

Formica Danmark A/S

Østergade 1,2
1100 København

CVR no. 52 63 27 14

Annual report 2017/18

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

22 November 2018

Neil Laurance Mason
chairman

Contents

Statement by the Board of Directors and the Executive Board	2
Auditor's report on the compilation of financial statements	3
Management's review	4
Company details	4
Operating review	5
Financial statements 1 July – 30 June	6
Income statement	6
Balance sheet	7
Notes	9

Formica Danmark A/S
Annual report 2017/18
CVR no. 52 63 27 14

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 Formica Danmark A/S for the financial year 1 July 2017 – 30 June 2018.

The annual report, which has not been audited, is presented 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 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.

Copenhagen, 13 November 2018
Executive Board:

Ingvar Delen

Board of Directors:

Neil Laurance Mason
Chairman

Paul Andrew Foreman

Ingvar Delen



Auditor's report on the compilation of financial statements

To the Management of Formica Danmark A/S

We have compiled the financial statements of Formica Danmark A/S for the financial year 1 July 2017 – 30 June 2018 based on the Company's bookkeeping records and other information provided by you. The financial statements comprise income statement, balance sheet and notes, including accounting policies.

We performed our work in accordance with ISRS 4410 *Engagements to Compile Financial Statements*.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Auditors Act and FSR - Danish Auditors' ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion as to whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 13 November 2018

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Joakim Juul Larsen
State Authorised
Public Accountant
mne32803

Formica Danmark A/S
Annual report 2017/18
CVR no. 52 63 27 14

Management's review

Company details

Formica Danmark A/S
Østergade 1,2
1100 København

Telephone: +45 43 58 82 00
Website: www.formica.com

CVR no.: 52 63 27 14
Established: 12 March 1984
Registered office: Copenhagen
Financial year: 1 July – 30 June

Board of Directors

Neil Laurance Mason, Chairman
Paul Andrew Foreman
Ingvar Delen

Executive Board

Ingvar Delen

Management's review

Operating review

Principal activities

The principal activity of Formica Danmark A/S is sales work in Denmark for other companies in the Formica Group. The revenue of the company relates to consideration for sales work according to service agreements with other companies in the Formica Group

Financial development in 2017/18

The financial development in 2017/18 meets expectations. The net profit for 2017/18 amounts to DKK 173 thousand, and equity at 30 June 2018 amounts to DKK 1.562 thousand.

Events after the balance sheet date

No events have occurred after the balance sheet date that affect the financial statements for 2017/18. For 2018/19, the company expects that activities and net results will be at the same level as in 2017/18.

Financial statements 1 July – 30 June

Income statement

DKK	Note	2017/18	2016/17
Revenue		2,289,498	1,803,314
Other external costs		<u>-454,863</u>	<u>-299,641</u>
Gross profit		1,834,635	1,503,673
Staff costs	2	<u>-1,684,957</u>	<u>-1,385,699</u>
Operating profit		149,678	117,974
Financial income	3	109,538	115,916
Financial expenses		<u>-6,923</u>	<u>-65</u>
Profit before tax		252,293	233,825
Tax on profit/loss for the year	4	<u>-78,925</u>	<u>-51,441</u>
Profit for the year		<u>173,368</u>	<u>182,384</u>
Proposed profit appropriation			
Retained earnings		<u>173,368</u>	<u>182,384</u>

Financial statements 1 July – 30 June

Balance sheet

DKK	Note	<u>2017/18</u>	<u>2016/17</u>
ASSETS			
Current assets			
Receivables			
Receivables from group entities		1,937,037	3,243,218
Other receivables		101,545	23,721
Deferred tax asset		<u>8,751</u>	<u>8,751</u>
		<u>2,047,333</u>	<u>3,275,690</u>
Cash at bank and in hand		<u>59,902</u>	<u>89,288</u>
Total current assets		<u>2,107,235</u>	<u>3,364,978</u>
TOTAL ASSETS		<u><u>2,107,235</u></u>	<u><u>3,364,978</u></u>

Financial statements 1 July – 30 June

Balance sheet

DKK	Note	<u>2017/18</u>	<u>2016/17</u>
EQUITY AND LIABILITIES			
Equity			
Share premium		500,000	500,000
Retained earnings		<u>1,062,331</u>	<u>888,962</u>
Total equity		<u>1,562,331</u>	<u>1,388,962</u>
Liabilities			
Current liabilities			
Payables to group entities		0	1,399,243
Corporation tax		97,831	26,780
Other payables		<u>447,073</u>	<u>549,993</u>
		<u>544,904</u>	<u>1,976,016</u>
Total liabilities		<u>544,904</u>	<u>1,976,016</u>
TOTAL EQUITY AND LIABILITIES		<u><u>2,107,235</u></u>	<u><u>3,364,978</u></u>

Financial statements 1 July – 30 June

Notes

1 Accounting policies

The annual report of Formica Danmark A/S for 2017/18 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act.

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

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; 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. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with 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. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Revenue

Revenue comprises income from service agreements with other companies in the Formica Group. The income is measured at the fair value of the agreed consideration, excluding VAT and taxes charged on behalf of third parties.

Other external costs

Other external costs relate to the sales work, including sales promotion, transportation, rent, communication, IT and administration.

Financial statements 1 July – 30 June

Notes

1 Accounting policies (continued)

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts to the financial year. Financial income and expenses comprise interest income and expense and transactions denominated in foreign currencies, as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit/loss for the year

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 at the amount attributable to the profit/loss for the year and directly in equity at the amount attributable to entries directly in equity.

Receivables

Receivables are measured at amortised cost, which corresponds to nominal value. The value is reduced by write-down for bad debts.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Liabilities

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid.

Trade payables and payables to group entities are recognised at cost. Subsequently, these financial liabilities are measured at amortised cost.

Other liabilities are measured at net realisable value.

Financial statements 1 July – 30 June

Notes

2 Staff costs

DKK	<u>2017/18</u>	<u>2016/17</u>
Wages and salaries	1,455,839	1,215,812
Pensions	211,125	148,297
Other social security costs	<u>17,993</u>	<u>21,590</u>
	<u>1,684,957</u>	<u>1,385,699</u>
Average number of full-time employees	<u>3</u>	<u>2</u>

3 Financial income

DKK	<u>2017/18</u>	<u>2016/17</u>
Interest income from group entities	<u>109,538</u>	<u>115,916</u>
	<u>109,538</u>	<u>115,916</u>

4 Tax on profit/loss for the year

DKK	<u>2017/18</u>	<u>2016/17</u>
Current tax for the year	48,000	48,524
Deferred tax for the year	0	2,917
Adjustment of tax concerning previous years	<u>30,925</u>	<u>0</u>
	<u>78,925</u>	<u>51,441</u>