

DBI Properties ApS

Stationsvej 5

4295 Stenlille

Central Business Registration No

31603951

Annual report 2017

The Annual General Meeting adopted the annual report on 31.05.2018

Chairman of the General Meeting

Name: Hans Hellstrøm Henningsen

Contents

	<u>Page</u>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's report	3
Management commentary	6
Income statement for 2017	7
Balance sheet at 31.12.2017	8
Statement of changes in equity for 2017	10
Notes	11
Accounting policies	14

Entity details

Entity

DBI Properties ApS
Stationsvej 5
4295 Stenlille

Central Business Registration No: 31603951

Registered in: Sorø

Financial year: 01.01.2017 - 31.12.2017

Executive Board

Hans Hellstrøm Henningsen, Chief Executive Officer

Bank

Handelsbanken
Rådhuspladsen 2
4200 Slagelse

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
P.O. Box 1600
0900 Copenhagen C

Statement by Management on the annual report

The Executive Board has today considered and approved the annual report of DBI Properties ApS for the financial year 01.01.2017 - 31.12.2017.

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

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017.

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

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

Stenlille, 31.05.2018

Executive Board

Hans Hellstrøm Henningsen
Chief Executive Officer

Independent auditor's report

To the shareholder of DBI Properties ApS

Opinion

We have audited the financial statements of DBI Properties ApS for the financial year 01.01.2017 - 31.12.2017, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Independent auditor's report

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Independent auditor's report

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 31.05.2018

Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No: 33963556

Max Damborg

State Authorised Public Accountant

Identification number (MNE) mne33772

Management commentary

Primary activities

The primary activities of the Company consist of rent and management of the properties located at Stationsvej 5 in Stenlille and Stenmaglevej 20D in Stenmagle.

Development in activities and finances

Profit for the year amounts to DKK 1,797 thousand, which is considered satisfactory and in line with expectations.

Uncertainty relating to recognition and measurement

The valuation of assets and liabilities is made in accordance with current accounting policies, and Management of DBI Properties ApS is of the opinion that no uncertainty is related to recognition and measurement.

Unusual circumstances affecting recognition and measurement

There have been no unusual circumstances affecting recognition and measurement in the financial year 2017.

Outlook

A similar profit is expected for 2018.

Particular risks

The Company's activities do not involve any particular risks; neither operating nor financial risks.

Events after the balance sheet date

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

Income statement for 2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK'000</u>
Gross profit		6.015.375	5.794
Staff costs		(1.408.740)	(1.106)
Depreciation, amortisation and impairment losses		<u>(1.944.780)</u>	<u>(1.945)</u>
Operating profit/loss		2.661.855	2.743
Other financial income	1	42.252	26
Other financial expenses	2	<u>(400.236)</u>	<u>(468)</u>
Profit/loss before tax		2.303.871	2.301
Tax on profit/loss for the year	3	<u>(506.743)</u>	<u>(506)</u>
Profit/loss for the year		<u>1.797.128</u>	<u>1.795</u>
Proposed distribution of profit/loss			
Retained earnings		<u>1.797.128</u>	<u>1.795</u>
		<u>1.797.128</u>	<u>1.795</u>

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK'000</u>
Land and buildings		<u>41.474.977</u>	<u>43.420</u>
Property, plant and equipment	4	<u>41.474.977</u>	<u>43.420</u>
Receivables from group enterprises		<u>3.565.701</u>	<u>633</u>
Fixed asset investments		<u>3.565.701</u>	<u>633</u>
Fixed assets		<u>45.040.678</u>	<u>44.053</u>
Cash		<u>111.767</u>	<u>0</u>
Current assets		<u>111.767</u>	<u>0</u>
Assets		<u>45.152.445</u>	<u>44.053</u>

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK'000</u>
Contributed capital		125.000	125
Retained earnings		18.714.978	16.918
Equity		18.839.978	17.043
Deferred tax	5	2.490.000	2.424
Provisions		2.490.000	2.424
Mortgage debts		16.512.291	16.512
Bank loans		2.887.500	3.713
Deposits		2.335.223	2.278
Non-current liabilities other than provisions	6	21.735.014	22.503
Current portion of long-term liabilities other than provisions	6	825.000	825
Bank loans		0	418
Income tax payable		443.833	3
Other payables		818.620	837
Current liabilities other than provisions		2.087.453	2.083
Liabilities other than provisions		23.822.467	24.586
Equity and liabilities		45.152.445	44.053
Contingent liabilities	7		
Mortgages and securities	8		
Related parties with controlling interest	9		
Group relations	10		

Statement of changes in equity for 2017

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	125.000	16.917.849	17.042.849
Profit/loss for the year	0	1.797.129	1.797.129
Equity end of year	125.000	18.714.978	18.839.978

Notes

	2017	2016
	DKK	DKK'000
1. Other financial income		
Financial income arising from group enterprises	42.252	0
Exchange rate adjustments	0	26
	42.252	26
	2017	2016
	DKK	DKK'000
2. Other financial expenses		
Financial expenses from group enterprises	0	31
Interest expenses	400.236	437
	400.236	468
	2017	2016
	DKK	DKK'000
3. Tax on profit/loss for the year		
Tax on current year taxable income	440.387	207
Change in deferred tax for the year	66.356	299
	506.743	506
		Land and buildings DKK
4. Property, plant and equipment		
Cost beginning of year		60.841.753
Cost end of year		60.841.753
Depreciation and impairment losses beginning of the year		(17.421.996)
Depreciation for the year		(1.944.780)
Depreciation and impairment losses end of the year		(19.366.776)
Carrying amount end of year		41.474.977

Notes

	2017	2016
	DKK	DKK'000
5. Deferred tax		
Property, plant and equipment	2.490.000	2.424
	2.490.000	2.424

	Instalments within 12 months 2017 DKK	Instalments within 12 months 2016 DKK'000	Instalments beyond 12 months 2017 DKK	Outstanding after 5 years DKK
6. Liabilities other than provisions				
Mortgage debts	0	0	16.512.291	14.180.757
Bank loans	825.000	825	2.887.500	0
Deposits	0	0	2.335.223	0
	825.000	825	21.735.014	14.180.757

7. Contingent liabilities

The Company participates in a Danish joint taxation arrangement in which DBI Holding A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes etc for the jointly taxed companies and for obligations, if any, relating to the withholding tax on interest, royalties and dividend for the jointly taxed companies. The jointly taxed companies' total known net liability in the joint taxation arrangement is stated in the financial statements of the administration company.

8. Mortgages and securities

Mortgage debt is secured by way of mortgage on properties. The mortgage also comprises the plant and machinery deemed part of the property.

The carrying amount of mortgaged properties is DKK 41,475 thousand.

Collateral security provided for subsidiaries and other group enterprises

The Entity has guaranteed group enterprises' bank debt. The group enterprises' bank deposits amount to DKK 5,394 thousand at 31.12.2017.

Notes

9. Related parties with controlling interest

The following related party has a controlling interest in DBI Properties ApS:

DBI Holding A/S, Stationsvej 5, 4295 Stenlille, Central Business Registration No. 29821739

10. Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

DBI Holding A/S, Stationsvej 5, 4295 Stenlille, Central Business Registration No. 29821739

Accounting policies

Reporting class

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

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

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

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

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

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

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

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and other external expenses.

Revenue

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

Other external expenses

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

Staff costs

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

Accounting policies

Depreciation, amortisation and impairment losses

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

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital gains on payables and transactions in foreign currencies as well as amortisation of financial assets.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on payables and transactions in foreign currencies as well as amortisation of financial liabilities.

Tax on profit/loss for the year

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

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

Balance sheet

Property, plant and equipment

Land and buildings are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

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

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

Buildings	30 years
-----------	----------

Estimated useful lives and residual values are reassessed annually.

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

Accounting policies

Receivables

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

Cash

Cash comprises cash in hand and bank deposits.

Deferred tax

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

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

Mortgage debt

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

Other financial liabilities

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

Income tax receivable or payable

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