

Deloitte
Statsautoriseret
Revisionspartnerselskab
CVR-nr. 33963556
Weidekampsgade 6
Postboks 1600
0900 København C

Telefon 36 10 20 30
Telefax 36 10 20 40
www.deloitte.dk

VC VIII JSB Holding ApS

Frejasvej 7
6950 Ringkøbing
Central Business Registration No
37658723

Annual report 2017

The Annual General Meeting adopted the annual report on

Chairman of the General Meeting

Name: Andreas Kipker

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 2017	7
Balance sheet at 31.12.2017	8
Statement of changes in equity for 2017	10
Notes	11
Accounting policies	13

Entity details

Entity

VC VIII JSB Holding ApS

Frejasvej 7

6950 Ringkøbing

Central Business Registration No: 37658723

Founded: 03.05.2016

Registered in: Ringkøbing-Skjern

Financial year: 01.01.2017 - 31.12.2017

Board of Directors

Adrian Guise Williams, Chairman

Arne Handeland

Lars Rytter

Jens Sivert Bak

Executive Board

Adrian Guise Williams

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 VC VIII JSB Holding ApS for the financial year 01.01.2017 - 31.12.2017.

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 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017.

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.

Ringkøbing, 18.05.2018

Executive Board

Adrian Guise Williams

Board of Directors

Adrian Guise Williams
Chairman

Arne Handeland

Lars Rytter

Jens Sivert Bak

Independent auditor's report

To the shareholder of VC VIII JSB Holding ApS

Opinion

We have audited the financial statements of VC VIII JSB Holding ApS for the financial year 01.01.2017 - 31.12.2017, 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 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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.

Independent auditor's report

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 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.

Independent auditor's report

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

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, 18.05.2018

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No: 33963556

Nikolaj Thomsen
State Authorised Public Accountant
Identification number (MNE) mne33276

Management commentary

Primary activities

The objective of the Company is – directly or indirectly – to own shares in other companies as well as other activities deemed related by the Executive Board.

Development in activities and finances

The Company generated a profit of DKK 7,209k in FY 2017. Management considers the result satisfactory.

Equity reached DKK 131,706k at 31 December 2017.

Income statement for 01.01.2017 – 31.12.2017

	<u>Notes</u>	<u>2017 DKK'000</u>	<u>2016 DKK'000</u>
Gross loss		(598)	(396)
Income from investments in group enterprises		10.105	10.847
Other financial income		194	0
Other financial expenses		<u>(3.309)</u>	<u>(2.152)</u>
Profit/loss before tax		6.392	8.299
Tax on profit/loss for the year	1	<u>817</u>	<u>561</u>
Profit/loss for the year		<u>7.209</u>	<u>8.860</u>
Proposed distribution of profit/loss			
Transferred to reserve for net revaluation according to the equity method		10.105	10.847
Retained earnings		<u>(2.896)</u>	<u>(1.987)</u>
		<u>7.209</u>	<u>8.860</u>

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK'000</u>	<u>2016 DKK'000</u>
Investments in group enterprises		<u>208.877</u>	<u>226.135</u>
Fixed asset investments	2	<u>208.877</u>	<u>226.135</u>
Fixed assets		<u>208.877</u>	<u>226.135</u>
Receivables from group enterprises		816	0
Income tax receivable		<u>1.378</u>	<u>561</u>
Receivables		<u>2.194</u>	<u>561</u>
Cash		<u>28</u>	<u>15</u>
Current assets		<u>2.222</u>	<u>576</u>
Assets		<u>211.099</u>	<u>226.711</u>

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017</u> <u>DKK'000</u>	<u>2016</u> <u>DKK'000</u>
Contributed capital		100	100
Reserve for net revaluation according to the equity method		12.793	13.051
Retained earnings		<u>118.813</u>	<u>121.709</u>
Equity		<u>131.706</u>	<u>134.860</u>
Bank loans		<u>68.208</u>	<u>79.359</u>
Non-current liabilities other than provisions	3	<u>68.208</u>	<u>79.359</u>
Current portion of long-term liabilities other than provisions	3	11.150	11.150
Payables to group enterprises		0	1.150
Other payables		<u>35</u>	<u>192</u>
Current liabilities other than provisions		<u>11.185</u>	<u>12.492</u>
Liabilities other than provisions		<u>79.393</u>	<u>91.851</u>
Equity and liabilities		<u>211.099</u>	<u>226.711</u>
Contingent liabilities	4		
Mortgages and securities	5		
Related parties with controlling interest	6		
Transactions with related parties	7		
Group relations	8		

Statement of changes in equity for 2017

	Contributed capital DKK'000	Reserve for net revaluation according to the equity method DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	100	13.051	121.709	134.860
Exchange rate adjustments	0	(5.154)	0	(5.154)
Value adjustments	0	(5.209)	0	(5.209)
Profit/loss for the year	0	10.105	(2.896)	7.209
Equity end of year	100	12.793	118.813	131.706

The Company has issued warrants (divided into A- and B-warrants) for 3,800 shares, entitling the holder to subscribe for 1 share in the Company of a nominal value of DKK 1 per share. The warrants have been granted to the warrant holder free of charge. The warrants must be exercised in the period from 1 January 2024 to 31 January 2024 or before in case of an Exit. An Exit is either a Sale, IPO or a liquidation of the Company, or an Indirect Sale of VC VIII JSB Holding ApS to a Third Party (these terms are further defined in Appendix 1 of the Articles of Association). The exercisable price of the A- and B-warrants comprise DKK 1.196,9.

Notes

	2017	2016
	DKK'000	DKK'000
1. Tax on profit/loss for the year		
Tax on current year taxable income	(817)	(561)
	(817)	(561)
		Investment s in group enterprises DKK'000
2. Fixed asset investments		
Cost beginning of year		213.084
Cost end of year		213.084
Revaluations beginning of year		13.051
Exchange rate adjustments		(5.154)
Amortisation of goodwill		(12.808)
Share of profit/loss for the year		22.913
Dividend		(17.000)
Fair value adjustments		(5.209)
Revaluations end of year		(4.207)
Carrying amount end of year		208.877

The carrying amount of goodwill amounts to DKK 107,804k.

	Registered in	Corpo- rate form	Equity inte- rest %
Investments in group enterprises comprise:			
JSB Group A/S	Ringkøbing	A/S	100,0

Notes

	Instalments within 12 months 2017 DKK'000	Instalments within 12 months 2016 DKK'000	Instalments beyond 12 months 2017 DKK'000
3. Liabilities other than provisions			
Bank loans	11.150	11.150	68.208
	11.150	11.150	68.208

All non-current liabilities other than provisions fall due within five years.

4. Contingent liabilities

The Entity participates in a Danish joint taxation arrangement in which "VC VIII Jupiter Holding ApS" serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable from 13 May 2016 for income taxes etc and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The total known net liability of the jointly taxed entities under the joint taxation arrangement is evident from the administration company's financial statements.

5. Mortgages and securities

Bank loans are secured by way of deposited shares in JSB Group A/S. Total withdrawal on the banking arrangements amounts to DKK 177,036k at 31 December 2017.

6. Related parties with controlling interest

Wind Holding AS, Oslo, Norway owns all shares and thus controls the Entity.

7. Transactions with related parties

Only non-arm's length transactions with related parties are disclosed in the financial statements. All related party transactions carried out during the financial year have been made on an arm's length basis.

8. Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Winds Holding AS, reg. no. 917 105 839, Oslo, Norway

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.

Consolidated financial statements

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. VC VIII JSB Holding ApS and its subsidiary are included in the consolidated financial statements of Winds Holding AS.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises external expenses.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including administrative expenses etc.

Income from investments in group enterprises

Income from investments in group enterprises comprises dividend etc received from the individual group enterprises in the financial year.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, ♥ including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Accounting policies

Other financial expenses

Other financial expenses comprise interest expenses, payables and transactions in foreign currencies and amortisation of financial liabilities.

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.

The Entity is jointly taxed with all Danish Group entities subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus or minus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Goodwill is calculated as the difference between cost of the investments and fair value of the pro rata share of assets and liabilities acquired. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful lives are reassessed annually. The amortisation periods used are 10 years.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Receivables

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

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Cash

Cash comprises bank deposits.

Accounting policies

Other financial liabilities

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