



statsautoriserede revisorer

Nordglass Danmark A/S

CVR-no. 32 55 76 51

Roholmsvej 12 F
2620 Albertslund

Annual Report 2016 (Financial year 1 January 2016 - 31 December 2016)

The Annual Report is presented and
adopted at the Annual General Meeting of
shareholders on the 21 June 2017

Cristiano Rossi
Chairman of the meeting

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Management's Statement

The Board of Directors and the Executive Board have today considered and approved the Annual Report of 1 January 2016 - 31 December 2016 for Nordglass Danmark A/S.

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

In our opinion the Financial Statements give a true and fair view of the Company's assets and liabilities, financial position and results of operations for the financial year ended 31 December 2016.

In our opinion the Management's Review gives a true and fair statement regarding the content in the Management's Review.

We recommend the Annual Report approved at the Annual General Meeting.

Albertslund, 21 June 2017

Executive Board:

Kim Stølsved Jørgensen

Board of Directors:

Grzegorz Bohdan Lajca

Frédéric Gillot

Kim Stølsved Jørgensen

Independent Auditor's Reports

To the Shareholders of Nordglass Danmark A/S

We have performed an extended review of the Financial Statements of Nordglass Danmark A/S for the financial year 1 January 2016 - 31 December 2016, which comprise income statement, balance sheet, notes and accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express a conclusion on the Financial Statements. We conducted our extended review in accordance with the Danish Business Authority's assurance standard for small enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared under the Danish Financial Statements Act.

This requires that we comply with the Danish Act on Approved Auditors and Audit Firms and FSR – Danish Auditors' Code of Ethics and that we plan and perform procedures to obtain limited assurance in respect of our conclusion on the Financial Statements and, moreover, that we perform supplementary procedures specifically required to obtain additional assurance in respect of our conclusion.

An extended review consists of making inquiries, primarily of Management and others within the enterprise, as appropriate, and applying analytical procedures and the supplementary procedures specifically required as well as assessing the evidence obtained.

An extended review is less in scope than an audit and, consequently, we do not express an audit opinion on the Financial Statements.

Conclusion

Based on the extended review, in our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company operations for the financial year 1 January 2016 - 31 December 2016, in accordance with the Danish Financial Statements Act.

Independent Auditor's Reports (-continued)

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated. Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review 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 in Management's Review.

Hørsholm, 21 June 2017

Wyrwik

Statsautoriseret Revisionsanpartsselskab

CVR. no.: 16 56 35 79

Lisbeth Wyrwik

State Authorized Public Accountant

Company details

Company details	Nordglass Danmark A/S Roholmsvej 12 F 2620 Albertslund
	CVR no.: 32 55 76 51
	Founded: 28 October 2009
	Registered office: Albertslund
	Financial year: 1 January - 31 December
Executive Board	Kim Stølsved Jørgensen
Board of Directors	Grzegorz Bohdan Lajca Frédéric Gillot Kim Stølsved Jørgensen
Auditor	Wyrwik Statsautoriseret Revisionsanpartsselskab Hovedgade 28 2970 Hørsholm CVR no.: 16 56 35 79

Management's Review

Primary activities of the Company

The company's activity is supplying windcreens for cars, train and shipping industries and suppliers to these industries.

Development in activities and financial affairs

Going concern

The company's continued operation is dependent on the company obtaining sufficient financing to maintain operations until 31 December 2017. The management has stated that there is a letter of subordination of debt to Group company's tDKK 35.170, and the financial statements is therefore prepared under the assumption of continued operation.

The company has in 2016 purchased a subsidiary in Denmark. The subsidiary was acquired to support the company's strategic growth.

The company's financial performance is considered satisfying.

Significant events occurred after the end of the financial year

No events materially affecting the financial position of the company have occurred after the end of the financial year.

Income statement 1 January - 31 December

DKK	Notes	2016	2015
Gross profit		13.326.489	8.950.766
Staff costs	1	-7.177.312	-6.168.596
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss	2	-547.257	-489.930
Other operating expenses		-266.563	0
Operating profit		5.335.357	2.292.240
Financial income		9.605	72.496
Financial expenses		-43.295	-138.808
Profit before tax		5.301.667	2.225.928
Tax on profit for the year	3	147.305	0
Profit for the year		5.448.972	2.225.928
Proposed distribution of results			
Retained earnings		5.448.972	2.225.928
Proposed dividend recognised in equity		0	0
Total distribution		5.448.972	2.225.928

Balance sheet at 31 December

DKK

Assets

	Notes	2016	2015
Fixtures, fittings, tools and equipment	4	602.933	890.177
Property, plant and equipment		602.933	890.177
Long-term investments in group enterprises	5	9.670.570	0
Other receivables	6	984.823	809.750
Financial fixed assets		10.655.393	809.750
Fixed assets		11.258.326	1.699.927
Manufactured goods and goods for resale		7.649.568	6.950.756
Prepayments for goods		272.214	28.863
Inventories		7.921.782	6.979.619
Trade receivables		3.112.502	4.013.028
Receivables from group enterprises		11.613.576	3.777.097
Other receivables		350.482	39.463
Deferred tax assets		577.000	429.695
Prepayments		30.796	2.085
Receivables		15.684.356	8.261.368
Cash and cash equivalents		1.654.406	469.800
Current assets		25.260.544	15.710.787
Assets		36.518.870	17.410.714

Balance sheet at 31 December

DKK

Equity and liabilities

	Notes	2016	2015
		<u> </u>	<u> </u>
Share capital		500.000	500.000
Retained earnings		-2.517.077	-7.966.049
Proposed dividend recognised in equity		0	0
Equity	7	<u>-2.017.077</u>	<u>-7.466.049</u>
Payables to group enterprises		14.170.570	10.505.488
Lease commitments		143.493	474.056
Long-term liabilities other than provisions	8	<u>14.314.063</u>	<u>10.979.544</u>
Short-term part of long-term liabilities other than provisions	8	21.330.262	10.231.003
Trade payables		782.620	1.275.672
Other payables		2.109.002	2.390.544
Short-term liabilities other than provisions		<u>24.221.884</u>	<u>13.897.219</u>
Liabilities other than provisions		<u>38.535.947</u>	<u>24.876.763</u>
Equity and liabilities		<u>36.518.870</u>	<u>17.410.714</u>
Contingent liabilities	10		
Mortgages and collaterals	11		

Notes

DKK

	<u>2016</u>	<u>2015</u>
1 Staff costs		
Wages and salaries	6.654.059	5.690.473
Post-employment benefit expense	480.663	447.593
Social security contributions	42.590	30.530
	<u>7.177.312</u>	<u>6.168.596</u>
Average number of full time employees	<u>19</u>	<u>17</u>
2 Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible		
Depreciation, fixtures, fittings, tools and equipment	547.257	489.930
	<u>547.257</u>	<u>489.930</u>
3 Tax on profit for the year		
Tax expense on ordinary activities	0	0
Adjustment of deferred tax	-147.305	0
	<u>-147.305</u>	<u>0</u>
4 Fixtures, fittings, tools and equipment		
Cost at 1 January	3.842.472	3.487.981
Additions	260.013	484.491
Disposals	0	-130.000
	<u>4.102.485</u>	<u>3.842.472</u>
Cost at 31 December		
Depreciations at 1 January	2.952.295	2.524.365
Depreciation for the year	547.257	557.930
Depreciation on disposals for the year	0	-130.000
	<u>3.499.552</u>	<u>2.952.295</u>
Depreciations at 31 December		
Carrying amount at 31 December	<u>602.933</u>	<u>890.177</u>
Financial leased assets included in fixtures, fittings, tools and equipment	<u>554.672</u>	

Notes

DKK

	<u>2016</u>	<u>2015</u>
5 Long-term investments in group enterprises		
Cost at 1 January	0	0
Additions	<u>9.670.570</u>	<u>0</u>
Cost at 31 December	<u>9.670.570</u>	<u>0</u>
Revaluations at 1 January	0	0
Share of loss for the year	0	0
Dividends received from group enterprises	<u>0</u>	<u>0</u>
Revaluations at 31 December	<u>0</u>	<u>0</u>
Carrying amount at 31 December	<u>9.670.570</u>	<u>0</u>

Information from the latest financial statements

	<u>Ownership Percentage</u>	<u>Share Capital</u>	<u>Profit for the year</u>	<u>Equity</u>
AGC Automotive Glass Danmark A/S Viborg Company No. 14 32 24 85	<u>100%</u>	<u>600.000</u>	<u>-37.907</u>	<u>1.547.715</u>

The latest public Financial Statements are regarding 2015/16 (balance sheet date 30 September 2016)

6 Other receivables		
Cost at 1 January	809.750	809.750
Additions	<u>175.073</u>	<u>0</u>
Cost at 31 December	<u>984.823</u>	<u>809.750</u>
Revaluations at 1 January	<u>0</u>	<u>0</u>
Revaluations at 31 December	<u>0</u>	<u>0</u>
Carrying amount at 31 December	<u>984.823</u>	<u>809.750</u>

Notes

DKK

	<u>2016</u>	<u>2015</u>
7 Equity		
Share capital at 1 January	500.000	500.000
Share capital at 31 December	500.000	500.000
Retained earnings at 1 January	-7.966.049	-10.191.977
Proposed distribution of results this year	5.448.972	2.225.928
Retained earnings at 31 December	-2.517.077	-7.966.049
Proposed dividend recognised in equity at 1 January	0	0
Dividend paid	0	0
Proposed distribution of results	0	0
Proposed dividend recognised in equity at 31 December	0	0
Equity 31 December	-2.017.077	-7.466.049

8 Long-term liabilities other than provisions

	Total debt 31 December	Repayment next year	Long-term part	Unpaid debt after 5 years
Short-term part of long-term liabilities other than	35.170.269	20.999.699	14.170.570	0
Lease commitments	474.056	330.563	143.493	0
	35.644.325	21.330.262	14.314.063	0

9 Uncertainties relating to going concern

The company's continued operation is dependent on the company obtaining sufficient financing to maintain operations until 31 December 2017. The management has stated that there is a letter of subordination of debt to Group company's tDKK 35.170, and the financial statements is therefore prepared under the assumption of continued operation.

Notes

DKK

10 Contingent liabilities

The company is a management company in joint taxation with AGC Automotive Glass Danmark A/S from the 21 December 2016. The companies in the joint taxation are jointly liable on corporation taxes and taxes on dividends, interest and royalties.

11 Mortgages and collaterals

None.

Accounting policies

The Annual Report has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with election from reporting class C.

Changes in accounting policies

The accounting policies have been changed as follows:

General

Reporting currency

The Annual Report is presented in Danish kroner (DKK).

In general regarding accounting and measuring

Income is recognized in the income statement when they are earned. Furthermore are all costs, depreciations and write downs recognized in the income statement when incurred.

Assets are recognized in the balance sheet when it is probable that future economical benefits will accrue to the company and the assets value can be measured reliably.

Liabilities are recognized in the balance sheet when it is probable that future economical benefits will be deducted from the company and the value can be measured reliably.

On initial recognition assets and liabilities are measured to cost price. Thereafter assets and liabilities are measured as described for each entry.

Accounting policies

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 statement

Gross profit

With reference to section 32 of the Danish Financial Statement Act, the items “Revenue” to and including “Other external expenses” are consolidated into one item designated “Gross profit”.

Revenue

Revenue includes invoiced sales of goods and rendering of services, recognition is done, when

- delivery and transfer of risk to the buyer has taken place before year end
- a committing sales agreement exists
- sales price is determined, and
- payment is received, or there are reasonable security that it will be received

Revenue is recognized excluding value added tax and after deduction of provisions rebates and trade discounts relating to the sale.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, bad debt, premises, operating lease agreements etc.

Staff costs

Staff costs comprise costs such as wages and salaries, pension costs and other social security benefits ect. to the company's employees.

Dividends from group enterprises

Received dividends in the financial year from group enterprises are recognized in the income statement.

Financial items

Financial income and expenses are recognized in the income statement with the amounts related to the year. Financial income and expenses comprise interest receivable and payable, realised and unrealised capital gains on securities and currency translation adjustments.

Accounting policies

Tax expense

Tax on income for the year, consisting of the year's current tax and deferred tax, is recognized in the income statement to the extent that it relates to the income or loss for the year and on equity to the extent that it relates there to.

Balance sheet

Property, plant and equipment

Property, plant, fixtures, fittings, tools and equipment are measured at historic cost less accumulated depreciation and impairment losses.

Historic cost comprise the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Assets are depreciated on a straight-line basis over the expected useful economic lives of the assets:

	<u>Useful life</u>	<u>Expected scrap value</u>
Fixtures, fittings, tools and equipment	2-5 years	0-20%

Asset acquisitions below the taxable limit is fully written off in the year of acquisition.

Gains and losses on disposals are determined as the difference between selling price less sales cost and carrying amount at time of disposal and are recognized in the income statement. Gain or loss is recognized under other operating income or expenses.

Impairment of property, plant and equipment

The carrying amount of property, plant and equipment is every year reviewed in order to determine if there are indications of impairment exceeding the amount expressed by depreciations and amortisations. If this is the case an impairment test is carried out in order to determine if the recoverable amount is lower than the carrying amount. The assets are written down to this lower value.

Recoverable amount for the asset is determined as the highest value of net sales price and the capital value. If it is not possible to determine the recoverable amount for the individual asset, assets are assessed together with the smallest group of assets where it is possible to determine a reliable evaluation of the recoverable amount.

Accounting policies

Assets where it is not possible to determine an individual capital value because the asset does not generate future cash flows is assessed together with the group of assets which they can be attributed to.

Financial fixed assets

Investments in group enterprises

Investments in group enterprises are recognized at historic cost less accumulated impairment losses. If the historic cost exceeds the recoverable amount the investment is written down to this lower value.

Inventories

Inventories are measured at cost in accordance with the average method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale, raw materials and consumables comprises purchase price plus delivery costs.

The cost of finished goods and work in progress comprises the cost of raw materials, direct labor and direct production costs.

The net realisable value of inventories is determined taking into account marketability, obsolescence and development in expected sales price less completion costs and costs incurred to effectuate the sale.

Receivables

Receivables are measured at amortized cost which corresponds in all material respects to nominal value. The value is reduced with provisions for expected bad debts.

Cash and bank balances

Cash comprises cash balances and bank balances.

Dividends

Dividends expected to be paid in respect of the year are stated as a separate line item under equity.

Current tax and current deferred tax

Current tax liabilities and current tax assets are recognized in the balance sheet as estimated tax on the taxable income for the year, adjusted for change in tax on prior years' taxable income and for tax paid under the on-account tax scheme.

Accounting policies

Deferred tax is measured according to the balance sheet liability method on all timing differences between the tax and accounting value of assets and liabilities.

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. Any deferred net assets are measured at net realisable value.

Deferred income tax is measured using tax rules and tax rates that apply by the balance sheet date when the deferred tax asset is realised or the deferred income tax liability is settled. The change in deferred tax as a result of changes in tax rates is recognized in the income statement.

Liabilities

Other liabilities are measured at amortized cost, corresponding to the nominal value.