Strandvejen 171, 3.

DK-2900 Hellerup

CVR no. 32892531

**Annual Report 2015** 

Chairman

Approved at the Company's Annual General Meeting on 11 April 2016.

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#### MANAGEMENT'S REPORT

The Board of Directors and Management have today discussed and approved the Annual Report of REIMA DANMARK ApS for the financial year 1 January 2015 - 31 December 2015.

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

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January 2015 - 31 December 2015.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Hellerup, 11 April 2016

Management

Sari Katriina Pohjonen

**Board of Directors** 

Elina Björklund

#### INDEPENDENT AUDITORS' REPORT

#### To the shareholder of REIMA DANMARK ApS.

# Independent auditors' report on the financial statements

We have audited the financial statements of REIMA DANMARK ApS for the financial year 1 January 2015 – 31 December 2015, which comprise a summary of significant accounting policies, income statement, balance sheet and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

#### Management's responsibility for the financial statements

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

#### Auditors' responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement,

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

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

Our audit has not resulted in any qualification.

#### Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of its operations for the financial year 1 January 2015 – 31 December 2015 in accordance with the Danish Financial Statements Act.

#### INDEPENDENT AUDITORS' REPORT

Statement on the Management's Review

In accordance with the Danish Financial Statements Act, we have read the Management's review. We have not performed further other procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Copenhagen, 11 April 2016

**KPMG** 

Statsautoriseret Revisionspartnerselskab

CVR: 25 57 81 98

Klaus Rytz

State Authorised Public Accountant

#### **COMPANY INFORMATION**

Company name

REIMA DANMARK ApS

CVR no.

32892531

Address

Strandvejen 171, 3.

DK-2900 Hellerup

Management

Sari Katriina Phojonen

**Board of Directors** 

Elina Björklund

Auditors

**KPMG** 

Statsautoriseret Revisionspartnerselskab

Dampfærgevej 28 DK-2100 Copenhagen CVR: 25 57 81 98

**Annual General Meeting** 

11 April 2016

Ownership control

Reima Oy Jämintie 14

FI-38700 Kankaanpää

**Finland** 

The company's financial statement are recognised in the consolidated financial statements for Reima Oy (largest group). The consolidated financial statements can be obtained

by request to the group.

#### MANAGEMENT'S REVIEW

### Principal activities of the Company

The principal activity of the company is seeking sales opportunities and selling of products for the parents company.

# Development in activities and financial matters

The Company's financial position and the result of the year will be shown in the following income statement of the financial year 1 January 2015 - 31 December 2015 and the balance sheet as per 31 December 2015.

The result for the year shows a profit of DKK 183.759. The Management considers the result to be satisfactory.

### Subsequent events

No significant events have occurred after the balance sheet date, which could have influence on the evaluation of the Annual Report.

### Future prospects

The Company expects a profit for the coming year.

#### ACCOUNTING PRINCIPLES APPLIED

The Annual Report of the Company has been prepared in accordance with the provisions of the Danish Financial Statements Act for Class B companies.

The most significant elements of the accounting principles applied are described below. The accounting principles were applied consistently with the principles of prior year's financial reporting.

# Recognition and measurement

Revenue is recognised in the income statement as it is earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised costs are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, write downs and provisions.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the Company and the value of the liability can be measured reliably.

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

Certain financial assets and liabilities are measured at cost, thus recognising a constant effective interest over the term. Amortised cost is computed as original cost less deductions, if any, as well as additions/deductions of the accumulated amortisation of the difference between cost and nominal value.

When recognising and measuring assets and liabilities, any gains, losses and risks occurred prior to the presentation of the Annual Report will be considered and evidence of such conditions existing at the balance sheet date will be taken into account.

#### Foreign currency translation

Transactions denominated in foreign currencies are translated at the exchange rates at the date of the transaction.

Receivables, liabilities and other items in foreign currencies which have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date.

Realised and unrealised exchange rate adjustments are included in the income statement as financial income/expenses.

#### **Income statement**

#### Revenue

Income comprises services rendered to the parent company.

#### ACCOUNTING PRINCIPLES APPLIED

#### Other external expenses

Other external expenses comprise expenses for distribution, sale, marketing, administration, premises, bad debts, etc.

#### Staff expenses

Staff expenses include wages and salaries, incl. vacation pay and pensions and other social security costs, etc. of its employees. The staff expenses are deducted from payments received from public authorities.

#### Gross profit / Gross loss

With reference to section 32 of the Danish Financial Statements Act, the items from 'Revenue' to and including 'Other external expenses' are consolidated into one item stated as Gross profit / Gross loss.

#### Financial items

Financial income and expense and similar items are recognised in the income statement with the amounts relating to the reporting period. Net financials include interest income and expense and realised and unrealised exchange rate gains and losses on foreign currency transactions.

#### Tax on profit/loss for the year

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

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

#### **Balance** sheet

#### Financial fixed assets

#### Investments

Investments are measured at fair value.

#### Receivables

Receivables are measured at amortised cost. Write-downs for bad debt are based on individual assessment of receivables.

#### **Prepayments**

Prepayments comprise costs incurred concerning subsequent financial years.

#### Tax assets, receivables and liabilities

Current tax liabilities and outstanding current tax are recognised in the balance sheet as computed tax on the taxable income for the year adjusted for tax on previous years' taxable income as well as for tax paid on account.

#### ACCOUNTING PRINCIPLES APPLIED

Deferred tax is measured according to the liability method in respect of temporary differences between accounting and tax values of assets and liabilities. In cases, e.g. regarding shares where computation of the tax value can be made according to alternative tax rules, deferred tax is measured either on basis of the planned use of the asset or on settlement of the liability.

Deferred tax assets, including the tax value of tax loss carry forwards, are measured at expected realisable value, either by payment of tax on future carnings or by set-off against deferred tax liabilities within the same legal tax entity. Deferred net tax assets, if any, are measured at net realisable value.

Deferred tax is measured on basis of the tax rules and tax rates ruling at balance sheet date, when the deferred tax is expected to become current tax. Changes in deferred tax because of changes in tax rates are recognised in the income statement. On the basis of the assessment made by the management in regards to realisation of the Company's assets a tax rate of 23.5% has been applied when calculating deferred tax. When calculating tax on a net profit for the year the current tax rate of 24% has been applied.

#### Liabilities

Liabilities are measured at amortised cost equal to nominal value.

# INCOME STATEMENT FOR THE PERIOD 1 JANUARY - 31 DECEMBER

	Note		2014 DKK
Gross loss		-1.478.226	-1.583.520
Other operating income Staff costs	1	4.404.161 (2.659.652)	4.975.254 (3.021.277)
Profit before financial items Financial income		<b>266.283</b>	<b>370.457</b> 6.208
Financial expenses		(30.642)	(3.796)
Profit before tax		247.342	372.869
Tax on net profit/(loss) for the year		(63.583)	(104.171)
Net profit for the year		183.759	268.698

# PROPOSED DISTRIBUTION OF PROFIT/LOSS

	3	Note	Note 2015	
		-	DKK	2014 DKK
Proposed distribution of profit/loss				
Retained earnings		:_	183.759	268.698
Total Distribution		_	183.759	268.698

# BALANCE 31 DECEMBER

	Note	2015 DKK	2014 DKK
ASSETS			Bille
Other investments		1.867	1.867
Total financial fixed assets	=	1.867	1.867
Total fixed assets	_	1.867	1.867
Trade receivables		1.404.523	1.300.787
Deferred tax assets		8.984	11.979
Other receivables		311.403	333.047
Total receivables	-	1.724.910	1.645.813
Cash and cash equivalents	_	196.131	55.348
Total cash and cash equivalents	=	196.131	55.348
Total current assets	-	1.921.041	1.701.161
Total assets	_	1.922.908	1.703.028

# **BALANCE 31 DECEMBER**

	Note	2015	2014
		DKK	DKK
EQUITY AND LIABILITIES			
Share capital		80.000	80.000
Retained carnings/(losses)	-	1.113.292	929.533
Total shareholders' equity	2 _	1.193,292	1.009.533
Trade payables		182.112	262,283
Income taxes		16.588	64.000
Other payables	si—	530.916	367.212
Total short-term liabilities	ं स	729.616	693.495
Total liabilities	-	729.616	693.495
Total liabilities and shareholders' equity		1.922.908	1.703.028
Contractual obligations and contingencies, etc.	3		

### NOTES TO THE FINANCIAL STATEMENTS

1	Staff costs	2015 DKK	2014 DKK
	Salaries and wages Other social security cost	2.614.571 45.081	2.986.315 34.962
	Staff costs total	2.659.652	3.021.277

2	Shareholders' equity	Share capital DKK	Retained earnings DKK	Total DKK
	Balance 1 January 2015 Result of the year	80.000	929.533 183.759	1.009.533 183.759
	Shareholders' equity total	80.000	1.113.292	1.193.292

The capital comprises 80 shares of DKK 1.000 each. There have not been changes to the share capital in the previous 5 years

# 3 Contractual obligations and contingencies, etc.

The company has an obligation regarding lease of cars and equipment regarding TDKK 160 (2014: TDKK 285)
The company has rent obligation regarding TDKK 175 (2014: TDKK 171)