

# DIS Incentives ApS

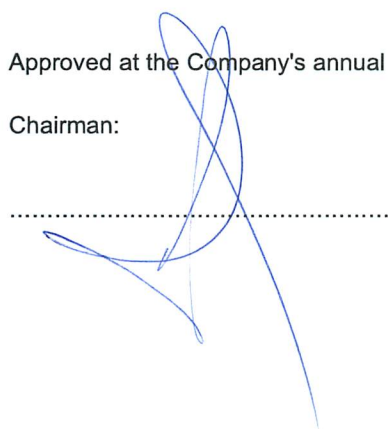
Ørstedsvvej 10, 8660 Skanderborg

CVR no. 38 20 38 86

## Annual report 2017/18

Approved at the Company's annual general meeting on 29 October 2018

Chairman:





## Contents

Statement by the Executive Board	2
Independent auditor's report	3
Management's review	5
Financial statements 1 July 2017 - 30 June 2018	6
Income statement	6
Balance sheet	7
Statement of changes in equity	8
Notes to the financial statements	9

### Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of DIS Incentives ApS for the financial year 1 July 2017 - 30 June 2018.

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 30 June 2018 and of the results of the Company's operations for the financial year 1 July 2017 - 30 June 2018.

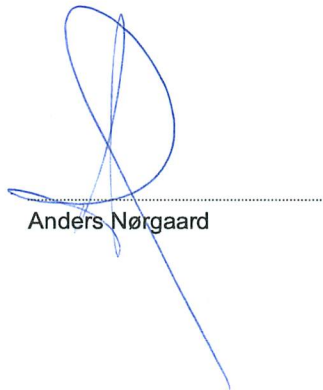
Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Skanderborg, 29 October 2018  
Executive Board:



Søren Bunk Jensen



Anders Nørgaard

## Independent auditor's report

To the shareholders of DIS Incentives ApS

### Opinion

We have audited the financial statements of DIS Incentives ApS for the financial year 1 July 2017 - 30 June 2018, which comprise 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 30 June 2018 and of the results of the Company's operations for the financial year 1 July 2017 - 30 June 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 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

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.

### 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 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 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 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.



## 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 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 the 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 the work we have performed, 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.

Aarhus, 29 October 2018  
ERNST & YOUNG  
Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28



Klaus Skovsen  
State Authorised Public Accountant  
MNE no.: mne30204

## Management's review

### Company details

Name DIS Incentives ApS  
Address, Postal code, City Ørstedsvej 10, 8660 Skanderborg

CVR no. 38 20 38 86  
Established 11 November 2016  
Registered office Skanderborg  
Financial year 1 July 2017 - 30 June 2018

Executive Board Søren Bunk Jensen  
Anders Nørgaard

Auditors Ernst & Young Godkendt Revisionspartnerselskab  
Værkmestergade 25, P.O. Box 330, 8100 Aarhus C,  
Denmark

### Management commentary

#### Business review

The Company's purpose is to hold shares in DIS Group II A/S and asset management.

#### Financial review

The income statement for 2017/18 shows a profit of DKK 311,981 against a profit of DKK 3,147,398 last year, and the balance sheet at 30 June 2018 shows equity of DKK 19,169,611.

#### 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 1 July 2017 - 30 June 2018

### Income statement

Note	DKK	2017/18 12 months	2016/17 8 months
	Gross margin	-9,875	-7,900
2	Staff costs	0	0
	Profit/loss before net financials	-9,875	-7,900
	Income from investments in associates	322,756	3,150,487
	Profit before tax	312,881	3,142,587
3	Tax for the year	-900	4,811
	Profit for the year	311,981	3,147,398
	Recommended appropriation of profit		
	Proposed dividend recognised under equity	949,414	3,100,000
	Net revaluation reserve according to the equity method	-53,502	50,487
	Retained earnings/accumulated loss	-583,931	-3,089
		311,981	3,147,398

## Financial statements 1 July 2017 - 30 June 2018

### Balance sheet

Note	DKK	<u>2017/18</u>	<u>2016/17</u>
	ASSETS		
	Fixed assets		
4	Investments		
	Investments in associates	17,983,475	15,618,087
		<u>17,983,475</u>	<u>15,618,087</u>
	Total fixed assets	<u>17,983,475</u>	<u>15,618,087</u>
	Non-fixed assets		
	Receivables		
	Dividend receivable from associates	1,200,000	3,100,000
	Joint taxation contribution receivable	3,911	4,811
		<u>1,203,911</u>	<u>3,104,811</u>
	Total non-fixed assets	<u>1,203,911</u>	<u>3,104,811</u>
	TOTAL ASSETS	<u>19,187,386</u>	<u>18,722,898</u>
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	18,220,197	15,567,600
	Share premium account	0	0
	Net revaluation reserve according to the equity method	0	50,487
	Retained earnings	0	-3,089
	Dividend proposed	949,414	3,100,000
	Total equity	<u>19,169,611</u>	<u>18,714,998</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Payables to group enterprises	9,875	0
	Other payables	7,900	7,900
		<u>17,775</u>	<u>7,900</u>
	Total liabilities other than provisions	<u>17,775</u>	<u>7,900</u>
	TOTAL EQUITY AND LIABILITIES	<u>19,187,386</u>	<u>18,722,898</u>

- 1 Accounting policies
- 5 Contractual obligations and contingencies, etc.
- 6 Collateral
- 7 Related parties





Financial statements 1 July 2017 - 30 June 2018

Statement of changes in equity

DKK	Share capital	Share premium account	Net revaluation reserve according to the equity method	Retained earnings	Dividend proposed	Total
Equity at 1 July 2017	15,567,600	0	50,487	-3,089	3,100,000	18,714,998
Capital increase	2,652,597	587,020	0	0	0	3,239,617
Transfer through appropriation of profit	0	0	-53,502	-583,931	949,414	311,981
Transferred from share premium account	0	-587,020	0	587,020	0	0
Adjustment of investments through foreign exchange adjustments	0	0	3,015	0	0	3,015
Dividend distributed	0	0	0	0	-3,100,000	-3,100,000
Equity at 30 June 2018	18,220,197	0	0	0	949,414	19,169,611

## Financial statements 1 July 2017 - 30 June 2018

### Notes to the financial statements

#### 1 Accounting policies

The annual report of DIS Incentives ApS for 2017/18 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.

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

#### Reporting currency

The financial statements are presented in Danish kroner (DKK).

#### Income statement

##### Gross margin

The items revenue, change in inventories of finished goods and work in progress, work performed for own account and capitalised, other operating income and external expenses have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

##### Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to administration etc.

##### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

##### Income from investments in associates

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in associates are presented as separate line items in the income statement. Only proportionate elimination of intra-group gains/losses is made for equity investments in associates.

##### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

## Financial statements 1 July 2017 - 30 June 2018

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Balance sheet

###### Investments in associates

On initial recognition, investments in associates are measured at cost and subsequently at the proportionate share of the entities' net asset values calculated in accordance with the parent company's accounting policies minus or plus any residual value of positive or negative goodwill calculated in accordance with the purchase method of accounting. Associates with a negative net asset value are measured at DKK 0 (nil), and any amounts owed by such entities are written down by the parent company's share of the net asset value if the amount owed is deemed irrecoverable. If the negative net asset value exceeds the amounts owed, the remaining amount is recognised under provisions if the parent company has a legal or a constructive obligation to cover the entity's deficit. Net revaluations of investments in associates are transferred to the net revaluation reserve according to the equity method where the carrying amount exceeds the acquisition cost.

On initial recognition, equity investments in associates are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in associates measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

###### Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

###### Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.



## Financial statements 1 July 2017 - 30 June 2018

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Equity

##### *Reserve for net revaluation according to the equity method*

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

##### *Proposed dividends*

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

##### 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.

##### Other payables

Other payables are measured at net realisable value.

#### 2 Staff costs

The Company has no employees.

DKK	2017/18 12 months	2016/17 8 months
3 Tax for the year		
Tax adjustments, prior years	3,073	0
Refund in joint taxation	-2,173	-4,811
	900	-4,811



## Financial statements 1 July 2017 - 30 June 2018

### Notes to the financial statements

#### 4 Investments

<u>Name</u>	<u>Legal form</u>	<u>Domicile</u>	<u>Interest</u>
Associates			
DIS Group II	A/S	Skanderborg	10.00%

#### 5 Contractual obligations and contingencies, etc.

##### Other contingent liabilities

The Company is jointly taxed with its parent company, DIS Group Holding A/S, which acts as management company, and has limited and alternative liability together with other jointly taxed group entities for payment of income taxes for income year 2013 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 1 July 2012.

#### 6 Collateral

The Company has not provided any security or other collateral in assets at 30 June 2018.

#### 7 Related parties

##### Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
DIS Group Holding A/S	Skanderborg	Danish Business Authority