Peter Justesen Holding A/S

Tuborg Boulevard 5, 2., 2900 Hellerup

Company reg. no. 33 77 42 57

Annual report

1 January - 31 December 2018

The annual report was submitted and approved by the general meeting on the 21 May 2019.

Niels Kornerup
Chairman of the meeting

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Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance DKK 146.940 is the same as the English amount of DKK 146,940, and that 23,5 % is the same as the English 23.5 %.

Management's report

The board of directors and the managing director have today presented the annual report of Peter Justesen Holding A/S for the financial year 1 January to 31 December 2018.

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

We consider the accounting policies used appropriate, and in our opinion, the consolidated annual accounts and the annual accounts provide a true and fair view of the assets, the liabilities and the financial position, consolidated and for the company respectively at 31 December 2018, and of the results of the activities, consolidated and of the company respectively and of consolidated cash flows in the financial year 1 January to 31 December 2018.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Hellerup, 21 May 2019

Managing Director

Erik Justesen

Board of directors

Niels Kornerup   Erik Justesen   Ole Justesen

Independent auditor's report

To the shareholders of Peter Justesen Holding A/S

Opinion

We have audited the consolidated annual accounts and the annual accounts of Peter Justesen Holding A/S for the financial year 1 January to 31 December 2018, which comprise accounting policies used, profit and loss account, balance sheet, statement of changes in equity and notes, consolidated and for the company respectively and consolidated cash flow statement. The consolidated annual accounts and the annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated annual accounts and the annual accounts give a true and fair view of the assets, liabilities and financial position, consolidated and for the company respectively at 31 December 2018 and of the results of the company's operations, consolidated and for the company respectively and of consolidated cash flows for the financial year 1 January to 31 December 2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section “Auditor’s responsibilities for the audit of the consolidated annual accounts and the annual accounts”. We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the consolidated annual accounts and the annual accounts

The management is responsible for the preparation of consolidated annual accounts and annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of consolidated annual accounts and annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts and the annual accounts, the management is responsible for evaluating the group’s and the company’s ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the consolidated annual accounts and the annual accounts, unless the management either intends to liquidate the group or the company or to cease operations, or if it has no realistic alternative but to do so.

Independent auditor's report

Auditor’s responsibilities for the audit of the consolidated annual accounts and the annual accounts

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts and the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the consolidated annual accounts and the annual accounts.

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the consolidated annual accounts and the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of the 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 company’s internal control.

- Evaluate the appropriateness of accounting policies used by the management and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the management’s preparation of the consolidated annual accounts and the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about the group’s and the 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 consolidated annual accounts and the annual accounts 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 company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the consolidated annual accounts and the annual accounts, including the disclosures in the notes, and whether the consolidated annual accounts and the annual accounts reflect the underlying transactions and events in a manner that gives a true and fair view.

Independent auditor's report

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or the business activities within the group to express an opinion on the consolidated annual accounts. 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 the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the consolidated annual accounts and the annual accounts does not cover the management’s review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the consolidated annual accounts and the annual accounts, our responsibility is to read the management’s review and in that connection consider whether the management’s review is materially inconsistent with the consolidated annual accounts or the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that the management's review is in accordance with the consolidated annual accounts and the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 21 May 2019

Grant Thornton
State Authorised Public Accountants
Company reg. no. 34 20 99 36

Claus Koskelin
State Authorised Public Accountant
mne30140

Company data

The company	Peter Justesen Holding A/S Tuborg Boulevard 5, 2. 2900 Hellerup	
	Company reg. no.	33 77 42 57
	Established:	28 June 2011
	Domicile:	Hellerup
	Financial year:	1 January - 31 December
Board of directors	Niels Kornerup Erik Justesen Ole Justesen	
Managing Director	Erik Justesen	
Auditors	Grant Thornton, Statsautoriseret Revisionspartnerselskab	
Subsidiary	Peter Justesen Company A/S, Hellerup	

Consolidated financial highlights

DKK in thousands.	2018	2017	2016	2015	2014
Profit and loss account:					
Net turnover	227.306	230.418	237.025	248.439	280.853
Gross profit	36.691	40.778	41.846	30.790	39.500
Results from operating activities	-507	703	-3.289	-16.039	-9.154
Net financials	-1.786	-5.499	-1.558	-2.374	-1.261
Results for the year	222	-4.796	-4.735	-18.147	-8.015
Balance sheet:					
Balance sheet sum	66.149	70.218	65.660	80.204	92.361
Investments in tangible fixed assets represent	249	119	35	61	86
Equity	9.841	9.619	8.415	13.150	20.798
Employees:					
Average number of full time employees	47	54	63	66	86
Key figures in %:					
Gross margin	16,1	17,7	17,7	12,4	14,1
Solvency ratio	14,9	13,7	12,8	16,4	22,5
Return on equity	2,3	-53,2	-43,9	-106,9	-32,3

The calculation of key figures and ratios does in all material respects follow the Danish Association of Finance Analysts' recommendations and does only in a few respects deviate from the recommendations.

The key figures appearing from the survey have been calculated as follows:

Gross margin $$\frac{\text{Gross results x 100}}{\text{Net turnover}}$$

Equity share $$\frac{\text{Equity, closing balance x 100}}{\text{Assets in total, closing balance}}$$

Return on equity $$\frac{\text{Results for the year x 100}}{\text{Average equity}}$$

Management's review

The principal activities of the group

Like previous years, the company serves as parent company for Peter Justesen Company A/S.

The group offers original high quality Beverage, Luxury and Living products based on global consumer insights, unique service packages and attractive prices focusing on customers' individual needs.

The groups vision is to be the leading customer oriented and knowledge based supplier being the most cost-effective duty-free partner for diplomats, Embassies, duty free shops and organizations with duty-free status.

Development in activities and financial matters

The net turnover for the year is m.DKK 227,3 against m.DKK 230,4 last year. The results from ordinary activities after tax are m.DKK 0,2 against m.DKK -4,8 last year.

The business generated a EBITDA of m.DKK 5,1 and a net result of m.DKK 0,2, which is seen as satisfying.

2018 was characterized by a 1,3% decline of turnover compared to 2017.

Gross profit was likewise impacted negatively with a 10% point decline vs 2017 predominantly driven by:

1. Channel mix - particularly driven out of the CIS region
2. Increased Freight discounts in order to support sales
3. Increased promotional costs and rebates to support sales - particularly in Western Europe and Russia.

Staff costs continue to be reduced and optimized with a 9% reduction of costs vs 2017. Key elements have been adaptation of a sales structure with more variable cost and general reduction of costs across the organization.

Investments:

The level of investments for 2018 was m.DKK 3,8. This driven by the ongoing development strategy to transform into a global knowledge and datadriven it-platform for diplomats:

1. Deployment of a 1 vendor IT strategy – continueing development and making IT infrastructure and platform more datadriven, robust and agile. It has been required that digitization and automation of group should also result in greater cost savings. The latter primarily driven by staff reductions and competence adjustment.

2. New web platform – allowing a more tailor-made customer approach and giving customers a stronger touch and feel attitude.

Management's review

Outlook:

Strategic focus for 2019 will be to maintain and develop Diplomatic channel with a stronger omni-channel approach. Benefit from new it-platform which supports a more customer oriented approach and communication. Promotion efforts will be intensified through Online marketing solutions supported by Marketing Automatization tools and Taylor-made product and service offerings. Finally, new sub categories will be added the portfolio.

Net result is budgeted to be slightly positive and thus improved vs 2018 with a strengthened cash flow and liquidity.

Management commentary

Operational focus for 2019 will be to intensify actions to safeguard current customer basis and in certain regions expand number of active customers. Cost actions and efficiency programs will be concentrated around supply-chain restructuring and investment and actions to further digitalize the business.

Events subsequent to the financial year

No events have occurred after the balance sheet date to this date which would influence the evaluation of the 2018 annual report.

Accounting policies used

The annual report for Peter Justesen Holding A/S and group is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class C enterprises (medium sized enterprises).

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the group is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the group is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

The consolidated annual accounts

The consolidated annual accounts comprise the parent company Peter Justesen Holding A/S and those group enterprises of which Peter Justesen Holding A/S directly or indirectly owns more than 50 % of the voting rights or in other ways has controlling interest. As it appears from the group chart, enterprises of which the group owns between 20 and 50 % of the voting rights and exercises considerable, but not controlling interest are considered associated enterprises.

By the consolidation, elimination of intercompany income and costs, shareholding, intercompany balances and dividends and realised and unrealised gains and losses from transactions among the consolidated enterprises takes place.

Accounting policies used

Equity interests in group enterprises are settled by the proportional share of the group enterprises' trade value of net assets and liabilities at the date of acquisition.

The profit and loss account

Net turnover

The net turnover comprises the value of services provided during the year, including outlay for customers less VAT and price reductions directly associated with the sale.

Cost of sales

Costs of sales includes costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Results from equity investments in group enterprises

After full elimination of intercompany profit or loss and deduction of amortisation of consolidated goodwill, the equity investment in the individual group enterprises are recognised in the profit and loss account at a proportional share of the group enterprises' results after tax.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

Accounting policies used

The parent company and the Danish group enterprises are subject to the Danish rules on compulsory joint taxation of the consolidated Danish enterprises. The parent company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable of the income of the Danish consolidated companies is paid to the tax authorities by the company.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

The balance sheet

Intangible fixed assets

Development projects, patents, and licences

The development of the softwareplatform comprise e.g. salaries, wages, and amortisation which directly and indirectly refer to the development of the softwareplatform.

Clearly defined and identifiable development of the software platform are recognised as intangible fixed assets provided that the technical feasibility, sufficient resources, and a potential market or a development opportunity can be demonstrated, and provided that it is the intention to produce, market og utilise the project. It is, however, a condition that the cost can be calculated reliably and that a sufficiently high degree of certainty indicates that future earnings will cover the costs for production, sales, and administration. Other development costs are recognised in the profit and loss account concurrently with their realisation.

Softwareplatform costs recognised in the balance sheet are measured at cost with deduction of accrued depreciation amd writedown. The amortisation period is 5 years.

Tangible fixed assets

Land and buildings are measured at cost with addition of revaluations and with deduction of accrued depreciation and writedown. Land is not depreciated.

The basis of depreciation is cost with the addition of revaluations at fair value and with the deduction of expected residual value after the end of the useful life of the asset.

Other tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

Accounting policies used

	Useful life
Other fixtures and tittings, tools and equipment	*4-10 years*
Leasehold improvements	*10 years*

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

As regards assets of own production, the cost comprises direct costs for materials, components, deliveries from subsuppliers, payroll costs, and borrowing costs form specific and general borrowing concerning the construction of each individual asset.

Writedown of fixed assets

The book values of both intangible and tangible fixed assets as well as equity investments in subsidiaries and associated enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets respectively. Writedown takes place to the recoverable amount, if this value is lower than the book value.

The recoverable value is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow deriving from the use of the asset or the group of assets.

Previously recognised writedown is reversed when the condition for the writedown no longer exist. Writedown relating to goodwill is not reversed.

Financial fixed assets

Equity investments in group enterprises

Equity investments in group enterprises are recognised in the balance sheet at a proportional share under the equity method, the value being calculated on the basis of the accounting policies of the parent company by the deduction or addition of unrealised intercompany profits and losses, and with the addition or deduction of residual value of positive or negative goodwill measured by applying the acquisition method.

Group enterprises and associated enterprises with negative equity are recognised without any value, and to the extent they are considered irrevocable, amounts owed by these companies are written down by the parent's share of the equity. If the negative equity exceeds the debtors, the residual amount is recognised under liability provisions to the extent the parent has a legal or actual liability to cover the negative equity of the subsidiary.

Accounting policies used

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises are transferred to the reserves under the equity for net revaluation as per the equity method. Dividends from group enterprises expected to be decided before the approval of this annual report are not subject to a limitation of the revaluation reserves. The reserves are adjusted by other equity movements in group enterprises.

Newly taken over or newly established companies are recognised in the annual accounts as of the time of acquisition. Sold or liquidated companies are recognised at the time of cession.

Profit or loss in connection with the sale of group enterprises are measured as the difference between the sales amount and the book value of net assets at the time of the sale, inclusive of remaining consolidated goodwill and expected costs for sale and cession. Profit and loss are recognised in the profit and loss account under net financials.

In connection with the acquisition of new group enterprises and associated enterprises, the acquisition method is applied, by which the acquirees' assets and liabilities are measured at fair value at the time of acquisition. Provisions for payment of costs for decided restructuring activities in the acquirees in relation to the acquisition are recognised. The tax effect of the revaluations carried out is taken into consideration.

Positive differences (goodwill) between cost and fair value of identifiable, acquired assets and liabilities, inclusive of liability provisions for restructuring, are recognised under equity investments in group enterprises, and they are amortised over their estimated useful life. The useful life is determined on the basis of the management's experience with the individual business areas. The amortisation period is maximum 20 years, being the longer for strategical acquirees with a strong market position and a long-range earnings potential. The book value of goodwill is evaluated currently and written down in the profit and loss account in those cases where the book value exceeds the expected future net income from the enterprise or the activity, to which the goodwill is attached.

Inventories
Inventories are measured at cost on basis of measured average prices. In case the net realisable value is lower than the cost, writedown takes place at this lower value.

The net realisable value for inventories is recognised as the market price with deduction of completion costs and selling costs. The net realisable value is determined taking into consideration the negotiability, obsolescence, and development of the expected market price.

Debtors
Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accounting policies used

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in hand.

Equity

Reserves for development costs

Reserves for development costs comprise recognised development costs with deduction of related deferred tax liabilities. The reserves can not be used as dividend or for payment of losses. The reserves are reduced or dissolved if the recognised development costs are amortised or abandoned. This takes place by direct transfer to the distributable reserves of the equity.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Peter Justesen Holding A/S is jointly taxed with the Danish group companies and acts in this respect as the administration company. According to the rules of joint taxation, Peter Justesen Holding A/S is unlimited, jointly and severally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Payable and receivable joint taxation contributions are recognised in the balance sheet as "Receivable corporate tax" or “Payable corporate tax".

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set?off in deferred tax liabilities within the same legal tax unit.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Accounting policies used

Other provisions

Provisions comprise expected costs for guarantee liabilities, loss on work in progress, restructuring, etc. Provisions are recognised when the group has a legal or actual liability which is due to a previous event and when it is likely that the settlement of the liability will result in expenditure of the financial resources of the group.

If the settlement of the liability is expected to take place in some remote future, provisions are measured at the net realisable value or at fair value.

Guarantee liabilities comprise liabilities for repairs within the guarantee period of 1-5 years. The provisions are measured at the net realisable value and recognised on basis of the obtained experience with guarantee work. If provisions have an expected due date later than 1 year from the balance sheet date, they are discounted at the average bond interest.

On the acquisition of enterprises, provisions for restructuring within the acquired enterprise is included in the acquisition cost, and thereby in the goodwill or the consolidated goodwill, to the extent that they have been approved and announced on the date of acquisition at the latest.

When it is likely that the total costs will exceed the total income of work in progress for the account of others, provisions are made for the total loss expected on the contract. Provisions are recognised as costs under production costs.

Liabilities

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Accrued expenses and deferred income

Received payments concerning income during the following years are recognised under accrued expenses and deferred income.

The cash flow statement

The cash flow statement shows the cash flow of the group for the year, divided in cash flows deriving from operating activities, investment activities, and financing activities respectively, the changes in the liabilities, and the available funds at the beginning and the end of the year respectively.

Cash flow from operating activities

Cash flow from operating activities are calculated as the results for the year adjusted for non-cash operating items, the change in the working capital, and corporate tax paid.

Accounting policies used

Cash flow from investment activities

Cash flow from investment activities comprises payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible and tangible fixed assets and fixed asset investments respectively.

Cash flow from financing activities

Cash flow from financing activities comprises changes in the size or the composition of the share capital and the costs in this connection. Furthermore, these activities comprise borrowings, instalments on interestbearing debt, and payment of dividend to the shareholders.

Available funds

Available funds comprise cash funds with deduction of short-term bank debt and short-term securities with a term of less than 3 months which can easily be converted into cash funds and on which only an insignificant risk of value changes exists.

Profit and loss account 1 January - 31 December

Amounts concerning 2018: DKK.
Amounts concerning 2017: DKK in thousands.

Note		Group 2018	Group 2017	Parent company 2018	Parent company 2017
	Net turnover	227.306.340	230.418	0	0
	Change in inventories of finished goods and work in progress	6.497.903	-2.777	0	0
	Raw materials and consumables used	-176.134.711	-167.020	0	0
	Other external costs	-20.978.950	-19.843	-33.329	-26
	Gross results	**36.690.582**	**40.778**	**-33.329**	**-26**
2	Staff costs	-31.529.144	-33.992	-480.000	0
	Depreciation, amortisation and writedown relating to tangible and intangible fixed assets	-5.668.059	-6.083	0	0
	Operating profit	**-506.621**	**703**	**-513.329**	**-26**
	Income from equity investments in group enterprises	0	0	735.538	-4.797
	Other financial income	2.733.686	1.177	0	27
	Other financial costs	-4.520.017	-6.676	-9	0
	Results before tax	**-2.292.952**	**-4.796**	**222.200**	**-4.796**
	Tax on ordinary results	2.515.152	0	0	0
3	**Results for the year**	**222.200**	**-4.796**	**222.200**	**-4.796**

Balance sheet 31 December

Amounts concerning 2018: DKK.
Amounts concerning 2017: DKK in thousands.

Assets

Note		Group 2018	Group 2017	Parent company 2018	Parent company 2017
	Fixed assets				
4	Softwareplatform (development projects)	13.111.610	14.409	0	0
	Intangible fixed assets in total	13.111.610	14.409	0	0
5	Other fixtures and fittings, tools and equipment	1.493.854	1.648	0	0
6	Leasehold improvements	622.935	768	0	0
	Tangible fixed assets in total	2.116.789	2.416	0	0
7	Equity investments in group enterprises	0	0	10.438.836	9.703
	Financial fixed assets in total	0	0	10.438.836	9.703
	Fixed assets in total	**15.228.399**	**16.825**	**10.438.836**	**9.703**

Balance sheet 31 December

Amounts concerning 2018: DKK.
Amounts concerning 2017: DKK in thousands.

Assets

Note		Group 2018	Group 2017	Parent company 2018	Parent company 2017
	Current assets				
	Manufactured goods and trade goods	9.499.777	15.998	0	0
	Inventories in total	9.499.777	15.998	0	0
	Trade debtors	25.241.230	21.894	0	0
	Receivable corporate tax	2.515.152	0	2.515.152	0
	Other debtors	7.198.381	2.570	0	0
	Claims for payment of contributed capital	0	6.000	0	6.000
8	Accrued income and deferred expenses	1.375.251	1.310	0	0
	Debtors in total	36.330.014	31.774	2.515.152	6.000
	Available funds	5.090.402	5.621	1.767	3
	Current assets in total	**50.920.193**	**53.393**	**2.516.919**	**6.003**
	Assets in total	**66.148.592**	**70.218**	**12.955.755**	**15.706**

Balance sheet 31 December

Amounts concerning 2018: DKK.
Amounts concerning 2017: DKK in thousands.

Equity and liabilities

Note		Group 2018	Group 2017	Parent company 2018	Parent company 2017
	Equity				
	Contributed capital	2.800.000	2.800	2.800.000	2.800
9	Reserve for development expenditure	4.573.111	4.293	0	0
	Results brought forward	2.468.101	2.526	7.041.212	6.819
	Equity in total	**9.841.212**	**9.619**	**9.841.212**	**9.619**
	Liabilities				
	Bank debts	17.679.565	19.021	0	0
	Prepayments received from customers	0	123	0	0
	Trade creditors	34.053.530	36.558	31.250	31
	Debt to group enterprises	0	0	568.141	6.056
	Tax payables to group enterprises	0	0	2.515.152	0
	Other debts	4.574.285	4.897	0	0
	Short-term liabilities in total	56.307.380	60.599	3.114.543	6.087
	Liabilities in total	**56.307.380**	**60.599**	**3.114.543**	**6.087**
	Equity and liabilities in total	**66.148.592**	**70.218**	**12.955.755**	**15.706**

1 Special items
10 Mortgage and securities
11 Contingencies

Consolidated statement of changes in equity

DKK in thousands.

	Contributed capital	Reserve for development expenditure	Results brought forward	In total
Equity 1 January 2018	2.800	4.293	2.526	9.619
Profit or loss for the year brought forward	0	280	-58	222
	2.800	**4.573**	**2.468**	**9.841**

Statement of changes in equity of the parent company

DKK in thousands.

	Contributed capital	Results brought forward	In total
Equity 1 January 2018	2.800	6.819	9.619
Profit or loss for the year brought forward	0	222	222
	2.800	**7.041**	**9.841**

Cash flow statement 1 January - 31 December

Amounts concerning 2018: DKK.
Amounts concerning 2017: DKK in thousands.

Note		Group 2018	2017
	Results for the year	222.200	-4.796
12	Adjustments	4.939.234	11.582
13	Change in working capital	1.508.623	-899
	Cash flow from operating activities before net financials	6.670.057	5.887
	Interest received and similar amounts	2.733.684	2.976
	Interest paid and similar amounts	-4.520.016	-2.474
	Cash flow from ordinary activities	4.883.725	6.389
	Cash flow from operating activities	**4.883.725**	**6.389**
	Purchase of intangible fixed assets	-3.823.105	-2.548
	Purchase of tangible fixed assets	-249.054	-119
	Cash flow from investment activities	**-4.072.159**	**-2.667**
	Changes in available funds	**811.566**	**3.722**
	Available funds 1 January 2018	-13.400.729	-17.123
	Available funds 31 December 2018	**-12.589.163**	**-13.401**
	Available funds		
	Available funds	5.090.402	5.620
	Short-term bank debts	-17.679.565	-19.021
	Available funds 31 December 2018	**-12.589.163**	**-13.401**

Notes

Amounts concerning 2018: DKK.
Amounts concerning 2017: DKK in thousands.

1. Special items

The result for the year is affected by factors that differ from what the management consider a part of the operating profit.

The tax authorities have accepted a resumption of the years 2014-2017 with a view to disbursement of development-costs from the tax credit scheme. The tax authorities has not approved the tax credit scheme as the proces is on-going.

Special items for the year are specified below, showing where these are recognised in the income profit and loss account.

	Group	
	2018	2017
Income:		
Tax Credit	2.419.834	0
	2.419.834	0
Special items are recognised in the following items in the annual accounts:		
Tax on ordinary results	2.419.834	0
Results of special items, net	**2.419.834**	**0**

2. Staff costs

	Group		Parent company	
	2018	2017	2018	2017
Salaries and wages	29.549.461	31.830	480.000	0
Pension costs	1.732.114	1.886	0	0
Other costs for social security	247.569	276	0	0
	31.529.144	**33.992**	**480.000**	**0**
Executive board and board of directors	2.200.000	2.305	480.000	0
Average number of employees	47	54	0	0

Notes

Amounts concerning 2018: DKK.
Amounts concerning 2017: DKK in thousands.

	Parent company 2018	Parent company 2017
3. Proposed distribution of the results		
Allocated to results brought forward	222.200	0
Allocated to other statutory reserves	0	0
Allocated from results brought forward	0	-4.796
Distribution in total	**222.200**	**-4.796**

	Group 31/12 2018	Group 31/12 2017
4. Softwareplatform (development projects)		
Cost 1 January 2018	44.329.564	41.782
Additions during the year	3.823.105	2.548
Cost 31 December 2018	**48.152.669**	**44.330**
Amortisation and writedown 1 January 2018	-29.921.321	-24.345
Amortisation for the year	-5.119.738	-5.576
Amortisation and writedown 31 December 2018	**-35.041.059**	**-29.921**
Book value 31 December 2018	**13.111.610**	**14.409**

The softwareplatform regards the development and adaptation of a unique it-platform to ensure cost efficency and costumer satisfaction. The projects proceed as planned and are expected to be completed within 1-3 years.

Notes

Amounts concerning 2018: DKK.
Amounts concerning 2017: DKK in thousands.

		Group	
		31/12 2018	31/12 2017
5.	**Other fixtures and fittings, tools and equipment**		
	Cost 1 January 2018	8.728.528	8.609
	Additions during the year	249.054	119
	Cost 31 December 2018	**8.977.582**	**8.728**
	Depreciation and writedown 1 January 2018	-7.080.585	-6.718
	Depreciation for the year	-403.143	-362
	Depreciation and writedown 31 December 2018	**-7.483.728**	**-7.080**
	Book value 31 December 2018	**1.493.854**	**1.648**
6.	**Leasehold improvements**		
	Cost 1 January 2018	4.608.912	4.609
	Cost 31 December 2018	**4.608.912**	**4.609**
	Depreciation and writedown 1 January 2018	-3.840.798	-3.696
	Depreciation for the year	-145.179	-145
	Depreciation and writedown 31 December 2018	**-3.985.977**	**-3.841**
	Book value 31 December 2018	**622.935**	**768**

Notes

Amounts concerning 2018: DKK.
Amounts concerning 2017: DKK in thousands.

		Parent company	
		31/12 2018	31/12 2017
7.	**Equity investments in group enterprises**		
	Acquisition sum, opening balance 1 January 2018	12.331.462	12.331
	Cost 31 December 2018	**12.331.462**	**12.331**
	Revaluations, opening balance 1 January 2018	-2.628.164	-3.831
	Results for the year before goodwill amortisation	735.538	-4.797
	Capital increase	0	6.000
	Revaluation 31 December 2018	**-1.892.626**	**-2.628**
	Book value 31 December 2018	**10.438.836**	**9.703**

Group enterprises:

	Domicile	Share of ownership
Peter Justesen Company A/S *	Hellerup	99,22 %

* Indirect ownership is 100%

		Group	
		31/12 2018	31/12 2017
8.	**Accrued income and deferred expenses**		
	Prepaid expenses and accrued revenue	1.375.251	1.310
		1.375.251	**1.310**

Acrrued income and deferred expenses contains costs paid in 2018, but related to operations in 2019.

9.	**Reserve for development expenditure**		
	Reserve for development expenditure 1 January 2018	4.293.107	0
	Reserve for development expenditure in the year	280.004	4.293
		4.573.111	**4.293**

Notes

Amounts concerning 2018: DKK.
Amounts concerning 2017: DKK in thousands.

10. Mortgage and securities

The Parent has provided a guarantee to the lessor of the premises from which the subsidiary operates its business. The guarantee covers a six-month rental deposit of t.DKK 600.

For bank debts, DKK 17.679.565, the group has provided security in company assets representing a nominal value of DKK 50.000.000. This security comprises the below assets, stating the book values:

Inventories	DKK 9.499.777
Receivable from sales and services	DKK 25.241.230
Property, plant and equipment	DKK 2.116.789

11. Contingencies

Contingent assets

The Group has a tax asset in the form of the tax losses to carry-forward - less tax value difference on intangible fixed assets etc. in the amount of m.DKK 3,6. The tax asset is not recognized in the balance, as it is uncertain when the tax asset can be activated in the future.

Joint taxation

The company is the administration company of the group of companies subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.

	Group	
	2018	2017
12. Adjustments		
Depreciation and amortisation	5.668.055	6.083
Other financial income	-2.733.686	-1.177
Other financial costs	4.520.017	6.676
Tax on ordinary results	-2.515.152	0
	4.939.234	**11.582**

Notes

Amounts concerning 2018: DKK.
Amounts concerning 2017: DKK in thousands.

		Group	
		2018	2017
13.	**Change in working capital**		
	Change in inventories	6.497.903	-2.777
	Change in debtors	-2.039.893	-4.206
	Change in trade creditors and other liabilities	-2.949.387	6.084
		1.508.623	**-899**

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"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."

Erik Justesen
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