

# BERING

inspired by arctic beauty

## **BERING Group ApS**

Skrænten 34, 6200 Aabenraa

CVR no. 35 38 82 65

Annual report 2017

Approved at the Company's annual general meeting on 20 April 2018

Chairman:



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Lars Gram Skjønnemann

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## Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of BERING Group ApS for the financial year 1 January - 31 December 2017.

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

In my opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Company at 31 December 2017 and of the results of the Group's and the Company's operations and of the consolidated cash flows for the financial year 1 January - 31 December 2017.

Further, in my opinion, the Management's review gives a fair review of the development in the Group's and the Company's operations and financial matters and the results of the Group's and the Company's operations and financial position.

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

Aabenraa, 20 April 2018  
Executive Board:



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Lars Gram Skjønnemann

## Independent auditor's report

To the shareholders of BERING Group ApS

### Opinion

We have audited the consolidated financial statements and the parent company financial statements of BERING Group ApS for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2017, and of the results of the Group's and Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2017 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 consolidated financial statements and the parent Company financial statements" (hereinafter collectively referred to as "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 Group 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 consolidated financial statements and parent company 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 Group's and the Parent 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 Group or the Parent 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:

## Independent auditor's report

- ▶ 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.
- ▶ 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 Group's and the Parent 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 Group's and the Parent 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 Group and the Parent 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.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. 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 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 Statements Act. We did not identify any material misstatement of the Management's review.

Aabenraa, 20 April 2018  
ERNST & YOUNG  
Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

  
Jon Midtgaard  
State Authorised Public Accountant  
MNE no.: mne28657

## Management's review

### Company details

Name	BERING Group ApS
Address, Postal code, City	Skrænten 34, 6200 Aabenraa
CVR no.	35 38 82 65
Established	1 June 2013
Registered office	Aabenraa
Financial year	1 January - 31 December
Website	<a href="http://www.beringtime.com">www.beringtime.com</a>
E-mail	<a href="mailto:info@beringtime.com">info@beringtime.com</a>
Telephone	+45 86 16 90 90
Executive Board	Lars Gram Skjønnemann
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Skibbroen 16, 6200 Aabenraa, Denmark
Bankers	Sydbank A/S

## Management's review

### Financial highlights for the Group

DKK'000	2017	2016	2015	2014	2013
<b>Key figures</b>					
Revenue	347,095	319,550	291,365	251,931	201,765
Gross margin	82,263	57,244	48,434	33,155	23,115
Operating profit/loss	47,093	34,230	17,132	11,228	4,018
Net financials	-9,804	-5,094	-1,839	-2,182	-2,353
<b>Profit/loss for the year</b>	<b>28,025</b>	<b>22,840</b>	<b>11,130</b>	<b>6,749</b>	<b>1,449</b>
<b>Total assets</b>					
<b>Equity</b>	<b>224,607</b>	<b>215,281</b>	<b>184,378</b>	<b>177,190</b>	<b>147,670</b>
<b>Cash flows</b>					
Cash flows from operating activities	13,091	1,105	14,289	-47,020	-26,495
Net cash flows from investing activities	16	729	-1,669	-7,030	-6,644
Investment in property, plant and equipment	-74	-260	-2,475	6,419	5,053
<b>Financial ratios</b>					
Operating margin	13.6%	10.7%	5.9%	4.5 %	2.0 %
Gross margin	23.7%	17.9%	16.6%	13.2%	11.5%
Solvency ratio	35.7%	25.4%	15.8%	11.0%	8.1%
Return on equity	41.6%	54.6%	45.9%	43.0%	12.8%
<b>Average number of employees</b>					
	<b>82</b>	<b>40</b>	<b>34</b>	<b>33</b>	<b>35</b>

BERING Group ApS was established on 17 June 2013 in accordance with the uniting-of-interests method with effect from 1 January 2013.

Financial ratios are calculated in accordance with the recommendations of the Danish Finance Society.

## Management's review

### Business review

The BERING Group is a design enterprise whose activities comprise the sale of wrist watches and jewelry.

The Group is engaged in sale almost all over the world, both directly and via agents and distributors. Today, the Group has companies in Denmark, Germany, Sweden, the UK, the Netherlands, the USA and Hong Kong.

The BERING Group presents a series of watches and jewellery that blend minimalistic Danish design and optimal material strength. HighTech ceramic and sapphire glass make the watches extremely tough and uniquely resistant. Time leaves no trace on the streamlined forms and pure elegance of the watches. A brand that redefines time with its love for detail.

The parent company, BERING Group ApS' objective is to hold shares in subsidiaries, own intellectual property rights, exercise management and support functions for subsidiaries, make investments and related activities.

### Financial review

In 2017, the group's revenue amounted to DKK 347,095 thousand against DKK 319,550 thousand last year. The income statement for 2017 shows a profit of DKK 28,025 thousand against a profit of DKK 22,840 thousand last year, and the group's balance sheet at 31 December 2017 shows equity of DKK 80,254 thousand.

The Group has been subject to a high growth rate underlined by the fact that the product line has been given a very positive reception in a number of new markets. However, the Group is mainly occupied with the fact that sales to existing markets are increasing and thus, BERING continues to gain market shares. This is taken precedence over new markets.

The results in 2017 are considered satisfactory and in line with expectations.

### Knowledge resources

The employees are considered to possess solid market knowledge and professional qualifications within the individual fields of activity. However, the Group does not carry out research and development activities.

### Special risks

Due to its activities, the Group is exposed to a number of risks. The Group actively strives to reduce these risks to acceptable levels, see below.

#### *Credit risks:*

Based on a specific credit rating, the Group grants credit to selected customers. It is group policy to have tight control of the credit risk, by applying e.g. a credit max. at customer level.

#### *Foreign currency risks:*

The Group's foreign currency risks primarily relate to purchases from the Far East. Profit and equity are thus affected by the exchange rate movements for a number of currencies, primarily USD. The Group relies on forward contracts to reduce commercial currency risks, primarily in relation to the hedging of purchases.

No agreements on speculative financial instruments are made.

#### *Interest rate risks:*

Moderate changes to the interest level are not deemed to have any material effect on earnings. Thus, financial contracts are not concluded to hedge interest rate risks.

### Impact on the external environment

The Group is not considered to have any major impact on the environment, as the Group does not have its own production facilities.



## Management's review

### Statutory CSR report

The Group does not have any policies for CSR and, accordingly, does not account for CSR inaccordance with section 99a of the Danish Financial Statements Act. Thus, the Group does not have policies for human rights, environment and climate.

### Account of the gender composition of Management

BERING Group believes that diversity among its employees, including an even distribution of genders, has a positive impact on the working environment and strengthens the Group's performance and competitiveness.

The Group's Board of Directors consist of only one member, why no goals for diversity at the Board of Directors have been defined. At present, this member is a man. No changes were made to the composition of the Board of Directors during the 2017 financial year.

### *Other management levels*

The BERING Group seeks to create a good and versatile workplace that promotes equal career opportunities for both women and men. It is the Group's goal to achieve a balanced composition of gender in other management levels. To achieve this goal the Group aims to have at least one representative of each sex among the candidates for vacancies at the Group's other management levels. Other management positions comprise the middle managers and department managers, a total of 12 persons within the BERING Group. Of these 12 persons, 4 are women and 8 are men.

### Events after the balance sheet date

No significant events have occurred after the balance sheet date which materially affect the Group's financial position.

### Outlook

The potential for BERING watches and jewellery is deemed to be huge, both on existing and new markets.

Increased revenue and improved results are expected for the 2018 financial year.

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Income statement

Note	DKK'000	Group		Parent company	
		2017	2016	2017	2016
2	<b>Revenue</b>	347,095	319,550	72,367	200,296
	Cost of sales	-201,435	-186,633	-30,955	-167,901
	Other external expenses	-63,397	-75,673	-7,004	-9,913
	<b>Gross margin</b>	<b>82,263</b>	<b>57,244</b>	<b>34,408</b>	<b>22,482</b>
3	Staff costs	-34,647	-22,159	-1,399	0
	Amortisation/ depreciation and impairment losses	-476	-855	-112	-112
	Other operating expenses	-47	0	0	0
	<b>Profit before net financials</b>	<b>47,093</b>	<b>34,230</b>	<b>32,897</b>	<b>22,370</b>
	Income from investments in group entities	0	0	4,157	5,320
	Income from investments in associates	-6	1	-6	1
4	Financial income	153	1,140	5,263	3,704
5	Financial expenses	-9,957	-6,234	-7,440	-3,667
	<b>Profit before tax</b>	<b>37,283</b>	<b>29,137</b>	<b>34,871</b>	<b>27,728</b>
6	Tax for the year	-9,258	-6,297	-6,798	-4,886
	<b>Profit for the year</b>	<b>28,025</b>	<b>22,840</b>	<b>28,073</b>	<b>22,842</b>
	Specification of the Group's results of operations:				
	Shareholders in BERING Group ApS	28,073	22,842		
	Non-controlling interests	-48	-2		
		<b>28,025</b>	<b>22,840</b>		

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	Group		Parent company	
		2017	2016	2017	2016
		<b>ASSETS</b>			
		<b>Fixed assets</b>			
7	<b>Intangible assets</b>				
	Patents and licences	679	790	679	790
	Goodwill	629	752	0	0
		<u>1,308</u>	<u>1,542</u>	<u>679</u>	<u>790</u>
8	<b>Property, plant and equipment</b>				
	Other fixtures and fittings, tools and equipment	1,027	1,385	0	0
		<u>1,027</u>	<u>1,385</u>	<u>0</u>	<u>0</u>
9	<b>Investments</b>				
	Investments in group entities	0	0	37,693	32,829
	Investments in associates	472	478	472	478
	Other receivables	819	800	0	0
		<u>1,291</u>	<u>1,278</u>	<u>38,165</u>	<u>33,307</u>
	<b>Total fixed assets</b>	<u>3,626</u>	<u>4,205</u>	<u>38,844</u>	<u>34,097</u>
	<b>Non-fixed assets</b>				
	<b>Inventories</b>				
	Finished goods and goods for resale	128,183	115,326	0	30,416
	Prepayments for goods	1,139	3,181	0	3,181
		<u>129,322</u>	<u>118,507</u>	<u>0</u>	<u>33,597</u>
	<b>Receivables</b>				
	Trade receivables	64,443	72,045	0	94
	Receivables from group entities	0	0	150,230	120,119
	Receivables from associates	64	1	0	0
12	Deferred tax assets	568	1,325	0	0
	Income taxes receivable	1,444	0	1,444	0
	Other receivables	4,751	8,706	131	3,157
	Prepayments	1,518	2,632	0	0
		<u>72,788</u>	<u>84,709</u>	<u>151,805</u>	<u>123,370</u>
	<b>Cash</b>	<u>18,871</u>	<u>7,860</u>	<u>931</u>	<u>0</u>
	<b>Total non-fixed assets</b>	<u>220,981</u>	<u>211,076</u>	<u>152,736</u>	<u>156,967</u>
	<b>TOTAL ASSETS</b>	<u>224,607</u>	<u>215,281</u>	<u>191,580</u>	<u>191,064</u>

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	Group		Parent company	
		2017	2016	2017	2016
		<b>EQUITY AND LIABILITIES</b>			
		<b>Equity</b>			
10	Share capital	501	501	501	501
	Net revaluation reserve according to the equity method	0	0	26,097	18,078
	Retained earnings	79,795	54,076	53,698	35,998
	<b>Shareholder in BERING Group ApS' share of equity</b>	80,296	54,577	80,296	54,577
	Non-controlling interests	-42	1	0	0
	<b>Total equity</b>	80,254	54,578	80,296	54,577
	<b>Provisions</b>				
12	Deferred tax	615	368	44	34
	Warranty commitments	708	0	708	0
9	Provision, investments in group entities	0	0	3,605	3,165
	<b>Total provisions</b>	1,323	368	4,357	3,199
	<b>Liabilities other than provisions</b>				
11	<b>Non-current liabilities other than provisions</b>				
	Payables to shareholders	34,894	0	34,894	0
		34,894	0	34,894	0
	<b>Current liabilities other than provisions</b>				
11	Current portion of long-term liabilities	0	36,046	0	36,046
	Bank debt	27,315	15,652	9,928	12,029
	Trade payables	12,096	23,845	36	15,822
	Payables to associates	61,920	74,464	60,673	64,011
	Income taxes payable	0	5,075	0	5,075
	Payables to shareholders and management	0	13	0	0
	Other payables	6,763	5,240	1,396	305
	Deferred income	42	0	0	0
		108,136	160,335	72,033	133,288
	<b>Total liabilities other than provisions</b>	143,030	160,335	106,927	133,288
	<b>TOTAL EQUITY AND LIABILITIES</b>	224,607	215,281	191,580	191,064

- 1 Accounting policies
- 13 Contractual obligations and contingencies, etc.
- 14 Collateral
- 15 Currency risks
- 16 Related parties
- 17 Fee to the auditors appointed by the Company in general meeting

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Statement of changes in equity

		Group				
Note	DKK'000	Share capital	Retained earnings	Total	Non-controlling interests	Total equity
	Equity at 1 January 2017	501	54,076	54,577	1	54,578
	Additions	0	0	0	5	5
	Transfer through appropriation of profit	0	28,073	28,073	-48	28,025
	Exchange adjustment, foreign subsidiary	0	263	263	0	263
	Other value adjustments of equity	0	-2,617	-2,617	0	-2,617
	<b>Equity at 31 December 2017</b>	<b>501</b>	<b>79,795</b>	<b>80,296</b>	<b>-42</b>	<b>80,254</b>

		Parent company			
Note	DKK'000	Share capital	Net revaluation reserve according to the equity method	Retained earnings	Total
	Equity at 1 January 2017	501	18,078	35,998	54,577
18	Transfer, see "Appropriation of profit"	0	8,019	20,054	28,073
	Exchange adjustment, foreign subsidiary	0	0	263	263
	Other value adjustments of equity	0	0	-2,617	-2,617
	<b>Equity at 31 December 2017</b>	<b>501</b>	<b>26,097</b>	<b>53,698</b>	<b>80,296</b>

Exchange adjustments recognised under equity relate to foreign currency adjustment of financial statements of foreign subsidiaries into Danish kroner.

Other value adjustments of equity relate to adjustment in fair value of derivative financial instruments to hedge future assets and liabilities.

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Cash flow statement

Note	DKK'000	Group	
		2017	2016
	Profit for the year	28,025	22,840
19	Adjustments	7,438	5,430
	Cash generated from operations (operating activities)	35,463	28,270
20	Changes in working capital	-8,307	-23,596
	Cash generated from operations (operating activities)	27,156	4,674
	Income taxes paid	-14,773	-3,569
	Other cash flows from operating activities	708	0
	<b>Cash flows from operating activities</b>	<b>13,091</b>	<b>1,105</b>
	Disposals of intangible assets	0	3
	Additions of property, plant and equipment	-74	-260
	Disposals of property, plant and equipment	90	986
	<b>Cash flows to investing activities</b>	<b>16</b>	<b>729</b>
	Proceeds of long-term liabilities	-1,152	283
	Proceeds of debt, associates	-12,607	8,675
	<b>Cash flows from financing activities</b>	<b>-13,759</b>	<b>8,958</b>
	<b>Net cash flow</b>	<b>-652</b>	<b>10,792</b>
	Cash and cash equivalents at 1 January	-7,792	-18,584
21	Cash and cash equivalents at 31 December	-8,444	-7,792

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of BERING Group ApS for 2017 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large 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'000).

#### Consolidated financial statements

The consolidated financial statements comprise the Parent Company and subsidiaries controlled by the Parent Company.

Control means a parent company's power to direct a subsidiary's financial and operating policy decisions. Besides the above power, the parent company should also be able to yield a return from its investment.

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity's financial and operating decisions.

Entities over whose financial and operating policy decisions the group exercises significant influence are classified as associates. Significant influence is assumed to exist if the Parent Company directly or indirectly holds or controls 20% or more of the voting power of the investee, but does not control the investee.

The existence of potential voting rights which may presently be exercised or be converted into additional voting rights is considered when assessing if significant influence exists.

The consolidated financial statements are prepared as a consolidation of the parent company's and the individual subsidiaries' financial statements, which are prepared according to the group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains if they do not reflect impairment.

In the consolidated financial statements, the accounting items of subsidiaries are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries which are not wholly-owned are included in the group's profit/loss and equity, respectively, but are disclosed separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognised directly in equity as a transaction between shareholders.

Investments in associates are recognised in the consolidated financial statements using the equity method.

#### Non-controlling interests

On initial recognition, non-controlling interests are measured at the fair value of the non-controlling interests' equity interest or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

In the former scenario, goodwill relating to the non-controlling interests' share of the acquiree is thus recognised, whereas, in the latter scenario, goodwill relating to the non-controlling interests' share is not recognised. The measurement scenario is decided transaction by transaction.

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### External business combinations

Recently acquired entities are recognised in the consolidated financial statements from the date of acquisition. Entities sold or otherwise disposed of are recognised up to the date of disposal. Comparative figures are not restated to reflect newly acquired entities. Discontinued operations are presented separately, see below.

The date of acquisition is the date when the group actually obtains control of the acquiree.

The acquisition method is applied to the acquisition of new entities of which the group obtains control. The acquirees' identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax related to the revaluations is recognised.

Positive differences (goodwill) between, on the one hand, the consideration for the acquiree, the value of non-controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill under "Intangible assets". Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of the economic life of the asset.

Negative differences (negative goodwill) are recognised in the income statement at the date of acquisition.

Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a functional currency different from the presentation currency used in the consolidated financial statements are accounted for as assets and liabilities belonging to the foreign entity and are, on initial recognition, translated into the foreign entity's functional currency using the exchange rate at the transaction date.

The consideration paid for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the consideration is contingent on future events or compliance with agreed terms, such part of the consideration is recognised at fair value at the date of acquisition. Subsequent adjustments of contingent considerations are recognised in the income statement.

Expenses incurred to acquire entities are recognised in the income statement in the year in which they are incurred.

Where, at the date of acquisition, the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the consideration is associated with uncertainty, initial recognition will take place on the basis of provisional amounts. If it turns out subsequently that the identification or measurement of the consideration transferred, acquired assets, liabilities or contingent liabilities was incorrect on initial recognition, the statement will be adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Hereafter, any adjustments are recognised as misstatements.

Gains or losses from disposal of subsidiaries which result in loss of control are calculated as the difference between, on the one hand, the fair value of the selling price less selling expenses and, on the other hand, the carrying amount of net assets.

##### Foreign currency translation

Transactions denominated in foreign currencies are translated to Danish Kroner at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.



## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

Receivables and payables and other monetary items denominated in foreign currencies are translated to Danish Kroner at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

#### *Foreign group entities*

Foreign subsidiaries and associates are considered separate enterprises. Items in such enterprises' income statements are translated at the average exchange rates, and their balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of the opening equity of such enterprises at the exchange rates at the balance sheet date and on translation of the income statements from the average exchange rates at the transaction date to closing are recognised in the equity.

#### **Derivative financial instruments**

On initial recognition, derivative financial instruments are recognised at cost in the balance sheet and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in "Other receivables" and "Other payables", respectively.

Fair value adjustments of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognised asset or liability are recognised in the income statement along with changes in the fair value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of future assets or liabilities are recognised in other receivables or other payables and in equity. If the hedged forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the hedged forecast transaction results in income or expenses, amounts previously deferred in equity are transferred to the income statement in the period in which the hedged item affects the profit/loss for the year.

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Income statement

###### Revenue

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

The date of transition of the principal advantages and risks is based on standardised delivery terms on the basis of Incoterms® 2010.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

###### Other operating expenses

Other operating income and operating expenses comprise items of a secondary nature relative to the entity's core activities, including gains or losses on the sale of fixed assets.

###### Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

###### Other external expenses

Other external expenses include the year's expenses relating to the Group and the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

###### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Group and the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

###### Amortisation/depreciation

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

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

Patents and licences	10 years
Goodwill	10 years

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

Other fixtures and fittings, tools and equipment	2-5 years
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## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Income from investments in subsidiaries and associates

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries and associates are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries. Only proportionate elimination of intra-group gains/losses is made for equity investments in associates.

Shares of profit/loss after tax in associates are recognised in the consolidated income statement after elimination of a proportionate share of unrealised intra-group gains/losses.

##### 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.

##### Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

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

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Balance sheet

###### Intangible assets

Goodwill is measured at cost less accumulated amortisation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Patents and licences are measured at cost less accumulated amortisation and impairment losses.

###### Property, plant and equipment

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

###### Investments in subsidiaries and associates

Equity investments in subsidiaries and associates are measured according to the equity method.

On initial recognition, equity investments in subsidiaries and associates are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in subsidiaries and associates measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

###### Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

###### Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

#### Receivables

Receivables are measured at amortised cost.

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

Receivables with no objective indication of individual impairment are tested for objective indication of impairment on a portfolio basis. The objective indicators used for portfolios are determined based on historical loss experience.

Investments - Other receivables includes subordinated loan, where creditor has indicated willingness to step back in favor of other creditors.

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

#### Prepayments

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

#### Cash

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

#### Equity

##### *Reserve for net revaluation according to the equity method*

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

##### *Proposed dividends*

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

#### Provisions

Provisions comprise expected expenses relating to litigations/disputes raised against the Group and the Company. Provisions are recognised when the Company has a legal or constructive obligation as a result of a past event at the balance sheet date and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

Warranty commitments include expenses for remedial action in respect of the sales of watches and jewelry within the warranty period of 3 years. Provisions for warranty commitments are measured at net realisable value and recognised based on past experience. Provisions that are expected to mature more than one year after the balance sheet date are discounted at average bond yields.

#### 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

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

#### Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Cash flow statement

The cash flow statement shows the Group's net cash flows, broken down by operating, investing and financing activities, the year's changes in cash and cash equivalents and the entity's cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Cash and cash equivalents comprise cash, short term bank loans and short term securities which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

##### Segment information

The allocation of revenue to activities and geographical markets is disclosed where these activities and markets differ significantly in the organisation of sales of goods and services.

##### Financial ratios

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines on the calculation of financial ratios.

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating margin	$\frac{\text{Operating profit} \times 100}{\text{Revenue}}$
Gross margin ratio	$\frac{\text{Gross margin} \times 100}{\text{Revenue}}$
Equity ratio	$\frac{\text{Equity excl. non-controlling interests, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss for the year excl. non-controlling interests} \times 100}{\text{Average equity excl. non-controlling interests}}$

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

DKK'000	Group		Parent company	
	2017	2016	2017	2016
<b>2 Segment information</b>				
Watches	293,607	260,057	29,649	142,186
Jewelry	37,134	45,744	3,750	25,010
Other	16,354	13,749	38,968	33,100
	<u>347,095</u>	<u>319,550</u>	<u>72,367</u>	<u>200,296</u>
<b>Breakdown of revenue by geographical segment:</b>				
America	31,977	31,359	0	0
Europe	224,421	237,471	72,367	200,296
Asia & other	90,697	50,720	0	0
	<u>347,095</u>	<u>319,550</u>	<u>72,367</u>	<u>200,296</u>
<b>3 Staff costs</b>				
Wages/salaries	27,836	19,943	1,186	0
Pensions	553	1,213	195	0
Other social security costs	3,173	742	18	0
Other staff costs	3,085	261	0	0
	<u>34,647</u>	<u>22,159</u>	<u>1,399</u>	<u>0</u>
<b>Average number of full-time employees</b>				
	<u>82</u>	<u>40</u>	<u>2</u>	<u>0</u>
<b>Group</b>				
By reference to section 98b(3), (ii), of the Danish Financial Statements Act, remuneration to the group Management is not disclosed.				
<b>4 Financial income</b>				
Interest receivable, group entities	0	0	5,263	2,713
Interest receivable, associates	62	97	0	0
Other interest income	91	50	0	0
Exchange gain	0	774	0	772
Other financial income	0	219	0	219
	<u>153</u>	<u>1,140</u>	<u>5,263</u>	<u>3,704</u>



## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

DKK'000	Group		Parent company	
	2017	2016	2017	2016
<b>5 Financial expenses</b>				
Interest expenses, associates	3,793	3,642	3,690	3,208
Other interest expenses	819	722	383	435
Exchange adjustments	5,201	1,807	3,223	0
Other financial expenses	144	63	144	24
	<u>9,957</u>	<u>6,234</u>	<u>7,440</u>	<u>3,667</u>
<b>6 Tax for the year</b>				
Estimated tax charge for the year	8,871	5,341	6,787	4,876
Deferred tax adjustments in the year	387	956	11	10
	<u>9,258</u>	<u>6,297</u>	<u>6,798</u>	<u>4,886</u>

### 7 Intangible assets

DKK'000	Group		
	Patents and licences	Goodwill	Total
Cost at 1 January 2017	1,116	1,233	2,349
Cost at 31 December 2017	1,116	1,233	2,349
Impairment losses and amortisation at 1 January 2017	326	481	807
Depreciation in the year	111	123	234
Impairment losses and amortisation at 31 December 2017	437	604	1,041
<b>Carrying amount at 31 December 2017</b>	<u>679</u>	<u>629</u>	<u>1,308</u>

  

DKK'000	Parent company
	Patents and licences
Cost at 1 January 2017	1,116
Cost at 31 December 2017	1,116
Impairment losses and amortisation at 1 January 2017	326
Depreciation in the year	111
Impairment losses and amortisation at 31 December 2017	437
<b>Carrying amount at 31 December 2017</b>	<u>679</u>

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 8 Property, plant and equipment

	Group
	Other fixtures and fittings, tools and equipment
DKK'000	
Cost at 1 January 2017	2,744
Exchange adjustment	-93
Additions in the year	74
Disposals in the year	-269
Cost at 31 December 2017	2,456
Impairment losses and depreciation at 1 January 2017	1,359
Exchange adjustment	-39
Depreciation in the year	241
Reversal of amortisation/depreciation and impairment of disposals	-132
Impairment losses and depreciation at 31 December 2017	1,429
<b>Carrying amount at 31 December 2017</b>	<b>1,027</b>

#### 9 Investments

	Group		
	Investments in associates	Other receivables	Total
DKK'000			
Cost at 1 January 2017	515	800	1,315
Additions	0	19	19
Cost at 31 December 2017	515	819	1,334
Value adjustments at 1 January 2017	-37	0	-37
Share of the profit/loss for the year	-6	0	-6
Value adjustments at 31 December 2017	-43	0	-43
<b>Carrying amount at 31 December 2017</b>	<b>472</b>	<b>819</b>	<b>1,291</b>

Group			
Name	Legal form	Domicile	Interest
<b>Subsidiaries</b>			
BERING Time	ApS	Aabenraa	100.00%
BERING Time	Ltd	Hong Kong	100.00%
BERING Time	Inc	USA	100.00%
BERING Time	AB	Sweden	100.00%
BERING Time	Limited	United Kingdom	100.00%
ARENA Copenhagen	ApS	Aabenraa	100.00%
Polarboutique	GmbH	Germany	100.00%
Polarlounge	GmbH	Germany	100.00%
BERING Time Maastrich	BV	Netherlands	51.00%
Polarzeit	GmbH	Germany	100.00%
BERING Time Utrecht	BV	Netherlands	51.00%
<b>Associates</b>			
LMT Aabenraa	ApS	Aabenraa	19.00%

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 9 Investments (continued)

DKK'000	Parent company		
	Investments in group entities	Investments in associates	Total
Cost at 1 January 2017	11,549	515	12,064
Additions in the year	4	0	4
Cost at 31 December 2017	11,553	515	12,068
Value adjustments at 1 January 2017	21,280	-37	21,243
Exchange adjustment	263	0	263
Share of the profit/loss for the year	4,280	-6	4,274
Depreciation, goodwill	-123	0	-123
Investments with negative equity value transferred to provisions	440	0	440
Value adjustments at 31 December 2017	26,140	-43	26,097
<b>Carrying amount at 31 December 2017</b>	<b>37,693</b>	<b>472</b>	<b>38,165</b>

Bering Time Limited has taken advantage of exemption from audit under section 479a of the Companies Act 2006.

The carrying amount of group entities comprises a share of the entities' net asset value, DKK 34,047 thousand, goodwill at a carrying amount of DKK 629 thousand and less elimination of intra-group gains of DKK 588 thousand.

Of the total carrying amount, negative net assets in group entities, DKK 3,605 thousand have been recognised under provisions.

DKK'000	Parent company	
	2017	2016
<b>10 Share capital</b>		
Analysis of the share capital:		
501,000 shares of DKK 1.00 nominal value each	501	501
	501	501

No shares have special rights. The Company owns none of its own shares.

The Parent's share capital has remained DKK 501 thousand since the foundation.

#### 11 Non-current liabilities other than provisions

DKK'000	Parent company			
	Total debt at 31/12 2017	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Payables to shareholders	34,894	0	34,894	0
	34,894	0	34,894	0

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 12 Deferred tax

Analysis of the deferred tax

DKK'000	Group		Parent company	
	2017	2016	2017	2016
Deferred tax assets	-568	-1,325	0	0
Deferred tax liabilities	615	368	44	34
	47	-957	44	34

#### Group

Provision relating to deferred tax includes deferred tax regarding intangible assets, property, plant and equipment as well as current liabilities. It is expected that DKK 0 thousand of the deferred tax recognised at 31 December 2017 is realised as current tax in 2018.

#### Parent company

Provision relating to deferred tax includes deferred tax regarding intangible assets. It is expected that DKK 0 thousand of the deferred tax recognised at 31 December 2017 is realised as current tax in 2018.

#### 13 Contractual obligations and contingencies, etc.

##### Other financial obligations

#### Group

The Group has entered into rent agreements with terms of notice up to 6 years and 8 months. The total residual rent liability amounts to DKK 6,083 thousand.

The Group has entered into lease agreements with a residual liability of DKK 273 thousand.

#### Parent company

As management company, the Company is jointly taxed with other Danish group entities. The Company is jointly and severally with other jointly taxed group entities for payment of income taxes and withholding taxes in the group of jointly taxed entities.

#### 14 Collateral

#### Group

As security for the group's debt to credit institutions, DKK 27.0 million, the group has placed security in inventories, property, plant and equipment, trade receivables and intangible assets, worth a total of DKK 62.5 million.

#### Parent company

As security for the company's debt to credit institutions, DKK 9.9 million, the company has placed security in inventories, property, plant and equipment, receivables and intangible assets, worth a total of DKK 26.0 million.

BERING Group ApS has placed security toward subsidiaries bank amounting to DKK 0,6 million.

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 15 Currency risks

##### Forecast transactions

The Group uses forward exchange contracts to hedge expected currency risks relating to purchase of goods in the coming year.

DKK'000	Period	Contractual value		Gains and losses recognised in equity	
		2017	2016	2017	2016
Forward exchange contracts	0-6 months	11,174	46,548	-198	3,157

#### 16 Related parties

##### Related party transactions

Shareholders have granted loan to the Group (see balance sheet) and receives interest on arms length basis.

Time In Style GmbH (associated company) has been service provider in regards to logistics and after sales services. The services have been carried out on arms length basis.

Besides remuneration, no other transactions were carried through with related parties in the year.

##### Ownership

Kærskov Holding ApS, MWITT ApS and SKJ Invest ApS are registered in the Company's register of shareholders. None of the parties exercise control.

DKK'000	Group	
	2017	2016
17 Fee to the auditors appointed by the Company in general meeting		
Total fees to EY	582	463
Statutory audit	359	332
Tax assistance	62	121
Other assistance	161	10
	582	463
	Parent company	
DKK'000	2017	2016
18 Appropriation of profit		
Recommended appropriation of profit		
Net revaluation reserve according to the equity method	8,019	5,523
Retained earnings	20,054	17,319
	28,073	22,842

Consolidated financial statements and parent company financial statements 1 January -  
31 December

Notes to the financial statements

	Group	
DKK'000	2017	2016
<b>19 Adjustments</b>		
Amortisation/depreciation and impairment losses	476	855
Gain/loss on the sale of non-current assets	47	-918
Provisions	0	-3,500
Income from investments in associates	6	-1
Tax for the year	9,258	6,297
Other adjustments	-2,349	2,697
	<u>7,438</u>	<u>5,430</u>
	Group	
DKK'000	2017	2016
<b>20 Changes in working capital</b>		
Change in inventories	-10,815	-11,737
Change in receivables	12,652	-18,475
Change in trade and other payables	-10,198	6,616
Other changes in working capital	54	0
	<u>-8,307</u>	<u>-23,596</u>
	Group	
DKK'000	2017	2016
<b>21 Cash and cash equivalents at year-end</b>		
Cash according to the balance sheet	18,871	7,860
Short-term debt to banks	-27,315	-15,652
	<u>-8,444</u>	<u>-7,792</u>