PWT HOLDING

ANNUAL REPORT 2015/16

PWT HOLDING A/S | GØTEBORGVEJ 15-17 | 9200 AALBORG SV | BUSINESS REGISTER NO. 31 07 46 06

The annual report has been presented and adopted at the Company's Annual General Meeting on 27 January 2017.

Lotte Fuglsang Duhn

CHAIRMAN
Lotte Fuglsang Duhn

PWT GROUP

We dress fashion-conscious men in quality clothing from our wholesale company PWT Brands and our two leading menswear chains Tøjeksperten and Wagner.

With seven well-known menswear brands, 196 stores in Denmark, Norway, Sweden and China and attractive web shops, we stand out and provide fashion at a fair price – anytime and anywhere.

PWT Group has more than 500 employees and is owned by Polaris Private Equity and the company's Management and Board of Directors, among others.

PWT BRANDS

Our seven strong brands are sold by more than 1,000 independent retailers and our own retail chains Tøjeksperten and Wagner.

From our headquarter in Aalborg, PWT Brands markets Lindbergh, Shine Original, Jacks Sportswear Intl., JUNK de LUXE, Bison, Morgan and Huzar in more than 20 countries through stores and web shops alike.

TØJ | eksperten

With 111 stores, Tøjeksperten is Denmark's largest menswear chain, providing quality clothing and strong brands from the PWT Brands portfolio and other external designers for fashion-conscious men of all ages since 1968.

The careful selection of products and brands reflects our ambition to maintain Tøjeksperten as the leading menswear chain in the medium price range.

WAGNER

A growing and comprehensive store network in Scandinavia and selected locations in China form the foundation for Wagner's offering of menswear – ranging from trendy denim to classic fashion.

Established in 1946, Wagner currently has 56 stores in Denmark, 14 in Norway, 2 in Sweden and 13 in China.

The chain offers an outstanding and affordable selection of contemporary fashion and strong brands including Lindbergh, JUNK de LUXE, Shine Original, Bison and Jacks Sportswear Intl.

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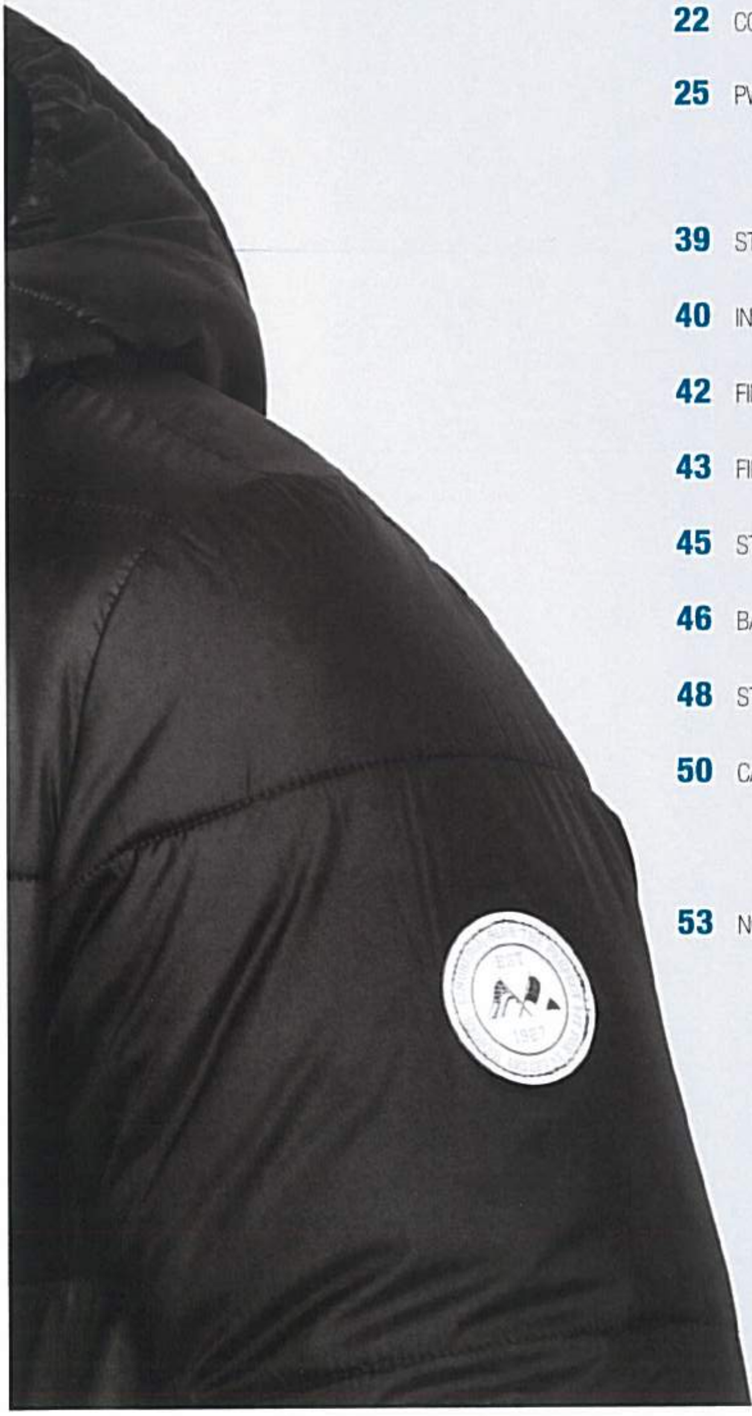


YEAR IN SHORT

We grew the business during the year with several new stores opening across Scandinavia and China. Our efforts to boost profitability paid off as we increased operating profit (EBITDA) by 16.8% on moderately higher revenue in retail markets that remained challenging.

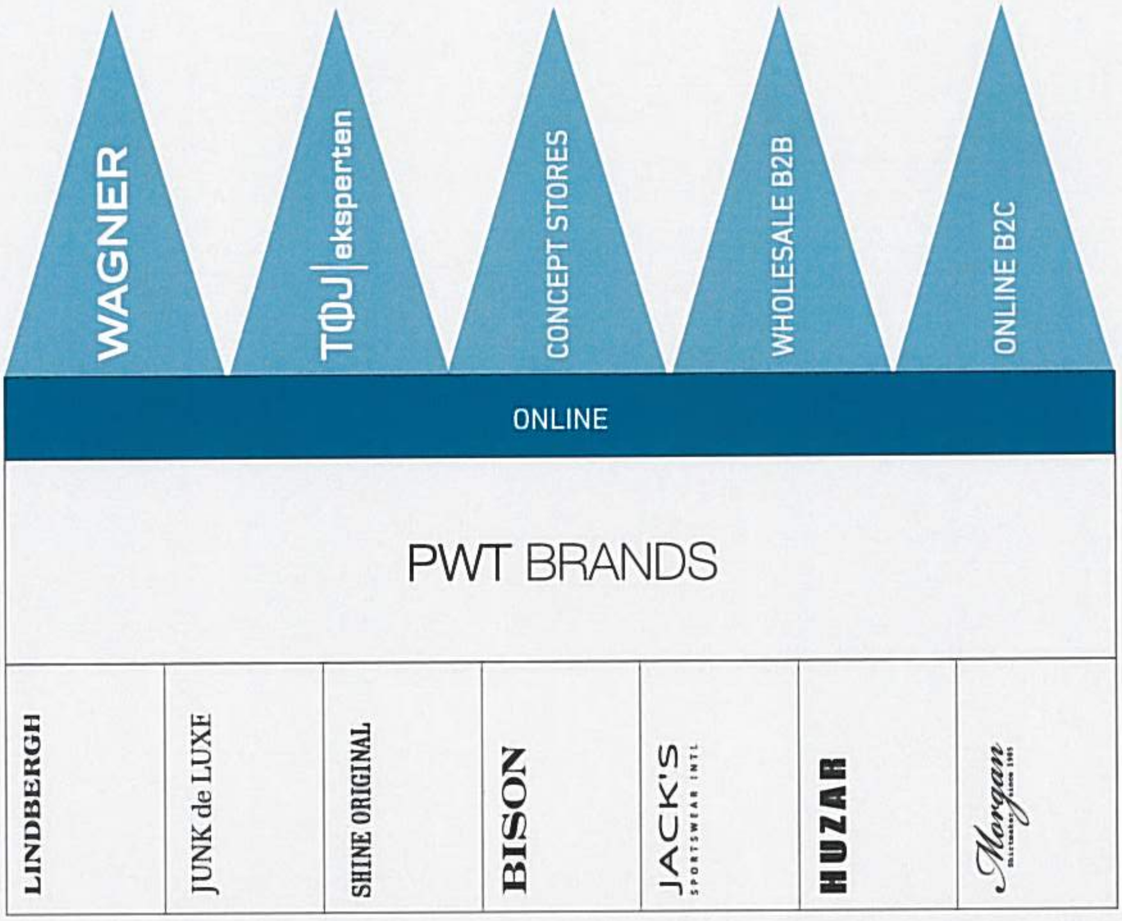
Simultaneously, we continued to invest in the ongoing strengthening of our sales organisation in the wholesale company PWT Brands as well as our accelerated digital transformation of the Group. New initiatives were launched to ensure that we remain relevant and accessible to our customers – anytime and anywhere.

We drove great operational and financial progress during the year, and the journey towards realising our ambitions continues.

KEY NUMBERS

REVENUE	EBITDA	EBITDA MARGIN	SOLVENCY RATIO
863 M DKK	**99** M DKK	**11.4**%	**48.5** %
(858 M DKK)	(84 M DKK)	(9.8%)	(45.7 %)

PWT GROUP PLATFORM



FINANCIAL AMBITIONS

- GROUP EBITDA MARGIN OF **15%**
- EXTERNAL REVENUE GROWTH OF **10%** ANNUALLY IN PWT BRANDS
- CONTINUED MARKET SHARE GROWTH IN OUR TWO RETAIL CHAINS

WORD FROM THE CEO
– PWT GROUP DRESSED FOR THE FUTURE

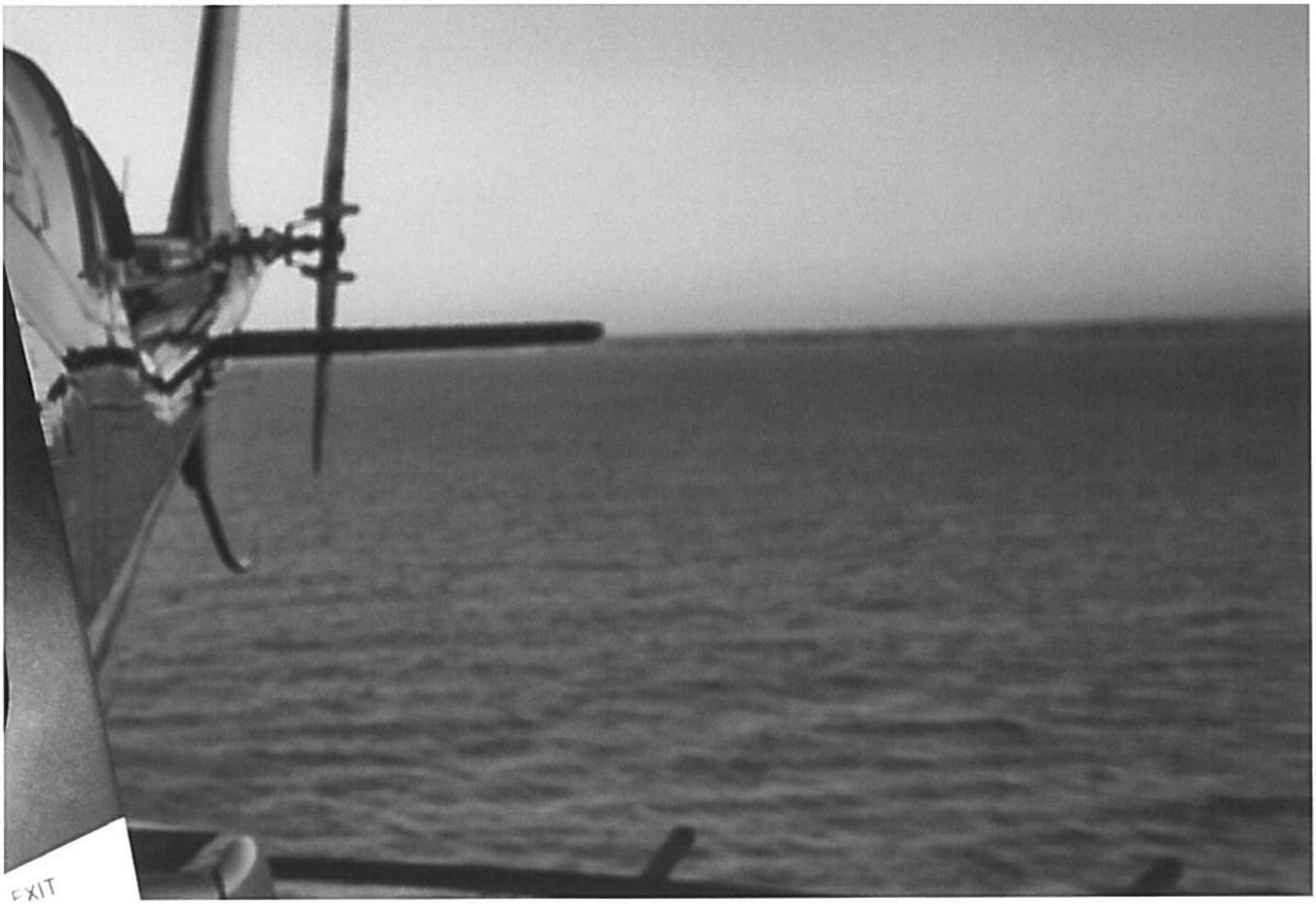
Great progress was made during the financial year under review, and PWT Group realised significant operational improvements and strong profitability growth as a result of dedicated efforts by all employees to build a stronger business.

We continued the work to expand our market leading position in Denmark and strengthen our presence across and beyond Scandinavia during the year. We were pleased to see that our sharp focus on optimising the Group's store network and improving customers' experience with our brands and chains yielded positive results. Total revenue grew moderately as we continued to win market shares under challenging market conditions – and our profitability grew significantly, outperforming the outlook for the year.

Our wholesale business, PWT Brands, delivered strong growth following a strengthening of our sales organisation and successful efforts to increase sales in both primary and export markets. Today, our brands are sold by more external partners than ever in stores as well as online, and we expect continued progress and positive results from our persistent efforts to tailor and improve our brand portfolio.

PWT Group grew revenue despite the challenging market conditions prevailing in our main geographies. We thus managed to grow our market share again this year, and we opened new stores and increased profitability at the same time. Tøjeksperten expanded in Denmark, and we pursued our strategy of strengthening Wagner's position as a dedicated menswear chain in the right locations across Denmark, Sweden and Norway. We drove great progress in China as well with nine new Wagner store openings during the financial year and positive overall financial developments, which we are aiming to improve in the coming period through operational optimisation.

All in all, we strengthened our physical presence during the year with new stores and upgrades of the



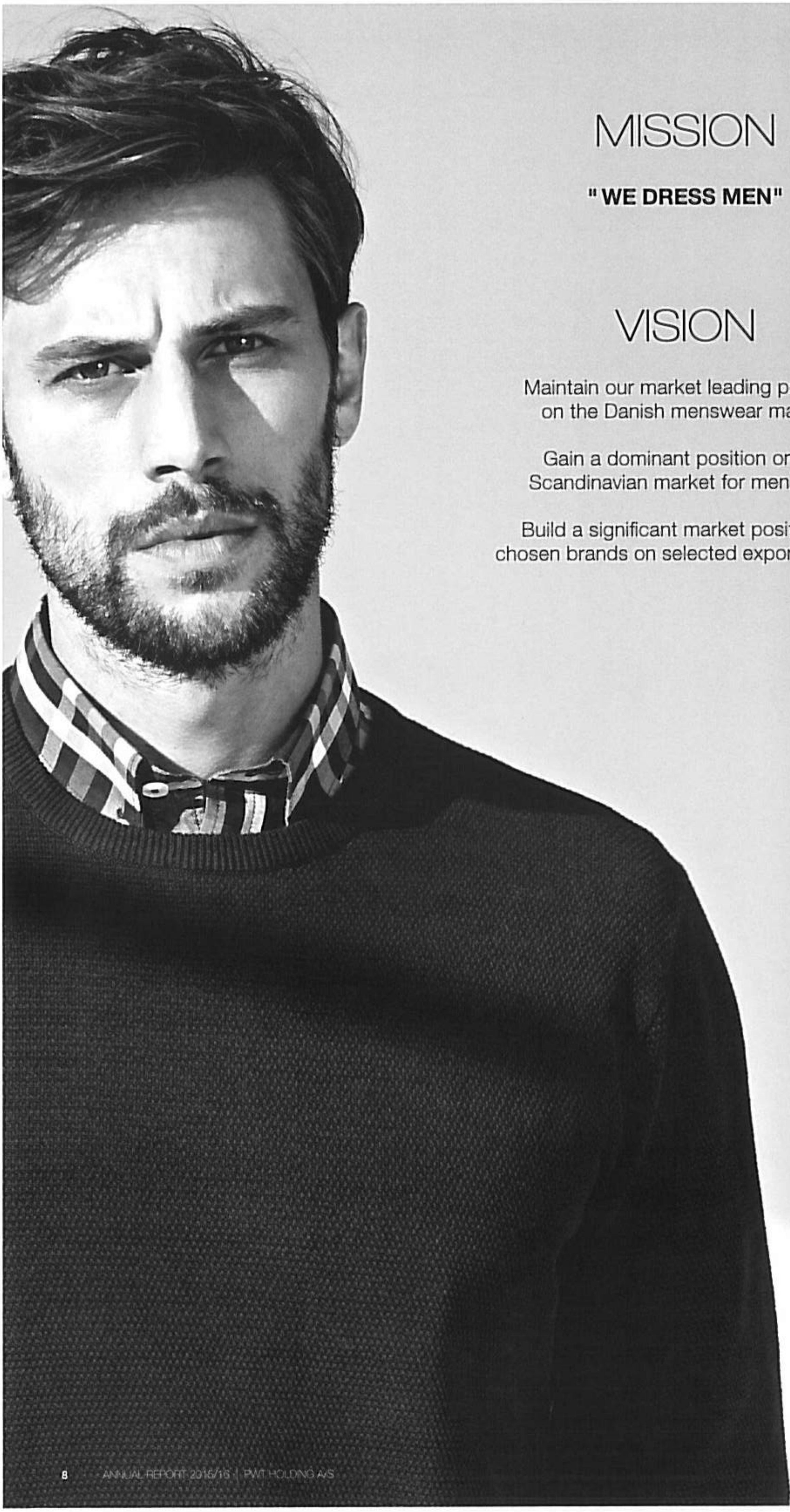
existing network. But equally important, we continued and accelerated the digital transformation of PWT Group and realised positive results in the process. Our customers are at the very centre of the process as we are integrating the physical and online customer experience to be able to serve customers anytime and anywhere.

It is our mission to dress men – and it plays no role if they make their purchase in our stores or online. We have therefore introduced a new omni-channel concept ensuring that any out-of-stock product may be shipped immediately from our central warehouse to supplement the purchase already made in the store.

The initiative was implemented in September 2016 and has been well-received by customers welcoming the flexibility of the concept, which seamlessly merges the physical and online customer experience. Along the same lines, our customers appreciate the concepts of Price match and Click & Collect, ensuring our guaranteed competitiveness on price, in stores, at all times, and the option for customers to check availability and order products online for subsequent pickup in their preferred store.

With the continued expansion of our extensive store network and further improvement of our online presence, we are confident that PWT Group is dressed for the future. In the coming period, we will build on our existing platform and aim to improve our profitability further, grow our wholesale business significantly and win additional market shares in our retail chains. We are looking forward to the journey ahead.

Ole Koch Hansen
CEO PWT Holding A/S



MISSION

" WE DRESS MEN"

VISION

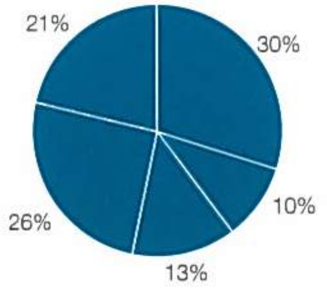
Maintain our market leading position on the Danish menswear market

Gain a dominant position on the Scandinavian market for menswear

Build a significant market position for chosen brands on selected export markets

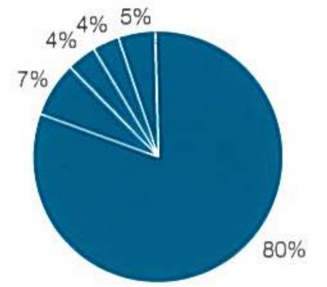
THE NUMBERS

REVENUE
BRAND SPLIT



Lindbergh	**30%**
Shine Original	**10%**
Bison	**13%**
Other own brands	**26%**
External brands	**21%**

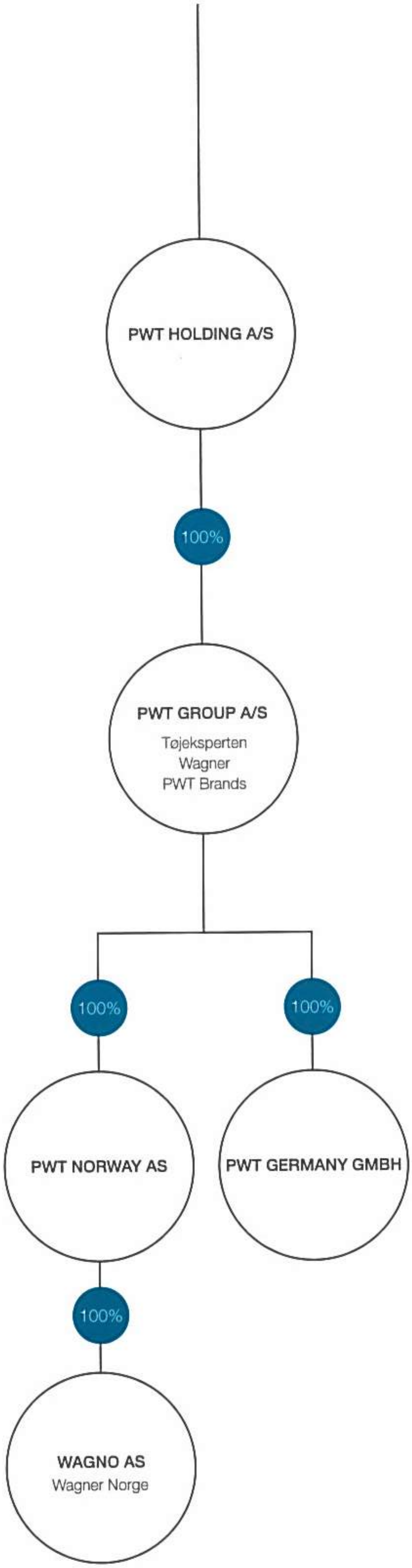
REVENUE
GEOGRAPHICAL



Denmark	**80%**
Norway	**7%**
Sweden	**4%**
Germany	**4%**
Other	**5%**

	REVENUE	COUNTRIES	RETAILERS/ STORES	NUMBER OF EMPLOYEES
PWT BRANDS		**TOTAL** Independent Retailers	**1045**	**101** EMP
TØJ | eksperten		**TOTAL** Denmark	**111** 111 (50 franchises)	**293** EMP
WAGNER		**TOTAL** Denmark Norway Sweden China	**85** 56 (34 franchises) 14 (1 franchise) 2 (2 franchises) 13 (Joint venture)	**141** EMP
TOTAL PWT	**863** M DKK	**196** STORES	**1,045** RETAILERS	**535** EMP

THE COMMENTARY



MANAGEMENT COMMENTARY

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 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 111 stores across the country, of which 61 are owned by the Group, while 50 are franchised. Tøjeksperten focuses on quality clothing for fashion-conscious men of all ages and sells both its own and external brands.

Wagner has 56 stores in Denmark and 14 in Norway. 22 Danish and 13 Norwegian stores are owned by the Group, while 34 Danish stores and 1 Norwegian store are franchised. Wagner also counts 2 franchised stores in Sweden, and 13 stores in China. 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 1,045 independent retailers in +20 countries.

Performance in the year under review

Total revenue of PWT Group grew moderately to DKK 863 million for the 2015/16 financial year as against DKK 858 million last year as the Group performed well in markets that remain challenged. The Group's wholesale business increased revenue further during the year, and the two menswear chains gained market shares in the challenging Danish retail market.

Operating profit (EBITDA) increased to DKK 99 million as against DKK 85 million last year corresponding to an EBITDA margin of 11.4% against 9.8% last year. Progress was mainly driven by lower external costs, a higher contribution margin due to process optimisation and moderate revenue growth.

Continued focus on strengthening PWT Group's own brands generated positive results in 2015/16 as PWT Brands built on earlier years' success and increased both revenue and earnings significantly compared to last year.

PWT Group's Danish retail chains, Tøjeksperten and Wagner, increased their combined market share on the Danish menswear market and improved profitability on slightly lower revenue. The two chains continue to have a strong market position and a solid basis for a substantial earnings increase when market conditions improve.

PWT Group's Norwegian Wagner shops saw a decrease in revenue during the year, and earnings were slightly lower as completed changes to the store network are still to yield the expected results.

Financial expenses declined in 2015/16 due to adjustment of fair value of financial instruments arising from currency hedging in relation to the Group's clothes production. In combination with the positive earnings development, this drove an increase in profit before tax to DKK 55 million against DKK 33 million last year.

Results for 2015/16 were satisfactory as PWT Group increased EBITDA significantly by 16.8% on slightly higher revenue.

Operational optimisation

In 2015/16, PWT Group continued its strategic efforts to optimise its business and improve the customer's experience with its brands and chains. Improvements continued, and the following results were achieved during the year:

- Revenue increased in Wholesale as the strategic plan for 2013-2018 showed good results and progress in PWT Brands on primary markets and export markets alike. The order book for the summer of 2017 indicates continued progress with an 10% increase on last year.

- The Lindbergh brand continued the positive development with several new inshops and a new store in Copenhagen Airport opening during the year.

- In Norway, Wagner sharpened focus on dedicated menswear shops in a number of larger cities. This resulted in closure of four shops for women and men and opening of four new dedicated menswear shops during the year. Also, Wagner's second shop in Sweden opened in 2015/16.

- PWT Group's retail chains increased the number of customer club members by 15%. The share of revenue generated by club members continued to increase.

- Efforts to increase the number of PWT Group's own brands in Tøjeksperten continued and progressed to plan, adding to the overall profitability.

- Bison continued the positive development and grew revenue in 2015/16 as the brand's functional designs are well-received in the Nordic markets.

- PWT Group's joint venture with a Chinese partner and IFU is progressing to plan, and 9 new Wagner shops opened in China in 2015/16, bringing the total number of shops to 13. Efforts will continue in 2016/17.

Lindbergh
The Lindbergh brand saw a continuation of recent years' growth during 2015/16 driven mainly by the brand's clear DNA, the division in 4 sub-labels (Blue, Black, White & Red) and continued focus on export markets. An increased focus on the 'White' sub-label has generated revenue and profit growth.

Shine Original
Tough competition on the jeanswear market continued, and efforts to strengthen Shine Original in export markets and focus the organisation continued during the year. Growth is expected for 2016/17 as initiatives are expected to yield results.

Bison
Bison is a very strong brand in Nordic markets because of continued focus on quality and development of the brand's collections. Investments in the sales organisation have improved revenue significantly and added to profitability, and Bison has a very strong position on the Danish market.

Tøjeksperten
During the year, PWT Group's largest retail chain, Tøjeksperten, opened 11 stores and closed 5 stores. Tøjeksperten gained market shares and increased earnings significantly on a slightly lower revenue due to a higher contribution margin and cost reductions.

Wagner
Retail chain Wagner expanded the network in Denmark and opened 3 new stores and closed 2 stores. Simultaneously, focused efforts were made to improve profitability in the coming period.

PWT Group has launched a new strategy in Norway and focused the store network, opening dedicated menswear stores in larger cities and closing combined menswear and womenswear stores in other areas. The new strategy is expected to generate positive results in the coming period.

Wholesale
PWT Brands continued the positive developments by further expanding its sales organisation with own sales representatives primarily on the markets in Sweden, Norway and Germany. Revenue and earnings grew significantly in 2015/16 as the effect of the sales-oriented measures materialised, especially in external sales.

PWT Brands continues the successful efforts optimising its brand portfolio, and the order book for delivery in 2016/17 projects satisfactory growth.

Events after the balance sheet date
No material events have occurred after the financial year-end.

Outlook
In 2016/17, PWT Group expects to increase revenue and improve earnings. In the medium term (3-5 years), PWT Group aims to report annual revenue growth in the range of 3-6% with operating profit (EBITDA) improving significantly around 10% 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 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 socio-economic 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 36.

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.

An audit committee has been established, which, together with the organisational structure and internal guidelines, makes up the control environment together with legislation and other rules applying to the Group. 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, key employees 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 30 September 2016, net interest-bearing debt of the Group had been reduced slightly to DKK 366 million (30 September 2015: DKK 372 million).

During the 2015/16 financial year, PWT Group concluded an agreement with its bankers ensuring a solid financial foundation for projected future growth.

PWT Group has issued Senior Secured High Yield Bonds at an amount of DKK 300 million and with a life of five years (26 May 2019). The bonds do not come with a fixed repayment schedule and are not subject to specific covenants.

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CORPORATE SOCIAL RESPONSIBILITY

In its capacity as a portfolio company under Polaris Private Equity, PWT Holding 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.

PWT Group acknowledges its responsibility for addressing challenges in low-income countries and has, in recent years, accordingly dedicated many efforts to ensuring sustainable operations in its countries of operation. As a consequence, the CSR agenda has become an increasing part of business strategy. PWT Group has a far-reaching network, and by way of this, the Group strives to drive economic development taking human resources and the environment into account. To foster such a development, PWT Group strives to encourage co-operation and dialogue with suppliers and other relevant parties on socially, environmentally and economically sustainable solutions.

PWT Group operates in accordance with the OECD's Guidelines for Multinational Companies and the ten principles of the United Nations Global Compact (UNGC) on social, environmental and economic sustainability. Furthermore, PWT Group is under an obligation to comply with Polaris Private Equity's principles for Corporate Social Responsibility. Generally, all business activities of the Group are to be in line with internationally recognised principles for sustainability, The International Bill of Human Rights, comprising fundamental rights at work from ILO's declaration on rights at work, the Rio declaration on environment and development, the UN convention against corruption and internationally recognised principles on animal welfare.

It is all about setting up processes allowing PWT Group to identify, prevent and remedy any potential or actual adverse impact that the Group may trigger or contribute to via its business activities within all four areas (social, environmental and economic sustainability as well as animal welfare).

The overall objective is to uphold sustainable business activities and simultaneously to allow the same principles on sustainability to flow through the business relationship with suppliers and other business relations. With its broad network, PWT Group is faced with numerous challenges in terms of CSR. Nevertheless, PWT Group considers the CSR agenda a fundamental and decisive factor for operating a sound and sustainable business.

Management keeps close track of the CSR agenda. At monthly follow-up meetings, Management is notified of the status of affairs from the operational level; status at that specific point in time, specific requirements to be met and not least how to do so. Status reports are used for internal reporting for the year, annual reporting to the Danish Ethical Trading Initiative (DIEH) and for annual reporting to the UN Global Compact going forward.

In order to strengthen its competences and tools within CSR as well as to be a player on the national and international CSR agenda, PWT Group is a member of numerous organisations and initiatives, which are set out on the next page ►

UN GLOBAL COMPACT

FTA
Foreign Trade Association

BUSINESS SOCIAL COMPLIANCE INITIATIVE
BSCI
www.bsci-intl.org
Participant of BSCI

DIEH
Dansk Initiativ for Etisk Handel

DANSK MODE & TEXTILE

ACCORD
on Fire and Building Safety in Bangladesh

POLICIES

By complying with its CSR Policy Commitment and actively using its Code of Conduct in its interaction with suppliers, PWT Group ensures compliance with international minimum standards as set out in OECD's Guidelines for Multinational Enterprises and the UN's Guiding Principles on Business and Human Rights. PWT Group's CSR Policy Commitment and Code of Conduct cover social, environmental and economic sustainability as well as animal welfare and describe how PWT Group works on developing and implementing due diligence processes in its own business and to expect the same from its business relations.

The Groups CSR Policy Commitment reads as follows:

"Irrespective of how we run our business, we will set up processes identifying, preventing or remedying any potential adverse impact that we may trigger or contribute to through our business activities. If we discover that we have triggered or contributed to such adverse impact, we will seek to provide satisfaction to the persons confronted with the impact or notify competent authorities."

and as follows with regard to its suppliers:

"We acknowledge our responsibility for striving to prevent or remedy any adverse impact on human rights, including rights at work, the environment and anti-corruption faced with during our business activities. To live up to this responsibility in the best possible way, we expect that our business relations (including suppliers and subsuppliers) set up a well-functioning management system to prevent or remedy any adverse impact...."

The following paragraphs describe the actions taken by PWT Group to contribute to and to avoid any adverse impact on social, environmental and economic sustainability as well as animal welfare.

ACTIONS AND FINDINGS

Social responsibility

<u>Internal process</u>

PWT Group has set up ongoing activities to promote job satisfaction among its employees. As part of these activities, the Group has set up a working environment committee, which is to assess the working environment and make recommendations for improvements.

All employees have taken part in performance reviews, in which personal and professional development is discussed. Regular anonymous employee satisfaction surveys are conducted. The individual leader takes the findings from the survey into account and makes the necessary adjustments.

The overall result from the last employee satisfaction survey is above average for the Danish labour market, which is satisfactory.

Additionally, PWT Group offers its employees a health insurance scheme and takes regular initiatives to promote health and well-being at work.

During the year, the staff association organises employee events to foster solidarity among the employees at the head office. Additionally, the individual employee is offered relevant courses within personal development. Furthermore, the chains organise local events, and, during the financial year, the chains held seminars and workshops for social and educational purposes.

On 30 September 2016, PWT Group had 634 (headcount) employees as against 660 at 1 October 2015. When trainees are not taken into account, 153 staff members were added during the year under review, and 219 employees left the company.

<u>External process</u>

PWT Group is aware of the fact that the most predominant risk of adverse impact on human rights arises from production with suppliers and subsuppliers in high-risk countries such as Bangladesh and India. Accordingly, PWT Group dedicates the vast majority of its CSR efforts to the work with its chains of suppliers.

PWT Group supports long-term sustainable development by building capacity and know-how on e.g. human rights at the local factories. The ambition is that several of the Groups suppliers are to take part in capacity-building projects, e.g. through industrial associations and multi-stakeholder initiatives such as BSCI and the Accord.

As a member of the Accord, PWT Group contributes to maintaining development and improvements within fire, building and electricity safety at the production factories in Bangladesh. As a result of its membership, PWT Group is under an obligation to retain its suppliers for a five-year period and thereby ensure job continuity. PWT Group is the lead on a number of factories when it comes to ensuring that the requirements of the Accord for building, fire and electricity safety are implemented.

The status on the audits is available at the website of the Accord. Furthermore, the Accord encourages the set-up of workers' participating committees, contributing to a strong social dialogue at the factories.

PWT has donated a life-long platinum membership of the CRP "Centre for the rehabilitation of the paralysed" situated in Dhaka, Bangladesh.

PWT Group has continued its BSCI membership and, to a wide extent, extended suppliers' knowledge about BSCI. Internal guidelines for the BSCI approval process of the factories have been laid down, which are effective until 2018. At the end of the financial year, 41 of PWT Group's 50 suppliers, equivalent to 95% of the Group's purchases, had conducted an audit producing a rating as "Acceptable" or "Approved", which accounted for a satisfactory increase. The ambition is to increase the number of approved suppliers in the coming year.

During the year under review, in addition to focusing on wholesale suppliers, the Group has focused on compliance by retail suppliers.

Environmental sustainability

Internal process

PWT Group strives to reduce environmental impact across the supply chain by optimising its transportation channels. Accordingly, sea freight is the preferred means for transportation of products to Denmark, and airfreight is reduced to an absolute minimum. Furthermore, all shipments from central inventories to the Group's own chains and external customers are optimised.

Waste sorting and the recycling of paper and cardboard are given a priority at the head office. In addition, the Group keeps regular track of the development of LED spots as an alternative to existing light sources in the shops of the Group. LED spots have been set up in some shops on a test basis, and the outcome will be monitored.

External process

PWT Group works actively to reduce adverse impact on the environment both upstream and downstream in the supply chain. PWT Group has defined a number of requirements and set up processes ensuring that suppliers comply with minimum requirements governing the use of chemical substances in production. Suppliers are to meet these requirements to reduce environmental impact to a minimum and ensure the health of the users of the products.

For many years, PWT Group has required suppliers to guarantee the non-use of AZO dyes for clothes manufacture. Furthermore, as part of the BSCI process, the suppliers are under an obligation to reduce environmental impact.

During the financial year 2015/16, PWT Group has intensified its focus on compliance with the REACH – EU directive. All suppliers are aware of the requirement to comply with the REACH – EU directive, and all top 50 suppliers have undertaken to comply with REACH and to take measures to ensure that their subsuppliers comply with the guidelines.

During 2017, PWT Group will survey compliance with the REACH-EU directive among its suppliers.

Internal and external processes going forward

In the coming financial year, PWT Group will set up and implement a system to counter corruption in its business processes. Specific guidelines will be prepared for the procurement department, and the guidelines will be extended to the supply chain governing liabilities, policies, implementation and ongoing monitoring. The policies will cover the areas set out below and will be based on the UN Convention against Corruption.

- Documenting, recording and keeping income and expenditure data available for periods determined by law.
- Not permitting corruption of public officials or private-to-private corruption.
- Not permitting payment of bribes or trading in influence in relation to business partners, government officials or employees.
- Not permitting use of facilitation payments, unless you are subject to threats or other coercion.
- Not hiring government employees to do work that conflicts in any manner with the former official obligations of that employee

- Not permitting political contributions, charitable donations and sponsorships in expectation of undue advantages.

- Not offering or accepting excessive gifts, hospitality, entertainment, customer travel and expenses (e.g. above cumulative value of the equivalent of USD 200 per person/relationship in any twelve-month period, if approved by a senior officer and explicitly recorded in the books of business, naming the recipient or giver).

- Abstaining from nepotism and cronyism.

- Not permitting or participating in money laundering.

Animal welfare
PWT Group strives to ensure that no animals suffer any harm during production.

Internal and external processes
During the year under review, PWT Group drew up a policy within the area, setting out the following:

- No animals are to be skinned or plucked alive.

- PWT Group only accepts leather from animals bred for the food industry.

- Sheep are not to suffer during cutting, and mulesing is not accepted.

- PWT Group does not make use of materials from the CITIS and IUCN list of threatened species.

Relevant suppliers are to comply with these requirements, and a form to be signed by suppliers has been prepared.

In the coming financial year, PWT Group will prepare a follow-up and documentation system ensuring compliance with the animal welfare policies by suppliers.

Anticorruption
PWT Group wishes to combat corruption and bribery and seeks to promote openness and transparency.

PWT Group is especially attentive to the risk of corruption posed by its business activities in high-risk countries such as China, Bangladesh, Pakistan and Turkey. For the purpose of travelling in these areas, Management has laid down and communicated internal guidelines to combat corruption and bribery to all relevant employees. These internal guidelines clearly illustrate that high-value presents are to be reported to Management, that a permitted maximum amount has been defined for presents from PWT Group and that the employees are not to give preferential treatment to any suppliers. During the year under review, only one executive employee reported having received a high-value present during travelling.

In the coming financial year, PWT Group will set up and implement an anti-corruption system based on the UN's Convention against Corruption. An anti-corruption policy will be drawn up, and an internal standard procedure will be developed to further strengthen the Group's work on combating corruption. The new policy and procedure are to serve as integral parts of the CSR management system to be developed over the next number of years and to be continuously assessed and optimised.

CLOSING REMARKS

In line with the other players within the Danish textile sector, PWT Group is faced with more extensive documentation and communication requirements in terms of its CSR agenda. PWT Group strives to fulfil these requirements based on the numerous measures already taken combined with a plan for the future.

PWT Group will report to the UNGC and the DIEH annually. Moreover, our CSR work will be communicated in our annual report and on our website. PWT Group acknowledges that the CSR agenda is a long-term process requiring resources and time and always will be open for improvement. PWT Group has added an additional CSR officer to its staff.

Furthermore, additional resources will regularly be allocated to CSR in the form of measures adding the highest value to our CSR agenda. Accordingly, the CSR agenda will be given a high priority in future business development.

CORPORATE GOVERNANCE

PWT Group is primarily owned by Polaris Private Equity, which holds a 66% 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 18%. Reference is made to note 32 on related party disclosures and ownership.

Six members serve on the Board of Directors, with Henrik Theilbjørn as the chairman. 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 Group 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.

Women are underrepresented on the Board of Directors. The Board of Directors 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 2017. PWT Group strives to find suitable female candidates when recruiting board members.

PWT Group 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.

The Group's 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 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 33.

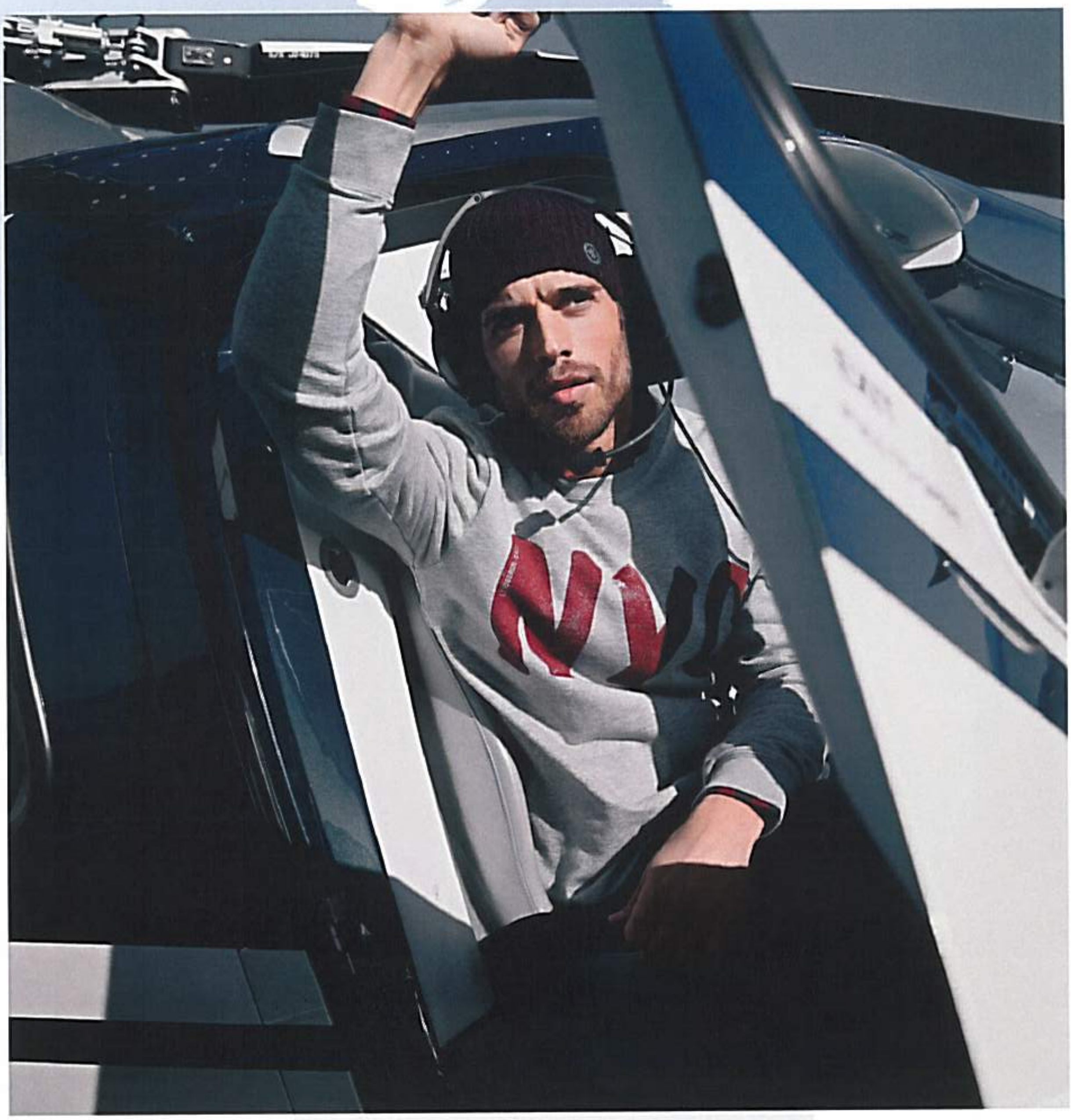
Find out more about Polaris Private Equity at www.polarisequity.dk.


109 Power
G-IVIP

PWT GROUP

BRANDS

LINDBERGH
BLUE

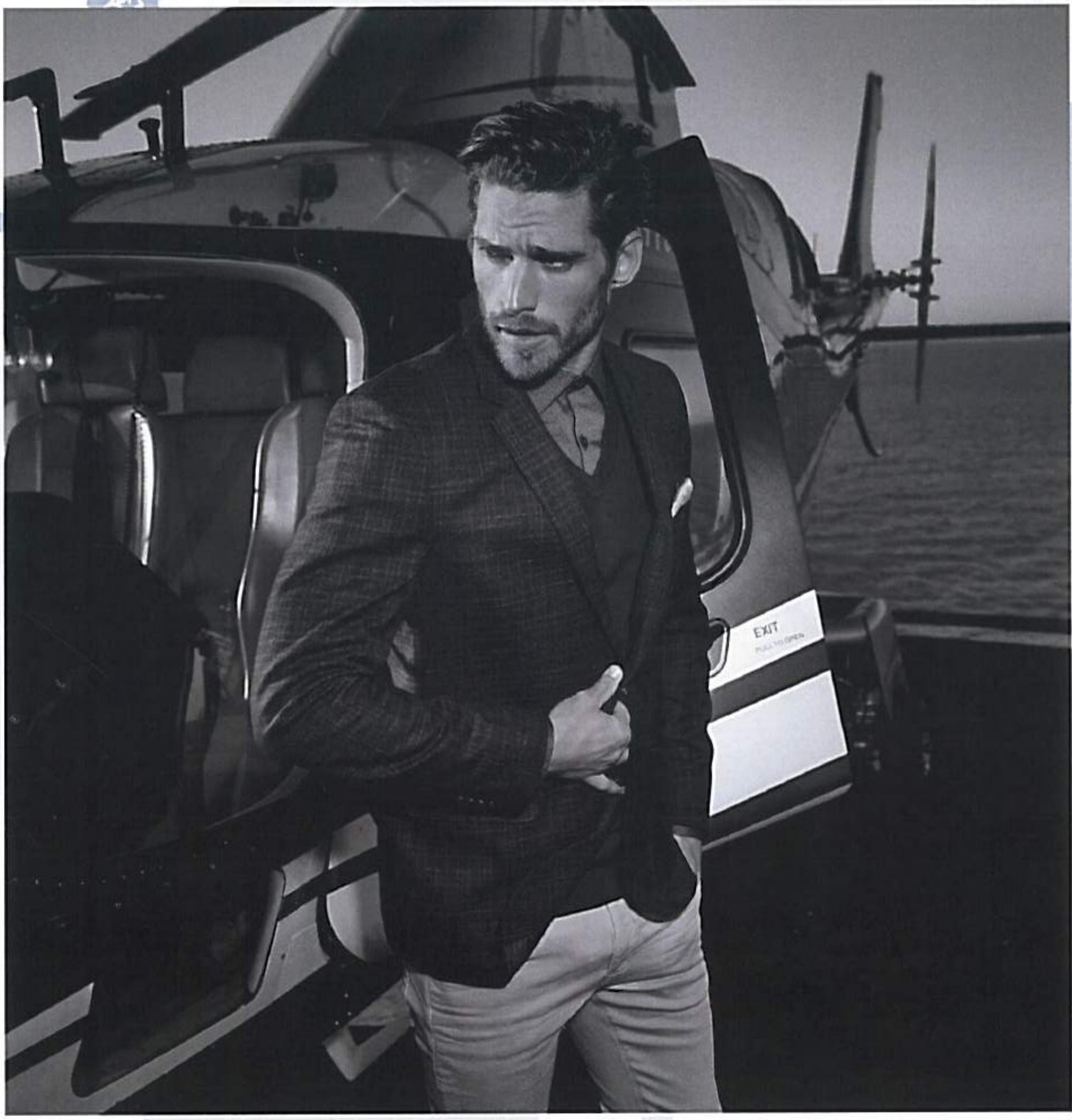


LINDBERGH - BLUE LABEL - From cool formal to rugged casual - The rugged and casual collection of Lindbergh. The look is signified by the inspiration of americana – sporty and army clothing – combined with a vintage denim identity. Designed with the highest industrial quality available with key emphasis on the working man.

The ambition is to integrate 'fully functioning' utility into the garments. Moreover, the aviation heritage and identity of Charles Lindbergh are strongly incorporated into the blue label collection.

The assortment holds all garment groups, with jeans, casual shirts, t-shirt, jackets, etc., as the most underlining key items. The design and purchasing team of Lindbergh are dedicated to securing a cool and masculine look, based on the highest industrial quality, with respect for the strong heritage of the Lindbergh label. In addition to this, we aim to find a solid balance between design, quality, and affordable price.

LINDBERGH
BLACK



LINDBERGH - BLACK LABEL - From cool formal to rugged casual -The preppy and classic formal collection of Lindbergh. A label containing all garment groups where the most essential ones are shirts, suits, jackets and knits. this label also contains a broad range of accessories to include socks, shoes, and scarfs.

The fitting is modern and the garments are characterised by the highest quality industrial fit. The look is signified by an authentic, smart and sporty Italian style. The colors are both neutral and fresh, the level of detail is simple and thoughtful, with a strong emphasis on the fashionconscious individual.

The black label contributes to the basic wardrobe, as well as the sustainable luxury look. It is clothing and accessories for today's informed man.

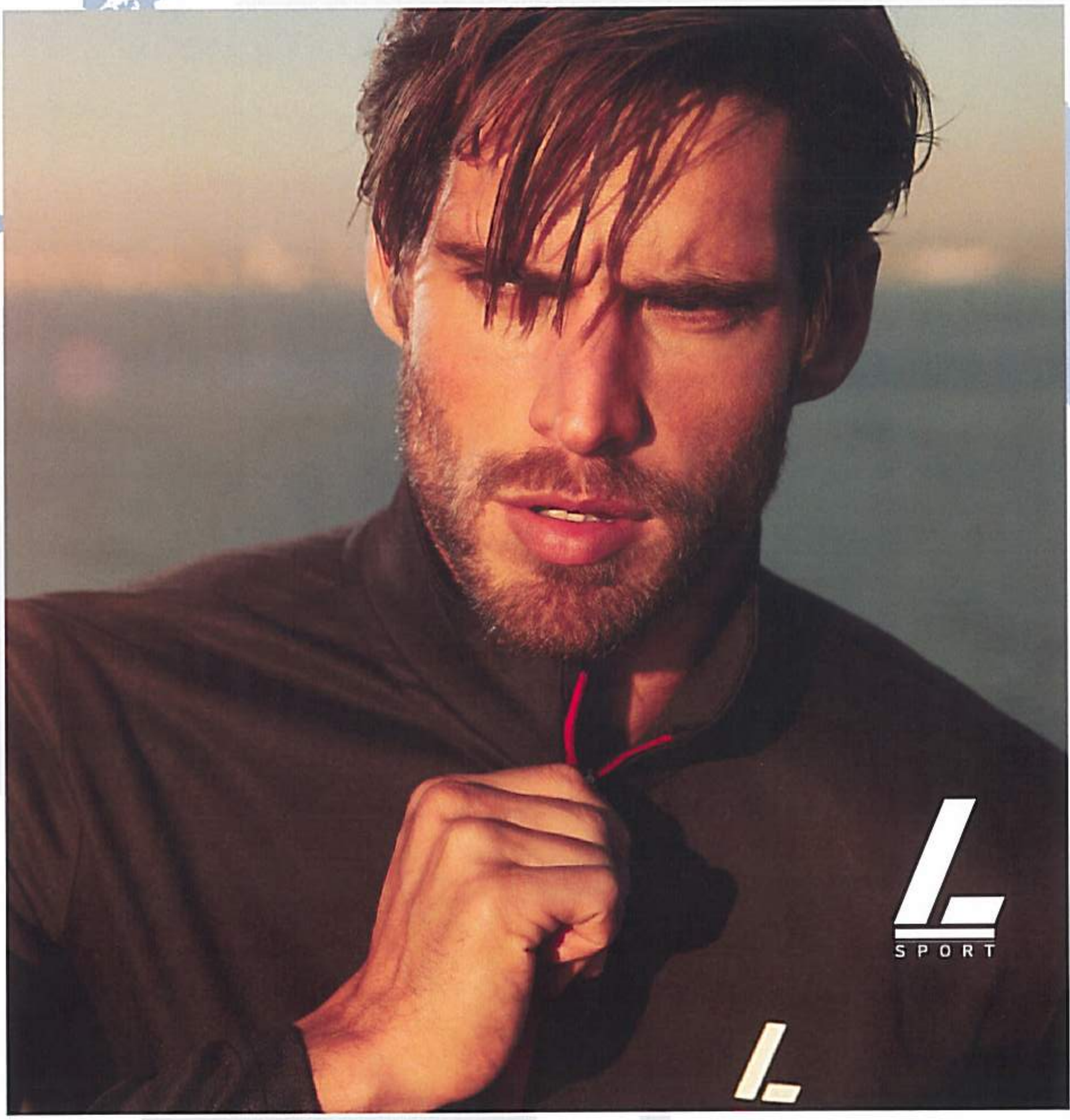
LINDBERGH
WHITE

LINDBERGH - WHITE LABEL The fashion formal collection of Lindbergh, with a look that reflects simplicity and coolness. The most dominating garment groups are shirts, suits, jackets and knits.

The fitting is shaped, tight and comfortable and the design reveals convenience and authenticity. The identity and core of the white label are based upon independence and personal style.

Fundamentals of neutral and colorful tones determine details, clean stitching and fine treatments outline the collection. Being true to the heritage of Charles Lindbergh, the white label is perfect for any and every occasion.

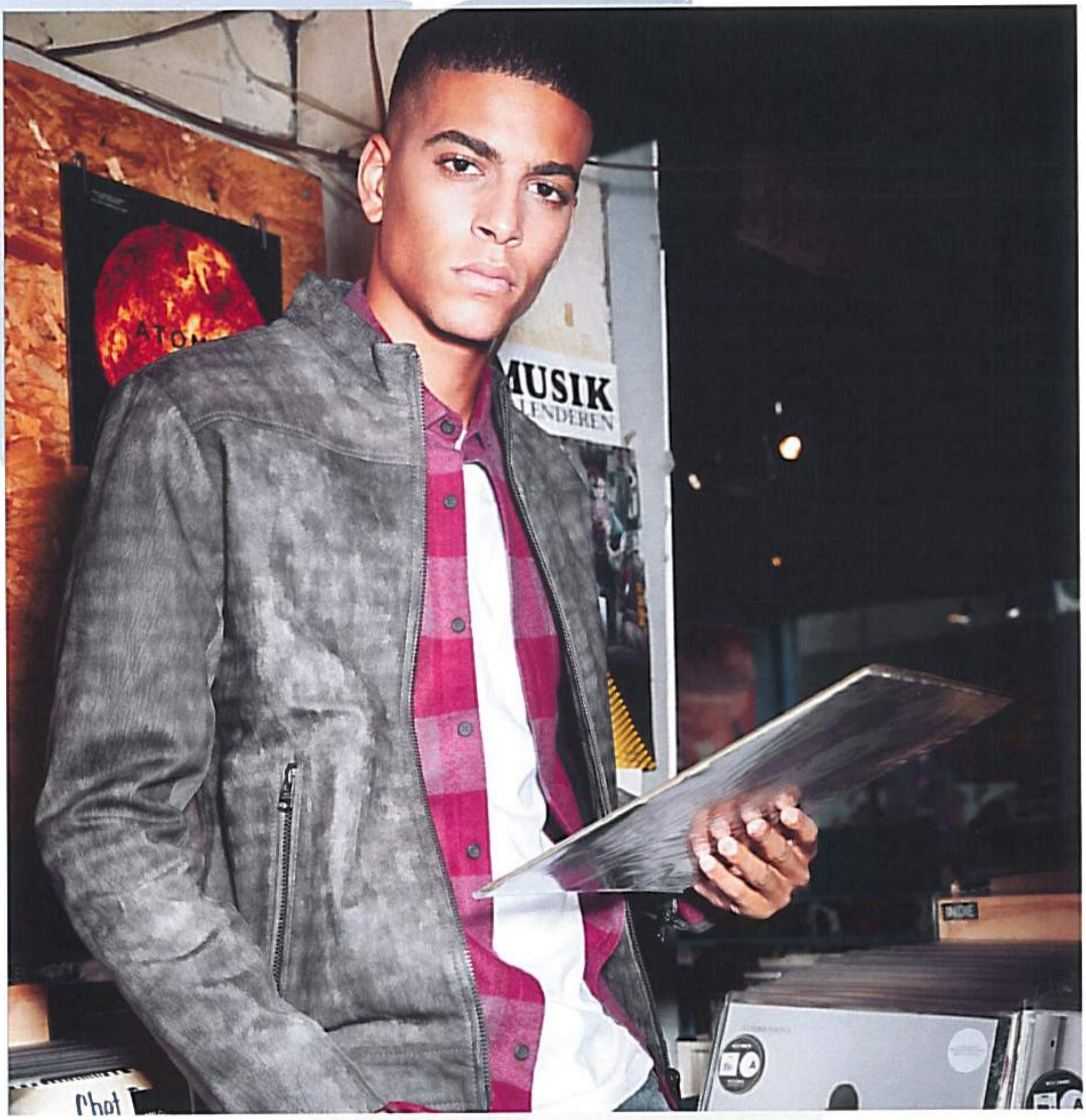
LINDBERGH
RED



LINDBERGH - RED LABEL Collection offers sporty functional clothing, that makes the consumer feel comfortable and confident. The Red line is the newest sub label to the Lindbergh brand and brings about the demand for sporty and functional garments. This line stretches our mission and ambition about creating clothing for men, who are interested in acquiring a wardrobe, based on problem solving and finding something cool, that matches their need for functional sport and casual wear.

The sport collection of Lindbergh will start out offering two annual capsule collections. Our design exudes strength and modern masculinity. This sportswear collection combines a sharp, clean silhouette with innovative performance fabrics, accented by bold pops of colors. Key details add sporty elements to the collections. The garments reflect high quality, innovation and are engineered for active movement, whether you are actively exploring the world, or pushing yourself to the limit through sport activities.

SHINE ORIGINAL



SHINE ORIGINAL - A hybrid of denim and fashion wear - Emphasising the diversity of individuality. Style and personality has no rules – no code. Nor do we. Individuality is about creation of oneself. It's all about being in demand and setting the agenda. We know how important individual style and personal image is.

We are enthusiastic original individuals, we travel, explore music, various places, art – basically, we see inspiration in whatever is going on, around us. We strive to continually develop, design and discover new fabrics, trimmings and inspiration to create collections, which holds attitude, aesthetics, coolness and diversity on several levels, yet at an affordable price level.

We encourage our friends to create their own individual style – and be original!

JUNK de LUXE

JUNK de LUXE - Eclectic juggling - First and foremost, about a certain kind of hip, urban attitude. An uncompromisingly cross over style, making its presence felt on the biggest catwalk of them all - the street. The style is an eclectic combination of collectibles and details from many decades of fashion and function wear. We keep up with current trends while not being a slave to fashion.

This is the inspiration to the design of JUNK de LUXE. A design direction rooted in the best from the past, but pointing forward. Our aim is to create a hybrid between vintage and modern garments, a combination which we call: Street Tailoring.

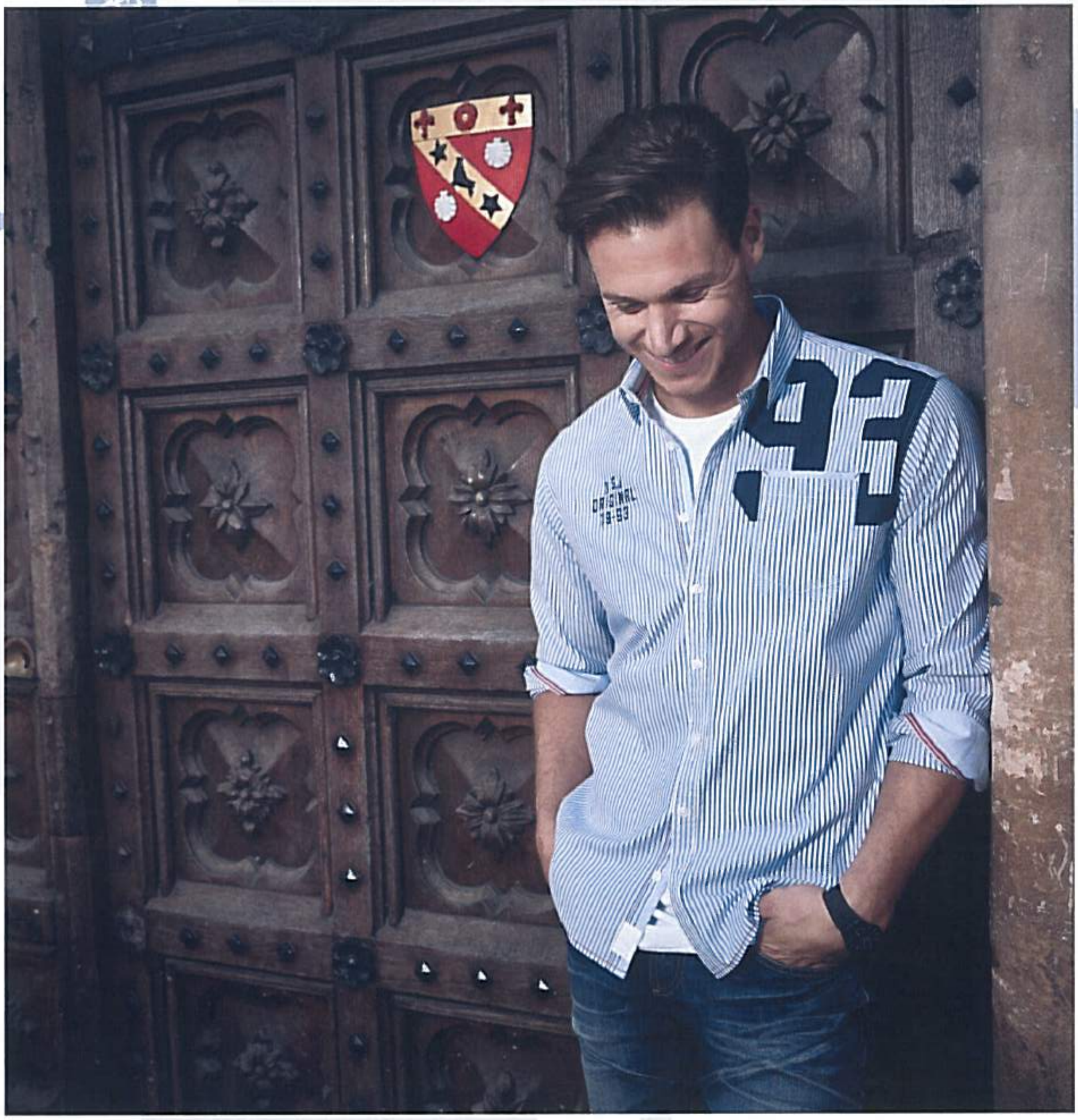
BISON

BISON - No nonsense clothing - Made to last - A clothing brand founded in Denmark in 1961. From the beginning characterised as a specialist brand based on the bison, a durable character from which we take inspiration to the soul of our brand and our legacy.

Bison works with contemporary fashion and lifestyle driven aesthetic, in the field of classic casual wear and functional garments, for everyday performance.

Bison develops a practical, stylish and durable range of no-nonsense clothing for no-nonsense men.

JACK'S
SPORTSWEAR INTL



JACK'S SPORTSWEAR INTL - Sharp sporty casual style - Casual clothing for the average consumer. The target audience is broad and the collection is very commercial.

Given the wide audience, the goal is to create a collection containing as many "must have" styles as possible – and the fabrics and color choices are therefore a dynamic size – compared to what is necessary to achieve the goal of this collection.

In short, a good quality product – at a competitive price.

WAGNER

WAGNER – A multi brand concept made of brands from the PWT portfolio. A growing and comprehensive store network in Scandinavia and selected locations in China form the foundation for Wagner's offering of menswear – ranging from trendy denim to classic fashion.

Established in 1946, Wagner currently has 56 stores in Denmark, 14 in Norway, 2 in Sweden and 13 in China. The chain offers an outstanding and affordable selection of contemporary fashion and strong brands including Lindbergh, Shine Original, Bison, Junk de Luxe and Jacks Sportswear Intl.


13 STORES IN CHINA
56 STORES ACROSS DENMARK
14 STORES IN NORWAY
2 STORES IN SWEDEN

TØJ | eksperten

TØJEKSPERTEN – Denmark's largest menswear chain. With 111 stores it is the largest menswear chain in Denmark. Tøjeksperten is providing quality clothing and strong brands from the PWT Brands portfolio and other external designers for fashion-conscious men of all ages since 1968.

The careful selection of products and brands reflects our ambition to maintain Tøjeksperten as the leading menswear chain in the medium price range.

111 STORES ACROSS DENMARK

STATEMENT

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 PWT Holding A/S for the period 1 October 2015 - 30 September 2016.

The Annual Report has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for listed companies.

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 30 September 2016, and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 October 2015 - 30 September 2016.

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.

Aalborg, 27 January 2017

Executive Board

Ole Koch Hansen CEO	Claus Back Nielsen CFO

Board of Directors

Henrik Theilbjørn (Chairman)	Jan Johan Kühl	Allan Bach Pedersen
Jan Bøgh	Torben Fog	Ole Koch Hansen

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF PWT HOLDING A/S

Independent auditors' report on the consolidated financial statements and parent company financial statements

We have audited the consolidated financial statements and the parent company financial statements of PWT Holding A/S for the financial year 1 October 2015 – 30 September 2016.

The consolidated financial statements and parent company financial statements comprise statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies for the Group as well as for the Parent Company. The consolidated financial statements and parent company financial statements are prepared in accordance with IFRS as adopted by the EU and Danish disclosure requirements for listed companies.

Management's responsibility for the consolidated financial statements and parent company 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 IFRS as adopted by the EU and Danish disclosure requirements for listed companies and for such internal control that Management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the consolidated financial statements and the parent company financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation.

This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements and the parent company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and parent company financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements and parent company financial statements, whether due to fraud or error.

In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of consolidated financial statements and parent company financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of consolidated financial statements and parent company financial statements.

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

Our audit has not resulted in any qualification.

Opinion

In our opinion, the consolidated financial statements and parent company financial statements give a true and fair view of the Group's and the Parent Company's financial position at 30 September 2016 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 October 2015 – 30 September 2016 in accordance with IFRS as adopted by the EU and Danish disclosure requirements for listed companies.

Statement on the Management's review

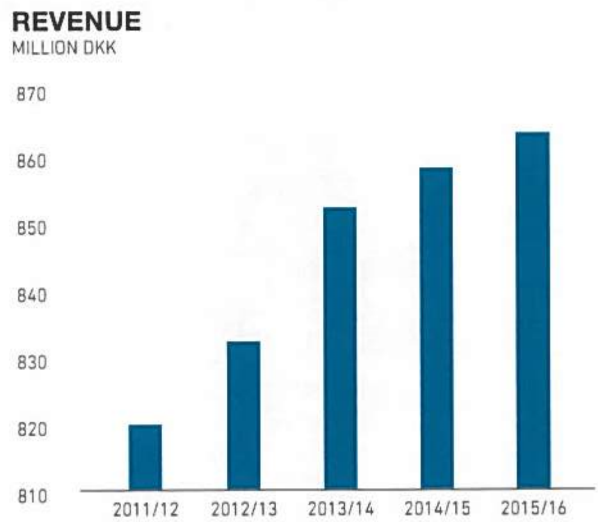
We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the consolidated financial statements and the parent company financial statements. On this basis, in our opinion, the information provided in Management's Review is consistent with the consolidated financial statements and the parent company financial statements.

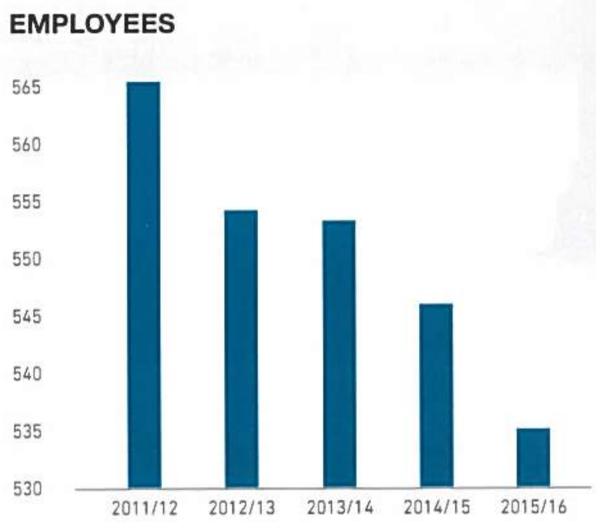
Aalborg, 27 January 2017

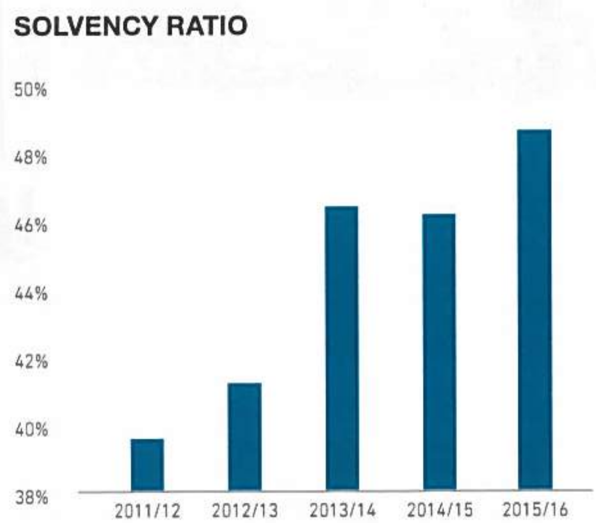
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR-nr. 33 77 12 31

Søren Korgaard-Mollerup State Authorised Public Accountant	Conrad Mattrup Lundsgaard State Authorised Public Accountant

FINANCIAL HIGHLIGHTS







FINANCIAL HIGHLIGHTS AND KEY RATIOS

DKK MIO.	2015/16	2014/15	2013/14	2012/13	2011/12
STATEMENT OF COMPREHENSIVE INCOME					
Revenue	863	858	852	832	820
Gross profit	306	291	287	272	253
EBITDA	99	84	85	73	55
EBIT	78	70	70	55	33
Profit/loss from ordinary activities	78	70	70	55	33
Profit/loss from financial income and expenses (including associate)	-23	-37	-16	-37	-35
Profit/loss for the year	42	24	38	10	-5
Comprehensive income for the year	42	24	38	15	-2
BALANCE SHEET					
Total assets	1,028	998	931	947	948
Equity	498	456	428	390	375
CASH FLOWS					
Cash flows from operating activities	48	10	68	31	53
Cash flows from investing activities, net	-41	-35	-16	-15	-5
Thereof, investment in property, plant and equipment	-12	-11	-13	-8	-8
Cash flows from financing activities	0	1	-15	-21	-41
Total cash flows	7	-24	37	-5	7
EMPLOYEES					
Average number of employees	535	546	553	554	566
FINANCIAL RATIOS STATED AS A PERCENTAGE					
Gross margin	35.5	33.9	33.7	32.7	30.9
EBITDA margin	11.4	9.8	10.0	8.8	6.7
Operating margin (EBIT)	9.0	8.1	8.2	6.5	4.0
Return on invested capital	7.8	7.3	7.5	5.9	3.4
Solvency ratio	48.5	45.7	45.9	41.2	39.6
Return on equity	8.9	5.5	9.2	2.7	-1.2

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

For definitions, please see the accounting policies.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD 1 OCTOBER – 30 SEPTEMBER

		CONSOLIDATED		PARENT COMPANY	
DKK'000	**NOTE**	**2015/16**	**2014/15**	**2015/16**	**2014/15**
Revenue	3,4	862,827	858,391	0	0
Cost of sales	5	381,076	383,011	0	0
Other operating income	6	0	378	0	0
Other external costs	7	175,590	185,143	232	146
Gross profit/loss		306,161	290,615	-232	-146
Other operating costs	6	0	16	0	0
Staff costs	8	207,639	206,231	0	0
Profit/loss before depreciation/amortisation and impairment losses (EBITDA)		98,522	84,368	-232	-146
Depreciation/amortisation	9	20,647	14,795	0	0
Operating profit/loss (EBIT)		77,875	69,573	-232	-146
Financial income	10	7,886	4,624	26,788	27,595
Financial expenses	11	27,535	41,481	24,738	26,305
Share of net profit of associates	20	-3,049	0	0	0
Profit before tax		55,177	32,716	1,818	1,144
Tax on profit/loss for the year	12	12,894	8,358	400	269
Profit for the year		42,283	24,358	1,418	875
Other comprehensive income					
Items available for reclassification into statement of comprehensive income items:					
Foreign exchange adjustments regarding translation of foreign entities		-53	-118	0	0
Other comprehensive income before tax		-53	-118	0	0
Tax on other comprehensive income	12	0	0	0	0
Other comprehensive income		-53	-118	0	0
Comprehensive income for the year		42,230	24,240	1,418	875

BALANCE SHEET
AT 30 SEPTEMBER

		CONSOLIDATED		PARENT COMPANY	
DKK'000	**NOTE**	**2015/16**	**2014/15**	**2015/16**	**2014/15**
ASSETS					
NON-CURRENT ASSETS					
Intangible assets					
Software	13	3,749	4,287	0	0
Trademarks	14	3,311	3,795	0	0
Goodwill	15	619,534	619,534	0	0
Other intangible assets	16	1,341	1,490	0	0
Total intangible assets		627,935	629,106	0	0
Property, plant and equipment					
Fixtures and fittings, tools and equipment	17	25,490	19,062	0	0
Leasehold improvements	18	31,978	22,463	0	0
Total property, plant and equipment		57,468	41,525	0	0
Investments					
Investments in group enterprises	19	0	0	472,384	472,384
Investments in associates	20	7,086	3,690	0	0
Deferred tax assets	21	0	1,867	292	0
Deposits	22	14,743	15,691	0	0
Total investments		21,829	21,248	472,676	472,384
Total non-current assets		707,232	691,879	472,676	472,384
CURRENT ASSETS					
Inventories	23	214,613	195,400	0	0
Receivables					
Trade receivables	24	85,013	84,393	0	0
Amounts owed by group enterprises		0	0	292,874	293,581
Amounts owed by associated companies		648	4,049	0	0
Derivative financial instruments	28	1,471	0	0	0
Other receivables		2,228	2,276	0	0
Prepayments		5,924	7,081	0	0
Total receivables		95,284	97,799	292,874	293,581
Cash at bank and in hand		10,813	12,476	106	29
Total current assets		320,710	305,675	292,980	293,610
Total assets		1,027,942	997,554	765,656	765,994

BALANCE SHEET

AT 30 SEPTEMBER

DKK'000	NOTE	CONSOLIDATED 2015/16	CONSOLIDATED 2014/15	PARENT COMPANY 2015/16	PARENT COMPANY 2014/15
EQUITY AND LIABILITIES					
EQUITY					
Share capital		101,983	101,983	101,938	101,938
Reserves		396,230	354,000	365,000	363,537
Total equity	25	498,213	455,983	466,938	465,520
LIABILITIES					
Non-current liabilities					
Provisions	26	6,450	4,754	0	0
Bond loans	27	295,822	294,256	296,011	294,515
Lease debt		0	171	0	0
Deferred income tax	21	11,760	6,040	0	0
Total non-current liabilities		314,032	305,221	296,011	294,515
Current liabilities					
Provisions	26	150	149	0	0
Bank loans and overdrafts	27	80,507	89,586	0	0
Lease debt		171	175	0	0
Trade payables		78,353	85,844	0	0
Corporation tax		4,330	0	729	818
Derivative financial instruments	28	0	3,600	0	3,058
Other payables		40,091	44,090	1,978	2,083
Deferred income	29	12,095	12,906	0	0
Total current liabilities		215,697	236,350	2,707	5,959
Total liabilities		529,729	541,571	298,718	300,474
Total equity and liabilities		1,027,942	997,554	765,656	765,994

STATEMENT OF CHANGES IN EQUITY

CONSOLIDATED

DKK'000	Share capital	Retained earnings	Foreign currency translation reserve	Total
Equity at 1 October 2014	101,609	326,003	168	427,780
Corrections at 1 October 2014	0	2,602	0	2,602
Profit for the year	0	24,358	0	24,358
Other comprehensive income	0	0	-118	-118
Cash capital increase	374	987	0	1,361
Equity at 30 September 2015	101,983	353,950	50	455,983
Equity at 1 October 2015	101,983	353,950	50	455,983
Profit for the year	0	42,283	0	42,283
Other comprehensive income	0	0	-53	-53
Equity at 30 September 2016	101,983	396,233	-3	498,213

STATEMENT OF CHANGES IN EQUITY

PARENT COMPANY

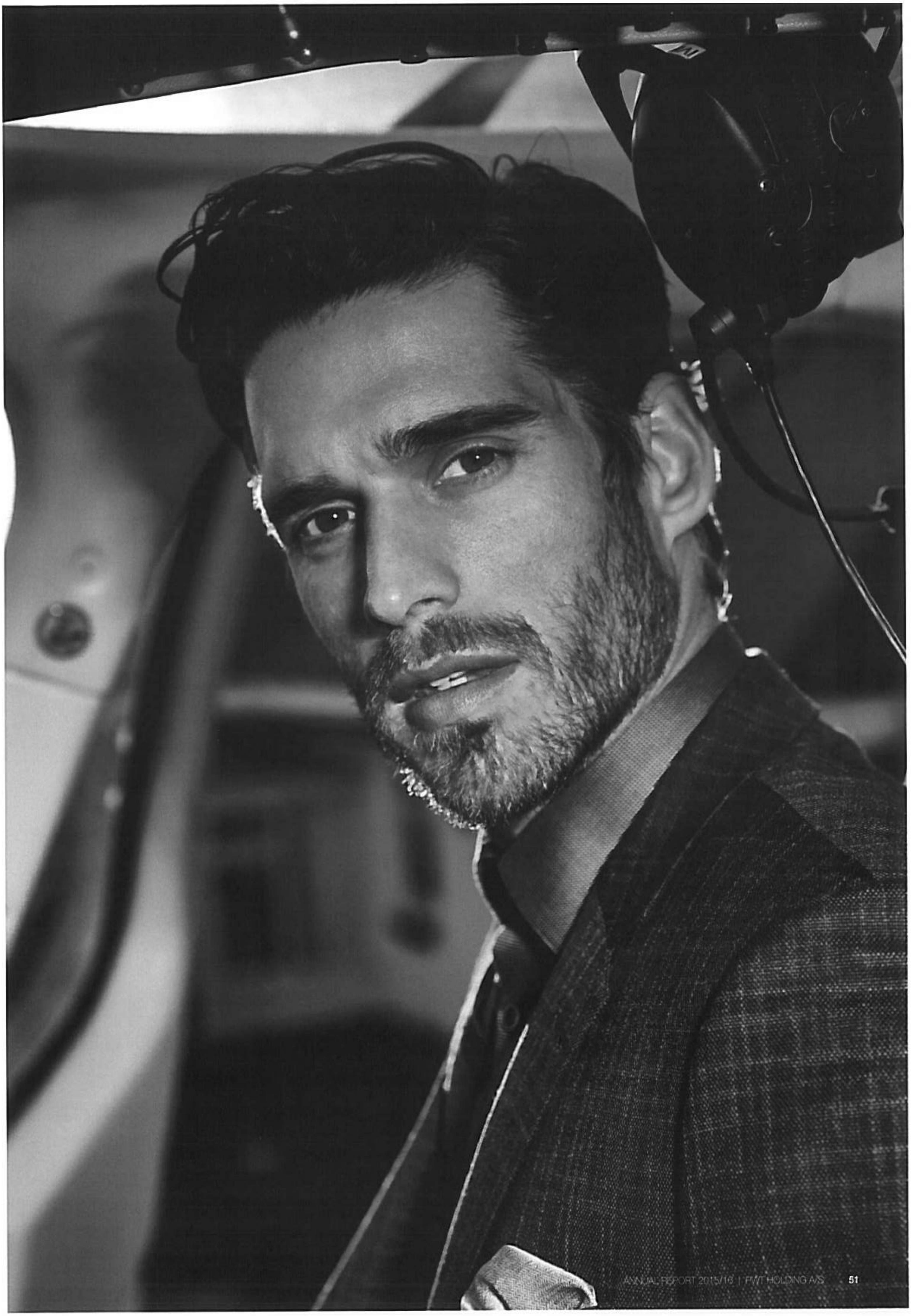
DKK'000	Share capital	Retained earnings	Foreign currency translation reserve	Total
Equity at 1 October 2014	101,609	361,673	0	463,282
Profit for the year	0	875	0	875
Cash capital increase	374	989	0	1,363
Equity at 30 September 2015	101,983	363,537	0	465,520
Equity at 1 October 2015	101,983	363,537	0	465,520
Profit for the year	0	1,418	0	1,418
Cash capital increase	0	0	0	0
Equity at 30 September 2016	101,983	364,955	0	466,938


BJÖRN BORG

CASH FLOW STATEMENT

DKK'000	NOTE	CONSOLIDATED 2015/16	CONSOLIDATED 2014/15	PARENT COMPANY 2015/16	PARENT COMPANY 2014/15
Profit for the year before tax		55,177	32,716	1,818	1,144
Adjustments for non-cash operating items:					
Depreciation/amortisation and gain/loss on intangible assets and property, plant and equipment		20,647	14,433	0	0
Profit from associate		3,049	0	0	0
Other non-cash operating items, net		-928	217	0	0
Financial income		-7,886	-4,624	-26,788	-27,595
Financial expenses		27,535	41,481	24,738	26,306
Cash generated from operations (operating activities) before changes In working capital		97,594	84,223	-232	-145
Change in working capital:					
Change in receivables		3,986	-15,883	706	152
Change in inventories		-19,213	-27,576	0	0
Change in current liabilities in general		-9,790	-808	-105	-693
Cash generated from operations (operating activities)		72,577	39,956	369	-686
Interest income, received		2,815	1,336	23,730	24,307
Interest expense, paid		-25,968	-31,839	-23,242	-24,811
Corporation tax paid		-854	35	-780	-170
Cash flows from operating activities		48,570	9,488	77	-1,360
Acquisition of property, plant, leasehold and equipment		-31,809	-17,595	0	0
Acquisition of intangible assets		-2,434	-14,878	0	0
Acquisition of investments in financial assets		-6,886	-2,791	0	0
Disposal of property, plant and equipment		0	581	0	0
Cash flows from investing activities		-41,129	-34,683	0	0
Free cash flows		7,441	-25,195	77	-1,360
Change in bank loans		-25	-192	0	0
Capital contribution		0	1,361	0	1,361
Cash flows from financing activities		-25	1,169	0	1,361
Changes in cash and cash equivalents		7,416	-24,026	77	1
Cash and cash equivalents at 1 October		-77,110	-53,084	29	28
Cash and cash equivalents at 30 September		-69,694	-77,110	106	29

Cash and cash equivalents include bank loans and overdrafts (2015/16: -80.507) recognised as current liabilities less cash at bank and in hand (2015/16: 10.813).



NOTES

GENERAL MATTERS

NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

NOTES TO THE BALANCE SHEET

NOTES WITHOUT REFERENCE

NOTE 1 ACCOUNTING POLICIES

Financial reporting basis

PWT Holding A/S is a limited liability company domiciled in Denmark. The financial part of the annual report for the period 1 October 2015 – 30 September 2016 comprise both the consolidated financial statements of PWT Holding A/S and its subsidiaries (group) as well as the parent company financial statements.

The consolidated financial statements and parent company financial statements of PWT Holding 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 PWT Holding A/S. The annual report will be presented for adoption by the shareholders of PWT Holding A/S at the annual general meeting on 27 January 2017.

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

PWT Holding A/S has implemented all relevant new and revised accounting standards issued by IASB and effective at 1 October 2015. The implementation of the new and revised accounting standards did not have any material monetary effect on the statement of PWT Holding 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 35 for new financial reporting regulation.

CONSOLIDATION

Consolidated financial statements

The annual report comprises the Parent Company, PWT Holding A/S, and enterprises under the control of the Parent Company. The Parent Company is deemed to exercise control when it directly or indirectly holds the majority of the votes or in some other may exercise or de facto exercises control.

Consolidation principles

The consolidated financial statements are prepared on the basis of the financial statements of PWT Holding 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.

NOTE 1 ACCOUNTING POLICIES (CONTINUED)

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.

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.

Segment disclosures

The segment information has been prepared in accordance with the Groups applied accounting policies and is consistent with the Group's internal procedures for reporting to the Group management and board.

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 and less discounts in relation to the sale.

Bonus points 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.

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, PWT 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.

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.

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.

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

NOTE 1 ACCOUNTING POLICIES (CONTINUED)

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 im-pairment 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.

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.

NOTE 1 ACCOUNTING POLICIES (CONTINUED)

INVESTMENTS

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.

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 re-assessments is taken into account.

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.

Investments in associates

Investments in associates are recognized and measured in the consolidated financial statements in accordance with the equity method. The investment 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.

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.

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.

Financial liabilities

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".

Staff obligations

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

NOTE 1 ACCOUNTING POLICIES (CONTINUED)

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, liabilities regarding customer clubs, etc. Gift tokens payable are recognised at nominal 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.

Financial ratios

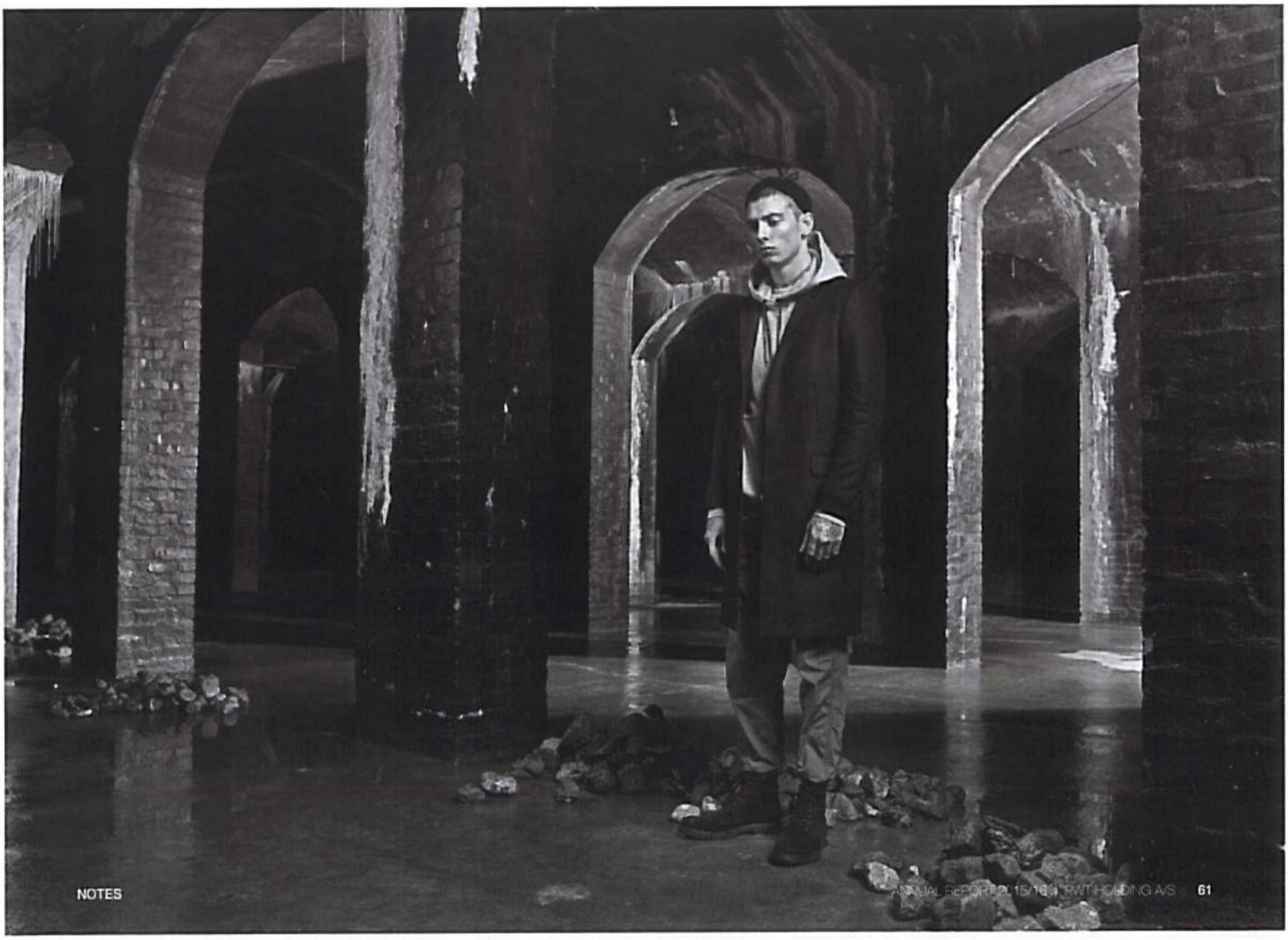
Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015".

NOTE 1 ACCOUNTING POLICIES (CONTINUED)

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	$\frac{\text{Profit/loss after tax x 100}}{\text{Average equity}}$



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 15 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 30 September 2016 reached DKK 2,345 thousand as against DKK 1,922 thousand per 30 September 2015. Reference is made to note 23.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NOTE 3 SEGMENT DISCLOSURES

DKK'000	CONSOLIDATED 2015/16	2014/15
Revenue		
Lindbergh	259,233	241,509
Shine Original	86,842	102,655
Bison	114,173	103,486
Other own brands	219,070	203,688
External brands	183,509	207,053
Total external revenue	862,827	858,391
Operating profit/loss (EBITDA)		
Lindbergh	30,508	25,563
Shine Original	4,262	8,324
Bison	17,233	15,337
Other own brands	29,784	23,729
External brands	16,735	11,415
Total operating profit/loss (EBITDA)	98,522	84,368
Non-allocated costs		
Depreciation	20,647	14,795
Operating profit/loss	77,875	69,573
Financial income	7,886	4,624
Financial costs	30,584	41,481
Profit before tax	55,177	32,716

The segments are divided into the international brands Lindbergh, Shine Original, Bison, brands with their own DNA, own identity and history, unique characteristics and function as independent units. The external brands sold in the retail stores and the Group's own brands Morgan, Jack's Sportswear INTL, Huzar and JUNK de LUXE are included in other brands. Management believe that these meet the criteria for aggregation as set out in IFRS 8 since the segments have similar characteristics in the nature of products and service and the type of customers.

The brands of the Group are, to a wide extent, under the same organisational structure, have the same customer types and subject to the same internal management of purchase, sales and administration. Management and day-to-day management are handled at an overall level, and the Company has defined the Group's operating primary segments as the international brands Lindbergh, Shine Original and Bison.

Management assesses operating profits of business segments separately to be able to make resolutions in respect of resource allocation and performance measurement.

Segment income and expenses comprise items which are directly attributable to the segment and items that can be allocated to a segment on a reliable basis. Income and expenses that cannot be allocated to a specific segment is divided proportionally between the different segments. Unallocated items comprise depreciations and financial income and costs.

Management does not receive reporting on assets and liabilities by the reporting segments. Accordingly, the reporting segments are not measured in this respect, nor are there resources allocated on this background.

NOTE 4 REVENUE

DKK'000	CONSOLIDATED 2015/16	CONSOLIDATED 2014/15	PARENT COMPANY 2015/16	PARENT COMPANY 2014/15
Geographical markets				
Home market	692,430	703,189	0	0
Foreign markets	170,397	155,202	0	0
	862,827	858,391	0	0

NOTE 5 COST OF SALES

DKK'000	CONSOLIDATED 2015/16	CONSOLIDATED 2014/15	PARENT COMPANY 2015/16	PARENT COMPANY 2014/15
Costs of goods for resale	381,077	383,011	0	0
Write-down of inventories	2,345	1,922	0	0

NOTE 6 OTHER OPERATING INCOME AND COSTS

DKK'000	CONSOLIDATED 2015/16	CONSOLIDATED 2014/15	PARENT COMPANY 2015/16	PARENT COMPANY 2014/15
Other operating income				
Gain on the disposal of property, plant and equipment	0	378	0	0
	0	378	0	0
Other operating costs				
Loss on the disposal of property, plant and equipment	0	16	0	0
	0	16	0	0

NOTE 7 OTHER EXTERNAL COSTS

DKK'000	CONSOLIDATED 2015/16	CONSOLIDATED 2014/15	PARENT COMPANY 2015/16	PARENT COMPANY 2014/15
Fees for auditors appointed at the general meeting				
Statutory audit services	526	515	93	100
Other assurance engagements	39	36	0	0
Tax advisory services	178	102	17	17
Other services	282	284	0	20
Total fee	1,025	937	110	137
Distributed as follows:				
PWC	843	814	110	137
Other firms	182	123	0	0
	1,025	937	110	137

NOTE 8 STAFF COSTS

DKK'000	CONSOLIDATED 2015/16	CONSOLIDATED 2014/15	PARENT COMPANY 2015/16	PARENT COMPANY 2014/15
Payroll	188,377	188,020	0	0
Pensions	11,847	11,642	0	0
Other social security costs	7,415	6,569	0	0
	207,639	206,231	0	0
Thereof:				
Payroll Executive Board	2,900	2,955	0	0
Pensions Executive Board	95	105	0	0
Payroll Board of Directors	550	550	0	0
	3,545	3,610	0	0
Average number of full-time employees	535	546	0	0

6 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 30 September 2016. 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 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 (2014/15: 0 DKK).

NOTE 8 STAFF COSTS (CONTINUED)

The options may be exercised
- upon sale or listing of the Company, PWT Holding A/S, 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.

Specification of outstanding share options:

Number	BOARD OF DIRECTORS OF THE PARENT COMPANY	OTHER	TOTAL
Outstanding at the beginning of 2014/2015	393,804	3,616,300	4,010,104
Additions/disposals	0	0	0
Outstanding at the end of 2014/2015	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

NOTE 9 DEPRECIATION/AMORTISATION

	CONSOLIDATED		PARENT COMPANY	
DKK'000	2015/16	2014/15	2015/16	2014/15
Amortisation, software	2,766	2,941	0	0
Amortisation, trademarks	691	625	0	0
Amortisation, other intangible assets	149	0	0	0
Depreciation, fixtures and fittings, tools and equipment	7,986	6,971	0	0
Depreciation, leasehold improvements	9,055	4,258	0	0
	20,647	14,795	0	0

NOTE 10 FINANCIAL INCOME

	CONSOLIDATED		PARENT COMPANY	
DKK'000	2015/16	2014/15	2015/16	2014/15
Interest income, banks	51	1,029	433	1,010
Interest income, group enterprises	0	0	23,296	23,296
Adjustment of fair value of financial instruments	5,072	3,289	3,059	3,289
Foreign exchange adjustment	1,670	0	0	0
Other financial income	1,094	306	0	0
	7,887	4,624	26,788	27,595

NOTE 11 FINANCIAL EXPENSES

	CONSOLIDATED		PARENT COMPANY	
DKK'000	2015/16	2014/15	2015/16	2014/15
Interest expense, banks	5,328	7,086	3,512	4,940
Interest expense, bond loans	19,717	19,752	19,717	19,753
Adjustment of fair value, financial instruments	0	8,074	0	0
Foreign exchange adjustment	29	4,240	0	0
Other financial expenses	2,461	2,329	1,509	1,612
	27,535	41,481	24,738	26,305

NOTE 12 TAX

	CONSOLIDATED		PARENT COMPANY	
DKK'000	2015/16	2014/15	2015/16	2014/15
Tax for the year is distributed as follows:				
Tax on profit/loss for the year	12,894	8,358	400	269
Tax on other comprehensive income	0	0	0	0
	12,894	8,358	400	269
Tax on profit/loss for the year is specified as follows:				
Current tax	4,285	0	729	269
Deferred tax	8,312	8,358	-329	0
Adjustment of tax in respect of previous years	297	0	0	0
	12,894	8,358	400	269
Tax on profit/loss for the year from continuing operations is specified as follows:				
Estimated 22% tax on results before tax	12,128	7,688	400	269
Adjustment of tax in foreign entities in proportion to 22%	-355	-53	0	0
Tax effect of:				
Items irrelevant for tax purposes	824	723	0	0
Adjustment of tax in respect of prior years	297	0	0	0
	12,894	8,358	400	269
Effective tax rate	23,4%	25,6%	22,0%	23,5%

NOTE 13 SOFTWARE

DKK'000	CONSOLIDATED 2015/16	CONSOLIDATED 2014/15
Opening cost	21,068	19,449
Additions for the year	2,228	1,619
Disposals for the year	0	0
Closing cost	23,296	21,068
Opening amortisation	16,781	13,840
Amortisation for the year	2,766	2,941
Reversed amortisation for the year of disposals	0	0
Closing amortisation	19,547	16,781
Carrying amount	3,749	4,287

NOTE 14 TRADEMARKS

DKK'000	CONSOLIDATED 2015/16	CONSOLIDATED 2014/15
Opening cost	7,159	6,760
Additions for the year	207	399
Disposals for the year	0	0
Closing cost	7,366	7,159
Opening amortisation	3,364	2,739
Amortisation for the year	691	625
Reversed amortisation for the year of disposals	0	0
Closing amortisation	4,055	3,364
Carrying amount	3,311	3,795

NOTE 15 GOODWILL

DKK'000	CONSOLIDATED 2015/16	CONSOLIDATED 2014/15
Opening cost	702,534	689,699
Additions for the year	0	12,835
Disposals for the year	0	0
Closing cost	702,534	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	619,534	619,534

Impairment testing

At 30 September 2016, 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 2015/16	CONSOLIDATED 2014/15
Lindbergh	178,040	178,040
Shine Original	73,820	73,820
Bison	96,774	96,774
Other brands	270,900	270,900
TOTAL	619,534	619,534

The allocation of goodwill follows the groups reporting of segments. 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 2016/2017 – 2020/2021 approved by Management and at a discount rate of 7.0% after tax (2014/2015: 7.8%), corresponding to a discount rate before tax of 7.9% (2014/2015: 8.9%). The budget period 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 4.2% for each segment during the budget period (2016/2017 – 2020/2021) and 1.5% during the terminal period. On this basis, the net present value of future cash flows was not less than DKK 88 million up on carrying amount for each segment.

Based on a sensitivity analysis where annual growth is recognised at zero, the net present value of future cash flows will still remain higher than the carrying amount.

Management consider that probable changes in basic assumptions will not have the outcome that the carrying amount of goodwill at 30 September 2016 will exceed recoverable amount.

NOTE 16 OTHER INTANGIBLE ASSETS

DKK'000	CONSOLIDATED 2015/16	2014/15
Opening cost	1,490	0
Additions for the year	0	1,490
Disposals for the year	0	0
Closing cost	1,490	1,490
Opening amortisation	0	0
Amortisation for the year	149	0
Closing amortisation losses	149	0
Carrying amount	1,341	1,490

NOTE 17 FIXTURES AND FITTINGS, TOOLS AND EQUIPMENT

DKK'000	CONSOLIDATED 2015/16	2014/15
Opening cost	58,504	47,820
Currency translation	401	-171
Additions for the year	14,173	11,700
Disposals for the year	188	845
Closing cost	72,890	58,504
Opening depreciation	39,442	33,187
Currency translation	105	-71
Depreciation for the year	7,986	6,953
Reversed depreciation for year on disposals	133	627
Closing depreciation	47,400	39,442
Carrying amount	25,490	19,062
Thereof, assets held under finance leases	112	304

NOTE 18 LEASEHOLD IMPROVEMENTS

DKK'000	CONSOLIDATED 2015/16	2014/15
Opening cost	61,855	45,996
Corrections	0	3,439
Currency translation	711	-798
Additions for the year	18,162	14,270
Disposals for the year	1,943	1,052
Closing cost	78,785	61,855
Opening depreciation	39,392	36,982
Currency translation	303	-862
Depreciation for the year	9,055	4,224
Reversed depreciation for the year of disposals	1,943	952
Closing depreciation	46,807	39,392
Carrying amount	31,978	22,463

NOTE 19 INVESTMENTS IN GROUP ENTERPRISES

	PARENT COMPANY	
	Investments in group enterprises	
DKK'000	2015/16	2014/15
Cost at 1 October	472,384	472,384
Additions	0	0
Cost at 30 September	472,384	472,384
Carrying amount at 30 September	472,384	472,384

DKK'000	COMPANY CAPITAL	VOTING RIGHTS AND STAKE
PWT Group A/S, Aalborg	1,985	100%

The impairment test, prepared by the Management, did not result in a need for impairment.
The assumptions for the impairment test are identical to those mentioned in note 15.

NOTE 20 INVESTMENTS IN ASSOCIATES

DKK'000	CONSOLIDATED 2015/16	CONSOLIDATED 2014/15
Opening cost	3,690	0
Additions	6,445	3,690
Closing cost	10,135	3,690
Opening value adjustments	0	0
Net profit/loss for the year	-3,049	0
Closing value adjustments	-3,049	0
Carrying amount	7,086	3,690

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.

Comprehensive income 2015/16	Turnover	Profit before tax	Profit for the year	Other comprehensive income	Comprehensive income for the year	Groups share of profit
Wagner China ApS (Aalborg, 60% ownership)	0,000	-0,081	-0,075	0,000	-0,075	-0,045

Balance sheet 2015/16	Noncurrent assets	Current assets	Noncurrent liabilities	Current liabilities	Equity	Groups share of equity
Wagner China ApS (Aalborg, 60% ownership)	16,393	0,036	0,000	0,020	16,409	9,845

NOTE 21 DEFERRED INCOME TAX

	CONSOLIDATED		PARENT COMPANY	
DKK'000	2015/16	2014/15	2015/16	2014/15
Deferred tax arises from:				
Intangible assets	46,565	45,631	0	0
Property, plant and equipment	553	-513	0	0
Current assets	-729	-627	0	0
Provisions	-1,331	-991	0	0
Other liabilities	-394	-597	-292	0
Tax loss carryforwards	-32,904	-38,730	0	0
	11,760	4,173	-292	0

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

NOTE 22 DEPOSITS

	CONSOLIDATED	
DKK'000	2015/16	2014/15
Carrying amount at 1 October	15,691	16,472
Currency translation	0	-35
Additions	460	2,192
Disposals	-1,408	-2,938
Carrying amount at 30 September	14,743	15,691

NOTE 23 INVENTORIES

	CONSOLIDATED		PARENT COMPANY	
DKK'000	2015/16	2014/15	2015/16	2014/15
Goods for resale	216,958	197,322	0	0
Provisions for obsolescence	2,345	1,922	0	0
Goods for resale, net	214,613	195,400	0	0
Specification of provisions for obsolescence:				
Provision at 1 October	1,922	1,468	0	0
Adjustment for the year of provision for obsolescence	423	454	0	0
Provision at 30 September	2,345	1,922	0	0

NOTE 24 TRADE RECEIVABLES

	CONSOLIDATED		PARENT COMPANY	
DKK'000	2015/16	2014/15	2015/16	2014/15
Trade receivables	86,815	85,888	0	0
Provisions for bad debts	1,802	1,495	0	0
Trade receivables, net	85,013	84,393	0	0
Specification of provisions for bad debts:				
Provision at 1 October	1,495	1,280	0	0
Loss for the year	-393	-1,225	0	0
Provisions reversed for the year	-56	-685	0	0
Provisions for the year	756	2,125	0	0
Provisions at 30 September	1,802	1,495	0	0
Overdue, receivables not written down fall due as follows:				
Due within 30 days	3,051	5,884	0	0
Due within 30 and 90 days	1,978	1,229	0	0
Due more than 90 days	1,725	695	0	0
	6,754	7,808	0	0

NOTE 25 SHARE CAPITAL

DKK'000	SHARE CAPITAL
Share capital upon establishment 2007/08	1,309
Addition 2009/10	100,000
Addition 2010/11	131
Addition 2012/13	169
Addition 2013/14	0
Addition 2014/15	374
Addition 2015/16	0
Closing share capital	101,983

The share capital is fully paid in and broken down on shares of DKK 1 or multiples thereof.
No shares carry special rights.

Treasury shares
PWT Holding A/S has a portfolio of 7,617 treasury shares with a nominal value of DKK 7,617. The portfolio of treasury shares accounts for 0.01% of the total share capital and has remained unchanged during the period 1 October 2011 to 30 September 2016.

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. Equity's share of total assets (solvency ratio) reached 48.5% at the end of 2015/2016 (2014/2015: 45.7%). Capital management is conducted for the group as a whole.

NOTE 26 PROVISIONS

DKK'000	CONSOLIDATED 2015/16	CONSOLIDATED 2014/15	PARENT COMPANY 2015/16	PARENT COMPANY 2014/15
The Group's total reestablishment obligation broken down on residual terms:				
Within 1 year	150	149	0	0
Between 1 and 5 years	41	49	0	0
After 5 years	6,409	4,705	0	0
	6,600	4,903	0	0
Reestablishment obligation at 1 October	4,903	3,438	0	0
Additions during the year	352	359	0	0
Reversals during the year	-124	-154	0	0
Effect of change in interest rates	1,469	1,260	0	0
Reestablishment obligation at 30 September	6,600	4,903	0	0

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 1.03% (2014/15: 1.93%), equivalent to a risk-free interest rate.

NOTE 27 BANK LOANS AND BOND LOANS

DKK'000	CONSOLIDATED 2015/16	CONSOLIDATED 2014/15	PARENT COMPANY 2015/16	PARENT COMPANY 2014/15
Bond loans	295,822	294,256	296,011	294,515
Bank overdrafts	80,507	89,586	0	0
Bank loans and bond loans	376,329	383,842	296,011	294,515
The loans are recognised as follows on the balance sheet:				
Non-current liabilities	295,822	294,256	296,011	294,515
Current liabilities	80,507	89,586	0	0
Carrying amount	376,329	383,842	296,011	294,515
Fair value	378,257	383,842	297,750	294,515
Undrawn credit facilities at 30 September	35,306	22,220	35,306	22,220

NOTE 27 BANK LOANS AND BOND LOANS (CONTINUED)

Bond loans fall due in 2019. The fair value of financial liabilities are stated as net present value of future repayments, interest payments and directly observable prices (2-level observable inputs in the fair value hierarchy). The Group's current borrowing rate for similar maturities is used as the discount rate.

The bonds have no fixed repayment schedule or are subject to specific covenants. Upon a change of control event occurring, bondholder have the right to request the bonds repurchased at a price per bond equal to 101 per cent of the nominal amount.

	Currency	Fixed-interest period	Interest margin to CIBOR	Carrying amount
Floating-rate bond loans	DKK	3 mos.	6.50%	295,822

NOTE 28 DERIVATIVE FINANCIAL INSTRUMENTS

The Group has entered into forward contracts of a total of DKK 108,253 thousand for USD purchases of a value during the period until March 2017 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.

The Parent Company has taken out an interest swap hedging future interest payments. Fair value adjustments are recognised in the statement of comprehensive income until expiry date in June 2016.

Cover of interest and currency risks:

DKK'000	Residual life	Contract value	Fair value	Fair value adjustment recognised in the statement of comprehensive income
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
2014/15:				
Interest swap	Expiry 2016	160,000	-3,058	3,289
Forward contract, USD	0-6 months	131,720	-542	-8,075
Recognised in the statement of comprehensive income before tax at a total of			-3,600	-4,786

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 29 DEFERRED INCOME

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

NOTE 30 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 30 September 2016 of DKK 908 million (30 September 2015: DKK 895 million).

At 30 September 2016, the Group has entered into documentary credits of a total of DKK 4,748 thousand regarding non-settled purchase of goods abroad (30 September 2015: DKK 10,052 thousand).

The Group is obligated to invest 735 tUSD in one of the groups associated companies Wagner (Yantai) Co. Ltd. in 2016/2017.

Parent company

The shares in the subsidiary, PWT Group A/S, and the amount owed by PWT Group A/S of DKK 291 million have been provided as collateral for bond debt.

NOTE 31 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 leaseholds are to be renegotiated. A number of lease contracts contain revenue-related rent.

	CONSOLIDATED		PARENT COMPANY	
DKK'000	**2015/16**	**2014/15**	**2015/16**	**2014/15**
Rent obligations				
The Group's total rent obligations broken down on residual terms:				
Within 1 year	66,173	61,185	0	0
Between 1 to 5 years	84,966	55,693	0	0
After 5 years	4,602	999	0	0
Total	155,741	117,877	0	0
Other operating lease obligations				
The Group's total operating lease obligations broken down on residual terms:				
Within 1 year	3,310	2,821	0	0
Between 1 year to 5 years	8,703	3,349	0	0
Total	12,013	6,170	0	0
Operating leases expensed	81,230	72,052	0	0
Revenue based lease	3,689	2,335	0	0

NOTE 32 RELATED PARTY DISCLOSURES AND OWNERSHIP

Control	Basis
Polaris Private Equity II K/S, Copenhagen	Ultimate parent company
P-WT 2007 A/S, Copenhagen	Owner of PWT Holding A/S

Significant influence

The CEO of PWT Group A/S, Ole Koch Hansen, exercises control over OKH Holding A/S, which is deemed to exert significant influence.

NOTE 32 RELATED PARTY DISCLOSURES AND OWNERSHIP (CONTINUED)

Shareholder mix	SHARES NUMBER	CAPITAL %
P-WT 2007 A/S, Malmøgade 3, Copenhagen Ø	66,716,665	65.4
OKH Holding ApS, Ved Dammen 2, Hobro	16,589,900	16.3
Wagner Holding Aalborg ApS, Bispensgade 9, 1., Aalborg	11,214,459	11.0
TE Geninvest ApS, Hjortevænget 27, Bagsværd	5,498,766	5.4
Other registered shareholders	1,956,241	1.9
Treasury shares	7,617	0.0
Total	101,983,648	100.0

The Company is included in the consolidated financial statements of P-WT 2007 A/S, Copenhagen.

Executive staff members

Executive remuneration and share option schemes have been addressed in note 8.

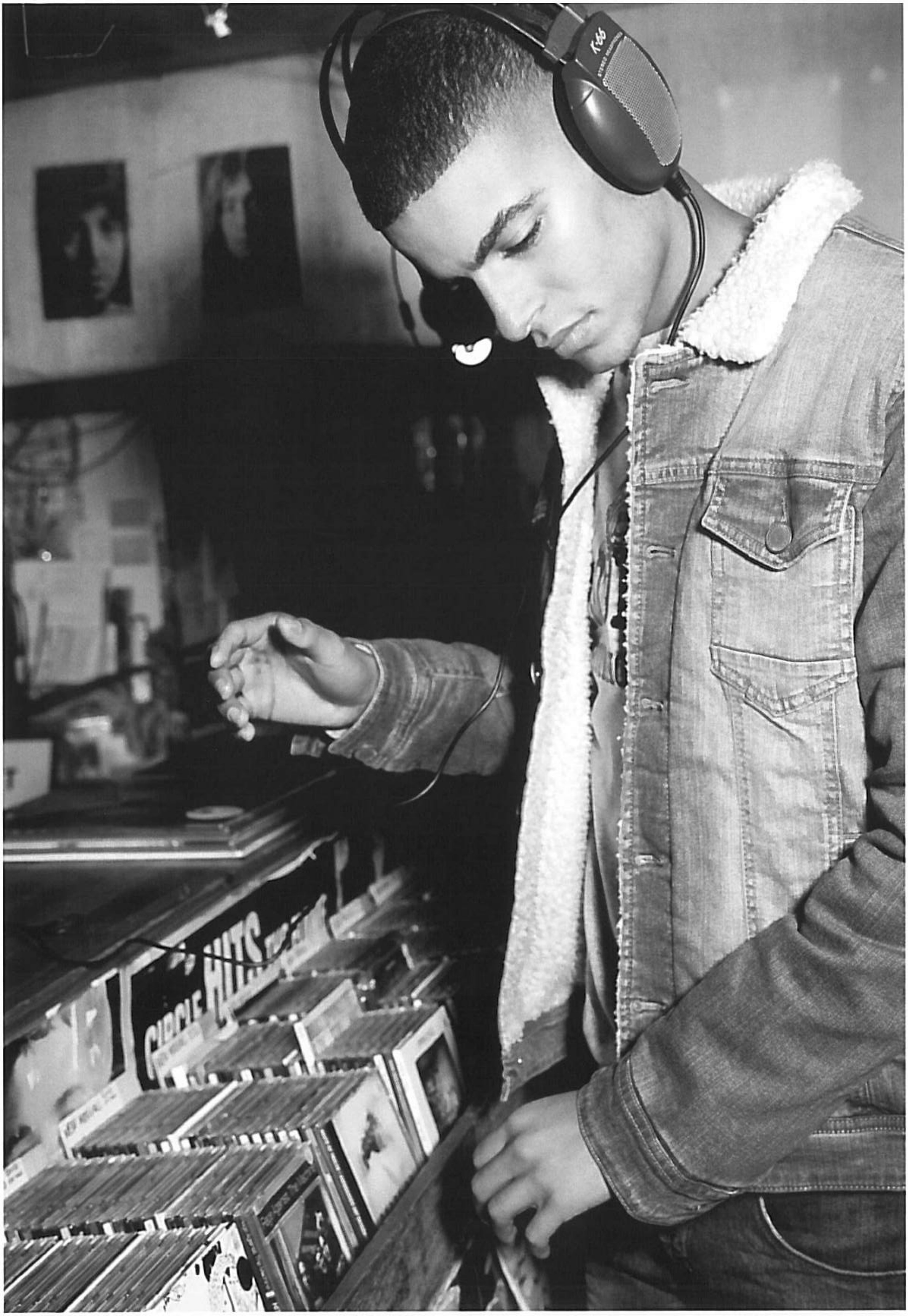
Transactions with related parties

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 10, Financial income. Executives and directors re-muneration are disclosed in note 8, Staff costs

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

	CONSOLIDATED	
DKK'000	2015/16	2014/15
Rent, etc	4,680	4,892
Rent obligations regarding related parties represent	11,113	15,995


CIRCLE HITS

NOTE 33 MANAGEMENT POSITIONS OF THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD

Henrik Theilbjørn, Jan Bøgh, Jan Johan Kühl and Allan Bach Pedersen serve on the Board of Directors of Polaris Private Equity. Torben Fogh serves on the Board of Directors of TE Geninvest ApS.

Henrik Theilbjørn

Chairman and member of the board of directors since 2011

CEO of:
EMMADS Invest A/S

Member of the Board of Directors of:

Boozt AB
HTM Group ApS
Bloomingville A/S
Signal A/S
Baum und Pferdgarten A/S
Elka A/S
SAHVA A/S
Newline A/S
Carl Ras A/S
Languagewire A/S

Jan Bøgh

Member of the board of directors since 2010

CEO of:
Jysk A/S

Member of the Board of Directors of:

Bolia A/S
Sengespecialisten A/S
Bjerringbro Silkeborg Håndbold
IDdesign A/S
and a number of companies owned by Jysk Holding A/S

Torben Fog

Member of the board of directors since 2008

CEO of:
TF Invest ApS

Member of the Board of Directors of:

Hubertus Huset A/S
Sprit & Co. ApS
TE Geninvest ApS

Claus Back Nielsen

Member of the executive board since 2010

Member of the Board of Directors of:

Krogh Andersen A/S
Happydays A/S

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
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
and a number of companies owned by Polaris Private Equity

Ole Koch Hansen

Member of the executive board since 2008

Member of the board of directors since 2011

CEO of:
OKH Holding ApS

NOTE 34 EVENTS AFTER THE BALANCE SHEET DATE

No significant events have occurred after the balance sheet date.

NOTE 35 NEW FINANCIAL REPORTING REGULATIONS

The following amended financial reporting standards and interpretations which may be of relevance to the PWT Holding 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). In PWT Holding A/S' opinion, the standard will not have any major impact on the Group. The standard is expected to become mandatory for adoption as from the 2018/2019 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 2018/2019 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. PWT Holding A/S Group expects to implement the standard when it become effective. PWT Holding 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.

NOTE 36 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.

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 krone 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.

NOTE 36 FINANCIAL RISKS AND FINANCIAL INSTRUMENTS – PARENT COMPANY AND GROUP (CONTINUED)

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

Consolidated currency positions at 30 September 2015 set out in Danish kroner:

DKK'000	USD	NOK	SEK	EUR
Receivables	7,283	4,569	5,054	15,313
Cash	0	4,170	883	354
Trade payables	0	8,122	32	341
Bank loans	24,034	0	0	0
Forward contracts	131,178	0	0	0
	114,427	617	5,905	15,326
Impact on results before tax based on a -10% change in exchange rate	-11,442	-62	-590	-1,533
Impact on equity and results after tax based on a -10% change in exchange rate	-8,925	-48	-460	-1,196

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

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 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 3.1 million (DKK 2.2 million) and the Parent Company's results and equity of DKK 2.3 million (DKK 1.3 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.

Liquidity risks

The Group strives to have a sufficient liquidity reserve comprising cash 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.

Consolidated bond debt arising from the purchase of activities in 2008 fall due in 2019. On a regular basis, the Management assesses the market for new financing options when the bond expires in 2019, 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	**2015/16**	**2014/15**	**2015/16**	**2014/15**
Specification of net interest-bearing debt				
Cash at bank and in hand	-10,813	-12,476	-106	-29
Bond loans	295,822	294,256	296,011	294,515
Lease debt	171	346	0	0
Bank loans, non-current liabilities	0	0	0	0
Bank loans, current liabilities	80,507	89,586	0	0
Net interest-bearing debt	365,687	371,712	295,905	294,486

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 26 May 2019 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.

NOTE 36 FINANCIAL RISKS AND FINANCIAL INSTRUMENTS – PARENT COMPANY AND GROUP (CONTINUED)

2015/16, Consolidated

DKK'000	0-1 YEAR	1-5 YEARS	> 5 YEARS	TOTAL	CARRYING AMOUNT
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
Overdraft facilities	80,507	0	0	80,507	80,507
Trade payables	78,353	0	0	78,353	78,353
Other payables	40,091	0	0	40,091	40,091
Financial liabilities are measured at amortised cost	218,626	326,471	0	545,097	494,944

2014/15, Consolidated

DKK'000	0-1 YEAR	1-5 YEARS	> 5 YEARS	TOTAL	CARRYING AMOUNT
Deposits	948	293	14,450	15,691	15,691
Trade receivables	84,393	0	0	84,393	84,393
Derivative financial instruments	0	0	0	0	0
Other receivables	2,276	0	0	2,276	2,276
Loans and receivables	87,617	293	14,450	102,360	102,360
Derivative financial instruments hedging future interest payments	3,600	0	0	3,600	3,600
Financial liabilities at fair value over the statement of comprehensive income	3,600	0	0	3,600	3,600
Bond loan	19,500	346,024	0	365,524	294,256
Lease debt	192	180	0	372	346
Overdraft facilities	89,586	0	0	89,586	89,586
Trade payables	85,844	0	0	85,844	85,844
Derivative financial instruments	542	0	0	542	542
Other payables	44,090	0	0	44,090	44,090
Financial liabilities are measured at amortised cost	239,754	346,204	0	585,958	514,664

NOTE 36 FINANCIAL RISKS AND FINANCIAL INSTRUMENTS – PARENT COMPANY AND GROUP (CONTINUED)

2015/16, Parent Company

DKK'000	0-1 YEAR	1-5 YEARS	> 5 YEARS	TOTAL	CARRYING AMOUNT
Amounts owed by group enterprises	292,874	0	0	292,874	292,874
Loans and receivables	292,874	0	0	292,874	292,874
Derivative financial instruments hedging future interest payments	0	0	0	0	0
Financial liabilities at fair value over the statement of comprehensive income	0	0	0	0	0
Loans	19,500	326,471	0	345,971	296,011
Other payables	1,978	0	0	1,978	1,978
Financial liabilities are measured at amortised cost	21,478	326,471	0	347,949	297,989

2014/15, Parent Company

DKK'000	0-1 YEAR	1-5 YEARS	> 5 YEARS	TOTAL	CARRYING AMOUNT
Amounts owed by group enterprises	293,580	0	0	293,580	293,580
Loans and receivables	293,580	0	0	293,580	293,580
Derivative financial instruments hedging fair value of debt	3,058	0	0	3,058	3,058
Financial liabilities at fair value over the statement of comprehensive income	3,058	0	0	3,058	3,058
Loans	19,500	346,024	0	365,524	294,515
Other payables	2,083	0	0	2,083	2,083
Financial liabilities measured at amortised cost	21,583	346,024	0	367,607	296,598

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.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COMPANY DETAILS

COMPANY

PWT Holding A/S
Gøteborgvej 15-17
9200 Aalborg SV
Denmark

CVR No.: 31 07 46 06
Established: 29 November 2007
Registered office: Aalborg
Financial year: 1 October 2015 - 30 September 2016 (9th financial year)

WWW

pwt-group.com
pwtbrands.com
lindbergh.dk
shineoriginal.com
bison.dk
junkdeluxe.dk
wagner.dk
tøjeksperten.dk

BOARD OF DIRECTORS

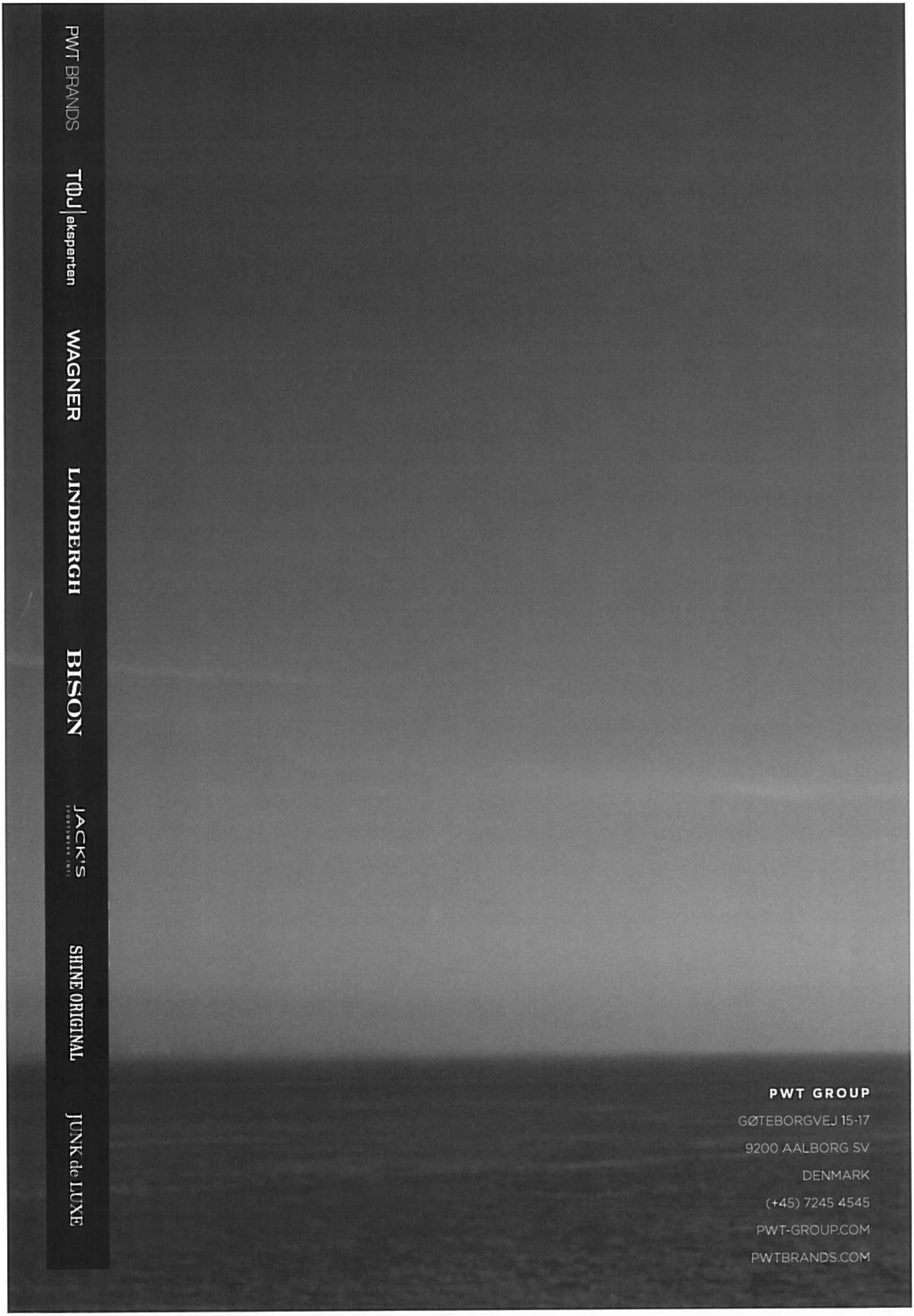
Henrik Theilbjørn (Chairman)
Jan Bøgh
Torben Fog
Jan Johan Kühl
Allan Bach Pedersen
Ole Koch Hansen

EXECUTIVE BOARD

Ole Koch Hansen, CEO
Claus Back Nielsen, CFO

AUDITORS

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Skelagervej 1A
9000 Aalborg
Denmark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