

Herb Denmark ApS

c/o Thyregod Advokater , Adv. Rossi Hammerensgade 6, 2 tv., 1267
København K
CVR no. 35 40 61 07

Annual report for the financial year 01.07.16 - 30.06.17

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 30.11.17

Cristiano Rossi
Dirigent

Company information etc.	3
Statement of the Board of Directors on the annual report	4
Independent auditor's report	5 - 7
Management's review	8
Income statement	9
Balance sheet	10 - 11
Statement of changes in equity	12
Notes	13 - 17

The company

Herb Denmark ApS
c/o Thyregod Advokater , Adv. Rossi Hammerensgade 6, 2 tv.
1267 København K
Registered office: København
CVR no.: 35 40 61 07
Financial year: 01.07 - 30.06

Executive Boards

Managing Director Raoul John Perfitt

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

Statement of the Board of Directors on the annual report

I have on this day presented the annual report for the financial year 01.07.16 - 30.06.17 for Herb Denmark ApS.

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

In my opinion, the financial statements give a true and fair view of the the company's assets, liabilities and financial position as at 30.06.17 and of the results of the the company's activities for the financial year 01.07.16 - 30.06.17.

I believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Copenhagen, November 30, 2017

Executive Boards

Raoul John Perfitt
Managing Director

To the capital owner of Herb Denmark ApS

Opinion

We have audited the financial statements of Herb Denmark ApS for the financial year 01.07.16 - 30.06.17, which comprise the income statement, balance sheet, statement of changes in equity and notes, inclusive of accounting policies. The financial statements are prepared in accordance with Danish Financial Statements Act

In our opinion the financial statements give a true and fair view of the company's assets, liabilities and financial position at 30.06.17 and of the results of the company's operations for the financial year 01.07.16 - 30.06.17 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 "Auditor's responsibilities for the audit of the financial statements" section of our report. 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 requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Supplementary information regarding matters in the financial statements

Without modifying our opinion we draw the attention to the fact that the company has lost more than half of the share capital and thus subject to the capital loss provisions of the Danish Company Act §119. We refer to the management's review.

Management's responsibility for the financial statements

The Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore the Management is responsible for the internal control as the 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 about 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 International Standards on Auditing 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 these financial statements.

As part of an audit conducted in accordance with International Standards on Auditing and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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.
- 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 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 regarding the management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover 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 management's review and, in doing so, consider whether 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 management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Acts. We did not identify any material misstatement of management's review.

Soeborg, Copenhagen, November 30, 2017

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Jan Nygaard
State Authorized Public Accountant

Primary activities

The significant activities of the enterprise is distribution of hair care products and related activities.

Uncertainty concerning recognition and measurement

As the company's operating activities are being phased out, recognition and measurement of assets and liabilities is made at net realizable values.

Development in activities and financial affairs

The income statement for the period 01.07.16 - 30.06.17 shows a profit/loss of DKK -96,467 against DKK 1,081,145 for the period 01.07.15 - 30.06.16. The balance sheet shows equity of DKK -965,954.

Information on going concern

The company has lost more than half of the share capital and is therefore subject to the Danish Companies Act §119. The lost capital relates to the negative results from former years.

Subsequent events

No important events have occurred after the end of the financial year.

Income statement

Note		2016/17 DKK	2015/16 DKK
	Gross result	-95,335	1,159,524
1	Staff costs	0	-74,675
	Profit/loss before depreciation, amortisation, write-downs and impairment losses	-95,335	1,084,849
2	Financial expenses	-1,132	-3,704
	Profit/loss for the year	-96,467	1,081,145
Proposed appropriation account			
	Retained earnings	-96,467	1,081,145
	Total	-96,467	1,081,145

ASSETS		30.06.17	30.06.16
Note		DKK	DKK
Other receivables		22,464	0
Prepayments		0	2,148
Total receivables		22,464	2,148
Cash		64,931	209,998
Total current assets		87,395	212,146
Total assets		87,395	212,146

EQUITY AND LIABILITIES		30.06.17	30.06.16
		DKK	DKK
Note			
	Share capital	80,000	80,000
	Retained earnings	-1,045,954	-1,371,345
	Total equity	-965,954	-1,291,345
	Trade payables	36,250	330,136
	Payables to group enterprises	1,013,528	1,168,816
	Other payables	3,571	4,539
	Total short-term payables	1,053,349	1,503,491
	Total payables	1,053,349	1,503,491
	Total equity and liabilities	87,395	212,146

Statement of changes in equity

Figures in DKK	Share capital	Retained earnings
Statement of changes in equity for 01.07.16 - 30.06.17		
Balance pr. 01.07.16	80,000	-1,371,345
Group contribution	0	421,858
Net profit/loss for the year	0	-96,467
Balance as at 30.06.17	80,000	-1,045,954

	2016/17 DKK	2015/16 DKK
1. Staff costs		
Wages and salaries	0	68,888
Pensions	0	5,511
Other social security costs	0	276
Total	0	74,675
Average number of employees during the year	0	0

2. Financial expenses

Other interest expenses	1,132	3,704
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3. Intangible assets

Figures in DKK	Goodwill
Cost pr. 01.07.16	588,701
Cost as at 30.06.17	588,701
Amortisation and impairment losses pr. 01.07.16	-588,701
Amortisation and impairment losses as at 30.06.17	-588,701
Carrying amount as at 30.06.17	0

4. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class .

The accounting policies have been applied consistently with previous years.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CURRENCY

The annual report is presented in GBP. The exchange rate is 8,4571 as at 30.06.17 and 9,0010 as at 30.06.16.

INCOME STATEMENT

Gross result

Gross result comprises revenue, other operating income and raw materials and consumables and other external expenses.

Revenue

Income from the sale of goods is recognised in the income statement if delivery has taken

4. Accounting policies - continued -

place and the risk has passed to the buyer before the end of the financial year and where the selling price can be determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Other operating income

Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including rental income, negative goodwill and gains on the sale of intangible assets and property, plant and equipment.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise raw materials and consumables used for the year as well as any changes in inventories, including any inventory wastage.

Write-downs of inventories of raw materials and consumables are also recognised under raw materials and consumables to the extent that these do not exceed normal write-downs.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

Other net financials

Interest income and interest expenses etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

4. Accounting policies - continued -

BALANCE SHEET

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation and amortisation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

Receivables

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

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

Cash

Cash includes deposits in bank accounts as well as operating cash.

4. Accounting policies - continued -

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.