
Solenis Denmark ApS

Sundkrogsgade 21, DK-2100 København Ø

Annual Report for 1 October 2015 - 30 September 2016

CVR No 31 86 34 49

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
28/2 2017

Cornelis Floor Saarloos
Chairman



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Management's Statement

The Executive Board has today considered and adopted the Annual Report of Solenis Denmark ApS for the financial year 1 October 2015 - 30 September 2016.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In my opinion the Financial Statements give a true and fair view of the financial position at 30 September 2016 of the Company and of the results of the Company operations for 2015/16.

In my opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

I recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 28 February 2017

Direktion

Cornelis Floor Saarloos

Independent Auditor's Report on the Financial Statements

To the Shareholder of Solenis Denmark ApS

Report on the Financial Statements

We have audited the Financial Statements of Solenis Denmark ApS for the financial year 1 October 2015 - 30 September 2016, which comprise income statement, balance sheet, notes and summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the 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 whether the Financial Statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of 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 the Financial Statements.

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

Our audit has not resulted in any qualification.

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 September 2016 and of the results of the Company operations for the financial year 1 October 2015 - 30 September 2016 in accordance with the Danish Financial Statements Act.

Independent Auditor's Report on the Financial Statements

Statement on 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 Financial Statements. On this basis, in our opinion, the information provided in Management's Review is in accordance with the Financial Statements.

Hellerup, 28 February 2017

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Kaare von Cappeln

State Authorised Public Accountant

Company Information

The Company

Solenis Denmark ApS
Sundkrogsgade 21
DK-2100 København Ø

CVR No: 31 86 34 49
Financial period: 1 October - 30 September
Municipality of reg. office: København

Executive Board

Cornelis Floor Saarloos

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

Financial Statements of Solenis Denmark ApS for 2015/16 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The Annual Report has been prepared under the same accounting policies as last year.

Main activity

Solenis Denmark acts as an agent for Solenis Sweden to solicit sales of products in the Danish territory. Solenis Denmark uses its best efforts to promote the use of and solicit orders for the products throughout the Danish territory all upon terms and conditions set forth in the Commission agreement.

Development in the year

The income statement of the Company for 2015/16 shows a loss of DKK 17,957, and at 30 September 2016 the balance sheet of the Company shows equity of DKK 77,662.

Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

Unusual events

The financial position at 30 September 2016 of the Company and the results of the activities of the Company for the financial year for 2015/16 have not been affected by any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 October 2015 - 30 September 2016

| | Note | 2015/16 DKK | 2014/15 DKK |
|--|------|------------------|------------------|
| Gross profit/loss | | 2,595,174 | 3,078,102 |
| Staff expenses | 1 | -2,288,108 | -2,730,307 |
| Depreciation, amortisation and impairment of intangible assets and property, plant and equipment | | -206,384 | -253,136 |
| Profit/loss before financial income and expenses | | 100,682 | 94,659 |
| Financial income | 2 | 0 | 7,906 |
| Financial expenses | 3 | -119,313 | -38,175 |
| Profit/loss before tax | | -18,631 | 64,390 |
| Tax on profit/loss for the year | 4 | 674 | -18,771 |
| Net profit/loss for the year | | -17,957 | 45,619 |

Distribution of profit

Proposed distribution of profit

| | | |
|-------------------|----------------|---------------|
| Retained earnings | -17,957 | 45,619 |
| | -17,957 | 45,619 |

Balance Sheet 30 September

Assets

| | Note | 2015/16 DKK | 2014/15 DKK |
|--|------|------------------|------------------|
| Goodwill | | 431,605 | 583,936 |
| Intangible assets | 5 | 431,605 | 583,936 |
| Other fixtures and fittings, tools and equipment | | 9,864 | 63,916 |
| Property, plant and equipment | 6 | 9,864 | 63,916 |
| Fixed assets | | 441,469 | 647,852 |
| Trade receivables | | 3,629 | 0 |
| Receivables from group enterprises | | 452,760 | 552,442 |
| Other receivables | | 52,903 | 171,328 |
| Deferred tax asset | | 32,758 | 15,563 |
| Prepayments | | 32,046 | 38,757 |
| Receivables | | 574,096 | 778,090 |
| Cash at bank and in hand | | 1,140,963 | 956,595 |
| Currents assets | | 1,715,059 | 1,734,685 |
| Assets | | 2,156,528 | 2,382,537 |

Balance Sheet 30 September

Liabilities and equity

| | Note | 2015/16 DKK | 2014/15 DKK |
|--|------|------------------|------------------|
| Share capital | | 50,000 | 50,000 |
| Retained earnings | | 27,662 | 45,619 |
| Equity | 7 | 77,662 | 95,619 |
| Payables to group enterprises | | 377,856 | 352,618 |
| Long-term debt | 8 | 377,856 | 352,618 |
| Trade payables | | 241,275 | 411,718 |
| Payables to group enterprises | 8 | 910,961 | 1,018,741 |
| Corporation tax | | 52,092 | 35,570 |
| Other payables | | 496,682 | 468,271 |
| Short-term debt | | 1,701,010 | 1,934,300 |
| Debt | | 2,078,866 | 2,286,918 |
| Liabilities and equity | | 2,156,528 | 2,382,537 |
| Contingent assets, liabilities and other financial obligations | 9 | | |
| Related parties | 10 | | |

Notes to the Financial Statements

| | <u>2015/16</u> | <u>2014/15</u> |
|--|------------------|------------------|
| | DKK | DKK |
| 1 Staff expenses | | |
| Wages and salaries | 1,916,136 | 2,309,398 |
| Pensions | 186,066 | 247,561 |
| Other staff expenses | 185,906 | 173,348 |
| | <u>2,288,108</u> | <u>2,730,307</u> |
| | | |
| Average number of employees | <u>3</u> | <u>4</u> |
| | | |
| 2 Financial income | | |
| Interest received from group enterprises | 0 | 4,087 |
| Exchange adjustments | 0 | 3,819 |
| | <u>0</u> | <u>7,906</u> |
| | | |
| 3 Financial expenses | | |
| Interest paid to group enterprises | 110,452 | 24,991 |
| Other financial expenses | 7,916 | 11,376 |
| Exchange adjustments, expenses | 945 | 1,808 |
| | <u>119,313</u> | <u>38,175</u> |
| | | |
| 4 Tax on profit/loss for the year | | |
| Current tax for the year | 16,522 | 34,334 |
| Deferred tax for the year | -17,196 | -15,563 |
| | <u>-674</u> | <u>18,771</u> |

Notes to the Financial Statements

5 Intangible assets

| | Goodwill DKK |
|--|-----------------|
| Cost at 1 October | 761,656 |
| Cost at 30 September | 761,656 |
| Impairment losses and amortisation at 1 October | 177,720 |
| Amortisation for the year | 152,331 |
| Impairment losses and amortisation at 30 September | 330,051 |
| Carrying amount at 30 September | 431,605 |

6 Property, plant and equipment

| | Other fixtures and fittings, tools and equipment DKK |
|--|--|
| Cost at 1 October | 139,333 |
| Additions for the year | 0 |
| Cost at 30 September | 139,333 |
| Impairment losses and depreciation at 1 October | 75,417 |
| Depreciation for the year | 54,052 |
| Impairment losses and depreciation at 30 September | 129,469 |
| Carrying amount at 30 September | 9,864 |

7 Equity

| | Share capital DKK | Retained earnings DKK | Total DKK |
|-------------------------------|----------------------|-----------------------------|---------------|
| Equity at 1 October | 50,000 | 45,619 | 95,619 |
| Net profit/loss for the year | 0 | -17,957 | -17,957 |
| Equity at 30 September | 50,000 | 27,662 | 77,662 |

Notes to the Financial Statements

The share capital consists of 50 shares of a nominal value of DKK 1,000. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

8 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Payables to group enterprises

| | | |
|--|------------------|------------------|
| After 5 years | 377,856 | 352,618 |
| Long-term part | <u>377,856</u> | <u>352,618</u> |
| Other short-term debt to group enterprises | 910,961 | 1,018,741 |
| | <u>1,288,817</u> | <u>1,371,359</u> |

9 Contingent assets, liabilities and other financial obligations

Contingent liabilities

The Company has entered into lease agreements for vehicles. Lease payments at 30 September 2016 amounted to DKK 281k.

Notes to the Financial Statements

10 Related parties

Basis

Controlling interest

Solenis Netherlands B.V.
Fascination Boulevard 522, 2909 VA Capelle a/d IJssel,
The Netherlands.

Parent company

Consolidated Financial Statements

The Company is included in the Group Annual Report of

Name

Place of registered office

Solenis Holdings I Coöperatief U.A.

Netherlands

Accounting Policies

Basis of Preparation

The Annual Report of Solenis Denmark ApS for 2015/16 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Financial Statements for 2015/16 are presented in DKK.

Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Accounting Policies

Income Statement

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses other than production wages.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance Sheet

Intangible assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 5 years.

Accounting Policies

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment 2-5 years

Depreciation period and residual value are reassessed annually.

Assets costing less than DKK 12,900 are expensed in the year of acquisition.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Accounting Policies

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.