

Achton A/S
Central Business Registration No
10980690

Annual report 2015

The Annual General Meeting adopted the annual report on 15.03.2016

Chairman of the General Meeting



Name: Steen Erik Rasmussen

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Entity details

Entity

Achton A/S
Ordrupvej 19
4540 Faarevejle

Central Business Registration No: 10980690

Registered in: Odsherred

Financial year: 01.01.2015 - 31.12.2015

Phone: +4559441700

Internet: www.achton-as.com

Board of Directors

Dorthe Achton, chairman

Mogens Thunbo

Kim Achton

Morten Achton

Steen Erik Rasmussen

Executive Board

Kim Achton

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Ndr. Ringgade 70A

Postboks 1600

4200 Slagelse

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Achton A/S for the financial year 01.01.2015 - 31.12.2015.

The annual report is presented in accordance with the Danish Financial Statements Act.

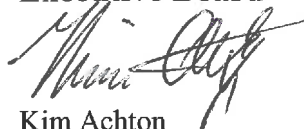
In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015.

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.

Faarevejle, 15.03.2016

Executive Board



Kim Achton

Board of Directors



Dorthe Achton
chairman



Mogens Thunbo



Kim Achton



Morten Achton



Steen Erik Rasmussen

Independent auditor's reports

To the owners of Achton A/S

Report on the financial statements

We have audited the financial statements of Achton A/S for the financial year 01.01.2015 - 31.12.2015, 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 Entity's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

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.

Slagelse, 15.03.2016

Deloitte

Statsautoriseret Revisionspartnerselskab



Søren Stampe

State Authorised Public Accountant



Christian Hansen

State Authorised Public Accountant

Management commentary

Primary activities

The Entity's primary market is designing and manufacturing of professional dispensing systems.

Development in activities and finances

Profit for the year is DKK 7,726k. The Company's balance sheet shows total assets of DKK 28,494k and equity of 12,338k.

As expected the company has lost a large client during the financial year. The company has known this for some time, and the initiated activities against replacement of the lost turnover with alternative turnover, allocated to several clients, proceed satisfactorily.

In the next year a positive result is expected.

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.

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, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss includes revenue, change in inventories of finished goods, other operating income, costs for raw materials and consumables as well as external expenses.

Accounting policies

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at the fair value of the consideration fixed.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary write-downs of the relevant inventories.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses relating to property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of property, plant and equipment.

Other financial income

Other financial income comprises interest income etc.

Other financial expenses

Other financial expenses comprise interest expenses, net capital losses on payables and foreign currency transactions as well as amortisation of financial liabilities etc.

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with its Parent. The current income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

Accounting policies

Balance sheet

Property, plant and equipment

Plant and machinery, fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when the asset is ready to be put into operation. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Plant and machinery	5-10 years
Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	10 years

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equaling nominal value less write-downs for bad and doubtful debts.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. The cost of finished goods consists of costs for raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation on and impairment losses relating to machinery, factory buildings and equipment applied for the manufacturing process as well as costs of factory administration and management. Financing costs are not included in cost.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Accounting policies

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. The proposed dividend for the financial year is disclosed as a separate item under equity.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Deferred tax is calculated on the basis of agreed corporate tax rates, which are slowly being reduced by 2016. The calculation is based on an estimated settlement of the temporary differences. The effect of the tax reduction is recognized in income statement.

Finance lease commitments

Lease commitments relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease commitments are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

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 tax receivable or payable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Accounting policies

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Income statement for 2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK'000</u>
Gross profit		25.562.533	24.685
Staff costs	1	(12.239.567)	(12.035)
Depreciation, amortisation and impairment losses	2	<u>(2.384.290)</u>	<u>(2.616)</u>
Operating profit/loss		10.938.676	10.034
Other financial income	3	43.128	92
Other financial expenses	4	<u>(907.138)</u>	<u>(956)</u>
Profit/loss from ordinary activities before tax		10.074.666	9.170
Tax on profit/loss from ordinary activities	5	<u>(2.348.465)</u>	<u>(2.232)</u>
Profit/loss for the year		<u>7.726.201</u>	<u>6.938</u>
 Proposed distribution of profit/loss			
Dividend for the financial year		6.500.000	6.500
Retained earnings		<u>1.226.201</u>	<u>438</u>
		<u>7.726.201</u>	<u>6.938</u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK'000</u>
Plant and machinery		7.323.324	8.753
Other fixtures and fittings, tools and equipment		944.245	1.208
Leasehold improvements		1.629.887	1.268
Property, plant and equipment		9.897.456	11.229
Other receivables		2.625.000	2.367
Fixed asset investments		2.625.000	2.367
Fixed assets		12.522.456	13.596
Raw materials and consumables		1.254.127	1.850
Work in progress		4.614.228	2.574
Manufactured goods and goods for resale		4.906.898	7.185
Inventories		10.775.253	11.609
Trade receivables		5.130.502	3.153
Receivables from group enterprises		0	2.578
Other short-term receivables		29.033	177
Prepayments		0	442
Receivables		5.159.535	6.350
Cash		36.319	40
Current assets		15.971.107	17.999
Assets		28.493.563	31.595

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK'000</u>
Contributed capital	6	1.000.000	1.000
Retained earnings		4.837.617	3.612
Proposed dividend		6.500.000	6.500
Equity		<u>12.337.617</u>	<u>11.112</u>
Provisions for deferred tax	7	693.314	865
Provisions		<u>693.314</u>	<u>865</u>
Finance lease liabilities		3.125.909	3.779
Non-current liabilities other than provisions	8	<u>3.125.909</u>	<u>3.779</u>
Current portion of long-term liabilities other than provisions	8	1.126.033	1.169
Other credit institutions		4.001.736	5.101
Trade payables		2.543.328	3.876
Debt to group enterprises		75.000	0
Income tax payable	9	2.520.439	2.220
Other payables		1.989.195	3.473
Deferred income		80.992	0
Current liabilities other than provisions		<u>12.336.723</u>	<u>15.839</u>
Liabilities other than provisions		<u>15.462.632</u>	<u>19.618</u>
Equity and liabilities		<u>28.493.563</u>	<u>31.595</u>
Unrecognised rental and lease commitments	10		
Contingent liabilities	11		
Assets charged and collateral	12		
Related parties with control	13		

Statement of changes in equity for 2015

	Contributed capital DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	1.000.000	3.611.416	6.500.000	11.111.416
Ordinary dividend paid	0	0	(6.500.000)	(6.500.000)
Profit/loss for the year	0	1.226.201	6.500.000	7.726.201
Equity end of year	1.000.000	4.837.617	6.500.000	12.337.617

Notes

	2015	2014
	DKK	DKK'000
1. Staff costs		
Wages and salaries	10.717.074	10.485
Pension costs	1.195.384	1.218
Other social security costs	327.109	332
	12.239.567	12.035
	2015	2014
	DKK	DKK'000
2. Depreciation, amortisation and impairment losses		
Depreciation of property, plant and equipment	2.545.422	2.684
Profit/loss from sale of intangible assets and property, plant and equipment	(161.132)	(68)
	2.384.290	2.616
	2015	2014
	DKK	DKK'000
3. Other financial income		
Financial income arising from group enterprises	25.782	78
Other financial income	17.346	14
	43.128	92
	2015	2014
	DKK	DKK'000
4. Other financial expenses		
Financial expenses from group enterprises	20.333	0
Interest expenses	886.805	956
	907.138	956
	2015	2014
	DKK	DKK'000
5. Tax on ordinary profit/loss for the year		
Current tax	2.520.439	2.220
Change in deferred tax for the year	(142.956)	61
Adjustment relating to previous years	0	7
Effect of changed tax rates	(29.018)	(56)
	2.348.465	2.232

Notes

	<u>Number</u>				<u>Nominal value DKK</u>
6. Contributed capital					
Equity capital				1.000	1.000.000
				<u>1.000</u>	<u>1.000.000</u>
	<u>2015 DKK</u>	<u>2014 DKK</u>	<u>2013 DKK</u>	<u>2012 DKK</u>	<u>2011 DKK</u>
Changes in contributed capital					
Contributed capital beginning of year	1.000.000	1.000.000	1.000.000	1.000.000	200.000
Increase of capital	0	0	0	0	800.000
Contributed capital end of year	<u>1.000.000</u>	<u>1.000.000</u>	<u>1.000.000</u>	<u>1.000.000</u>	<u>1.000.000</u>
				<u>2015 DKK</u>	<u>2014 DKK'000</u>
7. Deferred tax					
Property, plant and equipment				693.314	865
				<u>693.314</u>	<u>865</u>
	<u>Instalments within 12 months 2014 DKK'000</u>	<u>Instalments within 12 months 2015 DKK</u>	<u>Instalments beyond 12 months 2015 DKK</u>		<u>Outstanding after 5 years 2015 DKK</u>
8. Long-term liabilities other than provisions					
Finance lease liabilities	1.169	1.126.033	3.125.909		0
Other credit institutions	0	0	0		0
	<u>1.169</u>	<u>1.126.033</u>	<u>3.125.909</u>		<u>0</u>
9. Short-term income tax payable					

Short-term income tax consists of tax contributions of DKK 2,520k which are settled with K A Holding A/S.

Notes

10. Unrecognised rental and lease commitments

For the period 2016-2019, the Entity has entered into rental agreements and leases. Annual rental and lease commitments total DKK 527k.

For the period 2016-2020, the Entity has entered into a rental agreement with group enterprises. Annual rent totals DKK 3,420k.

11. Contingent liabilities

The Entity participates in a Danish joint taxation arrangement in which K A Holding A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed companies and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

12. Assets charged and collateral

To guarantee bank loans, chattels have been provided as security by way of a letter of indemnity for DKK 5m nominal, secured upon operating equipment and tools and leasehold rights.

In addition, bank loans have been secured by way of a floating charge for DKK 10m, secured upon inventories and accounts receivable with a carrying amount of DKK 15,905k.

13. Related parties with control

K A Holding A/S, Ordrupvej 19, 4540 Faarevejle, Denmark, holds all the shares in the Entity, meaning that K A Holding A/S controls the Entity.