

BWBP Fonden
Nørregade 21
1165 København K
Business Registration No
37259225

Annual report 2018

The Annual General Meeting adopted the annual report on 15.04.2019

Chairman of the General Meeting

Name: John Staunbjerg Dueholm

Contents

	<u>Page</u>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's report	3
Management commentary	6
Income statement for 2018	9
Balance sheet at 31.12.2018	10
Statement of changes in equity for 2018	12
Notes	13
Accounting policies	14

Entity details

Entity

BWBP Fonden
Nørregade 21
1165 København K

Central Business Registration No (CVR): 37259225

Registered in: København

Financial year: 01.01.2018 - 31.12.2018

Executive Board

John Staunbjerg Dueholm
Jacob Østergaard Bergenholtz
Mogens Thorninger

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
Postboks 1600
0900 København C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of BWBP Fonden for the financial year 01.01.2018 - 31.12.2018.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 15.04.2019

Executive Board

John Staunbjerg Dueholm

Jacob Østergaard Bergenholtz

Mogens Thorninger

Independent auditor's report

To the shareholders of BWBP Fonden

Opinion

We have audited the financial statements of BWBP Fonden for the financial year 01.01.2018 - 31.12.2018, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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.

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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 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:

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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Independent auditor's report

Based on the work we have performed, we conclude that the management commentary 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 commentary.

Copenhagen, 15.04.2019

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

Bill Haudal Pedersen
State Authorised Public Accountant
Identification No (MNE) mne30131

Management commentary

Primary activities

The objects of the fund are to act as general partner in BWB Partners I K/S and BWB Partners II K/S and other private limited partnerships that the board of directors deems fit to generate funds for distribution of dividend.

Development in activities and finances

The activities are to exercise its veto in respect of all resolutions in the Limited Partnership which in the opinion of the Foundation affect its liability or rights in respect of the Limited Partnership, as well as to carry on consultancy work.

Profit/loss for the year in relation to expected developments

Profit for the year is DKK 21 thousand which is consistent with Management's expectations.

This year's revenue consists of a risk fee for the capital which is provided as security for BWB Partners I K/S and BWB Partners II K/S.

In connection with the financial statements for 2017 the Board of Directors adopted a provision for distribution of DKK 0.

Outlook

Movements in the Foundation's capital will in 2018 arise from the risk fee for the capital provided as security for BWB Partners I K/S and BWB Partners II K/S, net of distributions of donations granted.

At the annual report meeting for 2018, the Board of Directors decided to allocate DKK 0 thousand for distribution in 2018 to the effect that the total distributable amount is DKK 0 thousand including non-distributed funds allocated for 2017.

Statutory report on foundation governance

The Board of Directors of the Foundation has three members who are elected for a three-year period, and consists of the following members:

John Staunbjerg Dueholm

Position on the board: Chairman

Age: 68

Gender: Male

Appointment date: 16 November 2015

Current positions: Board member

Chairman of the following boards:

- Hydratech Industries Holding A/S
- HTHH ApS
- Hydratech Industries A/S
- SSG A/S
- SSG Group A/S
- SSG Partners A/S
- Holmris Holding A/S

Management commentary

- Holmris B8 A/S
- Intermail A/S

Member of the following boards:

- DPF Svendborg A/S
- SBS Automotive A/S
- SBS Friction A/S
- Scandinavian Brake Systems A/S
- Globus Wine A/S
- Air Greenland A/S

Independence of the fund: Yes

Jacob Østergaard Bergenholtz

Position on the board: Member

Age: 48

Gender: Male

Appointment date: 16 November 2015

Current positions: Managing partner in BWB Partners

Chairman of the following boards:

- 14. oktober 2013 A/S
- Odin Equity Partners Management II K/S

Member of the following boards:

- 28. Juni 2012 II A/S (chairman from 1/3-19)
- SH Group A/S
- System Frugt A/S
- CIPP Technology Holding ApS
- CIPP Technology Solutions A/S
- BWB Partners P/S
- Jack-up Holding A/S
- MOEP A/S
- Stema Holding A/S
- Hydratech Industries Holding A/S

CEO of the following companies:

- Anpartsselskabet af 28. Marts 2007
- Anpartsselskabet af 31. Oktober 2007
- Anpartsselskabet af 4. Juli 2008
- Anpartsselskabet af 7. Juni 2007
- BWBP CIV GP ApS
- Anpartsselskabet af 16. November 2015
- BWB Partners GP ApS
- BWB Partners P/S
- CIPP Technology Solutions A/S
- Anpartsselskabet af 14. Oktober 2013
- Anpartsselskabet af 28. Juni 2012
- Anpartsselskabet af 1. December 2011
- Anpartsselskabet af 9. September 2010

Management commentary

- JB1 ApS

Independence of the fund: No

Mogens Thorninger

Position on the board: Member

Age: 47

Gender: Male

Appointment date: 16 November 2015

Current positions: Partner at Bruun & Hjejle Advokatpartnerselskab

Chairman of the following boards:

- Bruun & Hjejle Advokatpartnerselskab
- Bruun & Hjejle Komplementar ApS
- GRO Capital A/S
- Axcel GP Fonden
- Axcel V GP ApS
- AIP Management P/S

Member of the following boards:

- Copenhagen Infrastructure II GP ApS
- Copenhagen Infrastructure III GP ApS

CEO of the following companies:

- Copenhagen Infrastructure II GP ApS
- Copenhagen Infrastructure III GP ApS
- V23 II ApS

Independence of the fund: Yes

The Board of Directors addresses the recommendations of the Committee on Foundation Governance and performs an annual internal evaluation of the Board.

The Foundation has adopted all of the foundation governance recommendations.

The Foundation has currently no formal policy in respect to gender diversity.

The retirement age for Board members has been set at 70.

Statutory report on distribution policy

The Foundation's principle for distribution of funds is to support general charity, culture, educational, and development and improvement of the circumstances for private equity entities in Denmark.

There has been no distributions during 2018.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Revenue		600,000	600,000
Other external expenses		<u>(147,425)</u>	<u>(173,923)</u>
Gross profit/loss		452,575	426,077
Staff costs	1	<u>(425,000)</u>	<u>(450,850)</u>
Operating profit/loss		27,575	(24,773)
Other financial expenses		<u>(846)</u>	<u>(1,251)</u>
Profit/loss before tax		26,729	(26,024)
Tax on profit/loss for the year		<u>(5,880)</u>	<u>0</u>
Profit/loss for the year		20,849	(26,024)
Proposed distribution of profit/loss			
Retained earnings		<u>20,849</u>	<u>(26,024)</u>
		20,849	(26,024)

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Other receivables		600,000	600,000
Receivables		600,000	600,000
Cash		274,965	257,611
Current assets		874,965	857,611
Assets		874,965	857,611

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Contributed capital		300,000	300,000
Provision for distributions		110,408	110,408
Retained earnings		<u>22,427</u>	<u>1,578</u>
Equity		<u>432,835</u>	<u>411,986</u>
Other payables		<u>442,130</u>	<u>445,625</u>
Current liabilities other than provisions		<u>442,130</u>	<u>445,625</u>
Liabilities other than provisions		<u>442,130</u>	<u>445,625</u>
Equity and liabilities		<u>874,965</u>	<u>857,611</u>
Contingent liabilities	2		
Related parties with controlling interest	3		

Statement of changes in equity for 2018

	Contributed capital DKK	Provision for distributions DKK	Retained earnings DKK	Total DKK
Equity beginning of year	300,000	110,408	1,578	411,986
Profit/loss for the year	0	0	20,849	20,849
Equity end of year	300,000	110,408	22,427	432,835

Notes

	2018	2017
	DKK	DKK
1. Staff costs		
Wages and salaries	425,000	450,850
	425,000	450,850
Average number of employees	0	0

	2018	2017
	DKK	DKK
Remuneration of management		
John Staunbjerg Dueholm	300.000	319.000
Jacob Østergaard Bergenholtz	0	0
Mogens Thorninger	125.000	131.850
	425.000	450.850

2. Contingent liabilities

The company has no guarantees or contingent liabilities.

3. Related parties with controlling interest

Transactions with members of the Board of Directors consist solely of directors' fees in the total amount of DKK 425 thousand.

Transactions with BWB Partners I K/S and BWB Partners II K/S consist of a risk fee for the capital provided as security for BWB Partners I K/S and BWB Partners II K/S for the Foundation's activity as General Partner, amounting to DKK 600 thousand at 31.12.2018.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

Income statement

Revenue

Revenue received from depositors is recognised in the income statement when delivery is made and risk has passed to the buyer.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, such as administration etc.

Staff costs

Staff costs comprise fees to the Board of Directors.

Other financial expenses

Other financial expenses comprise interest expenses.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Cash

Cash comprises bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.