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***Lockman Denmark  
Holdings A/S***

**Annual Report for 25 November  
- 31 December 2014**

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CVR No 36 44 34 05

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
28/5 2015

Svend Åge Lundgaard  
Jensen  
Chairman



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# Management's Statement

The Executive Board and the Board of Directors have today considered and adopted the Annual Report of Lockman Denmark Holdings A/S for the financial year 25 November - 31 December 2014.

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 at 31 December 2014 of the Company and of the results of the Company operations for 2014.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Kongens Lyngby, 28 May 2015

## Executive Board

Paul Henri Jona

## Board of Directors

Kenneth John Morrison  
Chairman

Paul Henri Jona

Svend Åge Lundgaard Jensen

# **Independent Auditor's Report on the Financial Statements**

To the Shareholder of Lockman Denmark Holdings A/S

## **Report on the Financial Statements**

We have audited the Financial Statements of Lockman Denmark Holdings A/S for the financial year 25 November - 31 December 2014, which comprise income statement, balance sheet, notes and summary of significant accounting policies. 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 whether the Financial Statements are free from material misstatement.

An audit involves performing audit 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 misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company'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 Company'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 evaluating 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 financial position of the Company at 31 December 2014 and of the results of the Company operations for the financial year 25 November - 31 December 2014 in accordance with the Danish Financial Statements Act.

# **Independent Auditor's Report on the Financial Statements**

## **Statement on Management's Review**

We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Financial Statements. On this basis, in our opinion, the information provided in Management's Review is in accordance with the Financial Statements.

Copenhagen, 28 May 2015

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

Erik Stener Jørgensen  
State Authorised Public Accountant

René Poulsen  
State Authorised Public Accountant

## Company Information

### **The Company**

Lockman Denmark Holdings A/S  
Lundtoftegårdsvej 93D  
DK-2800 Kongens Lyngby

CVR No: 36 44 34 05  
Financial period: 25 November - 31 December  
Incorporated: 25 November 2014  
Municipality of reg. office: Lyngby-Taarbæk

### **Board of Directors**

Kenneth John Morrison, Chairman  
Paul Henri Jona  
Svend Åge Lundgaard Jensen

### **Executive Board**

Paul Henri Jona

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## **Management's Review**

The Annual Report of Lockman Denmark Holdings A/S for 2014 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Annual Report has been prepared under the same accounting policies as last year.

### **Main activity**

The objects of the company is to act as holding company and to conduct investment business.

### **Development in the year**

The income statement of the Company for 2014 shows a loss of TDKK 16, and at 31 December 2014 the balance sheet of the Company shows equity of TDKK 484.

### **Subsequent events**

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

## Income Statement 25 November - 31 December

|                                     | <u>Note</u> | <u>25/11 - 31/12</u><br><u>2014</u><br>TDKK |
|-------------------------------------|-------------|---|
| Other external expenses             |             | -20   |
| <b>Gross profit/loss</b>            |             | <b>-20</b>                                  |
| <b>Profit/loss before tax</b>       |             | <b>-20</b>                                  |
| Tax on profit/loss for the year     | 1           | 4   |
| <b>Net profit/loss for the year</b> |             | <b>-16</b>                                  |

## Distribution of profit

### Proposed distribution of profit

|                                |            |
|--------------------------------|------------|
| Proposed dividend for the year | 0          |
| Retained earnings              | -16        |
|                                | <b>-16</b> |

## Balance Sheet 31 December

|  | <u>Note</u> | <u>2014</u><br>TDKK |
|--|-------------|---------------------|
| <b>Assets</b>  |             |                     |
| Deferred tax asset   |             | 4                   |
| <b>Receivables</b>   |             | <u>4</u>            |
| <b>Cash at bank and in hand</b>                                |             | <u>500</u>          |
| <b>Currents assets</b>   |             | <u>504</u>          |
| <b>Assets</b>  |             | <u>504</u>          |
| <br><b>Liabilities and equity</b>                              |             |                     |
| Share capital  |             | 500                 |
| Retained earnings  |             | -16                 |
| <b>Equity</b>  | 2           | <u>484</u>          |
| Other payables   |             | 20                  |
| <b>Short-term debt</b>   |             | <u>20</u>           |
| <b>Debt</b>  |             | <u>20</u>           |
| <b>Liabilities and equity</b>                                  |             | <u>504</u>          |
| Contingent assets, liabilities and other financial obligations | 3           |                     |
| Related parties and ownership                                  | 4           |                     |

# Notes to the Annual Report

25/11 - 31/12

2014

TDKK

## 1 Tax on profit/loss for the year

|                           |           |
|---------------------------|-----------|
| Current tax for the year  | 0         |
| Deferred tax for the year | -4        |
|                           | <u>-4</u> |

## 2 Equity

|                              | Share capital | Retained earnings | Total      |
|------------------------------|---------------|-------------------|------------|
|                              | TDKK          | TDKK              | TDKK       |
| Equity at 25 November        | 500           | 0                 | 500        |
| Net profit/loss for the year | 0             | -16               | -16        |
| <b>Equity at 31 December</b> | <b>500</b>    | <b>-16</b>        | <b>484</b> |

The share capital consists of 500,000 shares of a nominal value of TDKK 1. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

## 3 Contingent assets, liabilities and other financial obligations

### Contingent liabilities

When a Danish group is established the companies in this will be jointly and severally liable for tax on the Group's jointly taxed income.

## 4 Related parties and ownership

### Ownership

The following shareholder is recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Lockman Electronic Holdings Limited

# Accounting Policies

## Basis of Preparation

Financial Statements of Lockman Denmark Holdings A/S for 2014 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

Financial Statements for 2014 are presented in TDKK.

## Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Danish kroner is used as the measurement currency. All other currencies are regarded as foreign currencies.

## Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

# Accounting Policies

## Income Statement

### Other external expenses

Other external expenses comprise administrative expenses.

### Income from investments in subsidiaries and associates

The items "Income from investments in subsidiaries" and "Income from investments in associates" in the income statement include the proportionate share of the profit for the year less goodwill amortisation.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish subsidiaries. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

## Balance Sheet

### Investments in subsidiaries and associates

Investments in subsidiaries and associates are recognised and measured under the equity method.

The items "Investments in subsidiaries" and "Investments in associates" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised inter-company profits or losses and with addition of any remaining value of positive differences (goodwill) and deduction of any remaining value of negative differences (negative goodwill).

The total net revaluation of investments in subsidiaries and associates is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in subsidiaries and associates.

Subsidiaries and associates with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

# Accounting Policies

## Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

## Equity

### *Dividend*

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

## Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

## Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

## Debts

Debts are measured at amortised cost, substantially corresponding to nominal value.