
Saballe BidCo ApS

Trollesmindealle 25, DK-3400 Hillerød

Annual Report for 1 May 2018 - 30 April 2019

CVR No 37 85 39 84

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
17/9 2019

Michael Engstrøm
Chairman of the General
Meeting



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Saballe BidCo ApS for the financial year 1 May 2018 - 30 April 2019.

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 at 30 April 2019 of the Company and of the results of the Company operations for 2018/19.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Hillerød, 17 September 2019

Executive Board

Peter Krogh
Executive Officer

Board of Directors

Torben Ladegaard

Alireza Etemad

Peter Krogh

Thomas Astrup Klitbo

Independent Auditor's Report

To the Shareholder of Saballe BidCo ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 April 2019 and of the results of the Company's operations for the financial year 1 May 2018 - 30 April 2019 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Saballe BidCo ApS for the financial year 1 May 2018 - 30 April 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

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 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 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

Independent Auditor's Report

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.

Hillerød, 17 September 2019

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Henrik Aslund Pedersen
statsautoriseret revisor
mne17120

Christian Engelbrecht Friis
statsautoriseret revisor
mne44180

Company Information

The Company

Saballe BidCo ApS
Trollesmindealle 25
DK-3400 Hillerød

CVR No: 37 85 39 84
Financial period: 1 May - 30 April
Municipality of reg. office: Hillerød

Board of Directors

Torben Ladegaard
Alireza Etemad
Peter Krogh
Thomas Astrup Klitbo

Executive Board

Peter Krogh

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Milnersvej 43
DK-3400 Hillerød

Income Statement 1 May - 30 April

	Note	2018/19 TDKK	2017/18 TDKK
Gross profit/loss		4,090	3,983
Administrative expenses	2	<u>-3,880</u>	<u>-3,985</u>
Operating profit/loss		210	-2
Income from investments in subsidiaries		4,847	-29,159
Financial income	3	728	9,713
Financial expenses	4	<u>-34,980</u>	<u>-19,669</u>
Profit/loss before tax		-29,195	-39,117
Tax on profit/loss for the year	5	<u>7,853</u>	<u>1,303</u>
Net profit/loss for the year		<u>-21,342</u>	<u>-37,814</u>

Distribution of profit

Proposed distribution of profit

Retained earnings		<u>-21,342</u>	<u>-37,814</u>
		<u>-21,342</u>	<u>-37,814</u>

Balance Sheet 30 April

Assets

	<u>Note</u>	<u>2018/19</u> TDKK	<u>2017/18</u> TDKK
Other intangible assets		5	17
Intangible assets	6	5	17
Investments in subsidiaries	7	955,250	948,950
Fixed asset investments		955,250	948,950
Fixed assets		955,255	948,967
Corporation tax receivable from group enterprises		6,966	700
Receivables		6,966	700
Currents assets		6,966	700
Assets		962,221	949,667

Balance Sheet 30 April

Liabilities and equity

	Note	2018/19 TDKK	2017/18 TDKK
Share capital		50	50
Retained earnings		501,991	521,885
Equity		502,041	521,935
Credit institutions		358,514	369,203
Long-term debt	9	358,514	369,203
Credit institutions	9	32,973	28,326
Payables to group enterprises		67,775	29,095
Other payables		918	1,108
Short-term debt		101,666	58,529
Debt		460,180	427,732
Liabilities and equity		962,221	949,667
Key activities	1		
Contingent assets, liabilities and other financial obligations	10		
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Statement of Changes in Equity

	Share capital TDKK	Retained earnings TDKK	Total TDKK
2018/19			
Equity at 1 May	50	521,879	521,929
Exchange adjustments	0	1,454	1,454
Net profit/loss for the year	0	-21,342	-21,342
Equity at 30 April	50	501,991	502,041
2017/18			
Equity 1. maj	50	561,030	561,080
Exchange adjustments	0	-1,331	-1,331
Net profit/loss for the year	0	-37,814	-37,814
Equity at 30 April	50	521,885	521,935

Notes to the Financial Statements

1 Key activities

The purpose of the company is to own shares in companies that deals with trade, service, industry and other related business.

The financial position at April 30th, 2019 of the Company and the results of the activities of the Company for the financial year for 2018/19 have not been affected by any unusual events.

	<u>2018/19</u> TDKK	<u>2017/18</u> TDKK
2 Staff		
Wages and Salaries	3,134	3,167
Pensions	74	70
Other social security expenses	10	10
	<u>3,218</u>	<u>3,247</u>
Wages and Salaries, pensions and other social security expenses are recognised in the following items:		
Administrative expenses	<u>3,218</u>	<u>3,247</u>
	<u>3,218</u>	<u>3,247</u>
Average number of employees	<u>2</u>	<u>2</u>

3 Financial income

Other financial income	728	63
Exchange gains	0	9,650
	<u>728</u>	<u>9,713</u>

Notes to the Financial Statements

	2018/19 <u>TDKK</u>	2017/18 <u>TDKK</u>
4 Financial expenses		
Interest paid to group enterprises	6,094	0
Other financial expenses	21,126	19,669
Fair value adjustments of hedge contracts	232	0
Exchange loss	7,528	0
	<u>34,980</u>	<u>19,669</u>
5 Tax on profit/loss for the year		
Current tax for the year	-7,853	-1,303
	<u>-7,853</u>	<u>-1,303</u>
6 Intangible assets		Other intangible assets <u>TDKK</u>
Cost at 1 May		<u>35</u>
Cost at 30 April		<u>35</u>
Impairment losses and amortisation at 1 May		18
Amortisation for the year		<u>12</u>
Impairment losses and amortisation at 30 April		<u>30</u>
Carrying amount at 30 April		<u>5</u>

Notes to the Financial Statements

	2018/19	2017/18
	TDKK	TDKK
7 Investments in subsidiaries		
Cost at 1 May	1,002,871	1,002,871
Cost at 30 April	1,002,871	1,002,871
Value adjustments at 1 May	-53,921	-23,431
Exchange adjustment	1,454	-1,331
Net profit/loss for the year	74,951	53,166
Amortisation of goodwill	-78,280	-82,325
Other adjustments	8,175	0
Value adjustments at 30 April	-47,621	-53,921
Carrying amount at 30 April	955,250	948,950
Remaining positive difference included in the above carrying amount at 30 April	720,028	790,133

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Votes and ownership	Equity	Net profit/loss for the year
Ellab A/S	Hillerød	100%	235,222	74,951
Ellab Inc.	USA	100%	11,702	6,892
Ellab (UK) Limited	United Kingdom	100%	3,646	135
Ellab GmbH	Germany	100%	13,506	7,652
Ellab SARL	France	100%	-2,726	-1,893
Ellab Philippines Corp.	Philippines	100%	696	-193
Ellab Benelux B.V.	Netherlands	100%	1,191	328
Ellab FZCO	Dubai	100%	-1,076	-1,457
FasInternational Srl	Italy	100%	9,921	2,067

Notes to the Financial Statements

8 Related parties

The company is included in the consolidated report for the parent company

Name	Place of registered office
Saballe TopCo ApS	Hillerød

9 Long-term debt

	2018/19 TDKK	2017/18 TDKK
Credit facility, DKK	60,000	75,000
Credit facility, DKK	225,000	225,000
Credit facility, USD	100,054	92,742
Provision and fair value adjustments to hedge contracts	-6,540	-8,539
	378,514	384,203
Short-term of long term debt	-20,000	-15,000
Long-term debt	358,514	369,203
Other short-term debt to banks and credit institutions	12,973	13,326
Short-term of long term debt	20,000	15,000
Total debt to banks and credit institutions	391,487	397,529

Payments due after 5 years amounts to TDKK 0.

Notes to the Financial Statements

	<u>2018/19</u>	<u>2017/18</u>
	TDKK	TDKK
10 Contingent assets, liabilities and other financial obligations		
Charges and security		
The following assets have been placed as security with credit institutions:		
Shares in subsidiaries owned by Ellab A/S	25,208	13,905
Shares in subsidiary, Ellab A/S	955,250	948,950

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Saballe TopCo ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Notes to the Financial Statements

11 Accounting Policies

The Annual Report of Saballe BidCo ApS for 2018/19 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2018/19 are presented in TDKK.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of Saballe TopCo ApS, the Company has not disclosed consolidated financial statements.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Notes to the Financial Statements

11 Accounting Policies (continued)

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified together with the mortgages as long term debt.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting.

Income Statement

Revenue

Revenue from the sale of services is recognised when the risks and rewards relating to the services sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue.

Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc. Amortisation of goodwill is also included to the extent that goodwill relates to administrative activities.

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Notes to the Financial Statements

11 Accounting Policies (continued)

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish companies. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance Sheet

Intangible assets

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding 6 years.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The surplus amounts recognized at the initial measurement is amortized over 10 years.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation

Notes to the Financial Statements

11 Accounting Policies (continued)

of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.