Grant Thornton

Grant Thornton
Statsautoriseret
Revisionspartnerselskab

Stockholmsgade 45
2100 København Ø
CVR-nr. 34209936

T (+45) 33 110 220

www.grantthornton.dk

Peter Justesen Holding A/S

Tuborg Boulevard 5, 2., 2900 Hellerup

Company reg. no. 33 77 42 57

Annual report

1 January - 31 December 2016

The annual report have been submitted and approved by the general meeting on the 26 May 2017.

Niels Jørgen Kornerup
Chairman of the meeting

Notes:
- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Contents

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 2016.

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 as on 31 December 2016, 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 2016.

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

Hellerup, 26 May 2017

Managing Director

Erik Justesen

Board of directors

Niels Jørgen 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 2016, 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 2016 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 2016 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.

Copenhagen, 26 May 2017

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

Claus Koskelin
State Authorised Public Accountant

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:	
	Financial year:	1 January - 31 December
Board of directors	Niels Jørgen Kornerup Erik Justesen Ole Justesen	
Managing Director	Erik Justesen	
Auditors	Grant Thornton, Statsautoriseret Revisionspartnerselskab Stockholmsgade 45 2100 København Ø	

Consolidated financial highlights

DKK in thousands.	2016	2015	2014	2013	2012
Profit and loss account:					
Net turnover	237.995	248.439	280.853	357.601	406.495
Gross profit	42.815	30.790	39.500	46.129	57.058
Results from operating activities	-2.320	-16.039	-9.154	-2.891	11.661
Net financials	-2.527	-2.374	-1.261	-965	-11.635
Results for the year	-4.735	-18.147	-8.015	-3.144	-2.199
Balance sheet:					
Balance sheet sum	65.660	80.204	92.361	111.432	128.522
Investments in tangible fixed assets represent	35	61	87	4.165	705
Equity	8.415	13.150	20.798	28.812	34.956
Employees:					
Average number of full time employees	63	66	0	0	0
Key figures in %:					
Gross margin	18,0	12,4	14,1	12,9	14,0
Solvency ratio	12,8	16,4	22,5	25,9	27,2
Return on equity	-43,9	-106,9	-32,3	-9,9	-6,3

*) The key figures have been laid out in accordance with the publication "Anbefalinger & Nøgletal 2015" ("Recommendations & Key Figures 2015") published by the CFA Society Denmark.

Accounting policies used

The annual report for Peter Justesen Holding A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

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

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.

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.

Newly acquired or newly established enterprises are recognised in the consolidated annual accounts as of the date of acquisition. Disposed or terminated enterprises are recognised in the consolidated annual accounts until the date of disposal. In relation to newly acquired, disposed or terminated enterprises, comparative figures are not adjusted.

In connection with the acquisition of new enterprises, the acquisition method is applied, by which the acquirees' identifiable assets and liabilities are measured at fair value at the time of acquisition. Costs for restructuring which are recognised in the acquiree before the acquisition date and which have not been agreed upon as part of the acquisition, are recognised in the pre-acquisition balance sheet and thereby forms part of the measurement of goodwill. Restructuring decided by the acquiree is recognised in the profit and loss account. The tax effect of the revaluations carried out is taken into consideration.

Positive balances (goodwill) between cost and fair value of the acquired, identifiable assets and liabilities, including provisions for restructuring, are recognised under intangible fixed assets and in accordance with an individual evaluation allocated on a systematic basis over their useful lives in the profit and loss account. Negative balances (negative goodwill) is recognised as income in the profit and loss account at the date of acquisition when the general requirements for recognition of income are met.

Goodwill and negative goodwill from acquirees may be adjusted until 12 months after the acquisition.

Gains or losses from the disposal or termination of group enterprises or associated enterprises are recognised as the difference between the sales price or the termination sum and the book value of the net assets at the sales date and expected costs of sale or termination.

Accounting policies used

In case of business combinations such as acquisition and sale of equity investments, mergers, demergers, addition of assets and exchange of shares etc. with participation of enterprises under the control of the parent company, the merger method is applied, in which case the merger is considered implemented on the first day of the financial year, and restatement of comparative figures is made.

The profit and loss account

Net turnover
The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection 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.

Costs concerning investment properties
Costs concerning investment properties comprise operation costs, repair and maintenance costs, taxes, charges and other costs. Costs concerning the heating accounts are recognised in the balance sheet as a balance among the lessees.

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.

Accounting policies used

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.

The Enitity is jointly taxed with all Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

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

Development costs comprise e.g. salaries, wages, and amortisation which directly and indirectly refer to the development activities.

Clearly defined and identifiable development projects 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 or 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.

Development costs recognised in the balance sheet are measured at cost with deduction of accrued depreciation and writedown.

After completion of the development work, capitalised development costs are amortised on a straight line basis over the estimated financial useful life. Usually, the amortisation period is 10 years.

Accounting policies used

Patents and licenses are measured at cost with deduction of accrued amortisation. Patents are amortised on a straight-line basis over the remaining patent period, and licenses are amortised over the contract period, however, for a maximum of 10 years.

Goodwill

Acquired goodwill is measured at cost with deduction of accumulated amortisation. As it is not possible to determine a reliable estimate of the useful life, the amortisation period is set at 10 years.

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown. Land is not depreciated.

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.

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

Other fixtures and fittings, 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 and indirect costs for materials, components, deliveries from subsuppliers, payroll costs, and borrowing costs form specific and general borrowing concerning the construction of each individual asset.

Leasing contracts

At the first recognition in the balance sheet, leasing contracts concerning tangible fixed assets by which the group holds all essential risks and advantages attached to the proprietary right (financial leasing) are measured either at fair value or at the present value of the future leasing services, whichever value is lower. When calculating the present value, the internal interest rate of the leasing contract or alternatively the borrowing rate of the enterprise is used as discount rate. Afterwards, financially leased assets are treated in the same way as other similar tangible assets.

The capitalised residual leasing liability is recognised in the balance sheet as a liability, and the interest part of the leasing contract is recognised in the profit and loss account over the term of the contract.

Accounting policies used

All other leasing contracts are considered operational leasing. Payments in connection with operational leasing and other rental agreements are recognised in the profit and loss account over the term of the contract. The group's total liabilities concerning operational leasing and rental agreements are recognised under contingencies etc.

Investment property

At the first recognition, investment property is measured at cost, comprising the cost of the property and directly attached costs, if any.

Hereafter, investment properties are measured individually at an estimated fair value. The properties are measured using a return-based model, by which the expected future cash flows for the next year along with a rate of return determined by an external assessor form the basis for the fair value of the properties. Compared to the latest financial year, the method of measurement used remains unchanged.

Costs which add new or improved qualities to an investment property compared to its condition at the time of acquisition and which thereby improves the future return on the property are added to the cost as an improvement. Costs which do not add new or improved qualities to an investment property are recognised in the profit and loss account in the item "Costs concerning investment property".

Like other material fixed assets, except from land, investment property has a limited life financial life. The impairment taking place concurrently with the aging of the investment property is reflected in the current measuring of the investment property at fair value.

Value adjustments are recognised in the profit and loss account in the item "Value adjustments of property".tekstm

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.

Other securities and equity investments

Securities and equity investments recognised under fixed assets comprise listed bonds and shares which are measured at fair value on the balance sheet date. Listed securities are measured at market price.

Other unlisted securities are measured at fair value. The measurement is made on the basis of a return-based cash flow model based on expected future net cash flow over a period of 5 years and a terminal period. Furthermore, the fair value is adjusted for net interest-bearing debt.
Other unlisted securities are measured at cost. Writedown takes place to the recoverable amount, if this value is lower than the book value.

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.

Accounting policies used

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.

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.

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 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.

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.

Accounting policies used

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.

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.

Accounting policies used

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 2016: DKK.
Amounts concerning 2015: DKK in thousands.

Note		Group 2016	Group 2015	Parent company 2016	Parent company 2015
	Net turnover	237.995.267	248.439	0	0
	Change in inventories of finished goods and work in progress	-7.964.258	-4.544	0	0
	Raw materials and consumables used	-169.015.120	-184.260	0	0
	Other external costs	-18.201.329	-28.845	-3.329	-102
	Gross results	**42.814.560**	**30.790**	**-3.329**	**-102**
2	Staff costs	-38.130.718	-39.066	0	0
	Depreciation, amortisation and writedown relating to tangible and intangible fixed assets	-7.004.261	-7.763	0	0
	Operating profit	**-2.320.419**	**-16.039**	**-3.329**	**-102**
	Income from equity investments in group enterprises	0	0	-4.845.094	-18.214
	Income from other equity investments, securities and debtors which are fixed assets	1.229	0	1.229	189
	Other financial income	9.956	168	0	0
	Other financial costs	-2.537.960	-2.542	0	0
	Results before tax	**-4.847.194**	**-18.413**	**-4.847.194**	**-18.127**
	Tax on ordinary results	112.000	266	112.000	-21
	Results for the year	**-4.735.194**	**-18.147**	**-4.735.194**	**-18.148**

Proposed distribution of the results:

	Parent company 2016	Parent company 2015
Allocated from results brought forward	-4.735.194	-18.148
Distribution in total	**-4.735.194**	**-18.148**

Balance sheet 31 December

Amounts concerning 2016: DKK.
Amounts concerning 2015: DKK in thousands.

Assets

Note		Group 2016	Group 2015	Parent company 2016	Parent company 2015
	Fixed assets				
	Completed development projects, including patents and similar rights arising from development projects	17.436.629	21.781	0	0
	Intangible fixed assets in total	17.436.629	21.781	0	0
	Production plant and machinery	1.890.807	2.347	0	0
	Other plants, operating assets, and fixtures and furniture	913.291	1.045	0	0
	Tangible fixed assets in total	2.804.098	3.392	0	0
3	Equity investments in group enterprises	0	0	8.472.638	13.317
	Financial fixed assets in total	0	0	8.472.638	13.317
	Fixed assets in total	**20.240.727**	**25.173**	**8.472.638**	**13.317**

Balance sheet 31 December

Amounts concerning 2016: DKK.
Amounts concerning 2015: DKK in thousands.

Assets

		Group		Parent company	
Note		2016	2015	2016	2015
	Current assets				
	Manufactured goods and trade goods	13.220.573	21.185	0	0
	Inventories in total	13.220.573	21.185	0	0
	Trade debtors	22.797.971	25.530	0	0
	Amounts owed by group enterprises	0	0	-30.497	1
	Other debtors	3.663.490	4.657	0	0
	Accrued income and deferred expenses	878.034	2.218	0	0
	Debtors in total	27.339.495	32.405	-30.497	1
	Available funds	4.858.706	1.441	3.627	4
	Current assets in total	**45.418.774**	**55.031**	**-26.870**	**5**
	Assets in total	**65.659.501**	**80.204**	**8.445.768**	**13.322**

Balance sheet 31 December

Amounts concerning 2016: DKK.
Amounts concerning 2015: DKK in thousands.

Equity and liabilities

Note		Group 2016	Group 2015	Parent company 2016	Parent company 2015
	Equity				
	Contributed capital	2.000.000	2.000	2.000.000	2.000
	Results brought forward	6.414.517	11.150	6.414.517	11.150
	Equity in total	**8.414.517**	**13.150**	**8.414.517**	**13.150**
	Liabilities				
	Bank debts	21.981.663	13.529	0	0
	Prepayments received from customers	1.436	1.069	0	0
	Trade creditors	27.315.197	44.150	31.251	106
	Corporate tax	0	66	0	66
	Other debts	7.946.688	8.240	0	0
	Short-term liabilities in total	57.244.984	67.054	31.251	172
	Liabilities in total	**57.244.984**	**67.054**	**31.251**	**172**
	Equity and liabilities in total	**65.659.501**	**80.204**	**8.445.768**	**13.322**

1 **The significant activities of the enterprise**
4 **Mortgage and securities**
5 **Contingencies**

Consolidated statement of changes in equity

All amounts in DKK.

	Contributed capital	Results brought forward	In total
Equity 1 January 2016	2.000.000	11.149.711	13.149.711
Profit or loss for the year brought forward	0	-4.735.194	-4.735.194
	2.000.000	**6.414.517**	**8.414.517**

Statement of changes in equity of the parent company

All amounts in DKK.

	Contributed capital	Results brought forward	In total
Equity 1 January 2016	2.000.000	11.149.711	13.149.711
Profit or loss for the year brought forward	0	-4.735.194	-4.735.194
	2.000.000	**6.414.517**	**8.414.517**

Cash flow statement 1 January - 31 December

Amounts concerning 2016: DKK.
Amounts concerning 2015: DKK in thousands.

Note		Group 2016	2015
	Results for the year	-4.735.194	-18.148
6	Adjustments	9.465.265	9.874
7	Change in working capital	-5.165.351	1.940
	Cash flow from operating activities before net financials	-435.280	-6.334
	Interest received and similar amounts	9.956	167
	Interest paid and similar amounts	-2.537.960	-2.541
	Cash flow from ordinary activities	-2.963.284	-8.708
	Corporate tax paid	46.000	0
	Cash flow from operating activities	**-2.917.284**	**-8.708**
	Purchase of intangible fixed assets	-2.082.326	-1.973
	Purchase of tangible fixed assets	-35.637	-61
	Sale of tangible fixed assets	0	183
	Cash flow from investment activities	**-2.117.963**	**-1.851**
	Cash capital increase	0	10.500
	Cash flow from financing activities	**0**	**10.500**
	Changes in available funds	**-5.035.247**	**-59**
	Available funds 1 January 2016	-12.087.710	-12.028
	Available funds 31 December 2016	**-17.122.957**	**-12.087**
	Available funds		
	Available funds	4.858.706	1.442
	Short-term bank debts	-21.981.663	-13.529
	Available funds 31 December 2016	**-17.122.957**	**-12.087**

Notes

Amounts concerning 2016: DKK.
Amounts concerning 2015: DKK in thousands.

1. The significant activities of the enterprise

The company serves as parent company for Peter Justesen Company A/S.

2. Staff costs

Salaries and wages	35.934.956	36.580
Pension costs	2.063.785	2.039
Other costs for social security	131.977	447
	38.130.718	**39.066**
Average number of employees	63	66

3. Equity investments in group enterprises

Acquisition sum, opening balance 1 January 2016	0	-1.973	12.331.462	12.331
Cost 31 December 2016	**0**	**-1.973**	**12.331.462**	**12.331**
Revaluations, opening balance 1 January 2016	0	-36.427	-18.213.730	-18.214
Results for the year before goodwill amortisation	0	0	-4.845.094	0
Capital increase	0	38.400	19.200.000	19.200
Revaluation 31 December 2016	**0**	**1.973**	**-3.858.824**	**986**
Book value 31 December 2016	**0**	**0**	**8.472.638**	**13.317**

Notes

Amounts concerning 2016: DKK.
Amounts concerning 2015: DKK in thousands.

4. Mortgage and securities

Outstanding account with bank (at 31 December 2015 at a carrying amount of t.kr. 21.981) is secured by way of company charge, cf. section 47 of the Danish Act on Registration. The company charge covers trade receivables, inventories as well as property, plant and equipment at a carrying amount of t.kr. 45.518 at 31 December 2016.

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 DKK 600k.

5. Contingencies

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.

The liability relating to obligations in connection with withholding tax on dividends, interest and royalties represents an estimated maximum of DKK 0 thousand.

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

Notes

Amounts concerning 2016: DKK.
Amounts concerning 2015: DKK in thousands.

6. Adjustments

Depreciation and amortisation	7.049.261	7.765
Income from equity investments in group enterprises	0	0
Other financial income	-9.956	-167
Other financial costs	2.537.960	2.542
Tax on ordinary results	-112.000	-266
	9.465.265	**9.874**

7. Change in working capital

Change in inventories	7.964.258	4.643
Change in debtors	5.066.179	697
Change in trade creditors and other liabilities	-18.195.788	-3.400
	-5.165.351	**1.940**