

Heinemann Scandinavia ApS

Vestvej 6, 2770 Kastrup

CVR no. 34 62 19 77

Annual report 2018

Approved at the Company's annual general meeting on 24 May 2019

Chairman:



Franziska Heinemann-Schulte





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Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of Heinemann Scandinavia ApS for the financial year 1 January - 31 December 2018.

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

In my opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 January - 31 December 2018.

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

It is proposed to the annual general meeting that the financial statements for 2019 should not be audited. I consider the criteria for omission of audit for 2019 to be met.

I recommend that the annual report be approved at the annual general meeting.

Kastrup, 24 May 2019
Executive Board:



Franziska Heinemann-
Schulte

The general meeting has decided that the financial statements for the coming financial year will not be audited.

Independent auditor's report

To the shareholder of Heinemann Scandinavia ApS

Opinion

We have audited the financial statements of Heinemann Scandinavia ApS for the financial year 1 January - 31 December 2018, which comprise 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.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 January - 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 (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

Management's responsibilities for the financial statements

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

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive 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 for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

Independent auditor's report

- ▶ Obtain an understanding of 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 Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on 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 financial statements 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 Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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 internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Copenhagen, 24 May 2019
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Jan C. Olsen
State Authorised Public Accountant
mne33717



Management's review

Company details

Name	Heinemann Scandinavia ApS
Address, Postal code, City	Vestvej 6, 2770 Kastrup
CVR no.	34 62 19 77
Registered office	Tårnby
Financial year	1 January - 31 December
Executive Board	Franziska Heinemann-Schulte
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvold Helmut's Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark
Bankers	Danske Bank



Management's review

Business review

The Company's activity is to sell goods on board ferries operating from/in Denmark.

Financial review

The income statement for 2018 shows a loss of DKK 19,456 against a loss of DKK 744,167 last year, and the balance sheet at 31 December 2018 shows equity of DKK 6,226,871. Management consider the company's financial performance in line with expectations. The company is dormant after having sold its activity in 2016.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.



Financial statements 1 January - 31 December

Income statement

Note	DKK	2018	2017
	Gross margin	-215,210	-241,618
2	Staff costs	0	0
	Profit/loss before net financials	-215,210	-241,618
	Financial income	385,523	76,299
	Financial expenses	-197,619	-781,594
	Profit/loss before tax	-27,306	-946,913
3	Tax for the year	7,850	202,746
	Profit/loss for the year	-19,456	-744,167
	Recommended appropriation of profit/loss	-19,456	-744,167
	Retained earnings/accumulated loss	-19,456	-744,167



Financial statements 1 January - 31 December

Balance sheet

Note	DKK	<u>2018</u>	<u>2017</u>
	ASSETS		
	Non-fixed assets		
	Receivables		
	Income taxes receivable	7,850	0
	Other receivables	<u>15,375</u>	<u>4,766,382</u>
		<u>23,225</u>	<u>4,766,382</u>
	Cash	<u>6,565,019</u>	<u>3,422,229</u>
	Total non-fixed assets	<u>6,588,244</u>	<u>8,188,611</u>
	TOTAL ASSETS	<u><u>6,588,244</u></u>	<u><u>8,188,611</u></u>



Financial statements 1 January - 31 December

Balance sheet

Note	DKK	<u>2018</u>	<u>2017</u>
	EQUITY AND LIABILITIES		
	Equity		
4	Share capital	80,000	80,000
	Retained earnings	<u>6,146,871</u>	<u>6,166,327</u>
	Total equity	<u>6,226,871</u>	<u>6,246,327</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Payables to group entities	281,374	1,570,915
	Income taxes payable	0	281,373
	Other payables	<u>79,999</u>	<u>89,996</u>
		<u>361,373</u>	<u>1,942,284</u>
	Total liabilities other than provisions	<u>361,373</u>	<u>1,942,284</u>
	TOTAL EQUITY AND LIABILITIES	<u>6,588,244</u>	<u>8,188,611</u>

- 1 Accounting policies
- 5 Contractual obligations and contingencies, etc.
- 6 Collateral
- 7 Related parties



Financial statements 1 January - 31 December

Statement of changes in equity

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2018	80,000	6,166,327	6,246,327
Transfer through appropriation of loss	0	-19,456	-19,456
Equity at 31 December 2018	<u>80,000</u>	<u>6,146,871</u>	<u>6,226,871</u>

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Heinemann Scandinavia ApS for 2018 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Foreign currency positions at year-end are evaluated at closing rate. Foreign exchange differences are recognised in the income statement.

Income statement

Gross margin

The items revenue, other operating income and external expenses have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

Other external expenses

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

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed companies entitled to a tax refund are, as a minimum, reimbursed by the management company according to the current rates applicable to interest allowances, and jointly taxed companies having paid too little tax pay, as a maximum, a surcharge according to the current rates applicable to interest surcharges to the management company.

Balance sheet

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value less write-down for bad and doubtful debts.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base 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. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Other liabilities are measured at net realisable value.

Financial statements 1 January - 31 December

Notes to the financial statements

2 Staff costs

The Company has no employees.

DKK	<u>2018</u>	<u>2017</u>
3 Tax for the year		
Estimated tax charge for the year	-7,850	-211,192
Deferred tax adjustments in the year	<u>0</u>	<u>8,446</u>
	<u>-7,850</u>	<u>-202,746</u>

4 Share capital

The Company's share capital has remained DKK 80,000 in the past 5 years

5 Contractual obligations and contingencies, etc.

Other contingent liabilities

The Company is jointly taxed with Gebr. Heinemann Retail ApS, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2013 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 5 July 2012.

6 Collateral

The Company has not placed any assets as security for loans at 31 December 2018.

7 Related parties

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
Gebr. Heinemann SE & Co. KG	Koreastrasse 3, Hamburg, Germany	+4940301020