

NEWDAFA A/S

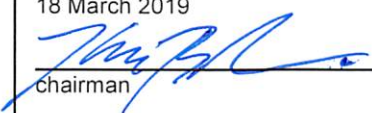
Holmstrupgårdvej 12
8220 Brabrand
Denmark

CVR no. 40 08 88 73

Annual report for the period 5 December – 31 December 2018

The annual report was presented and approved at
the Company's annual general meeting on

18 March 2019



chairman

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of NEWDAFA A/S for the financial period 5 December – 31 December 2018.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2018 and of the results of the Company's operations for the financial period 5 December – 31 December 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.

Aarhus 18 March 2019

Executive Board:



Steen Agerbo Bødtker


Board of Directors:



Lars Dige Knudsen
Chairman



Steen Agerbo Bødtker



Kaare Bo Nielsen



Independent auditor's report

To the shareholder of NEWDAFA A/S

Opinion

We have audited the financial statements of NEWDAFA A/S for the financial period 5 December – 31 December 2018 comprising 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 Company's assets, liabilities and financial position at 31 December 2018 and of the results of the Company's operations for the financial period 5 December – 31 December 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 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 responsibility 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 that 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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

- identify and assess the risks of material misstatement of the company 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 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 Statements Act. We did not identify any material misstatement of the Management's review.

Aarhus, 18 March 2019

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98



Steffen S. Hansen
State Authorised
Public Accountant
mne32737

NEWDAFA A/S
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Management's review

Company details

NEWDAFA A/S
Holmstrupgårdvej 12
8220 Brabrand
Denmark

CVR no.:	40 08 88 73
Established:	5 December 2018
Registered office:	Aarhus
Financial period:	5 December – 31 December

Board of Directors

Lars Dige Knudsen, Chairman
Steen Agerbo Bødtker
Kaare Bo Nielsen

Executive Board

Steen Agerbo Bødtker

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Bredskifte Allé 13
DK-8210 Aarhus V
Denmark

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Management's review

Operating review

Principal activities

NEWDAFA A/S' main activity is to conduct business with trading, service, production and investment as well as other related activities designated by the Board of Directors.

Financial statements 5 December – 31 December

Income statement

DKK'000	Note	5/12 - 31/12 2018
Gross profit/loss		<u>-6</u>
Profit/loss before tax		<u>-6</u>
Tax on profit/loss for the year		<u>1</u>
Profit/loss for the year		<u><u>-5</u></u>
Proposed profit appropriation/distribution of loss		
Retained earnings		<u><u>-5</u></u>

Financial statements 5 December – 31 December

Balance sheet

DKK'000	Note	2018
ASSETS		
Current assets		
Receivables		
Corporation tax		<u>1</u>
Cash at bank and in hand		<u>500</u>
Total current assets		<u>501</u>
TOTAL ASSETS		<u><u>501</u></u>
EQUITY AND LIABILITIES		
Equity		
Contributed capital		500
Retained earnings		<u>-5</u>
Total equity		<u>495</u>
Liabilities relating to discontinued operations		<u> </u>
Other payables		<u>6</u>
TOTAL EQUITY AND LIABILITIES		<u><u>501</u></u>

Financial statements 5 December – 31 December

Statement of changes in equity

DKK'000	Contributed capital	Retained earnings	Total
Contribution 5 December 2018	500	0	500
Transferred over the distribution of loss	0	-5	-5
Equity at 31 December 2018	500	-5	495

Financial statements 5 December – 31 December

Notes

1 Accounting policies

The annual report of NEWDAFA A/S for the period 5 December - 31 December 2018 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

Gross loss

Pursuant to Section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross loss.

Other external costs

Other external costs comprise distribution costs and costs related to administration etc.

Tax on loss for the year

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Equity

Equity comprise contributed capital and retained earnings.

Financial statements 5 December – 31 December

Notes

1 Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash.

2 Contractual obligations, contingencies, etc.

DAFA China Holding ApS is jointly and severally liable for jointly taxed income in the J. Norby Holding ApS Group and its Danish affiliates and for certain withholding taxes such as dividend tax and royalty tax as well as for the joint registration for VAT. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, etc., may entail an increase in the entities' liability. The Group as a whole is not liable to any other parties.

The Group's Danish entities are jointly and severally liable for the joint registration for VAT.

3 Related party disclosures

Consolidated financial statements

NEWDAFA A/S is part of the consolidated financial statements of DAFA A/S, Holmstrupgårdvej 12, 8220 Brabrand, which is the smallest group in which the Company is included as a subsidiary.

The consolidated statements of DAFA A/S is available at the company's address.