

Mapei Denmark A/S

InterTrust (Denmark) A/S
Park Alle 14, 6600 Vejen

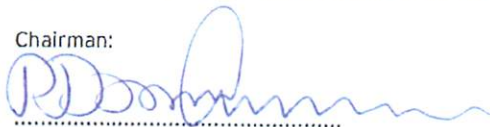
CVR no. 33 35 85 04



Annual report 2015

Approved at the annual general meeting of shareholders on 27 May 2016

Chairman:



Peter Drachmann



Building a better
working world



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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Mapei Denmark A/S for the financial year 1 January - 31 December 2015.

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

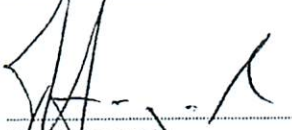
In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January - 31 December 2015.

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

We recommend the adoption of the annual report at the annual general meeting.

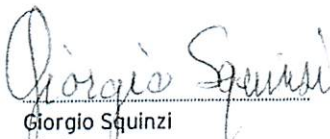
Copenhagen, 27 May 2016

Executive Board:



Trond Hagerud

Board of Directors:



Giorgio Squinzi
Chairman

Trond Hagerud
Managing Director

Veronica Squinzi



Independent auditors' report

To the shareholders of Mapel Denmark A/S

Independent auditors' report on the financial statements

We have audited the financial statements of Mapel Denmark A/S for the financial year 1 January - 31 December 2015, which comprise an income statement, balance sheet, statement of changes in equity and notes, including accounting policies. 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. Further, Management is responsible for such internal control as it 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 according to Danish audit regulations. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 auditors' judgement, including an assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of financial statements that give a true and fair view. The purpose is to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used, the reasonableness of accounting estimates made by Management as well as 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 audit 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 - 31 December 2015 in accordance with the Danish Financial Statements Act.

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any 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, 27 May 2016
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR No. 30 70 02 28



Martin Alsbaek
state authorised public accountant



Management's review

Company details

Name	Mapei Denmark A/S
Address, Postal code, City	Park Alle 14, 6600 Vejen
CVR No.	33 35 85 04
Established	29 November 2010
Registered office	Vejen
Financial year	1 January - 31 December
Website	www.mapei.dk
Telefax	+45 69 60 74 89
Board of Directors	Giorgio Squinzi, Chairman Trond Hagerud, Managing Director Veronica Squinzi
Executive Board	Trond Hagerud
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuhs Vej 4, P O Box 250, 2000 Frederiksberg, Denmark
Bankers	Nordea Bank



Management's review

Operating review

The Company's business review

The Company is a sales company engaging in wholesaling of building materials.

Financial review

The income statement for 2015 shows a loss of DKK 8,405,567 against a loss of DKK 7,477,421 last year, and the balance sheet at 31 December 2015 shows a negative equity of DKK 1,091,511.

The Parent Company has carried through a capital increase of nominal DKK 200 at a premium of DKK 7,459,800, or a total of DKK 7,460,000.

The parent company has issued a comfort letter, guaranteeing to provide the Company with sufficient liquidity to continue operations until the next general meeting.

At the balance sheet date, the Company has lost its entire share capital and is consequently covered by the capital loss provisions of the Danish Companies Act. Management expects that the share capital will be restored through additional capital contributions by the parent company or profit-making operations.

Post balance sheet events

No significant events have occurred subsequent to the financial year-end.



Financial statements for the period 1 January - 31 December

Income statement

Notes	DKK	2015	2014
	Gross profit/loss	-2,303,933	-2,365,172
3	Staff costs	-5,683,370	-4,897,120
4	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-355,682	-178,517
	Operating profit/loss	-8,342,985	-7,440,809
5	Financial expenses	-62,582	-36,612
	Profit/loss for the year	-8,405,567	-7,477,421
	Proposed profit appropriation/distribution of loss		
	Retained earnings/accumulated loss	-8,405,567	-7,477,421
		-8,405,567	-7,477,421



Financial statements for the period 1 January - 31 December

Balance sheet

Notes	DKK	2015	2014
	ASSETS		
	Non-current assets		
6	Intangible assets		
	Acquired intangible assets	302,227	0
		<u>302,227</u>	<u>0</u>
7	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	1,592,160	706,563
		<u>1,592,160</u>	<u>706,563</u>
	Investments		
	Deposits, investments	93,945	0
		<u>93,945</u>	<u>0</u>
	Total non-current assets	<u>1,988,332</u>	<u>706,563</u>
	Current assets		
	Inventories		
	Finished goods and goods for resale	1,265,951	57,970
		<u>1,265,951</u>	<u>57,970</u>
	Receivables		
	Trade receivables	9,289,727	5,246,439
	Other receivables	1,482	0
	Prepayments	133,688	185,188
		<u>9,424,897</u>	<u>5,431,627</u>
	Cash	9,755,461	2,515,210
	Total current assets	<u>20,446,309</u>	<u>8,004,807</u>
	TOTAL ASSETS	<u>22,434,641</u>	<u>8,711,370</u>



Financial statements for the period 1 January - 31 December

Balance sheet

Notes	DKK	<u>2015</u>	<u>2014</u>
EQUITY AND LIABILITIES			
Equity			
8	Share capital	500,600	500,400
	Retained earnings	-1,592,111	-646,345
	Total equity	<u>-1,091,511</u>	<u>-145,945</u>
Liabilities other than provisions			
Current liabilities other than provisions			
	Prepayments received from customers	0	145,850
	Trade payables	1,964,202	1,023,295
	Payables to group entities	19,176,525	6,767,602
	Other payables	2,385,425	920,568
		<u>23,526,152</u>	<u>8,857,315</u>
	Total liabilities other than provisions	<u>23,526,152</u>	<u>8,857,315</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>22,434,641</u></u>	<u><u>8,711,370</u></u>

- 1 Accounting policies
- 2 Material uncertainties regarding going concern
- 9 Collateral
- 10 Contractual obligations and contingencies, etc.
- 11 Contingent assets
- 12 Related parties



Financial statements for the period 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Retained earnings	Total
Equity at 1 January 2014	500,200	-608,724	-108,524
Capital increase	200	7,439,800	7,440,000
Profit/loss for the year	0	-7,477,421	-7,477,421
Equity at 1 January 2015	500,400	-646,345	-145,945
Capital increase	200	7,459,801	7,460,001
Profit/loss for the year	0	-8,405,567	-8,405,567
Equity at 31 December 2015	500,600	-1,592,111	-1,091,511

Financial statements for the period 1 January - 31 December

Notes

1 Accounting policies

The annual report of Mapei Denmark A/S for 2015 has been presented in accordance with the provisions of the Danish Financial Statements Act as regards reporting class B enterprises.

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

Reporting currency

The financial statements are presented in Danish kroner.

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 recognised in the income statement as financial income or financial expenses.

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 recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Income from the sale of goods held for sale and finished goods is recognised in revenue at the time of delivery and when the risk passes to the buyer, provided that the income can be made up reliably and is expected to be received.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue', 'Cost of sales', 'Other external expenses' and 'Other operating income' are consolidated into one item designated 'Gross profit/loss'.

Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating 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.

Amortisation/depreciation and impairment of intangible assets and property, plant and equipment

The item comprises amortisation/depreciation and impairment of intangible assets and property, plant and equipment.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight-line basis over the expected useful life. The expected useful lives are as follows:

Software	3 years
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Financial statements for the period 1 January - 31 December

Notes

1 Accounting policies - continued

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight-line basis over the expected useful life. The expected useful lives are as follows:

Other fixtures and fittings, tools and equipment 5 years

Balance sheet

Intangible assets

Other intangible assets include other acquired intangible rights, including software licences.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Impairment of non-current assets

Property, plant and equipment are subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation. Impairment tests are conducted in respect of individual assets or groups of assets generating separate cash flows when there is indication of impairment. The assets are written down to the higher of the value in use and net realisable value (recoverable amount) of the asset or group of assets if this is lower than the carrying amount. As for group of assets, impairment losses are first recognised in respect of goodwill and thereafter proportionately in respect of the other assets.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value. An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired, in which case the carrying amount is reduced to the net realisable value.

An impairment loss is recognised if there is objective indication that a receivable or a group of receivables is impaired. If there is objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable is used as discount rate.

Prepayments

Prepayments recognised under 'Assets' comprise prepaid expenses regarding subsequent financial reporting years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities which are subject to an insignificant risk of changes in value.

Financial statements for the period 1 January - 31 December

Notes

1 Accounting policies - continued

Equity

Grants without consideration in a group

Grants received from the Parent Company are recognised under 'Retained earnings in equity' in the balance sheet as a capital injection.

Corporation tax

Current tax payable and receivable is recognised 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. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

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 crystallise as current tax. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Other payables

Other payables are measured at net realisable value.

2 Material uncertainties regarding going concern

The Parent Company has issued a comfort letter, guaranteeing to provide the Company with sufficient liquidity to continue operations until the next general meeting.

DKK	2015	2014
3 Staff costs		
Wages/salaries	4,827,051	4,165,426
Pensions	662,184	546,093
Other social security costs	9,325	4,917
Other staff costs	184,810	180,684
	<u>5,683,370</u>	<u>4,897,120</u>
4 Amortisation/depreciation and impairment of intangible assets and property, plant and equipment		
Depreciation of property, plant and equipment	<u>355,682</u>	<u>178,517</u>
	<u>355,682</u>	<u>178,517</u>



Financial statements for the period 1 January - 31 December

Notes

	DKK	2015	2014			
5	Financial expenses					
	Exchange losses	35,752	15,990			
	Other financial expenses	26,830	20,622			
		62,582	36,612			
6	Intangible assets					
	DKK		<u>Acquired Intangible assets</u>			
	Cost at 1 January 2015		0			
	Additions in the year		317,853			
	Cost at 31 December 2015		317,853			
	Impairment losses and amortisation at 1 January 2015		0			
	Amortisation in the year		15,626			
	Impairment losses and amortisation at		15,626			
	Carrying amount at 31 December 2015		302,227			
	Amortised over		3 years			
7	Property, plant and equipment					
	DKK		<u>Other fixtures and fittings, tools and equipment</u>			
	Cost at 1 January 2015		1,046,442			
	Additions in the year		1,225,653			
	Cost at 31 December 2015		2,272,095			
	Impairment losses and depreciation at 1 January 2015		339,879			
	Depreciation in the year		340,056			
	Impairment losses and depreciation at 31 December 2015		679,935			
	Carrying amount at 31 December 2015		1,592,160			
	Amortised over/Depreciated over		5 years			
8	Share capital					
	Analysis of changes in the share capital over the past 5 years:					
	DKK	2015	2014	2013	2012	2011
	Opening balance	500,400	500,200	500,000	500,000	500,000
	Capital increase	200	200	100	100	0
		500,600	500,400	500,100	500,100	500,000
9	Collateral					
	No assets had been placed as collateral or otherwise charged at 31 December 2015.					



Financial statements for the period 1 January - 31 December

Notes

10 Contractual obligations and contingencies, etc.

Other financial obligations

Other rent and lease liabilities:

DKK	2015	2014
Rent and lease liabilities	481,435	715,984

11 Contingent assets

The Company had a non-recognised tax asset of DKK 5,493 thousand at the balance sheet date.

The tax asset has not been recognised in the balance sheet due to uncertainty as to when the tax loss carryforwards can be utilised.

12 Related parties

Mapei Denmark A/S' related parties comprise the following:

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent's consolidated financial statements
Mapei S.p.A.	Italien/Italy	http://www.mapei.com/IT-EN/financial-report.asp