B1925 A/S

Troensevej 29
5700 Svendborg
Denmark

CVR-nr. 32 88 97 43

Annual Report 2017

Årsrapporten er fremlagt og godkendt på selskabets ordinære generalforsamling den 24 / 5 2018

Dirigent: ____________________

Content

Statements

Statement by the Executive and Supervisory Board

The Executive and Supervisory Boards have today discussed and approved the annual report of B1925 A/S for the financial year 1 January – 31 December 2017.

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

It is our opinion that the consolidated financial statements and parent company financial statements give a true and fair view of the Group's and the Company's financial position at 31 December 2017 and of the results of the Group's and the Company's operations and the consolidated cash flows for the financial year 1 January – 31 December 2017.

Further, in our opinion, the Management's Review gives a fair review of the development in the Group's and the Company's operations and financial matters and the results of the Group's and the Company's operations and financial position.

We recommend that the annual report be approved at the annual general meeting.

Svendborg, 9 May 2018

Executive Board:

Merete Mortensen
Director

Supervisory Board:

Jens Josefsen
Chairman

Jette Clausen

Arvild Kristian Pihl Mikkelsen

Statements

Independent auditors' report

To the shareholders of B1925 A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of B1925 A/S for the financial year 1 January – 31 December 2017, which comprise accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2017 and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 January – 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 (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 consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company 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 Group's and the Parent 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 Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

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Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 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 the financial statements.

As part of an audit conducted in accordance with ISAs and 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 Group's and the Parent 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 Group's and the Parent 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 Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Statements

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, 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's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, 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 conclude that the 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 of the Management's review.

Odense, 9 May 2018
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Søren Smedegaard Hvid
State Authorised
Public Accountant
MNE no.: mne31450

Management's Review

Company Presentation

B1925 A/S
Troensevej 29
5700 Svendborg
Denmark

CVR-nr.:	32889743
Established:	1 January 2010
Domicile:	Svendborg

Supervisory Board

Jens Josefsen, Chairman
Jette Clausen
Arvild Kristian Pihl Mikkelsen

Executive Board

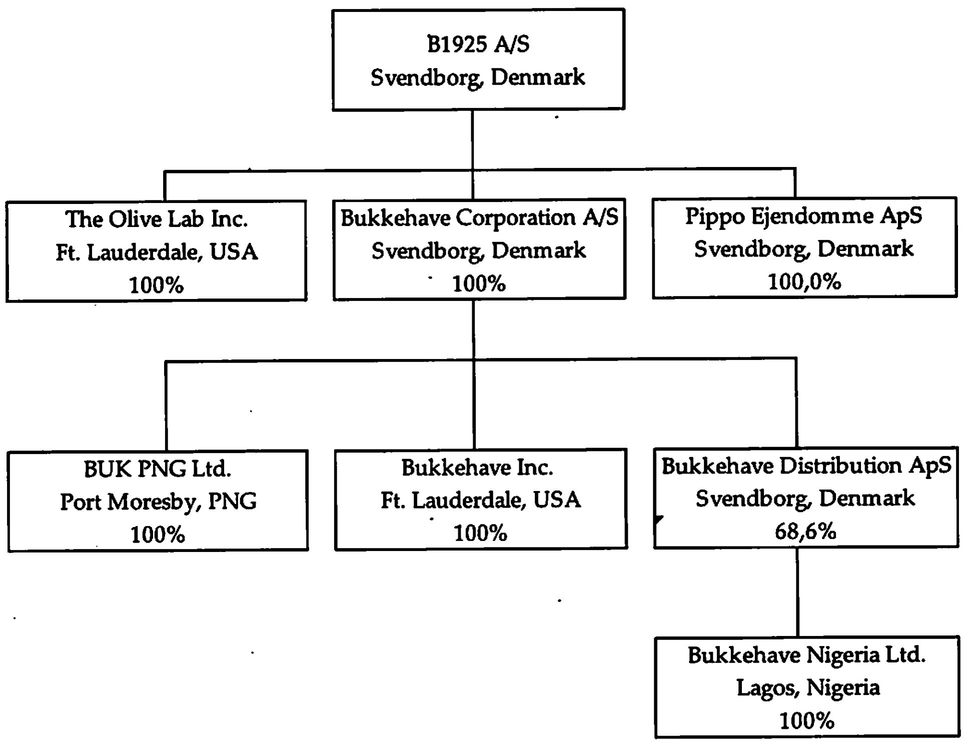
Merete Mortensen, Director

Auditor

Ernst & Young Godkendt Revisionspartnerselskab
Englandsgade 25
5000 Odense C
Søren Smedegaard Hvid

Managements Review

Group chart



B1925 A/S, Svendborg, Denmark is the ultimate parent company.

Managements Review

Main and Key Figures

Amounts in t.Dkk	2017	2016	2015	2014	2013
Selected financial data					
Net turnover	494,142	484,928	334,213	216,918	193,144
Result of primary operations	31,606	40,742	15,881	-14,985	-13,192
Result of financial items	-1,102	-8,488	-6,529	-5,384	-5,139
Ordinary result before tax	30,504	32,254	9,351	-20,369	-18,332
The Bukkehave group's share of the result for the financial year	12,781	21,053	5,014	-28,640	-16,332
Fixed assets	52,046	22,247	26,685	32,322	46,890
Current assets	43,944	187,476	65,006	77,425	110,533
Assets	95,990	209,723	91,691	109,747	157,423
Share capital	10,571	10,571	10,582	582	581
Shareholders' equity	40,701	32,729	16,050	-4,213	12,461
Long-term debt	29,990	12,000	637	10,968	21,282
Short-term debt	26,539	165,950	77,039	102,992	123,681
Net turnover including commission business	494,142	484,928	340,023	258,333	206,347
Cash flow from operations	-43,775	87,516	18,832	4,874	-10,703
Net cash flow for investments	719	-66	-130	310	-1,459
Cash flow from financing	-25,817	14,431	16,529	846	2,945
Total cash flow	-68,873	101,880	35,230	6,030	-9,216
Key figures					
Contribution Margin	17.7%	17.3%	17.7%	12.3%	20.0%
Net profit ratio	6.4%	8.4%	4.8%	-6.9%	-6.8%
Return on assets	20.7%	27.0%	15.8%	-11.2%	-8.4%
Return on equity	34.8%	86.3%	84.7%	Neg.	Neg.
Equity ratio based on average liabilities	26.6%	21.7%	15.9%	Neg.	7.9%
Equity ratio subordinated capital based on average liabilities	26.6%	35.1%	33.0%	5.2%	19.2%
Average number of employees	21	22	42	47	53

The key figures are calculated as per the definitions and concepts mentioned in applied accounting principles.

Review

Main activity

The business foundation for B1925 A/S is to hold shares and manage ownership in other enterprises and related activities.

According to the Group overview, the company owns the subsidiaries Bukkehave Corporation A/S, The Olive Lab Inc. and Pippo Ejendomme ApS.

Development in activities and financial conditions

Result of the year

In 2017, result of primary operations is DKK 31.6 million vs. DKK 40.7 million in 2016.

The shareholders of B1925´s share of the annual result was DKK 12.8 million vs. DKK 21.1 million in 2016. The Board finds the result satisfactory.

In 2017 The subsidiary Bukkehave Corporation A/S continued to operate at a high activity level and delivered satisfactory financial results through strong performance in the key account business.

The Group's share of the annual result in the subsidiary Bukkehave Corporation A/S amounts to DKK 22.9 million vs. DKK 32.8 million in 2016. The result was influenced by provisions for non-continuing cost of DKK 7.4 million and adjustment of deferred tax asset of DKK 5.5 million. Excluded of these elements the share of the annual result is DKK 35.8 million.

Investments

Investments in 2017 in tangible fixed assets of DKK 1.4 million primarily relates to IT and company cars.

During 2017 the Group invested in the Real Estate company Pippo Ejendomme ApS. Pippo ejendomme ApS is 100% owned by B1925 A/S.

Cash resources and capital position

The group´s total balance sheet decreased from DKK 209.7 million to DKK 96.0 million. During 2017 the total balance sheet in the subsidiary Bukkehave Corporation A/S has decreased from DKK 234.7 million, as of December 31 2016, to DKK 86.9 million as of December 31 2017.

The balance sheet end 2016 was at an unusual high level due to very high sales activity in the subsidiary Bukkehave Corporation A/S during fourth quarter of 2016. This was reflected in a

Management's Review

temporary short term situation characterized by very large prepayments from customers, prepayments to suppliers, inventories and cash funds. On the contrary by the end of 2017 a modest activity level was reflected in low levels of working capital.

Prepayments to suppliers decreased from DKK 38,2 million as of December 31 2016 to DKK 0.7 million as of December 31 2017. Inventories decreased from DKK 46.1 million as of December 31 2016 to DKK 10.0 million as of December 31 2017. Prepayments from customers decreased from DKK 127.6 million as of December 31 2016 to DKK 2.2 million as of December 31 2017.

The significant reduction in short term debt also reduced the cash funds from DKK 82.6 million as of December 2016 to DKK 17.8 million as of December 2017. The group has settled the vast majority of its ordinary bank credit facilities and only have project financing facilities remaining.

As of December 31 2017, the group has shareholder's equity of DKK 40.7 million. Equity represents 26.6 % of the average balance sheet total.

For additional comments regarding cash resources and capital position, please refer to Note 1.

Events after the termination of the financial year

Since the end of the financial year, no events have occurred, which in our opinion will change the evaluation of the Annual Report and the company's financial position.

Expectations to the future

Based on the situation in the US, with a change in administration that has caused a delay in decision processes regarding government business in the subsidiary Bukkehave Inc., and a difficult market situation on the African core markets of the subsidiary Bukkehave Corporation, group management decided to execute a significant restructuring of the administrative set-up in October 2017. The process resulted in a transfer of customer and operational knowledge from Bukkehave Corporation to Bukkehave Inc., and a concentration of sales focus and resources in the US based company.

Based on the significant reduction in cost level for the group, management is confident that the group will generate a satisfactory result in 2018 and the years going forward.

The group is budgeting with a reduced turnover in 2018 compared to 2017, but still expects a satisfactory result before tax. The group will operate within the present and granted bank facilities. However, temporary additional bank facilities may be needed in order to finance additional very large sales orders.

Special risks

General risks

Management's Review

The group is subject to the political risks that are involved when operating in parts of the world, which are prone to unrest.

Financial risks

Currency risks

It is the policy of the company not to exposure itself in any risk in connection with currency dispositions. Open foreign currency holdings are therefore hedged.

Credit risks

It is the policy of the Group, to the largest possible extent, to avoid any risks on trade accounts receivables. The Group's most important customers are large private companies with projects in developing countries. In situations, where special conditions involve risks, these risks are insured through Eksport Kredit Fonden or similar credit insurance companies.

Knowledge resources

It is important for the group to be able to attract and retain staff with large insight and experience within international trade. Investment in education and training of staff is made on a continuing basis.

Financial statements 1 January - 31 December

Accounting practices applied

The annual report of B1925 A/S for 2017 has been prepared in accordance with the provisions applying to a class C enterprise (medium) under the Danish Financial Statements Act.

The financial statements have been prepared in accordance with the same accounting policies as last year.

Recognition and measurement

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

Liabilities are recognized in the balance sheet when an outflow of economic benefits is probable and when the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

In recognizing and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognized in the income statement as earned. Equally, costs incurred to generate the year's earnings are recognized, including depreciation, amortization, impairment and provisions as well as reversals as a result of changes in accounting estimates, previously recognized in the income statement.

Consolidated financial statements

The consolidated financial statements comprise the parent company B1925 A/S and subsidiaries in which B1925 A/S directly or indirectly holds more than 50% of the voting rights or which it, in some other way, controls.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends are eliminated.

Investments in subsidiaries are set off against the share of the subsidiaries' fair value of net assets and liabilities at the acquisition date.

Business combinations

Enterprises acquired or formed during the year are recognized in the consolidated financial statements from the date of acquisition or formation. Enterprises disposed of are recognized in the consolidated income statement until the date of disposal. The comparative figures are not adjusted for acquisitions or disposal.

Financial statements 1 January - 31 December

Accounting practices applied

Acquisitions of enterprises are accounted for using the acquisition method, according to which the identifiable assets and liabilities acquired are measured at their fair values at the date of acquisition. Provision is made for costs related to adopted and announced plans to restructure the acquired enterprise in connection with the acquisition. The tax effect of the restatement of assets and liabilities is taken into account.

In connection with successive investments in companies assets and liabilities are measured at fair value at the time of the latest investment. Any excess value related to earlier investments is booked directly in equity.

Any excess of the cost over the fair value of the identifiable assets and liabilities acquired (goodwill), including restructuring provisions, is recognized as intangible assets and amortized on a systematic basis in the income statement based on an individual assessment of the useful life of the asset, not exceeding 20 years. The useful life is longest for strategic acquisitions with a strong market position and long-term earnings profile, which has been the case with company acquisitions.

Gains or losses on disposal of enterprises are stated as the difference between the sales amount and the carrying amount of net assets at the date of disposal plus non-amortised goodwill and anticipated disposal costs.

Minority interests

In the consolidated financial statements, the items of subsidiaries are recognized in full. Minority interests' share of the profit/loss for the year and of the equity of subsidiaries which are not wholly-owned are included in the Group's profit/loss and equity, respectively, but are disclosed separately.

Income Statement

Turnover

Net turnover from the sale and financial lease of products and services is recognized in the income statement provided that delivery and transfer of risk to the buyer has taken place before year end and that the income can be reliably measured and expected to be received. Net turnover is measured ex VAT, taxes and discounts in relation to the sale.

Direct costs

Direct costs comprise the costs related to the turnover, e.g. depreciations, fees and regulations of the exchange rate.

Financial statements 1 January - 31 December

Accounting practices applied

Sales and distribution costs

Sales and distribution costs comprise the costs incurred in distributing goods sold during the year, including expenses for the sales and logistic staff, advertising and marketing expenses, etc. as well as depreciations.

Administration costs

Administration costs comprise the costs incurred during the year for management and administration, including expenses for the administrative staff, office equipment, rent of buildings etc. as well as depreciations.

Other operating income and operating costs

Other operating income and operating cost comprise items secondary to the principal activities of the enterprises, including gains and losses on disposal and replacement of fixed assets.

Profit/Losses from Investments in Subsidiaries

The proportionate share of the results after tax of the individual subsidiaries is recognized in the income statement of the parent company after full elimination of intra-group profit/losses.

Depreciation/Amortization

Goodwill is amortized on a straight-line basis over the amortization period, which is 10-20 years.

Depreciations on tangible fixed assets and other intangible assets with a limited period of usage are provided on a straight-line basis over the expected economic and technical useful lives of the assets.

For tangible fixed assets, the expected useful lives and the residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognized.

The expected useful lives are as follows:

Other intangible assets	5 years
Leasehold improvements	5 - 10 years
Company cars	4 - 7 years
Technical equipment and fixtures	2 - 5 years
Rental vehicles	1 - 3 years

Financial statements 1 January - 31 December

Accounting practices applied

Depreciations/Amortizations are recognized in the income statement as direct cost, sales and distribution costs and administration costs

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies, amortization of financial assets and liabilities as well as surcharges and refunds under the account tax scheme etc.

Corporation Taxes

The annual tax, which comprises the current tax and deferred tax noncurrent, is included in the profit and loss statement with the part that can be attributed to the annual result, and directly in the shareholder's equity with the part, that can be attributed to movements direct in the shareholder's equity. The part of the tax included in the profit and loss statement, that relates to the annual, extraordinary result, is attributed to it accordingly, whereas the remaining part is attributed to the annual result from ordinary operation.

Financial statements 1 January - 31 December

Accounting practices applied

Balance sheet

Intangible and Tangible Fixed Assets

Investment properties and land are measured at market value. Changes in market value are recognized in the income statement.

Investment properties that are rented out, are generally measured based on the below model:

Yearly rental income
+/- any adjustment of existing rent to assessed market rent
- operating costs (taxes and duties, insurance, maintenance and repairs, etc.)
- exterior maintenance and repairs
- administrative expenses
Net profit

Market value = net profit/loss / (yield requirement)

The yield requirement is computed based on current market conditions.

The market value of properties put up for sale is estimated based on expected sales price, including opportunities in connection with project development, etc.

As valuation is made at market value, investment properties are not depreciated.

Acquisition costs and costs of restructuring of mortgages are expensed when incurred, and therefore, they are not included in the market value.

All other intangible and tangible fixed assets are measured at cost less accumulated depreciations and amortizations. The basis of depreciation is cost price less a possible residual value at the end of useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Depreciations/amortizations are provided on a straight-line basis over the expected economic and technical useful lives of the assets. Please refer to above section for accounting practices for depreciations/amortizations.

The carrying value of intangible as well as tangible fixed assets is evaluated annually for indications of impairment loss aside from what is expressed through the depreciation/amortization. When there are indications that assets may be impaired, impairment test of each asset or groups of assets is carried out. Impairment loss to the recoverable amount is made, if this is lower than the carrying value. The recoverable amount is the higher value of net selling price and value in use. Value in use is calculated as the fair value of the expected net income from the use of the asset or the asset group.

Financial statements 1 January - 31 December

Accounting practices applied

Investments in Subsidiaries

Investments in subsidiaries are measured under the equity method.

Investments in subsidiaries are measured at the proportionate share of the companies' net asset value calculated in agreement with the consolidated accounting principles with deduction or addition of unrealized group internal revenues and losses with deduction or addition of remaining value of positive or negative goodwill calculated in agreement with the method of acquisition.

Investments in subsidiaries with a negative net asset value are measured at DKK 0 (nil), and any amounts owed by such enterprises are written down if the amount owed is irrevocable. If the parent company has a legal or constructive obligation to cover a deficit that exceeds the amount owed, the remaining amount is recognized under provisions.

Net revaluation of investments in subsidiaries is recognized in the reserve for net revaluation in equity under the equity method to the extent that the carrying amount exceeds cost. Dividends from subsidiaries which are expected to be adopted before the approval of the annual report of B1925 A/S are not recognized in the reserve for net revaluation.

On acquisition of subsidiaries, the acquisition method is applied; see Consolidated financial statements above.

Other investments

Other investments comprise unlisted shares which Management considers a long-term investment. Unlisted shares are measured at fair value. The fair value of unlisted shares is based on current market data and recognized valuation methods for unlisted shares. Realized capital gains and losses are recognized in the income statement.

Inventories

Inventories contains goods for resale. Inventories are measured at average cost, which include the basic purchase price of the goods with the addition of cost directly connected with the purchase. Where the net realization value is lower than average cost price it is written down to this lower value.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Financial statements 1 January - 31 December

Accounting practices applied

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognized if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognized on an individual basis.

Corporation tax and deferred tax

Current tax payable and receivable are recognized in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax base of tax loss carry forwards, are recognized at the expected value of their utilization; 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.

Adjustment is made to deferred tax resulting from elimination of unrealized intra-group profits and losses.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to realize as current tax. The change in deferred tax as a result of changes in tax rates is recognized in the income statement.

Other Debt

Other debt primarily consists of short term loan.

Debt

Financial liabilities comprising amounts owed to financial institutions, debt to suppliers and payables to affiliated companies are recognized at the date of borrowing at cost, corresponding to the proceeds received less transaction costs paid. In subsequent periods, financial liabilities are measured at amortised cost.

Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Financial statements 1 January - 31 December

Accounting practices applied

Cash flow statement

The cash flow statement shows the Group's cash flow from operating, investing and financing activities for the year, the years changes in cash and cash equivalents as well as the Groups cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and disposals of enterprises is shown separately in cash flows from investing activities. Cash flow from acquisitions of enterprises are recognized in the cash flow statement from the date of acquisition. Cash flows from disposals of enterprises are recognized up until the date of disposal.

Cash flows from operating activities

Cash flows from operating activities are calculated as the Group's share of profit/loss adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flow from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of enterprises and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the Group's share capital and related costs as well as the raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Net Cash funds

Net cash funds comprise cash and short term debt to financial institutions.

Foreign Currency Translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognized in the income statement as direct cost.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognized in the latest financial statements is recognized in the income statement as direct cost.

Foreign subsidiaries and associates are considered separate entities. The income statements are translated at the average exchange rates for the month, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of the opening equity of foreign subsidiaries at the exchange rates at the balance

Financial statements 1 January - 31 December

Accounting practices applied

sheet date and on translation of the income statements from average exchange rates to the exchange rates at the balance sheet date are recognized directly in equity.

Foreign exchange adjustments of intra-group balances with independent foreign subsidiaries which are considered part of the investment in the subsidiary are recognized directly in equity. Foreign exchange gains and losses on loans and derivative financial instruments designated as hedges of foreign subsidiaries are also recognized directly in equity.

On recognition of foreign subsidiaries which are integral entities, monetary items are translated at the exchange rates at the balance sheet date. Non-monetary items are translated at the exchange rates at the acquisition date or at the date of any subsequent revaluation or impairment of the asset. Income statement items are translated at the exchange rates at the transaction date, although items derived from non-monetary items are translated at the historical exchange rates applying to the non-monetary items.

Derivative Financial Instruments

Derivative financial instruments are initially recognized in the balance sheet at cost and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and payables, respectively.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognized asset or liability are recognized in the income statement together with changes in the fair value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of future assets or liabilities are recognized in other receivables or other payables and in equity. If the hedged forecast transaction results in the recognition of assets or liabilities, amounts previously recognized in equity are transferred to the cost of the asset or liability, respectively. If the hedged forecast transaction results in income or expenses, amounts previously deferred in equity are transferred to the income statement in the period in which the hedged item affects profit or loss.

For derivative financial instruments that do not qualify for hedge accounting, changes in fair value are recognized in the income statement on a regular basis.

Changes in the fair value of derivative financial instruments used to hedge net investments in independent foreign subsidiaries or associates are recognized directly in equity.

Financial statements 1 January - 31 December

Accounting practices applied

Key figures

The ratios stated in the financial highlights have been calculated as follows:

Contribution Ratio	Gross profit x 100 / Net turnover
Net Profit ratio	Result of primary operations x 100 / Net turnover
Return on assets	Result of primary operations / Average assets
Return on equity	Bukkehave group´s share of result for the year x 100 / Average equity
Equity ratio	Equity at year end x 100 / Total average liabilities year-end
Equity ratio subordinated capital	Equity and subordinated loans year-end x 100 / Total average liabilities year-end

Income statement

For the period January 1st. - December 31st.

Notes		Group 2017	Group 2016	Parent company 2017	Parent company 2016
	Net turnover	494.141.903	484.927.860	0	0
	Direct costs	406.753.536	400.855.729	0	0
	Gross profit	**87.388.367**	**84.072.131**	**0**	**0**
	Sales- and distribution costs	19.111.832	16.534.580	0	0
	Administration costs	36.475.019	26.998.308	2.428.388	1.186.630
4	Other operating income	0	203.244	0	0
4	Other operating costs	195.120	0	0	0
	Result of primary operations	**31.606.396**	**40.742.486**	**-2.428.388**	**-1.186.630**
2	Result after tax in subsidiares	0	0	16.988.066	30.655.602
5	Financial income	1.845.781	295.491	270.972	90.266
5	Financial costs	2.948.217	8.783.787.	2.049.396	8.506.524
	Result before tax	**30.503.960**	**32.254.189**	**12.781.254**	**21.052.714**
6	Tax on the result of the year	-17.931.125	-12.260.676	0	0
	Result for the financial year	**12.572.835**	**19.993.514**	**12.781.254**	**21.052.714**

Breakdown of the consolidated result of the year:

	2017	2016
Shareholders, B1925 A/S	12.781.254	21.052.714
Minority interest	-208.419	-1.059.201
	12.572.835	19.993.514

Balance sheet

As per December 31st.

Notes	ASSETS	Group 2017	Group 2016	Parent company 2017	Parent company 2016
	Fixed assets				
3	**Intangible fixed assets:**				
	Goodwill	7.040.458	9.615.612	0	0
	Other intangible assets	0	2.596	0	0
		7.040.458	9.618.208	0	0
3	**Tangible fixed assets:**				
	Land and Investment properties	42.075.000	0	0	0
	Leasehold improvements	450.954	977.559	0	0
	Technical equipment and fixtures	754.002	829.214	0	0
	Company cars	200.670	659.645	0	0
		43.480.626	2.466.418	0	0
	Financial fixed assets:				
2	Investments in subsidiaries	0	0	71.921.533	84.161.649
16	Other investments	822.842		822.842	
6	Deferred tax asset	702.282	10.162.129	0	0
		1.525.124	10.162.129	72.744.375	84.161.649
	Total fixed assets	52.046.208	22.246.756	72.744.375	84.161.649
	Current assets				
	Inventory	9.983.291	46.127.538	0	0
	Receivables:				
	Prepayments to suppliers	730.255	38.223.656	0	0
	Receivables from affiliated companies	0	0	6.987.435	145.004
	Trade accounts receivable	8.498.562	7.826.736	0	0
12	Other receivables	1.867.996	11.181.579	0	1.548.060
	Prepaid income tax	1.665.110	0	0	0
6	Deferred tax asset	2.800.000	0	0	0
	Accruals	632.237	1.510.381	47.374	20.255
		16.194.160	58.742.353	7.034.809	1.713.319
	Cash funds	17.766.115	82.606.477	12.316	124
	Total current assets	43.943.566	187.476.368	7.047.125	1.713.443
	TOTAL ASSETS	95.989.774	209.723.124	79.791.500	85.875.092

Balance sheet

As per December 31st.

Notes	LIABILITIES	Group 2017	Group 2016	Parent company 2017	Parent company 2016
	Shareholder's equity				
	Share capital	10.570.768	10.570.768	10.570.768	10.570.768
	Reserve for net revaluation under the equity method	0	0	0	0
	Retained earnings	30.130.706	22.158.449	30.130.706	22.158.449
	Proposed dividend	0	0	0	0
	Total shareholder's equity, B1925 A/S	**40.701.474**	**32.729.217**	**40.701.474**	**32.729.217**
	Minority interests	-1.241.230	-956.445	0	0
	Total equity	**39.460.244**	**31.772.772**	**40.701.474**	**32.729.217**
	Debt				
	Long-term debt:				
	Debt to financial institutions	29.990.259	0	0	0
	Debt to majority shareholder	0	12.000.000	0	12.000.000
11	Total Long-term debt	29.990.259	12.000.000	0	12.000.000
	Short-term debt:				
	Prepayment from customers	2.205.358	127.619.912	0	0
	Debt to financial institutions	10.367.130	6.334.372	0	0
	Debt to suppliers	1.945.265	6.782.341	0	0
	Debt to affiliated companies	0	0	39.035.425	32.876.857
6	Corporation tax payable	0	7.643.768	0	0
	Leasing commitment	7.888	634.201	0	0
11	Debt to majority shareholder	0	3.098.631	0	3.098.631
11,13	Other debt	12.013.631	13.591.382	54.601	5.170.387
	Accruals	0	245.745	0	0
	Total short-term debt	26.539.271	165.950.352	39.090.026	41.145.875
	Total debt	**56.529.530**	**177.950.351**	**39.090.026**	**53.145.875**
	TOTAL LIABILITIES	**95.989.774**	**209.723.124**	**79.791.500**	**85.875.092**

7 Pledges, securities and contingent liabilities
8 Employees
9 Foreign exchange risk, derivative financial instruments
10 Related party disclosures

Cash flow statement

For the period January 1st. - December 31st.

Notes		Group 2017	Group 2016
	Cash flows from operating activities		
	Result before tax	30.503.960	32.254.189
	Negative equity transferred to minority shareholder		
	Depreciations for the year	3.484.708	3.918.275
	Impairment losses for the year	0	1.058.368
	Profit due to sale of fixed assets	195.120	-203.244
	Corporation tax paid a.o.	-20.182.876	-10.209.816
	Cash generated from operations before changes in working capital	**14.000.912**	**26.817.773**
	Change in inventory	36.144.247	-41.387.680
	Change in prepayments to suppliers	37.493.401	-21.239.783
	Change in receivables, accruals	9.733.101	7.784.651
	Change in received prepayments	-125.847.554	123.722.625
	Change in debt to suppliers	-4.837.076	1.966.246
	Change in other debt, accruals a.o.	-5.994.439	-8.006.486
	Exchange rate adjustment etc.	-4.467.165	-2.141.214
	Cash flows from operating activities	**-43.774.574**	**87.516.131**
	Investing activities		
	Net value of purchase and sale of tangible fixed assets	2.308.710	-66.484
	Net value of purchase and sale of financial fixed assets	-822.842	0
15	Aquisition of subsidiaries and activities	-767.162	0
	Cash flows from investing activities	**718.706**	**-66.484**
	Financing activity		
	Aquisition of own shares, capital changes during the year	-287.000	-11.628
	Change in debt to majority shareholder	-3.098.631	3.079.881
	Long-term debt etc.	-22.431.621	11.362.502
	Cash flows from financing activities	**-25.817.252**	**14.430.755**
	Change in net cash funds for the year	**-68.873.120**	**101.880.402**
	Net cash funds opening	76.272.105	-25.608.297
	Change in net cash funds	-68.873.119	101.880.402
	Net cash funds year end	**7.398.986**	**76.272.105**

The item "net cash funds" represents cash funds plus short-term debt to financial institutions.
The cash flow statement cannot be directly inferred from other components to the Group accounts.

Statement of shareholder´s equity

as per December 31st.

	Group			
	Share capital	Retained earnings	Minority-interest	Total
Equity as of 01.01.2016	10.582.396	5.468.022	-2.035.508	14.014.910
Aquisition of minority interest	0	-2.643.291	2.643.291	0
Capital decrease during 2016	-11.628	0	0	-11.628
Currency translation adjustments	0	332.565	-505.027	-172.462
Revaluation of hedging instruments, net	0	-2.051.562	0	-2.051.562
Profit distribution on Result of the financial year	0	21.052.715	-1.059.201	19.993.514
Equity as per 31.12.2016	10.570.768	22.158.449	-956.445	31.772.772
Aquisition of minority interest		0	0	0
Aquisition of own shares	0	-287.000		-287.000
Currency translation adjustments	0	-6.644.225	-76.364	-6.720.589
Revaluation of hedging instruments, net		2.122.228	0	2.122.228
Profit distribution on Result of the financial year	0	12.781.254	-208.420	12.572.834
Equity as per 31.12.2017	10.570.768	30.130.706	-1.241.230	39.460.244

Statement of shareholder´s equity

pr. 31. december/as per December 31st.

	Parent company				
	Share capital	Reserve for net revaluation under the equity method	Proposed dividend	Retained earnings	Total
Equity as per 01.01.2016	10.582.396	0	0	5.468.023	16.050.419
Aquisition of minority interest	0	0	0	-2.643.291	-2.643.291
Capital decrease during 2016	-11.628	0	0		-11.628
Currency translation adjustments	0	0	0	332.565	332.565
Revaluation of hedging instruments, net				-2.051.562	-2.051.562
Profit distribution on Result of the financial year	0	0	0	21.052.714	21.052.714
Equity as per 31.12.2016	10.570.768	0	0	22.158.449	32.729.217
Aquisition of own shares	0	0	0	-287.000	-287.000
Currency translation adjustments	0	0	0	-6.644.225	-6.644.225
Revaluation of hedging instruments, net				2.122.228	2.122.228
Profit distribution on Result of the financial year	0	0	0	12.781.254	12.781.254
Equity as per 31.12.2017	10.570.768	0	0	30.130.706	40.701.474

Sharecapital 2017 - 2013	2017	2016	2015	2014	2013
Balance 1. january	10.570.768	10.582.396	582.396	581.396	500.000
Capital changes	0	-11.628	10.000.000	1.000	81.396
Balance 31. december	10.570.768	10.570.768	10.582.396	582.396	581.396

Specification of sharecapital		Holdings of own shares
500.000 A-shares of DKK 1	500.000	0
10.001.000 A-shares of DKK 1	10.001.000	0
69.768 B-shares of DKK 1	69.768	46.512
	10.570.768	46.512

Each A-share carries 1 vote, B-shares are non-voting shares but carries the right of representation
During 2017 totally 46,512 B-shares of each DKK 1 has been acquired. Total purchase price amounts to DKK 287,000. The repurchase of the shares is due to significant restructuring of the group which also caused changes in the management team.

Notes to the accounts of 2017

Notes

1 **Significant matters in relation to the Financial statement**

Recorded Tax asset

The group's tax asset is primarily related to differences between the carrying amount and the tax value of tangible fixed assets in the subsidiary Bukkehave Corporation.

Due to the significant reduction of activity in the subsidiary Bukkehave Corporation, the related tax asset has been reduced from app. DKK 8.3 million to app. DKK 2.8 million. The majority of the remaining tax asset is related to a specific income generating transaction of DKK 16.6 million completed in January 2018.

Liquidity and capital resources

During 2017 the group has settled the majority of its ordinary credit lines and only project financing facilities and a minor overdraft credit line remains in relation to the subsidiary Bukkehave Inc.

Based on the budget for 2018, management are confident that the group will have sufficient credit facilties available.

The group has an constructive ongoing dialogue with it's bank about operational and cash flow status and which primarely is expected to consider financing of potential larger projects.

Management expects to continue the engagement on the current conditions, with a possibility to obtain specific extraordinary facilities if needed for very large projects.

Goodwill

The valuation of the investment in the subsidiary Bukkehave Corporation A/S includes goodwill of DKK 4.2 million. The total booked value incl. Goodwill amounts to DKK 71,9 million according to the Financial fixed assets, Investments in subsidiaries in the balance sheet.

The total result before tax in the subsidiary Bukkehave Corporation is budgeted at app. DKK 6 million in 2018 and the years going forward similar or higher results are expected.

Based on the described assumptions, impairment of the investment in Bukkehave Corporation A/S is not considered neccesary.

Due to the general uncertain situation in the global economy, the valuation is connected with uncertainty regarding realization of budgets and forecasts for the coming years. However, the prepared valuation represents managements best judgment of the development.

Investment properties

The valuation of the properties in the subsidiary Pippo Ejendomme is based on estimated expectations of market values. Valuation of properties rented out is based on a return-based valuation model based on expected rental income, expected operating expenses and a weighted average return of 4.5%. If the yield requirement increases by 1%, the property value is reduced by approx. 2.8 million and if the yield requirement decreases by 1%, the property value is increased by DKK 5.2 million.

In connection with the valuation, assessments have been requested from external estate agent that support the valuation.

The Company has a property that is categorised as an exceptional house and the market value is estimated based on expected sales price, including possibilities in connection with project development, etc.. Consequently the valuation is subject to increased uncertainty.

Notes to the accounts of 2017

Notes

2 Investment in Subsidiaries
as per December 31st.

	2017	2016
Cost price as per January 1	143.900.343	143.900.343
Increase	5.293.815	0
Cost price as per December 31	**149.194.158**	**143.900.343**
Revaluations as per January 1	-59.738.694	-80.032.008
Currency adjustment subsidiaries abroad	-4.521.998	-1.718.999
Aquisition of minority interest	0	-2.643.291
Dividend recieved	-30.000.000	-6.000.000
Annual result before tax	36.813.388	43.959.694
Current tax for the year	-17.931.125	-12.260.676
Minority interest's share of the result in subsidiaries	208.419	1.059.201
Amortization of goodwill	-2.102.616	-2.102.617
Revaluations as per December 31	**-77.272.625**	**-59.738.694**
Book value as per December 31	**71.921.533**	**84.161.649**

Investments in subsidiaries are specified as follows:

	Domicile	Share of ownership	Share capital	Equity capital December 31	Annual result
Bukkehave Corporation A/S	Svendborg Denmark	100%	27.600.000 DKK	65.903.268	22.850.738
Pippo Ejendomme ApS	Svendborg Denmark	100%	5.150.000 DKK	6.250.289	956.474
The Olive Lab, Inc.	Ft. Lauderdale USA	100%	0,1 USD	-4.437.258	-4.716.530
Accounting value as per December 31, 2017				67.716.299	19.090.682
Goodwill January 1, 2017				6.307.850	
Amortization for the year				-2.102.616	-2.102.616
Investments in subsidiaries as per December 31, 2017				71.921.533	16.988.066

Notes to the accounts of 2017

Notes

3 INTANGIBLE FIXED ASSETS

	Group	
	Goodwill	*Other*
Cost price as per January 1	27.641.689	937.807
Disposals, cost price	0	0
Exchange rate adjustment	0	-118.136
Increase	0	0
Cost price as per December 31	27.641.689	819.671
Amortization as per January 1	18.026.077	935.211
Amortization on the year's disposals	0	0
Exchange rate adjustment	0	-117.809
Amortization for the year	2.575.154	2.269
Amortizations as per December 31	20.601.231	819.671
Book value as per December 31	7.040.458	0

The annual amortizations on the Profit and Loss Account are distributed as follows:

Sales- and distribution costs	2.269
Administration cost	2.575.154
	2.577.423

3 TANGIBLE FIXED ASSETS

	Group	
	Investment properties	*Land*
Cost price as per January 1	0	0
Additions on aquisition of subsidiary	37.790.834	6.634.166
Disposal, cost price	-2.052.834	-297.166
Cost price as per December 31	35.738.000	6.337.000
Revaluations as per January 01	0	0
Revaluations for the year	0	0
Revaluations as per December 31	0	0
Book value as per December 31, 2017	35.738.000	6.337.000
Book value as per December 31, 2016	0	0

Notes to the accounts of 2017

Notes

3 TANGIBLE FIXED ASSETS
continued

	Group		
	Leasehold improvements fixtures	*Technical equipment and fixtures*	*Company cars*
Cost price as per 01.01.2017	4.714.279	5.580.738	1.024.536
Exchange rate adjustment	-7.199	-106.556	-10.512
Increase	0	521.672	841.933
Disposal, cost price	0	-902.445	-1.453.685
Cost price as per 31.12.2017	**4.707.081**	**5.093.409**	**402.272**
Depreciations as per 01.01.2017	3.736.719	4.751.523	364.897
Exchange rate adjustment	-7.199	-56.629	-4.818
Depreciations on the year's disposals	0	-567.856	-326.787
Depreciations of the year	526.606	212.369	168.310
Depreciations as per 31.12.2017	**4.256.127**	**4.339.407**	**201.602**
Book value as per 31.12.2017	**450.954**	**754.002**	**200.670**
Includes finance leases with a carrying amount totalling		30.263	0

The annual depreciations on the Profit and Loss Account are distributed as follows:

Direct cost	0
Sales- and distribution costs	134.056
Administration cost	773.230
	907.285

Notes to the accounts of 2017

Notes		Group 2017	Group 2016	Parent company 2017	Parent company 2016
4	**OTHER OPERATING INCOME AND COSTS**				
	Other operating income				
	Gain on sale of tangible fixed assets	0	203.244	0	0
		0	**203.244**	**0**	**0**
	Other operating costs				
	Loss on sale of tangible fixed assets	195.120	0	0	0
		195.120	**0**	**0**	**0**
5	**FINANCIAL INCOME AND COSTS**				
	Financial income				
	Interest from affiliated	0	0	139.292	8.035
	Other financial income	1.845.781	295.491	131.680	82.231
		1.845.781	**295.491**	**270.972**	**90.266**
	Financial costs				
	Interest to affiliated	0	0	1.208.073	1.324.093
	Other interest	2.626.690	8.353.591	835.024	7.072.114
	Other financial costs	321.527	430.196	6.299	110.317
		2.948.217	**8.783.787**	**2.049.396**	**8.506.524**
6	**COMPANY TAX**				
	Current tax for the year	10.873.998	12.611.873	0	0
	Adjustment of deferred tax	7.057.127	-351.198	0	0
		17.931.125	**12.260.676**	**0**	**0**
	Company tax paid during the year	-20.182.876	-10.209.816	0	0

In the capitalized deferred tax asset, which has been entered with DKK 3.5 million an evaluation of the possibility to use the tax deficit has been made. This evaluation includes only positive taxable income for the coming 5 budget years 2018-2022.

Notes to the accounts of 2017

Notes

7 **PLEDGES, SECURITIES AND CONTINGENT LIABILITIES**

Group:

As a security for the groups banking agreements, borrowings pursuant to these agreements are collateralized by all the assets of the company, except of shares in subsidiaries, however not exceeding DKK 50.0 million. As of 31 December 2017 total drawings under these agreements amounted to DKK 6.6 million.
As a security for the group's banking agreements, shares in subsidiary company, have been pledged. As of 31 December 2017 book value is DKK 71.9 million. Further, a owner's mortgage in land and buildings of DKK 12.0 million has been deposited in the bank. As of 31 December 2017 book value is DKK 26.2 million.

Security was also provided in bank deposits totalling DKK 5.6 million at 31 December 2017.
Invoice discounting arrangements with its bank connections have been made. At 31 December 2017 the book value is DKK 4.1 million.
The Group has provided bank guarantees to customers and suppliers at a total value of DKK 0.2 million.

As a security for the groups agreements with financial institutions, borrowings pursuant to these agreements are collateralized by all the assets and share capital of Bukkehave, Inc., however not exceeding DKK 11.0 million. As of 31 December 2017 the total outstanding balance under these agreements was DKK 6.6 million.

On the balance sheet date the future non-cancelable operating lease payments amount to DKK 1.4 million for the Group as a whole. Due for payment within 1 year is DKK 1.0 million and within 5 years DKK 0.0 million.

As a security for the groups long-term debt to financial institutions, senior mortgages in land and properties have been provided.

Parent company:

The parent company has deposited shares (nom. DKK 27.6 million) in Bukkehave Corporation A/S as security for credit facilities in financial institution.
As of December 31, 2017 the total debt on the said facilities are DKK 6.6 million.
Booked value of shares in the subsiduary Bukkehave Corporation A/S amounts to DKK 71.9 million.
Further, as a security for the groups banking agreements, borrowings pursuant to these agreements are collateralized by all the assets of the parent company, however not exceeding DKK 50.0 million. As of 31 December 2017 total drawings under these agreements amounted to DKK 8.7 million.

The parent company is joint taxed with the danish subsidiaries Bukkehave Corporation A/S and Bukkehave Distribution ApS. The companies included in the joint taxation have joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interests and royalties. At 31 December 2017, the net taxes payable to the Danish Central Tax Administration by the companies included in the joint taxation amounted to DKK 0.0. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, etc., may entail that the companies' liability will increase. The Group as a whole is not liable to others.

Notes to the accounts of 2017

Notes

8 EMPLOYEES	Group 2017	Group 2016	Parent company 2017	Parent company 2016
Wages, salaries and director's fees	31.277.852	23.742.575	1.641.392	232.296
Pension contributions	1.123.186	1.110.372	0	0
Other social costs	1.877.571	1.697.112	0	0
	34.278.609	26.550.059	1.641.392	232.296
From the above, following constitutes:				
Salaries, fees and pensions for management and directors	8.980.651	2.103.339		
The average number of employees in the financial year	21	22	0	0

9 FOREIGN EXCHANGE RISK AND USE OF DERIVATIVE FINANCIAL INSTRUMENTS

The Group selectively hedges its foreign currency exposure through the use of currency derivative financial instruments. Hedging of realized and entered entries primarily consist of receivables and short term debt.

To reduce the effect of fluctuating currency exchange rates on firm commitments related to sale and purchase of goods, currency forward exchange contracts are utilized by the Group

	Value according to contract		Deferred recognition in P&L of gains/losses (-) expected to be realized after the balance sheet date	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Currency forward exchange contracts	6.219.827	174.478.102	64.176	-2.058.052

10 RELATED PARTY DISCLOSURES

The related parties of B1925 A/S are:

Party exercising control
Christian Haar, Florida, USA, being majority shareholder.

Ownership
The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the voting rights or minimum 5% of the share capital:
Christian Haar, USA

Related parties exercising significant influence
Related parties exercising significant influence comprise subsidiary companies, as mentioned in note 2, the Group's Supervisory and Executive Boards, executive employees and their family members. Further related parties comprise affiliated companies and other companies in which the above persons have substantial interests.

Transactions with related parties
Transactions with related parties have been done on basis the Arm's lenght principles, so Section 98c(7) of the Danish Financial Statements Act is applied regarding related party.

Notes to the accounts of 2017

Notes

11 LONG-TERM DEBT and SHORT-TERM DEBT

Long-term debt:
Group
Long-term debt which are due in more than 5 years amount to DKK 23.2 (2016: 0.0) million
Parent company:
Long-term debt which are due in more than 5 years amounts to DKK 0.0 (2016: 0.0) million
Group & Parent company:
According to agreement, DKK 0.0 (2016: 12.0) million is ranked below the subordinated claims against the company from the company's other creditors in case of liquidation or bankruptcy of the company.

Short-term debt:
Group & Parent company:
According to agreement, DKK 0.0 (2016: 8.1) million is ranked below the subordinated claims against the company from the company's other creditors in case of liquidation or bankruptcy of the company.

12 OTHER RECEIVABLES

In 2016, Other receivables primarily consist of VAT receivables from Authorities.
In 2017, Other receivables primarily consist of receivables related to sale of inventory in distribution business.

13 OTHER DEBT

In 2017 a major part of other debt is related to the value of non-continuing restructuring costs accrued at year end.
In 2016 a major part of other debt is related to the value of outstanding currency derivative financial instruments.

14 APPROPRIATION OF PROFIT/LOSS

	Parent company	
	2017	**2016**
Recommended appropriation of profit/loss		
Dividend proposed for the year	0	0
Transferred to reserves under equity	12.781.254	21.052.714
	12.781.254	21.052.714

15 AQUISITION OF SUBSIDIARIES AND ACTIVITIES

	Group	
	2017	**2016**
Tangible fixed assets	44.425.000	0
Deferred tax asset	528.473	0
Other receivables and accruals	213.199	0
Cash funds	26.737	0
Long term debt to financial institutions etc.	-40.421.880	0
Short term debt to financial institutions	-500.083	0
Received deposits from customers	-433.000	0
Other short term debt	-3.544.630	0
Cost price	**293.816**	**0**
Of this cash funds and short-term debt to financial institutions amount to	473.346	0
Cash cost price	**767.162**	**0**

Notes to the accounts of 2017

Notes

16 FINANCIAL FIXED ASSETS

	Group / Parent company
	Other Investments
Cost price as per January 1	0
Increase	822.842
Disposal, cost price	0
Cost price as per December 31	822.842
Revaluations as per January 01	0
Revaluations for the year	0
Revaluations as per December 31	0
Book value as per December 31, 2017	822.842
Book value as per December 31, 2016	0