Bohnenkamp A/S

Bizonvej 4, DK-8464 Galten

Annual Report for 1 January - 31 December 2017

CVR No 32 53 24 11

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 15/5 2018

Mads Gliskov Mikkelsen
Chairman

pwc

Contents

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Bohnenkamp A/S for the financial year 1 January - 31 December 2017.

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

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2017 of the Company and of the results of the Company operations for 2017.

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

Skovby, 15 May 2018

Executive Board

Mads Gliskov Mikkelsen
CEO

Board of Directors

Thomas Pott	Mikael Rieken	Harm Jonkeren-Bohnenkamp

Independent Auditor's Report

To the Shareholder of Bohnenkamp A/S

Opinion
In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Bohnenkamp A/S for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies ("the Financial Statements").

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

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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

Trekantområdet, 15 May 2018
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Jan Bunk Harbo Larsen	Henrik Skriver Lykke
State Authorised Public Accountant	State Authorised Public Accountant
mne30224	mne15094

Company Information

The Company	Bohnenkamp A/S Bizonvej 4 DK-8464 Galten CVR No: 32 53 24 11 Financial period: 1 January - 31 December Municipality of reg. office: Skanderborg
Board of Directors	Thomas Pott Mikael Rieken Harm Jonkeren-Bohnenkamp
Executive Board	Mads Gliskov Mikkelsen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Herredsvej 32 DK-7100 Vejle

Income Statement 1 January - 31 December

	Note	2017	2016
		DKK	DKK
Gross profit/loss		**7,325,812**	**8,272,956**
Staff expenses	2	-5,614,987	-7,568,470
Depreciation, amortisation and impairment of property, plant and equipment		-308,371	-206,986
Profit/loss before financial income and expenses		**1,402,454**	**497,500**
Financial income	3	263,447	163,093
Financial expenses	4	-397,751	-338,990
Profit/loss before tax		**1,268,150**	**321,603**
Tax on profit/loss for the year	5	-276,846	-73,018
Net profit/loss for the year		**991,304**	**248,585**

Distribution of profit

Proposed distribution of profit

Retained earnings	991,304	248,585
	991,304	**248,585**

Balance Sheet 31 December

Assets

	Note	2017	2016
		DKK	DKK
Acquired licenses		563,906	71,705
Intangible assets	6	**563,906**	**71,705**
Other fixtures and fittings, tools and equipment		479,960	298,766
Property, plant and equipment	7	**479,960**	**298,766**
Deposits		0	633,376
Fixed asset investments		**0**	**633,376**
Fixed assets		**1,043,866**	**1,003,847**
Inventories		**14,277,297**	**10,564,338**
Trade receivables		2,278,283	3,342,137
Receivables from group enterprises		176,944	106,218
Other receivables		244,068	254,201
Deferred tax asset		2,812,655	2,963,699
Prepayments		154,984	134,481
Receivables		**5,666,934**	**6,800,736**
Cash at bank and in hand		**2,128,074**	**2,022,913**
Currents assets		**22,072,305**	**19,387,987**
Assets		**23,116,171**	**20,391,834**

Balance Sheet 31 December

Liabilities and equity

	Note	2017	2016
		DKK	DKK
Share capital		10,100,000	10,100,000
Retained earnings		527,260	-464,044
Equity	8	**10,627,260**	**9,635,956**
Trade payables		2,323,990	2,764,550
Payables to group enterprises		8,869,373	6,645,296
Other payables		1,295,548	1,346,032
Short-term debt		**12,488,911**	**10,755,878**
Debt		**12,488,911**	**10,755,878**
Liabilities and equity		**23,116,171**	**20,391,834**
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Notes to the Financial Statements

1 Key activities

The Company's key activities is to conduct trading and agency operations in Denmark and abroad.

	2017	2016
	DKK	DKK
2 Staff expenses		
Wages and salaries	4,954,241	6,413,296
Pensions	513,837	615,935
Other social security expenses	86,092	502,996
Other staff expenses	60,817	36,243
	5,614,987	**7,568,470**
Average number of employees	**12**	**15**

3 Financial income

Other financial income	2,231	3,680
Exchange gains	261,216	159,413
	263,447	**163,093**

4 Financial expenses

Interest paid to group enterprises	117,863	41,822
Other financial expenses	53,436	148,990
Exchange loss	226,452	148,178
	397,751	**338,990**

5 Tax on profit/loss for the year

Current tax for the year	0	-152,383
Deferred tax for the year	151,044	225,401
Adjustment of deferred tax concerning previous years	125,802	0
	276,846	**73,018**

Notes to the Financial Statements

6 Intangible assets

	Acquired licenses
	DKK
Cost at 1 January	71,705
Additions for the year	618,793
Cost at 31 December	690,498
Impairment losses and amortisation at 1 January	0
Amortisation for the year	126,592
Impairment losses and amortisation at 31 December	126,592
Carrying amount at 31 December	**563,906**

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 January	3,970,372
Additions for the year	362,973
Cost at 31 December	4,333,345
Impairment losses and depreciation at 1 January	3,671,606
Depreciation for the year	181,779
Impairment losses and depreciation at 31 December	3,853,385
Carrying amount at 31 December	**479,960**

8 Equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	10,100,000	-464,044	9,635,956
Net profit/loss for the year	0	991,304	991,304
Equity at 31 December	**10,100,000**	**527,260**	**10,627,260**

Notes to the Financial Statements

	2017	2016
	DKK	DKK

9 Contingent assets, liabilities and other financial obligations

	2017 DKK	2016 DKK
Rental and lease obligations	499,351	13,218,408

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Bohnenkamp Holding A/S, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

10 Related parties

The Company is included in the Group Annual Report of the Parent Company:

Name	Place of registered office
Bohnenkamp AG	Osnabrück

Notes to the Financial Statements

11 Accounting Policies

The Annual Report of Bohnenkamp A/S for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2017 are presented in DKK.

Recognition and measurement

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, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been 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.

Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

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.

Notes to the Financial Statements

11 Accounting Policies (continued)

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

Income Statement

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.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company.

Other external expenses

Other external expenses comprise sales and distribution as well as office expenses, etc.

Gross profit/loss

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

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

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

Notes to the Financial Statements

11 Accounting Policies (continued)

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.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance Sheet

Intangible assets

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding 5 years.

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	4-5	years

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of 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.

Notes to the Financial Statements

11 Accounting Policies (continued)

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

Fixed asset investments

Fixed asset investments consist of deposits.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour.

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.

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.

Deferred tax assets 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 or in equity if the de-

Notes to the Financial Statements

11 Accounting Policies (continued)

ferred tax relates to items recognised in equity.

Financial debts

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