

Junkbusters Group ApS

Raffinaderivej 20K, 2300 København S

Company reg. no. 32 07 39 13

Annual report

1 January - 31 December 2017

The annual report have been submitted and approved by the general meeting on the 12 June 2018.

Steffen Rasmussen
Chairman of the meeting

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Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance DKK 146.940 is the same as the English amount of DKK 146,940, and that 23,5 % is the same as the English 23.5 %.

Management's report

The board of directors and the managing director have today presented the annual report of Junkbusters Group ApS for the financial year 1 January to 31 December 2017.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 December 2017 and of the company's results of its activities in the financial year 1 January to 31 December 2017.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

København S, 12 June 2018

Managing Director

Steffen Rasmussen

Board of directors

Jesper Rasmussen

Claus Christian Bayer

Steffen Rasmussen

Charlotte Smidt

Independent auditor's report

To the shareholders of Junkbusters Group ApS

Opinion

We have audited the annual accounts of Junkbusters Group ApS for the financial year 1 January to 31 December 2017, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2017 and of the results of the company's operations for the financial year 1 January to 31 December 2017 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

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

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

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

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts 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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Independent auditor's report

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

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Hillerød, 12 June 2018

Grant Thornton

Company reg. no. 34 20 99 36

Claus Koskelin

State Authorised Public Accountant
MNE-nr. 30140

Company data

The company

Junkbusters Group ApS
Raffinaderivej 20K
2300 København S

Company reg. no. 32 07 39 13

Financial year: 1 January - 31 December

Board of directors

Jesper Rasmussen
Claus Christian Bayer
Steffen Rasmussen
Charlotte Smidt

Managing Director

Steffen Rasmussen

Auditors

Grant Thornton, Statsautoriseret Revisionspartnerselskab
Nordstensvej 11
3400 Hillerød

Parent company

Steffen Rasmussen Holding ApS

Subsidiaries

Junkbusters ApS, København
Junkbusters Stockholm AB, Stockholm
Junkbag Norge AS, Moss
Junkbusters Deutschland GmbH, Hamburg

Management's review

The principal activities of the company

The company's main activity consists of running a holding and investment company, as well as additional related activities.

Uncertainties as to recognition or measurement

There have been no significant uncertainties or unusual conditions that have affected the recognition or measurement.

Development in activities and financial matters

The company's results and economic development are considered satisfactory.

Events subsequent to the financial year

No events have occurred subsequent to the balance sheet data, which would have material impact on the financial position of the company.

Accounting policies used

The annual report for Junkbusters Group ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

Accounting policies used

The profit and loss account

Gross profit

The gross profit comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation, amortisation and writedown for the year and gains and losses on disposal of intangible and tangible fixed assets.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Results from equity investments in group enterprises

After full elimination of intercompany profit or loss and deduction of amortisation of consolidated goodwill, the equity investment in the individual group enterprises are recognised in the profit and loss account at a proportional share of the group enterprises' results after tax.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

Accounting policies used

The balance sheet

Intangible fixed assets

Purchased rights

Purchased rights is measured at cost incl. a part of the salaries with deduction of accumulated amortisation. Rights is amortised on a straight-line basis over the estimated financial life which is 4 years.

Financial fixed assets

Equity investments in group enterprises

Equity investments in group enterprises are recognised in the balance sheet at a proportional share under the equity method, the value being calculated on the basis of the accounting policies of the parent company by the deduction or addition of unrealised intercompany profits and losses, and with the addition or deduction of residual value of positive or negative goodwill measured by applying the acquisition method.

Group enterprises and associated enterprises with negative equity are recognised without any value, and to the extent they are considered irrevocable, amounts owed by these companies are written down by the parent's share of the equity. If the negative equity exceeds the debtors, the residual amount is recognised under liability provisions to the extent the parent has a legal or actual liability to cover the negative equity of the subsidiary.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises are transferred to the reserves under the equity for net revaluation as per the equity method. Dividends from group enterprises expected to be decided before the approval of this annual report are not subject to a limitation of the revaluation reserves. The reserves are adjusted by other equity movements in group enterprises.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Available funds

Available funds comprise cash at bank and in hand.

Equity

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Accounting policies used

According to the rules of joint taxation, Junkbusters Group ApS is proportionally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Other provisions

Provisions comprise expected costs for guarantee liabilities, loss on work in progress, restructuring, etc. Provisions are recognised when the company has a legal or actual liability which is due to a previous event and when it is likely that the settlement of the liability will result in expenditure of the financial resources of the company.

If the settlement of the liability is expected to take place in some remote future, provisions are measured at the net realisable value or at fair value.

Guarantee liabilities comprise liabilities for repairs within the guarantee period of 1-5 years. The provisions are measured at the net realisable value and recognised on basis of the obtained experience with guarantee work. If provisions have an expected due date later than 1 year from the balance sheet date, they are discounted at the average bond interest.

On the acquisition of enterprises, provisions for restructuring within the acquired enterprise is included in the acquisition cost, and thereby in the goodwill or the consolidated goodwill, to the extent that they have been approved and announced on the date of acquisition at the latest.

When it is likely that the total costs will exceed the total income of work in progress for the account of others, provisions are made for the total loss expected on the contract. Provisions are recognised as costs under production costs.

Liabilities

Mortgage debt and bank debt are for instance measured at amortised cost. As to cash loans, this corresponds to the outstanding debt of the loan. For bond loans, the amortised cost corresponds to an outstanding debt calculated as the underlying cash value at the date of borrowing adjusted by amortisation of the market value adjustment on the date of the borrowing carried out over the repayment period.

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

Profit and loss account 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2017</u>	<u>2016</u>
Gross profit	374.037	295.324
1 Staff costs	-243.744	-303.219
Amortisation and writedown relating to intangible fixed assets	-236.358	-127.590
Operating profit	-106.065	-135.485
Income from equity investments in group enterprises	-1.594.264	-2.652.410
Other financial income from group enterprises	269.978	281.128
Other financial income	0	112.275
2 Other financial costs	-332.093	-241.312
Results before tax	-1.762.444	-2.635.804
Tax on ordinary results	0	0
Results for the year	-1.762.444	-2.635.804
 Proposed distribution of the results:		
Reserves for net revaluation as per the equity method	0	-391.244
Allocated from results brought forward	-1.762.444	-2.244.560
Distribution in total	-1.762.444	-2.635.804

Balance sheet 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2017</u>	<u>2016</u>
Fixed assets		
Acquired concessions, patents, licenses, trademarks and similar rights	267.690	300.991
Intangible fixed assets in total	<u>267.690</u>	<u>300.991</u>
3 Equity investments in group enterprises	1.769.870	1.444.516
Financial fixed assets in total	<u>1.769.870</u>	<u>1.444.516</u>
Fixed assets in total	<u>2.037.560</u>	<u>1.745.507</u>
Current assets		
Trade debtors	116.003	62.423
4 Amounts owed by group enterprises	6.006.386	1.126.542
Other debtors	2.856	578.034
Debtors in total	<u>6.125.245</u>	<u>1.766.999</u>
Available funds	24.013	292.967
Current assets in total	<u>6.149.258</u>	<u>2.059.966</u>
Assets in total	<u>8.186.818</u>	<u>3.805.473</u>

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2017</u>	<u>2016</u>
Equity			
5	Contributed capital	191.739	191.739
7	Results brought forward	-1.747.690	14.754
	Equity in total	-1.555.951	206.493
Provisions			
	Other provisions	4.950.175	0
	Provisions in total	4.950.175	0
Liabilities			
	Bank debts	0	1.819.009
8	Debt to group enterprises	4.683.290	0
	Long-term liabilities in total	4.683.290	1.819.009
	Liabilities	0	391.673
	Trade creditors	0	12.504
	Debt to group enterprises	0	1.314.584
	Other debts	109.304	61.210
	Short-term liabilities in total	109.304	1.779.971
	Liabilities in total	4.792.594	3.598.980
	Equity and liabilities in total	8.186.818	3.805.473

9 Contingencies

Notes

All amounts in DKK.

	<u>2017</u>	<u>2016</u>
1. Staff costs		
Salaries and wages	234.160	285.738
Other costs for social security	3.463	4.307
Other staff costs	<u>6.121</u>	<u>13.174</u>
	<u>243.744</u>	<u>303.219</u>
Average number of employees	<u>1</u>	<u>1</u>
2. Other financial costs		
Financial costs, group enterprises	104.326	32.064
Other financial costs	<u>227.767</u>	<u>209.248</u>
	<u>332.093</u>	<u>241.312</u>

Notes

All amounts in DKK.

3. Equity investments in group enterprises

Acquisition sum, opening balance 1 January 2017	727.723	448.853
Additions during the year	851.384	286.370
Disposals during the year	0	-7.500
Cost 31 December 2017	1.579.107	727.723
Revaluations, opening balance 1 January 2017	716.793	391.243
Results for the year before goodwill amortisation	596.009	639.687
Reversals for the year concerning disposals	0	-27.767
Other movements in capital	-851.384	-286.370
Dividend	-270.655	0
Revaluation 31 December 2017	190.763	716.793
Book value 31 December 2017	1.769.870	1.444.516

The financial highlights for the enterprises according to the latest approved annual reports

	Share of ownership	Equity	Results for the year	Book value at Junkbusters Group ApS
Junkbusters ApS, København	70 %	1.997.680	604.553	1.398.376
Junkbusters Stockholm AB, Stockholm	51 %	728.420	363.594	371.494
Junkbag Norge AS, Moss	100 %	-151.421	-567.171	0
Junkbusters Deutschland GmbH, Hamburg	100 %	-4.798.754	-1.646.081	0
		-2.224.075	-1.245.105	1.769.870

4. Amounts owed by group enterprises

Amounts owed by Junkbusters Deutschland	5.457.816	4.173.892
Amounts owed by Junkbag Norge AS	548.570	551.325
Writedown relating to amounts owed by group enterprises	0	-3.598.675
	6.006.386	1.126.542

5. Contributed capital

Contributed capital 1 January 2017	191.739	171.707
Cash capital increase	0	20.032
	191.739	191.739

Notes

All amounts in DKK.

	<u>31/12 2017</u>	<u>31/12 2016</u>
6. Reserves for net revaluation as per the equity method		
Reserves for net revaluation 1 January 2017	0	391.244
Share of results	<u>0</u>	<u>-391.244</u>
	<u>0</u>	<u>0</u>
7. Results brought forward		
Results brought forward 1 January 2017	14.754	179.346
Profit or loss for the year brought forward	-1.762.444	-2.244.560
Transferred from share premium account for the year	<u>0</u>	<u>2.079.968</u>
	<u>-1.747.690</u>	<u>14.754</u>
8. Debt to group enterprises		
Debt to group enterprises in total	<u>4.683.290</u>	<u>0</u>
Share of liabilities due after 5 years	<u>0</u>	<u>0</u>

9. Contingencies

Contingent liabilities

Recourse guarantee commitments

The company has provided guarantees for all debt between Junkbusters ApS and Sydbank. On 31 December 2017 the total debts to Sydbank in Junkbusters ApS were DKK 3.119.

Joint taxation

Steffen Rasmussen Holding ApS, company reg. no 32073468 being the administration company, the company is subject to the Danish scheme of joint taxation and it is proportionally liable for tax claims within the joint taxation scheme.

The company is proportionally liable for any obligation to withhold tax on interest, royalties and dividends of the jointly taxed companies.

Notes

All amounts in DKK.

• **Contingencies (continued)**

Joint taxation (continued)

The liabilities amount to a maximum corresponding to that share of the company capital, which is owned directly or indirectly by the ultimate parent company.

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.