Deb Swarfega A/S

Agerhatten 27B, 5220 Odense SØ

CVR no. 80 83 74 10

Annual report
for the year 1 July 2016 - 30 June 2017

Approved at the annual general meeting of shareholders on 10 November 2017

Chairman:

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Building a better
working world

Contents

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Deb Swarfega A/S for the financial year 1 July 2016 - 30 June 2017.

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 2017 and of the results of the Company's operations for the financial year 1 July 2016 - 30 June 2017.

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.

Odense, 10 November 2017
Executive Board:

Klaus Andersen

Board of Directors:

Nicholas Noel Hardwick Matterson Chairman	Jeffrey Bell	Klaus Andersen

Independent auditor's report

To the shareholders of Deb Swarfega A/S

Opinion

We have audited the financial statements of Deb Swarfega A/S for the financial year 1 July 2016 - 30 June 2017, which comprise an 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 2017 and of the results of the Company's operations for the financial year 1 July 2016 - 30 June 2017 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 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 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 skepticism 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.
- 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.

Independent auditor's report

- 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 conclusion is 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 our procedures, 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.

Kolding, 10 November 2017
Ernst & Young
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Michael Vakker Maass
State Authorised Public Accountant

Management's review

Company details

Name	Deb Swarfega A/S
Address, Postal code, City	Agerhatten 27B, 5220 Odense SØ
CVR no.	80 83 74 10
Established	1 April 1977
Registered office	Odense kommune
Financial year	1 July 2016 - 30 June 2017
Website	www.deb.dk
Telephone	+45 64 72 24 00
Board of Directors	Nicholas Noel Hardwick Matterson, Chairman Jeffrey Bell Klaus Andersen
Executive Board	Klaus Andersen
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Kolding Åpark 1, 3. sal, 6000 Kolding, Denmark

Management's review

Management commentary

Business review

As in previous years, the Company's main activity has involved the sale of skin hygiene and cleaning products.

Financial review

The income statement for 2016/17 shows a profit of DKK 259,330 against DKK 1,193,753 last year, and the balance sheet at 30 June 2017 shows equity of DKK 2,315,827.

Due to changes in ultimate ownership the Company's financial year changed. The income statement thus represented 18 months activity for 2015/16.

Developments during the financial year

Both the industrial market and the foodsector seems to have stabilised and even moving forward. This is our most important segments. We have put a lot of energy into modernising our product range by launching new products, which should provide a good basis for further positive development.

The Company's employees

The Company has employed 17 employees during the year.

Research and development activities

The Company conducts ongoing product development in cooperation with the Group's other companies.

Events after the balance sheet date

No events have occurred after the end of the financial year that could significantly impact the Company's financial standing.

Outlook

We have implemented offensive plans for further growth. Our sales organisation is undergoing additional training and we have high expectations.

The innovation of our product range will continue in 2017/18 with more effective and modern products. An important part of this is that many of the products will carry the European Ecolabel, also known as the "Flower".

As a result of the above, we expect a result for 2017/18 equal to 2015/16 adjusted to 12 months only. Going forward, we will develop concepts targeting the market segments that show the greatest growth potential.

Financial statements 1 July 2016 - 30 June 2017

Income statement

Note	DKK	2016/17 12 months	2015/16 18 months
	Gross margin	8,892,005	14,478,998
2	Staff costs	-8,344,239	-12,738,346
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-155,381	-168,944
	Profit before net financials	392,385	1,571,708
	Financial expenses	-42,523	-4,752
	Profit before tax	349,862	1,566,956
3	Tax for the year	-90,532	-373,203
	Profit for the year	259,330	1,193,753

	2016/17	2015/16
Recommended appropriation of profit		
Proposed dividend recognised under equity	0	1,100,000
Retained earnings	259,330	93,753
	259,330	1,193,753

Financial statements 1 July 2016 - 30 June 2017

Balance sheet

Note	DKK	2016/17	2015/16
	ASSETS		
	Fixed assets		
	Intangible assets		
	Acquired intangible assets	18,671	21,370
		18,671	21,370
	Property, plant and equipment		
	Fixtures and fittings, other plant and equipment	802,027	228,708
	Leasehold improvements	3,006	10,218
		805,033	238,926
	Total fixed assets	823,704	260,296
	Non-fixed assets		
	Inventories		
	Finished goods and goods for resale	202,400	360,331
		202,400	360,331
	Receivables		
	Trade receivables	3,111,618	3,935,646
	Receivables from group enterprises	955,684	991,495
	Deferred tax assets	0	704
	Other receivables	196,494	197,455
	Prepayments	216,776	123,504
		4,480,572	5,248,804
	Cash	2,271,560	3,213,107
	Total non-fixed assets	6,954,532	8,822,242
	TOTAL ASSETS	7,778,236	9,082,538

Financial statements 1 July 2016 - 30 June 2017

Balance sheet

Note	DKK	2016/17	2015/16
	EQUITY AND LIABILITIES		
	Equity		
4	Share capital	500,000	500,000
	Retained earnings	1,815,827	1,556,497
	Dividend proposed	0	1,100,000
	Total equity	2,315,827	3,156,497
	Provisions		
	Deferred tax	19,398	0
	Total provisions	19,398	0
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	520,684	303,998
	Payables to group enterprises	1,508,766	1,830,174
	Corporation tax payable	24,174	120,551
	Other payables	3,389,387	3,671,318
		5,443,011	5,926,041
	Total liabilities other than provisions	5,443,011	5,926,041
	TOTAL EQUITY AND LIABILITIES	7,778,236	9,082,538

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

Financial statements 1 July 2016 - 30 June 2017

Statement of changes in equity

DKK	Share capital	Retained earnings	Dividend proposed	Total
Equity at 1 January 2015	500,000	1,462,744	800,000	2,762,744
Transfer through appropriation of profit	0	93,753	1,100,000	1,193,753
Dividend distributed	0	0	-800,000	-800,000
Equity at 1 July 2016	500,000	1,556,497	1,100,000	3,156,497
Transfer through appropriation of profit	0	259,330	0	259,330
Dividend distributed	0	0	-1,100,000	-1,100,000
Equity at 30 June 2017	500,000	1,815,827	0	2,315,827

Financial statements 1 July 2016 - 30 June 2017

Notes to the financial statements

1 **Accounting policies**

The annual report of Deb Swarfega A/S for 2016/17 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.

Changes in accounting policies

Effective 1 July 2016, the Company has adopted act no. 738 of 1 June 2015. This implies the following changes in the recognition and measurement:

1. In future, residual values of property, plant and equipment will be subject to annual reassessment. The Company has no significant residual values relating to property, plant and equipment. Consequently, the change is made with future effect only as a change in accounting estimates with no impact on equity.

Apart from the above changes in accounting policy and new and changed presentation and disclosure requirements, which follow from act. no. 738 of 1 June 2015, the accounting policies are consistent with those of last year.

Reporting currency

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

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate 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 and payables and other monetary items denominated in foreign currencies are translated at the exchange rate 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 most recent financial statements is recognised in the income statement as financial income or financial expenses.

Leases

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Income statement

Revenue

Revenue is recognised in the income statement provided that delivery and transfer of risk to the buyer have taken place and that the income may be reliably measured and is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Financial statements 1 July 2016 - 30 June 2017

Notes to the financial statements

1 Accounting policies (continued)

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.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, 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.

Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The cost net of the expected residual value for completed development projects and acquired IP rights is amortised over the expected useful life. Acquired IP rights include patents, rights and licences.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Acquired intangible assets	9-10 years

The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further amortisation charges are recognised. In case of changes in the residual value, the effect on the amortisation charges is recognised prospectively as a change in accounting estimates.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Fixtures and fittings, other plant and equipment	3-5 years
Leasehold improvements	4 years

The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. In case of changes in the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Financial expenses

Financial expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Financial statements 1 July 2016 - 30 June 2017

Notes to the financial statements

1 Accounting policies (continued)

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.

Balance sheet

Intangible assets

Other intangible assets include development projects and other acquired intangible rights, including software licences, distribution rights and development projects.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Impairment of fixed assets

Intangible assets, property and plant and equipment are subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation. Impairment tests are conducted in respect of individual assets or groups of assets generating separate cash flows when there is indications of impairment. The assets are written down to the higher of the value in use and net realisable value (recoverable amount) of the asset or group of assets if this is lower than the carrying amount. As for group of assets, impairment losses are first recognised in respect of goodwill and thereafter proportionately in respect of the other assets.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Financial statements 1 July 2016 - 30 June 2017

Notes to the financial statements

1 Accounting policies (continued)

Receivables

Receivables are measured at amortised cost, which correspond to the nominal value. The value is reduced by write-down for bad debts, where there is an objective indication that a receivable has been impaired.

Prepayments

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

Equity

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".

Corporation tax

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.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Financial statements 1 July 2016 - 30 June 2017

Notes to the financial statements

	DKK	2016/17 12 months	2015/16 18 months
2	**Staff costs**		
	Wages/salaries	7,762,804	11,866,015
	Pensions	460,320	705,564
	Other social security costs	121,115	166,767
		8,344,239	12,738,346
	Average number of full-time employees	17	17

	DKK	2016/17 12 months	2015/16 18 months
3	**Tax for the year**		
	Estimated tax charge for the year	69,916	378,173
	Deferred tax adjustments in the year	20,102	-4,970
	Tax adjustments, prior years	514	0
		90,532	373,203

4 **Share capital**

Analysis of the share capital:

500 shares of DKK 1,000.00 nominal value each	500,000	500,000
	500,000	500,000

All shares rank equally.

The Company's share capital has remained DKK 500,000 over the past 5 years.

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

Other financial obligations

Other rent and lease liabilities:

Rent and lease liabilities	1,565,254	1,781,163

6 **Collateral**

The Company has not provided any security or other collateral in assets at 30 June 2017.

Financial statements 1 July 2016 - 30 June 2017

Notes to the financial statements

7 Related parties

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
SCJ UK Finco Ltd	Frimley Green, Camberley , Surrey GU16 7AJ, UK	Frimley Green, Camberley , Surrey GU16 7AJ, UK

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

Name	Domicile
Deb Holding Ltd.	Denby Hall Way, Denby, Derbyshire DE5 8JZ, UK