


# EPI-USE Nordic & Baltic Holding ApS

Hausegade 3, 1128 København K

CVR no. 37 19 67 89



## Annual report 2016/17

Approved at the annual general meeting of shareholders on 10 July 2017

Chairman:

.....  
Keld Johan Ebbesen



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## Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of EPI-USE Nordic & Baltic Holding ApS for the financial year 1 March 2016 - 28 February 2017.

The annual report is 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 28 February 2017 and of the results of the Company's operations for the financial year 1 March 2016 - 28 February 2017.

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

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

Copenhagen, 10 July 2017  
Executive Board:

.....  
Keld Johan Ebbesen

.....  
Morten Brøbecher  
Thorndahl

Board of Directors:

.....  
John Logan McFadzean  
Chairman

.....  
Walter Jacobus van den  
Heever

.....  
Robert James Patrick

.....  
Keld Johan Ebbesen

.....  
Morten Brøbecher  
Thorndahl

## Independent auditor's report

To the shareholders of EPI-USE Nordic & Baltic Holding ApS

### Opinion

We have audited the financial statements of EPI-USE Nordic & Baltic Holding ApS for the financial year 1 March 2016 - 28 February 2017, which comprise an 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 28 February 2017 and of the results of the Company's operations for the financial year 1 March 2016 - 28 February 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 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 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 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 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.

## Independent auditor's report

- ▶ 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 conclusion is 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 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 our procedures, 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, 10 July 2017  
ERNST & YOUNG  
Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

Martin Alsbæk  
State Authorised Public Accountant

## Management's review

### Company details

Name	EPI-USE Nordic & Baltic Holding ApS
Address, Postal code, City	Hausergade 3, 1128 København K
CVR no.	37 19 67 89
Established	1 October 2015
Registered office	Copenhagen
Financial year	1 March 2016 - 28 February 2017
Board of Directors	John Logan McFadzean, Chairman Walter Jacobus van den Heever Robert James Patrick Keld Johan Ebbesen Morten Brøbecher Thorndahl
Executive Board	Keld Johan Ebbesen Morten Brøbecher Thorndahl
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuths Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark

### Management commentary

#### Business review

The Company's main activity is to own subsidiaries and related operating activities.

#### Financial review

The income statement for 2016/17 shows a loss of DKK 58,215 against DKK -379,302 last year, and the balance sheet at 28 February 2017 shows a negative equity of DKK 307,615.

The Company's ability to continue operations and meet its obligations as they fall due depends on continued funding from the parent company. The ultimate parent company in the group has guaranteed to provide the funding required to continue operations at least until the date for the general meeting where the Annual Report for 2017/18 will be approved, against which background Management has presented the financial statement on a going concern assumption.

#### 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 for the period 1 March 2016 - 28 February 2017

### Income statement

Note	DKK	2016/17 12 months	2013/16 39 months
	Other external expenses	-58,215	-45,000
	<b>Gross margin</b>	-58,215	-45,000
	Write-down on investments	0	-334,302
	<b>Profit/loss before tax</b>	-58,215	-379,302
	Tax for the year	0	0
	<b>Profit/loss for the year</b>	-58,215	-379,302
	<b>Recommended appropriation of profit/loss</b>		
	Retained earnings/accumulated loss	-58,215	-379,302
		-58,215	-379,302

## Financial statements for the period 1 March 2016 - 28 February 2017

### Balance sheet

Note	DKK	<u>2016/17</u>	<u>2013/16</u>
	<b>ASSETS</b>		
	Fixed assets		
3	<b>Investments</b>		
	Investments in group enterprises	0	0
		<u>0</u>	<u>0</u>
	<b>Total fixed assets</b>	0	0
	<b>TOTAL ASSETS</b>	<u>0</u>	<u>0</u>
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
4	Share capital	50,000	50,000
	Retained earnings	-357,615	-299,400
	<b>Total equity</b>	<u>-307,615</u>	<u>-249,400</u>
	<b>Liabilities</b>		
	<b>Current liabilities</b>		
	Payables to group enterprises	270,490	204,400
	Other payables	37,125	45,000
		<u>307,615</u>	<u>249,400</u>
	<b>Total liabilities other than provisions</b>	<u>307,615</u>	<u>249,400</u>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<u>0</u>	<u>0</u>

- 1 Accounting policies
- 2 Uncertainties regarding going concern





## Financial statements for the period 1 March 2016 - 28 February 2017

### Statement of changes in equity

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 March 2016	50,000	-299,400	-249,400
Transfer through appropriation of loss	0	-58,215	-58,215
<b>Equity at 28 February 2017</b>	<b>50,000</b>	<b>-357,615</b>	<b>-307,615</b>

## Financial statements for the period 1 March 2016 - 28 February 2017

### Notes to the financial statements

#### 1 Accounting policies

The annual report of EPI-USE Nordic & Baltic Holding ApS for 2016/17 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.

#### Changes to presentation and disclosures only

Effective 1 March 2016, the Company has implemented act no. 738 of 1 June 2015 with amendments to the Danish Financial Statements Act. As the implementation of the amendment act has no impact in terms of value on the income statement or the balance sheet in the financial year, nor on the comparative figures, the financial statements have been prepared based on the same accounting policies as last year.

The amendment act has solely implied new or changed presentation and disclosure requirements, which have been incorporated in the financial statements.

#### Income statement

##### Other external expenses

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

#### Balance sheet

##### Investments in subsidiaries

Investments in subsidiaries and associates are measured at cost. Dividends received that exceed the accumulated earnings in the subsidiary or the associate during the period of ownership are treated as a reduction in the cost of acquisition.

##### 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.

As management company for all the entities in the joint taxation arrangement, the parent company is liable for payment of the subsidiaries' income taxes vis à vis the tax authorities as the subsidiaries pay their joint taxation contributions. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

## Financial statements for the period 1 March 2016 - 28 February 2017

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Other payables

Other payables are measured at net realisable value.

#### 2 Uncertainties regarding going concern

The Company's ability to continue operations and meet its obligations as they fall due depends on continued funding from the parent company. The ultimate parent company in the group has guaranteed to provide the funding required to continue operations at least until the date for the general meeting where the Annual Report for 2017/18 will be approved, against which background Management has presented the financial statement on a going concern assumption.

#### 3 Investments

DKK	Investments in group enterprises
Cost at 1 March 2016	334,302
Cost at 28 February 2017	334,302
Value adjustments at 1 March 2016	-334,302
Value adjustments at 28 February 2017	-334,302
<b>Carrying amount at 28 February 2017</b>	<b>0</b>

Name	Legal form	Domicile	Interest	Equity DKK	Profit/loss DKK
<b>Subsidiaries</b>					
EPI-USE Sweden AB	Aktiebolag	Stockholm, Sweden	100.00 %	-175,145	-47,549
EPI-USE Denmark ApS	ApS	Copenhagen, Denmark	100.00 %	-24,740,535	-12,750,640
<b>DKK</b>				<b>2016/17</b>	<b>2013/16</b>

#### 4 Share capital

Analysis of the share capital:

10,000 A shares of DKK 1.00 nominal value each	10,000	10,000
40,000 B shares of DKK 1.00 nominal value each	40,000	40,000
	<b>50,000</b>	<b>50,000</b>

The Company's share capital has remained DKK 50,000 in the past year.