


Drees & Sommer Nordic A/S

Wildersgade 10 B, 2., København K 1408

**Central Business Registration no.
33 07 11 91**

**Annual Report for the period
1 January to 31 December 2017**

The Annual Report was presented
and adopted at the Annual General
Meeting of the Company on 07/03
2018



Dirigent

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Statement by management on the annual report

The supervisory and executive boards have today discussed and approved the annual report of Drees & Sommer Nordic A/S for the financial year 1 January - 31 December 2017.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2017 and of the results of the company's operations for the financial year 1 January - 31 December 2017.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved at the annual general meeting.

Copenhagen, 7 March 2018

Executive board



Sebastian Lundholm Petersen
Managing director



Carsten Hyldebrandt
Managing director

Supervisory board



Phillip Goltermann
chairman



Steffen Michael Szeidl



Peter Tzeschlock

Independent auditor's report

To the shareholder of Drees & Sommer Nordic A/S

Statement of extended review on the financial statements

We have performed an extended review of the accompanying financial statements of Drees & Sommer Nordic A/S for the financial year 1 January - 31 December 2017. The accompanying financial statements, which comprise income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies, 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 as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement whether due to fraud or error.

Auditor's responsibility

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

This requires us to comply with the Danish Act on Approved Auditors and Audit Firms and FSR - danske revisorer's Code of Ethics and perform procedures in order to obtain limited assurance for our conclusion on these financial statements, and in addition perform specifically required supplementary procedures in order to obtain additional assurance for our conclusion.

An extended review of financial statements includes procedures primarily consisting of making inquiries of management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit and accordingly we do not express an audit opinion on these financial statements.

Opinion

Based on the work performed it is our opinion that these financial statements give a true and fair view of the company's assets, liabilities and financial position as at December 31, 2017 and of its financial performance for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

Independent auditor's report

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 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, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of management's review.

Copenhagen, 7. March 2018

 **Baker Tilly Denmark**
Godkendt Revisionspartnerselskab
CVR no. 35 25 76 91


Ramazan Turan
statsautoriseret revisor
MNE no. mne32779

Company details

The company	Drees & Sommer Nordic A/S Wildersgade 10 B, 2. København K 1408 CVR no.: 33 07 11 91 Reporting period: 1 January - 31 December 2017 Incorporated: 22. July 2010
Supervisory board	Phillip Goltermann Steffen Michael Szeidl Peter Tzeschlock
Executive board	Sebastian Lundholm Petersen, managing director Carsten Hyldebrandt, managing director
Auditors	Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby
Lawyers	Bech-Bruun International A/S Langelinie Alle 35 2100 Copenhagen
Bankers	Nordea Bank Danmark A/S

Management's review

Business activities

The main activity is to provide services such as project management, building technology and business advice as well as other company activity that are associated with that, especially in Scandinavia.

Business review

The Company's income statement for the year ended 31 December shows a loss of DKK 1.006.189, and the balance sheet at 31 December 2017 shows equity of DKK 2.036.514.

Significant events occurring after end of reporting period

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 January - 31 December

	Note	2017 DKK	2016 DKK
Gross profit		5.212.587	2.424.219
Staff costs	1	-6.197.964	-5.183.875
Earnings Before Interest Taxes Depreciation and Amortization		-985.377	-2.759.656
Depreciation of tangible assets		-17.358	-42.236
Profit/loss before financial income and expenses		-1.002.735	-2.801.892
Financial income		11.571	0
Financial costs		-15.025	-221.672
Profit/loss before tax		-1.006.189	-3.023.564
Tax on profit/loss for the year	2	0	0
Net profit/loss for the year		-1.006.189	-3.023.564
Proposed distribution of profit			
Retained earnings		-1.006.189	-3.023.564
		-1.006.189	-3.023.564

Balance sheet 31 December

	Note	2017 DKK	2016 DKK
Assets			
Other fixtures and fittings, tools and equipment		9.002	14.339
Leasehold improvements		44.865	56.886
Tangible assets	3	53.867	71.225
Deposits		2.633	1.268
Fixed asset investments		2.633	1.268
Total fixed assets		56.500	72.493
Trade receivables		3.126.777	5.184.652
Receivables from related parties		88.954	77.541
Receivable from shareholders and Management		0	80.092
Prepayments		58.894	64.962
Receivables		3.274.625	5.407.247
Cash at bank and in hand		3.217.513	854.215
Current assets total		6.492.138	6.261.462
Assets total		6.548.638	6.333.955

Balance sheet 31 December

	Note	2017 DKK	2016 DKK
Liabilities and equity			
Share capital		550.000	500.000
Retained earnings		1.486.514	-14.634.667
Egenkapital		2.036.514	-14.134.667
Other credit institutions		14.550	76.823
Trade payables		1.528.923	1.298.285
Payables to related parties		1.270.973	17.086.229
Other payables		1.697.678	2.007.285
Short-term debt		4.512.124	20.468.622
Debt total		4.512.124	20.468.622
Liabilities and equity total		6.548.638	6.333.955
Contingent assets, liabilities and other financial obligations	4		

Equity

	Share capital	Share premium account	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	500.000	0	-14.634.667	-14.134.667
Cash capital increase	50.000	16.057.600	0	16.107.600
Net profit/loss for the year	0	0	-1.006.189	-1.006.189
Transfer from share premium account	0	-16.057.600	16.057.600	0
Contribution from group	0	0	1.069.770	1.069.770
Equity at 31 December	550.000	0	1.486.514	2.036.514

Notes to the Annual Report

	<u>2017</u> DKK	2016 DKK
1 Staff costs		
Wages and salaries	6.135.033	5.151.559
Other social security costs	<u>62.931</u>	32.316
	<u>6.197.964</u>	<u>5.183.875</u>
 Average number of employees	 <u>14</u>	 <u>14</u>
 2 Tax on profit/loss for the year		
The company has a not booked deferred tax asset at DKK 716k, which incumbent to a tax loss carried forward.		
 3 Tangible assets		
	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost at 1 January	<u>373.595</u>	<u>132.210</u>
Cost at 31 December	<u>373.595</u>	<u>132.210</u>
Depreciation at 1 January	359.256	75.324
Depreciation for the year	<u>5.337</u>	<u>12.021</u>
Depreciation at 31 December	<u>364.593</u>	<u>87.345</u>
 Carrying amount at 31 December	 <u>9.002</u>	 <u>44.865</u>

Notes to the Annual Report

4 Contingent assets, liabilities and other financial obligations

Unrecognized rental and lease commitments

The company has a non-recognized rent and parking commitments amounting DKK 104k at 31.12.2017

Accounting policies

The annual report of Drees & Sommer Nordic A/S for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act concerning reporting class B entities as well as selected provisions as regards larger entities.

The accounting policies applied are consistent with those of last year.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

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. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and other operating income less raw materials and consumables and other external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement, when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Accounting policies

Other external costs

Other external costs include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Depreciation

Depreciation comprise the year's depreciation of other fixtures and fittings, tools and equipment and leasehold improvements.

Financial income and expenses

Financial income and expenses include interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, as well as extra payments and repayment under the on account taxation scheme.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, including changes arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to entries directly in equity.

Balance sheet

Tangible assets

Items of tangible assets are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the 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.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5	years
Leasehold improvements	10	years

Accounting policies

Assets costing less than DKK 13.200 are expensed in the year of acquisition.

Gains or losses are recognised in the income statement as other operating income or other operating expenses, respectively.

Receivables

Receivables are measured at amortised cost.

Provisions

Provisions comprise expected expenses relating to guarantee commitments, losses on work in progress, reconstructions, etc. Provisions are recognised when as a result of a past event the company's has a legal or constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at fair value.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Financial liabilities also include the capitalised residual finance lease commitment.

Other financial liabilities are measured at amortised cost, which is usually equivalent to nominal value.