

Clipper Nordics ApS

Richard Mortensens Vej 67 A, st.
2300 København S

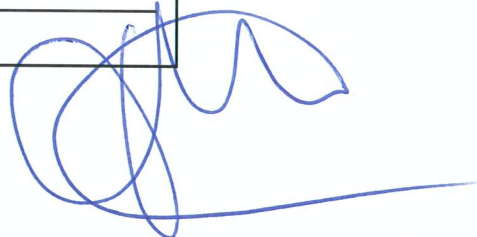
CVR no. 37 16 83 19

Annual report for the period 1 January – 31 December 2017

The annual report was presented and approved at the
Company's annual general meeting on

30 May 2018

Franciscus Josephus Johannes Maas
chairman

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Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of Clipper Nordics ApS for the financial year 1 January – 31 December 2017.

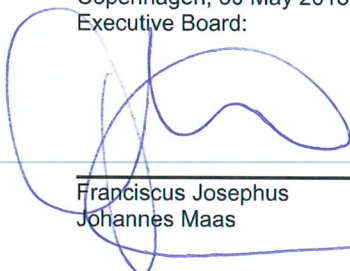
The annual report has been prepared in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2017 and of the results of the Company's operations for the financial year 1 January – 31 December 2017.

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

Copenhagen, 30 May 2018

Executive Board:

A large, stylized handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Franciscus Josephus
Johannes Maas



Independent auditor's report

To the shareholder of Clipper Nordics ApS

Opinion

We have audited the financial statements of Clipper Nordics ApS for the financial year 1 January – 31 December 2017 comprising 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 Company's assets, liabilities and financial position at 31 December 2017 and of the results of the Company's operations 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 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 rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility 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 that 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made on the basis of these 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 company 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 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.

Copenhagen, 30 May 2018

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

A handwritten signature in black ink, appearing to read 'ME'.

Martin Eiler
State Authorised
Public Accountant
MNE no. 32271

Clipper Nordics ApS
Annual report 2017
CVR no. 37 16 83 19

Company details

Clipper Nordics ApS
Richard Mortensens Vej 67 A, st.
2300 København S

CVR no.:	37 16 83 19
Established:	15 October 2015
Registered office:	Copenhagen
Financial year:	1 January – 31 December

Executive Board

Franciscus Josephus Johannes Maas

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfaergevej 28
DK-2100 Copenhagen

Annual general meeting

The annual general meeting will be held on 30 May 2018.

Financial statements 1 January – 31 December

Income statement

DKK	Note	1 Jan – 31 Dec 2017	15 Oct 2015 – 31 Dec 2016
Gross profit		1,376,871	1,012,780
Staff costs	2	<u>-1,173,956</u>	<u>-1,014,871</u>
Operating profit/loss		202,915	-2,091
Financial income		1,362	2,966
Financial expenses		<u>-33,913</u>	<u>-23,639</u>
Profit/Loss before tax		170,364	-22,764
Tax on profit/loss for the year	3	<u>-42,408</u>	<u>5,008</u>
Profit for the year		<u>127,956</u>	<u>-17,756</u>
Proposed profit appropriation/distribution of loss			
Retained earnings		<u>127,956</u>	<u>-17,756</u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	2017	2016
ASSETS			
DKK			
Inventories			
Finished goods and goods for resale		<u>28,502</u>	<u>2,123</u>
		<u>28,502</u>	<u>2,123</u>
Receivables			
Trade receivables		1,076,965	908,579
Other receivables		114,529	69,144
Deferred tax asset		0	5,008
Prepayments		<u>26,216</u>	<u>26,216</u>
		<u>1,217,710</u>	<u>1,008,947</u>
Cash at bank and in hand		<u>1,603,780</u>	<u>1,894,981</u>
Total current assets		<u>2,849,992</u>	<u>2,906,051</u>
TOTAL ASSETS		<u>2,849,992</u>	<u>2,906,051</u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	2017	2016
EQUITY AND LIABILITIES			
Equity			
Contributed capital		50,000	50,000
Retained earnings		110,200	-17,756
Total equity		<u>160,200</u>	<u>32,244</u>
Liabilities other than provisions			
Current liabilities other than provisions			
Trade payables		54,614	75,999
Payables to group entities		2,596,867	2,794,258
Corporation tax		37,400	0
Other payables		911	3,550
		<u>2,689,792</u>	<u>2,873,807</u>
Total liabilities other than provisions		<u>2,689,792</u>	<u>2,873,807</u>
TOTAL EQUITY AND LIABILITIES		<u>2,849,992</u>	<u>2,906,051</u>
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Financial statements 1 January – 31 December

Statement of changes in equity

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2017	50,000	-17,756	32,244
Transferred over the profit appropriation	<u>0</u>	<u>127,956</u>	<u>127,956</u>
Equity at 31 December 2017	<u><u>50,000</u></u>	<u><u>110,200</u></u>	<u><u>160,200</u></u>

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Clipper Nordics ApS for 2017 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act.

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

Income statement

Gross Profit

Pursuant to Section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Income from the sale of goods is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received.

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

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Financial income and expenses

Financial income and expenses comprise interest income and expense and refunds under the on-account tax scheme, etc.

Tax on profit/loss for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Balance sheet

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.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Liabilities other than provisions

Liabilities are measured at net realisable value.

2 Staff costs

DKK	1 Jan – 31 Dec 2017	15 Oct 2015 – 31 Dec 2016
Wages and salaries	1,115,304	959,435
Pensions	51,972	44,726
Other social security costs	6,680	10,710
	<u>1,173,956</u>	<u>1,014,871</u>
Average number of full-time employees	<u>1</u>	<u>1</u>

Financial statements 1 January – 31 December

Notes

3 Tax on profit/loss for the year

DKK	1 Jan – 31 Dec 2017	15 Oct 2015 – 31 Dec 2016
Current tax for the year	37,400	0
Deferred tax for the year	5,008	-5,008
	<u>42,408</u>	<u>-5,008</u>

4 Contractual obligations, contingencies, etc.

The Group's Danish entities are jointly and severally liable for tax on the Group's jointly taxed income and for certain withholding taxes such as dividend tax and royalty tax as well as for the joint registration for VAT. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, etc. may entail an increase in the entities' liability. The Group as a whole is not liable to any other parties.

5 Main activities

The main activity of the Company is wholesale in the Nordic countries of marketing products.

6 Related party disclosures

Clipper Nordics ApS' related parties comprise the following:

Control

The Company is a wholly-owned subsidiary of Clipper Onroerend Goed B.V., the Netherlands. The Company is included in the consolidated financial statements of the Parent Company.

Related parties consist of group companies and management in these companies.

Related party transactions

In accordance with section 98c(7) of the Danish Financial Statements Act, the Company has not disclosed any related party transactions as they were conducted on an arm's length basis.