associates are recognized and measured in the consolidated financial statements in accordance with the equity method. The investments are measured at the proportionate share of the entities' equity value less or plus the proportionate intercompany gains and losses and plus the carrying amount of goodwill.

Acquisitions of investments in associates are accounted for using the acquisition method.

Deposits

Deposits comprise rent deposits attributable to the Group's leaseholds. Deposits are measured at amortised cost.

Inventories

Inventories are measured at cost on the basis of weighted average prices. In the cases where cost is higher than net realisable value, write-down is made to this lower value. The cost of goods for resale is stated as cost with the addition of delivery costs.

The net realisable value of inventories is calculated as the selling price less costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value. Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired.

Write-downs are calculated as the difference between the carrying amount of receivables and the net present value of forecast cash flows, including the realisable value of any collateral received.

Prepayments

Prepayments are measured at cost.

Financial assets at fair value through profit or loss

Bonds are measured at fair value.

Current tax and deferred tax

Current tax payable and receivable is recognised on the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability.

Deferred tax is not recognised on temporary differences arising at the date of acquisition without affecting either results or taxable income, e.g. goodwill which is non-deductible for tax purposes.

Notes

Note 1 – Accounting policies (continued)

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; 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 assets are re-assessed annually and only recognised to the extent that their utilisation is probable.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. The change in deferred tax as a result of changes in tax rates is recognised in the statement of comprehensive income.

Provisions

Provisions are recognised when, as a result of past events, the Company has a legal or a constructive obligation, and it is probable that there may be outflow of resources embodying economic benefits to settle the obligation.

Provisions comprise forecast costs arising from leasehold improvements upon relocation and are based on projected costs determined on the basis of the leasehold's current interior and condition. The liabilities are discounted back to net present value.

Refund liabilities are measured at net present value of managements best estimate of the expenditure required to settle the obligation.

Financial liabilities, bonds, bankoverdrafts etc.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the statement of comprehensive income over the term of the loan.

Derivative financial instruments are measured at fair value, corresponding to market price at balance sheet date.

Other liabilities, which usually comprise trade payables, amounts owed to group enterprises and other payables, are measured at amortised cost, which usually corresponds to nominal value. The capitalised residual lease obligation on finance leases is also recognised as financial liabilities.

Leases

Leases are broken down on finance and operating leases for accounting purposes.
Finance leases transfer substantially all risks and rewards incident to ownership to the Company. All other leases are classified as operating leases.

Payments relating to operating leases and other leases are recognised in the statement of comprehensive income over the term of the lease.

The recognition of finance leases is described under "Property, plant and equipment", "Impairment of property, plant and equipment and intangible assets" and "Financial liabilities".

Notes

Note 1 – Accounting policies (continued)

Staff obligations
Staff obligations comprise the employees' rights to paid holidays after the balance sheet date and the payment of anniversary bonuses.

The Group has only entered into pension arrangements for defined-contribution pension plans under which regular pension contributions are paid to independent pension providers as the contributions are earned. The Group has not taken out any defined-benefit pension plans.

Staff obligations are recognised as other payables on the balance sheet.

Share option schemes
The value of services received as consideration for options granted is measured at the fair value of the options.

For equity-settled share options, fair value is measured at the date of granting and recognised as staff costs in the statement of comprehensive income during the period when the final right to the options is vested. The counter-item is recognised directly in equity as a transaction among owners.

For the calculation of the fair value of options granted, the terms and conditions relating to the share options granted are taken into account.

Deferred income
Deferred income comprises payments received regarding income in subsequent years, including gift tokens, bonus points relating to loyaltyprograms (customer clubs), etc. Gift tokens payable are recognised at estimated value.

Cash flow statement
The cash flow statement shows the Company's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are calculated in accordance with the indirect method as the profit/loss for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of enterprises and activities, intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the share capital and costs relating to the raising of loans, repayment of interest-bearing debt and payment of dividends to shareholders.

Cash and cash equivalents comprise cash at bank and in hand and business credits.

Notes

Note 1 – Accounting policies (continued)

Financial ratios
Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015".

Definition of financial ratios:

EBITDA	Earnings before restructuring costs, depreciation, amortisation, interest and tax
Gross margin	$\frac{\text{Gross profit/loss x 100}}{\text{revenue}}$
Operating margin (EBIT margin)	$\frac{\text{Operating profit/loss x 100}}{\text{revenue}}$
Return on invested capital	$\frac{\text{Operating profit/loss x 100}}{\text{Average operating assets}}$
Solvency ratio	$\frac{\text{Closing equity x 100}}{\text{Total equity and liabilities at year end}}$
Return on equity	$\frac{\text{Profit/loss after tax x 100}}{\text{Average equity}}$

Notes

Note 2 – Significant accounting estimates and judgements

When financial statement items are recognised and measured, some judgements and estimates will, in certain cases, be required to define assumptions of future events. These estimates and assumptions are based on past experience and other relevant factors deemed reasonable by Management in the given circumstances, but by nature are uncertain or unpredictable. Accordingly, actual outcome may be different from these estimates.

Estimates and judgements as well as their underlying assumptions are regularly re-assessed. Changes to the accounting estimates are recognised in the financial reporting period when the changes are made, and in future financial reporting periods if the changes affect these periods.

Estimates import to the financial reporting process are, for instance, required for the impairment of goodwill, valuation of inventories and projected income from gift tokens.

Impairment testing of goodwill
Any need for impairment of goodwill requires values in use to be determined for the cash-generating units on which the goodwill amounts are allocated. The statement of value in use relies on an estimate of projected future cash inflows in the individual cash-generating unit and the determination of a discount rate. These estimates are subject to a certain degree of uncertainty, and any changes may materially affect the annual report.

Reference is made to note 14 for a description of assumptions applied, discount rates, etc. used for defining the value in use of the defined cash-generating units.

Inventories
Any write-down for obsolescence on inventories is specifically assessed based on future marketability. Provision for obsolescence per 31 December 2017 reached DKK 2,725 thousand as against DKK 2,345 thousand per 30 September 2016. Reference is made to note 22.

Reallocationg of goodwill
During the year, the internal reporting to group management have changed in order to reflect the recent changes in the way that the group organizes and report its operating segments. As the Group has changed the structure of its internal organisation in a manner that have caused the composition of its reportable segments to change, the corresponding information for earlier periods have been restated.

The allocation of goodwill follows the groups reporting of segments. As the reporting of segments have been changed during the year, the allocation of goodwill have changed accordingly. The allocation is based on the original purchase price allocation.

The re-allocating is subject to significant judgements and estimates.

Reference is made to note 14 Goodwill.

Notes

DKK'000	Consolidated 2016/17	Consolidated 2015/16	Parent Company 2016/17	Parent Company 2015/16
Note 3 – Revenue				
Geographical markets				
Home market	881,732	692,430	0	0
Foreign markets	229,500	170,397	0	0
	1,111,232	862,827	0	0

DKK'000	Consolidated 2016/17	Consolidated 2015/16	Parent Company 2016/17	Parent Company 2015/16
Note 4 – Cost of sales				
Costs of goods for resale	502,885	381,076	0	0
Write-down of inventories	2,725	2,345	0	0

DKK'000	Consolidated 2016/17	Consolidated 2015/16	Parent Company 2016/17	Parent Company 2015/16
Note 5 – Other operating income				
Other operating income				
Gain on the disposal of property, plant and equipment	75	0	0	0
	75	0	0	0

DKK'000	Consolidated 2016/17	Consolidated 2015/16	Parent Company 2016/17	Parent Company 2015/16
Note 6 – Other external costs				
Fees for auditors appointed at the general meeting				
Statutory audit services	600	551	25	25
Other assurance engagements	41	39	0	0
Tax advisory services	214	191	13	13
Other services	473	294	26	12
Total fee	1,328	1,075	64	50
Distributed as follows:				
PWC	1,130	893	51	50
Other firms	198	182	13	0
	1,328	1,075	64	50

Notes

Note 6 – Other external costs (continued)

Fee for other services than statutory audit services rendered by PricewaterhouseCoopers Statsautoriseres Revisionspartnerselskab, to the group 395 tDKK and consist mainly of sunder tax and advisory services.

DKK'000	Consolidated 2016/17	Consolidated 2015/16	Parent Company 2016/17	Parent Company 2015/16
Note 7 – Staff costs				
Payroll	250,373	188,377	0	0
Pensions	15,547	11,847	0	0
Other social security costs	9,690	7,415	0	0
	275,610	207,639	0	0
Thereof:				
Payroll Executive Board	3,666	2,900	0	0
Pensions Executive Board	122	95	0	0
Payroll Board of Directors	687	550	0	0
	4,475	3,545	0	0
Average number of full-time employees	554	535	0	0

3 men and 0 women serve on the Board of Directors.

Share-based remuneration

In 2010, PWT Group set up a share option scheme for its Executive Board, Board of Directors and executive employees. The share option scheme comprised 4,010,104 share options at 31 December 2017. Each share option vests its option holder with a right to buy one share with a face value of DKK 1 in PWT Holding A/S. The outstanding options account for 3.8% of the share capital in PWT Holding A/S if all share options are exercised.

The share option scheme is in force until December 2019.

The options entitle the holder to subscribe for shares at a subscription price of 6.88 with the addition of 10% p.a. calculated from 8 January 2010. The estimated cost relating to sharebased payment is 0 DKK (2015/16: 0 DKK).

The options may be exercised
- upon sale or listing of the Company, PWT Holding, PWT-2007 A/S or PWT Group A/S
- upon merger, with the Company as a continuing company
- upon liquidation or demerger of the Company
- upon expiry in December 2019.

Notes

Specification of outstanding share options:

Number	Board of Directors of PWT Holding A/S	Other	Total
Outstanding at the beginning of 2015/2016	**393,804**	**3,616,300**	**4,010,104**
Additions/disposals	0	0	0
Outstanding at the end of 2015/2016	**393,804**	**3,616,300**	**4,010,104**
Additions/disposals	0	0	0
Outstanding at the end of 2016/2017	**393,804**	**3,616,300**	**4,010,104**

DKK'000	Consolidated 2016/17 (15 months)	Consolidated 2015/16 (12 months)
Note 8 – Depreciation/amortisation		
Amortisation, software	3,490	2,766
Amortisation, trademarks	869	691
Amortisation, other intangible assets	149	149
Depreciation, fixtures and fittings, tools and equipment	12,688	7,986
Depreciation, leasehold improvements	11,867	9,055
	29,063	20,647

DKK'000	Consolidated 2016/17 (15 months)	Consolidated 2015/16 (12 months)	Parent Company 2016/17 (15 months)	Parent Company 2015/16 (12 months)
Note 9 – Financial income				
Interest income, banks	48	51	0	0
Interest income, group enterprises	0	0	0	0
Adjustment of fair value of financial instruments	0	5,072	0	0
Foreign exchange adjustment	0	1,670	0	0
Other financial income	2,388	1,093	0	0
	2,436	7,886	0	0
Note 10 – Financial expenses				
Interest expense, banks	1,570	5,328	0	0
Interest expense, bond loans	24,937	19,717	0	0
Interest expense, group enterprises	730	542	731	542
Adjustment of fair value, financial instruments	3,642	0	0	0
Foreign exchange adjustment	3,432	29	0	0
Other financial expenses	7,585	2,481	10	25
	41,896	28,097	741	567

Notes

DKK'000	Consolidated 2016/17 (15 months)	Consolidated 2015/16 (12 months)	Parent Company 2016/17 (15 months)	Parent Company 2015/16 (12 months)
Note 11 - Tax				
Tax for the year is distributed as follows:				
Tax on profit/loss for the year	11,848	4,646	-180	-8,252
Tax on other comprehensive income	0	0	0	0
	11,848	4,646	-180	-8,252
Tax on profit/loss for the year is specified as follows:				
Current tax	2,875	3,556	-181	-727
Deferred tax	8,973	8,705	0	391
Adjustment of tax in respect of previous years	0	-7,615	0	-7,916
	11,848	4,646	-181	-8,252
Tax on profit/loss for the year from continuing operations is specified as follows:				
Estimated 22% tax on results before tax	5,427	11,992	-181	-136
Adjustment of tax in foreign entities in proportion to 22%	2,745	-355	0	0
Tax effect of:				
Items irrelevant for tax purposes	3,676	624	0	-200
Adjustment of tax in respect of prior years	0	-7,615	0	-7,916
	11,848	4,646	-18	-8,252
Effective tax rate	48.0%	8.5%	22.0%	Neg.

DKK'000	Consolidated 2016/17 (15 months)	Consolidated 2015/16 (12 months)
Note 12 - Software		
Opening cost	23,296	21,068
Additions for the year	6,915	2,228
Disposals for the year	0	0
Closing cost	30,211	23,296
Opening amortisation	19,547	16,781
Amortisation for the year	3,490	2,766
Reversed amortisation for the year of disposals	0	0
Closing amortisation	23,037	19,547
Carrying amount	7,174	3,749

Notes

DKK'000	Consolidated 2016/17 (15 months)	2015/16 (12 months)
Note 13 - Trademarks		
Opening cost	7,366	7,159
Additions for the year	0	207
Disposals for the year	0	0
Closing cost	7,366	7,366
Opening amortisation	4,055	3,364
Amortisation for the year	869	691
Reversed amortisation for the year of disposals	0	0
Closing amortisation	4,924	4,055
Closing carrying amount	2,442	3,311
Note 14 - Goodwill		
Opening cost	702,534	702,534
Additions for the year	1,000	0
Disposals for the year	0	0
Closing cost	703,534	702,534
Opening impairment losses	83,000	83,000
Impairment losses for the year	0	0
Closing impairment losses	83,000	83,000
Carrying amount at	620,534	619,534

Impairment testing

At 31 December 2017, Management carried out a review for impairment of the carrying amount of goodwill based on the effected allocation of cost of goodwill on the cash-generating units:

DKK'000	Consolidated 2016/17 (15 months)	2015/16 (12 months)
Retail Denmark	259,191	258,191
Wholesale worldwide	361,307	361,307
Other	36	36
Total	620,534	619,534

The allocation of goodwill follows the groups reporting of segments. As described in note 2, the reporting of segments have changed during the year, thus the allocation of goodwill have changed accordingly. The allocation is based on the original purchase price allocation. The recoverable amount is based on the value in use, which is determined using projected net cash flows on the basis of budgets and estimates for the years 2018 – 2023 approved by Management and at a discount rate of 7,0% after tax (2015/16: 7,0%), corresponding to a discount rate before tax of 9.0% (2015/16: 7,9%). The budget period

Notes

Note 14 – Goodwill (continued)

applied is determined taking into account the company's activities, historic performance, long-term strategy as well as forecast market development. A change in this assumption to five years will not give rise to any goodwill impairment.

The most material assumptions for the purpose of impairment testing arise from PWT Group's expected ability to boost earnings, and the growth rates applied rely on Management's forecast based on initiatives taken to boost earnings.

The group expects to enjoy continuous growth on the export markets. As the basis for impairment testing, the business has budgeted for an average revenue increase of 2,1-5,5% for each segment during the budget period (2018 – 2023) and 1,5% during the terminal period. On this basis, the net present value of future cash flows was not less than DKK 300 million up on carrying amount for each segment. However if the growth rates are not realisable as planned, no impairment is needed according to sensitivity analyses.

Management consider that probable changes in basic assumptions will not have the outcome that the carrying amount of goodwill at 31 December 2017 will exceed recoverable amount.

DKK'000	Consolidated 2016/17 (15 months)	2015/16 (12 months)
Note 15 – Other intangible assets		
Opening cost	1,490	1,490
Additions for the year	0	0
Disposals for the year	0	0
Closing cost	1,490	1,490
Opening amortisation	149	0
Amortisation for the year	149	149
Closing amortisation losses	298	149
Carrying amount at	1,192	1,341

Notes

DKK'000	Consolidated 2016/17 (15 months)	2015/16 (12 months)
Note 16 – Fixtures and fittings, tools and equipment		
Opening cost	72,890	58,504
Currency translation	-877	401
Additions for the year	19,554	14,173
Disposals for the year	0	188
Closing cost	91,567	72,890
Opening depreciation	47,400	39,442
Currency translation	-274	105
Depreciation for the year	12,688	7,986
Reversed depreciation for year on disposals	0	133
Closing depreciation	59,814	47,400
Closing carrying amount	31,753	25,490
Thereof, assets held under finance leases	545	112
Note 17 – Leasehold improvements		
Opening cost	78,785	61,855
Currency translation	-1,554	711
Additions for the year	16,080	18,162
Disposals for the year	0	1,943
Closing cost	93,311	78,785
Opening depreciation	46,807	39,392
Currency translation	-642	303
Depreciation for the year	11,866	9,055
Reversed depreciation for the year of disposals	0	1,943
Closing depreciation	58,031	46,807
Closing carrying amount	35,280	31,978

Notes

DKK'000	Parent company Investments in group entreprises 2016/17 (15 months)	 2015/16 (12 months)
Note 18 – Investments in group enterprises		
Cost at 1 October	274,080	274,080
Additions	0	0
Cost at 31 December	274,080	274,080
Carrying amount at 31 December	274,080	274,080

	Share capital	Voting rights and stake
PWT Holding A/S, Aalborg	101,984	65.42%

Following companies are owned by the group:
PWT Group A/S, owned 100% by PWT Holding A/S
PWT Germany GmbH, Germany, owned 100% by PWT Group A/S
PWT Norway AS, Norway, owned 100% by PWT Group A/S
WagNo AS, Norway, owned 100% by PWT Norway AS
V.W. Junior ApS, Denmark, owned 100% by PWT Group A/S

DKK'000	Consolidated 2016/17 (15 months)	 2015/16 (12 months)
Note 19 – Investments in associates		
Cost at 1 October	10,135	3,690
Additions	0	6,445
Cost at 31 December	10,135	10,135
Value adjustments 1 October	-3,049	0
Net profit/loss for the year (1,216 tDKK is classified to write-down receivables)	-7,086	-3,049
Value adjustments 31 December	-10,135	-3,049
Carrying amount at 31 December	0	7,086

The group holds 60% of the shares in Wagner China ApS, Denmark. Because of the shareholder agreement in Wagner China ApS the investment is treated as an investment in associates.

Notes

Note 19 – Investments in associates (continued)

Comprehensive income 2016/17	Turnover	Profit before tax	Profit for the year	Other comprehensive income	Comprehensive income for the year	Groups share of point
Wagner China ApS (Aalborg, 60% ownership)	0	-17,844	-17,832	0	-17,832	-7,133

Balance sheet 2016/17	Noncurrent assets	Current assets	Noncurrent liabilities	Current liabilities	Equity	Groups share of equity
Wagner China ApS (Aalborg, 60% ownership)	9,528	83	0	11,017	-1,406	-562

DKK'000	Consolidated		Parent company	
	2016/17	2015/16	2016/17	2015/16
Note 20 – Deferred income tax				
Deferred tax arises from:				
Intangible assets	47,145	46,565	0	0
Property, plant and equipment	1,764	553	0	0
Current assets	-972	-729	0	0
Provisions	-1,526	-1,331	0	0
Other liabilities	-572	-394	0	0
Tax loss carryforwards	-32,383	-43,214	-8,628	-9,174
	13,456	1,450	-8,628	-9,174

All deferred tax assets and tax liabilities are recognised on the balance sheet.

Note 21 – Deposits

	Consolidated	
	2016/2017	2015/2016
Carrying amount at 1 October	14,743	15,691
Additions	1,126	460
Disposals	-683	-1,408
Carrying amount at 31 December	15,186	14,743

Notes

DKK'000	Consolidated 2016/17	2015/16
Note 22 – Inventories		
Goods for resale	193,801	216,958
Provisions for obsolescence	2,725	2,345
Goods for resale, net	191,076	214,613
Specification of provisions for obsolescence:		
Provision at 1 October	2,345	1,922
Adjustment for the year of provision for obsolescence	380	423
Provision at 31 December	2,725	2,345

DKK'000	Consolidated 2016/17	2015/16
Note 23 – Trade receivables		
Trade receivables	57,621	86,815
Provisions for bad debts	1,863	1,802
Trade receivables, net	55,758	85,013
Specification of provisions for bad debts:		
Provision at 1 October	1,802	1,495
Currency translation	-10	9
Loss for the year	-1,160	-402
Provisions reversed for the year	-42	-56
Provisions for the year	1,273	756
Provisions at 31 December	1,863	1,802
Overdue, receivables not written down fall due as follows:		
Due within 30 days	4,830	3,051
Due within 30 and 90 days	1,333	1,978
Due more than 90 days	1,536	1,725
	7,699	6,754

Note 24 – Share capital	**Share capital**
Share capital upon establishment 2007/08	30,930
Addition 2009/10	6,600
Closing share capital	37,530

Notes

Note 24 – Share capital (continued)

	Number	Nominal value
Share capital is distributed as follows:		
A-shares	35,653,500	35,654
B-shares	1,501,200	1,501
C-shares	375,300	375
	37,530,000	37,530

Capital management

The Group regularly assesses the need for adjusting its capital structure to weigh the required higher return on equity up against the increased uncertainty surrounding loan capital. Shareholders equity's share of total assets (solvency ratio) reached 33.2 % at the end of 2016/17 (2015/2016: 31.7 %). Capital management is conducted for the group as a whole excl. minorities.

Note 25 – Provisions

	Consolidated	
DKK'000	**2016/17**	**2015/16**
The Group's total provision obligation broken down on residual terms:		
Within 1 year	2,727	150
Between 1 and 5 years	149	41
After 5 years	6,105	6,409
	8,981	6,600
Provision obligation at 1 October	6,600	4,903
Additions during the year	2,460	352
Reversals during the year	-150	-124
Effect of change in interest rates	71	1,469
Provision obligation at 31 December/30 Sept.	8,981	6,600

Provisions obligations contains obligation to re-establish leaseholds and refund liability on sold clothes. Obligation to re-establish leaseholds relates to projected future costs attributable to relocation of leaseholds and is based on projected costs relying on the current interior and condition of the leaseholds. The obligation is discounted back to net present value using a discount rate of 0.98% (2015/16: 1.03%), equivalent to a risk-free interest rate.
Refund liabilities on sold clothes relates to projected future returns.

Note 26 – Bank loans and bond loans

	Consolidated	
DKK'000	**2016/17**	**2015/16**
Bond loans	250,856	295,822
Bank overdrafts	21,833	80,507
Bank loans and bond loans	272,689	376,329

Notes

Note 26 – Bank loans and bond loans (continued)

DKK'000	Consolidated 2016/17	2015/16
The loans are recognised as follows on the balance sheet:		
Non-current liabilities	250,856	295,822
Current liabilities	21,833	80,507
Carrying amount	272,689	376,329
Fair value	262,063	378,257
Undrawn credit facilities at 31 December/ 30 September	48,659	35,306

Bond loans fall due in 2022. The fair value of financial liabilities are stated as net present value of future repayments and interest payments (2-level observable inputs in the fair value hierarchy). The Group's current borrowing rate for similar maturities is used as the discount rate.

In October 2017 PWT Holding A/S issued bonds worth a value of DKK 275 million. The Net proceeds from the Bonds was used to fully repay PWT's DKK 300 million existing senior secured bonds. The Bonds are issued with the Nasdaq Strockholm Exchange.The Bonds have been secured with a pledge over the shares in PWT Group A/S, the major operating company generating the majority of the Group's operating profit and additionally, the intercompany loan between PWT Holding A/S and PWT Group A/S has been pledged in favour of the bondholders.

The bonds have a variable interest rate of 3m CIBOR plus a Floating Rate Margin of 5.50% (2015/16: 6.50%) per annum and an effective interest rate of 7.07% (2015/16: 7.07%). The fair value of the bonds issued amounts to DKK 255 million as of 31 December 2017 (2015/16: DKK 298 million) and is calculated as the net present value of future repayments and expected interest payments (2-level observable inputs in the fair value hierarchy).

The bonds have no fixed repayment schedule other than full repayment 18 October 2022, but with certain acceleration clauses. The bond debt is subject to a negative pledge with a carve out for working capital facilities of DKK 85-105 million. Further, the bond is subject to certain change of control clauses, which could accelerate the repayment. Accelerated repayment is subject to a premium in the range of 100.55 % - 102.75 % depending of the bonds maturity and/or the cause of acceleration.

As the investors of the new issue of bond to a certain extend have been transferred to existing bond-holders a corresponding part of the bond debt is treated as a continued bond debt, i.e. the net present value of is within a +/-10 range, wheres the remainder part is treated as new debt.

	Currency	Fixed-interest period	Interest margin to CIBOR	Carrying amount
Floating-rate bond loans	DKK	3 mos.	5.50%	265,856

Notes

Note 27 – Derivative financial instruments

The Group has entered into forward contracts of a total of DKK 113,179 thousand for USD purchases of a value during the period until July 2018 for the purpose of hedging future purchases in USD. Forward contracts are not qualifying for treatment as hedging instruments, and changes are regularly recognised in the statement of comprehensive income as financial income and financial expenses.

Cover of interest and currency risks:

2016/17:				
DKK'000	Residual life	Contract value	Fair value	Fair value adjustment recognised in the statement of comprehensive income
Forward contract, USD	0-6 months	113,179	-2,171	-3,642
Recognised in the statement of comprehensive income before tax at a total of			-2,171	-3,642

2015/16:				
Interest swap	Expired	0	0	3,058
Forward contract, USD	0-6 months	108,253	1,471	2,013
Recognised in the statement of comprehensive income before tax at a total of			1,471	5,071

Derivative financial instruments are valued in accordance with generally accepted valuation methods based on relevant observable swap and currency curves. All above-mentioned financial instruments are recognised as 2-level observable inputs in the fair value hierarchy.

Note 28 – Deferred income

Deferred income comprises obligations in relation to gift tokens, estimate are based on several years of historical information.

Note 29 – Charges and collateral

Consolidated

As collateral for bank loans, the Group has provided a floating charge of a nominal amount of DKK 100 million secured upon non-current assets and current assets with a book value at 31 December 2017 of DKK 866 million (30 September 2016: DKK 908 million).

At 31 December 2017, the Group has entered into documentary credits of a total of DKK 13,502 thousand regarding non-settled purchase of goods abroad (30 September 2016: DKK 4,748 thousand).

The shares in the subsidiary, PWT Group A/S, and the amount owed by PWT Group A/S of DKK 246 million have been provided as collateral for bond debt in PWT Holding A/S.

Notes

Note 30 – Contingent items, etc.

The Group's Danish enterprises are jointly and severally liable for the jointly taxed enterprises' tax liabilities.

In the ordinary course of its business, the Group is subject to various litigation such as product liability claims, employee disputes, rental disputes and other kinds of lawsuits, and faces different types of legal issues. Any claim brought against the Group (with or without merit), could be costly to defend. These matters are inherently difficult to quantify. Management is of the opinion that the result of these disputes will not have a significant effect on the Group's financial position.

The Group has taken out operating leases for property and operating equipment. The lease period ranges typically between 3 to 10 years. The leaseholds in Denmark may be renewed upon expiry, whereas the Norwegian and Swedish leaseholds are to be renegotiated. A number of lease contracts contain revenue-related rent.

	Consolidated	
DKK'000	**2016/17**	**2015/16**
Rent obligations		
The Group's total rent obligations broken down on residual terms:		
Within 1 year	75,552	66,173
Between 1 to 5 years	96,853	84,966
After 5 years	27,864	4,602
	200,269	155,741
Other operating lease obligations		
The Group's total operating lease obligations broken down on residual terms:		
Within 1 year	3,335	3,310
Between 1 year to 5 years	5,202	8,703
	8,537	12,013
Operating leases expensed	105,568	81,230
Revenue based lease	3,697	3,689

Notes

Note 31 – Related party disclosures and ownership

Control	**Basis**
Polaris Private Equity II K/S, Copenhagen	Owner, 99%

Significant influence
The CEO and board member of PWT Holding A/S, Ole Koch Hansen, exercises control over OKH Holding A/S, which is deemed to exert significant influence over the consolidated accounts of P-WT 2007 A/S.

P-WT 2007 A/S has the following shareholders with a registered share of the total sharecapital of 5 % or more:

Polaris Private Equity II K/S
c/o Gorrissen Federspiel
H.C. Andersens Boulevard 12
1553 København K

Executive staff members
The P-WT 2007 A/S Group's related parties with significant influence comprise the Group's Board of Directors and executive management of the parent company and these persons' close family members. Related parties moreover comprise enterprises in which this group of persons have significant interest.

Transactions with related parties
Transactions with related parties took place on an arm's length basis.

Amounts owed by group enterprises are disclosed on the balance sheet of the parent company financial statements, and interest thereon is disclosed in note 9, Financial income and note 10, Financial expenses. Executives and directors remuneration are disclosed in note 7, Staff costs

In addition, during the financial year, the Group engaged in the following transactions with enterprises exerting significant influence:

	Consolidated	
DKK'000	**2016/17**	**2015/16**
Rent, etc.	5,852	4,680
Rent obligations regarding related parties represent	48,750	11,113

Notes

Note 32 – Management positions of the Board of Directors and the Executive Board

Henrik Bonnerup
Chairman and member of the board of directors since 2007
Partner:
Polaris Management
Executive Board:
CEKA Holding A/S
and a number of companies owned by Polaris Private Equity
Member of the Board of Directors of:
A number of companies owned by Polaris Private Equity

Jan Johan Kühl
Member of the board of directors since 2007
Managing partner:
Polaris Management
Member of the Board of Directors of:
Business Synergy Group ApS
Interprimo A/S
Part Unique ApS
Brøndum A/S
Brøndum Holding A/S
and a number of companies owned by Polaris Private Equity

Allan Bach Pedersen
Member of the board of directors since 2007
Partner:
Polaris Management
Member of the Board of Directors of:
Østpeder Holding ApS
A number of companies owned by Polaris Private Equity

Notes

Note 33 – Events after the balance sheet date

No significant events have occurred after the balance sheet date.

Note 34 – New financial reporting regulations

The following amended financial reporting standards and interpretations which may be of relevance to the P-WT 2007 A/S Group have been adopted by the IASB and adopted by the EU. The standards have future effective dates and will therefore be implemented in the Annual Reports as they become effective. The implementation of the standards is not expected to have material impact on the consolidated financial statements.

- IFRS 9 changes the classification and measurement of financial assets and liabilities (replacement of IAS 39). The number of classification categories for financial assets is reduced to three: amortised cost, fair value through profit or loss (FVPL) and fair value through other comprehensive income (FVOCI). Entities taking the fair value option are required under IFRS 9 to present the share of the fair value change for the period which is attributable to changes in the entity's own credit risk in other comprehensive income. Further, the impairment model for financial assets is changed to a model based on expected credit losses under which changes to the credit risk imply changes to the provision for bad debts. The hedge accounting rules are relaxed so as to be aligned with the entity's risk management practices. In P-WT 2007 A/S' opinion, the standard will not have any major impact on the Group. The standard become mandatory for adoption as from the 2018 financial year.

- IFRS 15 "Revenue from Contracts with Customers" provides detailed framework definitions of revenue recognition. The implementation of IFRS 15 is not expected to have material impact on the consolidated financial statements. The standard become mandatory for adoption as from the 2018 financial year.

In addition to the above, the IASB has issued IFRS 16 "Leases". The standard has not yet been adopted by the EU and will be effective for financial years beginning on or after 1 January 2019. IFRS 16 "Leases" changes the rules on accounting treatment of operating leases by lessees. Going forward, operating leases are therefore to be recognised as an asset and a corresponding lease liability in the balance sheet. P-WT 2007 A/S Group expects to implement the standard when it become effective. P-WT 2007 A/S is in the process of assessing the effect of the standard. The implementation of IFRS 16 "Leases" cannot be determined at this time. For operating leases obligation and expenses cf. note 30.

Note 35 – Financial risks and financial instruments – Parent Company and Group

Risk management in general

As a result of its operating, investing and financing activities, PWT Group is exposed to financial risks, including market risks (currency risks and interest risks), credit risks and liquidity risks. Only the most important risks are accounted for in the note.

Notes

Note 35 – Financial risks and financial instruments – Parent Company and Group (continued)

The Group manages its financial risks centrally as well as coordinates liquidity management and funding. Corporate policy is not to engage in any speculation in financial risks. The overall framework for management of currency risks is laid down in the policy on currency risks adopted by the Board of Directors.

The Group has taken out hedging of its currency and interest risks. The Group however does not use hedge accounting, thus the effect are recognized in comprehensive income.

Currency risks
Sales of the Group are primarily settled in Danish kroner, Norwegian kroner and Euro. The Group has sales companies in Germany and Norway and shops in Norway and thereby incurs costs in the same currency. Currency risks from income-generating activities are thereby limited, as the vast part thereof is invoiced in the Scandinavian currencies or Euro. The Group has chosen not to hedge net income.

Purchases by the wholesale business are primarily settled in USD, and, accordingly, the Group is heavily exposed to currency movements in USD. Hedging is taken out for all purchases in USD in accordance with the group policy on currency risks, and therefore the risk at the balance sheet date is not deemed material to the Group.

Notes

Note 35 – Financial risks and financial instruments – Parent Company and Group (continued)

Consolidated currency positions at 31 December 2017 set out in Danish kroner:

DKK'000	USD	NOK	SEK	EUR
Receivables	2,440	4,081	3,113	7,827
Cash	0	5,359	2,038	0
Trade payables	191	4,789	308	9,212
Bank loans	247	0	0	3,035
Forward contracts	111,739	0	0	0
	113,741	4,651	4,843	-4,420
Impact on results before tax based on a -10% change in exchange rate	-11,374	-465	-484	442
Impact on equity and results after tax based on a -10% change in exchange rate	-8,872	-363	-378	345

Consolidated currency positions at 30 September 2016 set out in Danish kroner:

DKK'000	USD	NOK	SEK	EUR
Receivables	1,495	4,473	6,565	18,576
Cash	0	1,639	1,479	145
Trade payables	0	6,302	6	1,718
Bank loans	1,920	0	0	0
Forward contracts	110,157	0	0	0
	109,732	-190	8,038	17,003
Impact on results before tax based on a -10% change in exchange rate	-10,973	19	-804	-170
Impact on equity and results after tax based on a -10% change in exchange rate	-8,559	15	-627	-133

The currency risk on USD mainly relate to the Group's forward exchange transactions. A decrease of 10% as mentioned above, would have an opposite effect on signed purchase orders.

Notes

Note 35 – Financial risks and financial instruments – Parent Company and Group (continued)

Interest risks
As a result of its investing and financing activities, the Group is exposed to fluctuations in the level of interest rates in Denmark.

Group policy is to hedge interest risk on loans to the extent that the interest payments may be hedged at a satisfactory level. Hedging is effected by means of interest swaps from floating-rate loans to fixed-interest loans until July 2016. The expired interest swap were not qualifying for treatment as hedging instrument.

For the purpose of the Group's floating-rate cash and liabilities, an increase of 1% in interest rate level on the actual interest rates at the balance sheet date would hypothetically have a negative impact on consolidated results and equity at year end of DKK 2.2 million (DKK 3.1 million) and the Parent Company's results and equity of DKK 2.0 million (DKK 2.3 million). A similar reduction in interest rate level would have a corresponding positive effect.

The stated sensitivities have been based on recognised financial assets and liabilities at the end of the financial year. Repayment, raising of loans, etc. during the financial year have not been taken into account. The changes applied are considered fairly likely in the present market situation and based on projected movement in interest levels.

Credit risks
As a result of its operations, the Group is exposed to credit risks primarily arising from receivables from customers. The maximum credit risk is equivalent to the carrying amount of these items.

The Group regularly assesses the need for write-down for bad debts and follows up on receivables, and if required write-down is made in accordance with Group's policy for write-down. The Group is not exposed to any material risks posed by an individual customer.

Cash in banks are not deemed to pose any special credit risks. The group is also exposed to credit risk relating to the investment in the corporate bonds of PWT Holding A/S.

Liquidity risks
The Group strives to have a sufficient liquidity reserve comprising cash, fair value trough profit or loss assets and undrawn credit facilities to be able to take proper action in case of unforeseen fluctuations in liquidity. Capital resources are regularly assessed and managed by the Finance Department. Based on the Group's capital resources and projected future cash flows, Management is of the opinion that sufficient capital resources are available.

The Group mainly finances its activities over the open bank business credits and undrawn drawing rights. Due to the seasonal fluctuations, etc., in its activities, the Group's liquidity requirements vary during the financial year. The seasonal variations are taken into account in the form of the availability of a sufficient number of overdraft facilities, etc.

Notes

Note 35 – Financial risks and financial instruments – Parent Company and Group (continued)

Consolidated bond debt arising from the purchase of activities in 2008. On a regular basis, the Management assesses the market for new financing options when the bond expires in October 2022, these studies has been very positive and with great potential.

Net interest-bearing debt of the Group and the Parent Company is specified as follows:

	Consolidated		Parent Company	
DKK'000	**2016/17**	**2015/16**	**2016/17**	**2015/16**
Specification of net interest-bearing debt				
Cash at bank and in hand	-20,259	-10,818	-385	-5
Bond loans	250,856	295,822	0	0
Lease debt	540	171	0	0
Amounts owed to group enterprises	9,683	8,874	9,595	8,874
Bank loans, current liabilities	21,833	80,507	0	0
Net interest-bearing debt	262,653	374,556	9,210	8,869

The Group's financial liabilities fall due for payment as specified below with the amounts reflecting the non-discounted nominal amount falling due for payment in accordance with agreements concluded, including future interest payments calculated on the basis of the present market situation and concluded interest swaps. Bond debt with expiry on 18 October 2022 represent the vast part of the Group's liabilities.

The repayment schedule is based on non-discounted contracting cash flows including estimated interest payments. The interest payments are estimated based on the current market situation.

DKK'000	01.10.2016	Cash flow, net	Other regulations	31.12.2017
Specification of interest-bearing debt				
Bonds loans, long term	295,856	-44,821	-179	250,856
Bank loans and overdrafts, short term	80,507	-58,674	0	21,833
Lease debt, long and short term	171	259	110	540
Amounts owed to group enterprises	8,874	809	0	9,683
Debt from financing activities	385,408	-102,427	-69	282,912

Notes

Note 35 – Financial risks and financial instruments – Parent Company and Group (continued)

DKK'000	0-1 year	1-5 years	> 5 years	Total	Carrying amount
2016/17, Consolidated					
Deposits	0	0	15,186	15,186	15,186
Trade receivables	55,758	0	0	55,758	55,758
Other receivables	4,724	0	0	4,724	4,724
Loans and receivables	60,482	0	15,186	75,668	75,668
Bond loan	16,500	341,956	0	358,456	250,856
Lease debt	120	420	0	540	540
Amounts owed to group enterprises	9,595	0	0	9,595	9,595
Overdraft facilities	21,833	0	0	21,833	21,833
Trade payables	93,489	0	0	93,489	93,489
Derivative financial instruments	2,171	0	0	2,171	2,171
Other payables	71,189	0	0	71,189	71,189
Financial liabilities are measured at amortised cost	214,897	342,376	0	557,273	449,673
2015/16, Consolidated					
Deposits	293	0	14,450	14,743	14,743
Trade receivables	85,013	0	0	85,013	85,013
Derivative financial instruments	1,471	0	0	1.471	1,471
Other receivables	2,228	0	0	2,228	2,228
Loans and receivables	89,005	0	14,450	103,455	103,455
Bond loan	19,500	326,471	0	345,971	295,822
Lease debt	175	0	0	175	171
Amounts owed to group enterprises	8,874	0	0	8,874	8,874
Overdraft facilities	80,507	0	0	80,507	80,507
Trade payables	78,403	0	0	78,403	78,403
Other payables	40,427	0	0	40,427	40,427
Financial liabilities are measured at amortised cost	227,886	326,471	0	554,357	504,204

Notes

Note 35 – Financial risks and financial instruments – Parent Company and Group (continued)

DKK'000	0-1 year	1-5 years	> 5 years	Total	Carrying-amount
2016/17, Parent Company					
Amounts owed by group enterprises	9,595	0	0	9,595	9,595
Trade payables	52	0	0	52	52
Other payables	88	0	0	88	88
Financial liabilities measure at amortised cost	9,735	0	0	9,735	9,735
2015/16, Parent Company					
Amounts owed by group enterprises	8,874	0	0	8,874	8,874
Trade payables	50	0	0	50	50
Other payables	336	0	0	336	336
Financial liabilities measure at amortised cost	9,260	0	0	9,260	9,260

On the basis of the Parent Company's and the Group's forecast future operations and the Group's current liquidity, no material liquidity risks have been identified. Please also refer to the description of liquidity risks above.

Company details

Company	P-WT 2007 A/S c/o Polaris Management A/S Malmøgade 3 2100 København Ø Denmark	
	CVR No.:	31 07 45 41
	Established:	29 November 2007
	Registered office:	Copenhagen
	Financial year:	1 October 2016 31 December 2017 (10th financial year)
	Websites:	www.pwt-group.com www.pwtbrands.com www.lindbergh.dk www.Shineoriginal.com www.bison.dk www.junkdeluxe.dk www.wagner.dk www.tøjeksperten.dk

Board of Directors	Jan Johan Kühl Allan Bach Pedersen Henrik Bonnerup
Executive Board	Jan Johan Kühl
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup Denmark