

**Alkaline Batteries A/S Under solvent  
liquidation**

**Central Business Registration No**

**52874513**

**Tigervej 1**

**7700 Thisted**

**Annual report 2015/16**

The Annual General Meeting adopted the annual report on 27.09.2016

**Chairman of the General Meeting**

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Name: Anders Bredgaard

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## **Entity details**

### **Entity**

Alkaline Batteries A/S Under solvent liquidation  
Tigervej 1  
7700 Thisted

Central Business Registration No: 52874513

Registered in: Thisted

Financial year: 01.04.2015 - 31.03.2016

### **Liquidator**

Anders Bredgaard, Likvidator

### **Auditors**

Deloitte Statsautoriseret Revisionspartnerselskab  
Gøteborgvej 18  
9200 Aalborg SV

## **Statement by Management on the annual report**

The Board of Directors and the Executive Board have today considered and approved the annual report of Alkaline Batteries A/S Under solvent liquidation for the financial year 01.04.2015 - 31.03.2016.

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 31.03.2016 and of the results of its operations for the financial year 01.04.2015 - 31.03.2016.

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.

Thisted, 27.09.2016

### **Liquidator**

Anders Bredgaard  
Likvidator

## **Independent auditor's reports**

### **To the owners of Alkaline Batteries A/S Under solvent liquidation**

#### **Report on the financial statements**

We have audited the financial statements of Alkaline Batteries A/S Under solvent liquidation for the financial year 01.04.2015 - 31.03.2016, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

#### **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 as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's responsibility**

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation of financial statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

#### **Opinion**

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31.03.2016 and of the results of its operations for the financial year 01.04.2015 - 31.03.2016 in accordance with the Danish Financial Statements Act.

## **Independent auditor's reports**

### **Report on other legal and regulatory requirements**

#### **Emphasis of matter regarding other issues**

Without this having affected our opinion, we refer to note 1 where Management states that the Company is in the course of voluntary liquidation.

### **Statement on the management commentary**

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the financial statements.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the financial statements.

Aalborg, 27.09.2016

### **Deloitte**

Statsautoriseret Revisionspartnerselskab

Lars Birner Sørensen  
State Authorised Public Accountant

CVR-nr. 33963556

## **Management commentary**

### **Primary activities**

Alkaline Batteries A/S remains holding company.

### **Development in activities and finances**

During the year the company has not engaged in any trading activities. The Polish subsidiary was sold to the parent company in 2015.

### **Events after the balance sheet date**

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

## 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 enterprises.

Referring to section 112(2) of the Danish Financial Statements Act, Alkaline Batteries A/S has not prepared any consolidated financial statements.

The accounting policies applied for these financial statements are consistent with those applied last year.

### 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.

### Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is



## Accounting policies

considered as belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates as well as out of the translation of income statements from average rates to the exchange rates at the balance sheet date are classified directly as equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries which are considered part of the total investment in the subsidiary in question are classified directly as equity.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or write-down. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

### Income statement

#### Gross profit or loss

Gross loss comprises external expenses.

#### Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for administration.

#### Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of internal profits or losses.

#### Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises and transactions in foreign currencies.

### 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 plus or minus unamortised positive, or negative, goodwill and minus or plus unrealised intra-group profits or losses.

Group enterprises with negative equity are measured at DKK 0, and any receivables from these enterprises are written down by the Parent's share of such negative equity value if it is deemed irrecoverable. If the negative

## Accounting policies

equity value exceeds the amount receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

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 assets and liabilities acquired. Goodwill is amortised over its estimated useful life which is normally five years, however, in certain cases it may be up to 20 years for strategically acquired enterprises with a strong market position and a long-term earnings profile if the longer amortisation period is considered to give a better reflection of the benefit from the relevant resources.

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 write-downs for bad and doubtful debts.

### Cash

Cash comprises bank deposits.

### Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

### Other financial liabilities

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

**Income statement for 2015/16**

|   | <u>Notes</u> | <u>2015/16<br/>DKK'000</u> | <u>2014/15<br/>DKK'000</u> |
|---|--------------|----------------------------|----------------------------|
| <b>Gross loss</b>                               |              | <b>(62)</b>                | <b>(45)</b>                |
| Income from investments in group enterprises    |              | (4,943)                    | 5,920                      |
| Other financial expenses                        | 3            | <u>(5)</u>                 | <u>(739)</u>               |
| <b>Profit/loss for the year</b>                 |              | <b><u>(5,010)</u></b>      | <b><u>5,136</u></b>        |
| <br><b>Proposed distribution of profit/loss</b> |              |                            |                            |
| Retained earnings                               |              | <u>(5,010)</u>             | <u>5,136</u>               |
|   |              | <b><u>(5,010)</u></b>      | <b><u>5,136</u></b>        |

**Balance sheet at 31.03.2016**

|                                    | <u>Notes</u> | <u>2015/16<br/>DKK'000</u>  | <u>2014/15<br/>DKK'000</u>  |
|------------------------------------|--------------|-----------------------------|-----------------------------|
| Investments in group enterprises   |              | <u>0</u>                    | <u>42,351</u>               |
| <b>Fixed asset investments</b>     | 4            | <u><b>0</b></u>             | <u><b>42,351</b></u>        |
| <b>Fixed assets</b>                |              | <u><b>0</b></u>             | <u><b>42,351</b></u>        |
| Receivables from group enterprises |              | <u>34,046</u>               | <u>0</u>                    |
| <b>Receivables</b>                 |              | <u><b>34,046</b></u>        | <u><b>0</b></u>             |
| Cash                               |              | <u>66</u>                   | <u>71</u>                   |
| <b>Current assets</b>              |              | <u><b>34,112</b></u>        | <u><b>71</b></u>            |
| <b>Assets</b>                      |              | <u><u><b>34,112</b></u></u> | <u><u><b>42,422</b></u></u> |

**Balance sheet at 31.03.2016**

|  | <u>Notes</u> | <u>2015/16<br/>DKK'000</u>  | <u>2014/15<br/>DKK'000</u>  |
|--|--------------|-----------------------------|-----------------------------|
| Contributed capital                              |              | 15,000                      | 15,000                      |
| Retained earnings                                |              | <u>19,028</u>               | <u>24,038</u>               |
| <b>Equity</b>                                    |              | <u><b>34,028</b></u>        | <u><b>39,038</b></u>        |
| Debt to group enterprises                        |              | 0                           | 3,362                       |
| Other payables                                   | 5            | <u>84</u>                   | <u>22</u>                   |
| <b>Current liabilities other than provisions</b> |              | <u><b>84</b></u>            | <u><b>3,384</b></u>         |
| <b>Liabilities other than provisions</b>         |              | <u><b>84</b></u>            | <u><b>3,384</b></u>         |
| <b>Equity and liabilities</b>                    |              | <u><u><b>34,112</b></u></u> | <u><u><b>42,422</b></u></u> |
| Unusual circumstances                            | 1            |                             |                             |
| Related parties with control                     | 6            |                             |                             |
| Consolidation                                    | 7            |                             |                             |

**Statement of changes in equity for 2015/16**

|                           | <b>Contributed<br/>capital<br/>DKK'000</b> | <b>Retained<br/>earnings<br/>DKK'000</b> | <b>Total<br/>DKK'000</b> |
|---------------------------|--|--|--------------------------|
| Equity beginning of year  | 15,000                                     | 24,038                                   | 39,038                   |
| Profit/loss for the year  | 0  | (5,010)                                  | (5,010)                  |
| <b>Equity end of year</b> | <b>15,000</b>                              | <b>19,028</b>                            | <b>34,028</b>            |

## Notes

### 1. Unusual circumstances

The company is in the proces of solvent liquidation and is expected to be liquidated in the coming year.

|   | <u>2015/16</u><br><u>DKK'000</u> | <u>2014/15</u><br><u>DKK'000</u> |
|---|----------------------------------|----------------------------------|
| <b>2. Fees to the auditor appointed by the Annual General Meeting</b> |                                  |                                  |
| Statutory audit services  | 59                               | 45                               |
|   | <u>59</u>                        | <u>45</u>                        |

|                                    | <u>2015/16</u><br><u>DKK'000</u> | <u>2014/15</u><br><u>DKK'000</u> |
|------------------------------------|----------------------------------|----------------------------------|
| <b>3. Other financial expenses</b> |                                  |                                  |
| Other financial expenses           | 5                                | 739                              |
|                                    | <u>5</u>                         | <u>739</u>                       |

|                                    | <u>Invest-<br/>ments in<br/>group en-<br/>terprises</u><br><u>DKK'000</u> |
|------------------------------------|---|
| <b>4. Fixed asset investments</b>  |   |
| Cost beginning of year             | 46,929  |
| Disposals                          | (46,929)  |
| <b>Cost end of year</b>            | <u>0</u>  |
| Revaluations beginning of year     | (4,578)   |
| Reversal regarding disposals       | 4,578   |
| <b>Revaluations end of year</b>    | <u>0</u>  |
| <b>Carrying amount end of year</b> | <u>0</u>  |

|                       | <u>Registered in</u> | <u>Equity<br/>interest<br/>%</u> |
|-----------------------|----------------------|----------------------------------|
| Subsidiaries:         |                      |                                  |
| GP Battery SP. Z.O.O. | Poland               | 0.00                             |

## Notes

|                                     | <b>2015/16</b>        | <b>2014/15</b>        |
|-------------------------------------|-----------------------|-----------------------|
|                                     | <b><u>DKK'000</u></b> | <b><u>DKK'000</u></b> |
| <b>5. Other short-term payables</b> |                       |                       |
| Other costs payable                 | <u>84</u>             | <u>22</u>             |
|                                     | <b><u>84</u></b>      | <b><u>22</u></b>      |

## 6. Related parties with control

The Company's principal shareholder – GP Batteries (UK) Limited.

Apart from the principal shareholder, the Company's related parties comprise the Executive Board and the Board of Directors.

## 7. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

GP Batteries International Limited, Singapore