Prospectus

OFFERING OF UP TO 7,000,000 OFFER SHARES IN TCM GROUP A/S

(A PUBLIC LIMITED COMPANY INCORPORATED IN DENMARK REGISTERED UNDER CVR NO. 37 29 12 69)

This document (the "**Prospectus**") relates to the initial public offering (the "**Offering**") of up to 7,000,000 existing ordinary shares, each with a nominal value of DKK 0.1 (the "**Offer Shares**") in TCM Group A/S (the "**Company**") by Innovator International S.à r.l. (the "**Selling Shareholder**"). The exact number of Offer Shares to be sold by the Selling Shareholder will be determined based on the book-building process. The Company will not receive any proceeds from the Offering.

The Offering consists of (i) an initial public offering to retail and institutional investors in Denmark (the "**Danish Offering**") and (ii) private placements to institutional investors in the rest of the world (the "**International Offering**"). The Offering will be made in compliance with Regulation S under the U.S. Securities Act ("**Regulation S**").

The Company has received undertakings subject to certain conditions from each of the following investors (the "**Cornerstone Investors**") to purchase Offer Shares at the Offer Price for an aggregate amount of DKK 315 million, corresponding to 42.9 – 50% of the Offer Shares, depending on the final Offer Price (excluding the Overallotment Option, as defined below) (the "**Cornerstone Shares**"). The undertakings of the Cornerstone Investors are divided as follows: Arbejdsmarkedets Tillægspension will invest DKK 75 million, BI Asset Management Fondsmæglerselskabet A/S on behalf of certain clients will invest DKK 50 million, Investeringsforeningen Fundamental Invest will invest DKK 45 million, Nordea Investment Management AB, Denmark (branch of Nordea Investment Management AB, Sweden) will invest 50 million, Handelsbanken, branch of Svenska Handelsbanken AB (publ.), Sweden will invest DKK 30 million, Nykredit Bank A/S will invest DKK 35 million and Spar Nord Bank A/S will invest DKK 30 million.

The Selling Shareholder has granted an option to the Managers (as defined herein), exercisable in whole or in part by the Stabilising Manager (as defined herein), to purchase up to 1,050,000 additional Shares (as defined below) in the Company at the Offer Price (as defined below) (the "**Option Shares**"), from the first day of trading in, and official listing of, the Shares until the day falling 30 calendar days thereafter, solely to cover overallotments or other short positions, if any, in connection with the Offering (the "**Overallotment Option**"). As used herein, "**Shares**" refers to all outstanding shares in the Company at any given time and if the Overallotment Option is exercised, the term Offer Shares shall also include the Option Shares.

PROSPECTIVE INVESTORS ARE ADVISED TO EXAMINE ALL RISKS AND LEGAL REQUIREMENTS DESCRIBED IN THIS PROSPECTUS THAT MIGHT BE RELEVANT IN CONNECTION WITH AN INVESTMENT IN THE OFFER SHARES. INVESTING IN THE OFFER SHARES INVOLVES A HIGH DEGREE OF RISK. SEE SECTION 1 "*RISK FACTORS*" FOR A DISCUSSION OF CERTAIN RISKS THAT PROSPECTIVE INVESTORS SHOULD CONSIDER BEFORE INVESTING IN THE OFFER SHARES.

PRICE RANGE: DKK 90 – DKK 105 PER OFFER SHARE

The price at which the Offer Shares will be sold (the "**Offer Price**") is expected to be between DKK 90 and DKK 105 per Offer Share (the "**Offer Price Range**") and will be determined through a book building process. The Offer Price will be determined by the Selling Shareholder and the Company's board of directors (the "**Board of Directors**") in consultation with the Joint Global Coordinators (as defined herein), and is expected to be announced through Nasdaq Copenhagen A/S ("**Nasdaq Copenhagen**") no later than 8:00 a.m. (CET) on 24 November 2017. The Offer Price Range may be amended during the book building process and, as a result, the Offer Price may be outside the Offer Price Range set forth in this Prospectus, subject to any requirement to supplement the Offering and this Prospectus.

The offer period (the "**Offer Period**") will commence on 13 November 2017 and will close no later than 23 November 2017 at 4:00 p.m. (CET). The Offer Period may be closed prior to 23 November 2017; however, the Offer Period will not be closed in whole or in part before 21 November 2017 at 00:01 a.m. (CET). The Offer Period in respect of applications for purchases of amounts up to, and including, DKK 3 million may be closed before the remainder of the Offering is closed. If the Offer Period is closed before 23 November 2017, the first day of trading in and official listing of the Shares on Nasdaq Copenhagen and the date of payment and settlement will be moved forward accordingly. Any such early closing, in whole or in part, will be announced through Nasdaq Copenhagen.

Prior to the completion of the Offering, there has been no public market for the Shares. Application has been made for the Shares to be admitted to trading and official listing on Nasdaq Copenhagen under the symbol "TCM". The Shares will be registered in the permanent ISIN DK0060915478. The first day of trading in, and official listing of, the Shares on Nasdaq Copenhagen is expected to be on 24 November 2017. The admission to trading and official listing of the Shares on Nasdaq Copenhagen, is subject to Nasdaq Copenhagen's approval of the distribution of Offer Shares, the Offering not being withdrawn prior to the settlement of the Offering and the Company making an announcement to that effect.

The Offer Shares are expected to be delivered against payment in immediately available funds in Danish kroner in book entry form to investors' accounts with VP Securities A/S ("**VP Securities**") and through the facilities of Euroclear Bank S.A./N.A. ("**Euroclear**"), as operator of the Euroclear System and Clearstream Banking, S.A. ("**Clearstream**"), starting on or around 28 November 2017. All dealings in the Offer Shares prior to settlement are for the account of, and at the sole risk of, the parties involved.

This Prospectus has been prepared under Danish law in compliance with the requirements set out in Consolidated Act no. 251 of 21 March 2017 on Securities Trading, as amended (the "Danish Securities Trading Act"), the Executive Order no. 1257 of 6 November 2015, as amended, on prospectuses for securities admitted to trading in a regulated market and for offering to the public of securities of at least EUR 5,000,000 (the "Danish Executive Order on Prospectuses") as well as Commission Regulation (EC) no. 809/2004 of 29 April, 2004, as amended (the "Prospectus Regulation"). This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any of the Shares in any jurisdiction to any person to whom it would be unlawful to make such an offer in such jurisdiction.

The Offer Shares have not been and will not be registered under the U.S. Securities Act and are being offered and sold outside the United States in compliance with Regulation S. For certain restrictions on transfer of the Offer Shares, see section 29.20 "*Jurisdictions in which the Offering will be announced and restrictions applicable to the Offering*". The distribution of this Prospectus and the offer of the Offer Shares in certain jurisdictions are restricted by law. Persons into whose possession this Prospectus comes are required by the Company, the Selling Shareholder and the Managers to inform themselves about and to observe such restrictions.

Joint Global Coordinators

Carnegie **Danske Bank**

Joint Bookrunners

ABG Sundal Collier **Carnegie** **Danske Bank**

13 November 2017

CERTAIN INFORMATION WITH REGARD TO THE PROSPECTUS

In this Prospectus, the "**Company**" refers to TCM Group A/S and the "**Group**" or "**TCM Group**" refers to the Company and its consolidated subsidiaries, unless the context requires otherwise.

No representation or warranty, expressed or implied, is made by Carnegie Investment Bank, filial af Carnegie Investment Bank AB (Publ), Sverige ("**Carnegie**") or Danske Bank A/S ("**Danske Bank**" and together with Carnegie the "**Joint Global Coordinators**"), or ABG Sundal Collier Denmark, filial af ABG Sundal Collier ASA, Norge ("**ABG Sundal Collier**", and together with the Joint Global Coordinators, the "**Managers**" or the "**Joint Bookrunners**"), as to the accuracy or completeness of any information contained in this Prospectus.

In connection with the Offering, the Company has prepared two versions of this Prospectus: (i) an original English version (the "**English Language Prospectus**") and (ii) a Danish translation thereof (the "**Danish Language Prospectus**"). The English Language Prospectus has been prepared in compliance with the standards and requirements of Danish law. The English Language Prospectus and the Danish Language Prospectus are equivalent. In the event of any other discrepancy between the English Language Prospectus and the Danish Language Prospectus, the English Language Prospectus shall prevail.

The Offering will be completed under Danish law, and none of the Selling Shareholder, the Managers or the Company has taken any action or will take any action in any jurisdiction, with the exception of Denmark, that is intended to result in a public offering of the Offer Shares.

NOTICE TO INVESTORS IN THE UNITED STATES

The Offer Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Prospectus. Any representation to the contrary is a criminal offense in the United States.

The Offer Shares have not been and will not be registered under the U.S. Securities Act and are being: (i) sold in the United States only pursuant to an available exemption from, or a transaction not subject to, the registration requirements under the U.S. Securities Act; and (ii) offered and sold outside the United States in compliance with Regulation S. For certain restrictions on transfer of the Offer Shares, see section 29.20 "*Jurisdictions in which the Offering will be announced and restrictions applicable to the Offering*".

EUROPEAN ECONOMIC AREA RESTRICTIONS

In any member state of the European Economic Area (the "**EEA**") other than Denmark (each a "**Relevant Member State**"), this Prospectus is only addressed to, and is only directed at, investors in that Relevant Member State who fulfil the criteria for exemption from the obligation to publish a prospectus, including qualified investors, within the meaning of the Prospectus Directive as implemented in each such Relevant Member State.

This Prospectus has been prepared on the basis that all offers of Offer Shares, other than the offer contemplated in Denmark, will be made pursuant to an exemption under the Prospectus Directive, as implemented in the Relevant Member States, from the requirement to produce a prospectus for offers of Offer Shares. Accordingly any person making or intending to make any offer within the EEA of Offer Shares which is the subject of the placement contemplated in this Prospectus should only do so in circumstances in which no obligation arises for the Company, the Selling Shareholder or any of the Managers to produce a prospectus for such offer. None of the Company, the Selling Shareholder or the Managers have authorised, nor does any of the Company, the Selling Shareholder or the Managers authorise, the making of any offer of Offer Shares through any financial intermediary, other than offers made by Managers which constitute the final placement of Offer Shares contemplated in this Prospectus.

The Offer Shares have not been, and will not be, offered to the public in any Relevant Member State, excluding Denmark. Notwithstanding the foregoing, an offering of the Offer Shares may be made in a Relevant Member State: (i) to any qualified investor as defined in the Prospectus Directive; (ii) by the Managers to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive subject to obtaining the prior consent of the Joint Global Coordinators); (iii) to investors who acquire securities for a total consideration of at least EUR 100,000 per investor, for each separate offer; (iv) if the denomination per unit amounts to at least EUR 100,000; or (v) in any other circumstances falling within Article 3(2) of the Prospectus Directive; provided that no such offer of Offer Shares shall result in a requirement for the publication by the Company, the Selling Shareholder or any of the Managers of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any Offer Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Offering and the Offer Shares so as to enable an investor to decide to purchase Offer Shares, as that definition may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State. The expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the Amending Directive 2010/73/EU), and includes any relevant implementing measures in the Relevant Member State.

UNITED KINGDOM RESTRICTIONS

Offers of the Offer Shares pursuant to the Offering are only being made to persons in the United Kingdom who are "qualified investors" or otherwise in circumstances which do not require publication by the Company of a prospectus pursuant to section 85(1) of the U.K. Financial Services and Markets Act 2000.

This Prospectus is only being distributed to, and is only directed at, and any investment or investment activity to which the Prospectus relates is available only to, and will be engaged in only with persons who are investment professionals falling within article 19(5) or falling within article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc."), of the U.K. Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or other persons to whom such investment or investment activity may lawfully be made available (together, "**Relevant Persons**"). Persons who are not Relevant Persons should not take any action on the basis of the Prospectus and should not act or rely on it.

STABILISATION

In connection with the Offering, Carnegie, as stabilising manager (the "Stabilising Manager"), or its agents, on behalf of the Managers, may engage in transactions that stabilise, maintain or otherwise affect the price of the Shares for up to 30 calendar days from the commencement of trading in and official listing of the Shares on Nasdaq Copenhagen. Specifically, the Managers may overallot Offer Shares or effect transactions with a view to supporting the market price of the Shares at a level higher than that which might otherwise prevail. The Stabilising Manager and its agents are not required to engage in any of these activities and, as such, there is no assurance that these activities will be undertaken. If undertaken, the Stabilising Manager or its agents may end any of these activities at any time and they must be brought to an end at the end of the 30day period mentioned above. Save as required by law or regulation, the Stabilising Manager does not intend to disclose the extent of any stabilisation transactions under the Offering.

CONTENTS

RESPONSIBILITY STATEMENT

THE COMPANY'S RESPONSIBILITY

TCM Group A/S is responsible for this Prospectus in accordance with Danish law.

STATEMENT

We hereby declare that we, as the persons responsible for this Prospectus on behalf of the Company, have taken all reasonable care to ensure that, to the best of our knowledge and belief, the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of its contents.

Holstebro, 13 November 2017

TCM Group A/S

BOARD OF DIRECTORS

Sanna Mari Suvanto-Harsaae
Chairman

Kristian Carlsson Kemppinen
Deputy Chairman

Anders Skole-Sørensen

Peter Jelkeby

Erik Albert Ingemarsson

Sanna Mari Suvanto-Harsaae is a professional board member
Kristian Carlsson Kemppinen is a partner with IK Investment Partners
Anders Skole-Sørensen is CFO of Matas A/S
Peter Jelkeby is a member of the board of directors of Smarteyes AB and Östergård AB
Erik Albert Ingemarsson is a director with IK Investment Partners

EXECUTIVE MANAGEMENT

Ole Lund Andersen
CEO

Mogens Elbrønd Pedersen
CFO

Karsten Rydder Pedersen
COO

SUMMARY

The Danish summary below is a translation of the English summary beginning on page 24. In the event of any discrepancies between the Danish and the English version, the English version shall prevail.

DANSK RESUMÉ

Det danske resumé nedenfor er en oversættelse af det engelske resumé, som begynder på side 24. I tilfælde af uoverensstemmelser mellem det danske og det engelske resumé, skal det engelske resumé have forrang.

*Resuméer består af oplysningskrav, der benævnes "**Elementer**". Elementerne er nummereret i afsnit A–E (A.1–E.7). Dette resumé indeholder alle de Elementer, der skal være indeholdt i et resumé for denne type værdipapir og udsteder i henhold til prospektforordningen nr. 486/2012 med senere ændringer. Da nogle Elementer ikke kræves medtaget, kan der forekomme huller i nummereringen af Elementerne. Selv om et Element skal indsættes i resuméet på grund af typen af værdipapir og udsteder, er det muligt, at der ikke kan gives nogen relevante oplysninger om Elementet. I så fald indeholder resuméet en kort beskrivelse af Elementet med angivelsen "ikke relevant".*

Afsnit A – Indledning og advarsler

Element	Oplysningskrav	Oplysninger
A.1	Advarsel til investorer	Dette resumé bør læses som en indledning til Prospektet. Enhver beslutning om investering i de Udbudte Aktier bør træffes på baggrund af Prospektet som helhed. Den sagsøgende investor kan, hvis en sag vedrørende oplysningerne i Prospektet indbringes for en domstol, i henhold til national lovgivning i medlemsstaterne i det Europæiske Økonomiske Samarbejdsområde være forpligtet til at betale omkostningerne i forbindelse med oversættelse af Prospektet, inden sagen indledes. Kun de personer, som har indgivet resuméet, herunder eventuelle oversættelser heraf, kan ifalde et civilretligt erstatningsansvar, men kun såfremt resuméet er misvisende, ukorrekt eller uoverensstemmende, når det læses sammen med de andre dele af Prospektet, eller ikke, når det læses sammen med Prospektets andre dele, indeholder nøgleoplysninger, således at investorerne lettere kan tage stilling til, om de vil investere i de Udbudte Aktier.
A.2	Tilsagn til formidlere	Ikke relevant. Der er ikke indgået nogen aftale vedrørende anvendelse af Prospektet i forbindelse med efterfølgende videresalg eller endelig placering af de Udbudte Aktier.

Afsnit B – Udsteder

Element	Oplysningskrav	Oplysninger
B.1	Juridisk navn og binavn	Selskabet er registreret med det juridiske navn TCM Group A/S. Selskabet hed tidligere Rotavonni Holding ApS, men pr. 15. september 2017 blev Selskabet omdannet til et aktieselskab og skiftede navn til TCM Group A/S. Pr. 1. marts 2016 ("**Overtagelsesdatoen**") erhvervede Selskabets datterselskab TCM Group Invest ApS (det tidligere Rotavonni ApS) koncernens tidligere holdingselskab, TCM Group A/S ("**det Tidligere Holdingselskab**"). Det Tidligere Holdingselskab fusionerede med TMK A/S pr. 1. januar 2017 med TMK A/S som det fortsættende selskab.
B.2	Domicil, retlig form, indregistreringsland	Selskabet blev stiftet den 9. december 2015 som et anpartsselskab i henhold til dansk ret men blev med virkning fra 15. september 2017 omdannet til et aktieselskab i henhold til dansk ret, og det har hjemsted på adressen Skautrupvej 16, Tvis, 7500 Holstebro.

Afsnit B – Udsteder

Element	Oplysningskrav	Oplysninger
B.3	Nuværende virksomhed og hovedvirksomhed	TCM-koncernen er Skandinaviens tredjestørste køkkenproducent målt på omsætning, og størstedelen af Koncernens aktiviteter er koncentreret i Danmark. I produktudbuddet indgår skabe, bordplader, skydelåger og dertilhørende produkter, bl.a. tilbehør og hårde hvidevarer. Koncernen har primært egenproduktion, som er indrettet med stor produktionsfleksibilitet. Således foregår al produktion i Danmark på fabrikker i Tvis (udkanten af Holstebro) og Aulum. Produktionen baseres primært på en ordredrevet forretningsmodel, hvor langt de fleste dele og produkter indgår i produktionen, når der modtages ordrebekræftelse. Den ordredrevne forretningsmodel har den store fordel, at det giver Koncernen mulighed for at have en forholdsvis lav nettoarbejdskapital, som pr. 31. december 2016 udgjorde DKK -59,3 mio. Koncernen fører en multibrand-strategi, hvor Svane er det primære brand, mens øvrige brands er Tvis, Nettoline, kitchn og private label-mærker. Hensigten er, at de forskellige brands sammenlagt skal dække det fulde prisspektrum samt en række salgskanaler. Eksempelvis er Svane-brandet rettet mod det øvre mellemsegment med et køkkendesign, som Koncernen betegner som høj kvalitet og innovation til en "rimelig" pris. Koncernen retter sig foruden gennem prissegmenter mod alle kundegrupper gennem et butiksnetværk rettet mod såvel detail- (B2C) som engros-segmentet (B2B). Direktionen vurderer, at Koncernens omsætning (i fabrikspriser) er nogenlunde ligeligt fordelt mellem B2C- og B2B-segmentet, hvilket sikrer stabilitet og giver mulighed for hurtigt at kunne reagere på nye vækstmuligheder. TCM-koncernens produkter markedsføres hovedsageligt gennem et omfattende netværk af 60 køkkenspecialbutikker, hovedsageligt i Danmark og Norge, som alle drives i henhold til franchise- eller forhandleraftaler (bortset fra en butik, der ejes af TCM-koncernen) Disse butikker står for størstedelen af omsætningen og fører enten Svane- eller Tvis-brandet. Selskabet omtaler denne gruppe butikker som "Brandede Butikker". Foruden de Brandede Butikker sælger TCM-koncernen køkkener under Nettoline-brandet gennem uafhængige specialforretninger i Danmark og Norge og under kitchn-brandet i Sverige. Endvidere sælger TCM-koncernen private label-køkkenmærker gennem såvel gør det selv-forretninger i Danmark og uafhængige køkkenforretninger i Norge. Endelig har Koncernen gennem kitchn.dk en online-salgskanal, som udgør et mindre, men kraftigt voksende segment på køkkenmarkedet, særligt i den prisbillige ende. I regnskabsåret 2016 (proforma) udgjorde Koncernens omsætning DKK 600 mio., hvoraf 92% stammede fra Danmark, mens realiseret Justeret EBITA (ikke defineret i IFRS) udgjorde DKK 86 mio., svarende til en Justeret EBITA-margin på 14,4%, og Koncernens cash conversion var på 108%. Antallet af medarbejdere udgjorde pr. 30. september 2017 434 omregnet til heltidsstillinger. Med virkning fra januar 2017 har Koncernen erhvervet samtlige aktier i Nettoline A/S, en dansk køkkenproducent, som i regnskabsåret 2016 havde en omsætning på DKK 102 mio. og et EBITA på DKK 13 mio. (ikke defineret i IFRS).

		Afsnit B – Udsteder
Element	**Oplysningskrav**	**Oplysninger**
B.3 – *fortsat*	Nuværende virksomhed og hovedvirksomhed	*Væsentlige styrker* TCM-koncernen vurderer, at Koncernen har følgende konkurrencemæssige styrker: En solid og voksende markedsposition, der er opbygget gennem fokus på udvikling, brand-positionering og et fokuseret forhandlernetværk Fokus på innovativt design Attraktiv brand-positionering med Svane-brandet, som er kvalitet til rimelige priser i det øvre mellemsegment Et stort forhandlernetværk med fokus på en god kunde- og produktoplevelse Omkostningseffektiv og fleksibel produktionsstruktur med overskydende kapacitet og et driftsmæssigt optimeringspotentiale Flere organiske og ikke-organiske vækstmuligheder på de skandinaviske markeder Mulighed for vækst gennem opkøb for dermed at udnytte den stærke integrationsmodel med stort synergipotentiale En attraktiv økonomisk profil med stærk likviditet baseret på høj rentabilitet, begrænset investeringsbehov og negativ nettoarbejdskapital (ikke defineret i IFRS) En erfaren ledelse med omfattende brancheerfaring, som har opnået gode resultater. *TCM-koncernens forretningsstrategi* TCM-koncernen har identificeret fem generelle strategiske fokusområder for sin fremtidige omsætnings- og resultatvækst: At øge butiksomsætningen gennem et fokus på "operational excellence" og opbygning af brands At øge den organiske vækst ved at udvide den geografiske tilstedeværelse i detailsegmentet At fremme og udbygge online-salgskanalen Opkøb, der enten styrker eller udvider TCM-koncernens markedsposition og/eller bidrager med synergimuligheder At styrke produktionsoptimering og -automatisering.

Afsnit B – Udsteder

Element	Oplysningskrav	Oplysninger
B.4a	Beskrivelse af de væsentligste nyere tendenser, der påvirker Koncernen og de sektorer, inden for hvilke den opererer	Ifølge Koncernen og de kundeinterviews, der refereres til i MEC-rapporterne, påvirkes markedet for køkkenmøbler af en række forhold. De væsentligste markedstendenser, der ses på det danske marked, er: • Ifølge MEC-rapporterne er istandsættelse den primære årsag til, at folk køber et nyt køkken. • Stigende detailgennemsnitspriser på køkkenmøbler, der ifølge en analyse, TCM-koncernen har foretaget af detailpriserne fra de største køkkenproducenter på det danske marked, kommer til udtryk i det øvre mellempris-segment. Samtidig ses visse forbrugertrends på markedet, som påvirker kundernes købevaner, herunder: • Ifølge MEC-rapporterne har flere end 75% af kunderne en forudgående præference for, hvilke køkkenmærker, de foretrækker, før de når til købsovervejelsesstadiet. • Butikken er ifølge MEC-rapporterne det vigtigste kontaktled i processen frem til køb af et nyt køkken. • Det er Direktionens erfaring, at stadig flere kunder i forberedelsesfasen indsamler information på nettet. • Kundernes købskriterier har tendens til at dreje sig om at få værdi for pengene. • Direktionen oplever en ny tendens blandt omkostningsfokuserede kunder i det prisbillige segment og gør det selv-segmentet, som i stigende grad gør brug af salgskanaler på internettet i stedet for at købe køkken i de fysiske butikker.
B.5	Beskrivelse af Koncernen og Selskabets plads i Koncernen	Selskabet er moderselskab i Koncernen. Selskabet har fem direkte eller indirekte 100%-ejede datterselskaber: TCM Group Invest ApS, TMK A/S, Nettoline A/S, Svane Køkkenet A/S og Køkkenretail ApS.
B.6	Personer, som direkte eller indirekte har en andel i Selskabets kapital eller stemmerettigheder eller kontrollerer Selskabet	Pr. prospektdatoen ejer den Sælgende Aktionær 92,48% af Selskabets aktiekapital og stemmerettigheder, og Bestyrelsen, Direktionen og visse af Koncernens øvrige medarbejdere ejer i alt 7,52% af Selskabets aktiekapital og stemmerettigheder. I henhold til Selskabets ledelsesincitamentsprogram ejer visse medlemmer af Bestyrelsen, medlemmer af Direktionen og visse andre af Koncernens medarbejdere desuden warrants, som giver dem ret til at tegne aktier. Disse warrants afregnes kontant umiddelbart før Udbuddets gennemførelse. Den Sælgende Aktionær har givet Emissionsbankerne en Overallokeringsret, der kan udnyttes helt eller delvist af Stabiliseringsagenten, til at købe op til 1.050.000 Overallokeringsaktier til Udbudskursen fra Aktiernes første handels- og officielle noteringsdag og indtil den 30. kalenderdag derefter, alene til dækning af eventuel overallokering eller andre korte positioner i forbindelse med Udbuddet. Forud for Udbuddet har medlemmer af Direktionen og visse medlemmer af Bestyrelsen givet udtryk for, at de vil købe Udbudte Aktier til Udbudskursen op til et nærmere fastsat investeringsbeløb, som er DKK 1.000.000 for Ole Lund Andersens vedkommende, DKK 250.000 for Mogens Elbrønd Pedersens vedkommende, DKK 250.000 for Karsten Rydder Pedersens vedkommende, DKK 400.000 for Sanna Mari Suvanto-Harsaaes vedkommende, DKK 750.000 for Anders Skole-Sørensens vedkommende og DKK 230.000 for Peter Jelkebys vedkommende. Det antal Udbudte Aktier, der vil blive tildelt for at opfylde disse ordrer, afhænger af Udbudskursen. Op til 32.000 stk. Udbudte Aktier (svarende til 0,46% af de Udbudte Aktier) reserveres til ordrer, der afgives i Udbuddet af Bestyrelsen og Direktionen. Erik Albert Ingemarsson og Kristian Carlsson Kemppinen kan ikke deltage i Udbuddet på grund af IK Investment Partners' interne politikker om investering i IK Small Cap I Funds porteføljeselskaber. Med undtagelse af ovenfor anførte er Selskabet ikke bekendt med nogen person, der direkte eller indirekte ejer en andel af Selskabets aktiekapital eller stemmerettigheder, der skal indberettes efter dansk ret.

		Afsnit B – Udsteder
Element	**Oplysningskrav**	**Oplysninger**
B.7	Udvalgte regnskabs- og virksomhedsoplysninger	De sammenfattede koncernregnskabsoplysninger nedenfor er uddraget af 1) Selskabets reviewede koncerndelårsregnskab for 1.-3. kvartal 2017 med sammenligningstal for 1.-3. kvartal 2016 (herunder det Tidligere Holdingselskab, som fusionerede med TMK A/S som det fortsættende selskab med regnskabsmæssig virkning fra 1. januar 2017 samt dets dattervirksomheder (den "**Tidligere TCM-koncern**") pr. overtagelsesdatoen) der er udarbejdet i overensstemmelse med IAS 34, Præsentation af delårsregnskaber som godkendt af EU og yderligere danske oplysningskrav til børsnoterede selskaber, 2) Selskabets reviderede koncernregnskab for perioden fra Selskabets stiftelse den 9. december 2015 til 31. december 2016 udarbejdet i overensstemmelse med IFRS, herunder den Tidligere TCM-koncern pr. Overtagelsesdatoen samt 3) de reviderede koncernregnskaber for den Tidligere TCM-koncern for henholdsvis regnskabsårene 2015 og 2014, som er udarbejdet i overensstemmelse med årsregnskabsloven ("**dansk GAAP**") af det Tidligere Holdingselskab, som fusionerede med TMK A/S som det fortsættende selskab med virkning fra 1. januar 2017. Resuméets afsnit B.8 indeholder en forklaring af proforma-opgørelsen. De primære forskelle mellem dansk GAAP og IFRS som anvendt for Koncernen består i, at omkostninger til egenkapitalafregnet aktiebaseret vederlæggelse indregnes i henhold til IFRS, mens sådanne ordninger i henhold til dansk GAAP alene er oplyst i noterne, og i, at afskrivninger af goodwill og brand med en ubestemmelig brugstid i henhold til dansk GAAP tilbageføres, idet goodwill og brand med ubestemmelig brugstid i henhold til IFRS ikke afskrives, men testes for værdiforringelse mindst en gang om året. Der er ikke indregnet nedskrivning af goodwill eller brand i koncernregnskabet udarbejdet i henhold til IFRS.

Hoved- og nøgletal (DKK mio.)	**1.-3. kvartal**			**Regnskabsåret**			
	2017	**2016**	**Proforma 2016**	**2016**	**Proforma 2016**	**2015**	**2014**
Omsætning	602,3	346,2	437,4	508,5	599,7	536,5	436,9
Omsætningsvækst	74,0%	-9,5%	14,3%	-5,2%	11,8%	22,8%	9,5%
Bruttoresultat	163,8	103,8	127,8	155,0	179,0	153,3	123,1
EBIT (driftsresultat)	56,0	28,4	34,1	54,2	60,0	66,8	35,2
Justeret EBIT (driftsresultat før engangsposter) (ikke defineret i IFRS)	77,8	46,8	52,5	72,9	78,7	66,8	35,2
Justeret EBITA (ikke defineret i IFRS)	83,4	51,2	58,2	79,2	86,2	73,9	42,2
Resultat før skat	49,0	17,8	22,0	41,0	45,1	65,8	34,1
Periodens resultat	35,7	10,8	14,0	28,5	31,7	48,2	24,1
Aktiver i alt	840,5	776,0	-	795,8	-	370,8	328,1
Nettorentebærende gæld (ikke defineret i IFRS)	185,0	219,9	-	170,5	-	-52.7	32,0
Nettoarbejdskapital (ikke defineret i IFRS)	-48,5	-29,9	-	-59,3	-	-47,3	-20,4
Egenkapital	378,3	320,4	-	339,9	-	183,7	135,4
Bruttomargin	27,2%	30,0%	29,2%	30,5%	29,9%	28,6%	28,2%
EBIT-margin	9,3%	8,2%	7,8%	10,7%	10,0%	12,5%	8,1%
Justeret EBIT-margin	12,9%	13,5%	12,0%	14,3%	13,1%	12,5%	8,1%
Justeret EBITA-margin	13,9%	14,8%	13,3%	15,6%	14,4%	13,8%	9,7%
Solvensgrad	45,0%	41,3%	-	42,7%	-	49,5%	41,3%
Nettoarbejdskapital i % af omsætningen	-6,3%	-5,1%	-	-9,9%	-	-8,8%	-4,7%
Anlægsinvesteringer ekskl. virksomhedskøb i % af omsætningen	0,9%	0,5%	0,4%	0,9%	0,7%	1,0%	1,4%
Cash Conversion	108,9%	98,8%	-	108,1%	-	126,4%	124,8%

Afsnit B – Udsteder

Element	Oplysningskrav	Oplysninger
B.8	Udvalgte vigtige proforma-regnskabs-oplysninger	Selskabets dattervirksomhed TCM Group Invest ApS (tidligere benævnt Rotavonni ApS) erhvervede det Tidligere Holdingselskab med virkning fra 1. marts 2016. Da overtagelsen i væsentlig grad har påvirket Selskabets aktiver, passiver og omsætning, har Selskabet valgt at præsentere visse proforma-regnskabsoplysninger. De sammenfattede proforma-koncernregnskabsoplysninger i dette Resumés afsnit B.7 er uddraget af Selskabets 1) proforma-koncernregnskabsoplysninger for regnskabsåret 2016, der er udarbejdet, som om overtagelsen af den Tidligere TCM-koncern var gennemført pr. 1. januar 2016 og 2) proforma-koncernregnskabsoplysninger for Selskabet for 1.-3. kvartal 2016, der er udarbejdet, som om overtagelsen af den Tidligere TCM-koncern var gennemført pr. 1. januar 2016. Proforma-regnskabsoplysningerne er udarbejdet i overensstemmelse med indregnings- og målingskriterierne i IFRS. Der henvises til tabellen ovenfor i afsnit B.7 "*Udvalgte regnskabs- og virksomhedsoplysninger*", som indeholder udvalgte vigtige proforma-regnskabsoplysninger.
B.9	Resultatforventninger eller -prognoser	Med hensyn til de fremadrettede finansielle oplysninger forventer Koncernen for regnskabsåret 2017 en omsætning på DKK 795-805 mio., Justeret EBITA (ikke defineret i IFRS) på DKK 116-122 mio., og EBIT på DKK 76-86 mio.
B.10	Forbehold i revisionspåtegningen vedrørende historiske finansielle oplysninger	Ikke relevant. Revisionspåtegningerne på de historiske regnskabsoplysninger, der er medtaget ved henvisning i Prospektet, er udstedt uden forbehold.
B.11	Forklaring, hvis udsteders arbejdskapital ikke er tilstrækkelig til at dække Selskabets nuværende behov	Ikke relevant. Det er Selskabets vurdering, at arbejdskapitalen pr. prospektdatoen er tilstrækkelig til at dække Koncernens finansieringsbehov i mindst 12 måneder fra prospektdatoen.

Afsnit C – Værdipapirer

Element	Oplysningskrav	Oplysninger
C.1	Beskrivelse af typen og klassen af Udbudte Aktier, herunder fondskode	Aktierne, herunder de Udbudte Aktier, er ikke inddelt i aktieklasser. Udbudte Aktier (permanent ISIN-kode): DK0060915478. Nasdaq Copenhagen-symbol: "TCM".
C.2	Valuta for de Udbudte Aktier	De Udbudte Aktier er denomineret i danske kroner.
C.3	Antallet af udstedte og fuldt indbetalte Aktier og antallet af udstedte Aktier, der ikke er fuldt indbetalt	Pr. prospektdatoen udgør Selskabets aktiekapital DKK 1.000.000 fordelt på 10.000.000 stk. Aktier a nominelt DKK 0,1. Alle Aktier er udstedt og fuldt indbetalt.
C.4	Beskrivelse af rettigheder, der er knyttet til Aktierne	Alle Aktier, herunder de Udbudte Aktier, har samme rettigheder, og de Udbudte Aktier har samme rettigheder som alle øvrige Aktier, herunder med hensyn til stemmeret, fortegningsret, indløsning, konvertering og restriktioner eller begrænsninger i henhold til Vedtægterne (som defineret heri) eller med hensyn til ret til udbytte eller provenu i tilfælde af opløsning eller likvidation. Ingen Aktier har særlige rettigheder, restriktioner eller begrænsninger i henhold til Vedtægterne (som defineret heri). Hver Aktie a nominelt DKK 0,1, herunder de Udbudte Aktier, giver ejeren ret til én stemme på Selskabets generalforsamling ("**Generalforsamlingen**") samt til at modtage udbytte, hvis Selskabet udlodder udbytte.
C.5	Beskrivelse af eventuelle indskrænkninger i Aktiernes omsættelighed	Ikke relevant. Aktierne er omsætningspapirer, og der gælder ingen indskrænkninger i Aktiernes omsættelighed i henhold til Selskabets vedtægter ("**Vedtægterne**") eller dansk ret.

Afsnit C – Værdipapirer

Element	Oplysningskrav	Oplysninger
C.6	Optagelse til handel på et reguleret marked	Aktierne har ikke været handlet offentligt før Udbuddet. Aktierne er søgt optaget til handel og officiel notering på Nasdaq Copenhagen under symbolet "TCM" i den permanente ISIN-kode DK0060915478. Optagelse til handel og officiel notering af Aktierne på Nasdaq Copenhagen forudsætter bl.a., at Nasdaq Copenhagen godkender fordelingen af de Udbudte Aktier, at Udbuddet ikke tilbagekaldes før afvikling af Udbuddet, og at Selskabet offentliggør en meddelelse herom. Indtil Selskabets offentliggørelse af en meddelelse om, at Udbuddet er gennemført, forventeligt den 28. november 2017, er optagelsen af Aktierne til handel og officiel notering på Nasdaq Copenhagen betinget. Den første handels- og officielle noteringsdag for de Aktier, der er registreret i den permanente ISIN-kode på Nasdaq Copenhagen, forventes at være den 24. november 2017. Hvis Udbudsperioden lukkes før den 23. november 2017, vil Aktiernes første handels- og officielle noteringsdag på Nasdaq Copenhagen samt datoen for betaling og afvikling blive fremrykket tilsvarende.
C.7	Beskrivelse af udbyttepolitik	Bestyrelsen har vedtaget en udbyttepolitik med en målsætning for udbytteprocenten på 40-60% af årets nettoresultat for Koncernen. Udlodning til aktionærer kan også ske i form af Selskabets køb af egne Aktier. Pr. prospektdatoen er Bestyrelsen på vegne af Selskabet bemyndiget til at købe egne Aktier, i det omfang Selskabets besiddelse af egne Aktier ikke på noget tidspunkt overstiger 10% af Selskabets aktiekapital. Købskursen må ikke afvige mere end 10% fra børskursen på Nasdaq Copenhagen på købstidspunktet. Bemyndigelsen er gældende indtil den 6. november 2022. Betaling af udbytte samt størrelsen af og tidspunktet for udbyttebetalingen afhænger af en række forhold, herunder fremtidig indtjening, resultat, finansielle forhold, generelle samfundsøkonomiske og forretningsmæssige forhold, fremtidsudsigter, strategiske tiltag som f.eks. M&A-aktiviteter eller større investeringer, der vedtages af Bestyrelsen, og andre forhold, som Bestyrelsen måtte finde relevante, samt gældende myndigheds- og lovgivningsmæssige krav. Der kan ikke gives sikkerhed for, at der i et givent år vil blive foreslået aktietilbagekøb eller deklareret udbytte, eller at Selskabets økonomiske resultater vil gøre det muligt at overholde udbyttepolitikken eller foretage en eventuel forhøjelse af udbytteprocenten. Selskabets evne til at betale udbytte eller tilbagekøbe aktier kan blive begrænset af forskellige faktorer, herunder hvis nogle af de risici, der fremgår af Prospektet, skulle indtræffe. Endvidere kan Bestyrelsen til enhver tid ændre udbyttepolitikken. Bestyrelsen planlægger i øjeblikket ikke at udbetale udbytte for regnskabsåret 2017 henset til den kontante afregning under Selskabets ledelsesincitamentsprogram i forbindelse med Udbuddet.

		Afsnit D – Risici
Element	**Oplysningskrav**	**Oplysninger**
D.1	Nøgleoplysninger om de vigtigste risici, der er specifikke for Koncernen eller dennes branche	*De nedenfor omtalte risikofaktorer og usikkerheder omfatter de risici, som Selskabet på nuværende tidspunkt vurderer som værende væsentlige, men det er ikke de eneste risikofaktorer og usikkerheder, Koncernen står overfor. Der er yderligere risikofaktorer og usikkerheder, herunder risici som Selskabet på nuværende tidspunkt ikke er bekendt med, eller som Selskabet på nuværende tidspunkt anser for uvæsentlige, som kan opstå eller blive væsentlige i fremtiden, og som kan føre til et fald i de Udbudte Aktiers værdi, og til at hele eller en del af det investerede beløb mistes. Risikofaktorerne er ikke nævnt i prioriteret rækkefølge efter betydning eller sandsynlighed.* De risici, der vedrører de brancher, som Koncernen driver virksomhed indenfor, omfatter, men er ikke begrænset til følgende: • Koncernen kan pådrage sig negative økonomiske konsekvenser og kan komme i økonomiske vanskeligheder, hvis økonomierne på de markeder, hvor Koncernen sælger sine produkter, oplever økonomisk tilbagegang, hvilket kan mindske efterspørgslen efter Koncernens produkter og få negativ indvirkning på salget. • De markeder, som Koncernen opererer på, er meget konkurrenceprægede, hvilket kan få væsentlig negativ indvirkning på Koncernens virksomhed, finansielle stilling og resultat og/eller Aktiernes værdi. De risici, der vedrører Koncernens virksomhed omfatter, men er ikke begrænset til følgende: • Styrken af Koncernens brands er afgørende for, at Koncernen får succes. Hvis det ikke lykkes for Koncernen fortsat at fastholde og udvikle sine brands, kan det få væsentlig negativ indvirkning på Koncernens virksomhed, finansielle stilling og resultat og/eller Aktiernes værdi. • Koncernen vil muligvis ikke kunne eksekvere sin strategi med succes. • Koncernen vil muligvis ikke kunne foretage de virksomhedskøb, den anser for nødvendige eller hensigtsmæssige, vil muligvis ikke kunne integrere opkøbte virksomheder, kan få uventede forpligtelser i forbindelse med opkøbte virksomheder og vil muligvis ikke kunne realisere forventede synergier i forbindelse med opkøbte virksomheder. • Såfremt Koncernen ikke formår at styre sin betydelige omsætningsvækst, kan det få væsentlig negativ indvirkning på Koncernens virksomhed, finansielle stilling og resultat og/eller Aktiernes værdi. • Koncernen kan blive negativt påvirket af udsving i salgsmikset, hvis den ikke i tilstrækkelig grad formår at tilpasse sit produktionsapparat. • Koncernen er afhængig af tredjemand, leverandører, distributører, forhandlere og andre samarbejdspartnere og kan blive påvirket af udsving i priser på råvarer og komponenter samt hvis der sker afbrydelser i Koncernens eller tredjemands produktions- eller lagerfaciliteter og distributionsfaciliteter, der er uden for Koncernens kontrol. • Manglende evne til at tiltrække nye eller til at forny aftaler med forhandlere, distributører, agenter eller franchisetagere eller opsigelse af sådanne aftaler kan skade Koncernens virksomhed. • Fejl og mangler i Koncernens produkter, installations- eller brugsanvisninger kan medføre produktansvarskrav og tilbagekaldelse af produkter. • Koncernen er eksponeret mod omdømmerisici.

		Afsnit D – Risici
Element	**Oplysningskrav**	**Oplysninger**
D.1 *fortsat*	Nøgleoplysninger om de vigtigste risici, der er specifikke for Koncernen eller dennes branche	• Koncernen vil muligvis ikke kunne administrere og beskytte sine immaterielle rettigheder eller kan komme til at krænke tredjemands rettigheder, og Koncernen vil muligvis ikke kunne bruge Svane-brandet i Norge. • Koncernen er eksponeret mod valutakursrisici. • Koncernen er eksponeret mod renterisici. • Vilkårene for Koncernens finansieringsaftaler kan begrænse dens kommercielle og finansielle fleksibilitet, og Koncernen vil muligvis skulle optage yderligere gæld eller rejse yderligere egenkapital for at kunne finansiere sine aktiviteter. • Koncernen kan blive involveret i retssager, voldgiftssager og myndighedssager. • Koncernen er underlagt kompleks dansk og udenlandsk skatte- eller afgiftslovgivning samt compliance-krav. • Koncernen er underlagt national og international regulering, herunder konkurrencebestemmelser, og ændringer i disse bestemmelser eller manglende efterlevelse af gældende bestemmelser kan få væsentlig negativ virkning. • Koncernen er eksponeret mod sikkerheds-, sundheds- og miljørisici. • Koncernen er afhængig af et mindre antal ledere i nøglefunktioner og nøglemedarbejdere og vil muligvis have vanskeligt ved at fastholde sådanne ledere og medarbejdere. • Koncernen er eksponeret mod risici i forbindelse med arbejdsnedlæggelser og andre arbejdsretlige forhold. • Nedbrud i IT-systemer eller en sikkerhedsbrist kan få væsentlig negativ indvirkning på Koncernens virksomhed, finansielle stilling og resultat og/eller Aktiernes værdi. • Koncernens risikostyringspolitikker vil muligvis ikke være tilstrækkelige. • Koncernens forsikringer vil muligvis ikke være tilstrækkelige til at dække tab. • Koncernens fremadrettede finansielle oplysninger og mål, der er medtaget i dette Prospekt, kan afvige væsentligt fra Koncernens faktiske resultater, og som investor bør man ikke tillægge disse oplysninger uforholdsmæssig megen vægt.

Afsnit D – Risici

Element	Oplysningskrav	Oplysninger
D.3	Nøgleoplysninger om de vigtigste risici vedrørende Aktierne	*Foruden risici vedrørende Koncernens virksomhed og branche er de Udbudte Aktier forbundet med risici, som bør overvejes nøje, inden der træffes en beslutning om at købe Udbudte Aktier, herunder:* • Efter Udbuddet vil den Sælgende Aktionær fortsat være en væsentlig aktionær i Selskabet og kan kontrollere eller på anden måde påvirke vigtige handlinger, som Selskabet foretager, på en måde, som muligvis ikke er forenelig med Selskabets minoritetsaktionærers interesser. • Aktierne har ikke tidligere været handlet offentligt, der vil muligvis ikke opstå et likvidt marked for Aktierne, og kursen på Aktierne kan være volatil og svinge betydeligt som reaktion på forskellige forhold. • Fremtidige salg af Aktier efter Udbuddet kan medføre et fald i Aktiernes markedskurs. • Ændringer i valutakurser kan få væsentlig negativ indvirkning på værdien af en aktiebeholdning eller værdien af udloddet udbytte. • Udenlandske ejere af Aktier vil muligvis ikke kunne udnytte fortegningsrettigheder eller deltage i fremtidige fortegningsemissioner. • Investorernes rettigheder som aktionærer er underlagt dansk ret og afviger i visse henseender fra aktionærrettighederne i henhold til andre landes lovgivning. • Selskabet vil muligvis ikke kunne, eller kan beslutte ikke at betale udbytte svarende til det niveau, aktionærerne måtte forvente, hvilket kan begrænse investors afkast på Aktierne. • Udbuddet kan blive trukket tilbage.

Afsnit E – Udbud

Element	Oplysningskrav	Oplysninger
E.1	Udbuddets samlede nettoprovenu og anslåede udgifter	Selskabet modtager intet provenu i forbindelse med den Sælgende Aktionærs salg af Udbudte Aktier i Udbuddet. Udgifter vedrørende Udbuddet, herunder provisioner og honorarer (faste og diskretionære), der skal betales til Emissionsbankerne, afholdes af den Sælgende Aktionær. Den Sælgende Aktionær har endvidere indgået aftale om at betale salgsprovision til de kontoførende institutter (medmindre det pågældende kontoførende institut er en Emissionsbank) svarende til 0,25% af Udbudskursen på de Udbudte Aktier, der tildeles i forbindelse med ordrer for beløb op til og med DKK 3 mio. afgivet gennem de pågældende kontoførende institutter (undtagen Emissionsbankerne). Visse udgifter vedrørende Aktiernes optagelse til handel og officiel notering på Nasdaq Copenhagen skal betales af Selskabet. Selskabets udgifter i forbindelse med Udbuddet forventes at udgøre mellem DKK 12 mio. og DKK 16 mio.
E.2a	Baggrund for Udbuddet og anvendelse af provenu, forventet nettoprovenu	Optagelse af Aktierne til handel og officiel notering på Nasdaq Copenhagen i forbindelse med Udbuddet forventes at give et solidt grundlag for fremtidig vækst ved at forøge Selskabets synlighed, herunder yderligere styrke Selskabets brands, forbedre evnen til at tiltrække og fastholde nøglemedarbejdere, udvide aktionærkredsen og få adgang til kapitalmarkederne. Selskabet modtager intet provenu i forbindelse med Udbuddet.
E.3	Udbudsbetingelser	Den Sælgende Aktionær udbyder op til 7.000.000 stk. Udbudte Aktier, ekskl. eventuelle Aktier i henhold til Overallokeringsretten.

		Afsnit E – Udbud
Element	**Oplysningskrav**	**Oplysninger**
E.3 *fortsat*	Udbudsbetingelser	Selskabet har modtaget tilsagn fra Cornerstone-investorerne, som er Arbejdsmarkedets Tillægspension, BI Asset Management Fondsmæglerselskabet A/S på vegne af visse kunder, Investeringsforeningen Fundamental Invest, Nordea Investment Management AB, Danmark (filial af Nordea Investment Management AB, Sverige), Handelsbanken, filial af Svenska Handelsbanken AB (publ.), Sverige, Nykredit Bank A/S og Spar Nord Bank A/S, om på visse betingelser at købe Cornerstone-aktier ved investering af i alt DKK 315 mio. i henhold til cornerstone-aftaler ("**Cornerstone-aftalerne**") mellem Cornerstone-investorerne, Selskabet, den Sælgende Aktionær og Joint Global Coordinators. Op til 3.500.000 stk. Udbudte Aktier (svarende til 50% af de Udbudte Aktier) reserveres til fordeling til Cornerstone-investorerne. Den Sælgende Aktionær har givet Emissionsbankerne en Overallokeringsret, der kan udnyttes helt eller delvist af Stabiliseringsagenten, til at købe Overallokeringsaktier til Udbudskursen fra Aktiernes første handels- og officielle noteringsdag og indtil den 30. kalenderdag derefter, alene til dækning af eventuel overallokering eller andre korte positioner i forbindelse med Udbuddet. Udbuddet består af: 1) et offentligt udbud til private og institutionelle investorer i Danmark og 2) privatplaceringer til institutionelle investorer i resten af verden i overensstemmelse med Regulation S. Udbudskursen forventes at ligge mellem DKK 90 og DKK 105 pr. Udbudt Aktie og vil blive fastlagt ved bookbuilding. Udbudskursen fastlægges af den Sælgende Aktionær og Bestyrelsen i samråd med Joint Global Coordinators og forventes offentliggjort via Nasdaq Copenhagen senest den 24. november 2017 kl. 8.00 (dansk tid). Udbudskursintervallet kan til enhver tid ændres i løbet af Udbudsperioden. Resultatet af Udbuddet, Udbudskursen og tildelingsgrundlaget forventes offentliggjort via Nasdaq Copenhagen senest den 24. november 2017 kl. 8.00 (dansk tid). Hvis Udbudsperioden lukkes før den 23. november 2017, vil offentliggørelsen af Udbudskursen og tildelingen blive rykket tilsvarende frem. Hvis Udbudskursintervallet bliver ændret, vil Selskabet udsende en meddelelse via Nasdaq Copenhagen og offentliggøre et tillæg til Prospektet. Efter offentliggørelse af det pågældende prospekttillæg vil investorer, der har indleveret købsordrer på Udbudte Aktier i Udbudsperioden, have to handelsdage til at tilbagekalde deres ordre som helhed. I så fald vil meddelelsen om Udbudskursen først blive offentliggjort, når fristen for udnyttelse af retten til tilbagekaldelse er udløbet. Udbudsperioden løber fra og med den 13. november 2017 til og med senest den 23. november 2017 kl. 16.00 (dansk tid). Udbudsperioden kan lukkes før den 23. november 2017. Hel eller delvis lukning af Udbudsperioden vil dog tidligst finde sted den 21. november 2017 kl. 00.01 (dansk tid). Hvis Udbuddet lukkes før den 23. november 2017, vil Aktiernes første handels- og officielle noteringsdag på Nasdaq Copenhagen samt datoen for betaling og afvikling blive fremrykket tilsvarende. Udbudsperioden for købsordrer for beløb op til og med DKK 3 mio. kan lukkes før resten af Udbuddet efter Joint Global Coordinators' skøn, hvis de vurderer, at de modtagne ordrer er tilstrækkelige til at lukke bookbuildingen. En sådan førtidig hel eller delvis lukning offentliggøres i givet fald via Nasdaq Copenhagen. Der skal som minimum købes en (1) stk. Udbudt Aktie. Der gælder intet maksimumbeløb for køb i Udbuddet. Antallet af aktier begrænses dog til antallet af Udbudte Aktier i Udbuddet.

		Afsnit E – Udbud
Element	**Oplysningskrav**	**Oplysninger**
E.3 *fortsat*	Udbudsbetingelser	Købsordrer fra investorer for beløb op til og med DKK 3 mio. skal afgives på den ordreblanket, der er indeholdt i Prospektet. Ordreblanketten skal indsendes til investors eget kontoførende institut i løbet af Udbudsperioden eller en eventuelt kortere periode, der måtte blive offentliggjort via Nasdaq Copenhagen. Ordrer er bindende og kan ikke ændres eller annulleres efter afgivelse. Ordrer kan afgives med en maksimumkurs pr. Udbudt Aktie i danske kroner. Hvis Udbudskursen overstiger den maksimumkurs pr. Udbudt Aktie, der er anført på ordreblanketten, vil den pågældende investor ikke blive tildelt Udbudte Aktier. Hvis der ikke er angivet en maksimumkurs pr. Udbudt Aktie, anses ordren for at være afgivet til Udbudskursen. Alle ordrer, der er afgivet til en kurs lig med Udbudskursen eller en højere kurs, afregnes til Udbudskursen efter eventuel tildeling. Ordrer skal afgives for et antal Udbudte Aktier eller for et samlet beløb afrundet til nærmeste kronebeløb eller med maksimalt to decimaler. Der kan kun indleveres én ordreblanket for hver konto i VP Securities. For bindende ordrer indsendes den udfyldte og underskrevne ordreblanket til investors eget kontoførende institut i så god tid, at investors eget kontoførende institut kan behandle og fremsende ordreblanketten, således at den er Danske Bank i hænde senest den 23. november 2017 kl. 16.00 (dansk tid) eller på et eventuelt tidligere tidspunkt, hvor Udbuddet lukkes. Investorer, som ønsker at afgive købsordrer for beløb over DKK 3 mio., kan tilkendegive deres interesse til en eller flere af Emissionsbankerne i løbet af Udbudsperioden. Disse investorer kan i Udbudsperioden ændre eller tilbagekalde deres interessetilkendegivelser, men interessetilkendegivelser bliver bindende ordrer ved udløbet af Udbudsperioden. Forud for Udbuddet har medlemmer af Direktionen og visse medlemmer af Bestyrelsen givet udtryk for, at de vil købe Udbudte Aktier til Udbudskursen op til et nærmere fastsat investeringsbeløb, som er DKK 1.000.000 for Ole Lund Andersens vedkommende, DKK 250.000 for Mogens Elbrønd Pedersens vedkommende, DKK 250.000 for Karsten Rydder Pedersens vedkommende, DKK 400.000 for Sanna Mari Suvanto-Harsaaes vedkommende, DKK 750.000 for Anders Skole-Sørensens vedkommende og DKK 230.000 for Peter Jelkebys vedkommende. Det antal Udbudte Aktier, der vil blive tildelt for at opfylde disse ordrer, afhænger af Udbudskursen. Som følge heraf reserveres der et antal Udbudte Aktier svarende til en samlet værdi på DKK 2.880.000 baseret på Udbudskursen til ordrer, der afgives af Bestyrelsen og Direktionen i Udbuddet. Op til 3.500.000 stk. Udbudte Aktier (svarende til 50% af de Udbudte Aktier) reserveres endvidere til fordeling til Cornerstone-investorerne. Hvis det samlede antal Aktier, der afgives ordrer for i Udbuddet, er højere end antallet af Udbudte Aktier, vil der ske enten matematisk eller diskretionær reduktion afhængig af, om ordren er for et beløb, der er større eller mindre end DKK 3 mio. Ordrer og interessetilkendegivelser medfører muligvis ikke tildeling af Udbudte Aktier. Efter Udbudsperiodens udløb modtager investorerne en opgørelse over det eventuelle antal Udbudte Aktier, der er tildelt dem, og værdien heraf til Udbudskursen, medmindre andet er aftalt mellem investor og det relevante kontoførende institut. De Udbudte Aktier forventes leveret elektronisk gennem VP Securities A/S ("**VP Securities**"), Euroclear og Clearstream omkring den 28. november 2017 mod kontant betaling i danske kroner. Hvis kursfastsættelse og tildeling i Udbuddet sker før den 23. november 2017, vil Aktiernes første handels- og officielle noteringsdag på Nasdaq Copenhagen samt datoen for betaling og afvikling blive fremrykket tilsvarende. Al handel med de Udbudte Aktier forud for afvikling sker for de involverede parters egen regning og risiko.

		Afsnit E – Udbud
Element	**Oplysningskrav**	**Oplysninger**
E.4	Væsentlige interesser i Udbuddet, herunder interessekonflikter	Carnegie og Danske Bank er Joint Global Coordinators i Udbuddet, og Carnegie, Danske Bank og ABG Sundal Collier er Joint Bookrunners og Emissionsbanker i Udbuddet. Visse Emissionsbanker og deres respektive tilknyttede virksomheder har fra tid til anden været involveret i og kan i fremtiden blive involveret i forretningsbankvirksomhed, investeringsbankvirksomhed og finansielle rådgivningstransaktioner og -ydelser som led i deres almindelige aktiviteter med Selskabet eller den Sælgende Aktionær eller enhver af Selskabets eller den Sælgende Aktionærs respektive nærtstående parter. For visse af disse transaktioner og ydelser gælder det, at deling af information generelt er underlagt restriktioner af hensyn til fortrolighed, interne procedurer eller gældende regler og forskrifter. Emissionsbankerne har modtaget og vil modtage sædvanligt honorar og provision for sådanne transaktioner og ydelser og vil muligvis få interesser, der ikke er forenelige med eller potentielt kunne være i modstrid med potentielle investorers og Selskabets interesser. Innovator S.á r.l er den Sælgende Aktionær i Udbuddet og vil derfor have en direkte økonomisk interesse i Udbuddet. Herudover deltager medlemmer af Bestyrelsen, Direktionen og visse andre medarbejdere i Koncernen i Koncernens ledelsesincitamentsprogram og vil således have en direkte økonomisk interesse i Udbuddet. Selskabet er ikke bekendt med nogen anden mulig interesse eller interessekonflikt for fysiske eller juridiske personer, der er involveret i Udbuddet, og som måtte have en væsentlig interesse i Udbuddet og Selskabets optagelse af Aktierne til handel og officiel notering på Nasdaq Copenhagen.
E.5	Sælgende Aktionær og Lockup-aftaler	Den Sælgende Aktionær udbyder op til 7.000.000 stk. Udbudte Aktier, ekskl. Aktier i henhold til Overallokeringsretten. Den Sælgende Aktionær er et selskab, der er stiftet og registreret i henhold til lovgivningen i Luxembourg med registeringsnr. B 198128 og hjemsted på adressen 1, rue de la Poudrerie, 3364 Leudelange, Luxembourg. Den Sælgende Aktionær ejes af IK Small Cap I Fund (51%) og visse medinvestorer (49%), der er limited partners-enheder. IK Small Cap I Fund rådgives af IK Investment Partners Ltd. Efter gennemførelse af Udbuddet vil den Sælgende Aktionær eje 2.247.600 stk. Aktier, svarende til 22,48% af Selskabets aktiekapital og stemmerettigheder, forudsat at alle Udbudte Aktier sælges, og at Overallokeringsretten ikke udnyttes. Hvis alle Udbudte Aktier sælges, og Overallokeringsretten udnyttes fuldt ud, vil den Sælgende Aktionær eje 1.197.600 stk. Aktier, svarende til 11,98% af Selskabets aktiekapital og stemmerettigheder efter gennemførelse af Udbuddet. Selskabet har indgået aftale med Emissionsbankerne om, at det i en periode på 180 dage fra Aktiernes første handels- og officielle noteringsdag, undtagen som anført nedenfor, ikke uden Joint Global Coordinators' forudgående skriftlige samtykke vil 1) udstede, udbyde, pantsætte, sælge, indgå aftale om at sælge, sælge nogen option eller indgå aftale om at købe, købe nogen option eller indgå aftale om at sælge, tildele nogen option, ret eller warrant til at købe, udlåne eller på anden måde, direkte eller indirekte, overdrage eller afhænde (eller offentliggøre en sådan disposition), nogen Aktier eller værdipapirer, der kan konverteres, udnyttes eller ombyttes til Aktier, 2) indgå nogen swap eller anden disposition, hvorved der helt eller delvist overdrages nogen af de økonomiske konsekvenser i forbindelse med ejerskab af Aktier, uanset om en sådan transaktion som beskrevet under 1) eller 2) ovenfor skal afregnes ved levering af Aktier eller sådanne andre værdipapirer, kontant eller på anden måde, eller 3) fremsætte forslag til Selskabets aktionærer om at iværksætte noget af ovenstående. Ovenstående gælder ikke for overdragelse af aktiebaserede instrumenter i forbindelse med vilkårene for Selskabets eksisterende ledelsesincitamentsprogram eller nye langsigtede incitamentsprogram.

Afsnit E – Udbud

Element	Oplysningskrav	Oplysninger
E.5 *fortsat*	Sælgende Aktionær og Lockup-aftaler	Den Sælgende Aktionær har indgået aftale med Emissionsbankerne om, at den i en periode på 180 dage fra Aktiernes første handels- og officielle noteringsdag, undtagen som anført nedenfor, ikke uden Joint Global Coordinators' forudgående skriftlige samtykke vil 1) udbyde, pantsætte, sælge, indgå aftale om at sælge, sælge nogen option eller indgå aftale om at købe, købe nogen option eller indgå aftale om at sælge, tildele nogen option, ret eller warrant til at købe, udlåne, foranledige, at Selskabet udsteder, eller på anden måde direkte eller indirekte overdrage eller afhænde (eller offentliggøre en sådan disposition) nogen af Aktierne eller værdipapirer, der kan konverteres, udnyttes eller ombyttes til Aktierne, 2) indgå nogen swap eller anden disposition, hvorved der helt eller delvist overdrages nogen af de økonomiske konsekvenser i forbindelse med ejerskab af Aktierne, uanset om sådanne transaktioner beskrevet under 1) eller 2) skal afregnes ved levering af Aktier eller sådanne andre værdipapirer, kontant eller på anden måde, eller 3) fremsætte forslag til aktionærerne om at iværksætte noget af ovenstående. Foranstående gælder ikke 1) salg af de Udbudte Aktier i Udbuddet, 2) udlån af Aktier i henhold til aktielånsaftalen eller 3) overdragelse af Aktier til de direkte eller indirekte eksisterende aktionærer i den Sælgende Aktionær i forbindelse med eller som følge af eventuelt udbytte eller anden udlodning eller eventuel likvidation, opløsning, omstrukturering eller anden lignende begivenhed, der påvirker den eller nogen af dennes tilknyttede virksomheder, forudsat at de pågældende aktionærer i den Sælgende Aktionær, der modtager Aktierne som led i en sådan udlodning eller anden begivenhed, skal være underlagt ovennævnte begrænsninger, såfremt en sådan udlodning eller anden begivenhed sker i den Sælgende Aktionærs 180 dages lockup-periode, og 4) enhver afhændelse af Aktier i henhold til et generelt tilbud fremsat til alle indehavere af Aktier i Selskabet i overensstemmelse med overtagelsesbestemmelser på lige vilkår for alle indehavere. De medlemmer af Bestyrelsen og Direktionen, der ejer Aktier i Selskabet, har desuden indgået aftale med Emissionsbankerne, og et begrænset antal medarbejdere, der ejer Aktier i Selskabet, har indgået aftale med Selskabet, om at de i en periode på 360 dage efter Aktiernes første handels- og officielle noteringsdag i alt væsentligt er underlagt de samme lockup-begrænsninger som den Sælgende Aktionær, som anført ovenfor, i forhold til Aktier, der ejes i Selskabet pr. prospektdatoen. I tillæg til ovenstående undtagelser gælder de lockup-forpligtelser, der er aftalt med de medlemmer af Bestyrelsen og Direktionen samt medarbejdere, der ejer Aktier i Selskabet, ikke for 1) overdragelse af nogle eller alle Aktier til en ægtefælle, et barn eller til en juridisk enhed, som et medlem af Bestyrelsen, Direktionen eller en medarbejder, der ejer Aktier i Selskabet, alene eller sammen med en anden nærtstående part, har bestemmende indflydelse over, 2) modtagelse af restricted stock units, warrants eller aktier i et aktiebaseret incitamentsprogram i Selskabet, 3) overdragelse af nogle eller alle Aktier som følge af dødsfald eller varig invaliditet eller afbrydelse af ansættelse i en fortløbende periode på mindst 16 uger på grund af invaliditet eller sygdom, eller 4) pantsætning af Aktier til eller til fordel for et pengeinstitut for et beløb, der er lånt af det pågældende pengeinstitut til finansiering af køb af Aktier med visse begrænsninger, og 5) enhver afhændelse af Aktier i henhold til et generelt tilbud fremsat til alle indehavere af Aktier i Selskabet i overensstemmelse med overtagelsesbestemmelser på lige vilkår for alle sådanne indehavere. For så vidt angår 1) forudsættes det dog, at den overdragende part vil foranledige, at erhververen underskriver en erklæring vedrørende Aktierne om at ville overholde de samme lockup-betingelser. Den Sælgende Aktionær har i henhold til en aktielånsaftale indgået aftale om at stille Overallokeringsaktier til rådighed for Emissionsbankerne med henblik på levering af de Udbudte Aktier til investorer i forbindelse med Overallokeringsretten.

Afsnit E – Udbud

Element	Oplysningskrav	Oplysninger
E.6	Beløb og procentdel for umiddelbar udvanding som følge af Udbuddet	Ikke relevant. Der vil ikke blive udstedt nye Aktier i forbindelse med Udbuddet.
E.7	Anslåede udgifter, som investor pålægges af Selskabet eller den Sælgende Aktionær	Ikke relevant. Hverken Selskabet, den Sælgende Aktionær eller Emissionsbankerne vil pålægge investorerne udgifter. Investorerne skal betale sædvanlige transaktions- og ekspeditionsgebyrer, der opkræves af deres kontoførende institut.

ENGLISH SUMMARY

*Summaries are made up of disclosure requirements known as "**Elements**". These Elements are numbered in sections A–E (A.1–E.7). This summary contains all the Elements required to be included in a summary for this type of security and issuer under the Prospectus Regulation no. 486/2012, as amended. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of security and issuer, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the Element is included in the summary with the mention of "not applicable".*

Section A – Introduction and warnings

Element	Disclosure requirement	Disclosure
A.1	Warning to investors	This summary should be read as an introduction to this Prospectus. Any decision to invest in the Offer Shares should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the EEA member states, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Offer Shares.
A.2	Consent for intermediaries	Not applicable. No agreement has been made in regard to the use of the Prospectus in connection with a subsequent resale or final placement of the Offer Shares.

Section B – Issuer

Element	Disclosure requirement	Disclosure
B.1	Legal and commercial name	The Company is registered with the legal name TCM Group A/S. The Company was formerly named Rotavonni Holding ApS but as of 15 September 2017, the Company was converted into a public limited liability company and renamed TCM Group A/S. As of 1 March 2016 (the "**Acquisition Date**"), the Company's subsidiary TCM Group Invest ApS (formerly named Rotavonni ApS) acquired the former holding company of the Group named TCM Group A/S (the "**Former Holding Company**"). The Former Holding Company merged with TMK A/S with financial effect as of 1 January 2017 with TMK A/S as the continuing company.
B.2	Domicile, legal form, country of incorporation	The Company was incorporated on 9 December 2015 as a private limited liability company under the laws of Denmark, but was effective as of 15 September 2017 converted into a public limited company under the laws of Denmark, and has its registered office at Skautrupvej 16, Tvis, DK-7500 Holstebro, in the municipality of Holstebro, Denmark.

		Section B – Issuer
Element	**Disclosure requirement**	**Disclosure**
B.3	Current operations and principal activities	The TCM Group is Scandinavia's third largest kitchen manufacturer in terms of revenue, while the majority of its business is concentrated in Denmark. The product offering includes cabinets, table tops, sliding doors, and other products related thereto, such as accessories and white goods. Manufacturing is mainly carried out in-house and configured to provide a high degree of production flexibility. To this end, all production is located in Denmark, with factories in Tvis (outskirts of Holstebro) and Aulum. Manufacturing is mainly based on a "made-to-order" business model, where the majority of the parts and products enter production when a confirmed order is received. A key benefit from the "made-to-order" business model is the ability for the Group to retain relatively low levels of net working capital being DKK -59.3 million as of 31 December 2016. The Group pursues a multi-brand strategy, under which the main brand is Svane and other brands are Tvis, Nettoline, kitchn and private label. Combined, the brands are intended to cater for the entire price spectrum as well as multiple sales channels. For example, Svane targets the upper-mid segment, with a proposition which the Group characterises as high quality, innovative kitchen designs that are priced "affordably". In addition to price segments, the Group diversifies across customer groups via a store network that services both B2C and B2B customer groups. Executive Management estimates that the Group's revenue (in factory prices) is split roughly equally between B2C and B2B, providing stability and a position to instantly take advantage of emerging growth opportunities. The products of the TCM Group are mainly marketed through an elaborate network of 60 single-brand kitchen specialty stores predominantly in Denmark and Norway, which all operate under franchise or dealer agreements (except from one store that is owned by the TCM Group). These stores account for the majority of the revenue generated and all carry either the Svane or the Tvis brand. The Company refers to this group of stores as "Branded Stores". In addition to Branded Stores, the TCM Group sells kitchens through independent retail specialty stores in Denmark and Norway under the Nettoline brand and in Sweden under the kitchn brand. Also, the TCM Group sells private label kitchens through DIY stores in Denmark and independent kitchen stores in Norway. Finally, through kitchn.dk the Group has an online sales channel; a minor but high-growth segment of the kitchen market, especially in the low end of the market. In the financial year 2016 (pro forma), the Group generated DKK 600 million in revenue, of which 92% was in Denmark, realised DKK 86 million in Adjusted EBITA (non-IFRS), corresponding to an Adjusted EBITA margin of 14.4%, and achieved a cash conversion ratio of 108%. The number of employees as of 30 September 2017 was 434 FTEs. As of January, 2017, the Group acquired all shares in Nettoline A/S, a Danish-based kitchen manufacturer generating DKK 102 million in revenue and DKK 13 million in EBITA (non-IFRS) in the financial year 2016.

		Section B – Issuer
Element	**Disclosure requirement**	**Disclosure**
B.3 *continued*	Current operations and principal activities	*Key strengths* The TCM Group views the following to be its key competitive strengths: Strong and improving market position established through focus on innovation, brand positioning, and a dedicated dealer network; Innovative design focus; Attractive brand positioning with the upper-mid Svane brand, offering high quality at affordable prices; Large network of dealers offering a dedicated customer and product experience; Lean and flexible production setup with excess capacity and operational optimisation potential; Multiple organic and inorganic growth avenues in Scandinavia; Potential for acquisitive growth benefitting from a strong integration model with high synergy potential; Attractive financial profile with high cash generation driven by strong profitability, limited capex need and negative net working capital (non-IFRS); Proven management team with long industry experience and strong track-record. *The TCM Group's Business Strategy* The TCM Group has identified five overall strategic focus areas for future growth in revenue and profitability: Increase store sales through focus on operational excellence and brand building. Increase organic growth through expanding geographical retail footprint. Facilitate and expand the online sales channel. Acquisitions, which either strengthen or expand the TCM Group's market presence and/or contribute potential synergies. Enhance production optimisation and automation.

Section B – Issuer

Element	Disclosure requirement	Disclosure
B.4a	A description of the most significant recent trends affecting the Group and the industries in which it operates	There are several trends affecting the kitchen furniture market according to the Group and the customer interviews referenced in the MEC reports. The key market trends observed in the Danish market are: • According to the MEC reports the primary reason for buying a new kitchen is renovation. • Increasing average kitchen furniture retail prices driven by the upper-mid segment, according to an analysis conducted by the Group of retail prices among the largest kitchen manufacturers in the Danish market. Further, a range of consumer trends can be observed in the market affecting the customer buying behaviour, including: • More than 75% of customers have a predetermined preference as to kitchen brands they prefer before entering the purchase consideration stage, according to the MEC reports. • The store is the most important touchpoint during the kitchen buying process according to the MEC reports. • The Executive Management's experience is that customers are to an increasing extent gathering information online during the preparation phase. • Customers' buying criteria tend to revolve around value for money. • The Executive Management sees that a new trend has emerged for the low-end cost focussed and DIY customers who have increased the use of online sales channels as opposed to purchasing kitchens physically in the stores.
B.5	Description of the Group and the Company's position within the Group	The Company is the parent company of the Group. The Company has five, direct or indirect, 100 per cent owned subsidiaries being TCM Group Invest ApS, TMK A/S, Nettoline A/S, Svane Køkkenet A/S and Køkkenretail ApS.
B.6	Persons who, directly or indirectly, have an interest in the Company's capital or voting rights or have control over the Company	As at the date of this Prospectus, the Selling Shareholder owns 92.48% of the Company's share capital and voting rights and the Board of Directors, Executive Management and certain other employees of the Group own in aggregate 7.52% of the Company's share capital and voting rights. In addition, pursuant to the Company's management incentive programme, certain members of the Board of Directors, members of the Executive Management and certain other employees of the Group own warrants enabling them to subscribe for shares. Such warrants will be settled in cash immediately prior to completion of the Offering.

		Section B – Issuer
Element	**Disclosure requirement**	**Disclosure**
		The Selling Shareholder has granted an Overallotment Option to the Managers, exercisable in whole or in part by the Stabilising Manager, to purchase up to 1,050,000 Option Shares at the Offer Price, from the first day of trading in, and official listing of, the Shares until the day 30 calendar days thereafter, solely to cover overallotments or other short positions, if any, incurred in connection with the Offering. Prior to the Offering, members of the Executive Management and certain members of the Board of Directors have expressed that they will buy Offer Shares at the Offer Price up to a certain fixed investment amount being DKK 1,000,000 with respect to Ole Lund Andersen, DKK 250,000 with respect to Mogens Elbrønd Pedersen, DKK 250,000 with respect to Karsten Rydder Pedersen, DKK 400,000 with respect to Sanna Mari Suvanto-Harsaae, DKK 750,000 with respect to Anders Skole-Sørensen and DKK 230,000 with respect to Peter Jelkeby. The number of Offer Shares that will be allocated to meet these orders will depend on the Offer Price. Up to 32,000 Offer Shares (corresponding to 0.46% of the Offer Shares) will be reserved for orders placed in the Offering by the Board of Directors and the Executive Management. Erik Albert Ingemarsson and Kristian Carlsson Kemppinen are restricted from participating in the Offering due to internal IK Investment Partners' policies on investments in IK Small Cap I Fund's portfolio companies. Other than as set out above, the Company is not aware of any person who, directly or indirectly, owns an interest in the Company's share capital or voting rights that is notifiable under Danish law.
B.7	Selected financial and business information	The summary consolidated financial information set forth below has been derived from the (i) Company's reviewed consolidated interim financial statements for the nine months ended 30 September 2017 with comparison numbers for the nine months ended 30 September 2016 (including the Former Holding Company - which was merged with TMK A/S as the continuing company with financial effect 1 January 2017 and its subsidiaries (the "**Former TCM Group**") as of the Acquisition Date) prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU and Danish disclosure requirements for listed companies, (ii) the Company's audited consolidated financial statements for the period from the formation of the Company on 9 December 2015 to 31 December 2016 prepared in accordance with IFRS including the Former TCM Group as of the Acquisition Date and (iii) the audited consolidated financial statements for the Former TCM Group for the periods 1 January – 31 December 2015 and 1 January – 31 December 2014, respectively prepared in accordance with the Danish Financial Statements Act ("**Danish GAAP**") by the Former Holding Company, which was merged with TMK A/S as the continuing company with financial effect 1 January 2017. An explanation of the pro forma is set forth in B.8 of this Summary. The main differences between Danish GAAP and IFRS as applied by the Group consists of recognition of expenses related to equity settled share-based payments under IFRS whereas under the Danish GAAP such schemes have been disclosed in the notes, only, and reversal of amortisation of goodwill and brand with an indeterminable useful life under Danish GAAP as goodwill and brand with an indeterminable useful life are not amortised under IFRS but tested at least annually for impairment. No impairment on goodwill or brand has been recorded in the consolidated financial statements prepared in accordance with IFRS.

Element	Disclosure requirement	Disclosure
B.7 *continued*		

Key figures and ratios (DKK million)	Nine months ended 30 September 2017	2016	Pro forma 2016	Financial year ended 31 December 2016	Pro forma 2016	2015	2014
Revenue	602.3	346.2	437.4	508.5	599.7	536.5	436.9
Revenue Growth	74.0%	(9.5)%	14.3%	(5.2)%	11.8%	22.8%	9.5%
Gross profit	163.8	103.8	127.8	155.0	179.0	153.3	123.1
EBIT (Operating profit)	56.0	28.4	34.1	54.2	60.0	66.8	35.2
Adjusted EBIT (Operating profit before non-recurring items) (non-IFRS)	77.8	46.8	52.5	72.9	78.7	66.8	35.2
Adjusted EBITA (non-IFRS)	83.4	51.2	58.2	79.2	86.2	73.9	42.2
Profit before tax	49.0	17.8	22.0	41.0	45.1	65.8	34.1
Net profit for the period	35.7	10.8	14.0	28.5	31.7	48.2	24.1
Total assets	840.5	776.0	–	795.8	–	370.8	328.1
Net interest-bearing debt (non IFRS)	185.0	219.9	–	170.5	–	(52.7)	32.0
Net working capital (non-IFRS)	(48.5)	(29.9)	–	(59.3)	–	(47.3)	(20.4)
Equity	378.3	320.4	–	339.9	–	183.7	135.4
Gross margin	27.2%	30.0%	29.2%	30.5%	29.9%	28.6%	28.2%
EBIT margin	9.3%	8.2%	7.8%	10.7%	10.0%	12.5%	8.1%
Adjusted EBIT margin	12.9%	13.5%	12.0%	14.3%	13.1%	12.5%	8.1%
Adjusted EBITA margin	13.9%	14.8%	13.3%	15.6%	14.4%	13.8%	9.7%
Solvency ratio	45.0%	41.3%	–	42.7%	–	49.5%	41.3%
NWC ratio	(6.3)%	(5.1)%	–	(9.9)%	–	(8.8)%	(4.7)%
Capex ratio excl. acquisitions	0.9%	0.5%	0.4%	0.9%	0.7%	1.0%	1.4%
Cash conversion ratio	108.9%	98.8%	–	108.1%	–	126.4%	124.8%

Element	Disclosure requirement	Disclosure
B.8	Selected key pro forma financial information	The Company's subsidiary TCM Group Invest ApS (formerly named Rotavonni ApS) acquired the Former Holding Company effective as of 1 March 2016. As the acquisition has significantly impacted the Company's assets, liabilities and revenues, the Company has chosen to present certain pro forma financial information. The summary consolidated pro forma financial information set forth in B.7 of this Summary has been derived from the Company's (i) pro forma consolidated financial information for the period 1 January 2016 – 31 December 2016, prepared as if the acquisition of the Former TCM Group was effected 1 January 2016, and (ii) pro forma consolidated interim financial information for the Company for the period 1 January 2016 – 30 September 2016, prepared as if the acquisition of the Former TCM Group was effected 1 January 2016. The pro forma financial information has been prepared in accordance with the recognition and measurement criteria of IFRS. See table above in B.7 "*Selected financial and business information*", which includes selected key pro forma financial information.

Section B – Issuer

Element	Disclosure requirement	Disclosure
B.9	Profit forecast or estimate	With respect to the consolidated prospective financial information, the expectations for the Group's performance for the year ending 31 December 2017 is revenue in the range DKK 795-805 million, Adjusted EBITA (non-IFRS) in the range DKK 116-122 million, and EBIT in the range DKK 76-86 million.
B.10	Qualifications in the audit report on the historical financial information	Not applicable. The audit reports on the historical financial information included by reference in the Prospectus have been issued without qualifications.
B.11	Explanation if the issuer's working capital is not sufficient for the Company's present requirements	Not applicable. The Company believes that, as of the date of this Prospectus, its working capital is adequate to meet the Group's financing requirements for at least twelve months after the date of this Prospectus.

Section C – Securities

Element	Disclosure requirement	Disclosure
C.1	Description of the type and the class of the Offer Shares, including any security identification number	The Shares, including the Offer Shares, are not divided into share classes. Offer Shares (permanent ISIN code): DK0060915478. Nasdaq Copenhagen symbol: "TCM".
C.2	Currency of the Offer Shares	The Offer Shares are denominated in Danish kroner.
C.3	Number of Shares issued and fully paid and issued but not fully paid	As at the date of this Prospectus, the Company's share capital is DKK 1,000,000 divided into 10,000,000 Shares with a nominal value of DKK 0.1 each. All Shares are issued and fully paid up.
C.4	Description of the rights attached to the Shares	All Shares, including the Offer Shares, have the same rights and the Offer Shares rank pari passu with all other Shares including in respect of voting rights, pre-emption rights, redemption, conversion and restrictions or limitations according to the Articles of Association (as defined herein) or eligibility to receive dividend or proceeds in the event of dissolution and liquidation. No Shares carry special rights, restrictions or limitations pursuant to the Articles of Association (as defined herein) Each Share of nominal DKK 0.1, including the Offer Shares, entitles its holder to one vote at general meetings of shareholders of the Company (the "**General Meeting**") and to receive dividends, if such are declared by the Company.
C.5	Description of any restrictions on the free transferability of the Shares	Not applicable. The Shares are negotiable instruments and no restrictions under the articles of association of the Company (the "**Articles of Association**") or Danish law apply to the transferability of the Shares.
C.6	Admission to trading on a regulated market	Prior to the Offering, there has been no public market for the Shares. Application has been made for the Shares to be admitted to trading and official listing on Nasdaq Copenhagen under the symbol "TCM" in the permanent ISIN DK0060915478. The admission to trading and official listing of the Shares on Nasdaq Copenhagen is subject to, among other things, Nasdaq Copenhagen's approval of the distribution of the Offer Shares, the Offering not being withdrawn prior to settlement of the Offering and the Company making an announcement to that effect. Until the publication by the Company of the announcement that the Offering has completed, expected on 28 November 2017, the admission of the Shares to trading and official listing on Nasdaq Copenhagen will remain conditional. The first day of trading in and official listing of the Shares registered in the permanent ISIN on Nasdaq Copenhagen is expected to be on 24 November 2017. If the Offer Period is closed before 23 November 2017, the first day of trading in and official listing of the Shares on Nasdaq Copenhagen and the date of payment and settlement will be moved forward accordingly.

Section C – Securities

Element	Disclosure requirement	Disclosure
C.7	Description of dividend policy	The Board of Directors has adopted a dividend policy with a target pay-out ratio of 40-60 percent of consolidated net profit for the year. Distributions to shareholders may also be effected by way of the Company's acquisition of own Shares. As at the date of this Prospectus, the Board of Directors on behalf of the Company is authorised to purchase treasury Shares to the extent that the Company's holding of treasury Shares at no time exceeds 10 percent of the Company's share capital. The purchase price may not deviate by more than 10 percent from the quoted price on Nasdaq Copenhagen at the time of the purchase. The authorisation is valid until 6 November 2022. Payment of dividends, and the amounts and timing thereof, will depend on a number of factors, including future revenue, profits, financial conditions, general economic and business conditions, future prospects, strategic initiatives such as merger and acquisition activities or large scale investments decided upon by the Board of Directors, and such other factors as the Board of Directors may deem relevant as well as applicable legal and regulatory requirements. There can be no assurance that in any given year a dividend or share buyback will be proposed or declared or that the Company's financial performance will allow it to adhere to the dividend policy or any increase in the pay-out ratio. The Company's ability to pay dividends or buy back shares may be impaired as a result of various factors, including materialisation of any of the risks described in this Prospectus. Furthermore, the dividend policy is subject to change as decided by the Board of Directors from time to time. The Board of Directors is currently not planning to distribute dividends for the financial year 2017 due to the cash settlement of the Company's management incentive programme in connection with the Offering.

Section D – Risks

Element	Disclosure requirement	Disclosure
D.1	Key information on the key risks that are specific to the Group or its industry	*The risks and uncertainties discussed below are those that the Company currently views as material, but these risks and uncertainties are not the only ones that the Group faces. Additional risks and uncertainties, including risks that are not known to the Company at present or that the Company currently deems immaterial, may also arise or become material in the future, which could lead to a decline in the value of the Offer Shares and a loss of part or all of an investor's investment. The following risk factors are not listed in any particular order of priority as to significance or probability.* The risks related to the industries in which the Group operates include, but are not limited to: • The Group may suffer adverse financial consequences and may encounter financial difficulties if the economies in the markets where the Group sells its products experience economic downturn, decreasing the demand for the Group's products and negatively affecting sales; • Competition in the markets in which the Group operates is intense and could have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares. The risks related to Group's business include, but are limited to: • The strength of the Group's brands is crucial to the Group's success. If the Group does not succeed in continuing to maintain and develop its brands, this could have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares; • The Group may not be able to successfully execute its strategy;

Section D – Risks		
Element	**Disclosure requirement**	**Disclosure**
D.1 *continued*	Key information on the key risks that are specific to the Group or its industry	• The Group may not be able to pursue acquisitions it considers necessary or desirable, may be unable to successfully integrate acquired businesses, may have unanticipated liabilities in connection with acquired businesses and may not be able to realise anticipated synergies in relation to its acquisitions; • Any inability to manage the Group's significant revenue growth may have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares; • The Group may be impacted negatively by fluctuation in sales mix if it cannot adequately adjust its production set-up; • The Group is dependent on third parties, suppliers, distributors, dealers and other partners and sensitive to other factors such as fluctuations in prices of raw materials and components and disruption in the Group's or third parties' production and storage sites and distribution facilities outside the Group's control; • Failure to attract new and renew agreements with dealers, distributors, agents and franchisees or termination of such agreements could harm the Group's business; • Faults and defects in the Group's products, the instructions on installation or on use may give rise to product liability claims and product recalls; • The Group is subject to reputational risks; • The Group could fail to manage and protect its intellectual property rights or could violate third parties' rights and the Group may not be able to use the Svane brand in Norway; • The Group is subject to currency exchange exposure; • The Group is subject to interest rate risks; • The terms of the Group's financing arrangements may limit its commercial and financial flexibility and the Group may need to incur further debts or raise further equity capital to fund its operations; • The Group may become involved in litigation, arbitration and governmental proceedings; • The Group is subject to complex Danish and foreign direct or indirect tax laws and compliance requirements; • The Group is subject to national and international regulation including competition regulation, and changes in these regulations or failure to comply with applicable regulation may have material adverse effect; • The Group faces health, safety and environmental risks; • The Group relies on a limited number of key executives and employees and may experience difficulty in retaining such executives and employees; • The Group faces risks related to work stoppages and other labour matters; • Disruptions in information technology systems or a security breach may have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares;

Section D – Risks

Element	Disclosure requirement	Disclosure
D.1 *continued*	Key information on the key risks that are specific to the Group or its industry	• The Group's risk management policies may not be adequate; • The Group's insurance policies may be insufficient to cover losses; • The Group's consolidated prospective financial information and targets included in this Prospectus may differ materially from its actual results and investors should not place undue reliance on it.
D.3	Key information on the key risks relating to the Shares	*In addition to risks relating to Group's industry and business, there are risks relating to the Offer Shares, which prospective investors should consider carefully before deciding to purchase any Offer Shares, including* • Following the Offering, the Selling Shareholder will continue to be a significant shareholder in the Company and may control or otherwise influence important actions the Company takes in a way that may not be aligned with the interests of the Company's minority shareholders; • The Shares have not previously been publicly traded, a liquid market for the Shares may not develop, and the price of the Shares may be volatile and fluctuate significantly in response to various factors; • Future sales of Shares after the Offering may cause a decline in the market price of the Shares; • Changes in currency exchange rates could have a material adverse effect on the value of shareholdings or dividends paid; • Non-Danish holders of Shares may not be able to exercise pre-emptive rights or participate in any future rights offerings; • Investors' rights as shareholders will be governed by Danish law and differ in some respects from the rights of shareholders under the laws of other countries; • The Company may not be able or may decide not to pay dividends at a level anticipated by shareholders, which could reduce investors' return on Shares; • The Offering may be withdrawn.

Section E – Offer

Element	Disclosure requirement	Disclosure
E.1	Total net proceeds of the Offering and estimated expenses	The Company will not receive any of the proceeds from the sale of the Offer Shares by the Selling Shareholder in the Offering. Expenses in relation to the Offering, including commissions and fees (fixed and discretionary) to be paid to the Managers, are payable by the Selling Shareholder. Further, the Selling Shareholder has agreed to pay a selling commission to the account holding banks (unless such account holding bank is a Manager) equivalent to 0.25% of the Offer Price of the Offer Shares that are allocated in respect of purchase orders of up to and including DKK 3 million submitted through the relevant account holding banks (except for the Managers). Certain expenses in relation to the admission to trading and official listing of the Shares on Nasdaq Copenhagen are payable by the Company. The expenses payable by the Company in connection with the Offering are expected to amount to between DKK 12 million and DKK 16 million.

		Section E – Offer
Element	**Disclosure requirement**	**Disclosure**
E.2a	Reasons for the Offering and use of proceeds, estimated net amount of the proceeds	The admission to trading and official listing of the Shares on Nasdaq Copenhagen in connection with the Offering is expected to provide a strong platform for future growth by enhancing the visibility of the Company, including further strengthening of its brands, further improve the ability to attract and retain key employees, diversify the shareholder base and gain access to capital markets. The Company will not receive any proceeds from the Offering.
E.3	Terms and conditions of the Offering	The Selling Shareholder is offering up to 7,000,000 Offer Shares, excluding any Shares subject to the Overallotment Option. The Company has received commitments from the Cornerstone Investors, being Arbejdsmarkedets Tillægspension, BI Asset Management Fondsmæglerselskabet A/S on behalf of certain clients, Investeringsforeningen Fundamental Invest, Nordea Investment Management AB, Denmark (branch of Nordea Investment Management AB, Sweden), Handelsbanken, branch of Svenska Handelsbanken AB (publ.), Sweden, Nykredit Bank A/S and Spar Nord Bank A/S, to purchase, subject to certain conditions, Cornerstone Shares by an aggregate investment of DKK 315 million, subject to several cornerstone agreements (the "**Cornerstone Agreements**") entered into between the Cornerstone Investors, the Company, the Selling Shareholder and the Joint Global Coordinators. Up to 3,500,000 Offer Shares (corresponding to 50% of the Offer Shares) will be reserved for allocation to the Cornerstone Investors. The Selling Shareholder has granted an Overallotment Option to the Managers, exercisable in whole or in part by the Stabilising Manager, to purchase Option Shares at the Offer Price, from the first day of trading in, and official listing of, the Shares until the day 30 calendar days thereafter, solely to cover overallotments or other short positions, if any, incurred in connection with the Offering. The Offering consists of: (i) a public offering to retail and institutional investors in Denmark and (ii) private placements to institutional investors in the rest of the world in compliance with Regulation S. The Offer Price is expected to be between DKK 90 and DKK 105 per Offer Share and will be determined through a bookbuilding process. The Offer Price will be determined by the Selling Shareholder and the Board of Directors in consultation with the Joint Global Coordinators, and is expected to be announced through Nasdaq Copenhagen no later than 8:00 a.m. (CET) on 24 November 2017. The Offer Price Range may be amended at any time during the Offer Period. It is expected that the result of the Offering, the Offer Price and the basis of the allocation will be announced through Nasdaq Copenhagen no later than 8:00 a.m. (CET) on 24 November 2017. If the Offer Period is closed before 23 November 2017, the announcement of the Offer Price and allocation will be brought forward accordingly. If the Offer Price Range is amended, the Company will make an announcement through Nasdaq Copenhagen and publish a supplement to this Prospectus. Following publication of the relevant supplement, investors who have submitted orders to purchase Offer Shares in the Offer Period will have two trading days to withdraw their offer, in its entirety. In such circumstances, the announcement of the Offer Price will not be published until the period for exercising such withdrawal rights has ended. The Offer Period will commence on 13 November 2017 and will close no later than 23 November 2017 at 4:00 p.m. (CET). The Offer Period may be closed prior to 23 November 2017; however, the Offer Period will not be closed in whole or in part before 21 November 2017 at 00:01 am. (CET). If the Offering is closed before 23 November 2017, the first day of trading in and official listing of the Shares on Nasdaq Copenhagen and the date of payment and settlement will be moved forward accordingly. The Offer Period in respect of applications for purchases of amounts up to, and including, DKK 3 million may be closed before the remainder of the Offering is closed at the discretion of the Joint Global Coordinators, if they deem the orders received sufficient to close the bookbuilding process. Any such earlier closing, in whole or in part, will be announced through Nasdaq Copenhagen.

Section E – Offer

Element	Disclosure requirement	Disclosure
E.3 *continued*	Terms and conditions of the Offering	The minimum purchase amount is one (1) Offer Share. No maximum purchase amount applies to the Offering. However, the number of shares is limited to the number of Offer Shares in the Offering. Applications by investors to purchase amounts of up to and including DKK 3 million should be made by submitting the application form enclosed in the Prospectus to the investor's own account holding bank during the Offer Period or such shorter period as may be announced through Nasdaq Copenhagen. Applications are binding and cannot be altered or cancelled following their submission. Applications may specify a maximum price per Offer Share in Danish kroner. If the Offer Price exceeds the maximum price per Offer Share specified in the application form, then no Offer Shares will be allocated to the investor. Where no maximum price per Offer Share has been indicated, applications will be deemed to be made at the Offer Price. All applications made at a price equivalent to the Offer Price, or a higher price, will be settled at the Offer Price following allotment, if any. Applications should be made for a number of Offer Shares or for an aggregate amount rounded to the nearest Danish krone amount or with a maximum of two decimals. Only one application will be accepted from each account in VP Securities. For binding orders, the application form must be submitted to the investor's own account holding bank in complete and executed form in due time to allow the investor's own account holding bank to process and forward the order to ensure that it is in the possession of Danske Bank, no later than 4:00 p.m. (CET) on 23 November 2017, or such earlier time at which the Offering is closed. Investors who wish to apply to purchase amounts of more than DKK 3 million can indicate their interest to one or more of the Managers during the Offer Period. During the Offer Period, such investors can change or withdraw their declarations of interest, but these declarations of interest become binding applications at the end of the Offer Period. Prior to the Offering, members of the Executive Management and certain members of the Board of Directors have expressed that they will buy Offer Shares at the Offer Price up to a certain fixed investment amount being DKK 1,000,000 with respect to Ole Lund Andersen, DKK 250,000 with respect to Mogens Elbrønd Pedersen, DKK 250,000 with respect to Karsten Rydder Pedersen, DKK 400,000 with respect to Sanna Mari Suvanto-Harsaae, DKK 750,000 with respect to Anders Skole-Sørensen and DKK 230,000 with respect to Peter Jelkeby. The number of Offer Shares that will be allocated to meet these orders will depend on the Offer Price. In consequence hereof, a number of Offer Shares corresponding to an aggregate value of DKK 2,880,000 based on the Offer Price will be reserved for orders placed in the Offering by the Board of Directors and the Executive Management. In addition up to 3,500,000 Offer Shares (corresponding to 50% of the Offer Shares) will be reserved for allocation to the Cornerstone Investors. In the event that the total number of Shares applied for in the Offering exceeds the number of Offer Shares, reductions will be made either mathematically or on a discretionary basis depending on whether the application amounts to more or less than DKK 3 million. Orders and indications of interest may not result in an allocation of Offer Shares. Following the expiration of the Offer Period, investors will receive a statement indicating the number of Offer Shares allocated, if any, and the equivalent value at the Offer Price, unless otherwise agreed between the investor and the relevant account holding bank. The Offer Shares are expected to be delivered in book entry form through the facilities of VP Securities A/S ("**VP Securities**"), Euroclear and Clearstream on or around 28 November 2017 against payment in immediately available funds in Danish kroner. If pricing and allocation of the Offering takes place before 23 November 2017, the first date of trading in and official listing of the Shares on Nasdaq Copenhagen and the date of payment and settlement will be brought forward accordingly. All dealings in the Offer Shares prior to settlement will be for the account of and at the sole risk of the parties involved.

Section E – Offer

Element	Disclosure requirement	Disclosure
E.4	Material interests in the Offering including conflicts of interest	Carnegie and Danske Bank are acting as Joint Global Coordinators in the Offering and Carnegie, Danske Bank and ABG Sundal Collier are acting as Joint Bookrunners in the Offering and are the Managers in the Offering. Certain Managers and their respective affiliates have from time to time been engaged in, and may in the future engage in, commercial banking, investment banking and financial advisory transactions and services in the ordinary course of their business with the Company or the Selling Shareholder or any of the Company's or the Selling Shareholder's respective related parties. With respect to certain of these transactions and services, the sharing of information is generally restricted for reasons of confidentiality, internal procedures or applicable rules and regulations. The Managers have received and will receive customary fees and commissions for these transactions and services and may come to have interests that may not be aligned or could potentially conflict with the interests of prospective investors and the Company. Innovator S.á r.l is the Selling Shareholder in the Offering and will as a result have a direct economic interest in the Offering. In addition, members of the Board of Directors, the Executive Management and certain other employees in the Group participate in the Group's management incentive programme and therefore have a direct economic interest in the Offering. The Company is not aware of any other potential interest, or conflict of interest, of natural or legal persons involved in the Offering who may have a material interest in the Offering and the Company's admission to trading and official listing of the Shares on Nasdaq Copenhagen.
E.5	Selling Shareholder and Lock-up Arrangements	The Selling Shareholder is offering up to 7,000,000 Offer Shares, excluding Shares subject to the Overallotment Option. The Selling Shareholder is a company incorporated and registered under the laws of Luxembourg under registration no. B 198128, having its registered address at 1, rue de la Poudrerie, L 3364 Leudelange, Luxembourg. The Selling Shareholder is owned by IK Small Cap I Fund (51%) and certain co-investors (49%) being limited partner entities. IK Small Cap I Fund is advised by IK Investment Partners Ltd. Upon the completion of the Offering, the Selling Shareholder will own 2,247,600 Shares, corresponding to 22.48% of the Company's share capital and voting rights, assuming all Offer Shares are sold and no exercise of the Overallotment Option. Assuming all Offer Shares are sold and the Overallotment Option is exercised in full, the Selling Shareholder will own 1,197,600 Shares, corresponding to 11.98% of the Company's share capital and voting rights upon the completion of the Offering. The Company has agreed with the Managers that it will not, except as set forth below, for a period of 180 days from the first day of trading and official listing of the Shares, without the prior written consent of the Joint Global Coordinators, (i) issue, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of (or publicly announce such action), directly or indirectly, any of Shares or any securities convertible into or exercisable or exchangeable for Shares, (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Shares, whether any such transaction described in (i) or (ii) above is to be settled by delivery of Shares or such other securities, in cash or otherwise, or (iii) submit to the Company's shareholders a proposal to effect any of the foregoing. The foregoing shall not apply to the transfer of share based instruments in connection with the terms of the Company's existing management incentive programme or new long term incentive programme.

Section E – Offer

Element	Disclosure requirement	Disclosure
E.5 *continued*	Selling shareholder and Lock-up Arrangements	The Selling Shareholder has agreed with the Managers that it will not, except as set forth below, for a period of 180 days from the first day of trading and official listing of the Shares, without the prior written consent of the Joint Global Coordinators: (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, cause the Company to issue, or otherwise transfer or dispose of (or publicly announce such action), directly or indirectly, any of the Shares, or any securities convertible into or exercisable or exchangeable for the Shares; (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Shares, whether any such transactions described in clause (i) or (ii) above are to be settled by delivery of the Shares or such other securities, in cash or otherwise; or (iii) submit to the shareholders a proposal to effect any of the foregoing. The foregoing will not apply to (i) the sale of the Offer Shares in the Offering; (ii) the lending of Shares under the share lending agreement; (iii) the transfer of Shares to the direct or indirect existing shareholders of the Selling Shareholder in connection with or arising out of any dividend or other distribution, or any liquidation, dissolution, reorganisation or other similar event affecting it or any of its affiliates; provided, however that if any such distribution or other event takes place during the 180 day lockup period of the Selling Shareholder the restrictions set forth above shall apply to such shareholder of the Selling Shareholder receiving the Shares as part of any such distribution or other event and (iv) any disposal of Shares pursuant to a general offer made to all holders of Shares in the Company made in accordance with takeover regulations on terms which treat all such holders alike. In addition, the members of the Board of Directors and Executive Management who hold Shares in the Company have agreed with the Managers and a limited number of employees who hold Shares in the Company have agreed with the Company that, for a period of 360 days from the first day of trading and official listing of the Shares, they will be subject to materially the same lockup restrictions as the Selling Shareholder set forth above in respect of any Shares held in the Company as of the date of this Prospectus. In addition to the exceptions set out above, the lockup obligations agreed by the members of the Board of Directors, Executive Management and the employees who hold Shares in the Company, will not apply to (i) the transfer of any or all of the Shares to a spouse, child or any legal entity over which a member of the Board of Directors, Executive Management or an employee who holds Shares in the Company alone or together with any other related party has or have a controlling influence, (ii) the receipt of restricted stock units, warrants or shares in any sharebased incentive programmes of the Company, (iii) the transfer of any or all of the Shares as a result of death, permanent disability or an interruption in employment for a continuous period of not less than 16 weeks due to disability or illness or (iv) the pledge of any Shares to or in favour of a financial institution for such amount as was borrowed from such financial institution to finance the purchase of Shares, subject to certain restrictions and (v) any disposal of Shares pursuant to a general offer made to all holders of Shares in the Company made in accordance with takeover regulations on terms which treat all such holders alike; provided, however, with respect to (i), that the transferring party to procure the transferee to execute a deed of adherence with respect to the Shares containing the same lockup terms. The Selling Shareholder has pursuant to a share lending agreement agreed to make available to the Managers Option Shares for purposes of delivery of the Offer Shares to investors in connection with the Overallotment Option.
E.6	The amount and percentage of immediate dilution resulting from the Offering	Not applicable. No new Shares will be issued in connection with the Offering.
E.7	Estimated expenses charged to the investor by the Company or the Selling Shareholder	Not applicable. None of the Company, the Selling Shareholder or the Managers will charge expenses to investors. Investors will have to bear customary transaction and handling fees charged by their account holding financial institution.

PART I. DESCRIPTION OF THE COMPANY

1 RISK FACTORS

An investment in the Offer Shares involves a high degree of financial risk. Prospective investors should carefully consider all information in this Prospectus, including the risks described below, before they decide to buy Offer Shares. This section addresses both general risks associated with the industry in which the Group operates and the specific risks associated with the Group's business. If any such risks were to materialise, the Group's business, financial condition and results of operations and/or the value of the Offer Shares could be materially adversely affected, resulting in a decline in the value of the Shares, including the Offer Shares. Further, this section describes certain risks relating to the Offering that could also adversely affect the value of the Offer Shares.

The risks discussed below are those that the Company currently views as material, but these are not the only risks that the Group faces. Additional risks and uncertainties, including risks that are not known to the Company at present or that it currently deems immaterial, may also arise or become material in the future, which could lead to a decline in the value of the Offer Shares. The risk factors described below are not listed in any order of priority with regard to their significance or probability.

1.1 RISKS RELATED TO THE INDUSTRIES IN WHICH THE GROUP OPERATES

1.1.1 THE GROUP MAY SUFFER ADVERSE FINANCIAL CONSEQUENCES AND MAY ENCOUNTER FINANCIAL DIFFICULTIES IF THE ECONOMIES IN THE MARKETS WHERE THE GROUP SELLS ITS PRODUCTS EXPERIENCE ECONOMIC DOWNTURN, DECREASING THE DEMAND FOR THE GROUP'S PRODUCTS AND NEGATIVELY AFFECTING SALES.

The Group's product sales are sensitive to declines in spending by its customers, which in turn is affected by the general economic developments in the countries where such products are marketed. This dependence on general economic developments was, for instance, demonstrated in connection with the economic crisis that occurred globally from 2008 and onwards, which adversely affected the Group's sales and results. In this regard, an amendment of the rules on financing of social housing could have a financial impact on the Group's business, especially in connection with an economic crisis.

Decreased demand for the Group's products could result in decreased revenues, profitability and cash flows and may impair its ability to maintain operations and fund its obligations to others or deter the Group from entering into new markets.

In the event of a new or continued significant long-term economic downturn in the EU or global economies, the Group may not be able to adjust or scale-down its business timely and adequately and the Group's revenues could decline to the point that it would have to take restructuring actions. Any of the foregoing could have a material adverse effect on the Group's business, financial condition and results of operations and/or the value of the Shares.

1.1.2 COMPETITION IN THE MARKETS IN WHICH THE GROUP OPERATES IS INTENSE AND COULD HAVE A MATERIAL ADVERSE EFFECT ON THE GROUP'S BUSINESS, FINANCIAL CONDITION AND RESULTS OF OPERATIONS AND/OR VALUE OF THE SHARES.

The Group operates in markets exposed to competition, including with respect to price.

Demand for the Group's products is influenced by trends in the housing market, whereby prices, the number of transactions and access to financing are key factors.

While the Group enjoys strong positions in certain segments of the overall Danish kitchen market, there are several competitors with similar or stronger positions and the Group's position is constantly challenged by established competitors.

Industry consolidation through mergers and acquisitions could shift market positions among competitors. Such consolidation may happen without the Group being involved or not being able or willing, for regulatory, financial or other reasons, to compete for the acquisition target.

The Group believes that its principal competitive strengths include, among others, brands, product range and product quality, customer access and scale benefits due to its size. The Group may not be able to compete successfully on all of these factors against existing or future competitors. To compete effectively and to retain and attract customers, the Group must successfully market and competitively price its products. The Group may experience downward pricing pressures and loss of market share, but may, nevertheless, be forced to increase prices due to increases in its costs. If the Group implements significant price increases, the impact on its revenues and profit margin will depend on, among other factors, the pricing by competitors of similar products and the response by customers to higher prices. Such price increases may reduce the Group's sales volumes or result in a shift in sales volume to lower margin products.

Technological developments and improvements and the ability to adapt to new technologies, market developments and customer demands are key to remain competitive in the Group's markets. Like the Group, its competitors constantly strive to improve their product offerings and may be able to offer, now or in the future, lower-priced products that include the same or improved product - and technological or design features or products which are otherwise superior to the Group's products.

If the Group's products and services are not competitive, the Group may, among others, experience a decline in sales volume, an increase in price discounting and/or a loss of market share. Any of the foregoing could have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares.

1.2 RISKS RELATED TO THE GROUP'S BUSINESS

1.2.1 THE STRENGTH OF THE GROUP'S BRANDS IS CRUCIAL TO THE GROUP'S SUCCESS. IF THE GROUP DOES NOT SUCCEED IN CONTINUING TO MAINTAIN AND DEVELOP ITS BRANDS, THIS COULD HAVE A MATERIAL ADVERSE EFFECT ON THE GROUP'S BUSINESS, FINANCIAL CONDITION AND RESULTS OF OPERATIONS AND/OR VALUE OF THE SHARES.

The Group considers the Svane, Tvis, kitchn and Nettoline brands to be some of the most important assets of the Group and the Group's business and results of operations are influenced by the strength of these brands, including the level of consumer recognition and perception of the brands. The strength of the Group's brands depends on factors such as the Group's growth, the Group's ability to control the perception of the brands, product design, the materials used to make the products, quality, the distinct character and presentation of the products as well as the image of the stores in which they are sold and the brands displayed. Public communication activities such as advertising, public relations and marketing as well as the general perception of the Group's business also impact the brands. Failure to manage any of the above factors or failure of the Group's promotion and other activities to differentiate and further strengthen the Group's brands could adversely affect the value and perception of the brands and the Group's ability to maintain existing and attract new franchisees, distributors and end-consumers, and, as a result, have a material adverse effect on the Group's business, financial condition or results of operations and/or value of the Shares.

Due to the competitive nature of the market in which the Group operates, if it does not continue to develop its brands and products, it may fail to attract the critical mass of end-consumers required to continue growing the business.

Developing, promoting and positioning the Group's brands will depend largely on the success of the Group's marketing and merchandising efforts, the relationships with franchisees and third party distributors and in particular with respect to the Group's medium and high-end brands, the ability to provide a consistent, high quality experience for the end-consumers.

To promote the Group's brand and products, the Group has incurred, and expects to continue to incur, substantial expenses related to advertising and other marketing efforts, including magazine and television advertising, sponsorships, public relations events, outdoor marketing and producing brochures, but there can be no assurance that these efforts are or will be successful and result in increased sales.

The occurrence of any of the above could have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares.

1.2.2 THE GROUP MAY NOT BE ABLE TO SUCCESSFULLY EXECUTE ITS STRATEGY.

The success of the Group's strategy is subject to several factors, some of which are outside the Group's control (e.g. macro-economic trends, regulatory changes and initiatives taken by competitors) whereas other factors, such as the Group's ability to increase its market share in its existing markets, enter new markets and segments thereof, including new geographical markets, adjust to fluctuation in sales mix and different levels of demands, develop new products successfully, introduce new or improved products to the markets, focus the product offering to meet customers' needs, successfully manage the supply chain, the ability to successfully attract new employees, maintain an attractive working environment and local employer branding, lower the cost base and identify suitable acquisition targets, depends in full or in part on the Group's ability to take the required actions at the right time and successfully execute such initiatives. There are inherent uncertainties and risks, including factors discussed elsewhere in this section, involved in executing a complex strategy.

The key components of the Group's strategy, and the risks associated therewith, can be summarised as follows:

- Ability to continue to develop competitive kitchen models. If the TCM Group does not continue to successfully develop new competitive products, future revenue will likely be reduced. See further above.

- Ability to increase store traffic from B2C customers and attract new B2B customers. If the TCM Group does not successfully market and maintain its prices, brand and quality perception, the TCM Group may not be able to maintain or increase its store traffic or attract new B2B customers, resulting in reduced revenue.

- Ability to increase sale per store employee. Education and training of franchisees and sales personnel is key to achieving increased sales. If the TCM Group fails to train and educate franchisees and sales personnel, including with respect to product knowledge, order system and add-on sales, this may have a significant adverse impact on sales.

- If the Group fails to identify and successfully contract with new franchisees and dealers and maintain its existing network this may lead to decreased sales for longer or shorter periods of time and may lead to competitors gaining market shares at the Group's expense. See further below.

- As part of the Group's growth strategy, the Group plans to continue expanding its sales and presence outside Denmark. The cost of expanding geographically may be substantially greater than expected. If the Group fails to compete effectively or if the cost of entering new/expanding existing markets is substantially greater than expected, the Group's business, results of operations and financial condition could be adversely affected. Expanding operations increases exposure to risks such as fluctuations in foreign exchange and inflation rates, import/export controls, data privacy and labour relations. The expansion is expected to be rolled out as organic growth, either through dealer based stores, but possibly also through stores owned by the Group. If expansion through own stores or related acquisitions is deemed necessary it could drive additional costs and thus have a larger financial impact compared to expansion through organic growth.

- The Group actively monitors potential acquisition opportunities with the aim of achieving additional growth through acquisitions. The Group may not be able to realise anticipated synergies in relation to its acquisitions, may be unable to successfully integrate acquired businesses and may have unanticipated liabilities in connection with acquired businesses. See further below.

- The Group continuously works on developing new sales channels to maximise customer reach, for example online sales. The Group may not be able to successfully develop and grow its online sales platform and any material disruption or slow-down of the Group's information technology systems could disrupt the Group's ability to market, offer and sell its products through the online sales platform, as well as the Group's ability to track, record and analyse the sales of its products. This could result in the loss of revenue and potential damage to the Group's brands.

- The TCM Group has identified several potentials for improving the production setup, including with respect to direct labour costs and overheads, improved lead time and inventory management as well as improved product quality and production capacity. If initiatives are not taken or taken successfully and/or required investments are not made, to facilitate such improvements, the Group will not benefit from the resulting cost reductions, which in turn will impact the Group's results.

The occurrence of any of the above could have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares.

1.2.3 THE GROUP MAY NOT BE ABLE TO PURSUE ACQUISITIONS IT CONSIDERS NECESSARY OR DESIRABLE, MAY BE UNABLE TO SUCCESSFULLY INTEGRATE ACQUIRED BUSINESSES, MAY HAVE UNANTICIPATED LIABILITIES IN CONNECTION WITH ACQUIRED BUSINESSES AND MAY NOT BE ABLE TO REALISE ANTICIPATED SYNERGIES IN RELATION TO ITS ACQUISITIONS.

In addition to organic growth, the Group's strategy includes expansion via acquisitions of other players in the industry. There can be no assurance that the Group will successfully complete such acquisitions or that acquisitions will be made on favourable terms or in favourable markets. Furthermore, the Group may not be able to successfully integrate any acquired business and/or reach synergies anticipated from an acquisition. In addition, there can be no assurance that a sufficient number of expansion opportunities or acquisition targets will be available for the Group.

On 7 November 2017 the Company entered into a facility agreement (the "**Facility Agreement**") with the Company, TCM Group Invest and TMK as borrowers and guarantors and Svane Køkkenet, Køkkenretail ApS and Nettoline as guarantors, (see section 23.1 "*Facility Agreements*"). Pursuant to the Facility Agreement, the Group may not, without the lender's consent, acquire companies, businesses and shares unless certain conditions are fulfilled, including, that (i) the target business shall be in the same line of business (ii) such acquisitions shall have a total consideration of less than DKK 125 million in a given year (subject to carry forward of unused amounts), (iii) such acquisitions shall have a total consideration not exceeding DKK 300 million during the tenor of the Facility Agreement and (iv) the target business is located in the Nordic region. While the Facility Agreement can accordingly be used to finance acquisitions, the Group may have to incur further debts or raise equity capital in order to pursue acquisitions that are considered necessary or desirable to pursue in light of its strategic goals at any given time. This could lead to, *inter alia*, suspension or delay for longer or shorter periods of time of other strategic initiatives of the Group, alterations in the Group's dividend policy (see section 21.5.1 "*Dividend policy*") and/or, in the event of increases of the share capital, a dilution of the shareholdings of the then current shareholders' ownership of the Company.

There are also operational and financial risks involved in expanding by acquiring and integrating businesses into the Group's existing operations, including, but not limited to, acquisition and integration costs, unknown liabilities and difficulties in securing the necessary permits to operate the business. Integration requires, among other things, that the optimal utilisation of existing structures is possible, that operations in the acquired businesses can be changed and that an adequate number of qualified employees are available, retained or promptly replaced. If the Group encounters difficulties with respect to integration of acquired businesses, the Group may fail to realise anticipated synergies or realising the anticipated synergies may take longer than expected. Resource intensive expansions or the acquisition of less profitable businesses could also have an adverse effect on the Group's profitability. The Group's assessments and assumptions about acquisition or expansion opportunities or acquired businesses could prove to be incorrect or liabilities, or contingencies or other risks previously unknown to the Group could arise.

The occurrence of any of the above could have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares.

1.2.4 ANY INABILITY TO MANAGE THE GROUP'S SIGNIFICANT REVENUE GROWTH MAY HAVE A MATERIAL ADVERSE EFFECT ON THE GROUP'S BUSINESS, FINANCIAL CONDITION AND RESULTS OF OPERATIONS AND/OR VALUE OF THE SHARES.

The Group's business is experiencing significant organic revenue growth, which in turn implies that the business and organisation has become, and is expected to continue to become, considerably more complex. This requires the Group to adapt continuously to meet the needs of the growing business and could expose the Group to a number of factors, which may negatively impact the Group's business, financial condition and results of operations and/or value of the Shares. In particular, the Group's success will depend on its ability to:

- adapt successfully its systems, including internal controls and procedures over financial reporting;
- maintain and develop a consistent and strong brand identity and further develop the brand strength across a growing international organisation and increasing number of markets and points of sale;
- increase production, predominately through increased use of capacity at existing production sites;
- deliver products in a timely and efficient manner. In the spring of 2017 the Group experienced a longer than normal delivery time, leading in some cases end customers to choose another kitchen supplier. The delivery time has been brought down to normal delivery time again in the late summer of 2017 through the increased use of a second (evening) shift, however there can be no assurance that the Group's growth will not again lead to prolonged or late delivery times, resulting in the Group not being able to successfully capitalize on its full growth potential; and
- attract, train and retain relevant new employees to support the Group's growth.

Failure to achieve these objectives or to address successfully other unexpected risks, could have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares.

1.2.5 THE GROUP MAY BE IMPACTED NEGATIVELY BY FLUCTUATION IN SALES MIX IF IT CANNOT ADEQUATELY ADJUST ITS PRODUCTION SET-UP.

The Group sees fluctuation in the B2C sales. If the Group experiences a shift in its mix between sale to the B2B and B2C segments, such that sales in the B2C segment are increased, this may cause the Group to be exposed to a higher degree of fluctuation in sales mix, thus requiring the Group to either restructure its production set-up to facilitate increased production in such periods or may lead to the Group experiencing extended delivery times. Furthermore, a shift in the Group's mix between sales to B2B and B2C segments, implying that the sales to the B2B segments are increased, may result in a lower margin to the Group. If the Group fails to respond adequately to such increased fluctuation in sales mix, the profitability and growth can be adversely affected, which again could have a material adverse effect on Group's business, financial condition and results of operations and/or value of the Shares.

1.2.6 THE GROUP IS DEPENDENT ON THIRD PARTIES, SUPPLIERS, DISTRIBUTORS, DEALERS AND OTHER PARTNERS AND IS SENSITIVE TO OTHER FACTORS SUCH AS FLUCTUATIONS IN PRICES OF RAW MATERIALS AND COMPONENTS AND DISRUPTION IN THE GROUP'S OR THIRD PARTIES' PRODUCTION AND STORAGE SITES AND DISTRIBUTION FACILITIES OUTSIDE THE GROUP'S CONTROL.

The Group's ability to maintain and grow its market share is dependent on its ability to continuously supply its products to the market on a timely basis.

Inability to supply products in a timely manner may be caused by numerous factors, including factors discussed elsewhere in this section, or by other factors fully or partially outside of the Group's control.

Delayed delivery may lead to claims for damages from customers, distributors or franchisees and/or may lead to the customers switching to the Group's competitors, causing the Group to lose market share, which can be difficult to regain.

The Group's operations are dependent on third parties for, among other things, supply of raw materials or components in particular wood, including particle board and medium-density fibre board, and metals, such as aluminum and steel. For some of these raw materials and components, fluctuations in raw material prices may also be transferred directly to the Group's prices of raw materials and components or indirectly by the Group's suppliers when producing components for the Group. Exposure to changes in raw material prices has historically not been hedged. Any inability to transfer increases of cost related to fluctuations in raw material prices to the Group's products may have a material adverse effect on the Group's business.

Further, the Group relies on third parties bringing the products to the market, e.g. in respect of transportation, storage, distribution and, quite importantly, sale of its products. As such, the Group is subject to risks associated with operating a complex supply chain in an efficient manner.

There can be no assurance that the products or services provided by third parties and necessary to run the business of the Group effectively will be available to the Group in the demanded quantities and qualities and within the timeframe needed to meet customer demands, or that third parties will continue to provide products and services to the Group on acceptable prices and terms or at all. Agreed contractual remedies towards third party suppliers may not be enforceable by the Group or may not cover the losses incurred by the Group in the event of material disruptions in the supply chain.

While for some raw materials, components and services alternative third-party suppliers, distributors, dealers and other partners are available, it could be difficult for the Group to replace these relationships on equally attractive commercial terms, or at all, and seeking alternate relationships could be time consuming and result in interruptions to the Group's business, including prolonged interruptions in the supply of the Group's products.

Replacing dealers, distributors, agents or franchisees of the Group may lead to decreased sales for longer or shorter periods of time and may lead to competitors gaining market shares at the Group's expense.

The Group's operations, as well as its inventory of components and finished products at the Group's production and storage sites and distribution facilities, could be adversely affected by extraordinary events, including fire, mechanical failure, extended or extraordinary maintenance, flood, windstorm or other severe weather conditions, work stoppages, lack of supply of raw materials, directives from government agencies, power interruptions, breakdown in IT-systems or other events outside of the Group's control.

Any prolonged interruption at any main production or storage site of the Group or its suppliers or at the Group's or third parties' distribution facilities could reduce production or distribution capacity for prolonged periods of time. The measures that the Group or third parties have in place to mitigate such risks may prove to be insufficient or ineffective. The Group's or third parties' disaster recovery planning may not prevent business disruption, and reconstruction of damaged sites or facilities could require a significant amount of time and costs. In addition, inventory of components and finished products could be damaged or lost. Although the Group carries insurance to cover losses at its production and storage sites, distribution facilities and interruptions in the business, such policies are subject to limitations, such as deductibles and maximum liability amounts and, therefore, may not cover all losses, including lost sales due to customers switching suppliers. The Group may also incur losses that are outside of the coverage of its insurance policies. In the future, the Group may not be able to maintain or obtain insurance coverage at current levels, or at all, and premiums may increase significantly on the coverage that is maintained.

Any of the above could have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares.

1.2.7 FAILURE TO ATTRACT NEW AND RENEW AGREEMENTS WITH DEALERS, DISTRIBUTORS, AGENTS AND FRANCHISEES OR TERMINATION OF SUCH AGREEMENTS COULD HARM THE GROUP'S BUSINESS.

The Group relies to a large extent on sale and marketing of its products through dealers, distributors, agents and franchisees. It can be difficult for the Group to attract new and/or retain and renew existing agreements with kitchen dealers, distributors, agents and franchisees on attractive commercially terms, or at all, and seeking alternate relationships can be time consuming.

Replacing dealers, distributors, agents or franchisees of the Group may lead to decreased sales for longer or shorter periods of time and may lead to competitors gaining market shares at the Group's expense.

Any of the above could have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares.

1.2.8 FAULTS AND DEFECTS IN THE GROUP'S PRODUCTS, THE INSTRUCTIONS ON INSTALLATION OR ON USE MAY GIVE RISE TO PRODUCT LIABILITY CLAIMS AND PRODUCT RECALLS.

Faults and defects in the Group's products may cause the Group to be held liable in damages, including for product liability claims, and/or force the Group to recall its products, either of which could entail substantial costs and have a material adverse effect on the Group's brands and reputation. Although the Group produces and assembles its products in accordance with internationally recognised quality standards, there can be no assurance that all of the products are free from faults and defects. Faults and defects in the Group's products may also be caused by faults and defects in components purchased from the Group's suppliers. Although suppliers may be liable towards the Group, there can be no assurance that the supplier is obliged to or can compensate the Group for the full loss incurred by it.

The Group does not install the products for the customers as this is outsourced or done by the customer. If the instructions on installation and/or the instructions on use are not followed or if such instructions prove to be insufficient, this may lead to reputational damages for the Group and/or lead to the Group being liable to pay compensation.

Any of the above could have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares.

1.2.9 THE GROUP IS SUBJECT TO REPUTATIONAL RISKS.

The brands under which the Group's products are sold are important assets of the Group's business. The reputation of the Group's brands are important for the products' attractiveness and appeal to customers. Accordingly, the Group's brand reputation is important for sustaining and growing the Group's revenue and profitability.

The Group faces reputational risks associated with its business. Incidents that may be harmful to the Group's reputation in the market or among investors are numerous, including unethical or unlawful behavior by any members or employees of the Group, its suppliers, distributors, agents, franchisees or customers.

Given the Group's profile as a quality supplier, it is vulnerable to incidents that adversely influence the perceived value of its products and brands, such as systematic defects in the products or inability to deliver products on time.

Any such incidents, whether inside or outside the Group's control, could lead to a loss of faith in the Group, its management or products and may have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares.

1.2.10 THE GROUP COULD FAIL TO MANAGE AND PROTECT ITS INTELLECTUAL PROPERTY RIGHTS OR COULD VIOLATE THIRD PARTIES' RIGHTS AND THE GROUP MAY NOT BE ABLE TO USE THE SVANE BRAND IN NORWAY.

The Group's trademarks, design rights and other intellectual property rights are important assets for its business. It is the Group's policy to register its trademarks and design rights in the main markets in which its products are sold. However, there can be no assurance that the Group can obtain such registration in all relevant markets or that the Group's actions will adequately protect its intellectual property rights in all situations. The Group was recently denied registration of its Svane kitchen trade mark in Norway by the Norwegian trademark register. The Group has appealed the decision and a final ruling is expected by the end of 2017. If the Group is not allowed registration of the Svane kitchen trade mark in Norway, the Group may not be able to leverage on the existing brand recognition of the Svane kitchen brand when marketing Svane kitchen products in Norway and may incur expenses related to any need to rebrand the Svane kitchens, or other products marketed under the Svane brand in Norway, in particular wardrobes, walk-in closets, sculleries, and general storage used in connection with wardrobes or bedrooms, under a new name in Norway, including relating to the potential need to prepare separate marketing campaigns and materials for the new brand name. This may in turn extend the time needed to further penetrate the Norwegian kitchen market. Historically, the Group has not spent significant one-off costs related to expansion of the store network.

The Group's commercial success depends in part on its ability to avoid infringing on intellectual property rights of third parties. Claims by third parties that the Group's products infringe on their intellectual property rights, regardless of their merit, could require the Group to incur substantial costs and losses and divert management attention to defend itself against such claims.

The Group has historically acquired, and it is the Group's strategy to continue to acquire, other companies as part of its strategy. Trademarks and other intellectual property rights belonging to acquired companies often constitute an important part of the value of such acquired companies. There is a risk that such acquired intellectual property rights may not always be registered correctly or updated correctly to reflect changes of corporate names, addresses, etc. to the effect that legal enforcement of such intellectual property rights may over time be less effective.

The Group sells its products through its own store and through distributors and franchisees. In connection with entering into agreements with distributors and franchisees, the legal documentation for such dealerships outlines, among other things, the dealers' use of the Group's intellectual property rights relating to the dealers' activities. In this connection, there is a risk that existing or future dealership agreements may not adequately document the relevant intellectual property rights and the dealers' use of, reliance on and limitation of rights to such intellectual properties. If the Group should experience that intellectual properties belonging to the Group are not fully respected by existing, future or former dealers, such insufficient legal documentation may reduce the Group's ability to effectively defend its intellectual property rights.

From time to time the Group is involved in legal proceedings to protect its intellectual property rights. Recently, the Group has been involved in litigation against a competitor concerning an infringement of the Group's design rights to one of its kitchen lines. The Group was only successful in part of the claims made, implying that competitors will be allowed to copy and market certain design parts of the particular kitchen line, which in turn may potentially lead to reduced sales by the Group of that kitchen line.

See also section 21.6 "*Legal and arbitration proceedings etc.*"

Any of the above could have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares.

1.2.11 THE GROUP IS SUBJECT TO CURRENCY EXCHANGE EXPOSURE.

Nettoline A/S' activities in Norway and Sweden involve financial risks related to having sufficient liquidity reserves and exposures towards fluctuations on the financial markets with regards to interest rates, while exposures towards currency are currently deemed insignificant as Nettoline A/S' activities in Norway and Sweden have been invoiced in Danish kroner since 1 October 2017, however, this may change in the future. With respect to the Group's purchase of goods and services in connection with the Group's production, the majority of the Group's total procurement is in Danish kroner followed by EUR and with a minor part in US dollars. As the Group expands its activities, introduces new products or features in the Group's products, there can be no insurance that the Group's exposure to currencies other than the Danish kroner will not be increased.

If the Group's exposure to currencies other than the Danish kroner is increased, this will lead to an increased currency risk exposure, which in turn, could have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares.

1.2.12 THE GROUP IS SUBJECT TO INTEREST RATE RISKS.

The Group faces risks related to changes in interest rates, including under the Facility Agreement. See section 23.1 "*Facility Agreement*" for further description of the Facility Agreement. The interest rate payable on each loan under the Facility Agreement is the applicable reference rate (e.g. CIBOR for loans in DKK and EURIBOR for loans in EUR) plus a margin. The margin is subject to a margin ratchet which varies based on the leverage ratio of the Group's total debt (calculated on a net basis) to its consolidated EBITDA.

The Group evaluates the need to hedge the interest risk on the Group's loans on an ongoing basis. Hedging is considered on loans with variable interest-rates where an interest swap hedging can fully or partly cover the interest-rate risk. The Group hedges interest-rate risk fully or partly when deemed appropriate.

Changes to the interest rate levels may impact the Group's net financial expenses in several ways, including by increasing the interest expense of the non-hedged floating rate part of the Group's funding, increasing the interest expense as from the time of repayment of existing fixed rate debt, as new fixed rate debt may be obtained at higher rates and changes to both short-term and long-term interest rates may impact the market value of financial hedge instruments.

As a result of the above, increasing interest rates could have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares.

1.2.13 THE TERMS OF THE GROUP'S FINANCING ARRANGEMENTS MAY LIMIT ITS COMMERCIAL AND FINANCIAL FLEXIBILITY AND THE GROUP MAY NEED TO INCUR FURTHER DEBTS OR RAISE FURTHER EQUITY CAPITAL TO FUND ITS OPERATIONS.

The Facility Agreement requires, and any future financing arrangements may also require, the Group to maintain specified financial ratios (see section 23.1 "*Facility Agreement*").

The financial and other covenants contained in the Facility Agreement or in any future financing arrangements could limit the Group's future operations and acquisitions and the Group's ability to pursue its business strategy.

The Facility Agreement contains various restrictive covenants, such as restrictions on acquisitions, incurrence of financial indebtedness, granting of loans and guarantees providing security and disposals of assets.

Pursuant to the Facility Agreement, the Group may not, without the lender's consent, acquire companies, businesses and shares unless certain conditions are fulfilled, including, that (i) the target business shall be in the same line of business, (ii) such acquisitions shall have a total consideration of less than DKK 125 million in a given year (subject to carry forward of unused amounts), (iii) such acquisitions shall have a total consideration not exceeding DKK 300 million during the tenor of the Facility Agreement and (iv) the target business is located in the Nordic region. Further, subject to various additional customary and agreed exceptions, the Group may not incur new financial indebtedness of more than DKK 20 million without the consent of the lender.

In the event of a default under any of the Group's debt obligations, the lenders could terminate their commitments and require immediate repayments of the outstanding loans. Defaulting on a financing agreement could also result in a cross-default on other financing agreements. The Group's assets and cash flow may not be sufficient to fully repay these debts in such circumstances.

The operations of the Group, including the execution of its strategy, could also entail that the Group's current capital resources are not sufficient to meet its needs. This could, *inter alia*, be the case if the Group decides to pursue acquisition opportunities or other major investments.

Any of the foregoing may force the Group to re-negotiate the terms of its debts, incur further debts and/or raise further equity. There can be no assurance that the Group will be able to raise further debts on acceptable terms or at all. New equity may have to be raised at discounted prices, which could lead to a dilution of the economic value and loss of administrative rights of the shareholders that do not, for any reason, take part in such equity offerings.

Any of the foregoing could have a material adverse effect on the Group's business, financial condition, results of operations and/or value of the Shares.

1.2.14 THE GROUP MAY BECOME INVOLVED IN LITIGATION, ARBITRATION AND GOVERNMENTAL PROCEEDINGS.

From time to time, the Group may be involved in, or threatened with, legal, arbitration and governmental proceedings in the ordinary course of business, including disputes with competitors, customers, franchisees, dealers, suppliers, competition authorities or consumer protection agencies. Such proceedings may arise in respect of e.g. product quality and product liability claims arising from the supply of alleged defective products, alleged violation of applicable laws, or breach of contract, including in respect of the Group's recent termination of certain of its dealer and customer contracts. If proceedings in which the Group is involved are determined against the Group, the Group may be required to change its business practices or may incur liabilities or monetary losses, some of which may not be covered by insurance policies. Exposure to litigation, whether directed at the Group or its franchisees and dealers could also result in the distraction of management resources and negatively affect the Group's reputation or the reputation of the Group's products, which could have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares.

1.2.15 THE GROUP IS SUBJECT TO COMPLEX DANISH AND FOREIGN DIRECT OR INDIRECT TAX LAWS AND COMPLIANCE REQUIREMENTS.

The Group is subject to various Danish and foreign taxes, including direct and indirect taxes, imposed on its activities, such as corporate income tax, withholding tax, customs duty, value added tax and other taxes and the Group's effective tax rate is impacted by the composition of the Group's taxable income in the countries in which the Group has activities. Governmental authorities could question the Group's tax policies and judgements, including in respect of transfer pricing, and seek to impose additional or increased taxes or penalties on the Group, and the final determination of tax audits and any related litigation could be materially different from the Group's historical direct and indirect tax payments, provisions and accruals. Tax rules and interpretations of tax rules change from time to time, and any changes may be implemented with retroactive effect. A change in tax rules or interpretation of tax rules in the jurisdictions in which the Group has activities could increase the Group's tax liabilities.

Any additional or increased taxes, including interest and penalties, imposed on the Group, the Group's expansion of activities outside of Denmark which in turn will subject the Group to more complex tax and compliance requirements (including in respect of transfer pricing) as well as challenging any adverse determinations of tax authorities, could require significant management attention, lead to significant liabilities and otherwise have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares.

1.2.16 THE GROUP IS SUBJECT TO NATIONAL AND INTERNATIONAL REGULATION INCLUDING COMPETITION REGULATION, AND CHANGES IN THESE REGULATIONS OR FAILURE TO COMPLY WITH APPLICABLE REGULATION MAY HAVE MATERIAL ADVERSE EFFECT.

The Group's production and other activities are subject to complicated regulation, including in areas such as product safety, labor laws, and environmental, competition and data privacy regulation, as well as industry standards and practices, including CE standards.

Notwithstanding the Group's endeavors to comply with all relevant rules, regulations and standards applicable to it, there can be no assurance that the Group has complied or will comply with all relevant rules, regulations and standards. Any failure to comply with applicable rules, regulations and standards could lead to claims being raised against the Group for damages, costs, fines etc. or other sanctions or that public authorities order the Group to change its production processes. Amendments to existing or introduction of new rules, regulations and/or industry standards may lead the Group to incur substantial costs.

The Group has in the past been party to customer, franchise and distributor agreements or arrangements, which could be viewed to violate applicable competition laws, rules and regulations, including with respect to resale price maintenance, division of markets, coordination of terms and prices and exchange of sensitive information. The Group has taken steps to initiate a competition compliance programme and believes it is no longer party to any agreements, arrangements or practices, which raise concern from a competition regulation perspective.

Violations of applicable competition laws, rules and regulations are punishable by criminal fines and could give rise to damage claims, disgorgement of profits, injunctions as well as other remedial measures. If any actions are instituted against the Group and regardless of whether the Group is successful or not in defending itself, such actions could have a material adverse effect on the Group's business, financial condition and results of operations, reputation and/or value of the Shares.

Any of the above could have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares.

1.2.17 THE GROUP FACES HEALTH, SAFETY AND ENVIRONMENTAL RISKS.

The Group is engaged in activities involving hazardous substances.

As an industrial enterprise, the Group incurs significant costs and expenditures with respect to its facilities and employees to comply with applicable laws and regulations, including health, safety and environmental laws and regulations. If such costs cannot be fully recouped through sales to customers, or if such laws and regulations force the Group to stop production for longer or shorter periods of time, this could have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares. Further, breach of such laws and regulations may subject the Group to fines or other sanctions.

In case of work related accidents, the Group may face claims from current or former employees, professional labour bodies, unions or governmental agencies. Likewise, the Group may face claims from third parties in the event of fire or if the Group causes any pollution of own or third party properties, ground water or the air. Such incidents may also lead to a need for initiating remedial environmental measures or to suspension or shut down of operations. While the Group has taken out insurances to cover such risks, there can be no assurance that such insurances will be sufficient to cover the costs and losses actually incurred. Further, the claiming of coverage under the Group's insurances for such matters, may lead to increased insurance premiums.

The occurrence of any of the above could have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares.

1.2.18 THE GROUP RELIES ON A LIMITED NUMBER OF KEY EXECUTIVES AND EMPLOYEES AND MAY EXPERIENCE DIFFICULTY IN RETAINING SUCH EXECUTIVES AND EMPLOYEES.

The loss of the services of the Group's management or other key personnel or an inability to attract, hire and retain personnel with requisite skills could impair the Group's ability to develop its product portfolio, sustain and increase its growth, sell its products and manage its business effectively. The Group is competing with other employers to attract and retain both white and blue collar workers. Such competition may lead to the Group having to increase wages and offer other benefits, which may adversely affect the Group 's cost base and thereby its ability to compete effectively.

Any of the foregoing could have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares.

1.2.19 THE GROUP FACES RISKS RELATED TO WORK STOPPAGES AND OTHER LABOUR MATTERS.

While the Group strives to maintain good relationships with its employees and their unions, such relationships may not continue to be amicable and the Group may be affected by strikes, plant closings or other types of conflicts with labour unions or employees.

The Group may not be able to enter into or renew collective bargaining agreements on satisfactory terms or at all. This, or disagreement with employees and their unions on the terms of existing or potential collective bargaining agreements, could result in strikes, work stoppages or lack of skilled personnel, which could impair the Group's ability to produce and distribute products and result in a substantial loss of sales. Strikes by the employees of third parties, such as suppliers or distributors, could also adversely affect the Group. The terms of existing or renewed collective bargaining agreements could also significantly increase the Group's costs or negatively affect the Group's ability to increase operational efficiency. The Group's inability to deliver products to customers in a timely manner could result in lower demand for the Group's products.

Any of the foregoing could have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares.

1.2.20 DISRUPTIONS IN INFORMATION TECHNOLOGY SYSTEMS OR A SECURITY BREACH MAY HAVE A MATERIAL ADVERSE EFFECT ON THE GROUP'S BUSINESS, FINANCIAL CONDITION AND RESULTS OF OPERATIONS AND/OR VALUE OF THE SHARES.

The Group is very dependent on information technology systems, including its IT supplier, to manufacture the kitchens and operate its business, *inter alia* to control its supply chain, perform customer service and manage production and labour resources. The Group's information technology systems are subject to damage or interruption from power outages, computer and telecommunications failures, computer viruses, hacking, catastrophic events and user errors.

Like many other enterprises, the Group is constantly faced with the threat of cybercrimes, such as attempts of hacking its IT-systems and accounting fraud. While the Group has implemented systems and procedures to counter such illegal actions, they may prove insufficient or incapable of protecting the integrity of the Group's systems, procedures and information.

Any disruptions in information technology systems of the Group or its distributors, agents or franchisees or a security breach or a lack of an IT supplier being available to support the Group in making system developments and adjustments, could result in financial losses, reputational harm and loss of customers, or otherwise have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares.

1.2.21 THE GROUP'S RISK MANAGEMENT POLICIES MAY NOT BE ADEQUATE.

The Group has implemented policies with the aim of managing the general and specific risks associated with the Group's activities and operations, as well as financial reporting. The Group may not have identified all risks that it faces, and the Group's risk management policies may not be adequate to manage all identified or unidentified risks. Any of the above or failure to implement or adhere to the policies could have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares.

1.2.22 THE GROUP'S INSURANCE POLICIES MAY BE INSUFFICIENT TO COVER LOSSES.

Although the Group maintains insurance to the extent it considers to be adequate, there can be circumstances in which the insurance would not cover, partially or fully, the consequences of a loss event. Further, there may be extended periods of uncertainty as to payment, or delays in receiving payment, for a loss event under the Group's insurance policies and such delay in payment could compound such losses and materially affect the Group's business, financial condition and results of operations and/or value of the Shares. In addition, the Group could face claims on other liability events or incidents for which it either cannot obtain insurance, or has elected not to obtain insurance (whether on account of premium costs, significant risk retention or for other reasons).

In the future, the Group may not be able to obtain insurances coverage of current levels, or at all, and premiums may increase significantly on the coverage that is maintained.

The occurrence of any of the above could have a material adverse effect on the Group's business, financial condition and results of operations and/or value of the Shares.

1.2.23 THE GROUP'S CONSOLIDATED PROSPECTIVE FINANCIAL INFORMATION AND TARGETS INCLUDED IN THIS PROSPECTUS MAY DIFFER MATERIALLY FROM ITS ACTUAL RESULTS AND INVESTORS SHOULD NOT PLACE UNDUE RELIANCE ON IT.

The financial projections set forth in this Prospectus in Element B.9 in ''*Summary*'' and in section 14 "*Consolidated prospective financial information*", are the Group's financial guidance for 2017. The consolidated prospective financial information includes financial guidance that qualifies as profit forecasts. For profit forecasts, the Prospectus Regulation requires the Group to, among other things, disclose the principal assumptions on which the Group has based the forecast and to include a report prepared by the independent auditors on such forecasts and assumptions. The independent auditors have not made any assessment as to whether the assumptions underlying these financial projections are well-founded or whether such financial projections are realisable.

The financial projections, including the financial targets included in this Prospectus, are based upon a number of assumptions and estimates (including the success of the Group's business strategy), which are subject to significant business, operational, economic and other risks, many of which are outside of the Group's control. Accordingly, such assumptions may prove to be incorrect. In addition, unanticipated events may adversely affect the Group's results in future periods whether or not the Group's assumptions relating to 2017 or future periods otherwise prove to be correct. As a result, the Group's actual results may vary materially from these projections and targets and investors should not place undue reliance on them. See also section 2.2 ''*Special Notice Regarding Forward-looking Statements*''.

1.3 RISKS RELATED TO THE OFFERING

1.3.1 FOLLOWING THE OFFERING, THE SELLING SHAREHOLDER WILL CONTINUE TO BE A SIGNIFICANT SHAREHOLDER IN THE COMPANY AND MAY CONTROL OR OTHERWISE INFLUENCE IMPORTANT ACTIONS THE COMPANY TAKES IN A WAY THAT MAY NOT BE ALIGNED WITH THE INTERESTS OF THE COMPANY'S MINORITY SHAREHOLDERS.

Upon completion of the Offering, the Selling Shareholder will own 2,247,600 Shares, corresponding to 22.48% of the Company's share capital and voting rights, assuming sale of all Offer Shares but no exercise of the Overallotment Option. Assuming the Overallotment Option is also exercised in full, the Selling Shareholder will own 1,197,600 Shares, corresponding to 11.98% of the Company's share capital and voting rights upon the completion of the Offering.

Following completion of the Offering, the Selling Shareholder will have the ability to influence or determine the outcome of specific matters submitted to the shareholders for approval. Such matters could include, among other things, the election and dismissal of the members of the Board of Directors, declarations of dividends and amendments to the Articles of Association. For additional information regarding the majority requirements at General Meetings, see section 28 "*Information about the securities to be admitted to trading*".

Accordingly, the Selling Shareholder may be able to influence the direction of the Group's operations and other affairs through such representation. The concentration of share ownership could have the effect of delaying, postponing or preventing a change of control of the Company, and impact mergers, consolidations, acquisitions or other forms of combinations, which may or may not be desired by other shareholders. The interests of the Selling Shareholder could differ from the interests of other shareholders and may not be aligned with the interests of minority shareholders with respect to such voting decisions.

1.3.2 THE SHARES HAVE NOT PREVIOUSLY BEEN PUBLICLY TRADED, A LIQUID MARKET FOR THE SHARES MAY NOT DEVELOP, AND THE PRICE OF THE SHARES MAY BE VOLATILE AND FLUCTUATE SIGNIFICANTLY IN RESPONSE TO VARIOUS FACTORS.

There is currently no public market for the Shares, and an active and liquid trading market may not develop or be sustained after the Offering and the admission for trading and official listing of the Shares on Nasdaq Copenhagen. The Company has not entered into a market maker or liquidity provider agreement. The market price of the Shares may subsequently vary from the Offer Price and may be higher or lower than the price paid by investors in the Shares. The trading price of the Shares may fluctuate in response to many factors, including extraneous factors beyond the Company's control. In addition, Nasdaq Copenhagen or the global securities markets may experience significant price and volume fluctuations, as they have done in recent years, which may have a material adverse effect on the market price of the Shares and create a risk that investors may not be able to sell their Shares at a price greater than or equal to the Offer Price. Future sales of Shares after the Offering may cause a decline in the market price of the Shares.

The market price of the Shares may decline as a result of issuance or sale of Shares in the market by the Company or any shareholder(s) after the Offering or the perception that such sales could occur. Such sales may also make it difficult for the Company to issue securities in the future at a time and a price that it deems appropriate. Any such issuances or sales of Shares could have a material adverse effect on the public trading price of the Shares and may dilute the economic value of or the administrative rights vested with any shareholding in the Company by shareholders that are not offered, able or willing to take part in an offering.

1.3.3 FUTURE SALES OF SHARES AFTER THE OFFERING MAY CAUSE A DECLINE IN THE MARKET PRICE OF THE SHARES.

The market price of the Shares may decline as a result of sales of Shares in the market by the Company (either the issuance of new Shares, including under the current authorisation granted to the Board of Directors pursuant to article 5 of the Articles of Association, see section 22.2 "*Authorisation to increase share capital*" or the sale of treasury Shares) or the Selling Shareholder after the Offering or the perception that such sales could occur. Such sales may also make it difficult for the Company to issue equity securities in the future at a time and a price that it deems appropriate. Following the Offering, the Company, the Selling Shareholder, members of the Board of Directors, Executive Management and a limited number of other employees will be subject to certain contractual lock up provisions, in each case for a limited period. See section 29.19 "*Lock-up*". After the expiration of such lock up obligations, these persons will be free to sell their Shares. Other parties not subject to lock up will also be free to sell their Shares and may accordingly choose to sell all or part of their Shares.

Any such sales of Shares could have a material adverse effect on the public trading price of the Shares.

1.3.4 CHANGES IN CURRENCY EXCHANGE RATES COULD HAVE A MATERIAL ADVERSE EFFECT ON THE VALUE OF SHAREHOLDINGS OR DIVIDENDS PAID.

The Shares will be denominated in DKK, and any dividends will be paid in DKK. As a result, shareholders outside of Denmark may experience material adverse effects on the value of their dividends when converted into other currencies, if the Danish krone depreciates against the relevant currency.

1.3.5 NON-DANISH HOLDERS OF SHARES MAY NOT BE ABLE TO EXERCISE PRE-EMPTIVE RIGHTS OR PARTICIPATE IN ANY FUTURE RIGHTS OFFERINGS.

Holders of Shares will have certain pre-emptive rights in respect of certain issues of Shares, unless those rights are dis-applied by a resolution of the shareholders at a General Meeting or the Shares are issued on the basis of an authorisation to the Board of Directors under which the Board of Directors may dis-apply the pre-emptive rights. The securities laws of certain jurisdictions may restrict the ability for shareholders in such jurisdictions to participate in any future issue of Shares carried out on a pre-emptive basis. Shareholders in jurisdictions other than Denmark may not be able to exercise their pre-emptive rights or participate in future rights offerings, including in connection with offerings at below market value, unless the Company decides to comply with local requirements. In such cases, shareholders resident in jurisdictions other than Denmark may experience a dilution of their shareholding, possibly without such dilution being offset by any compensation received in exchange for subscription rights. There can be no assurance that local requirements or requirements of other relevant jurisdictions will be complied with or that any exemption from such registration would be available so as to enable the exercise of such holders' pre-emptive rights or participation in any rights offering.

1.3.6 INVESTORS' RIGHTS AS SHAREHOLDERS WILL BE GOVERNED BY DANISH LAW AND DIFFER IN SOME RESPECTS FROM THE RIGHTS OF SHAREHOLDERS UNDER THE LAWS OF OTHER COUNTRIES.

The Company is a public limited liability company organised under the laws of Denmark. The rights of holders of Shares are governed by the Articles of Association, as set out in Appendix A to this Prospectus, and by Danish law. These rights may differ in some respects from the rights of shareholders in corporations organised outside of Denmark. In addition, it may be difficult for investors to prevail in a claim against the Company under, or to enforce liabilities predicated upon, the securities laws of jurisdictions outside of Denmark.

1.3.7 THE COMPANY MAY NOT BE ABLE OR MAY DECIDE NOT TO PAY DIVIDENDS AT A LEVEL ANTICIPATED BY SHAREHOLDERS, WHICH COULD REDUCE INVESTORS' RETURN ON SHARES.

The Board of Directors has adopted a dividend policy with a target payout ratio of 40-60 percent of consolidated net profit for the year, see section 21.5.1 "Dividend Policy". As an alternative or in addition to making dividend payments, the Board of Directors may initiate share buybacks.

Payment of dividends, and the amounts and timing thereof, will depend on a number of factors, including future revenue, profits, financial conditions, general economic and business conditions, future prospects, strategic initiatives such as merger and acquisition activities or large scale investments decided upon by the Board of Directors, and such other factors as the Board of Directors may deem relevant as well as applicable legal and regulatory requirements. There can be no assurance that in any given year a dividend or share buyback will be proposed or declared or that the Company's financial performance will allow it to adhere to the dividend policy or any increase in the pay-out ratio. The Company's ability to pay dividends or buy back shares may be impaired as a result of various factors, including materialisation of any of the risks described in this section 1 "*Risk Factors*". Furthermore, the dividend policy is subject to change as decided by the Board of Directors from time to time.

1.3.8 THE OFFERING MAY BE WITHDRAWN

As described in section 29.7 "*Withdrawal of the Offering*", the Underwriting Agreement contains provisions entitling the Joint Global Coordinators on behalf of the Managers as well as the Selling Shareholder and the Comapny, subject to certain limitations and under certain exceptional circumstances, to terminate the Offering (and the arrangements associated with it) after pricing and prior to settlement of the Offering, including on or after the first day of trading in the Offer Shares. Such termination rights will lapse upon settlement of the Offering, currently expected to take place on 28 November 2017. Nasdaq Copenhagen's approval of the Shares being admitted to trading and official listing on Nasdaq Copenhagen is subject to such termination rights not having been exercised prior to settlement of the Offering.

In addition, the Underwriting Agreement contains closing conditions which the Company believes are customary for offerings such as the Offering. Completion of the Offering is subject to such conditions being fulfilled or waived at the settlement of the Offering. If one or more closing conditions are not met at completion of the Offering or at all, the Offering or the related exercise of the Overallotment Option, respectively, may be withdrawn.

If the Offering is terminated or withdrawn, the Offering and any associated arrangements will lapse, all submitted orders will be automatically cancelled, no Offer Shares will be delivered against payment therefor to investors and admission to trading and official listing of the Shares on Nasdaq Copenhagen will be cancelled. Consequently, any trades in the Shares effected on or off the market before the Offer Shares have been delivered to investors may subject investors to liability for not being able to deliver the Shares sold, and investors who have sold or acquired Shares on or off the market may incur a loss. All dealings in the Offer Shares prior to settlement are for the account of, and at the sole risk of, the parties concerned and investors that acquire Shares prior to the lapsing of the aforesaid termination rights risk losing all or part of their investment.

2 IMPORTANT NOTICE

2.1 SPECIAL NOTICE REGARDING POTENTIAL CHANGES IN THE GROUP

The information in this Prospectus is as of the date printed on the front of the cover, unless expressly stated otherwise. The delivery of this Prospectus at any time does not imply that there has been no change in the Group's business or affairs since the date hereof or that the information contained herein is correct as of any time subsequent to the date hereof. In the event of any changes to the information in this Prospectus that may affect the valuation of the Offer Shares during the period from the date of announcement to the first day of trading of the Shares, such changes will be announced pursuant to the rules in the Danish Executive Order on Prospectuses, inter alia, which governs the publication of prospectus supplements.

In making an investment decision, investors must rely on their own assessment of the Company and the terms of this Offering, as described in this Prospectus, including the merits and risks involved. Any purchase of the Offer Shares should be based on the assessments of the information in the Prospectus, including the legal basis and consequences of the Offering, and including possible tax consequences that may apply, before deciding whether or not to invest in the Offer Shares. Investors should rely only on the information contained in this Prospectus, including the risk factors described herein.

No person has been authorised to give any information or make any representation not contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by the Selling Shareholder, the Managers or the Company. None of the Company, the Selling Shareholder or the Managers accepts any liability for any such information or representation.

The distribution of this Prospectus and the offer or sale of the Offer Shares in certain jurisdictions is restricted by law. By purchasing Offer Shares, investors will be deemed to have made certain acknowledgements, representations and agreements as described in this Prospectus. Prospective investors should be aware that they may be required to bear the financial risks of an investment in the Offer Shares for an indefinite period of time. No action has been or will be taken by the Selling Shareholder, the Managers or the Company to permit a public offering in any jurisdiction other than Denmark. Persons into whose possession this Prospectus may come are required by the Selling Shareholder, the Managers and the Company to inform themselves about and to observe such restrictions. This Prospectus may not be used for, or in connection with, any offer to, or solicitation by, anyone in any jurisdiction or under any circumstances in which such offer or solicitation is not authorised or is unlawful. For further information with regard to restrictions on offers and sales of the Offer Shares and the distribution of this Prospectus, see section 29.20 "*Jurisdictions in which the Offering will be announced and restrictions applicable to the Offering*". This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Offer Shares in any jurisdiction to any person to whom it would be unlawful to make such an offer. This Prospectus may not be forwarded, reproduced or in any other way redistributed by anyone but the Managers and the Company. Investors may not reproduce or distribute this Prospectus, in whole or in part, and investors may not disclose the content of this Prospectus or use any information herein for any purpose other than considering the purchase of Offer Shares. Investors agree to the foregoing by accepting delivery of this Prospectus.

The Managers are acting for the Selling Shareholder and the Company and no one else in relation to the Offering and admission to trading and official listing of the Shares on Nasdaq Copenhagen. The Managers will not be responsible to anyone other than the Selling Shareholder and the Company for providing the protections afforded to clients of the Managers or for providing advice in relation to the Offering and admission to trading and official listing of the Shares on Nasdaq Copenhagen.

2.2 SPECIAL NOTICE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Prospectus constitute forward-looking statements. Forward-looking statements are statements (other than statements of historical fact) relating to future events and the Group's anticipated or planned financial and operational performance. The words ''targets'', ''believes'', ''expects'', ''aims'', ''intends'', ''plans'', ''seeks'', ''will'', ''may'', ''might'', ''anticipates'', ''would'', ''could'', ''should'', ''estimates'' or similar expressions or the negatives thereof, identify certain of these forward-looking statements. Other forward-looking statements can be identified in the context in which the statements are made. Forward-looking statements appear in a number of places in this Prospectus, including, without limitation, under the heading "*Summary*", in section 1 "*Risk Factors*", section 21.5 "*Dividends and Dividend Policy*", section 6 "*Market and trend information*", section 7 "*Business*", section 11 "*Operating and Financial Review*" and section 14 "*Consolidated Prospective Financial Information*" and include, among other things, statements addressing matters such as:

1. general economic trends and trends in the Group's industry;
2. the Group's business strategy, plans and objectives for future operations, products and expansions;
3. the Group's expectations regarding developments in demand for and the market prices of its products;
4. expectations regarding the competitive environment in which the Group operates and its position therein;
5. the development of the regulatory framework governing the Group's operations;
6. the Group's future sales volumes;
7. the Group's future results of operations, including its consolidated prospective financial information for 2017, as set forth in section 14 "*Consolidated prospective financial information*";
8. the Group's expectations regarding cost savings from its efficiency measures and working capital initiatives;
9. the Group's future financial condition and ability to obtain additional financing;
10. the Group's working capital, cash flows and capital expenditures; and
11. the Company's dividends and dividend policy.

Although the Company believes that the goals, estimates and expectations reflected in these forward looking statements are reasonable, such forward-looking statements are based on estimates and assumptions regarding future events, and are subject to known and unknown risks and uncertainties that could cause the Group's actual results, performance, achievements or industry results, to differ materially from what is expressed or implied by such forward-looking statements. Such risks, uncertainties and other important factors include, among others:

1. the Group's ability to continue to maintain and develop the Group's brands;
2. the Group's ability to successfully execute its strategy;
3. the Group's ability to pursue necessary or desirable acquisitions and the Group's ability to integrate acquired businesses;
4. the Group's ability to manage the Group's significant revenue growth;
5. negatively impacted by fluctuation in sales mix if the Group cannot adequately adjust its production set-up;
6. the dependence on third parties, suppliers, distributors, dealers and other partners and sensitive to other factors such as fluctuations in prices of raw materials and components and disruption in the Group's or third parties' production and storage sites and distribution facilities;
7. the Group's ability to attract new and renew agreements with dealers, distributors, agents and franchisees or termination of such agreements;
8. disruptions in information technology systems or a security breach;
9. faults and defects in the Group's products, the instructions on installation or use, product liability claims and product recalls;
10. the Group's ability to manage and protect its intellectual property rights and avoid violating third parties' rights;
11. reputational risks;
12. changes in currency exchange and interest rates;
13. changes in national and international regulation;
14. risk management policies may not be adequate.

Should one or more of these risks or uncertainties materialise, or should any underlying assumptions prove to be incorrect, the Group's actual, financial condition, cash flow or results of operations could differ materially from what is described herein as anticipated, believed, estimated or expected. The Company urges investors to read section 1 "*Risk Factors*", section 7 "*Business*", section 11 "*Operating and Financial Review*" and section 14 "*Consolidated prospective financial information*" for a more complete discussion of the factors that could affect the Group's future performance and the industry in which it operates.

The Company does not intend, and does not assume, any obligations to update any forward-looking statements contained herein, except as may be required by law or the rules of Nasdaq Copenhagen. All subsequent written and oral forward-looking statements attributable to the Company or to persons acting on its behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained in this Prospectus.

2.3 ENFORCEMENT OF CIVIL LIABILITIES AND SERVICE PROCESS

The Company is organised under the laws of Denmark and the Selling Shareholder is organised under the laws of Luxembourg. As a result, it may not be possible for investors to effect service of process upon the Company, the Selling Shareholder or any of their respective directors and officers or to enforce against any of the aforementioned parties a judgement obtained in a court outside Denmark or, with respect to the Selling Shareholder, Luxembourg.

3 PRESENTATION OF FINANCIAL AND CERTAIN OTHER INFORMATION

3.1 FINANCIAL INFORMATION

The Company was established on 9 December 2015 and has accordingly not prepared financial statements prior to such date. Effective as of the Acquisition Date, being 1 March 2016, the Company acquired the Former Holding Company and its subsidiaries via the subsidiary TCM Group Invest ApS. Prior to the Acquisition Date, the Company and TCM Group Invest ApS did not have business activities.

The Company has reported consolidated financial statements for the period 9 December 2015 - 31 December 2016 in accordance with Danish GAAP. In connection with the initial public offering, the Company has in addition prepared consolidated financial statements for the period 9 December 2015 – 31 December 2016 in accordance with IFRS as adopted by the EU and additional requirements of the Danish Financial Statements Act that will also be the basis for preparation of consolidated financial statements going forward.

Consolidated financial information of business activities carried out by the Former TCM Group prior to the Acquisition Date has been reported in the consolidated financial statements for the periods 1 January – 31 December 2015 and 1 January – 31 December 2014 of the Former Holding Company prepared in accordance with Danish GAAP. Compared to the consolidated financial statements of the Company for the period 9 December 2015 – 31 December 2016 in accordance with IFRS such consolidated financial statements do not include adjustments as a result of the business combination (purchase price allocation) as explained in section 11.4 "*Impact on the Group's result of operations for 2016 and financial position at 31 December 2016 from the acquisition of the Former TCM Group*" and are different as explained in section 11.3 "*Explanation of differences between the Group's result of operations for 2015 and financial position at 31 December 2015 according to Danish GAAP and IFRS*".

This Prospectus includes the following historical financial information:

- The Company's audited consolidated financial statements for the period from the formation of the Company on 9 December 2015 to 31 December 2016 prepared in accordance with IFRS as adopted by the EU and additional requirements of the Danish Financial Statements Act (the "**Consolidated IFRS Financial Statements for 2016**") including the Former TCM Group as of the Acquisition Date. The Consolidated IFRS Financial Statements for 2016, which are included in this Prospectus by reference, see section 21.3 "*Cross reference*", do not include comparison numbers, as it is the Company's first financial year.

- The Company's audited consolidated financial statements for the period from the formation of the Company on 9 December 2015 to 31 December 2016 prepared in accordance with Danish GAAP (the "**Consolidated Danish GAAP Financial Statements for 2016**") including the Former TCM Group as of the Acquisition Date. The Consolidated Danish GAAP Financial Statements for 2016, which is included in this Prospectus by reference, see section 21.3 "Cross reference", does not include comparison numbers, as it is the Company's first financial year.

- The Former Holding Company's audited consolidated financial statements for the periods 1 January – 31 December 2015 and 1 January – 31 December 2014, respectively, prepared in accordance with Danish GAAP (the "**Consolidated Danish GAAP Financial Statements for 2015**" and the "**Consolidated Danish GAAP Financial Statements for 2014**", respectively). The Consolidated Danish GAAP Financial Statements for 2015 and the Consolidated Danish GAAP Financial Statements for 2014, which are included in this Prospectus by reference, see section 21.3 "*Cross reference*", reflects the Group's activities for the relevant periods. For an explanation of the differences between Danish GAAP and IFRS relevant to the Consolidated Danish GAAP Financial Statements for 2015 see section 11.3 "*Explanation of differences between the Group's result of operations for 2015 and financial position at 31 December 2015 according to Danish GAAP and IFRS*". The Former Holding Company has not prepared consolidated financial statements for 2016. For an explanation of the differences related to the acquisition between consolidated financial statements for 2016 for the Former Holding Company, if prepared in accordance with IFRS, and the Company's Consolidated IFRS Financial Statements for 2016 see section 11.4 "*Impact on the Group's result of operations for 2016 and financial position at 31 December 2016 from the acquisition of the Former TCM Group*".

- Reviewed consolidated interim financial statements for the Company for the nine months ended 30 September 2017 with comparison numbers for the nine months ended 30 September 2016 (including the Former TCM Group as of the Acquisition Date) prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU and Danish disclosure requirements for listed companies (the "**Interim Financial Statements**"). The Interim Financial Statements are included in this Prospectus by reference, see section 21.3 "*Cross reference*".

The Company's subsidiary TCM Group Invest ApS acquired the Former TCM Group effective as of 1 March 2016. As the acquisition has been included in the Consolidated IFRS Financial Statements for 2016 for the Company as of the Acquisition Date only and not for a full calendar year and has significantly impacted the results of operations and cash flows, the Company has chosen to present certain pro forma financial information, comprising the following:

- Pro forma consolidated financial information for the period 1 January 2016 – 31 December 2016, prepared as if the acquisition of the Former TCM Group was effected 1 January 2016 (the "**2016 Pro Forma Accounts**").

- Pro forma consolidated interim financial information for the period 1 January 2016 – 30 September 2016, prepared as if the acquisition of the Former TCM Group was effected 1 January 2016 (the "**Interim Pro Forma Accounts**").

Other than specifically set out above in this section 3.1, no information included in this Prospectus has been audited, reviewed or examined by the Company's auditors.

3.2 ROUNDING ADJUSTMENTS AND PERCENTAGES

Rounding adjustments have been made in calculating some of the financial information included in this Prospectus. As a result, figures shown as totals in some tables may not be exact arithmetic aggregations of the figures that precede them.

Certain percentages presented in the tables in this Prospectus reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

4 EXPECTED TIMETABLE OF OFFERING AND FINANCIAL CALENDAR

4.1 EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Offer Period commences	13 November 2017
Offer Period will not be closed in whole or in part before	21 November 2017 at 00:01 a.m. (CET)
Offer Period closes no later than	23 November 2017 at 4:00 p.m. (CET)
Publication of the pricing statement containing the Offer Price and number of Offer Shares	24 November 2017
First day of trading in and official listing of the Shares on Nasdaq Copenhagen under the permanent ISIN conditional upon final completion of the Offering	24 November 2017
Completion of the Offering including settlement of the Offer Shares	28 November 2017
Announcement of completion of the Offering	28 November 2017

The above timetable is subject to change. Any changes will be announced via Nasdaq Copenhagen. Until the publication by the Company of the announcement that the Offering has completed, expected on 28 November 2017, the admission of the Shares to trading and official listing on Nasdaq Copenhagen will remain conditional.

4.2 FINANCIAL CALENDAR

The Company's financial year runs from 1 January through 31 December. The Company will publish financial reports on a quarterly basis. It is currently expected that the Company will publish its financial reports according to the following schedule:

Annual report as at and for the year ended 31 December 2017	28 February 2018
Annual General Meeting	12 April 2018
Interim report as at and for the three months ended 31 March 2018	9 May 2018
Interim report as at and for the six months ended 30 June 2018	15 August 2018
Interim report as at and for the nine months ended 30 September 2018	7 November 2018

The above financial calendar is subject to changes. Any changes will be announced via Nasdaq Copenhagen.

5 INFORMATION ABOUT THE COMPANY

5.1 NAME, REGISTERED OFFICE AND DATE OF INCORPORATION

The name and address of the Company is:

TCM Group A/S
Skautrupvej 16, Tvis
DK-7500 Holstebro
Denmark
Telephone no. +45 97435200
Website: www.tcmgroup.dk

The Company's registered office is in the municipality of Holstebro, Denmark.

The Company was incorporated as a private limited company under the laws of Denmark on 9 December 2015 and was converted into a public limited liability company under the laws of Denmark effective as of 15 September 2017. In connection with the conversion of the Company into a public limited liability company, the Company was renamed TCM Group A/S (formerly named Rotavonni Holding ApS).

5.2 REGISTRATION

The Company is registered with the Danish Business Authority under CVR no. 37291269.

5.3 THE GROUP'S HISTORY AND DEVELOPMENT

5.3.1 HISTORY

The Group originates from two family owned businesses founded by the Frandsen family in Tvis in 1952 and the Sørensen family in Horsens in 1965. These companies established kitchen manufacturing and successfully developed the Tvis and Modulia brands, respectively.

In 1992, Tvis and Modulia each established a close relationship with Svane Køkkenet A/S ("**Svane Køkkenet**"), which was a newly started, independent and dealer owned chain of Danish kitchen stores. Tvis and Modulia each entered into production contracts with the Svane dealers.

In 1996, Hans Sørensen, the owner of Modulia, established Concepta Skabe A/S focusing on DIY kitchens.

In 2004 Tvis and Modulia merged under the name Tvis/Modulia A/S, later renamed TMK A/S, and in 2005 55% of the shares in Svane Køkkenet, containing all brand and concept rights to Svane, were acquired by TMK A/S and Svane was turned into a franchise concept. TMK A/S acquired the remaining shares in Svane Køkkenet in 2008 and 2010, respectively.

In 2005 Tvis/Modulia A/S also launched a new chain of kitchen stores named lifa design. The lifa design chain was closed down in 2010.

In 2006 the Danish private equity firm Axcel acquired Tvis/Modulia A/S and Concepta Skabe A/S and created TCM Group A/S (the Former Holding Company). In 2007 Ole Lund Andersen joined the Group and he became CEO as of 1 September 2008.

In the beginning of Axcel's ownership period management was focused on creating a strong and more efficient manufacturing platform with high quality and delivery assurance levels. This, for example, led to the concentration of all manufacturing for the Svane stores in Tvis, the closure of one plant and the implementation of a common IT platform in the Group. In addition, an organic growth strategy focusing on the Scandinavian market through kitchen specialty stores in the subsidiary TMK A/S and DIY stores in the subsidiary Concepta Skabe A/S was pursued. Especially, with respect to Svane, growth was based on a product innovation and design strategy leading to one new kitchen line being launched every year.

In addition, since 2006 the Group has expanded its distribution by contracting with further franchisees/dealers and hiring new and training existing sales personnel.

In early 2016, Axcel sold the Former TCM Group to TCM Group Invest ApS, which is owned by IK Small Cap I Fund (51%) and certain co-investors (49%) being limited partner entities. IK Small Cap I Fund is advised by IK Investment Partners Ltd.

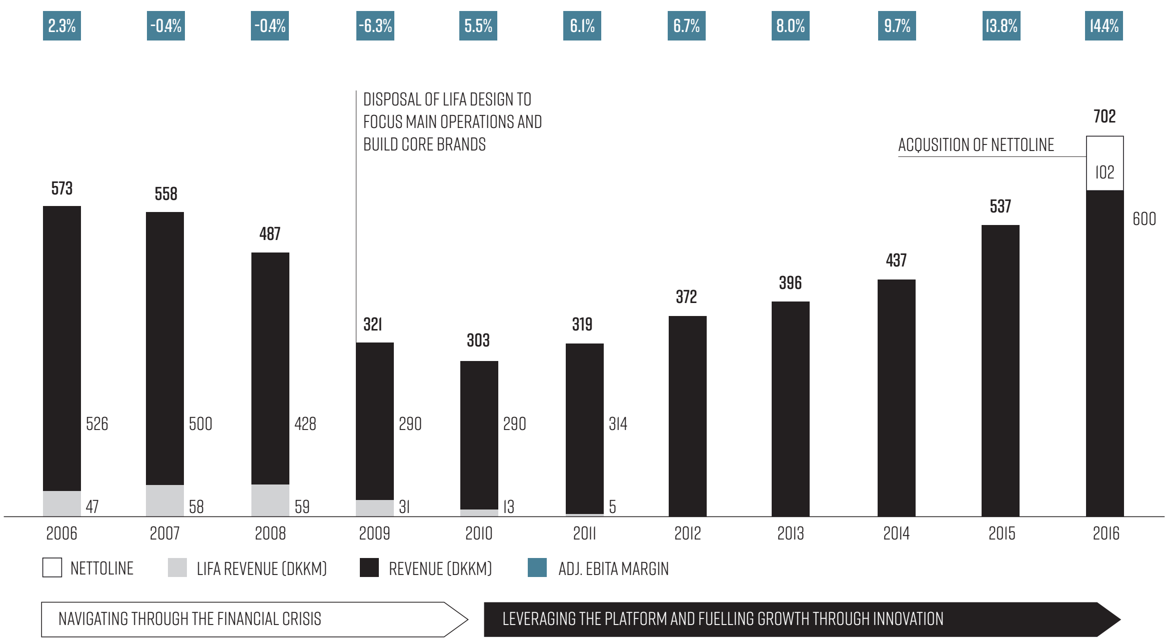
Effective 30 January 2017, the Danish kitchen manufacturer Nettoline A/S was acquired by the Group. On 2 October 2017 Nettoline A/S was merged with the Group company, Concepta Skabe A/S, with Nettoline A/S as the continuing company. The merger has financial effect as of 1 January 2017.

5.3.2 HISTORIC FINANCIAL DEVELOPMENT

The Group's history from a 10 year historical financial perspective is presented in the chart below, which shows that the Group has experienced two different periods in terms of financial performance.

In 2006-2009, the Company navigated through the financial crisis and decided to significantly change its platform. The low profitability and declining revenue in the years 2006-2009 led to an improved focus on product innovation and brand development that enabled a better market position going forward, from which the Company could gain market share. Variable costs were decreased through efficiency gains. The number of administrative employees was reduced leading to a lower fixed cost base. In addition, a more stringent focus on reducing inventory and increasing debtor control increased the cash generation of the Group.

All of the above, as well as an improved balanced exposure towards the B2B and B2C markets, improved the platform from which the Company operates today. As of today, the Group operates with higher profitability and cash conversion and the Group believes it is better equipped to face potential future economic downturns.



NOTE: 2006-2013 IS BASED ON MANAGEMENT'S ESTIMATED UNAUDITED HISTORICAL DANISH GAAP FINANCIALS

5.4 INVESTMENTS OF THE GROUP

The following table sets forth the Group's investments for the nine months ended 30 September 2017 and the years ended 31 December 2016, 31 December 2015 and 31 December 2014:

	Nine months ended 30 September 2017	**2016**	**2015**	**2014**
		(DKK million)		
Investments				
Intangible assets:				
Goodwill	53	269	0	0
Brand	0	172	0	0
Other intangible assets	0	39	2	2
Tangible assets	5	4	4	4
Total investments	**58**	**484**	**5**	**6**

Investments in 2014
Key investments included equipment enabling manufacturing of new product types within both the table top and sliding door product lines. In addition, a new CNC router machine was added at the table top production leading to both higher capacity and increased efficiency.

Investments in 2015
Key investments included IT hardware and complete refurbishment of the former fully owned Svane store in Lyngby. As of 1 May 2017, the Group entered into a franchise agreement regarding the Svane store in Lyngby and in this connection, the Svane store in Lyngby was sold to the relevant franchisee.

Investments in 2016
As of 1 March 2016 the Company acquired the shares in TCM Group A/S.

Other key investments included manufacturing equipment leading to efficiency gains in both the cabinet and table top production.

Investments in the period 1 January – 30 September 2017
In January 2017 the Company acquired the shares in Nettoline A/S.

Other investments included layout changes and manufacturing equipment leading to efficiency gains in the table top production and investments in optimising the Group's manufacturing structure following the acquisition of Nettoline A/S.

Significant current investments
As of the date of this Prospectus, the Group has no significant investments in process other than an investment in a robotics technology, implying an expected total investment of approximately DKK 1.7 million. The investment will be financed through the Group's ordinary cash flow.

Significant future investments
No significant future investments have been approved or committed. A number of manufacturing investment projects with an attractive financial return profile are currently being developed. Short term, the Executive Management expects future investments excluding possible acquisitions in the level of approximately 1-2% of revenue and thereby more or less on par with previous years.

6 MARKET AND TREND INFORMATION

6.1 MARKET AND INDUSTRY INFORMATION

*This Prospectus contains statistics, data and other information relating to markets, market sizes, market positions and other industry data pertaining to the Group's business and markets. Unless otherwise indicated, such information is based on the Group's analysis of multiple public sources, including a market report from Centre for Industrial Studies ("**CSIL**") (2017) and information otherwise obtained from Euroconstruct (2017), Statistics Denmark (2017), Statistics Norway (2017), Statistics Sweden (2017)*, and exit interviews of Svane customers conducted by RetailWise ApS ("**RetailWise**") in February and October 2014, *as well as a consumer behaviour analysis commissioned by the TCM Group from the consultancy MEC (2016a, 2016b) (the "**MEC reports**"). Such information has been accurately reproduced, and, as far as the Group is aware, no facts have been omitted which would render the information provided inaccurate or misleading.*

The TCM Group understands from MEC that the MEC reports are based on experience across the Danish market, interviews, secondary market research, internal financial and operational information supplied by the TCM Group, information obtained from data providers, industry associations, and publicly available information from other sources, such as information publicly released by the Group's competitors.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed.

Market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgements by both the researchers (including the Company) and the respondents, including judgements about what types of products and transactions should be included in the relevant market. Accordingly, there can be no assurance that a third party using different methodologies or sources could not arrive at different results from the Company's analysis presented in this Prospectus. The Group has not independently verified and cannot give any assurance as to the accuracy of market data contained in this Prospectus that were taken or derived from industry publications or reports.

As a result, prospective investors should be aware that the market data relating to the Group's markets, market sizes, market shares, markets positions and other industry data pertaining to the Group's business and markets in this Prospectus, may not be reliable indicators of the Group's future results of operations or business performance.

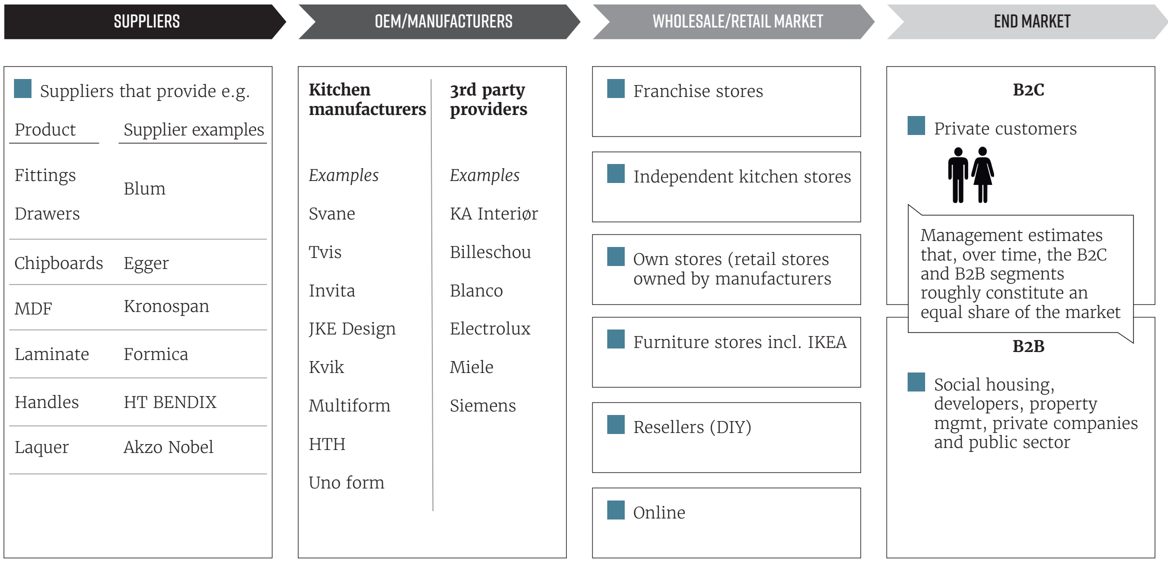
6.2 MARKET DESCRIPTION AND COMPETITION

6.2.1 MARKET DEFINITION AND INTRODUCTION TO THE TCM GROUP'S MARKETS

The TCM Group's primary activity revolves around the production of kitchens. In addition the Group also produces furniture for bathrooms and storage. This section focuses on the market for kitchen manufacturing (sales to kitchen wholesalers or retailers), which is measured in factory prices (defined as the price for producing the goods excluding shipping costs and excluding sale of white goods and furniture for bathrooms and storage).

Denmark is the TCM Group's largest market, which accounted for 92% of the Group's pro-forma revenue in 2016 followed by Norway as the second largest. The split between the Group's geographical markets is set out in section 11.2 "*Overview of selected financial information*". In addition to sales of kitchens to wholesalers and retailers, the TCM Group has an online sales channel established through the acquisition of Nettoline.

The kitchen market value chain can be divided into four main segments: 1) Suppliers, 2) OEM (Original Equipment Manufacturers)/manufacturers, 3) Wholesalers/retail market and 4) End market, as illustrated below.



Suppliers deliver various raw materials to kitchen manufacturers and brand owners, who subsequently further refine the materials. OEM/manufacturers include kitchen manufacturers and third party providers. The largest kitchen manufacturers are brand owners with in-house production and therefore does not include e.g. IKEA, which is not a manufacturer. Third parties supply other products such as white goods. The wholesale/retail market segment in the value chain consists of several sales channels. The kitchen manufacturers, just like the Group, generally apply a multi-channel sales strategy (mix of own and franchise stores as well as dealer stores), typically including nation-wide store networks. The end market can be divided into a B2C and a B2B market. Both segments are typically serviced through local stores/franchisees, however, the B2B segment typically also receives support from central organisations. In addition most retailers offer end-users kitchen installation services, for which they use a combination of in-house or outsourced installation contractors.

6.2.2 TRENDS IN THE KITCHEN FURNITURE MARKET

As mentioned in item 6.2.1 above, sales to retailers in the Danish market constitutes the vast majority of the TCM Group's sales in 2016, and is anticipated to continue to be the most important market of the business going forward, however, many of the characteristics and key trends applying in the Danish kitchen market, are also applicable on the Norwegian and Swedish kitchen furniture market, where the TCM Group is also active.

There are several trends affecting the kitchen furniture market according to the Group and the customer interviews referenced in the MEC reports. The key market trends observed in the Danish market are:

- According to the MEC reports the primary reason for buying a new kitchen is renovation.
    - The four most frequent reasons (listed below including share of interviewees that stated such reason for buying a new kitchen with the option of giving multiple answers) for customers buying a new kitchen relates to renovation of an existing home
        - Old kitchen was worn out (40%)
        - Currently renovating (27%)
        - Kitchen needed a new look (24%)
        - Better use of the kitchen space (21%)
    - Buying a new kitchen in relation to acquiring a house or flat is the fifth most frequent reason.
        - Recently acquired house/flat (21%)

- Increasing average kitchen furniture retail prices driven by the upper-mid segment, according to an analysis conducted by the Group of retail prices of its two largest kitchen manufacturer competitors in the Danish market.
    - Since 2010 prices have on average increased by ~ 3% annually especially driven by the upper-mid segment. The assessment of the price increase is based on a sample of retail prices on typical cabinets among selected competitors in the Danish market conducted by the TCM Group. In the Executive Management's view, minor increases can be observed with respect to development in costs as well as prices during the period since the end of the last financial year.

Further, a range of consumer trends can be observed in the market affecting the customer buying behaviour. On average it takes a customer 4.7 months from initial consideration to actually purchase according to the MEC reports. During this period, an average customer visits 2.3 different brands' stores, have 1.7 kitchen meetings and receives 1.7 offers. Some of the consumer behaviour trends that can be observed are:

- More than 75% of customers have a predetermined preference as to kitchen brands they prefer before entering the purchase consideration stage, according to the MEC reports.
  - Before the need of a new kitchen occurs, 43% of the potential kitchen customers already have a clear expectation of where to buy their kitchen and 34% have actively considered where to buy their kitchen.
  - Only 23% of potential kitchen customers have no considerations of where to buy their kitchen before entering the purchase consideration stage.

- The store is the most important touchpoint during the kitchen buying process according to the MEC reports.
  - Visiting the store is the most important touchpoint as displays and interaction with staff has the strongest influence on customers in respect to their purchase as indicated by 28% and 22% of customers, respectively.

- The Executive Management's experience is that customers are to an increasing extent gathering information online during the preparation phase.
  - The initial research is increasingly done online prior to visiting kitchen stores which creates a preference for some brands beforehand.
  - Online searches is the third most important purchase influence factor as 22% has indicated that this factor helps the customers selecting where to purchase a kitchen, according to the MEC reports.

- Customers' buying criteria tend to revolve around value for money.
  - Price, quality and thereby, value for money, are the most important buying criteria for customers as 48% answered, that value for money is one of the most important buying criteria, while 46% and 31% answered quality and low price, respectively, according to the MEC reports.
  - Svane customers are generally less price sensitive according to the MEC reports, and it is the Executive Management's view, that customers to an increasing extent purchase more expensive kitchens.

- It is the Executive Management's view that a new trend has emerged for the low-cost focused and DIY customers. These segments have increased the use of online sales channels as opposed to purchasing kitchens physically in the stores. The Executive Management considers that the online share of the market is very low, however, over the coming years this share is anticipated to be outgrowing the share of the market sold through the physical stores.

6.2.3 CHARACTERISTICS OF THE DANISH, NORWEGIAN AND SWEDISH KITCHEN FURNITURE MARKET

The TCM Group's primary market is Denmark followed by Norway and Sweden. Revenue generated by the Group from customers in Northern Germany is included in the Danish revenue, as the Group's products are acquired through the Danish stores. The revenue generated from Northern Germany is currently not significant. The overall market size of the kitchen furniture market is estimated based on CSIL data. The market development is also estimated based on CSIL data and compared with other available sources. The Executive Management's view on the accuracy of CSIL's estimates is specified below for each market.

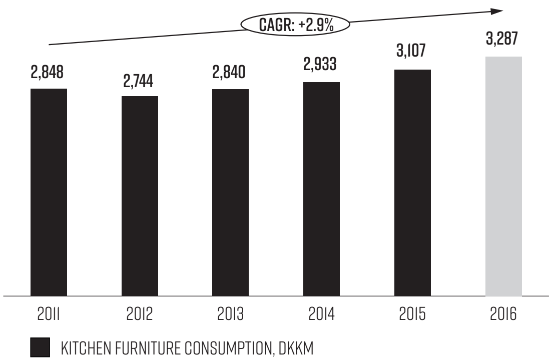
6.2.3.1 SIZE AND GROWTH OF THE DANISH KITCHEN FURNITURE MARKET

The Danish kitchen furniture market, defined as the market for kitchen furniture in factory prices and excluding white goods, was estimated to be valued at approximately DKK 3.3 billion in 2016, by CSIL as shown in the kitchen furniture consumption chart below (to the left). From 2011 to 2016, the compounded annual growth rate ("**CAGR**") for the Danish kitchen furniture consumption market was approximately 2.9% (see chart below to the left). This CAGR includes a decline in estimated value of the market in 2012 resulting from the global economic downturn starting in 2008 and 2009 (CAGR between 2012 and 2016 was 4.6%).

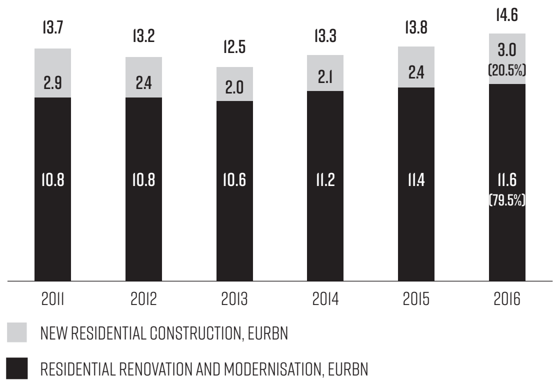
The majority of the TCM Group's activity derives from renovation activities, which is more resilient during economic downturns. Based on Euroconstruct data, the Danish residential renovation and modernisation (referred to as renovation) accounts for 85% of the total residential construction activity (see chart below to the right).

The chart below (to the left) shows the retail value in factory prices of the Danish kitchen furniture market from 2011 to 2016.

KITCHEN FURNITURE CONSUMPTION[1]



RESIDENTIAL NEW-BUILD AND RENOVATION[2]



SOURCE: 1) CSIL ESTIMATES (AVERAGE EXCHANGE RATE OF EUR/DKK = 7.46) USED TO CONVERT CSIL FIGURES TO DKK. 2) EUROCONSTRUCT, 2016 PRICES

Besides CSIL's estimate for kitchen furniture consumption in Denmark, other factors can also provide an estimate of the market development. Statistics Denmark's estimate of domestic sales for kitchen manufacturers provide an estimated CAGR of 4.0%.

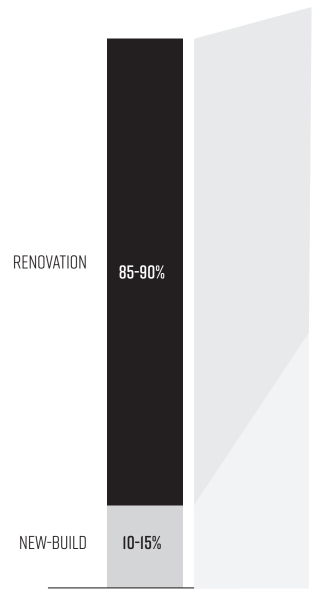
Another market estimate can be derived from looking at the end-user's motivation for buying a kitchen, which is generally either motivated by renovation or new-build purposes. Based on exit interviews conducted with Svane customers by RetailWise 85-90% of customers purchasing a new kitchen do so for renovation purposes while the remaining 10-15% ascribes it to new-build. In connection with the exit interviews the customers were asked to answer 30 questions, regarding e.g. purpose of the store visit (new build or renovation), feedback on customer service and experience, the sales consultants' ability to convert visit into an offer and possible competitors visited.

According to Euroconstruct, Danish residential renovation accounts for 80% (see chart above to the right) whereas new-build accounts for the remaining 20% of the total residential construction activity. Based on Euroconstruct data and the customer interviews another indication of the development of the kitchen furniture market can be derived. Based on these sources the development in the construction market, weighted with 12.5% (midpoint of the range 10-15%) new residential construction (see chart above to the right) and 87.5% (midpoint of the range 85-90%) residential renovation (see chart above to the right), provides an estimated CAGR of 1.4% between 2011 and 2016 which is in line with the estimated CAGR of 2.9% provided by CSIL. In general, the Executive Management agrees with CSIL's estimate of market size and development for the Danish market.

The total production of kitchen furniture in Denmark is estimated to be DKK 4.1 billion in 2016, implying that the Danish export of kitchen furniture exceeds the Danish import (estimated at DKK 1.3 billion versus DKK 0.5 billion) according to CSIL. Thus, in Denmark, import of kitchen furniture accounts for 15% of the total consumption.
The market for kitchen furniture is generally segmented in a price/quality matrix. CSIL (2016) estimates that 47% of the Danish kitchen furniture market is made up of kitchens in the low price/quality range (defined as kitchens with factory prices less than EUR 2,300), 48% in the middle range (defined as kitchens with factory prices between EUR 2,300 and EUR 7,500) and finally 5% in the luxury price/quality range (defined as kitchens with factory prices above EUR 7,500). For more information on price/quality segmentation of different brands in the kitchen furniture market, please see section 6.2.4 "*Competition*".

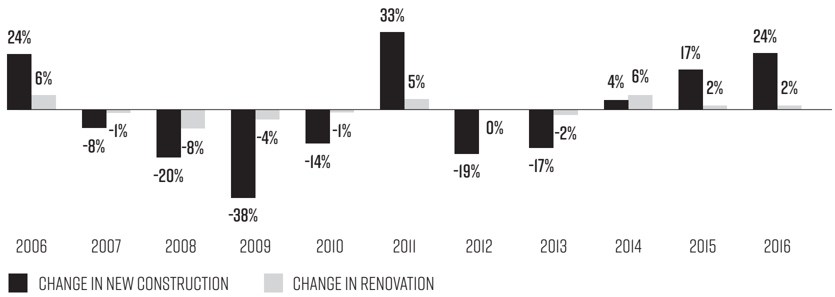
The renovation activity, which accounts for the majority of the TCM Group's customers, is generally more resilient than the new construction activity as seen in the chart above (to the right) illustrating the change in renovation and new construction activity through the financial crisis based on Euroconstruct. Euroconstruct expects the renovation and modernisation market to continue its stable, upwards trajectory at a CAGR of 2.3% between 2016 and 2019.

MARKET SPLIT[1]

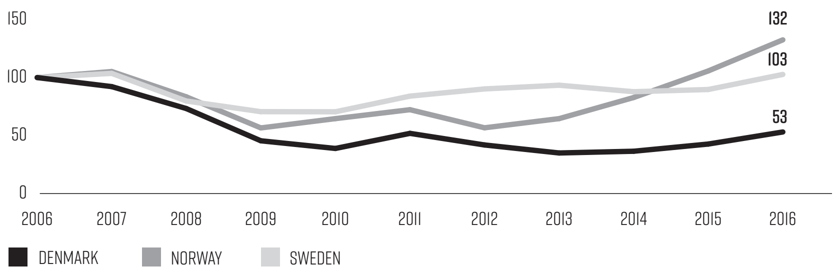


CHARACTERISTICS

RESILIENT RENOVATION MARKET THROUGH DOWNTURNS[2]



DANISH RESIDENTIAL NEW BUILD CONSTRUCTION HAS YET TO CATCH UP WITH SWEDEN AND NORWAY[3]

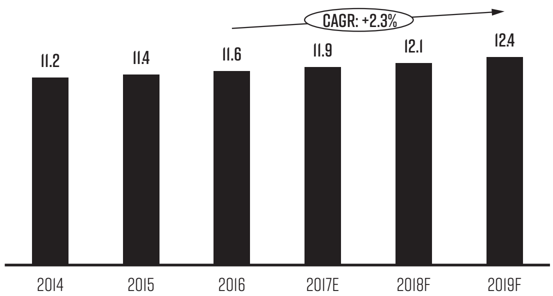


SOURCE: 1) BASED ON RETAILWISE INTERVIEWS. 2) EUROCONSTRUCT, 2016 PRICES. 3) EUROCONSTRUCT, 2016 PRICES

The market for new construction in Denmark has never fully recovered from the financial crisis unlike in Norway and Sweden and thus, the Danish market in 2016 is at index 53 compared to 2006 while Norway and Sweden is at index 103 and 132, respectively. Euroconstruct expects the new residential construction market in Denmark to rebound towards 2019 with an expected CAGR of 10.3%.

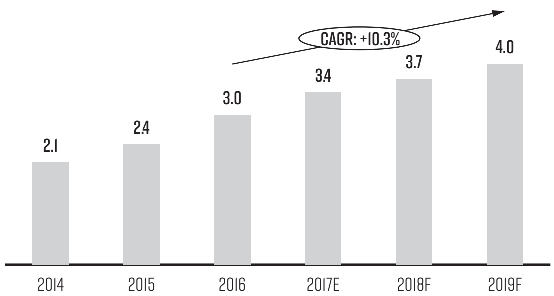
RESIDENTIAL RENOVATION, EURBN

RENOVATION IS EXPECTED TO CONTINUE THE UPWARD TRAJECTORY



RESIDENTIAL NEW-BUILD, EURBN

NEW-BUILD IS EXPECTED TO CONTINUE ITS REBOUND

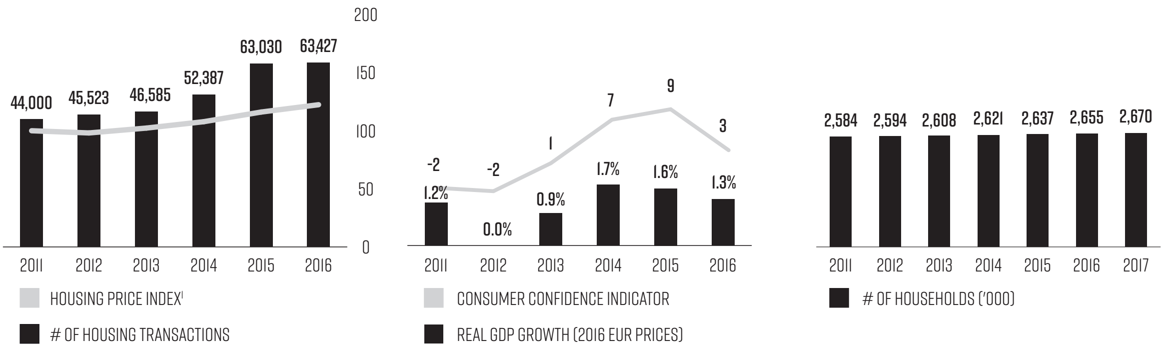


SOURCE: EUROCONSTRUCT, RESIDENTIAL R&M, RESIDENTIAL NEW-BUILD, GDP, FIXED 2016 PRICES

6.2.3.2 MACROECONOMIC DRIVERS OF THE DANISH KITCHEN FURNITURE MARKET

The Danish housing market has developed favourably since 2011 based on various key market drivers. The number of housing transactions has increased from 44,000 in 2011 to 63,427 in 2016 according to Statistics Denmark. Similarly, the housing price index has increased and is at index 122 compared to 2011. The increase in housing transactions and housing price index can to some extent be attributed to the low interest rate environment where both the 10-year government bond and 3-month CIBOR has steadily decreased since 2011 and by the end of the first half of 2017 reached a level of 0.6% and -0.2%, respectively.

The consumer confidence indicator has varied over the period of 2011 to 2016 and has generally developed in line with the real GDP growth. According to Statistics Denmark, the total number of households has increased by 85,580 since 2011.



SOURCE: STATISTICS DENMARK (LEFT AND RIGHT TABLE), EUROCONSTRUCT (MIDDLE TABLE)
1) WEIGHTED AVERAGE HOUSING PRICE INDEX WITH BASE YEAR 2011.

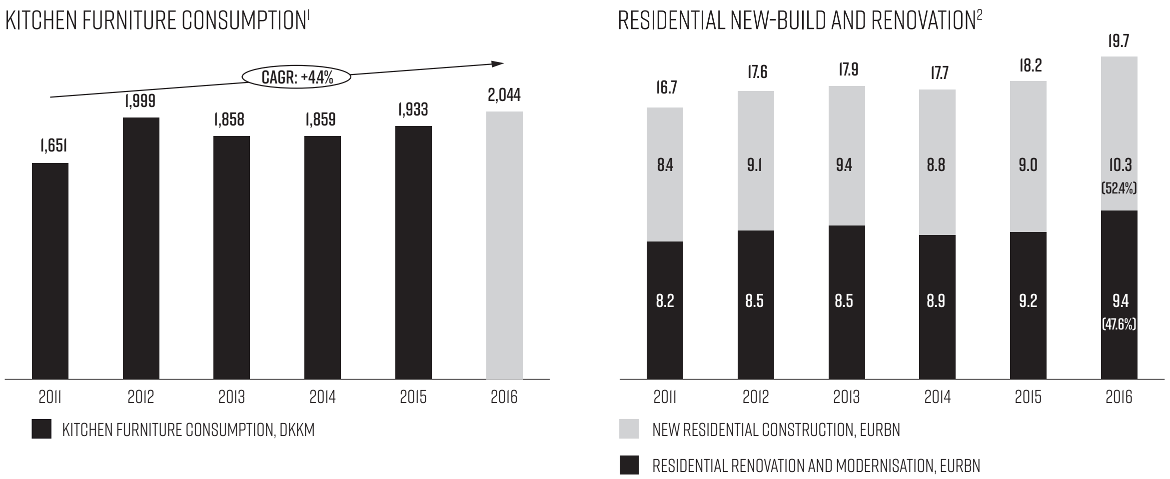
NOTE: DATA FOR NUMBER OF HOUSEHOLDS IS PER 1ST OF JANUARY

The future outlook for the real GDP growth in the Danish market is positive, as it is forecasted to grow with 0.6 percentage points from the real growth rate in 2016 of 1.3% to 1.9% in 2019 based on data from Eurocontruct.

6.2.3.3 SIZE AND GROWTH OF THE NORWEGIAN KITCHEN FURNITURE MARKET

The Norwegian kitchen furniture market, defined similarly as the Danish market, as the market for kitchen furniture in factory prices and excluding sale of white goods, was estimated to be valued at approximately DKK 2.0 billion in 2016, by CSIL as shown in the kitchen furniture consumption chart below (to the left). The CAGR for the Norwegian kitchen furniture market between 2011 and 2016 was approximately 4.4%. It is the Executive Management's view that the Norwegian kitchen furniture consumption market is larger than DKK 2.0 billion. In the Executive Management's view, the CSIL report estimates a higher kitchen furniture consumption per dwelling in Denmark compared to Norway. Based on the Group's presence in the Norwegian market, the Executive Management has generally experienced higher kitchen consumption per dwelling in Norway compared to Denmark. The Executive Management's view is substantiated by the fact that GDP per capita adjusted for purchasing power is higher in Norway than in Denmark. Assuming the same consumption per dwelling in Norway as in Denmark the market would be DKK 2.7 billion. It is not the Executive Management's opinion that this is the actual size of the Norwegian market, however, it indicates that the Norwegian kitchen consumption market could be larger than the DKK 2.0 billion estimated by CSIL.

The chart below (to the left) shows the retail value in factory prices of the Norwegian kitchen furniture market from 2011 to 2016.



SOURCE: 1) CSIL ESTIMATES (AVERAGE EXCHANGE RATE OF EUR/DKK = 7.46) USED TO CONVERT CSIL FIGURES TO DKK. 2) EUROCONSTRUCT, 2016 PRICES

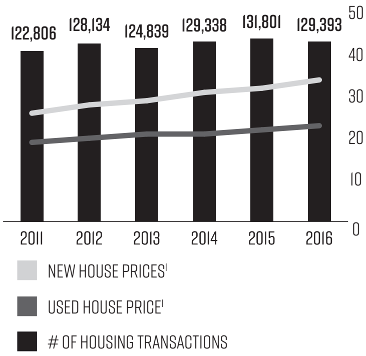
In 2016 Norwegian domestic production accounts for DKK 0.8 billion, implying that import significantly exceeds export. Import accounts for approx. 62% of kitchen furniture consumption in Norway according to CSIL. Contrary to the Danish market, new residential construction accounts for the majority of the market as residential renovation and modernisation is estimated to account for 47.6% according to Euroconstruct.

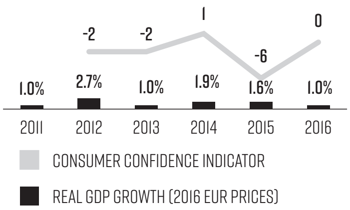
The outlook for the residential construction sector is positive. According to Euroconstruct the residential construction volume related to renovation activities is expected to grow from EUR 9.4 billion in 2016 to EUR 10.1 billion in 2019. That gives a real CAGR of 2.6% from 2016 to 2019 measured in 2016 prices. The residential new build volume is also expected to grow although at a lower rate. From a level of EUR 10.3 billion in 2016 to EUR 10.5 billion in 2019, experiencing a real CAGR of 0.6% over the same period. During the same period new build activities are expected to peak in 2017 reaching a level of EUR 11.3bn.

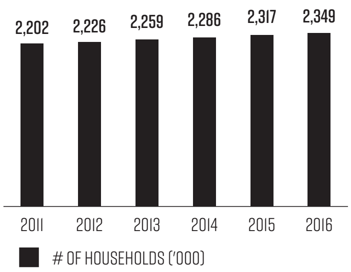
6.2.3.4 MACROECONOMIC DRIVERS OF THE NORWEGIAN KITCHEN FURNITURE MARKET

The Norwegian housing market has seen a stable development in housing transactions year-on-year starting on approximately 122,806 housing transactions in 2011 and estimated at approximately 129,393 in 2016. The housing price index has increased for both new and used houses at index 129 and 123, respectively according to Statistics Norway. Similarly to the Danish market, the Norwegian interest rates have decreased over the period 2011 to 2016 although not to the extent seen in Denmark. The Norwegian 10-year government bond was at a level of 1.7% by the end of the first half of 2017 while the 3-month Norwegian government bond was at 0.5%.

The consumer confidence indicator has been stable over the period 2011 to 2016 in the level of -2 to +1, except for 2015, which saw a decrease to -6. The real GDP growth has been in the level of 1.0% to 1.9% with a spike in 2012 of 2.7%. The total number of households has increased by 147,009 since 2011.







SOURCE: STATISTICS NORWAY (LEFT AND RIGHT TABLE), EUROCONSTRUCT (MIDDLE TABLE). 1) NOK '000 PR. SQM.

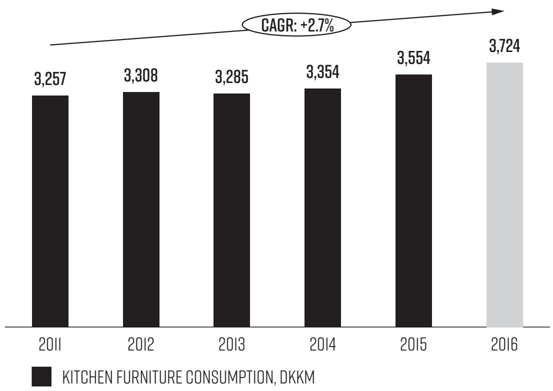
The future outlook for the real GDP growth in the Norwegian market is positive, as it is forecasted to grow with 0.8 percentage points from the growth rate in 2016 of 1.0% to 1.8% in 2019 based on data from Eurocontruct.

6.2.3.5 SIZE AND GROWTH OF THE SWEDISH KITCHEN FURNITURE MARKET

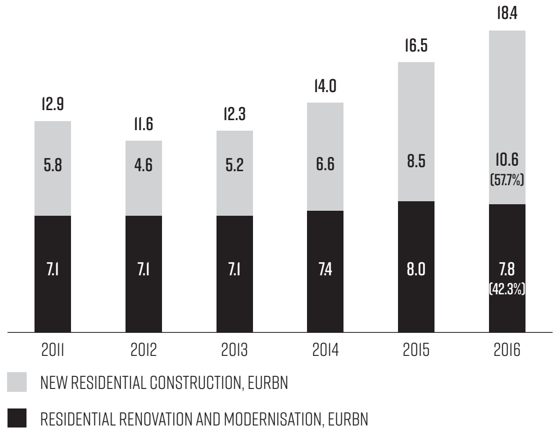
The Swedish kitchen furniture market was estimated to be valued at approximately DKK 3.7 billion in 2016 by CSIL, defined as the market for kitchen furniture in factory prices and excluding white goods. The CAGR for the consumption in the Swedish kitchen furniture market between 2011 and 2016 was approximately 2.7%. In general terms, the Executive Management agrees with CSIL's estimated market size and growth for the Swedish market.

The chart below (to the left) shows the retail value in factory prices of the Swedish kitchen furniture market from 2011 to 2016.

KITCHEN FURNITURE CONSUMPTION[1]



RESIDENTIAL NEW-BUILD AND RENOVATION[2]



SOURCE: 1) CSIL ESTIMATES (AVERAGE EXCHANGE RATE OF EUR/DKK = 7.46) USED TO CONVERT CSIL FIGURES TO DKK. 2) EUROCONSTRUCT, 2016 PRICES

The Swedish kitchen furniture consumption in 2016 was approximately at the same level as the Swedish kitchen furniture production, which is estimated by CSIL to be approximately DKK 3.6 billion.

The Swedish import of kitchen furniture is about DKK 100 million higher than the Swedish export of kitchen furniture (estimated at approximately DKK 630 million versus approximately DKK 530 million respectively) according to CSIL. In Sweden the import accounts for approximately 16.9% of total kitchen furniture consumption.

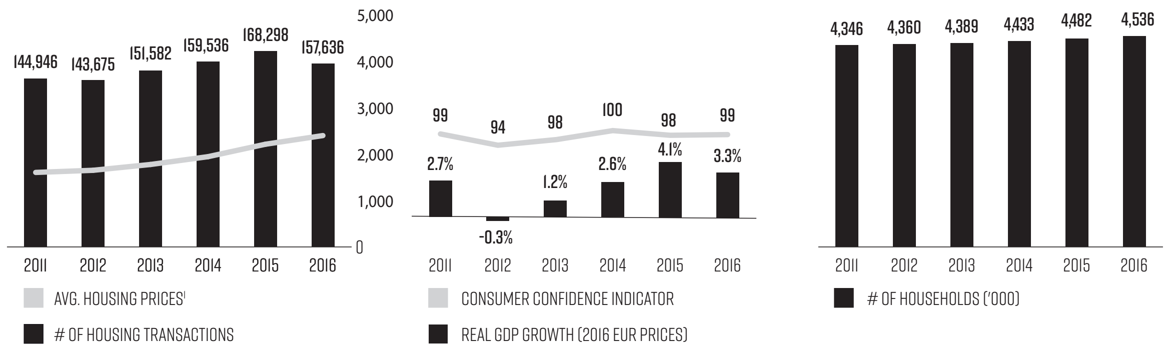
The characteristics of the Swedish market regarding residential renovation and new-build (see chart above to the right) resembles the Norwegian market and is split between new residential construction and residential renovation and modernisation at estimated 57.7% and 42.3%, respectively, according to Euroconstruct.

The outlook for the residential construction sector is generally positive. According to Euroconstruct the residential construction volume related renovation activities is expected to grow from EUR 7.8 billion in 2016 to EUR 8.2 billion in 2019. That is a real CAGR of 1.6% from 2016 to 2019 measured in 2016 prices. The residential new build volume is expected to grow at higher rate. From a level of EUR 10.6 billion in 2016 to EUR 12.4 billion in 2019, experiencing a real CAGR of 5.2% over the same period. Over the same period new build activities are expected to peak in 2018 with a volume totalling EUR 12.9 billion.

6.2.3.6 MACROECONOMIC DRIVERS OF THE SWEDISH KITCHEN FURNITURE MARKET

The Swedish housing market has developed favourably from 2011-2015 with an increasing number of housing transactions. In 2016 the number of housing transaction declined to 157,636, below the level in 2015. The housing prices have increased in the period and were at index 135 in 2016 compared to 2011. This was also driven by the low interest rates, which decreased from 2.6% in 2011 to 0.6% based on average year to date (April) 2017 for the 10-year Swedish government bond, while the 3-month Swedish government bond has decreased from 1.7% to - 0.7% in the same period.

The consumer confidence indicator has been relatively stable over the period of 2011 to 2016, between 94 and 100. The real GDP growth has been strong with growth rates between 1.2% and 4.1% except for 2012 were real GDP growth was -0.3%. According to Statistics Sweden, the total number of households increased by 190,632 between 2011 and 2016.



SOURCE: STATISTICS SWEDEN (LEFT AND RIGHT TABLE), EUROCONSTRUCT (MIDDLE TABLE). 1) WEIGHTED AVERAGE PRICE OF HOUSES AND FLATS IN SEK '000

The real GDP growth in the Swedish market is expected to decline from a real growth rate of 3.3% in 2016 to a real GDP growth rate of 1.7% in 2019 based on data from Euroconstruct.

6.2.4 COMPETITION

In general, the TCM Group competes against kitchen manufacturers and retailers in all its geographical markets, mainly being Denmark, Norway and Sweden. The TCM Group's competitors are generally present in one or a few countries. Both of the largest Scandinavian kitchen manufactures, Nobia AB ("**Nobia**") and Ballingslöv International AB ("**Ballingslöv**"), operate with a portfolio of brands, similarly to the TCM Group, to cover all price/quality segments in the market. Other market participants which are not assessed to be kitchen manufacturers include kitchen retailers such as IKEA and bathroom manufacturers such as Dansani and INR. The below chart outlines the primary competitors and their presence in Denmark, Norway and Sweden as assessed by the Executive Management.

	COMPANY	GEOGRAPHY
NOBIA	Sigdal	NO
NOBIA	Uno form	DK, SE, NO
NOBIA	HTH	DK, SE, NO
NOBIA	HTH/Go	DK, SE, NO
NOBIA	Invita	DK
NOBIA	Marbodal	SE, NO
NOBIA	Norema	NO

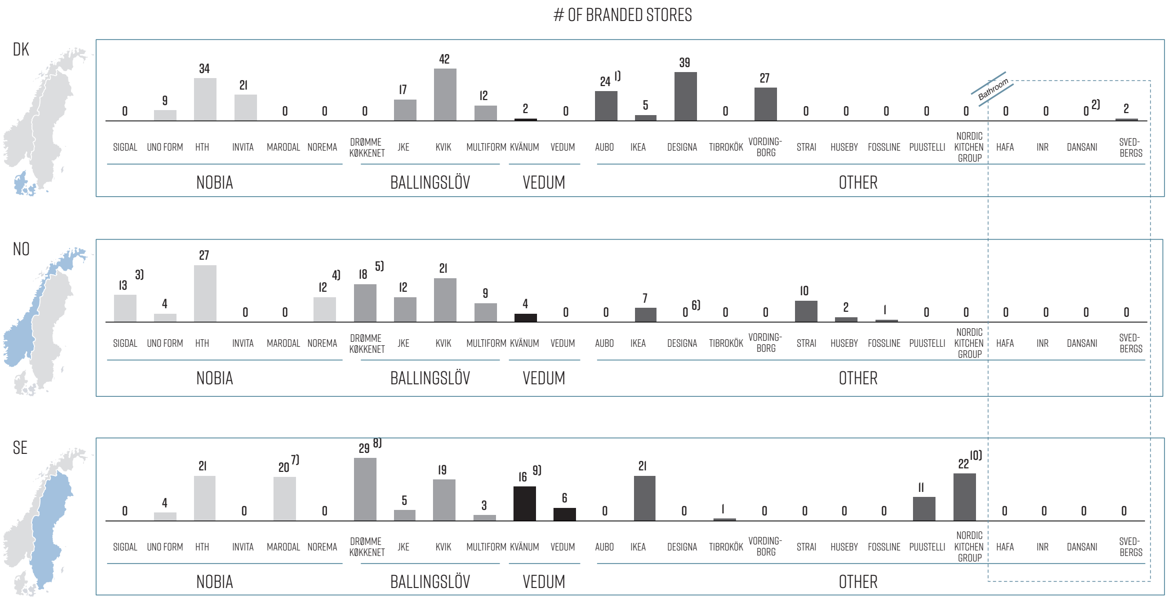
	COMPANY	GEOGRAPHY
BALLINGSLÔV	Ballingslôv	DK, SE, NO
BALLINGSLÔV	JKE Design	DK, SE, NO
BALLINGSLÔV	Kvik	DK, SE, NO
BALLINGSLÔV	Multiform	DK, SE, NO
VEDUM	Kvänum	DK, SE, NO
VEDUM	Vedum	DK, SE, NO
OTHER	Aubo	DK, SE, NO

	COMPANY	GEOGRAPHY
OTHER	IKEA	DK, SE, NO
OTHER	Designa	DK, NO
OTHER	Tibrokök	SE, NO
OTHER	Vordingborg	DK
OTHER	Strai	NO
OTHER	Huseby	NO
OTHER	Fossline	NO

	COMPANY	GEOGRAPHY
OTHER	Puustelli	SE
OTHER	Nordic Kitchen group	SE
OTHER	Hafa *Bathroom*	DK, SE, NO
OTHER	INR *Bathroom*	DK, SE, NO
OTHER	Dansani *Bathroom*	DK, SE, NO
OTHER	Svedbergs *Bathroom*	DK, SE, NO

SOURCE: COMPANY WEBSITES 30 JUNE 2017, 1) PRODUCTS ARE SOLD AS DRØMMEKJØKKENET IN THE NORWEGIAN MARKET

The primary competitors' branded store network coverage is shown in the chart below. Besides the kitchen manufacturers, TCM also competes with retailers (such as IKEA), as such retailers compete for the same customers, albeit in differing segments of the market, as well as brand owners within kitchen and bathrooms furniture (such as INR and Dansani), when it comes to TCM's bathroom furniture products.

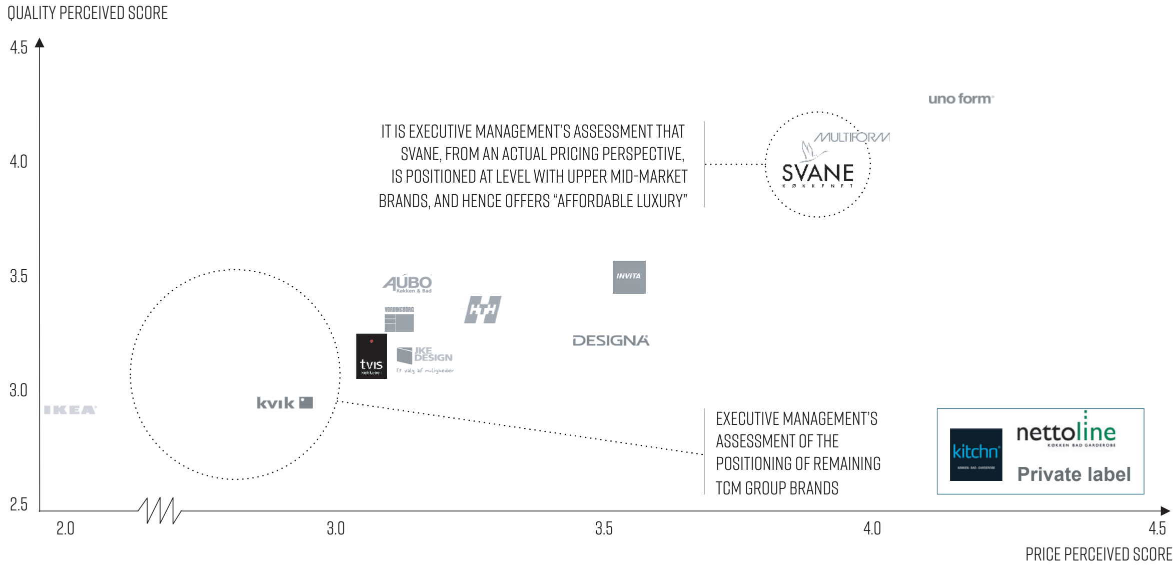


SOURCE: COMPANY WEBSITES, 30 JUNE 2017, 1) 42 INDEPENDENT RETAILERS IN NORWAY AND 6 IN SWEDEN, 2) 174 INDEPENDENT RETAILERS IN DENMARK, 234 IN NORWAY AND 132 IN SWEDEN, 3) 37 INDEPENDENT DEALERS, 4) 43 INDEPENDENT DEALERS, 5) 27 INDEPENDENT DEALERS, 6) 19 RETAILERS, BUT NOT POSSIBLE TO DETERMINE HOW MANY ARE BRANDED STORES, 7) 135 INDEPENDENT DEALERS, 8) 108 INDEPENDENT DEALER, 9) ASSUMING OWN SHOWROOMS = BRANDED STORES , 10) 22 HÄRJEDALSKÖK STORES. NO BRANDED STORES FOR ANY OF THE 3 OTHER BRANDS

6.2.4.1 BRAND POSITIONING AND SEGMENTS

The kitchen furniture market can be segmented based on price/quality, and the primary competition for the individual brands are usually in the same or adjacent segments. Based on the MEC reports, the brand perception for selected brands present in Denmark assessed on price and quality is as follows:

SVANE'S FAVOURABLE BRAND POSITIONING[1]



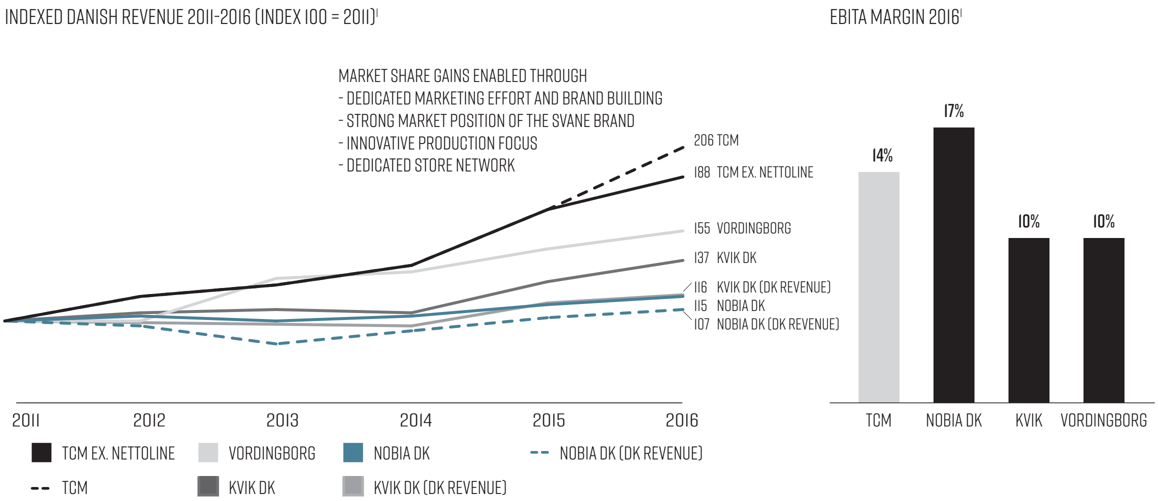
1) POSITIONING AMONGST HOME OWNERS AGED 30-70. SOURCE: MEC REPORTS

The kitchen market can be divided into three main segments on a price/quality matrix: low, middle and luxury. According to CSIL (2016), the share of the market (based on value) accounted for by each segment is relatively similar across the three countries:

- Denmark:
  - Low (factory price EUR <2,300): 47.0%
  - Middle (factory price EUR 2,300-7,500): 48.0%
  - Luxury (factory price EUR >7,500): 5.0%
- Norway:
  - Low (factory price EUR <2,300): 49.0%
  - Middle (factory price EUR 2,300-7,500): 47.0%
  - Luxury (factory price EUR >7,500): 4.0%
- Sweden:
  - Low (factory price EUR <2,300): 42.5%
  - Middle (factory price EUR 2,300-7,500): 53.0%
  - Luxury (factory price EUR >7,500): 4.5%

Only a limited number of the TCM Group's competitors have publicly available financial information on revenue. The TCM Group, Vordingborg, Kvik and Nobia are the only competitors identified by the Group with public information available for their total Danish activities for the period 2011 to 2016. The Group's Danish revenue has seen higher growth rates than these main competitors at index 188 and 206 including Nettoline in 2016 compared to 2011. The same figures for Vordingborg, Kvik Denmark (including Danish and export revenue), Kvik DK (including only Danish revenue) and Nobia Denmark (include Danish and export revenue) and Nobia DK (including only Danish revenue) are 155, 137, 116, 115 and 107, respectively, according to these companies' annual reports. In terms of EBITA margin for 2016, Nobia Denmark appears to be the most profitable with an EBITA margin of 17% followed by the TCM Group at 14% (including normalisation), see section 11.2 "*Overview of selected financial information*". Kvik and Vordingborg are both at 10%,based on their respective annual reports for 2016.

COMPETITOR BENCHMARKING – REVENUE AND EBITA MARGIN



SOURCE: 1) FOR COMPETITORS WITH AVAILABLE DATA IN ANNUAL REPORTS

7 BUSINESS

7.1 GENERAL OVERVIEW

The TCM Group is Scandinavia's third largest kitchen manufacturer in terms of revenue, while the majority of its business is concentrated in Denmark. The product offering includes cabinets, table tops, sliding doors, and other products related thereto, such as accessories and white goods.

Manufacturing is mainly carried out in-house and configured to provide a high degree of production flexibility. To this end, all production is located in Denmark, with factories in Tvis (outskirts of Holstebro) and Aulum. Manufacturing is mainly based on a "made-to-order" business model, where the majority of the parts and products enter production when a confirmed order is received. A key benefit from the "made-to-order" business model is the ability for the Group to retain relatively low levels of net working capital, being DKK -59.3 million as of 31 December 2016.

The Group pursues a multi-brand strategy, under which the main brand is Svane and the other brands are Tvis, Nettoline, kitchn and private label. Combined, the brands are intended to cater for the entire price spectrum as well as multiple sales channels. For example, Svane targets the upper-mid segment, with a proposition which the Group characterises as high quality, innovative kitchen designs that are priced "affordably".

In addition to price segments, the Group diversifies across customer groups via a store network that services both B2C and B2B customer groups. Executive Management estimates that the Group's revenue (in factory prices) is split roughly equally between B2C and B2B, providing stability and a position to instantly take advantage of emerging growth opportunities.

The products of the TCM Group are mainly marketed through an elaborate network of 60 branded kitchen specialty stores predominantly in Denmark and Norway, which all operate under franchise or dealer agreements (except from one store that is owned by the TCM Group). These stores account for the majority of the revenue generated and all carry either the Svane or the Tvis brand. The Company refers to this group of stores as "Branded Stores". In addition to Branded Stores, the TCM Group sells kitchens through independent kitchen specialty stores in Denmark and Norway under the Nettoline brand and in Sweden under the kitchn brand. Also, the TCM Group sells private label kitchens through DIY stores in Denmark and independent kitchen stores in Norway. Finally, through kitchn.dk the Company has an online sales channel; a minor but high-growth segment of the kitchen market, especially in the low end of the market. For all stores that carry or sell a TCM Group kitchen brand, the TCM Group owns the intellectual property rights and the stores are responsible for the end-customer contact, store investments, and local market risk-taking. The TCM Group is to a large extent able to align the store concepts and brand expression across stores – in particular for Branded Stores.

In the financial year 2016 (pro forma), the Group generated DKK 600 million in revenue, of which 92% was in Denmark, realised DKK 86 million in Adjusted EBITA (non-IFRS), corresponding to an Adjusted EBITA margin of 14.4%, and achieved a cash conversion ratio of 108%. The number of employees as of 30 September 2017 was 434 FTEs.

The Group has been under different private equity ownership for a period of more than 10 years. Since 1 March 2016, the Selling Shareholder has owned the majority of the Group. As of January, 2017, the Group acquired all shares in Nettoline A/S, a Danish-based kitchen manufacturer generating DKK 102 million in revenue and DKK 13 million in EBITA (non-IFRS) in the financial year 2016.

7.2 KEY STRENGTHS

The Group views its key competitive strengths to be as outlined below.

7.2.1 STRONG AND IMPROVING MARKET POSITION ESTABLISHED THROUGH FOCUS ON INNOVATION, BRAND POSITIONING, AND A DEDICATED DEALER NETWORK

The Group enjoys a strong and improving market position which has enabled the Group to outperform key competitors over the last years. The Group's Danish revenue is at index 188 in the financial year 2016 (pro forma) compared to index 100 in 2011. Key competitors on the Danish market within kitchen manufacturing and retail with data publicly available have revenue index for 2016 of 155, 137 and 115 for Vordingborg, Kvik and Nobia DK, respectively, compared to index 100 in 2011. This suggests that the TCM Group has gained significant market shares from 2011 to 2016.

The Executive Management is convinced that a range of factors have contributed to the Group's strong market position. Below is a select few key factors affecting the Group's market position.

7.2.1.1 INNOVATIVE DESIGN FOCUS

Innovation plays a pivotal part for the Group, its operations and its brand positioning. A new kitchen line is launched every year with the main brand, Svane. Each new kitchen line represents a mixture of novelty through design and functionality. The Executive Management considers the Group's innovation to be its DNA and thereby a key differentiating factor *vis-á-vis* its competitors.

The innovation process is deeply embedded in the Group. It follows an annual project cycle with fixed steps spanning from initial idea generation, prototyping, testing and eventually market launch. Where relevant, the Executive Management, selected franchise owners and production managers engage with designers throughout the process. This enables the ability to commercialise the new kitchen line from both a technical and a marketing perspective. The Executive Management believes that the institutionalisation of the innovation strategy with a structured framework process, provides a timely and smooth development. In turn, this implies a dynamically re-invented product offering of the main brand, Svane.

New kitchen lines typically become integral parts of the Group's standard product range, and are accordingly, offered for several years. Except for one, all of the kitchen lines introduced to the market since 2009 remain part of the current product offering. It is the Group's aim to design protect new kitchen lines and/or key elements of the new kitchen lines. Except for one, all of the Svane branded kitchen lines introduced to the market since 2012 have enjoyed design protection, to the extent possible.

NEW KITCHEN LINE LAUNCHED EVERY YEAR...

2011 WHITE BLACK LINE
- Reinterpretation of the handle less kitchen
- Vertical and horizontal grip profiles and push-open drawers

2012 S12
- Distinctive and visible 6mm frame around front – design protected
- New cabinet construction (mdf)
- Opportunity to use as stand alone furniture all around the house

2013 Y20
- Product durability in focus
- Design protected handles
- Assymmetric open shelves

2014 SMART
- New smart features in focus
- Hide-away cabinet
- Drawer with electric charger
- Open wooden drawers
- Design protected handles

... WITH NEW DISTINCTIVE FEATURES

2015 KI5
- Relaunch of the Svane classic UNIK in a new design
- New Legra drawer system
- New RETRO model with design protected handle

2016 MS12
- Unique combination of the successful S12 and MASSIV models – design protected
- Hide-away wall and MoveSection
- Introduction of ash

2017 S17
- Product durability in focus with new design protected laminate front with thin black frame
- Single hide-away cabinet, open steel shelves and coloured Legra drawers

IN PROGRESS

2018 IN PROGRESS
- Product launch in December 2017

* CERTAIN KEY ELEMENTS OF THE KITCHEN DESIGN ARE DESIGN PROTECTED

SOURCE: THE GROUP

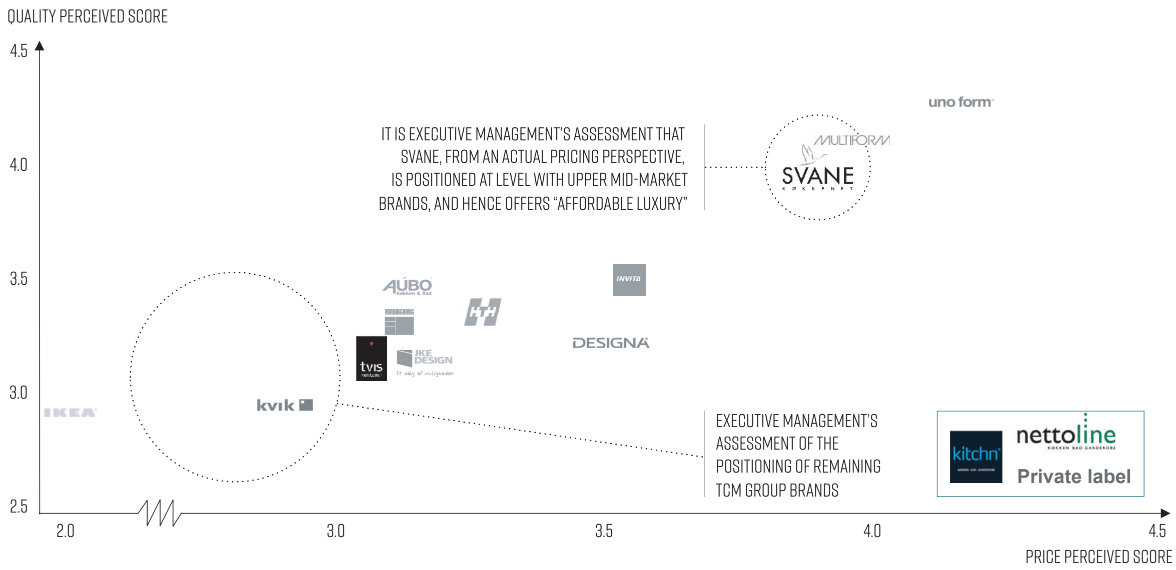
Specifically for the Group's B2B offering, there is a separate focus on developing kitchens that combine innovative solutions under cost constraints. This represents an attractive proposition in the B2B segment and implies that the Group has a strong offering targeting this segment. For example, the Group developed and released the Vision front in 2013, which has a high durability, simple expression and can be produced at competitive cost levels. Today, this type of front is widely sold by the Group to the B2B customer segment.

7.2.1.2 ATTRACTIVE BRAND POSITIONING WITH THE UPPER-MID SVANE BRAND, OFFERING HIGH QUALITY AT AFFORDABLE PRICES

The Group has a wide brand reach covering most segments in the price/quality matrix. Through a combination of a focus on innovation, use of quality materials and a refined marketing approach, the main brand, Svane, is in the Executive Management's view perceived as a high quality brand at "affordable" prices. However, it is also the Executive Management's view that the Svane brand is in fact covering a broader spectrum. The Tvis brand is targeting the mid segment, while the Nettoline, kitchn and private label brands are targeting the lower segment of the market.

Svane has a top brand preference among customers according to the MEC reports as Svane is perceived to be high quality – close to luxury brands such as Multiform and Uno form. The Executive Management considers the Svane price point to be lower than the price perception amongst consumers indicated in the MEC reports. In fact, the Executive Management believes that the customers perceive the Svane brand as "affordable" luxury as the perceived quality is in line with luxury brands, while the price point is in the Executive Management's view lower, leading to a higher quality to price ratio than set out in the MEC reports and reflected in the chart below (and also shown in section 6.2.4.1 "*Brand positioning and segments*").

SVANE'S FAVOURABLE BRAND POSITIONING[I]



I) POSITIONING AMONGST HOME OWNERS AGED 30-70. SOURCE: MEC CONSUMER JOURNEY, 2016.

The Executive Management views Svane's "affordable" luxury perception among customers as a key driver behind the strong brand positioning as well as a key factor behind Svane and the remaining part of the TCM Group having outperformed key competitors based on revenue growth. As Svane is targeting the upper-mid segment which constitutes approximately 53% of the total market in terms of value in Denmark according to CSIL, the Executive Management expects that the strong position of the Svane brand can enable further growth going forward.

7.2.1.3 LARGE NETWORK OF DEALERS OFFERING A DEDICATED CUSTOMER AND PRODUCT EXPERIENCE

The Group markets its products through an elaborate network of kitchen specialty stores that exclusively carry a TCM Group kitchen brand, *Branded Stores*. The majority of the Group's Branded Stores are operating under franchise or as dealers where the Group holds certain key intellectual property rights whereas the stores are responsible for the end-customer contact, store investments and local market risk-taking.

In addition to Branded Stores, the Group sells private label kitchens through both DIY stores and independent kitchen stores. Furthermore, through kitchn.dk the Group is also active through the online sales channel; a minor but expected high-growth segment of the kitchen market, especially pronounced in the low end of the market.

Today, the Group's store network comprises a total of 60 Branded Stores (of which one of the stores is currently owned by the Group) and 65 kitchen retail specialty stores carrying Nettoline or kitchn products. In addition, more than 150 stores sell private label. The majority of revenue is generated through the Svane franchise store chain.

There is a continuous focus within the Group on improving customer experience, particularly within the Svane chain. Accordingly, several initiatives and mechanisms are set in place, entailing an aligned customer experience across the board. These include (i) local ownership through franchise concept, ensuring a financial incentive for the franchise owner to provide dedicated customer experience; (ii) the Group has to approve all franchisees. In turn, the Group provides leadership training for store managers; (iii) each store has to display the new kitchen line introduced every year. Further, the Group's architect aligns store layout across the store network to give customers a similar experience regardless of the store location; (iv) the Group actively monitors store KPIs to support local store managers and (v) the Group has sales training programmes for sales personal and an ongoing focus on improving sales excellence.

MEC has performed a consumer journey analysis based on interviews with 1,000 kitchen buyers (source MEC). The report concluded that 70% of those who purchased a Svane kitchen, would purchase a Svane kitchen again, indicating a high customer retention. This is the second highest repurchase rate amongst mid-segment brands and the third highest in the Danish kitchen industry (source MEC).

7.2.2 LEAN AND FLEXIBLE PRODUCTION SETUP WITH EXCESS CAPACITY AND OPERATIONAL OPTIMISATION POTENTIAL

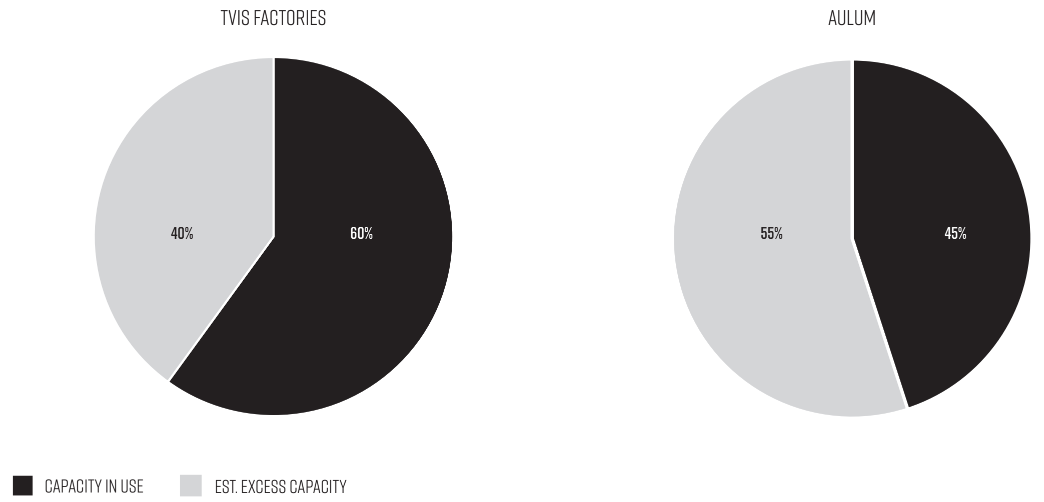
The Group's production footprint consists of two adjacent factories in Tvis and one factory in proximity in Aulum. From these factories, the Group can feasibly provide kitchens to the Scandinavian market with short transportation time, typically a few days. Having a local production close to the customers is a key constituent of the Group's operational strategy.

The Group has deliberately chosen a production that is characterised by a high degree of in-house production, whereby the Group controls key manufacturing processes closely. It is the Executive Management's assessment that the chosen strategy facilitates a more agile and flexible production, better control and speed of innovation processes and a better quality assurance as compared to a fully or partly outsourced production configuration.

The Group's flexible production setup enables the Group to deliver customised solutions while benefitting from economies of scale in the production. The production footprint is configured with both serial and made-to-order production. Made-to-order production is mainly used in the customisation of items from sub-assembly stock to the customers' specifications, while some kitchen designs from Svane and Tvis are completely made-to-order production. Full serial production is mainly applied with the Nettoline and private label products as well as for production to sub-assembly stock. Flexibility to this extent allows the Group to meet the varying demand from different customers in both B2C and B2B segments.

The Executive Management assesses that the Group has excess capacity to meet increasing demand. The main lever to increase production capacity is to add blue-collar workers. The Executive Management assesses that as of the six months period 1 January – 30 June 2017, the Group is utilising approx. 60% of production capacity in Tvis and approx. 45% of production capacity in Aulum. The Group has a demonstrated ability to readily adapt the number of blue-collar workers to meet increasing demand. Hiring of blue-collar workers is typically conducted in rounds with approx. 5-15 new employments at a time, as there is a constraint on training capacity. Demonstrating the ability of attracting employees, the TCM Group has doubled turnover since 2010 and been able to match the increased activity with sufficient labour.

ESTIMATED EXCESS CAPACITY FOR GROWTH[I]



I) EXCESS CAPACITY ESTIMATED AS POSSIBLE ADDITIONAL OUTPUT FROM EXISTING FACTORIES BY FULLY UTILISING EVENING SHIFTS AND NIGHT SHIFTS. SOURCE: EXECUTIVE MANAGEMENT'S ESTIMATES

The production facilities are well invested and thus in good shape with excess capacity, with limited capital expenditure requirements. The Executive Management assesses that the total annual capital expenditure of the Group is approx. 1-2% of revenue in future. Going forward, the Executive Management has identified multiple investment opportunities – generally with attractive financial propositions and pay-back profiles – to optimise production and increase capacity incrementally. Albeit these are rather investments in operational optimisations rather than in capacity *per se*.

7.2.3 MULTIPLE ORGANIC AND INORGANIC GROWTH AVENUES IN SCANDINAVIA

The Group has been able to grow its business at higher growth rates compared to competitors in the Danish market. Going forward, the Executive Management expects to continue pursuing growth opportunities and believes that the Group is exposed to a broad range of attractive growth avenues. The Executive Management expects to continue pursuing organic growth in Scandinavia, both in existing and new markets.

In addition, the Group is actively monitoring the market for attractive acquisition opportunities within its target parameters with respect to size, product, and geography, allowing for product and/or geographical expansion and/or strengthening of the current business. In addition to growth, a key part of the Group's acquisition rationale is to take advantage of cost synergies as well as cash flow optimisation.

7.2.3.1 MULTIPLE ORGANIC GROWTH AVENUES IN SCANDINAVIA

The Group's organic growth strategy revolves around (i) initiatives to increase same-store sales through focus on operational excellence, (ii) organic growth through expanding geographical footprint and (iii) facilitating and expanding the online sales channel.

The majority of the Group's revenue is generated through Branded Stores. The primary activity of the stores is to market kitchens manufactured by the Group. It is the Executive Management's view that the Group, the individual store owners, and the franchisees are all committed to nurture and improve the underlying drivers of growth. Key to maintain commitment is the local store ownership according to Executive Management. Top-priorities to drive growth include education and training of sales personnel as well as dispersion of best-practices across the store network.

The Group continuously evaluate its store network as well as white-spot opportunities in existing and new markets. In Denmark, several white spots available for new stores remain actionable. In addition to Norway, there are numerous white spots available in order to further penetrate the market and consolidate the Group's market position. Sweden presents an interesting opportunity for future growth, as the presence in Sweden is currently limited. In Sweden, the Group is active through a limited number of independent stores gained through the acquisition of Nettoline A/S. While this provides valuable market insight and local learning, the market is largely untapped for the Group. Hence, there is an opportunity to penetrate the market through a franchise or dealer setup comparable to that of Denmark. All options as to the specific strategy for rolling out into Sweden are still open.

Over the most recent years, online sales to the low-end and DIY segments of the kitchen market has been on the increase. Should this trend cement itself further, the Group is well positioned to benefit, leveraging on the already established online presence through "kitchn.dk". While currently assessed to be nominally limited, the Group expects the online share of the low-end and DIY segments in the kitchen market to continue to enjoy attractive growth rates in coming years, fuelled by megatrends in the retail and consumer sector. Executive Management is of the opinion that as for the upper-mid segment, there will be a continued need for physical stores to deliver the full-service proposition.

7.2.3.2 POTENTIAL FOR ACQUISITIVE GROWTH BENEFITTING FROM A STRONG INTEGRATION MODEL WITH HIGH SYNERGY POTENTIAL

The Group has a synergistic acquisition model with a potentially short payback period, naturally depending on the characteristics of the target. It is the Group's view that synergies can be realised via production optimisations, insourcing of production, sourcing and procurement and combining group functions (e.g. information technology and finance departments).

As of January 2017, the Group acquired Nettoline A/S exemplifying the acquisition model. It produces and sells flat pack budget kitchens under its own brands Nettoline and kitchn, which are positioned in accordance with "*high quality kitchen at a fair price from a local dealer*". In the financial year 2016, Nettoline A/S generated DKK 102 million in revenue and DKK 13 million in EBITA (non-IFRS), corresponding to an EBITA margin of 12.7%.

There are currently no targets in process of acquisition, but the Executive Management notes that opportunities might materialise quickly. The Group has through the Nettoline acquisition demonstrated its ability to execute a merger and acquisition transaction swiftly and initiate post-integration procedures promptly upon closing.

7.2.4 ATTRACTIVE FINANCIAL PROFILE WITH HIGH CASH GENERATION DRIVEN BY STRONG PROFITABILITY, LIMITED CAPEX NEED AND NEGATIVE NET WORKING CAPITAL (NON-IFRS)

The Group considers its financial profile to be attractive; it is characterised by a strong revenue growth with further opportunities for expansion, high operating margins and a demonstrated ability to maintain a high cash conversion consistently.

From 2014 to 2016 (pro forma), the Group (excluding Nettoline) has grown its revenue by a CAGR of 17.2% with a contribution from both customer segments, B2C and B2B. The main driver has been the Group's ability to utilise its strong Danish market position to gain market share. Furthermore, during the same three-year period, Adjusted EBITA (non-IFRS) has more than doubled from DKK 42.2 million to DKK 86.2 million, corresponding to an increase in EBITA margin from 9.7% to 14.4%. The increase in both nominal and relative operational profitability is primarily driven by operational efficiency improvements, scale economics and a strengthened market position. From 2011-2014 the Group experienced a positive trend in key financial indicators such as revenue growth and adjusted EBITA margin, while at the same time, lowering the net working capital as a percentage of sales.

Cash conversion ratio from the financial year 2014 to the financial year 2016 averages 119.8%. The ability to generate cash primarily, rests on a continued focus on efficiently managing working capital and the processes related hereto, combined with low capital expenditure requirements.

First, the Group's cash conversion is positively influenced by a negative net working capital (non-IFRS). The net working capital (non-IFRS) relative to revenue in the financial year 2016 was negative by 9.9%, which in Executive Management's opinion is an industry-leading level. Historically, the Group has consistently focused on working capital improvements, executing on specific working capital optimisation programmes. These have enabled a 5.2 percentage point reduction in net working capital (non-IFRS) relative to revenue over the period from the financial year 2014 to the financial year 2016. Furthermore, the level of net working capital (non-IFRS) is favourably impacted by the Group's production model, as products to a wide extent are manufactured according to order, allowing for a lower stock level of finished goods.

Second, the high cash conversion is positively influenced by the low level of capital expenditure requirement associated with the business. The average capital expenditure for tangible and intangible assets in percentage of revenue during the period 2014 to 2016 is 1.0%. Historically, the Group has been able to grow without incurring large capital expenditures relating to expansion. In line with this, the Group assesses that there remains an unutilised production capacity to support future growth (see section 7.13 "*Production and facilities*" for a more detailed description).

7.2.5 PROVEN MANAGEMENT TEAM WITH LONG INDUSTRY EXPERIENCE AND STRONG TRACK-RECORD

The Group has a proven management team with many years of relevant experience. To support the senior management team, the Group has a number of dedicated and experienced middle managers in production, sales, and corporate functions that support the senior management team and their ability to manage the business. The management team jointly has a long track record of strong performance with high revenue growth, margin improvement and substantial improvements in net working capital (non-IFRS). Further, the management have experience from merger and acquisition processes, with both acquiring and integrating companies.

7.3 KEY STRATEGIC FOCUS AREAS

The Group has identified five overall strategic focus areas for future growth in revenue and profitability: 1) increase store sales through operational excellence and brand building, 2) increase organic growth through expanding geographical retail footprint, 3) facilitate and expand the online sales channel, 4) additional growth through acquisitions and 5) enhance production optimisation and automation.

Increase store sales through focus on operational excellence and brand building
In its existing stores the TCM Group will continue to work with its franchise partners to improve revenue growth and profitability for the individual stores. The Group's initiatives can be divided into four main categories:

- Maintain attractive product portfolio. A key focus of the TCM Group is to facilitate that retailers can offer the consumers products with the ability to generate a higher conversion/hit rate between store traffic and store revenue. It is a key focus area of the Group to maintain the development of competitive kitchen models for retailers that are demanded by both B2C and B2B segments. Development towards the B2C segment will focus on design and features whereas the B2B development will focus on price and functionality.

- Increase store traffic from B2C customers and attract new B2B customers. Brand awareness and perception are important purchasing criteria in order to attract customers. The TCM Group will continue to utilise both local (through the individual franchise stores) and nationwide marketing. A wide range of parameters influence brand perception, such as price, quality, marketing, service, etc. The TCM Group will focus on these purchasing criteria in its marketing efforts. Key initiatives involve tactical campaigns, increased social media presence and further development of websites. The enhanced focus on brand building is also believed to have the potential to attract new B2B customers.

- Training and education of the sales force in the stores. Having a franchise/dealer based retail setup, the service level perceived by customers is highly important to their purchase experience and ultimately to their choice of kitchen supplier. In order to facilitate the customer experience, the training and education of the sales force will continue to be an integral part of the TCM Group business. Training and education include strengthening of sales skills, product knowledge and the ordering system. An integral part of the training and education of employees is also to generate more add-on sales and opportunities. In addition the Group believes that further focus on store guidelines in regards to appearance, design as well as store sales materials could further increase conversion of store traffic to offers made.

- Further build the store organisation. A well-functioning franchise and dealer setup is dependent on motivated franchisees and dealers as well as the store organisation surrounding them. To further develop the existing portfolio of franchise stores, the TCM Group will continue its dedicated focus on attracting aligned and dedicated franchisees and dealers. In addition, the TCM Group will further improve coaching and development of franchisees'/dealers' leadership competences. Finally the Group will provide group services to the franchisees such as assistance in hiring the right store personal.

Increase organic growth through expanding geographical retail footprint
The TCM Group intends to increase its geographical footprint in Scandinavia in short- and medium-term. The Group is one of the leading kitchen manufacturers in Denmark. In 2016, 92% of the Group's revenue was generated in Denmark as extensive store networks for Svane, Tvis and Nettoline have already been established. The TCM Group continuously analyses and evaluates its store networks and geographical presence and has identified a number of white spot opportunities. For the three main markets the high level short- and medium-term expansion strategy is:

- For the Danish market several white spot opportunities have already been identified. The current expansion plan involves adding new stores to the current store network in Denmark with 5-8 new dealer-based stores. The store expansion mainly pertains to the Tvis and Nettoline brands.

- The TCM Group is currently present in Norway with all four brands, however, the Group still sees significant potential in further expanding market presence, especially for its Svane and Nettoline brands. The Group has identified a number of white spot opportunities. The Group intends to expand its store network in Norway with 8-12 stores in the short- to medium-term. New stores are primarily dealer-based, however, a few of the new stores openings could under some circumstances be directly operated by the TCM Group.

- The TCM Group has limited geographical retail coverage in Sweden, as only kitchn is present. The executive management team is currently considering the best possible expansion strategy into Sweden, which could be organic or through acquisitions.

The expansion is expected to be rolled out as organic growth, either through dealer based stores, but possibly also through stores owned by the Group. If the expansion is carried out through own stores or related acquisitions it could drive additional costs and thus have a larger financial impact compared to expansion through dealer based stores.

The Executive Management expects the current production and logistics setup to be capable of handling further expansions in key markets, Denmark, Norway and Sweden as the current capacity is estimated to being able to handle almost twice the current activity level.

On a long-term basis, opportunities for geographical expansion to countries outside Scandinavia may arise, but are not part of the short to medium-term plan.

Facilitate and expand the online sales channel
The TCM Group is present in the online sales channel through kitchn.dk in Denmark. Customers can acquire products via the kitchn website following a potential visit to kitchn's two unmanned showrooms located in Denmark. The online sales channel caters for the DIY segment and typically has a significantly lower price point. So far, the online sales channel has only constituted a minor share of total sales, but the TCM Group monitors the market development and is able to scale the online operations through e.g. expanded showroom presence, marketing efforts and broader product offering if attractive opportunities arise from increased customer preference for online purchases of kitchens.

Acquisitions, which either strengthen or expand the TCM Group's market presence and/or contribute potential synergies
In addition to the organic growth avenue, the TCM Group has a proven track record of acquiring and integrating businesses. The TCM Group's main objectives when evaluating potential acquisition candidates are their ability to either strengthen or expand the Group's market presence as well as to contribute potential synergies. The TCM Group actively monitors potential acquisition opportunities with the aim of identifying and evaluating the strategic and financial attractiveness of potential targets, and the Group aims to continue to act as a consolidator when attractive opportunities arise.

The TCM Group's production and logistics setup facilitates its ability to extract synergies from acquisition targets by consolidating production footprints. Further synergies could be harvested from areas such as insourcing of production, sourcing and overlapping functions in e.g. IT and finance. In addition, the Group has continuously managed to reduce the Group's net working capital (non-IFRS) levels and can leverage on experiences and learnings from previous acquisition in order to improve the acquired companies' operational excellence, such as the net working capital (non-IFRS).

The Group's recent acquisition of Nettoline A/S is a case in point regarding an attractive acquisition candidate. The Nettoline A/S acquisition added additional revenue DKK 102 million based on Nettoline A/S's 2016 result and provided the Group with a new brand that can be further developed and strengthened in the low value segment. In addition, the acquisition of Nettoline A/S provided the Group with an increased Scandinavian market presence through the kitchn store setup in Sweden as well as additional penetration in Norway and Denmark. Finally, Nettoline A/S has a well-established online platform (kitchn.dk) that primarily targets the DIY segment by offering low costs products through online purchases. Acquisition candidates are evaluated by the Executive Management on a case by case basis and consequently the Nettoline A/S acquisition cannot necessarily be used as indicator for future potential acquisitions.

Enhance production optimisation and automation
The TCM Group has identified a range of opportunities to increase the efficiency of its production set-up. While some of these typically require an investment, others are more related to continuous improvements of planning or production processes. The Group has historically had an ongoing focus on operational improvements and this will continue going forward.

The Group's production investment projects typically go through a thorough planning process with a clear description of both the equipment desired but also the development of a financial case illustrating the expected yearly gain from the investment and the expected pay-back period. Pay-back periods are typically targeted at 2-4 years. Projects currently being evaluated include implementation of robot technology with a primary focus of reducing direct labor costs typically in areas with repetitive manual processes. Such areas could be in for example polishing of boards, lacquering and in feeding items into or taking items out of a machine. In addition to direct labor savings, automation in these areas could also lead to a more homogenous product quality and enhanced occupational health. The TCM Group is also investigating investments in an increased use of LED (light-emitting diode) technology in order to reduce overall electricity spend in the production and to further improve existing lacquering processes.

Initiatives leading to continuous improvements in production efficiency include focus on tools and methodologies used in LEAN management and these efforts typically have a higher degree of employee involvement. In addition, continuous focus is on the use of IT in the production, for example to improve processes, avoid errors and highlight priorities for the Group's employees. An example of a current project involving IT, is the implementation of bar code scanning at CNC (computer numerical control) machines to avoid the risk of manual programming errors.

Besides the Group's own production engineering and IT capabilities, the Group often engage with external experts to ensure successful implementation of the right solutions.

7.3.1 MEDIUM-TERM TARGETS

The Group medium-term (i.e. three to five years) targets are:

- organic growth above market growth. The growth target is based on the principal assumption that the Group will continue its innovation and product development as well as growth in new markets; and

- improvement of EBITA margin to exceed 15% in normalised market conditions (adjusted for possible non-recurring special items). Margins are assumed to improve due to further scale achieved in the production as well as synergies from the acquisition of Nettoline A/S being realised. It is assumed that the synergies from the acquisition of Nettoline A/S will add DKK 8-10 million in synergies on an annual basis from 2018 compared to the EBITA in 2017.

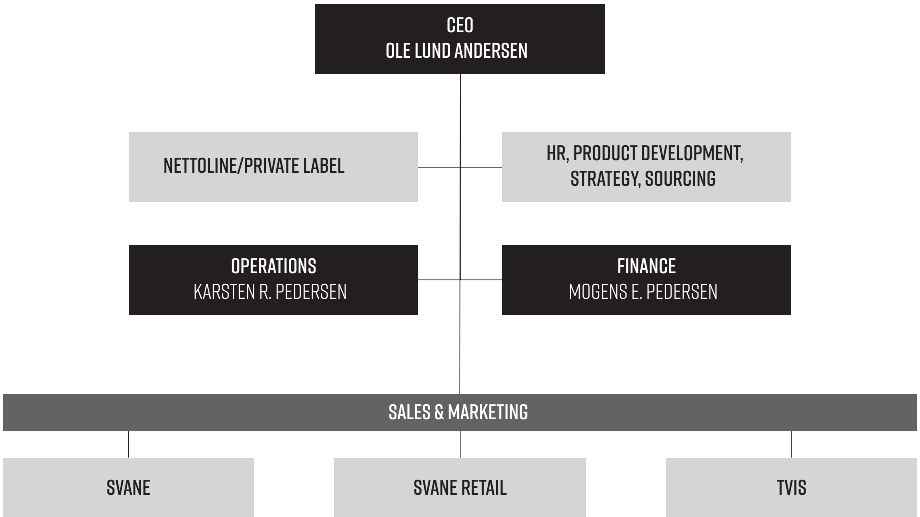
In addition the Group targets a leverage ratio of max 2.25 x EBITDA. However, if acquisition opportunities arise, the Company may deviate from this policy.

The statements set forth above constitute forward-looking statements and are not guarantees of future financial performance. The Group's actual results could differ materially from those expressed or implied by these forward-looking statements as a result of many factors, including but not limited to changes in the competitive situation, the regulatory framework in which the Group operates, technology changes or other changes outside of the Group's control and such other changes as described in section 2.2 "Special notice regarding forward looking statements" and section 1 "Risk Factors". Potential investors are urged not to place undue reliance on any of the statements set forth above.

7.4 ORGANISATIONAL STRUCTURE

The Group has a broad and experienced organisation in place to support the Executive Management and the future growth of the business. The organisation is divided into functions according to its activities. Sales and marketing, one of the two main functions, reports directly to CEO Ole Lund Andersen. The Svane and Tvis brands and Nettoline/private label have its own managers responsible for the day-to-day management of the brand, while Svane also has a retail manager who is responsible for the one owned store. The other main function is operations, primarily consisting of production, which reports directly to COO Karsten Rydder Pedersen. In addition, a number of group functions support the senior management team in managing the business and report directly to CEO Ole Lund Andersen. Lastly, CFO Mogens Elbrønd Pedersen is responsible for the finance organisation. A detailed organisational chart is shown below.

ORGANISATIONAL OVERVIEW



SOURCE: THE GROUP

As of 30 September 2017, the number of employees was 434 FTEs, of which 100 FTEs were employed in Sales and Administration and 334 FTEs were employed in production. The majority of the FTEs employed in production are blue collar workers and thus represent a variable cost to the Group.

For further information on the Group’s employees, see Section 18.1 “*Employees*”.

The Group has demonstrated an ability to attract and retain employees in a pace matching the rapid growth of the business.

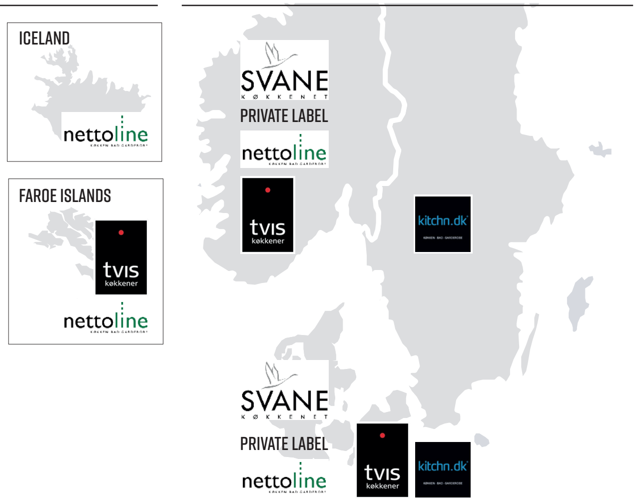
7.5 PRODUCT AND BRAND OVERVIEW

7.5.1 BRANDS

The brand portfolio of the Group is made up of four main brands, effectively, diversifying the product offering to cater for various segments across the market. The brands are Svane, Tvis, Nettoline and kitchn. In addition, the Group produces private label products for DIY chains in Denmark and kitchen specialty retailers in Norway, which in turn are responsible for the branding of these products. An overview of the Group’s brands are set out below. The majority of the revenue is generated from Branded Stores.

BRANDS	CHANNEL	NO. OF OUTLETS
Svane Køkkenet	Franchise, independent dealers, 1 TCM Group owned store	33
Tvis Køkkener	Independent dealers	27
Nettoline Kitchn'	Independent stores and online	65
Private label	DIY stores (DK) and kitchen specialty stores (NO)	150+

GEOGRAPHICAL FOOTPRINT OF TCM GROUP



SOURCE: THE GROUP

Svane is the Group's main brand, generating the majority of the revenue and profits. Svane appeals to the attractive upper-mid segment, where design, quality, and high functionality are in focus. The brand is mainly sold through Svane-branded kitchen specialty stores on a franchise basis and to a minor extent through dealers in Norway. As of 25 October 2017, Svane is sold through 27 franchise stores, including one store owned by the Group, and 6 independent stores. All stores are defined as Branded Stores, are all branded "Svane" and exclusively sell Svane kitchens. Store layout at all locations is strictly kept in line with the envisaged brand position of the Group to ensure that the end-customer has the full brand experience when visiting a Svane store, regardless of its location. The Group was recently denied registration of its Svane kitchen trade mark in Norway and may on this account need to rebrand its wardrobes, walk-in closets, sculleries, and general storage used in connection with wardrobes or bedrooms in Norway, see section 1.2.10 "*The Group could fail to manage and protect its intellectual property rights or could violate third parties' rights and the Group may not be able to use the Svane brand in Norway*". In Executive Management's view, any such need to rebrand is not likely to have any material adverse effect on the Group's revenues in Norway or execution of the Group's strategy with respect to Norway.

Tvis represents the foundation of the Group (named after the location of the current main production site and headquarters). The Tvis brand targets the mid-end customer segment, where quality and functionality is in focus. All Tvis stores are defined as Branded Stores, and are independent Tvis branded kitchen specialty stores. As of 25 October 2017, Tvis is sold through 20 dealer stores in Denmark, 1 dealer store in Norway and 6 Nordsjö kökkenet stores in Norway.

The Nettoline brand was acquired in connection with the acquisition of Nettoline A/S (completed in January 2017). The Nettoline brand targets the lower-end customer segment where price is the focus. The brand is mainly sold through independent stores that typically carry only the Nettoline brand. As of 25 October 2017, Nettoline is sold through 55 stores in Denmark, Norway, and Iceland.

The kitchn brand was also acquired in connection with the acquisition of Nettoline A/S. The brand concept is formed by a combination of bricks-and-mortar and clicks-and-mortar concepts. kitchn.dk is an online brand targeting the DIY end-customer segment, while it runs two unmanned showrooms in Denmark, which are available to customers. As of the prospectus date, kitchn.dk is sold online in Denmark. In addition, kitchn has a store network consisting of 8 independent Swedish kitchen retailers.

Private label targets the low-end and DIY segments of the kitchen market. Private label products are sold through DIY stores in Denmark and kitchen specialty stores in Norway and Iceland. Private label sales provide the Group with a wider customer reach and constitute an important part of the Company's offering in the low-end segment of the market. The manufacturing of private label products used to take place through the subsidiary Concepta Skabe A/S (now dissolved after merger with Nettoline A/S on 2 October 2017) and mainly at the manufacturing facilities in Horsens. Following the Nettoline A/S acquisition, the Horsens manufacturing site is being relocated and integrated into the Aulum site (Nettoline A/S). Following the relocation, the plant in Horsens has been sold. The sale will be effected 15 January 2018.

7.5.2 PRODUCTS

The Group has four main product categories: Cabinets and fronts, table tops, sliding doors and white goods. These product categories can be assembled and installed for a range of applications besides the main application, kitchens. Other applications include, but is not limited to, wardrobes, walk-in closets, sculleries, and general storage. An overview of the Group's main product categories is set out below.

PRODUCT	GENERAL	MATERIALS	PRODUCTION
CABINETS AND FRONT 	Cabinets and fronts are the main building block of a typical kitchen	MDF, particle board, solid wood. Lacquered or high gloss laminate, wood veneer, melamine and folio	Svane and Tvis are produced in Tvis. Other brands are produced in Aulum
TABLE TOPS 	Table tops are an important part of visual appearance of the kitchen	Materials include solid wood, laminate, coretop, and corian	Produced in Tvis
SLIDING DOORS 	Used for customised storage solutions in all rooms	Melamine, wood veneer, glass, and mirror	Produced in Aulum
WHITE GOODS 	White goods are offered as part of the in-store sales process	The Group offers a selection of widely recognised brands	Not meaningful

SOURCE: THE GROUP

Cabinets and fronts are the main building block of a kitchen and the product category generates the majority of TCM Group's revenue. The Group manufactures all cabinets and fronts, except solid wood fronts, in-house. This approach allows the TCM Group to offer customised kitchens from a wide selection of shapes, forms, colours, and feature combinations. The Executive Management estimates that roughly 70% of B2C customers choose to customise their kitchen solutions. Despite the high degree of customisation offered to its customers, the TCM Group is able to exploit economies of scale in the production by producing cabinets and fronts in large production series or batches. The output of these batches is wholly or mainly related to specific customer orders but a minor part of the output might also be directed to sub-assembly inventory ready for expected activity not yet related to actual customer orders. The TCM Group has an advanced planning system to optimise the production by combining actual customer orders (order book) with the output of forecasting models.

Table tops are an important part of the visual appearance of a kitchen. The Group offers a broad range of table top materials, including solid wood, laminate, coretop, and corian. Laminate is the most common material in terms of both value and volume. For other materials, for example, stone, granite, and steel, the stores source from a number of close vendors with whom the TCM Group makes framework contracts. In-house table top production ensures that the Group can offer truly tailor-made solutions with a close link to the cabinets and fronts in the innovation process. All table tops are produced to order.

The sliding doors product category consists of sliding doors for customised storage solutions. Application includes, but is not limited to, wardrobes, walk-in closets, sculleries, house entrances, doors for hide-away kitchens, and general storage. Sliding door materials match the materials used in production of kitchen fronts. All sliding doors are produced to order.

White goods are offered as an integrated part of the in-store sales process in the Group's network of stores. As such, the Group offers white goods from a number of widely recognised, industry-leading brands through long-standing sub-supplier relationships. The white goods are delivered and installed together with the kitchen. From 2014 (and fully implemented in 2015), the Group started to invoice white goods centrally. Prior to this, the Group was not a financial party to the sale of white goods to stores, but through its once 4 stores it sold white goods directly to consumers, capturing the entire margin.

7.6 PRODUCT DEVELOPMENT AND INNOVATION

Innovation plays a pivotal part for the Group, its operations, and its brand positioning. Since 2009, it has been a key strategic focus area to attempt to set new industry standards with regards to both the frequency and the quality of new product introductions. The strategy has had a two-fold aim:

- Introduction of new product lines with a high design and novelty element aimed at the B2C market; and
- Introduction of new product lines aimed at creating competitive advantages on key buying factors in the B2B market.

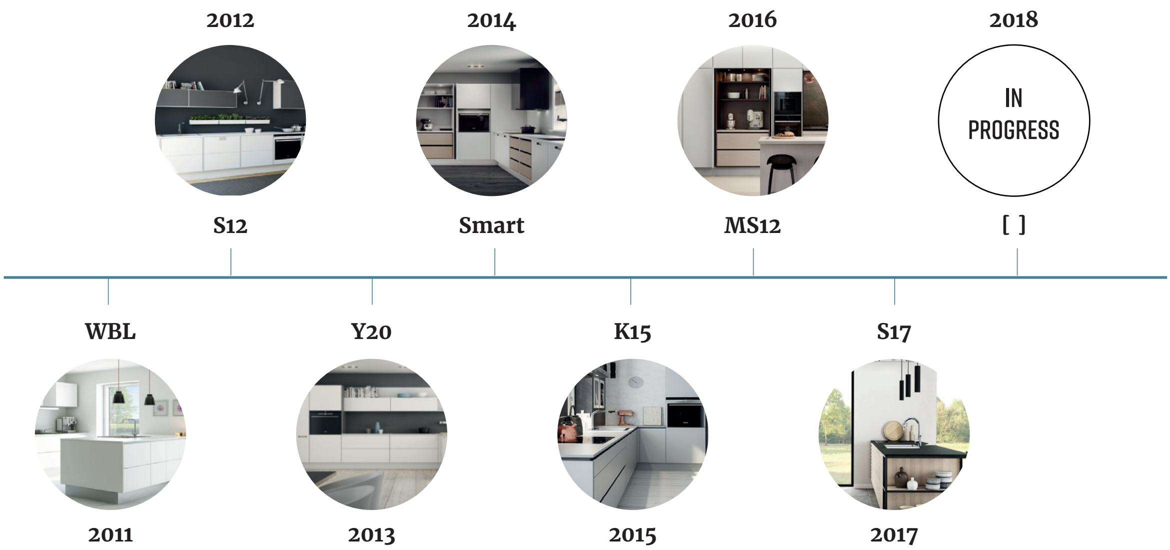
New product innovations include new design elements, new materials and/or new functionality.

For example, the Group launches a new kitchen design every year with its main brand, Svane. The WBL kitchen line was launched in 2011, the S12 kitchen line was launched in 2012, the Y20 kitchen line was launched in 2013, the Smart kitchen line was launched in 2014, the K15 kitchen line was launched in 2015, the MS12 kitchen line was launched in 2016, and the S17 kitchen line was launched in 2017. It is the Executive Management's view that this particular effort represents a significant increase to the innovation pace traditionally seen in the industry. The new kitchen lines have been the focal point in the Group's brand advertising where it has been the Group's ambition to enhance market perception of Svane being considered to be the industry leader in product innovation.

Some of the various kitchen designs and to some extent their key functionalities and features are mostly design protected. Such design protected features and functionalities may be implemented across the product portfolio. This represents an important external measure from the innovative efforts pursued under the Svane brand as it benefits the Group as such.

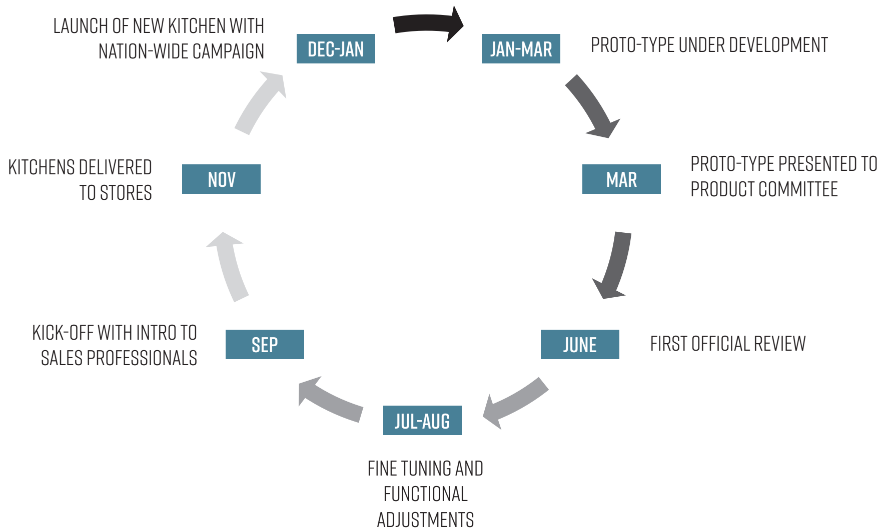
The Group's kitchen launches during the period since 2011 are illustrated below.

PRODUCT DEVELOPMENT AND INNOVATION



SOURCE: THE GROUP

The innovation process is dynamic and continuous in nature. However, the Group has sought to establish a structured framework of innovation. This framework takes the form of an annual cycle from initial idea generation to the point at which the kitchen line is launched ultimately. The Group's development process relating to new Svane kitchen design is illustrated below.



SOURCE: THE GROUP

From January to March, the prototypes are under development within the Group's own innovation team, which amongst others include architects and the product development team. The product development team includes technical production skills, marketing responsible, franchisees, and managerial engagement in the form of CEO Ole Lund Andersen. In March, the final prototype is presented to the product committee and its first official review is in June, over which period the prototype is further refined and adapted in accordance with the various product and production concerns. Over the summer, the prototype undergoes further fine-tuning and functional adjustments. Around September, the kick-off with introduction to sales professionals is held with the aim to on-board these and create an internal hype around the forthcoming product launch.

Franchise stores receive the new kitchen during November-December before the official launch of a nationwide kitchen campaign in mid-December and January to kick-off the sale of the new kitchen line and to support the brand in general by sustaining awareness.

These efforts ensures up-to-date kitchen designs as well as a continuous re-invention of the product portfolio. This helps to entice repeat customers and draws in new customers. In addition to ensuring up-to-date kitchen designs, the Group's innovation efforts focus on appealing functionality for the end-customer. This embodies features such as effective heat and moist resistance to extreme extents in a kitchen environment. This is particularly important to certain customer segments, including, but not limited to, residential B2B customers.

For further information on the Group's intellectual property rights, including its strategy with respect to protecting its intellectual property, see section 13 "*Research and development, patents and licences*".

7.7 MARKETS AND CUSTOMERS

The Group is active in all markets across Scandinavia. The main geographical market is Denmark, where the majority of the Group's revenue is generated and where production and group functions are located.

The Group is diversified across customer groups, as stores (and the Group's 1 owned store) sell to both B2C and B2B customer segments in the market. The customers in the B2C segment are typically families buying a kitchen for their home or vacation house. The majority of the kitchens sold in the B2C segment are bought in connection with a renovation project or after a housing transaction. Merely a smaller fraction of the sales to the B2C segment is in connection with new-builds. Overrepresented demographical characteristics for a typical Svane customer include one-family housing above 131m^2, university degree education, above 40 years, and household income above DKK 800,000 annually (source: MEC conZOOM, 2015).

The Group divides B2B customers into five sub-segments. The sub-segments include house builders, property developers and managers, social housing, architects, and joineries. The Group does not consider itself dependent on any of its specific B2B customers. For B2B customers, kitchens for new builds constitute a larger fraction of total sales as compared to that of the B2C customers.

7.8 STORE NETWORK

The Group markets its products through an elaborate network of mostly single-branded franchise stores and dealers, independent kitchen retailers, DIY sale outlets, own stores and online retail. The vast majority of the Group's revenue is generated through Branded Stores.

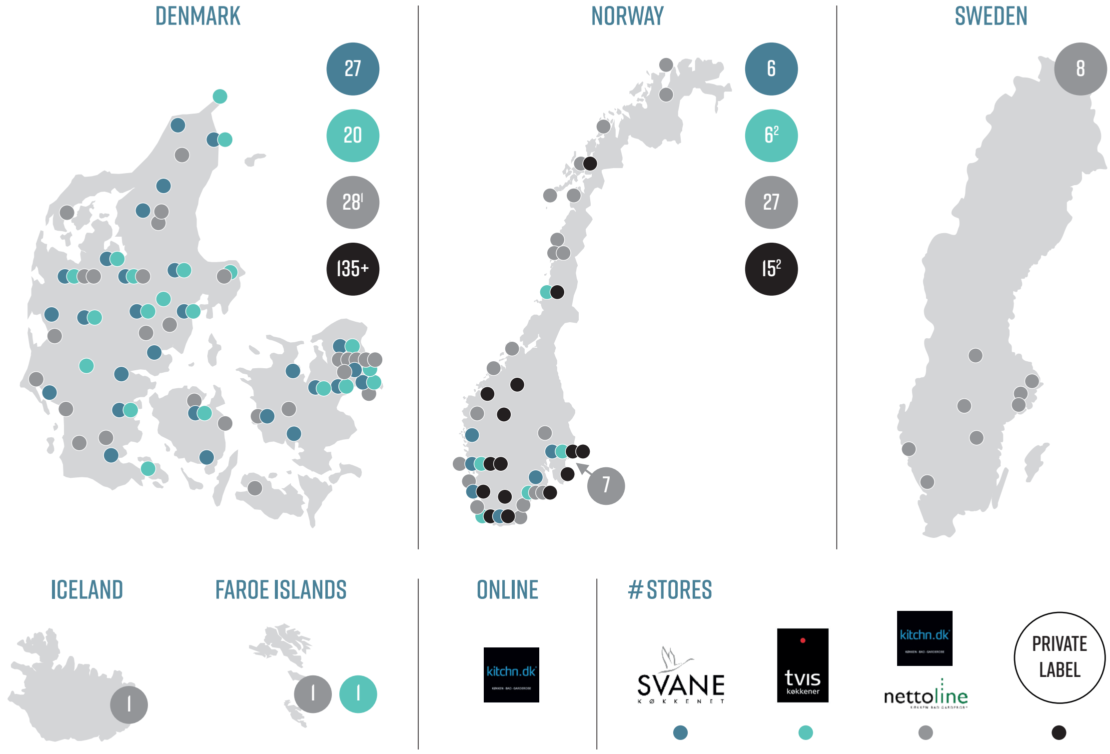
As of 25 October 2017, the Svane brand is carried by 33 Branded Stores, of which 26 are franchise stores in Denmark, 1 is owned by the Group in Denmark and 6 are dealers in Norway. The intention is to enter into formal franchise agreements, when a more developed Norwegian network has been established.

The Tvis brand is carried by 27 Branded Stores. The stores are split into 20 dealers in Denmark, 6 in Norway, and 1 in the Faroe Islands.

Nettoline is carried by 26 independent kitchen retail stores in Denmark, 27 stores in Norway, 1 store in Iceland, and 1 store in the Faroe Islands.

Moreover, kitchn is sold online in Denmark with 2 unmanned showrooms to support the online sales, and through 8 stores in Sweden.

The private label is carried by more than 135 DIY stores in Denmark and 15 kitchen specialty stores in Norway. The Group assesses that the store network has a strong presence in Denmark with a few white spots remaining, while there are more development potential with white spots in Norway. The Group's store network is illustrated below.



1) INCLUDING TWO KITCHN.DK SHOWROOMS. 2) BETWEEN THE SIX TVIS AND 15 PRIVATE LABEL STORES IN NORWAY, 16 ARE UNIQUE STORES. THAT IS, FOUR STORES CARRY BOTH TVIS PRODUCTS AND PRIVATE LABEL PRODUCTS.

SOURCE: THE GROUP

The Group employs a number of methods to optimally identify and contract new franchisees. In Denmark, the Group proactively leverages its network and strong position as an inroad to initiating dialogue with potential franchisees. This method has proven very valuable, especially in the Danish market, where particularly the Svane brand enjoys a strong market position. In Norway, the Group currently has an executive search bureau engaged for the Svane chain. The bureau assists with identifying and establishing contact with potential franchisees.

The distribution model supports the current store network and has the capacity to support further growth in current and new markets. The Group has a longstanding relationship with a local specialised logistic service provider that handles the distribution of Svane and Tvis products, while larger specialised logistic service providers mainly handle the distribution of the other brand portfolio kitchens.

7.9 SALES

The stores are responsible for selling the products to the end-customers, whether it is a kitchen, bathroom solution, general storage unit or a combination of the aforementioned. The Branded Stores offer a 'full, one-stop-shopping solution' that includes designing and ordering the solution, as well as contracting professional kitchen fitters, plumbers, electricians, etc. The professional installation partners install the solution(s), including white goods, fittings, fixtures and other associated products. Levying the responsibility with the franchisee, alleviates the Group from a myriad of administration and co-ordination, while it greatly supports the notion of receiving a high quality, collective solution. In addition, it ensures correct installation of the products, providing a better functional product experience with the end-customer.

The Group has a dedicated sales organisation responsible for maintaining the commercial relationship with the store network. Amongst other aspects, this include lending support towards developing the store network and their local sales competencies. The Group's sales organisation is divided into three areas responsible for Svane, Tvis and Nettoline/private label, respectively. Each division has separate people responsible for Denmark and Norway/exports, respectively. Furthermore, given the different characteristics of the customer groups, the staffs are also specialised across B2C and B2B. For Svane and Tvis, the Group employs concept and brand managers, graphical/web designers as well as dedicated sales training people to support the franchise and dealer stores.

All stores are from time to time engaged in B2B sales, however, the Group can engage with the B2B departments in order to lend their support when stores source a B2B sale by helping to draft the offers and in planning the actual deliveries, although the Group's involvement is limited.

7.10 MARKETING AND COMMUNICATION

To optimally position and market the Svane brand and innovation narrative, the Group has an omni channel marketing approach with national advertising in television, magazines, newspapers, and online. This is combined with targeted, local advertising in local newspapers and radio stations. The marketing approach is closely planned and co-ordinated with franchisees, but often initiated and executed by the Group centrally. The television campaign for the main brand, Svane, focuses on the kitchen design releases. Printed advertising in magazines is relatively sophisticated and targets potential customers, who are well prepared and educated, actively looking for inspiration in magazines. The national television spend is focussed on an annual commercial displaying the new Svane kitchen design. The television campaign launches just before a new Svane design is introduced. Online advertising includes AdWords campaigns focussing on both banner ads and Google search ads. Local advertising is coordinated at store level.

In addition to the marketing efforts for the main brand, Svane, the Group also has a marketing strategy for each of its other brands. For the Tvis brand, the marketing channels include national commercials in magazines, newspapers, and online together with local marketing on the radio and in print. For the Nettoline brand, the marketing channels include online marketing and local print and radio. For the private label brand, the marketing channel is not controlled by the Group, while for the kitchn.dk brand the marketing channel is online.

Generally, across the entire brand portfolio except for private label, the Group has an active social media marketing strategy, the key aim of which is to raise awareness around the brands and to draw in customers that are not necessarily actively looking to purchase a new kitchen. Concretely, the Group utilises multiple platforms for engaging with its various target segments. These platforms include, but are not limited to, Facebook, Instagram, and LinkedIn. An array of the Group's marketing catalogues are illustrated below.

SVANE LOOKBOOK

WHY CHOOSE SVANE

TVIS – THE KITCHEN BOOK

NETTOLINE 2017

SOURCE: THE GROUP

7.11 FRANCHISE AND DEALER CONCEPT

The organisation of the Danish Svane franchise concept is characterised by a close collaboration between the franchisees and the Group through a shared franchise committee. The franchise committee and its organisation is designed to ensure that franchisees have access to Executive Management and centralised information relevant for the strategic and operational development of the brand. The Group retains all intellectual property rights relating to the Svane logo as well as the Svane name vis-à-vis its franchisees. The responsibility for managing the Svane concept and the group functions supporting the franchise network also lies with the Group. In turn, the franchisees are responsible for managing the stores. The franchise committee grants the franchisees a voice in central decision-making and allows for close collaboration. The franchise committee consists of four appointed franchisees and four representatives from the Group, each of whom have equal voting rights. In the event of a tie, the chairman, who is elected by the Group, holds the decisive vote.

In addition to the franchise committee, the Group has a continuous dialogue with franchisees. Through this, a dynamic information flow between franchisees and the Group is secured. The dialogues mainly concerns product and features updates, industry and consumer trends, customer feedback on the product portfolio, the timing and design of campaigns and training of sales personnel by the Group's in-house instructors or specialised external advisors. In addition, the relatively informal dialogue functions to embody the extended organisation including the Group and the franchisees as one organisation.

A key focus area of the franchise concept for the Group is the alignment of store appearance. Therefore, the Group has an in-house architect that visits franchise stores and is responsible for aligning the interior with envisaged visual identity and brand strategy of Svane. In line with this, the franchise stores are single-brand stores and thus only carry the Svane brand, enabling full alignment across the board. Further, franchisees are obliged to display the new kitchen lines once introduced.

Franchisees pay no franchise fees to the Group. In turn, the franchisees purchase the Group's products at a mark-up to production costs. The main investment from new franchisees is purchasing exhibition products and store interiors.

The franchise setup provides a strong distribution channel and a low-cost expansion model. During the most recent three years, three Danish Svane stores have closed and/or terminated the franchise agreement. Two of the three were replaced swiftly. During the same period, Svane has entered into one new franchise agreement.

Under the franchise agreements, the franchisees have been granted the right to use the Svane brand, trademark and the "Svane-concept" while operating the Svane stores. The ownership and the right of disposal of the Svane brand, trademark and the "Svane-concept" remains with the franchiser. Generally, each franchisee only has one store and the franchisee's start-up inventory investment is in the range of DKK 250,000-4,000,000.

Typically, the franchise agreements are non-terminable in the first 3 years and subsequently terminable by both parties with 12-24 months' notice.

While the Group's franchise chain is of great importance to the TCM Group, the Group does not consider itself dependent on any individual franchisee.

In addition to the Danish Svane franchise chain, which accounts for the majority share of the Group's revenue, the independent Tvis, Nettoline and Norwegian Svane branded kitchen specialty stores adhere to a common dealer concept. In practice, the dealer concept in all material respects resembles the Svane franchise concept, but differs in its contractual structure e.g. with respect to franchise committee, the Group's right to purchase the store if the franchise agreement is terminated (purchase price will among other things reflect the value of inventory) and the marketing approach. All of the Tvis stores and the majority of the Danish Nettoline stores are single-brand and hence exclusively offering kitchens manufactured by the Group.

The dealer agreements are structured as co-operation agreements that can be terminated with 3-24 months' notice and with immediate effect in case of material breach. Like the franchise agreements, the Group holds the intellectual rights. The payment terms applied to the B2B and B2C segments do not differ in any material respects.

7.12 SOURCING

Procurement plays a pivotal role in managing and optimising the business and procurement is a strategically prioritised group function. It is handled centrally from the headquarters in Tvis. The Group employs one strategic sourcing manager, who is responsible for the negotiation of framework agreements with suppliers and larger supply contracts. Each of the three factories has one or more dedicated buyer(s), who purchase within the framework agreements as agreed by the Group headquarters (i.e. strategic sourcing manager) and who also initiates internal production orders. Consequently, the purchasing managers are in continuous contact with suppliers. Moreover, the purchasing manager has the responsibility to control the stock of raw materials and the inventories of semi-finished goods that enter the production.

The Group retains a broad range of suppliers to provide higher delivery assurance to the production, to minimise supply risk, and to be better positioned to bargain with suppliers. The suppliers mainly supply raw materials, fittings, and chipboards. Additionally, suppliers consist of transportation services. The Group is not dependent on any single supplier, as they pursue a sourcing risk diversification procurement strategy. The Group employs the highest standards for its suppliers and the products and services that are contracted. For example, all solid wood table tops are FSC certified.

Supplier contracts are mainly one-year framework agreements, typically with annual price negotiations or regulation mechanism. The Group does not consider itself dependent on any particular supplier.

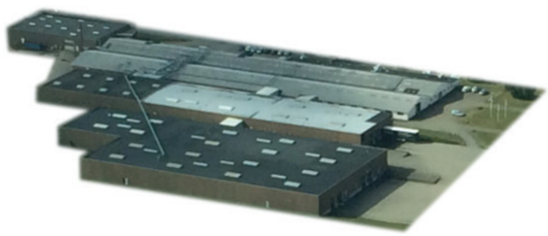
Approximately 84% of total procurement spend is denominated in DKK, approximately 15% is in EUR and approximately 1% is in USD. As the DKK is pegged to the EUR, the Group's exposure to currency risk is considered insignificant.

7.13 PRODUCTION AND FACILITIES

Production and its flexible configuration are a key focus area of the Group. The Group has three well-invested production facilities, two located in adjacency in Tvis and one located in proximity in Aulum. The first of the Tvis factories was established in 1973-88 and contains approx. 23,000 m2 production areas. This factory produces cabinets and fronts mainly. The second Tvis factory was established in 1996 and contains approx. 10,000 m2 production areas. This factory mainly produces table tops. The Aulum factory is rented and not owned and was established in 1974-2004 and contains 14,600 m2 space and was part of the acquisition of Nettoline A/S. The Aulum factory produces sliding doors and flat-packed cabinets. Production facilities are located within a 9 km distance in the western part of Jutland, Denmark. The current production setup can support feasible and fast delivery to the Scandinavian markets.

FACTORIES IN TVIS

FACTORY IN AULUM



SOURCE: THE GROUP

The Group has a high degree of in-house production, as opposed to an outsourced production setup. As a result, the TCM Group enjoys full control over its supply chain from delivery of raw materials to delivery with end-customers. This has resulted in a number of favourable characteristics. Firstly, it increases effectiveness and provides a high margin level. Secondly, it reduces waiting time and bottlenecks on a continuous basis due to the high degree of visibility over the value chain. Thirdly, the TCM Group exerts full control of quality as all quality assurance related processes are handled internally free of cultural and language barriers. Also, the in-house production allows the Group to have an efficient innovation process due to the close link with the production. Finally, the setup enables the Group to have an industry-low inventory level benefitting the financial profile greatly.

In addition to benefitting from the in-house production setup, the level of inventories is also benefitting from the fact that the Group mainly manufactures on the basis of confirmed customer orders, thereby reducing the need to hold inventories. Further, the Group has historically implemented inventory reduction initiatives, which have helped to retain inventories at relatively low levels. Underpinning this, while Group revenues have increased by a CAGR of 17.2% from DKK 436.9 million in 2014 to DKK 599.7 million in 2016 (pro forma), the Group's inventories have remained relatively stable around DKK 30 million at year-end. Since 2010, the Group has reduced inventory days (defined as value of inventories relative to cost of goods sold) from 133 to 38 in 2016.

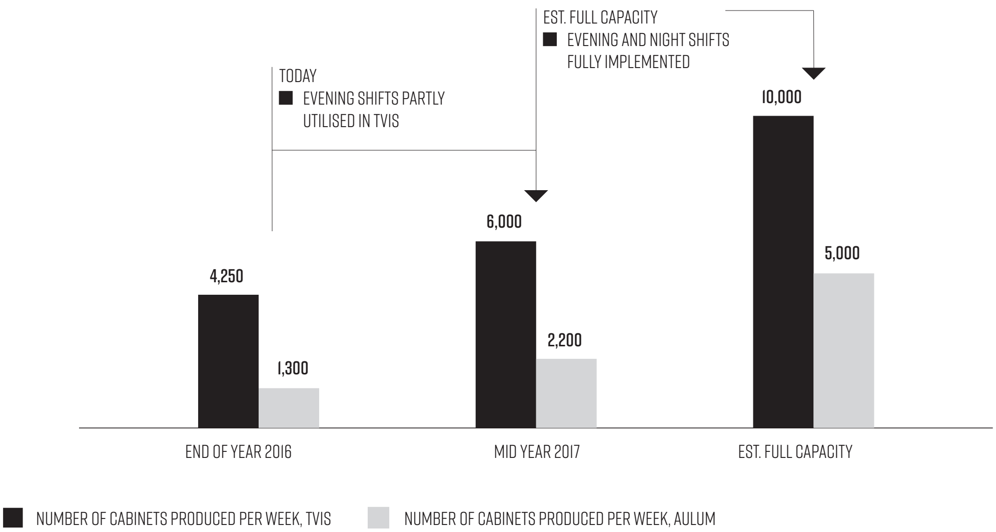
The Group has achieved a consistently high measure of delivery assurance of above 94% for all product categories in the most recent four years.

The Group's flexible production setup is a lever for the innovation process and for securing large B2B contracts. In 2016 with the delivery to a larger residential development project, the Executive Management assesses that the production flexibility was key in securing the contract. The architect on the project demanded a unique front which was not part of the standard assortment of the Group or any competitor.

The Group developed the new front through a customised production solution. Customisation to this extent allows the Group to charge a premium on the product.

The most appropriate proxy for measuring production capacity is the weekly production capacity of cabinet units. As of the Prospectus Date, the Group has a weekly production capacity of approx. 6,000 cabinets in Tvis and approx. 2,200 cabinets in Aulum. By way of comparison, the Group had a capacity of approx. 4,250 cabinets weekly at end-of-year 2016 in Tvis. The Group estimates that maximum capacity with the current Tvis facility is approx. 10,000 and for Aulum approx. 5,000 cabinets weekly. To reach the estimated maximum capacity utilisation, the Group would have to utilise the evening and night shifts completely. As of the Prospectus Date, the day shift is at maximum, the evening shift is partially utilised, and the night shift is available for the Tvis factory. For Aulum, only the day shift is in use. Further to this, the Group would presumably have to eliminate minor bottlenecks that emerges due to higher output.

The Group has historically been able to adjust the manufacturing capacity to match increasing or decreasing levels of customer demand by adjusting the number of blue collar employees and utilising or abandoning evening and night shifts.



SOURCE: EXECUTIVE MANAGEMENT'S ESTIMATES

7.14 IT

The Group's own central IT department is located in Tvis and focuses on tasks within four main areas: IT infrastructure, application management, IT security, and IT support. The primary objective of the IT function is to serve the business in running the day-to-day processes as efficiently as possible.

The information technology infrastructure in the Group is built around a leased server park located in Tvis serving all group sites, network infrastructure at all sites, local workstations/PCs/laptops, leased printer parks, bar code scanners and telephones.

The most important IT software is the group wide ERP system IC2000 delivered by Danish IT supplier Logodan. The IT department has an important project management role in developing the IC2000 system together with the business and Logodan. In addition, the department is responsible for purchasing and implementing all other software applications used by the Group.

IT security is an increasing focus area of the Group in order both to protect the data and systems from threats and to establish appropriate measures for restoring the IT environment if necessary.

Protection against threats involves a wide range of activities, for example implementing tools such as spam filters, virus detection, adequately equipped fire walls, routing of mails through external service provider, screening of internet traffic, two-way log-in authentication, updated software on all servers and user devices and a tight password policy. In addition, it includes protection against more “traditional” threats such as redundancy of key IT equipment, redundancy of internet access and fireproof facilities. Finally, a key task is user education to ensure user awareness of potential threats for example CEO-fraud or ransomware. An external company tests the perimeter security of the Group twice a year.

Another vital part of the IT security task is to be able to restore the IT environment in case of a disruption. If the disruption is related to a loss of data, backup procedures are in place. These procedures both involve backup at a location removed from the main server facility and external backup providers. If the disruption is hardware related, the Group has 4 hour support agreements in place for the most critical components (i.e. the suppliers must provide new hardware to the Group within four hours) as well as a remotely located disaster recovery system. Disaster recovery procedures are in place to ensure which steps to follow in case of the most probable disruptions.

In recent years, the Group has taken on an increased responsibility towards primarily the Svane stores both with regards to developing IT system and running their IT in general. More specifically, the Group has developed the IT system SvaneFlow, which is a system connecting the kitchen drawing system, Winner, used by the stores with the Group ERP system IC2000. SvaneFlow enables a higher degree of efficiency in exchanging data such as orders between stores and the Group. In addition, SvaneFlow gives franchisees a full overview of performance in the store as well as for each individual sales person allowing more fact based store management. A common accounting platform has been implemented in the stores and integrated with SvaneFlow. SvaneFlow was rolled-out in all Svane stores in Denmark by the beginning of 2016.

7.15 CORPORATE SOCIAL RESPONSIBILITY

The Group is of the opinion that sustainability is an important element in the further development of the Group and employs sustainability in multiple areas where relevant, for example:

- The employees are one of the Group’s main assets. The Group is therefore aware that a safe, creative, and stimulating work environment is essential for the future development and competitive position of the Group. The Group collects and monitors health and safety key performance indicators and provides health and safety training to the Group’s employees.
- The Group considers the world’s unique resources vulnerable and scarce, and the Group’s products are thus produced with due consideration to sustainable sources. The Group monitors waste. Solid wood used in the Group’s products are from sustainable certified sources and is primarily sourced from local suppliers and forests in Europe. MDF (medium density fibreboard) and particle board is sourced from manufacturers that either use wood sourced from certified controlled forests, or a high degree of recyclable wood material.
- The Group’s product must be able to be a part of the local environment where they are utilised, without having an adverse impact on the local environment in question.
- The Group’s production and distribution must affect the environment the least amount possible and therefore the Group focuses on energy reduction.

The Group supports the ten principles in the UN’s Global Compact and supports the four main areas, including Human Rights, Labour, Environment, and Anti-Corruption. For a full overview of the Group’s CSR policies, please refer to the full CSR report available on the Group’s webpage.

8. ORGANISATIONAL STRUCTURE

The Company is the parent company of the Group.

The following table sets forth the direct or indirect subsidiaries of the Group as at the date of this Prospectus:

Entity Name	Country of incorporation	% ownership
TCM Group Invest ApS	Denmark	100
TMK A/S	Denmark	100
Nettoline A/S	Denmark	100
Svane Køkkenet A/S	Denmark	100
Køkkenretail ApS	Denmark	100

With a view to simplify the corporate structure of the Group, TMK A/S merged with the Former Holding Company with financial effect as of 1 January 2017, whereupon the assets and liabilities of the Former Holding Company have been transferred to TMK A/S as the continuing company and the Former Holding Company has been dissolved. Prior to the merger, the Former Holding Company owned 100% of the share capital and voting rights in TMK A/S.

In addition, Concepta Skabe A/S and Nettoline A/S (both 100% owned by TMK A/S) merged effective as of 2 October 2017, whereupon the assets and liabilities of Concepta Skabe A/S have been transferred to Nettoline A/S as the continuing company and Concepta Skabe A/S has been dissolved. Fiscally, the merger took effect 1 January 2017.

9. PROPERTY, PLANT AND EQUIPMENT

The Group's headquarter (comprising both head office, factory and warehouse) is located in Tvis, Holstebro, Denmark.

The Group owns eight real properties. The locations, use and size of these real properties are set out in the below table:

Location	Use	Size (square meters)[1]
Skautrupvej 16, Tvis, DK-7500 Holstebro	Factory and warehouse	21,689
Skautrupvej 18, Tvis, DK-7500 Holstebro	Factory and warehouse	501
Skautrupvej 22A, Tvis, DK-7500 Holstebro	Business office	594
Skautrupvej 22B, Tvis, DK-7500 Holstebro	Factory and warehouse	314
Skautrupvej 5B, Tvis, DK-7500 Holstebro	Undeveloped land	N/A
Skautrupvej 24B, Tvis, DK-7500 Holstebro	Factory and warehouse	9,429
Marsalle 50, DK-8700 Horsens[2]	Factory and warehouse	9,964
Marsalle 54, DK-8700 Horsens[2]	Undeveloped land	N/A

(1) Square meters of the buildings erected on the properties, (2) Sold effective 15 January 2018

In addition to the owned sites, the Group has entered into a number of real property leases for the stores and showrooms and the Nettoline A/S production facilities. Subleases have been entered into under all but one of the Group's store lease agreements, providing for the sublease of the stores to the relevant franchisees either as a direct sublease agreement or pursuant to the franchise agreement with the relevant franchisee.

Generally, the leases can be terminated with a notice being between 3 – 12 months, except that (i) the lease for the store in Lyngby is interminable for the tenant until 31 December 2021 following which the lease can be terminated with 6 months' notice and (ii) the leases for the stores in Kolding, Randers and Aalborg can be terminated with 6 months' notice, however not effective before the end of April 2018, 1 August 2018 and 1 March 2019, respectively.

Two of the Group's leases (Vævervej 35-35, 7490 Aulum and Karetmagervej 1, 7490 Aulum; both used for production by Nettoline A/S), are non-terminable until 1 May 2021 and are mutually conditional, implying that if one of them is terminated due to breach by Nettoline A/S, the other lease will automatically be considered terminated as well.

Other than as set out above, the Executive Management is of the view that the Group's lease contracts have been entered into on market terms.

The real properties leased or owned by the Group are not subject to material or unusual easements that prevent or restrict the current business activities or that are believed to require major investments. Further, the Executive Management is not aware of any environmental issues that may materially affect the continued use of the owned or leased sites.

The Group's total lease obligation as of 30 September 2017 is DKK 28 million compared to DKK 37 million for the financial year ended 31 December 2016.

10. SELECTED FINANCIAL INFORMATION

See section 11.2 "*Overview of selected financial information*".

11. OPERATING AND FINANCIAL REVIEW

11.1 INTRODUCTION

The following is a discussion of the Group's results of operations for the first nine months of 2017 and for the financial years ended 31 December 2016, 2015 and 2014, and the Group's financial condition as of the end of such periods. Prospective investors should read this discussion in conjunction with the Interim Financial Statements, the Consolidated IFRS Financial Statements for 2016, the Consolidated Danish GAAP Financial Statements for 2015, the Consolidated Danish GAAP Financial Statements for 2014, the 2016 Pro Forma Accounts and the Interim Pro Forma Accounts. Some of the information contained in the following discussion contains forward looking statements that are based on assumptions and estimates and are subject to risks and uncertainties. Prospective investors should read section 2.2 "*Special Notice Regarding Forward Looking Statements*" for a discussion of the risks and uncertainties related to those statements. Prospective investors should also read section 1 "*Risk Factors*" for a discussion of certain factors that may affect the Group's business, results of operations or financial condition.

The Company was established on 9 December 2015 and has accordingly not prepared financial statements prior to such date. The Company's subsidiary TCM Group Invest ApS acquired the Former TCM Group effective as of 1 March 2016. As the acquisition has been included in the Consolidated IFRS Financial Statements for 2016 for the Company as of the Acquisition Date only and not for a full calendar year and has significantly impacted the results of operations and cash flows, the Company has chosen to present certain pro forma financial information. See section 3.1 "*Financial information*" for further details.

11.2 OVERVIEW OF SELECTED FINANCIAL INFORMATION

The selected consolidated financial information set forth below, comprising selected consolidated income statement items, balance sheet items and cash flow statement items for the Group has been extracted from the Interim Financial Statements, the Consolidated IFRS Financial Statements for 2016, the Consolidated Danish GAAP Financial Statements for 2015, the Consolidated Danish GAAP Financial Statements for 2014, the 2016 Pro Forma Accounts and the Interim Pro Forma Accounts.

The Interim Financial Statements and the Consolidated IFRS Financial Statements for 2016 have been prepared in accordance with IAS 34 or IFRS, as applicable, whereas the Consolidated Danish GAAP Financial Statements for 2015 and the Consolidated Danish GAAP Financial Statements for 2014 have been prepared in accordance with Danish GAAP. The 2016 Interim Pro Forma Accounts and the 2016 Pro Forma Accounts are based on unaudited accounting records prepared in accordance with recognition and measurement criteria of IFRS.

The selected consolidated historical financial information for the Group for the first nine months of 2017 and for the financial year ended 31 December 2016, in this Prospectus have been prepared in accordance with IAS 34, Interim Financial Reporting, or IFRS, respectively, except for non-IFRS financial measures listed in section 11.10 "*Non-IFRS financial measures*" or otherwise stated. For further information, including a reconciliation of the non-IFRS measures presented in this Prospectus to the nearest IFRS measure see section 11.10 "*Non-IFRS measures*".

Income statement	Nine months ended 30 September			Financial year ended 31 December			
	2017	2016	Pro forma 2016	2016	Pro forma 2016	2015	2014
(DKK million)							
Revenue	602.3	346.2	437.4	508.5	599.7	536.5	436.9
Cost of goods sold	(438.5)	(242.4)	(309.6)	(353.5)	(420.7)	(383.2)	(313.8)
Gross profit	**163.8**	**103.8**	**127.8**	**155.0**	**179.0**	**153.3**	**123.1**
Selling expenses	(50.6)	(36.0)	(47.1)	(50.2)	(61.3)	(35.5)	(35.3)
Administrative expenses	(35.4)	(21.0)	(28.2)	(31.9)	(39.1)	(50.3)	(52.0)
Other operating income	0.0	0.0	0.0	0.0	0.0	0.1	0.2
Other operating expenses	0.0	0.0	0.0	0.0	0.0	(0.8)	(0.8)
Operating profit before non-recurring items (non-IFRS)	**77.8**	**46.8**	**52.5**	**72.9**	**78.7**	**66.8**	**35.2**
Non-recurring items (non-IFRS)	(21.7)	(18.4)	(18.4)	(18.7)	(18.7)	0	0
Operating profit	**56.0**	**28.4**	**34.1**	**54.2**	**60.0**	**66.8**	**35.2**
Financial income	0.0	0.2	0.1	0.2	0.1	0.3	0.3
Financial expenses	(7.1)	(10.8)	(12.2)	(13.4)	(14.9)	(1.3)	(1.4)
Profit before tax	**49.0**	**17.8**	**22.0**	**41.0**	**45.1**	**65.8**	**34.1**
Tax on net profit for the period	(13.3)	(7.0)	(8.0)	(12.5)	(13.4)	(17.6)	(10.0)
Net profit for the period	**35.7**	**10.8**	**14.0**	**28.5**	**31.7**	**48.2**	**24.1**

Balance sheet	As at 30 September		As at 31 December		
	2017	2016	2016	2015	2014
(DKK million)					
Goodwill	369.8	315.8	315.8	79.8	86.9
Brand	172.0	172.0	172.0	0.0	0.0
Other intangible assets	29.1	37.4	35.5	4.7	4.0
Tangible assets	83.3	106.6	107.6	110.3	113.0
Other long-term receivables	0.8	0.7	0.7	0.7	0.9
Total non-current assets	**654.9**	**632.5**	**631.5**	**195.5**	**204.8**
Inventories	36.0	33.7	29.1	29.2	30.0
Current receivables	75.0	55.5	38.6	28.7	25.1
Cash and cash equivalents	58.1	54.4	96.6	117.4	68.2
Assets held for sale	16.6	0.0	0.0	0.0	0.0
Total current assets	**185.7**	**143.6**	**164.3**	**175.3**	**123.3**
Total assets	**840.5**	**776.0**	**795.8**	**370.8**	**328.1**
Total shareholders' equity	378.3	320.4	339.9	183.7	135.4
Total long-term liabilities	262.0	282.6	281.7	76.7	80.0
Total current liabilities	200.2	173.0	174.2	110.5	112.7
Total shareholders' equity and liabilities	**840.5**	**776.0**	**795.8**	**370.8**	**328.1**

Cash flow	Nine months ended 30 September			Financial year ended 31 December			
	2017	2016	Pro forma 2016	2016	Pro forma 2016	2015	2014
(DKK million)							
Operating profit	56.0	28.4	34.1	54.2	60.0	66.8	35.2
Depreciation and amortisation	20.0	14.6	17.1	18.3	20.8	14.5	13.3
Share-based payments	2.7	0.7	0.7	2.1	2.2	0.0	0.0
Income tax paid	0.0	(2.6)	(2.6)	(14.6)	(14.6)	(17.1)	(9.3)
Change in net working capital	(5.7)	(5.2)	(17.4)	24.2	11.9	26.9	18.1
Operating activities	**73.0**	**35.9**	**31.9**	**84.2**	**80.3**	**91.2**	**57.2**
Investments in tangible assets	(5.0)	(1.3)	(1.3)	(3.7)	(3.7)	(3.7)	(1.8)
Sale of tangible assets	0.8	0.0	0.0	0.0	0.0	0.0	0.1
Investments in intangible assets	(0.3)	(0.3)	(0.3)	(0.7)	(0.7)	(1.7)	(4.3)
Investments in financial assets	(0.1)	0.0	(0.1)	0.0	(0.1)	0.2	0.0
Acquisition of operations	(52.8)	(479.4)	(479.4)	(479.4)	(479.4)	0.0	0.0
Investing activities	**(57.3)**	**(481.1)**	**(481.2)**	**(483.9)**	**(484.0)**	**(5.2)**	**(5.9)**
Interest paid	(6.3)	(9.9)	(11.3)	(12.3)	(13.7)	(1.1)	(1.1)
Proceeds from loans	0.0	202.9	202.9	202.9	202.9	0.8	0.2
Repayments of loans	(48.0)	(3.1)	(3.1)	(4.1)	(4.1)	(4.1)	(3.7)
Capital increase	0.0	309.7	309.7	309.7	309.7	0.0	0.0
Financing activities	**(54.2)**	**499.6**	**498.2**	**496.2**	**494.8**	**(4.3)**	**(4.6)**

Key figures and ratios	Notes	Nine months ended 30 September			Financial year ended 31 December			
		2017	2016	Pro forma 2016	2016	Pro forma 2016	2015	2014
(DKK million)								
Revenue		602.3	346.2	437.4	508.5	599.7	536.5	436.9
Revenue Growth		74.0%	(9.5)%	14.3%	(5.2)%	11.8%	22.8%	9.5%
EBIT (Operating profit)		56.0	28.4	34.1	54.2	60.0	66.8	35.2
Adjusted EBIT (Operating profit before non-recurring items) (non-IFRS)	(1)	77.8	46.8	52.5	72.9	78.7	66.8	35.2
EBITA (non-IFRS)	(1)	61.7	32.8	39.8	60.5	67.5	73.9	42.2
Adjusted EBITA (non-IFRS)	(1)	83.4	51.2	58.2	79.2	86.2	73.9	42.2
Adjusted EBITDA (non-IFRS)	(1)	90.1	55.8	64.1	85.6	93.9	81.3	48.5
Net interest-bearing debt (non-IFRS)	(1)	185.0	219.9	–	170.5	–	(52.7)	32.0
Net working capital (non-IFRS)	(1)	(48.5)	(29.9)	–	(59.3)	–	(47.3)	(20.4)
Capex excl. acquisitions (non-IFRS)	(1)	5.3	1.6	1.6	4.4	4.4	5.5	6.0
EBIT margin		9.3%	8.2%	7.8%	10.7%	10.0%	12.5%	8.1%
Adjusted EBIT margin		12.9%	13.5%	12.0%	14.3%	13.1%	12.5%	8.1%
Adjusted EBITA margin		13.9%	14.8%	13.3%	15.6%	14.4%	13.8%	9.7%
Adjusted EBITDA margin		15.0%	16.1%	14.7%	16.8%	15.7%	15.2%	11.1%
NWC ratio		(6.3)%	(5.1)%	–	(9.9)%	–	(8.8)%	(4.7)%
Capex ratio excl. acquisitions		0.9%	0.5%	0.4%	0.9%	0.7%	1.0%	1.4%
Cash conversion ratio		108.9%	98.8%	–	108.1%	–	126.4%	124.8%

Notes:
(1) Please see section 11.10 "Non-IFRS financial measures" for definition and calculation of non-IFRS financial measures.

DEFINITIONS OF RATIOS:

Financial ratios stated above have been calculated as stated below. See section 11.10 "*Non-IFRS financial measures*" for further details:

EBIT margin	EBIT * 100 / Revenue
Adjusted EBIT margin	Adjusted EBIT (non-IFRS) * 100 / Revenue
Adjusted EBITA margin	Adjusted EBITA (non-IFRS) * 100 / Revenue
Adjusted EBITDA margin	Adjusted EBITDA (non-IFRS) * 100 / Revenue
NWC ratio	Net working capital (non-IFRS) / Last twelve months revenue (1)
Capex ratio excl. acquisitions:	Capex ratio excluding acquisitions is calculated Capex excl. acquisitions (non-IFRS) divided with revenue. Capex is exclusive investments in connection with acquisitions.
Cash conversion ratio:	Cash conversion ratio is calculated as adjusted EBITDA (non-IFRS) less the change in net working capital (non-IFRS) and Capex excl. acquisitions (non-IFRS) divided by adjusted EBITDA (non-IFRS). The ratio is for the last twelve months (1).

Notes:
(1) Adjustment to twelve months in 2016 assumes that the acquisition of the Former TCM Group was effected on 1 January 2016.

11.3 EXPLANATION OF DIFFERENCES BETWEEN THE GROUP'S RESULT OF OPERATIONS FOR 2015 AND FINANCIAL POSITION AT 31 DECEMBER 2015 ACCORDING TO DANISH GAAP AND IFRS

The Consolidated Danish GAAP Financial Statements for 2015 have been prepared in accordance with Danish GAAP. Had the Consolidated Danish GAAP Financial Statements for 2015 been prepared in accordance with IFRS as applied by the Group, certain balance sheet items and income statement items would have been affected mainly due to differences in recognition and measurement criteria related to amortisation of goodwill and brands with indeterminable useful life as well as recognition of share-based payments.

Under IFRS expenses related to equity settled share-based payments are recognised in the income statement over the vesting period calculated as the fair value of the allotted equity instruments at grant date. Under Danish GAAP such schemes have been disclosed in the notes, only.

Under IFRS goodwill and brand with an indeterminable useful life are not amortised, but tested at least annually for impairment. Under Danish GAAP goodwill and all intangible assets are amortised.

The net profit for the year would have been favourably affected by reversal of amortisation of goodwill and brand with an indeterminable useful life of DKK 7.1 million off-set by an adverse impact from expenses related to share-based payments of DKK 0.4 million, net totalling DKK 6.7 million and the equity would have been favourably affected with DKK 7.1 million. No impairment of goodwill or brand would have been recorded in the consolidated financial statements prepared in accordance with IFRS.

11.4 IMPACT ON THE GROUP'S RESULT OF OPERATIONS FOR 2016 AND FINANCIAL POSITION AT 31 DECEMBER 2016 FROM THE ACQUISITION OF THE FORMER TCM GROUP

The Company had no business activity prior to the acquisition of the Former TCM Group, thus the result and financial position of the Company is entirely a result of the acquisition of Former TCM Group.

The table below shows a reconciliation between consolidated financial statements for 2016 for the Former Holding Company in accordance with IFRS, if such consolidated financial statements had been prepared, and the Company's Consolidated IFRS Financial Statements for 2016. The differences between the consolidated financial statements of the Former TCM Group, if prepared, and the Consolidated IFRS Financial Statements for 2016 are the allocation on fair value of acquired assets and assumed liabilities and other impacts from primarily financing of the acquisition of the Former TCM Group.

Illustrative allocation on fair value of acquired assets and assumed liabilities and other impact from the acquisition of the Former TCM Group

(Unaudited)	**Former TCM Group 2016**	**Notes**	**Purchase price allocation**	**Notes**	**TCM Group Invest ApS**	**Notes**	**TCM Group A/S**	**Notes**	**Company 2016**
(DKK million)									
Balance sheet as at 31 December		(1)		(2)		(3)		(3)	
Goodwill	78.7		237.1		0.0		0.0		315.8
Brand	0.0		172.0		0.0		0.0		172.0
Other intangible assets	4.0		31.5		0.0		0.0		35.5
Tangible assets	107.6		0.0		0.0		0.0		107.6
Other long term receivables	0.7		0.0		0.0		0.0		0.7
Current assets	159.8		0.0		4.5		0.0		164.3
Equity	146.4		0.0		193.5		0.0		339.9
Non-current liabilities	72.2		44.8		164.7		0.0		281.7
Current liabilities	132.2		0.0		42.0		0.0		174.2
Income statement for the financial year ended 31 December 2016		(1)		(4)		(3)		(3)	
Revenue	508.5		0.0		0.0		0.0		508.5
Gross profit	155.0		0.0		0.0		0.0		155.0
Operating profit before non-recurring items (non-IFRS)	82.1	(5)	(6.3)		(2.9)	(6)	0.0		72.9
Operating profit	82.1	(5)	(11.8)		(16.1)	(6)	0.0		54.2
Profit before tax	77.7	(5)	(11.8)		(24.9)	(6)	0.0		41.0
Net profit for the period	60.6	(5)	(9.2)		(22.9)	(6)	0.0		28.5

Notes:
(1) The balance sheet and income statement for the financial year ended 31 December 2016 for the Former TCM Group is based on the accounting records of the Former Holding Company and its subsidiaries for the period 01.03.2016 – 31.12.2016 and prepared in accordance with recognition and measurement criteria of IFRS. No consolidated financial information of the Former Holding Company for 2016 has been reported. The balance sheet is excluding intragroup balances with TCM Group Invest ApS and the Company.
(2) Purchase price allocation in the balance sheet includes the allocation on fair value of the individual assets acquired and liabilities assumed in connection with the acquisition of the Former Holding Company. The fair value that exceeds the carrying amount for the individual balance sheet items consist of goodwill of DKK 237.1 million, brand of DKK 172.0 million, franchise set-up of 31.5 million and an order back-log of DKK 5.5 million. Deferred tax is recognised on the appreciations related to brand, franchise set-up and order back-log. The value presented is the value of the items as at 31 December 2016.
(3) The balance sheet and income statement for the financial year ended 31 December 2016 for TCM Group Invest ApS and the Company are excluding intragroup balances.
(4) Purchase price allocation in the income statement includes amortisation of franchise set-up totalling DKK 6.3 million and the order back-log of DKK 5.5 million. The amortisation of the order back-log is a non-recurring item.
(5) Operating profit before non-recurring items (non-IFRS), Operating profit, Profit before tax and Net profit for the year contains intragroup cost, which is eliminated upon consolidation with TCM Group Invest ApS in column "Company 2016".
(6) Operating profit before non-recurring items (non-IFRS), Operating profit, Profit before tax and Net profit for the year contains intragroup income, which is eliminated in consolidation with the Company 2016 in column "Company 2016".

11.5 PRINCIPAL FACTORS AFFECTING THE GROUP'S RESULTS OF OPERATIONS

Prospective investors should also read section 1 "*Risk Factors*", section 6 "*Market and trend information*" and section 7 "*Business*" for further information of factors that may affect the Group's business, results of operations or financial condition.

In addition to the non-recurring items (non-IFRS) affecting comparability of the Group's results of operations described above, the results of operations have been affected in the periods under review, and are expected to continue to be affected, by the following principal factors relating to the Group's business.

BUSINESS COMBINATIONS

The Group's results of operations are impacted by acquisitions and the ability to grow the acquired businesses as well as achieving synergies.

On 1 March 2016 the Company acquired the Former TCM Group. The purchase price has been allocated to goodwill, brand and other intangible assets, e.g. value of franchise setup. Goodwill and brand will not be amortised due its indeterminable life span. The franchise setup will be amortised over five years and will be fully amortised by the first quarter of 2021. Prior to the acquisition there was no business activity within the Company.

In January 2017, the Company acquired Nettoline A/S. For the period 1 January – 30 September 2017 the revenue related to Nettoline A/S was DKK 83 million. The acquisition of Nettoline A/S will contribute positively to revenue and earnings in 2017 but could have an adverse impact on certain key figures such as gross margin and net working capital.

DEVELOPMENT IN BRANDED STORES

The Group's result are affected by the additions of new branded stores or branded stores closed.

Therefore, the number of branded stores (pertaining to the Svane and Tvis brands) constitutes a key non-financial measure for the Executive Management. At the time of the acquisition of the Former TCM Group (1 March 2016), there were 60 branded stores, while this number was 62 at 31 December 2016. As of 30 September 2017, the number of branded stores was 60.

In 2017, the Group sold the Svane store in Lyngby. The divestment has no significant impact on earnings but will have an adverse impact on revenue of approximately 2% in the second half of 2017 compared to the second half of 2016 and an adverse impact on gross margin of approximately one percentage point in the second half of 2017 compared to the second half of 2016.

ORGANIC GROWTH THROUGH EXISTING STORES

The revenue development through existing stores has a significant impact on the Group's results.

The Group focuses on design, quality, delivery assurance as well as marketing, branding and training of the sales force as significant competition parameters. The focus on design resulted in introduction of a variety of new product lines every year. These all contributed positively to the year's results of operations.

The Group has experienced revenue growth compared to previous years which is a combined result of a growing market and the ability to increase market share and grow faster than the competitors.

Certain economic conditions and the general market development are beyond the Group's control but impacts the development in the existing stores. Furthermore, the fluctuation in sales mix can impact the interim results. These factors are described below:

ECONOMIC CONDITIONS

The Group's revenues and results of operations are impacted by general macro-economic conditions in its principal markets with Denmark as the primary market. Such conditions include levels of employment, inflation or deflation, real disposable income, interest rates, taxation, currency exchange rates, stock market and housing market performance, the availability of consumer credit, levels of consumer debt, consumer confidence, consumer perception of economic conditions and consumer willingness to spend.

FLUCTUATION

The Group sees fluctuation in the B2C sales with increased sales typically in the second and fourth financial quarter. If the Group experiences a shift in its mix between sale to the B2B and B2C segments, this may cause the Group to be exposed to a higher degree of fluctuation in sales mix. A shift in the Group's mix between sales to B2B and B2C segments, implying that the sales to the B2B segments are increased, may further result in a lower margin to the Group. Furthermore, the Group's capacity and ability to generate revenue is affected by the timing of holidays e.g. Easter and thereby number of production days. As a result of this, the interim quarterly results are not necessarily indicative for the results for the full year.

11.6 SUMMARY OF THE KEY FINANCIAL DEVELOPMENT IN THE FIRST NINE MONTHS OF 2017 COMPARED TO FIRST NINE MONTHS OF 2016 AND PRO FORMA FIRST NINE MONTHS OF 2016

INCOME STATEMENT

Total revenue for the nine months period ended 30 September 2017 was DKK 602.3 million compared to DKK 346.2 million for 2016 and DKK 437.4 million for the 2016 Interim Pro Forma Accounts. The increase of DKK 256.1 million compared to nine months period ended 30 September 2016 was primarily due to the acquisition of Nettoline A/S, DKK 83.0 million, as well as organic growth and the fact that 2016 includes business activity for a seven months period only due to the acquisition of the Former TCM Group 1 March 2016. The increase compared to 2016 Interim Pro Forma Accounts was DKK 164.9 million.

The organic growth is primarily due to growth in Denmark, which was 52.6% (21.2% compared to the 2016 Interim Pro Forma Accounts). Nettoline's sale in Denmark for the first nine months of 2017 amounted to DKK 46.7 million. The organic growth in other markets was 21.0% (-7.8% compared to the 2016 Interim Pro Forma Accounts). Nettoline's sale to other markets for the first nine months of 2017 amounted to DKK 36.3 million.

Gross profit for the nine months period ended 30 September 2017 was DKK 163.8 million, corresponding to a gross margin of 27.2%, and DKK 103.8 million for 2016, corresponding to a gross margin of 30.0% (DKK 127.8 million for the 2016 Interim Pro Forma Accounts, corresponding to a gross margin of 29.2%). The increase of DKK 60.0 million compared to the nine months period ended 30 September 2016 was primarily due to the growth in revenue described above. The increase compared to 2016 Interim Pro Forma Accounts was DKK 36.0 million. The decrease in gross margin was due to high growth on large project sales, especially in the first half year, and the fact that Nettoline has a structurally lower gross margin.

Selling and administration expenses for the nine months period ended 30 September 2017 was DKK 86.0 million and DKK 57.0 million for 2016 (DKK 75.4 million for the 2016 Interim Pro Forma Accounts). The increase of DKK 29.0 million compared to the nine months period ended 30 September 2016 was primarily due to the acquisition of Nettoline as of 1 January 2017, which has operating expenses of DKK 10.1 million in the first nine months of 2017, and the fact that 2016 includes business activity for a seven months period only. The increase compared to 2016 Interim Pro Forma Accounts was DKK 12.5 million.

EBITA (non-IFRS) for the nine months period ended 30 September 2017 was DKK 61.7 million and DKK 32.8 million for 2016 (DKK 39.8 million for the 2016 Interim Pro Forma Accounts).

Adjusted EBITA (EBITA before non-recurring items) (non-IFRS) for the nine months period ended 30 September 2017 was DKK 83.4 million and DKK 51.2 million for 2016 (DKK 58.2 million for the 2016 Interim Pro Forma Accounts). The increase of DKK 32.2 million compared to the nine months period ended 30 September 2016 was primarily due to the growth in revenue described above and the fact that 2016 includes business activity for a seven months period only. The increase compared to 2016 Interim Pro Forma Accounts was DKK 25.2 million.

Adjusted EBITDA (EBITDA before non-recurring items) (non-IFRS) for the nine months period ended 30 September 2017 was DKK 90.1 million and DKK 55.8 million for 2016 (DKK 64.1 million for the 2016 Interim Pro Forma Accounts).

The operating profit for the nine months period ended 30 September 2017 was DKK 56.0 million and DKK 28.4 million for 2016 (DKK 34.1 million for the 2016 Interim Pro Forma Accounts). The increase of DKK 27.6 million compared to the nine months period ended 30 September 2016 was primarily due to the growth in revenue described above. The operating profit for the nine months period ended 30 September 2017 was affected by non-recurring items (non-IFRS) of DKK 21.7 million compared to DKK 18.4 million in 2016.

Financial income and expenses for the nine months period ended 30 September 2017 was DKK (7.1) million and DKK (10.6) million for 2016 (DKK (12.1) million for the 2016 Interim Pro Forma Accounts). The decrease of DKK 3.5 million compared to the nine months period ended 30 September 2016 was primarily due to repayments of loans and non-recurring financial expenses in 2016 related to the acquisition of Former TCM Group.

Profit before tax increased from DKK 17.8 million for the nine months period ended 30 September 2016 (DKK 22.0 million for the 2016 Interim Pro Forma Accounts) to DKK 49.0 million for nine months period ended 30 September 2017.

Income taxes for the nine months period ended 30 September 2017 was DKK (13.3) million and DKK (7.0) million for 2016 (DKK (8.0) million for the 2016 Interim Pro Forma Accounts). The effective tax rate was 27.2% in 2017 compared to 39.2% in 2016 (36.1% for the 2016 Interim Pro Forma Accounts). The high effective tax rate in 2017 and 2016 is due to non-deductible expenses of DKK 11.5 million in 2017 and DKK 13.6 million in 2016 primarily transaction costs related to business combinations and in 2017 in addition costs related to the listing of the Company. Without the non-deductible expenses, the effective tax rate would have been 22.0% in 2017, 22.2% in 2016 and 22.3% for the 2016 Interim Pro Forma Accounts.

As a result of the above mentioned factors, net profit for the year increased from DKK 10.8 million in the nine months period ended 30 September 2016 (DKK 14.0 million for the 2016 Interim Pro Forma Accounts) to DKK 35.7 million for 2017.

BALANCE SHEET

Intangible assets as at 30 September 2017 was DKK 570.9 million and DKK 525.2 million as at 30 September 2016. The increase of DKK 45.7 million compared to 30 September 2016 was primarily due to goodwill related to the acquisition of Nettoline A/S on 1 January 2017.

Tangible assets as at 30 September 2017 was DKK 83.3 million and DKK 106.6 million as at 30 September 2016. The decrease of DKK 23.3 million compared to 30 September 2016 was primarily due to buildings in Horsens, which were for sale as of 30 September 2017. The buildings had a value of DKK 23.8 million, which is impaired at a net selling price of DKK 16.6 million. Capex ratio excl. acquisitions was 0.9% for the first nine month of 2017 compared to 0.5% for 2016. The increase of 0.4% compared to 2016 was primarily due to a higher level of investments in the first nine months of 2017.

Inventories as at 30 September 2017 was DKK 36.0 million and DKK 33.7 million as at 30 September 2016. The increase of DKK 2.3 million compared to 30 September 2016 was primarily due to the acquisition of Nettoline, which had inventory of DKK 12.7 million as at 30 September 2017 partly off-set by a decrease in inventory in Concepta Skabe, which had inventory of DKK 1.3 million as at 30 September 2017 compared to inventory of DKK 7.5 million as at 30 September 2016.

Trade and other receivables as at 30 September 2017 was DKK 75.0 million and DKK 55.5 million as at 30 September 2016. The increase of DKK 19.5 million compared to 30 September 2016 was primarily due to the acquisition of Nettoline, which had trade receivables of DKK 7.9 million as at 30 September 2017, and impact from the revenue growth.

Trade and other payables as at 30 September 2017 was DKK 159.5 million and DKK 119.1 million as at 30 September 2016. The increase of DKK 40.4 million compared to 30 September 2016 was primarily due to the acquisition of Nettoline, which had trade payables of DKK 15.1 million as at 30 September 2017, and the higher activity as well as improved payment terms with suppliers.

Net working capital (non-IFRS) as at 30 September 2017 was DKK (48.5) million and DKK (29.9) million as at 30 September 2016. The improvement of DKK 18.6 million compared to 30 September 2016 was primarily due to higher trade payables driven by higher activity as well as improved payment terms with suppliers off-set by increase in trade receivables. The NWC ratio as at 30 September 2017 was (6.3)% compared to (5.1)% as at 30 September 2016.

Net interest bearing debt (non-IFRS) as at 30 September 2017 was DKK 185.0 million and DKK 219.9 million as at 30 September 2016. The decrease of DKK 34.9 million compared to 30 September 2016 was primarily due to increased earnings and net working capital improvements. The leverage ratio measured as net interest bearing debt excluding tax liabilities/adjusted EBITA LTM as at 30 September 2017 was 1.36. The TCM Group targets a leverage ratio of maximum 2.25. See section 23.1 "*Facility Agreement*" for a description of the TCM Group's Facility Agreement.

Equity as at 30 September 2017 was DKK 378.3 million and DKK 320.4 million as at 30 September 2016. The increase of DKK 57.9 million compared to 30 September 2016 was primarily due to earnings and no distribution of dividends. As of 15 September 2017, the Company issued bonus shares in an amount of DKK 900,000 to its existing shareholders in order to increase the number of Shares in the Company prior to the Offering.

With respect to off-balance sheet items, please see section 9 "*Property, plant and equipment*".

CASH FLOW

Cash flow from operating activities for the nine months period ended 30 September 2017 was DKK 73.0 million and DKK 35.9 million for 2016 (DKK 31.9 million for the 2016 Interim Pro Forma Accounts). The increase of DKK 37.1

million compared to the nine months period ended 30 September 2016 was primarily due to the acquisition of Nettoline A/S and increased earnings.

Cash flow from investing activities for the nine months period ended 30 September 2017 was DKK (57.3) million and DKK (481.1) million for 2016 (DKK (481.2) million for the 2016 Interim Pro Forma Accounts). The improvement of DKK 424.0 million compared to the nine months period ended 30 September 2016 was primarily due to the acquisition of the Former TCM Group 1 March 2016 with an adverse cash flow impact of DKK 479.4 million. The acquisition of Nettoline A/S on 1 January 2017 affects the cash flow in 2017 adversely with DKK 52.6 million.

Cash flow from financing activities for the nine months period ended 30 September 2017 was DKK (54.2) million and DKK 499.6 million for 2016 (DKK 498.2 million for the 2016 Interim Pro Forma Accounts). The cash flow from financing activities consisted of repayments of loans and interest paid. In 2016 the cash flow from financing activities in addition consisted of a capital increase as of 1 March 2016 of DKK 309.7 million and proceeds from loans of DKK 202.9 million.

The cash conversion ratio as at 30 September 2017 was 108.9% compared to 98.8% as at 30 September 2016.

11.7 SUMMARY OF THE KEY FINANCIAL DEVELOPMENT IN 2016 AND PRO FORMA 2016 COMPARED TO 2015 AND 2014 INCOME STATEMENT

Total revenue for the financial year ended 31 December 2016 was DKK 508.5 million and DKK 599.7 million for 2016 Pro Forma Accounts compared to DKK 536.5 million for 2015 and DKK 436.9 million for 2014. The decrease of DKK 28.0 million from 2015 to 2016 was primarily due to the acquisition of Former Holding Company 1 March 2016, and therefore 2016 only includes 10 months, offsetting the organic growth in revenue of DKK 63.2 million (the increase from 2015 to 2016 Pro Forma Accounts). The increase of DKK 99.6 million from 2014 to 2015 was primarily due to organic growth and a full year effect from re-invoicing appliances which was initiated in May 2014. Revenue growth for the financial year ended 31 December 2016 pro forma was 12% compared to 2015. The growth was primarily due to growth in Denmark, which was 12%, while the growth in other markets was 9%. In 2015 the revenue growth was 23% compared to 2014, which primarily was due to the growth in Denmark of 25%, while the growth in other markets was 6%. Bonus related to revenue in the legal entity Concepta Skabe A/S has prior to 2016 been classified as a part of selling expenses. Had the bonus been classified as a part of revenue in 2015 and 2014, the revenue had been reduced by DKK 8.3 million in 2015 and DKK 8.3 million in 2014.

Gross profit for the financial year ended 31 December 2016 was DKK 155.0 million, corresponding to a gross margin of 30.5%, and DKK 179.0 million for 2016 Pro Forma Accounts, corresponding to a gross margin of 29.9%, compared to DKK 153.3 million for 2015, corresponding to a gross margin of 28.6%, and DKK 123.1 million for 2014, corresponding to a gross margin of 28.2%. The increase of DKK 1.7 million from 2015 to 2016 was primarily due to the acquisition of the Former TCM Group, the organic growth in revenue as well as efficiency improvements (the increase from 2015 to 2016 Pro Forma Accounts was DKK 25.7 million). The increase of DKK 30.2 million from 2014 to 2015 was primarily due to the growth in revenue as well as efficiency improvements. Bonus related to revenue in the legal entity Concepta Skabe A/S has prior to 2016 been classified as a part of selling expenses. Had the bonus been classified as a part of revenue in 2015 and 2014, the gross profit had been reduced by DKK 8.3 million in 2015 and DKK 8.3 million in 2014. Selling expenses in Svane Køkkenet A/S have prior to 2016 been classified as a part of the cost of goods sold. Had the selling expenses not been included in cost of goods sold in 2015 and 2014, the gross profit had been improved by DKK 14.1 million in 2015 and DKK 12.9 million in 2014. Had the adjustments been included in gross profit, the gross margin would had been 30.2% in 2015 and 29.8% in 2014, which is on par with 2016.

Selling and administration expenses for the financial year ended 31 December 2016 was DKK 82.1 million and DKK 100.4 million for 2016 Pro Forma Accounts compared to DKK 85.8 million for 2015 and DKK 87.3 million for 2014. The decrease of DKK 3.7 million from 2015 to 2016 was primarily due to increased amortisation related to the acquisition of the TCM Group. The selling expenses and administration increased a.o. due to increased marketing spend, which was off-set by the fact that 2016 included activity for a ten months period only (the increase from 2015 to 2016 Pro Forma Accounts was DKK 14.6 million). The selling and administration expenses in 2015 was on par with 2014. Bonus related to revenue in the legal entity Concepta Skabe A/S has prior to 2016 been classified as a part of selling expenses. Had the bonus been classified as a part of revenue in 2015 and 2014, the selling expenses had been reduced by DKK 8.3 million in 2015 and DKK 8.3 million in 2014. Certain selling expenses in the legal entity Svane Køkkenet A/S have prior to 2016 been classified as a part of the cost of goods sold. Had the selling expenses not been included in cost of goods sold in 2015 and 2014, the selling expenses had been increased by DKK 14.1 million in 2015 and DKK 12.9 million in 2014. In the entity Køkkenretail ApS certain salary costs have prior to 2016 been classified as administrative costs, but since 2016 such costs have been classified as selling expenses. Had these costs been classified as selling expenses in 2014 and 2015, the selling expenses would have been DKK 14.5 million higher in each of 2014 and 2015, and administrative costs would have been lowered correspondingly.

EBITA (non-IFRS) for the financial year ended 31 December 2016 was DKK 60.5 million and DKK 67.5 million for 2016 Pro Forma Accounts compared to DKK 73.9 million for 2015 and DKK 42.2 million for 2014.

Adjusted EBITA (EBITA before non-recurring items) (non-IFRS) for the financial year ended 31 December 2016 was DKK 79.2 million and DKK 86.2 million for 2016 Pro Forma Accounts compared to DKK 73.9 million for 2015 and DKK 42.2 million for 2014. The increase of DKK 5.3 million compared to 2015 was primarily due to the acquisition of the TCM Group, the organic growth in revenue as well as efficiency improvements (the increase from 2015 to 2016 Pro Forma Accounts was DKK 12.3 million). The increase of DKK 31.7 million from 2014 to 2015 was primarily due to the revenue growth, efficiency improvements as well as the fact that selling and administration expenses was kept on par with 2014.

Adjusted EBITDA (EBITDA before non-recurring items) (non-IFRS) for the financial year ended 31 December 2016 was DKK 85.6 million and DKK 93.9 million for 2016 Pro Forma Accounts compared to DKK 81.3 million for 2015 and DKK 48.5 million for 2014.

The operating profit for the financial year ended 31 December 2016 was DKK 54.2 million and DKK 60.0 million for 2016 Pro Forma Accounts compared to DKK 66.8 million for 2015 and DKK 35.2 million for 2014. The decline of DKK 12.6 million compared to 2015 was primarily due to non-recurring items (non-IFRS) of DKK 18.7 million (operating profit before non-recurring items (non-IFRS) was DKK 72.9 million) as well as the fact that 2016 includes business activity for a ten months period only due to the acquisition of the Former TCM Group 1 March 2016. The increase from 2014 to 2015 of DKK 31.6 million was primarily due to the growth in revenue as well as efficiency improvements and a fixed cost level on par with 2014.

Financial income and expenses, net, for the financial year ended 31 December 2016 was DKK (13.2) million and DKK (14.8) million for 2016 Pro Forma Accounts compared to DKK (1.0) million for 2015 and DKK (1.1) million for 2014. The increase of financial expenses of DKK 12.3 million from 2015 to 2016 was primarily due to interest and expenses regarding loan financing related to the acquisition of the Former TCM Group and non-recurring financial expenses in 2016 related to the acquisition of the Former TCM Group.

Profit before tax was DKK 41.0 million for the financial year ended 31 December 2016 and DKK 45.1 million for the 2016 Pro Forma Accounts compared to DKK 65.8 million for 2015 and DKK 34.1 million for 2014.

Income taxes for the financial year ended 31 December 2016 was DKK (12.5) million and DKK (13.4) million for the 2016 Pro Forma Accounts compared to DKK (17.6) million in 2015 and DKK (10.0) million in 2014.

The effective tax rate was 30.4% in 2016 and 29.7% for the 2016 Pro Forma Accounts compared to 26.7% in 2015 and 29.3% in 2014. The high effective tax rate in 2016 was due to non-deductible expenses in 2016 of DKK 15.4 million consisting primarily of transaction costs related to business combinations. Without the non-deductible transaction costs, the effective tax rate would have been 22.1% in 2016 and 22.1% for the 2016 Pro Forma Accounts.

As a result of the above mentioned factors, net profit was DKK 28.5 million for the financial year ended 31 December 2016 and DKK 31.7 million for the 2016 Pro Forma Accounts compared to DKK 48.2 million for 2015 and DKK 24.1 million for 2014.

BALANCE SHEET

Intangible assets as at 31 December 2016 was DKK 523.3 million compared to DKK 84.4 million for 2015 and DKK 90.9 million for 2014. The increase of DKK 438.9 million compared to 2015 was primarily due to an increase in goodwill of DKK 237.1 million, brand value of DKK 172.0 million and franchise set-up of DKK 31.5 million, all related to the acquisition of the Former TCM Group. Intangible assets as at 31 December 2015 of DKK 84.4 million was DKK 6.5 million lower than 2014 due to amortisation of goodwill.

In the financial year 2016 amortisation of DKK 7.6 million is included as part of the administrative expenses. The amortisation relates to the Svane franchise setup and will be fully amortised in 2021 (1 March). In 2014 and 2015 the amortisation of DKK 7.1 million was included as part of cost of goods sold (DKK 0.5 million) and administrative expenses (DKK 6.5 million). The amortisation in 2014 and 2015 relates to amortisation of goodwill in relation to the acquisition of the Svane Brand and Axcel's acquisition of Tvis/Modulia and Concepta Skabe A/S.

Tangible assets as at 31 December 2016 was DKK 107.6 million compared to DKK 110.3 million for 2015 and DKK 113.0 million for 2014. The decrease of DKK 2.7 million compared to 2015 was primarily due to depreciation of DKK 6.4 million off-set by investments of DKK 3.7 million. The decrease of DKK 2.7 million from 2014 to 2015 was primarily due to depreciation of DKK 6.4 million off-set by investments of DKK 3.7 million. Capex ratio excl. acquisitions was 0.7% for the financial year ended 31 December 2016 and on par with 1.0% in 2015 and 1.4% in 2014.

Inventories as at 31 December 2016 was DKK 29.1 million, DKK 29.2 million in 2015 and DKK 30.0 million in 2014. The inventories are on par with 2015 and the decrease compared to 2014 of DKK 0.8 million compared to 2015 was primarily due to divested stores in 2015.

Trade and other receivables as at 31 December 2016 was DKK 38.6 million, DKK 28.7 million in 2015 and DKK 25.1 million in 2014. The increase compared to 2015 of DKK 10.1 million was primarily due to revenue growth as well as timing of Christmas holidays and thereby deliveries at year-end. Trade and other receivables in 2015 is more or less on par with 2014.

Trade and other payables as at 31 December 2016 was DKK 127.0 million, DKK 105.2 million in 2015 and DKK 75.5 million in 2014. The increase compared to 2015 of DKK 21.8 million was primarily due to higher activity as well as improved payment terms with suppliers. The increase from 2014 to 2015 of DKK 29.7 million was primarily due to higher activity as well as improved payment terms with suppliers.

Net working capital (non-IFRS) as at 31 December 2016 was DKK (59.3) million, DKK (47.3) million in 2015 and DKK (20.4) million in 2014. The improvement compared to 2015 of DKK 12.0 million was primarily due to higher trade payables driven by higher activity as well as improved payment terms with suppliers off-set by increase in trade receivables. The improvement from 2014 to 2015 of DKK 26.9 million was primarily due to higher trade payables driven by higher activity as well as improved payment terms with suppliers. The NWC ratio as at 31 December 2016 was (9.9)% compared to (8.8)% in 2015 and (4.7)% in 2014.

Net interest-bearing debt (non-IFRS) as at 31 December 2016 was DKK 170.5 million compared to DKK (52.7) million for 2015 and DKK 32.0 million for 2014. The increase compared to 2015 of DKK 223.2 million was primarily due to new bank loans of DKK 210.0 million related to the acquisition of the Former Holding Company. The decrease from 2014 to 2015 of DKK 84.7 million was primarily due to increased earnings and net working capital improvements. See section 23.1 "*Facility Agreement*" for a description of the TCM Group's Facility Agreement.

Equity as at 31 December 2016 was DKK 339.9 million compared to DKK 183.7 million for 2015 and DKK 135.4 million for 2014. The equity as at 31 December 2016 consist of a capital increase 1 March 2016 on DKK 309.7 million as well as profit for the period 1 March 2016 to 31 December 2016 following the Group's acquisition of the shares in the Former Holding Company. The increase of DKK 48.3 million from 2014 to 2015 was primarily due to the earnings in 2015.

CASH FLOW

Cash flow from operating activities for the financial year ended 31 December 2016 was DKK 84.2 million and DKK 80.3 million for 2016 Pro Forma Accounts compared to DKK 90.1 million for 2015 and DKK 56.1 million for 2014. The decline of DKK 5.9 million from 2015 to 2016 was primarily due to non-recurring items (non-IFRS) with a cash flow impact of DKK 13.2 million. The increase of DKK 34.0 million from 2014 to 2015 was primarily due to the growth in gross profit and improvements in net working capital.

Cash flow from investing activities for the financial year ended 31 December 2016 was DKK (483.9) million and DKK (484.0) million for 2016 Pro Forma Accounts compared to DKK (5.2) million for 2015 and DKK (5.9) million for 2014. The increase of investments of DKK 478.7 million from 2015 to 2016 was primarily due to the acquisition of the Former TCM Group on 1 March 2016. Investing activities besides acquisition of Former TCM Group amount to DKK 4.4 million and is on par with 2015 and 2014.

Cash flow from financing activities for the financial year ended 31 December 2016 was DKK 496.3 million and DKK 494.8 million for the 2016 Pro Forma Accounts compared to DKK (3.3) million for 2015 and DKK (3.6) million for 2014. The increase of DKK 499.6 million from 2015 to 2016 was primarily due to a capital increase as of 1 March 2016 of DKK 309.7 million and proceeds from loans of DKK 202.9 million. Cash flow from financing activities in 2015 is on par with 2014.

The cash conversion ratio as at 31 December 2016 was 108.1% compared to 126.4% for 2015 and 124.8% for 2014.

11.8 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

Preparing the consolidated financial statements in accordance with IFRS requires that assessments, estimates and assumptions that affect the application of accounting policies and the recognised amounts of assets, liabilities, income and expenses are made. The actual outcome may differ from these estimates and assessments. Estimates and assumptions are regularly reviewed. Changes to estimates are recognised in the period in which the change is made, if the change affects only that period, or in the period in which the change is made and future periods, if the change affects both current periods and future periods. Assessments made by the Executive Management in the application of IFRS that have a material impact on the consolidated financial statements and estimates made that may lead to significant adjustments in the consolidated financial statements of future fiscal years are primarily the following:

BUSINESS COMBINATIONS

The acquisition of Former TCM Group has been accounted for as a business combination by applying the acquisition method. According to this method the acquired identifiable assets and assumed liabilities and contingent liabilities are recognised at their fair value on the acquisition date. The assessment of fair values includes valuation techniques where estimates are applied typically related to determining the present value of uncertain future cash flows or assessing other events in which the outcome is uncertain at the date of acquisition. The most significant estimates are made on the valuation of intangible assets, including the value of the acquired brand, franchise set-up, order backlog, and land and buildings.

IMPAIRMENT TESTING OF GOODWILL

Goodwill is recognised at cost less any accumulated impairment. The Group regularly performs impairment tests of goodwill in accordance with the accounting policies. The assumptions and assessments made relate mainly to the expected cash flows and the discount rate in the form of weighted average cost of capital.

The weighted average cost of capital is calculated on the average debt/equity ratio for large companies in similar industries and costs for borrowed and shareholders' equity. The cost of shareholders' equity is determined on the basis of the assumption that all investors require at least the same level of return as for risk-free government bonds, with an additional risk premium for the estimated risks assumed when they invest in cash generating units. The risk premium has been established based on the long-term historical return on the stock market for large companies in similar industries by taking into consideration the risk profile of each business unit. The required return on debt financed capital is also calculated on the return on risk-free government bonds and by applying a borrowing margin based on an estimated company-specific risk. The current tax rate of 22% is applied.

VALUATION OF INVENTORY

The Group estimates the net realisable value at the amount at which inventories are expected to be sold. Inventories are written down to net realisable value when the cost of inventories is not estimated to be recoverable due to obsolescence, damage or declining selling prices. Estimates are used when accounting for or measuring inventory write-downs, and these estimates depend upon subjective and complex judgements about certain circumstances, taking into account fluctuations in prices, excess quantities, condition of the inventory, nature of the inventory, and the estimated variable costs necessary to make the sale.

The judgements, estimates and assumptions made are based on historical experience and other factors which Executive Management assesses to be reliable, but which, by their nature, are associated with uncertainty and unpredictability. These assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise.

11.9 CRITICAL ACCOUNTING POLICIES

For a discussion of the Group's significant accounting policies, see note 1 to the Consolidated IFRS Financial Statements for 2016.

11.10 NON-IFRS FINANCIAL MEASURES

This Prospectus contains non-IFRS financial measures. The non-IFRS financial measures presented herein are not defined as or measures of financial performance under IFRS, but are measures used by the Group to monitor the performance of its business and operations. None of these measures have been audited or reviewed, and they may not be indicative of the Group's historical results of operations, nor are such measures meant to be predictive of the Group's future results of operations. The Group has presented these non-IFRS financial measures in the Prospectus because they are considered both important supplement measures of the Group's performance and widely used by investors in comparing performance between companies. Unless otherwise indicated, tables with financial measures included in this Prospectus are presented on an IFRS basis.

Not all companies calculate non-IFRS financial measures in the same manner or on a consistent basis. As a result, these measures may not be comparable to measures used by other companies under the same or similar names. Accordingly, undue reliance should not be placed on the non-IFRS financial measures contained in this Prospectus and they should not be considered as a substitute for financial measures computed in accordance with IFRS.

The following definitions apply throughout the Prospectus and include reconciliations from the relevant IFRS financial measures to the defined non-IFRS financial measures:

EBITA (NON-IFRS)

EBITA is defined as earnings before interest, tax, amortisation and impairment of intangible assets. The Executive Management considers EBITA to be a useful measure to monitor the underlying performance because by excluding such amortisation and impairment, the measure indicates the performance of the Group's operations and is not impacted by capital investments in intangible assets.

The following table provides a reconciliation of Operating profit (Profit before financial items and income taxes or EBIT) to EBITA (non-IFRS):

	Nine months ended 30 September			Financial year ended 31 December			
	2017	**2016**	**Pro forma 2016**	**2016**	**Pro forma 2016**	**2015**	**2014**
(DKK million)							
Operating profit (EBIT)	**56.0**	**28.4**	**34.1**	**54.2**	**60.0**	**66.8**	**35.2**
Amortisation of intangible assets (1)	5.7	4.4	5.7	6.3	7.6	7.1	7.1
Impairment of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITA (non-IFRS)	**61.7**	**32.8**	**39.8**	**60.5**	**67.5**	**73.9**	**42.3**

Notes:
(1) Amortisation of intangible assets excludes non-recurring amortisation of order backlog which is included in non-recurring items (non-IFRS).

NON-RECURRING ITEMS (NON-IFRS)

Non-recurring items are defined as non-recurring income and expenses that are not considered to be a part of the Group's ordinary operations such as amortisation of order backlog and transaction costs related to business combinations. Non-recurring items are excluding non-recurring financial income and expenses as well as non-recurring tax income and expenses. The Executive Management considers adjustments for non-recurring items to be a useful measure to monitor the underlying performance as items of a non-recurring nature are important to understand underlying performance.

The following table provides a specification of non-recurring items (non-IFRS):

	Nine months ended 30 September			Financial year ended 31 December			
	2017	**2016**	**Pro forma 2016**	**2016**	**Pro forma 2016**	**2015**	**2014**
(DKK million)							
Amortisation of order backlog	(0.4)	(5.5)	(5.5)	(5.5)	(5.5)	0.0	0.0
Transaction costs related to business combinations	(0.0)	(12.9)	(12.9)	(13.2)	(13.2)	0.0	0.0
Listing of the Company	(7.9)	0.0	0.0	0.0	0.0	0.0	0.0
Costs related to integration of Nettoline	(5.4)	0.0	0.0	0.0	0.0	0.0	0.0
Impairment of assets held for sale related to site shutdown	(7.2)	0.0	0.0	0.0	0.0	0.0	0.0
Non-recurring items (non-IFRS)	**(21.7)**	**(18.4)**	**(18.4)**	**(18.7)**	**(18.7)**	**0.0**	**0.0**

ADJUSTED EBITA (EBITA BEFORE NON-RECURRING ITEMS) (NON-IFRS)

EBITA before non-recurring items is defined as earnings before interest, tax, amortisation, impairment of intangible assets and non-recurring items. The Executive Management considers EBITA before non-recurring items to be a useful measure to monitor the underlying performance as it excludes non-recurring items which are non-recurring by nature when measuring underlying performance and is not impacted by capital investments in intangible assets.

The following table presents the adjustments made to EBITA (non-IFRS) to arrive at Adjusted EBITA (EBITA before non-recurring items) (non-IFRS):

	Nine months ended 30 September			Financial year ended 31 December			
	2017	**2016**	**Pro forma 2016**	**2016**	**Pro forma 2016**	**2015**	**2014**
(DKK million)							
EBITA (non-IFRS)	**61.7**	**32.8**	**39.8**	**60.5**	**67.5**	**73.9**	**42.3**
Non-recurring items (non-IFRS)	21.7	18.4	18.4	18.7	18.7	0.0	0.0
Adjusted EBITA (EBITA before non-recurring items) (non-IFRS)	**83.4**	**51.2**	**58.2**	**79.2**	**86.2**	**73.9**	**42.3**

ADJUSTED EBITDA (EBITDA BEFORE NON-RECURRING ITEMS) (NON-IFRS)

EBITDA before non-recurring items is defined as earnings before interest, tax, depreciation, amortisation, impairment of intangible assets and non-recurring items. The Executive Management considers EBITDA before non-recurring items to be a useful measure to monitor the underlying performance as it excludes non-recurring items which are non-recurring by nature when measuring underlying performance and is not impacted by capital investments in intangible and tangible assets.

The following table presents the adjustments to Adjusted EBITA (non-IFRS) made to arrive at Adjusted EBITDA (EBITDA before non-recurring items) (non-IFRS):

	Nine months ended 30 September			Financial year ended 31 December			
	2017	**2016**	**Pro forma 2016**	**2016**	**Pro forma 2016**	**2015**	**2014**
(DKK million)							
Adjusted EBITA (EBITA before non-recurring items) (non-IFRS)	**83.4**	**51.2**	**58.2**	**79.2**	**86.2**	**73.9**	**42.3**
Depreciation	6.7	4.7	6.0	6.4	7.8	7.4	6.3
Adjusted EBITDA (EBITDA before non-recurring items) (non-IFRS)	**90.1**	**55.8**	**64.1**	**85.6**	**93.9**	**81.3**	**48.6**

EBIT BEFORE NON-RECURRING ITEMS (OPERATING PROFIT BEFORE NON-RECURRING ITEMS) (NON-IFRS)

EBIT before non-recurring items is defined as earnings before interest, tax and non-recurring items. The Executive Management considers EBIT before non-recurring items to be a useful measure to monitor the underlying performance as it excludes non-recurring items which are non-recurring by nature.

The following table presents the adjustments made to EBIT to arrive at EBIT before non-recurring items (non-IFRS):

	Nine months ended 30 September			Financial year ended 31 December			
	2017	**2016**	**Pro forma 2016**	**2016**	**Pro forma 2016**	**2015**	**2014**
(DKK million)							
EBIT (Operating profit)	**56.0**	**28.4**	**34.1**	**54.2**	**60.0**	**66.8**	**35.2**
Non-recurring items (non-IFRS)	21.7	18.4	18.4	18.7	18.7	0.0	0.0
EBIT before non-recurring items (non-IFRS)	**77.8**	**46.8**	**52.5**	**72.9**	**78.7**	**66.8**	**35.2**

NET INTEREST-BEARING DEBT (NON-IFRS)

Net interest-bearing debt is defined as current and non-current interest-bearing loans and borrowings less interest-bearing receivables and cash and cash equivalents.

The following table presents the net interest-bearing debt (non-IFRS):

	As at 30 September		As at 31 December		
	2017	**2016**	**2016**	**2015**	**2014**
(DKK million)					
Mortgage loans	56.3	60.0	59.0	62.7	66.2
Bank loans	164.9	204.1	204.2	0.9	33.0
Tax liabilities	21.8	10.2	3.9	1.2	1.0
Cash and cash equivalents	(58.1)	(54.4)	(96.6)	(117.5)	(68.2)
Net interest-bearing debt (non-IFRS)	**185.0**	**219.9**	**170.5**	**(52.7)**	**32.0**

NET WORKING CAPITAL (NON-IFRS)

Net working capital is defined as the sum of inventories, trade receivables, other receivables and prepayments less the sum of prepayments from costumers, trade payables and other current liabilities.

The following table presents the net working capital (non-IFRS):

	As at 30 September		As at 31 December		
	2017	**2016**	**2016**	**2015**	**2014**
(DKK million)					
Inventories	36.0	33.7	29.1	29.2	30.0
Trade receivables	68.0	50.4	32.5	23.8	22.8
Other receivables and prepayments	7.0	5.1	6.1	4.8	2.3
Working capital assets	**111.0**	**89.2**	**67.7**	**57.9**	**55.1**
Trade payables	91.0	70.5	84.8	64.1	38.4
Prepayments from customers and other current liabilities	68.5	48.6	42.2	41.1	37.1
Working capital liabilities	**159.5**	**119.1**	**127.0**	**105.2**	**75.5**
Net working capital (non-IFRS)	**(48.5)**	**(29.9)**	**(59.3)**	**(47.3)**	**(20.4)**

CAPEX EXCL. ACQUISITIONS (NON-IFRS)

Capex excl. acquisitions is defined as the cash flow from investing activities less cash flow related to acquisition of operations, sale of intangible and tangible assets as well as investments in financial assets.

The following table presents the cash flow from capex excl. acquisitions (non-IFRS):

	Nine months ended 30 September			Financial year ended 31 December			
	2017	**2016**	**Pro forma 2016**	**2016**	**Pro forma 2016**	**2015**	**2014**
(DKK million)							
Cash flow from investing activities	57.3	481.1	481.2	483.9	484.0	5.2	5.9
Acquisition of operations	(52.8)	(479.4)	(479.4)	(479.4)	(479.4)	0.0	0.0
Sale of tangible assets	0.8	0.0	0.0	0.0	0.0	0.0	0.1
Investments in financial assets	(0.1)	0.0	(0.1)	0.0	(0.1)	0.2	0.0
Capex excl. acquisitions (non-IFRS)	**5.3**	**1.6**	**1.6**	**4.4**	**4.4**	**5.5**	**6.0**
Of which investments in intangible assets	*0.3*	*0.3*	*0.3*	*0.7*	*0.7*	*1.7*	*2.0*
Of which investments in tangible assets	*5.0*	*1.3*	*1.3*	*3.7*	*3.7*	*3.7*	*4.1*

11.11 OVERVIEW OF RESULTS OF OPERATIONS, FINANCIAL POSITION AND CASH FLOWS PER QUARTER FOR 2016 AND 2017

The Group's results of operations, financial position and cash flows for each quarter of 2016 and the first three quarters of 2017 presented below are derived from the selected consolidated income statement items, balance sheet items and cash flow statement items for the Group for the respective periods prepared in accordance with recognition and measurement criteria of IFRS.

For comments on development, we refer to section 11.6 "*Summary of the key financial development in the first nine months of 2017 compared to first nine months of 2016 and pro forma first nine months of 2016*" and section 11.7 "*Summary of the key financial development in 2016 and pro forma 2016 compared to 2015 and 2014*".

Income statement	Three months ended 31 March 2016	31 March 2016 (pro forma)	30 June 2016	30 September 2016	31 December 2016	31 March 2017	30 June 2017	30 September 2017
(DKK million)								
Revenue	45.5	136.7	163.1	137.6	162.3	206.4	211.1	184.8
Cost of goods sold	(31.8)	(99.0)	(113.6)	(97.0)	(111.1)	(152.0)	(154.4)	(132.1)
Gross profit	**13.7**	**37.7**	**49.5**	**40.6**	**51.2**	**54.4**	**56.7**	**52.6**
Selling expenses	(6.1)	(17.2)	(14.9)	(15.0)	(14.2)	(19.4)	(16.4)	(14.9)
Administrative expenses	(2.3)	(9.5)	(9.5)	(9.3)	(10.8)	(12.7)	(11.5)	(11.3)
Other operating income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other operating expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating profit before non-recurring items (non-IFRS)	**5.3**	**11.0**	**25.0**	**16.4**	**26.2**	**22.4**	**28.9**	**26.5**
Non-recurring items (non-IFRS) (1)	(14.8)	(14.8)	(3.2)	(0.4)	(0.3)	(0.7)	(2.8)	(18.2)
Operating profit	**(9.5)**	**(3.7)**	**21.8**	**16.0**	**25.8**	**21.7**	**26.1**	**8.2**
Financial income	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0
Financial expenses	(5.6)	(7.0)	(2.6)	(2.6)	(2.7)	(2.6)	(2.5)	(2.1)
Profit before tax	**(14.9)**	**(10.7)**	**19.2**	**13.5**	**23.2**	**19.1**	**23.7**	**6.2**
Tax on net profit for the period	1.1	0.2	(4.9)	(3.2)	(5.5)	(4.5)	(5.9)	(2.9)
Net profit for the period	**(13.8)**	**(10.6)**	**14.3**	**10.3**	**17.7**	**14.6**	**17.8**	**3.3**
Adjusted EBITA (non-IFRS)	**5.9**	**12.9**	**26.9**	**18.3**	**28.0**	**24.3**	**30.8**	**28.4**
Adjusted EBITDA (non-IFRS)	**6.6**	**14.9**	**28.9**	**20.3**	**29.8**	**26.7**	**33.3**	**30.3**

(1)The following table provides a specification of non-recurring items:

(1)Non-recurring items	Three months ended 31 March 2016	31 March 2016 (pro forma)	30 June 2016	30 September 2016	31 December 2016	31 March 2017	30 June 2017	30 September 2017
(DKK million)								
Amortisation of order backlog	(3.8)	(3.8)	(1.6)	0.0	0.0	(0.4)	0.0	0.0
Transaction costs related to business combinations	(10.9)	(10.9)	(1.5)	(0.4)	(0.3)	(0.3)	(0.6)	0.0
Listing of the company	0.0	0.0	0.0	0.0	0.0	0.0	(2.2)	(5.7)
Costs related to integration of Nettoline	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(5.4)
Impairment of assets held for sale related to site shutdown	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(7.2)
Non-recurring items (non-IFRS)	**(14.8)**	**(14.8)**	**(3.2)**	**(0.4)**	**(0.3)**	**(0.7)**	**(2.8)**	**(18.2)**

Balance sheet	As of 31 March 2016	30 June 2016	30 September 2016	31 December 2016	31 March 2017	30 June 2017	30 September 2017
(DKK million)							
Goodwill	315.8	315.8	315.8	315.8	369.8	369.8	369.8
Brand	172.0	172.0	172.0	172.0	172.0	172.0	172.0
Other intangible assets	40.0	39.6	37.4	35.5	33.2	31.2	29.1
Tangible assets	108.8	107.3	106.6	107.6	107.5	82.6	83.3
Other long-term receivables	0.7	0.7	0.7	0.7	0.7	0.8	0.7
Total non-current assets	**637.3**	**635.4**	**632.5**	**631.5**	**683.3**	**656.4**	**654.9**
Inventories	34.3	34.4	33.7	29.1	42.6	40.2	36.0
Current receivables	35.8	50.9	55.5	38.6	68.6	71.2	75.0
Cash and cash equivalents	23.9	43.4	54.4	96.6	42.7	40.9	58.1
Assets held for sale	0.0	0.0	0.0	0.0	0.0	23.8	16.6
Total current assets	**94.0**	**128.8**	**143.6**	**164.3**	**153.8**	**176.1**	**185.7**
Total assets	**731.3**	**764.2**	**776.0**	**795.8**	**837.1**	**832.4**	**840.5**
Total shareholders' equity	295.9	309.7	320.4	339.9	355.4	374.2	378.3
Total long-term liabilities	316.4	291.5	282.6	281.7	272.7	271.7	262.0
Total current liabilities	119.0	163.1	173.0	174.2	209.0	186.5	200.2
Total shareholders' equity and liabilities	**731.3**	**764.2**	**776.0**	**795.8**	**837.1**	**832.4**	**840.5**
Net working capital (non-IFRS)	**(35.0)**	**(35.2)**	**(29.9)**	**(59.3)**	**(44.2)**	**(38.7)**	**(48.5)**

Cash flow	Three months ended 31 March 2016	31 March 2016 (pro forma)	30 June 2016	30 September 2016	31 December 2016	31 March 2017	30 June 2017	30 September 2017
(DKK million)								
Operating profit	(9.5)	(3.7)	21.8	16.0	25.8	21.7	26.1	8.3
Depreciation and amortisation	5.1	7.7	5.5	3.9	3.7	4.7	4.2	11.1
Share-based payments	0.0	0.0	0.2	0.5	1.5	0.9	0.9	0.9
Income tax paid	(1.4)	(1.4)	(1.2)	0.0	(12.0)	0.0	0.0	0.0
Change in net working capital	(0.1)	(12.4)	0.2	(5.3)	29.4	(13.2)	(5.4)	9.9
Operating activities	**(5.8)**	**(9.8)**	**26.5**	**15.2**	**48.4**	**14.1**	**25.8**	**30.1**
Investments in tangible assets	(0.1)	(0.1)	(0.4)	(0.9)	(2.4)	(1.0)	(1.7)	(2.3)
Sale of tangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.8	0.0
Investments in intangible assets	(0.3)	(0.3)	0.0	0.0	(0.4)	0.0	(0.1)	(0.1)
Investments in financial assets	0.0	(0.1)	0.0	0.0	0.0	0.0	(0.1)	0.0
Acquisition of operations	(476.1)	(476.1)	(3.4)	0.0	0.0	(52.8)	0.0	0.0
Investing activities	**(476.5)**	**(476.6)**	**(3.7)**	**(0.9)**	**(2.8)**	**(53.8)**	**(1.1)**	**(2.4)**
Interest paid	(5.4)	(6.8)	(2.3)	(2.3)	(2.4)	(2.3)	(2.2)	(1.8)
Proceeds from loans	202.8	202.8	0.1	0.0	0.0	0.0	0.0	0.0
Repayments of loans	(1.0)	(1.0)	(1.1)	(1.0)	(1.0)	(11.9)	(24.3)	(8.7)
Capital increase	309.7	309.7	0.0	0.0	0.0	0.0	0.0	0.0
Financing activities	**506.1**	**504.7**	**(3.2)**	**(3.3)**	**(3.4)**	**(14.2)**	**(26.5)**	**(10.5)**

12. CAPITAL RESOURCES

12.1 CAPITALISATION AND INDEBTEDNESS

The following table shows the unaudited consolidated capitalisation and indebtedness of the Group as of 30 September 2017.

	30 September	31 December
Capitalisation	**2017**	**2016**
(DKK million)		
Equity		
Share capital	1.0	0.1
Value adjustments of cash flow hedges after tax	(0.5)	(0.5)
Retained earnings	377.8	340.3
Total equity	**378.3**	**339.9**
Current debt		
Guaranteed	0.0	0.0
Secured	18.4	42.8
Unguaranteed/Unsecured	0.0	0.0
Total current debt	**18.4**	**42.8**
Non-current debt		
Guaranteed	0.0	0.0
Secured	202.9	220.5
Unguaranteed/Unsecured	0.0	0.0
Total non-current debt	**202.9**	**220.5**
Total capitalisation	**599.6**	**603.2**

	30 September	31 December
Net indebtedness	**2017**	**2016**
(DKK million)		
Long-term liabilities		
Mortgage loans	52.6	55.4
Bank loans	150.3	165.1
Total long-term liabilities	**202.9**	**220.5**
Short-term liabilities		
Mortgage loans	3.7	3.7
Bank loans	14.7	39.1
Tax liabilities	21.8	3.9
Total short-term liabilities	**40.1**	**46.7**
Total liabilities	**243.0**	**267.2**
Cash and cash equivalents	58.1	96,6
Net interest-bearing debt (non-IFRS)	**185.0**	**170.6**

The Group may in the future need additional capital and may seek to obtain further financing through raising new equity capital or debt financing.

The Group has no reason to believe that there has been any material change to its actual capitalisation since 30 September 2017, other than changes resulting from the ordinary course of business or as mentioned below.

The Group's site in Horsens has been sold with effect from 15 January 2018. The sale of the site will impact EBIT with a non-recurring loss of DKK 7 million and reduce the Group's net interest bearing debt by DKK 17 million.

The cash settlement of the Company's incentive programme described in section 18.3 "*Incentive programme*" will be financed partly through funds made available under the Facility Agreement (see section 23.1 "*Facility Agreement"*) and the cash settlement of the Company's incentive programme will increase the Group's net debt. Assuming an Offer Price at midpoint of the offer price range, the cash settlement will amount to DKK 85,793,133, of which DKK 50 million is expected to be financed under the Facility Agreement.

13. RESEARCH AND DEVELOPMENT, PATENTS AND LICENCES

13.1 POLICY FOR PROTECTING INTELLECTUAL PROPERTY

The Company believes that its intellectual property is a key element of its present and future success.

The Group relies on a combination of trademark, design rights, unfair competition and trade secret laws, as well as confidentiality procedures and contractual restrictions, to establish and protect its intellectual property rights. Accordingly, the Group holds intellectual property rights in addition to the selected brands specifically mentioned in section 13.2 "*Trademarks*" below.

The Group has taken legal action where deemed appropriate to prevent others from infringing upon such rights.

The Group's intellectual property strategy aims to safeguard its intellectual property by seeking to secure key trademarks, defending trademarks and selectively registering and defending its designs. The Group does not allow its franchisees, distributors or points of sale to register designs, trade or domain names associated with the Group's business without prior consent.

For each of the financial years ended 31 December 2016, 2015 and 2014, the Executive Management estimates that the Group has spent DKK 3 million on research and development activities.

See section 1 "*Risk Factors — The Group could fail to manage and protect its intellectual property rights or could violate third parties' rights*".

See also section 21.6 "*Legal and arbitration proceedings etc.*"

13.2 TRADEMARKS

The Group has applied for a number of word and figurative marks in various jurisdictions, including in particular Denmark, Sweden, Norway and EU aimed at registering the Group's principal trademarks in current and anticipated key markets. Current registrations include, among others, the "kitchn" word mark in Denmark and Sweden, the "swan" figurative mark in Denmark, Sweden and Norway, the "nettoline" word or figurative mark in Denmark and Norway, the "TVIS" word or figurative mark in the EU and Norway and the Modulia figurative mark in Denmark under various classes which are believed to be relevant for the sale of the Group's products, including i.e. the international classes 19, 20, 35, 37, 40 and 42.

For currently ongoing oppositions and other legal disputes relating to the Group's trademarks, see section 1 "*Risk Factors — The Group could fail to manage and protect its intellectual property rights or could violate third parties' rights*" and section 21.6 "*Legal and arbitration proceedings etc.*"

14. CONSOLIDATED PROSPECTIVE FINANCIAL INFORMATION

14.1 STATEMENT BY THE COMPANY'S BOARD OF DIRECTORS AND THE EXECUTIVE MANAGEMENT

The Group's consolidated prospective financial information for 2017 has been prepared solely for the purpose of this Prospectus. In preparing the consolidated prospective financial information for 2017, the Company has applied the accounting policies as are expected to be applied by the Group following the Offering, which are in accordance with IFRS as adopted by the EU and set out in the notes to the Consolidated IFRS Financial Statements for 2016 incorporated into this Prospectus by reference, see section 21.3 "*Cross Reference*". The consolidated prospective financial information for 2017 is based on a number of assumptions, many of which are outside of the Group's control or influence. The principal assumptions upon which we have based the consolidated prospective financial information are described under section 14.3 "*Methodology and assumptions*".

The consolidated prospective financial information for 2017 represents the best estimates of the Company's Board of Directors and Executive Management as at the date of this Prospectus. The Group's actual results of operations for 2017 may differ from the consolidated prospective financial information for 2017, since anticipated events may not occur as expected. The variation may be material. Prospective investors should read the consolidated prospective financial information for 2017 in this section in conjunction with section 1 "*Risk Factors*" and section 2.2 "*Special notice regarding forward-looking statements*".

Holstebro, 13 November 2017

Board of directors

Sanna Mari Suvanto-Harsaae
Chairman

Kristian Carlsson Kemppinen
Deputy Chairman

Anders Skole-Sørensen

Peter Jelkeby

Erik Albert Ingemarsson

Executive Management

Ole Lund Andersen
CEO

Mogens Elbrønd Pedersen
CFO

Karsten Rydder Pedersen
COO

14.2 INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED PROSPECTIVE FINANCIAL INFORMATION

TO THE SHAREHOLDERS AND PROSPECTIVE INVESTORS

We have examined the consolidated prospective financial information of the Company for 2017 as contained in section 14.4 "*Consolidated prospective financial information*".

The consolidated prospective financial information has been prepared based on the significant assumptions disclosed in section 14.3 "*Methodology and assumptions*", and in accordance with the accounting policies as described in the audited consolidated financial statements prepared in accordance with IFRS of the Company for the financial year ended 31 December 2016.

We express reasonable assurance in our conclusion.

The purpose of the consolidated prospective financial information is to reflect the expected financial effect of the Company's action plans for 2017. Actual results are likely to be different from those forecasted since planned events or the results thereof often do not occur as assumed. Such variation may be material.

The consolidated prospective financial information and our accompanying report has been prepared solely for the use of the Prospectus that is prepared in accordance with the commission regulation (EC) no. 809/2004 with subsequent amendment (the Commission Regulation), and is not to be used for any other purposes.

Our report is provided in accordance with the Commission Regulation and is prepared in accordance with Danish practice for reports in accordance with the Commission Regulation and is solely for the use of shareholders in connection with the admission to trading and official listing on Nasdaq Copenhagen of Offer Shares.

MANAGEMENT'S RESPONSIBILITY

The Board of Directors and the Executive Management are responsible for the preparation of the consolidated prospective financial information on the basis of the significant assumptions disclosed in section 14.3 "*Methodology and assumptions*", and in accordance with the accounting policies as described in the audited consolidated financial statements prepared in accordance with IFRS of the Company for the financial year ended 31 December 2016. In addition, the Board of Directors and Executive Management are responsible for the assumptions underlying the consolidated prospective financial information.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion about whether the consolidated prospective financial information has been prepared, in all material respects, on the basis of the assumptions disclosed and consistently with the accounting policies of the Company.

We conducted our examinations in accordance with ISAE 3000 DK Assurance Engagements other than Audits or Reviews of Historical Financial Information and additional requirements under Danish audit regulation to obtain reasonable assurance about our conclusion.

Deloitte Statsautoriseret Revisionspartnerselskab is subject to International Standard on Quality Control (ISQC) 1, and, accordingly, applies a comprehensive quality control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by FSR - Danish Auditors (Code of Ethics for Professional Accountants), which are based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

As part of our examinations, we tested whether the consolidated prospective financial information was prepared on the basis of the assumptions disclosed and the accounting policies of the Company, and this included checking the figures provided in the consolidated prospective financial information for consistency.

Our examinations did not include an assessment as to whether the assumptions applied are valid, or whether the consolidated prospective financial information is realisable, and, accordingly, we do not express an opinion in this respect.

CONCLUSION

In our opinion, the consolidated prospective financial information for the period 1 January 2017 – 31 December 2017 has been prepared, in all material respects, on the basis of the assumptions disclosed in section 14.3 "*Methodology and assumptions*", of the Prospectus and in accordance with the accounting policies as described in the audited consolidated financial statements prepared in accordance with IFRS of the Company for the financial year ended 31 December 2016.

Copenhagen, 13 November 2017

Deloitte
Statsautoriseret Revisionspartnerselskab
Central Business Registration no. 33 96 35 56

Bill Haudal Pedersen	Sumit Sudan
State-Authorised Public Accountant	State-Authorised Public Accountant

14.3 METHODOLOGY AND ASSUMPTIONS

The consolidated prospective financial information for the year ending 31 December 2017 included in this Prospectus has been prepared in accordance with applicable Danish laws and regulations. Such information is the responsibility of the Company.

The consolidated prospective financial information is necessarily based upon a number of assumptions and estimates that, while prepared with numerical specificity and considered reasonable, are inherently subject to significant business, operational, economic and competitive uncertainties and contingencies, many of which are beyond the Company's control, and upon assumptions with respect to future business decisions that are subject to change.

The expectations as to future developments may deviate substantially from actual developments. The Group's actual results of operations for the year ending 31 December 2017 are likely to differ from the consolidated prospective financial information for 2017 since anticipated events may not occur as expected. The variation may be material. Accordingly, prospective investors should treat this information with caution and should not place undue reliance on it.

METHODOLOGY AND ASSUMPTIONS

The consolidated prospective financial information for the year ending 31 December 2017 reflects estimates and assumptions concerning the Group's performance. The consolidated prospective financial information has been prepared on the basis of the Company's accounting policies as are expected also to be applied by the Company following completion of the Offering, which are in accordance with IFRS as adopted by the EU and are set out in the notes to the Consolidated IFRS Financial Statements for 2016, incorporated into this Prospectus by reference.

The consolidated prospective financial information for the year ending 31 December 2017 has been prepared on the basis of a large number of assumptions and estimates, which are subject to numerous and significant uncertainties. Certain of the assumptions, estimates, uncertainties and contingencies relating to the consolidated prospective financial information are wholly or partially within the Company's, control, while others are outside of its control, including those related to changes in market, legal, fiscal, political or economic conditions, changes in currency exchange rates and actions by competitors and customers. The key principal assumptions and estimates made in preparing the consolidated prospective financial information are presented below; however, the list is not exhaustive and it is possible that one or more of the assumptions or estimates will fail to materialise or prove to be incorrect. The Group's actual results of operations could also deviate materially from the consolidated prospective financial information as a result of other factors, including, but not limited to, those described under section 1 "*Risk Factors*" and section 2.2 "*Special Notice Regarding Forward-looking Statements*". For additional information regarding factors that could have a substantial effect on the Group's results of operations, see section 11.5 "*Principal factors affecting the Group's results of operations*".

The prospective financial information for 2017 reflects the actual results of operations for the period 1 January to 30 September 2017, derived from the Interim Financial Statements as well as assumptions and estimates for the results of operations for the period 1 October to 31 December 2017.

For the purpose of preparing the consolidated prospective financial information for the year ending 31 December 2017, the following principal assumptions have been applied:

REVENUE

The TCM Group estimates growth in revenue based upon the following assumptions:

- For the last three months of 2017, organic general growth of 7-10% measured by DKK is among others based on a slightly growing market in Denmark, both within B2B and B2C, compared to realised organic growth in the first nine months of 2017 of 18.7% (outside of the Company's control).
- Positive development in sales prices in the level of 3% on average equivalent to the sales price increase realised in the first nine months of 2017 (partly within the Company's control)
- The expected revenue for the fourth quarter of 2017 is based on the order backlog as at 30 September 2017 equivalent to approximately 35-40% of the expected revenue for the last three months of 2017 (partly within the Company's control).
- Revenue is based on 60 branded stores compared to 62 branded stores as at 31 December 2016 (partly within the Company's control).

ADJUSTED EBITA (NON-IFRS) AND EBIT

In addition to the TCM Group's assumptions as to revenue growth in the financial year 2017, the Company's expectations regarding adjusted EBITA (non-IFRS) and EBIT are based on the following assumptions:

- Cost of raw materials as part of cost of goods sold are expected to develop in line with the first nine months of 2017 (partly within the Company's control)
- Increased B2B share will have an adverse impact on the relative gross margin, Adjusted EBITA margin, and EBIT margin (outside of the Company's control)
- Realising synergies following the merger of two production sites as of 2 October 2017 (within the Company's control)

Costs related to non-recurring items (non-IFRS) in the amount of DKK 28-32 million of which DKK 21.7 million relates to the first nine months of 2017, that the Company does not believe is part of the normal operations, e.g. costs to professional fees related to the proposed listing and admission for trading and costs related to integration of Nettoline, are excluded in the Adjusted EBITA (non-IFRS) expectations for 2017.

14.4 CONSOLIDATED PROSPECTIVE FINANCIAL INFORMATION

Based principally on the assumptions and methodology as set out above, the expectations for the Group's performance for the year ending 31 December 2017 is revenue in the range DKK 795-805 million, Adjusted EBITA (non-IFRS) in the range DKK 116-122 million, and EBIT in the range DKK 76-86 million.

15. BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

15.1 OVERVIEW

The Company has a two-tier governance structure consisting of the Board of Directors and the Executive Management. The two management bodies are separate and have no overlapping members.

The members of the Executive Management have broad experience across kitchen production and/or marketing industry and in total have 23 years of management experience with the Group.

15.2 BOARD OF DIRECTORS

The Company's Board of Directors is responsible for the Company's overall and strategic management and supervises the Company's activities, management and organisation. The Board of Directors appoints and dismisses the members of the Executive Management, who are responsible for the day-to-day operations.

In accordance with article 11.1 of the Company's Articles of Association, the General Meeting shall elect not less than four and not more than six members to the Board of Directors. Currently, the Company has no employee representatives on the Board of Directors. Employees in a group of Danish companies that have employed at least 35 employees for the preceding three years are entitled to elect directors corresponding to one-half of the directors elected by the general meeting of shareholders. Board members elected by the employees are elected for terms of four years and they hold the same rights and obligations as any member of a board of directors elected by the general meeting.

The members of the Board of Directors elected by the General Meeting are elected for a term of one year. Members of the Board of Directors may be re-elected.

The Board of Directors elects its chairman (the **''Chairman''**) and deputy chairman (the **''Deputy Chairman''**).

It is the opinion of the Board of Directors, that it possess the professional skills and experience required to serve as members of the Board of Directors and to supervise and manage a company with shares admitted to trading and official listing on Nasdaq Copenhagen.

The following table sets forth an overview of the members of the Board of Directors:

Name	Position	Independence assessment*	Year of first appointment	Expiration of term
Sanna Mari Suvanto-Harsaae	Chairman	Independent	2016	2018
Kristian Carlsson Kemppinen**	Deputy Chairman	Not independent	2015	2018
Anders Skole-Sørensen	Board member	Independent	2017	2018
Peter Jelkeby	Board member	Independent	2017	2018
Erik Albert Ingemarsson**	Board member	Not independent	2015	2018

* The assessment of independence is based on the criteria set out in the Corporate Governance Recommendations (as defined below).
** Kristian Carlsson Kemppinen and Erik Albert Ingemarsson are not considered independent as they are both affiliated with the Selling Shareholder.

BIOGRAPHIES

Sanna Mari Suvanto-Harsaae (Danish and Finnish nationality) is the Chairman of the Board of Directors of the Company and member of the executive management of Rakaas ApS.

In addition Sanna Mari Suvanto-Harsaae is the chairman of the board of directors of Babysam A/S, Basa Holding A/S, Danske Koncept Restauranter A/S, Vital Petfood Group A/S, BoConcept Holding A/S, Workz A/S, Best VPG Holding A/S, Go Care A/S, Layout Bidco A/S, Layout Holdco A/S, Selskabet af 12. marts 2013 A/S, Best Friend Danmark A/S (member of the executive management until 2013), VPG Holding A/S, BoConcept A/S, Altia Oyj, Best Friend Oyj, Best Friend AB and Footway AB (listed on Nasdaq Stockholm). Sanna Mari Suvanto-Harsaae is also deputy chairman of the board of directors of Paulig Oyj and a member of the board of directors of Best Sales A/S (chairman of the board of directors until 2016), Upplands Motor AB, SAS AB (listed on Nasdaq Stockholm), Broman Group Oyj and CEPOS.

Over the past five years, Sanna Mari Suvanto-Harsaae has previously been the chairman of the board of directors of Odder Barnevognsfabrik A/S, a member of the board of directors of Clas Ohlson AB (listed on Nasdaq Stockholm), NSP AB, Buy Aid Group A/S, Marketing Clinic Denmark A/S, CCS AB and NSP AB and a member of the executive management of Best Friend Danmark A/S.

Sanna Mari Suvanto-Harsaae holds a Bachelor of Science from Lund University.

Kristian Carlsson Kemppinen (Finnish and Swedish nationality) is the Deputy Chairman of the Board of Directors of the Company (chairman of the Board of Directors until 2016) and a partner with IK Investment Partners.

Kristian Carlsson Kemppinen is chairman of the board of directors of IK Investment Partners Norden AB (member of the board of directors until 2015), Frangipani AB and Cosigrande AB and a member of the board of directors of Actic Holding AB, Actic Group AB (listed on Nasdaq Stockholm), Actic Midholding AB, OS Group AB, Ramudden Group Holding AB (chairman of the board of directors until 2014), Ramudden Group AB (chairman of the board of directors until 2014), Touristry AB, Touristry Group Holding AB (chairman of the board of directors until 2016), Touristry Group AB (chairman of the board of directors until 2016), OpenSolution Nordic Group Holding AB (chairman of the board of directors until 2016), OpenSolution Nordic Group AB (chairman of the board of directors until 2016), Evac Group Holding Oy (chairman of the board of directors until 2015) and Evac Group Oy (chairman of the board of directors until 2015).

Over the past five years, Kristian Carlsson Kemppinen has previously been a member of the board of directors of Fristads Kansas AB, EPiServer Group AB, Revres AB, Revres Holding AB, Suomen Lahikauppa Oy, Dynea Oy (under voluntary liquidation initiated in 2015), Dynea International Oy, Dynea Chemicals Oy, Protection Holding AS, Protection AS and Hansen Protection AS.

Kristian Carlsson Kemppinen holds a MSc econ. from the Helsinki School of Economics and Business Administration.

Anders Skole-Sørensen (Danish nationality) is a member of the Board of Directors of the Company and CFO of Matas A/S.

In addition Anders Skole-Sørensen is a member of the board of directors of Matas Operations A/S, Matas Property A/S, F. Uhrenholt Holding A/S and MHolding 3 A/S.

Furthermore, Anders Skole-Sørensen is the chief executive officer of Stylebox A/S and Skagen Materialhandel ApS, chief financial officer of MHolding 5 ApS and MHolding 4 ApS and a member of the executive management of Materialisten på Frederiksberg ApS, Matas Operations A/S, Matas Property A/S, MHolding 6 ApS and MHolding 3 A/S.

Over the past five years, Anders Skole-Sørensen has previously been a member of the board of directors of A/S Odder Materialhandel, Materialisten (dissolved upon merger in 2014) and MHolding 2 A/S (dissolved by declaration in 2014). Furthermore, Anders Skole-Sørensen has been chief executive officer of Matas Hornslet ApS (dissolved by declaration in 2012) and a member of the executive management of Materialisten/Solrød Centret ApS (dissolved upon merger in 2014), Andersen & Christensen Aalborg ApS (dissolved upon merger in 2014), Materialisten i Høng ApS (dissolved upon merger in 2014), Materialisten Østergågade ApS (dissolved upon merger in 2014), A/S Odder Materialhandel, Materialisten (dissolved upon merger in 2014), Materialisten Skælskør ApS (dissolved upon merger in 2014), Marianne Petersen ApS (dissolved upon merger in 2014), MHolding 2 A/S (dissolved by declaration in 2014), Center Materialisten Viborg ApS (dissolved upon merger in 2013), Jens Kongsgaard, Nørreport-Centret, Holstebro ApS (dissolved upon merger in 2015) and Jens Kongsgaard, Torvet Holstebro ApS (dissolved upon merger in 2015).

Anders Skole-Sørensen holds a MSc econ. from the University of Copenhagen.

Peter Jelkeby (Swedish nationality) is a member of the Board of Directors of the Company and member of the board of directors of Smarteyes AB and Östergård AB.

Over the past five years, Peter Jelkeby has previously been COO and Executive Vice President of Clas Ohlson AB (listed on Nasdaq Stockhom).

Peter Jelkeby holds a MSc in Business Administration from Gothenburg School of Economics.

Erik Albert Ingemarsson (Swedish nationality) is a member of the Board of Directors of the Company and a director with IK Investment Partners.

Erik Albert Ingemarsson is member of the board of directors of Touristry Group Holding AB, Touristry Group AB, Touristry AB, Skärgårdsrederiet Sweden AB, OpenSolution Nordic Group Holding AB, OpenSolution Nordic Group AB, OS Group AB, AEOM Holding AB and STL Holding AB and an alternate director of Ingemarsson Perinatal Progress Aktiebolag, I. Ingemarsson AB, Petter Ingemarsson AB and Eva Ingemarsson AB.

Over the past five years, Erik Albert Ingemarsson has previously been a member of the board of directors Red City Buses AB and Stockholm Info AB and an alternate and subsequently director of Actic Group AB, Actic Midholding AB and ACTIC Holding AB.

Erik Albert Ingemarsson holds a MSc in Economics and Business from Stockholm School of Economics.

15.3 EXECUTIVE MANAGEMENT

Pursuant to article 12.1 of the Articles of Association, the Board of Directors appoints the members of the Executive Management. The Executive Management shall consist of one or more persons, who are responsible for the day-to-day management of the Group's business.

The following table sets forth an overview of the members of the Executive Management:

Name	Position	Year of first employment with the Group	Year of appointment to current position in the Group
Ole Lund Andersen	CEO	2007	2008
Mogens Elbrønd Pedersen	CFO	2015	2015
Karsten Rydder Pedersen	COO	2006	2009

The Company believes that the current members of the Executive Management possess the professional skills and experience required for their positions in the Company and to manage a company with shares admitted to trading and official listing on Nasdaq Copenhagen.

BIOGRAPHIES

Ole Lund Andersen (Danish nationality) has been Group CEO since 2008.

Before Ole Lund Andersen joined the Group, he was chief executive officer at Tvilum ApS, a world-leading manufacturer of flat-packed furniture.

Ole Lund Andersen is a member of the board of directors of Actona Company A/S, Scancom International A/S, Interstil A/S, Interstil AB, Contino Holding A/S and Nissen Capital A/S.

Over the past five years, Ole Lund Andersen has previously been the chairman of the board of directors of Equity Datterholding 10 ApS (dissolved upon merger in 2014), Eurowrap A/S and TCM Management Invest ApS (dissolved after voluntary liquidation in 2016). Furthermore, Ole Lund Andersen has been a member of the board of directors of Spizy A/S, and Den Erhvervsdrivende Fond Development Centre UMT and Inbo Holding A/S (dissolved upon merger in 2013).

Ole Lund Andersen holds Bachelor in Production Engineering from the Technical University of Denmark.

Mogens Elbrønd Pedersen (Danish nationality) has been Group CFO since 2015.

Prior to joining the Group, Mogens Elbrønd Pedersen had been the director of finance and senior director, group finance of Bang & Olufsen A/S (listed on Nasdaq Copenhagen) since February 2011.

Over the past five years, Mogens Elbrønd Pedersen has been a member of the board of directors of Bang & Olufsen Expansion A/S, Bang & Olufsen Danmark A/S, Medicom Innovation Partner A/S, IcePower A/S, Bang & Olufsen AS, Bang & Olufsen Svenska AB, Bang & Olufsen France S.A., Bang & Olufsen Espana S.A., Abside Vision S.L., Soundmagart S.L. and Bang & Olufsen Italia S.p.A.

Mogens Elbrønd Pedersen holds a Graduate Diploma in Accounting and Financial Management from Herning Business and Engineering School.

Karsten Rydder Pedersen (Danish nationality) has been Group COO since 2009 and first came to the Group in 2006 as Business Development Manager.

Over the past five years, Karsten Rydder Pedersen has previously been a partner in K P Consult v/Karsten S Pedersen (dissolved in 2012) and the chief executive officer of TCM Management Invest ApS (dissolved after voluntary liquidation in 2016).

Karsten Rydder Pedersen holds a Master of Science (M.Sc.), Industrial Engineering from the University of Aalborg.

15.4 BUSINESS ADDRESS

The business address of the members of the Board of Directors and the members of the Executive Management is Skautrupvej 16, Tvis, DK-7500 Holstebro, Denmark.

15.5 STATEMENT ON PAST RECORDS

During the past five years, none of the members of the Company's Board of Directors or the members of the Executive Management have been: (i) convicted of fraudulent offenses; (ii) directors or officers of companies that have entered into bankruptcy, receivership or liquidation, other than as set out in section 15.2 "*Board of Directors*" and section 15.3 "*Executive Management*"; or (iii) subject to any public incrimination and/or sanctions by statutory regulatory authorities (including designated professional bodies) and have not been disqualified by a court from acting as a member of an issuer's board of directors, executive management or supervisory body or being in charge of an issuer's management or other affairs.

15.6 STATEMENT ON CONFLICT OF INTEREST

There are no family ties among the members of the Board of Directors or the members of the Executive Management. Except for Kristian Carlsson Kemppinen and Erik Albert Ingemarsson, who are not considered independent, none of the members of the Board of Directors or the members of the Executive Management have positions in other companies that could result in a conflict of interest vis-a-vis such companies, either because a company within the Group has an equity interest in such company or because the Group and the company concerned have an ongoing business relationship, except as disclosed under section 20 "*Related Party Transactions*". Except for Kristian Carlsson Kemppinen and Erik Albert Ingemarsson, who are not considered independent, none of the members of the Board of Directors or the members of the Executive Management have conflicts of interest with respect to their duties as members of the Board of Directors or the Executive Management. Kristian Carlsson Kemppinen is a partner with IK Investment Partners and Erik Albert Ingemarsson is a director with IK Investment Partners. The Selling Shareholder is owned by IK Small Cap I Fund (51%) and certain co-investors (49%) being limited partner entities. IK Small Cap I Fund is advised by IK Investment Partners Ltd. Both of Kristian Carlsson Kemppinen and Erik Albert Ingemarsson have been appointed to the Board of Directors pursuant to agreements or understanding with the Selling Shareholder. The Company is not aware of any other member of the Board of Directors or the Executive Management having been appointed to their current position pursuant to an agreement or understanding with the Selling Shareholder, customers, suppliers or other parties.

16. REMUNERATIONS AND BENEFITS

16.1 COMPENSATION OF THE COMPANY'S BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

16.1.1 COMPENSATION OF THE COMPANY'S BOARD OF DIRECTORS

At its General Meeting held 7 November 2017, the Company approved a remuneration policy (the **"Remuneration Policy"**), in accordance with section 139 of the Danish Companies Act. The Remuneration policy is further described in section 17.4 "*Remuneration Policy*".

Members of the Board of Directors receive fixed annual fees, which are presented for approval by the Company's shareholders at the annual general meeting.

In addition, the members of the Board of Directors are entitled to reimbursement of travel and accommodation expenses relating to their participation in board meetings.

No member of the Board of Directors is entitled to any kind of compensation upon resignation as a member of the Board of Directors. The Company has not allocated funds or made provisions for any pension benefits, severance scheme or the like for the members of the Board of Directors and has no obligation to do so.

For the financial year 2016, the Chairman of the Board of Directors received DKK 291,667 and the other members of the Board of Directors each received DKK 104,167. The remuneration to Erik Albert Ingemarsson and Kristian Carlsson Kemppinen for the financial year 2016 has not been paid yet but is anticipated to be paid together with the compensation for 2017.

The compensation to the members of the Board of Directors for the financial year 2017 is DKK 500,000 to the Chairman of the Board of Directors, DKK 187,500 to Anders Skole-Sørensen, DKK 73,000 to Peter Jelkeby and DKK 250,000 to each of the remaining members of the Board of Directors.

Subject to approval by the Company's general meeting, the compensation to the members of the Board of Directors for the financial year 2018 is expected to be DKK 500,000 to the Chairman of the Board of Directors and DKK 250,000 to each of the other members of the Board of Directors.

16.1.2 COMPENSATION OF AND KEY TERMS WITH THE COMPANY'S EXECUTIVE MANAGEMENT

The compensation to the Executive Management consists of base salary, customary benefits and a performance-related cash bonus with a maximum bonus of 6-9 months' salary for the financial year 2017 and with a maximum bonus of 6 months' salary from the financial year 2018. The bonuses are partly based on the successful completion of the contemplated Offering. Mogens Elbrønd Pedersen and Karsten Rydder Pedersen are entitled to a pension contribution of 8% of their respective annual base salary. For the year ended 31 December 2016, the compensation paid to the members of the Executive Management was an aggregate amount of DKK 4,895,054 in base salary and a cash bonus of an aggregate amount of DKK 1,284,668.

For the financial year 2017, the aggregate base salary for the Executive Management is expected to be an amount of approximately DKK 5,030,000.

The Executive Management will be eligible under the LTI (as defined herein), see section 18.3 "*Incentive Programmes*". Furthermore, the Executive Management will be subject to the remuneration policy described in section 17.4 "*Remuneration Policy*".

The Executive Management participates in the Company's Management Incentive Programme and as such will receive cash settlement of their warrants. For information regarding shares and warrants held by the Executive Management and cash settlement of the warrants, see section 18 "*Employees and shareholdings*".

The following table sets forth an overview of the compensation (base salary, cash bonus, other benefits and pension) paid by the Group to the Executive Management for 2016 and the expected amounts to be paid by the Group for 2017.

DKK'000	Base salary	Cash bonus	Other benefits	Pension costs	Total
The financial 2016	4,895,054	1,284,668	548,977	296,127	7,024,826
The financial 2017 (expected)	5,030,000	2,760,000(*)	600,000	290,000	8,680,000

* As the cash bonus for 2017 has not been finally determined, the amount included comprises the aggregate maximum payable.

The Company may dismiss the members of the Executive Management with 12 months' notice. The members of the Executive Management may terminate their positions with 6 months' notice and the members of the Executive Management are not entitled to any severance pay.

The Executive Management is subject to non-competition restrictions for a period running from the expiry of the notice period under their employment contracts. The period is one year for Mogens Elbrønd Pedersen and Karsten Rydder Pedersen and the period is two years for Ole Lund Andersen.

Ole Lund Andersen's non-competition clause covers all business carried out by the Group within kitchens, baths and wardrobes and covers the Northern Europe. Mogens Elbrønd Pedersen and Karsten Rydder Pedersen's non-competition clauses cover all business carried out by the Group within kitchens, and additional activities carried out by the Group of which Mogens Elbrønd Pedersen or Karsten Rydder Pedersen has knowledge.

The Company must pay compensation to Mogens Elbrønd Pedersen and Karsten Rydder Pedersen during the term of the non-competition restriction if the employment is terminated by the executive manager and the Company has caused the termination.

The Company has not allocated funds or made provisions for any pension benefits, severance scheme or the like for the members of the Executive Management and has no obligation to do so.

16.2 STATEMENT ON LOANS ETC.

Neither the Company nor any member of the Group has granted any loans, issued any guarantees or undertaken any pension or other commitments to any of the members of the Board of Directors or the Executive Management, other than as set out above in section 16.1.2 *"Compensation of and key terms with the Company's Executive Management"*.

17. BOARD PRACTICES

The Board of Directors has adopted internal rules and procedures concerning board practises and committees in accordance with the description set out in this section and elsewhere in this Prospectus.

17.1 BOARD PRACTICES AND COMMITTEES

The Board of Directors will convene at least four times per year. Extraordinary board meetings shall be convened when deemed necessary by the Chairman or when requested by a member of the Board of Directors, a member of the Executive Management or by the Company's auditor.

The members of the Executive Management have a right to be present and to speak at meetings of the Board of Directors, unless otherwise resolved by the Board of Directors. The Executive Management must provide the Board of Directors with financial and operational reporting packages and the Board of Directors must be informed about important matters that have occurred between the meetings of the Board of Directors.

The Board of Directors must annually revise and update the overall strategy, business and action plan of the Company and approve the annual budget for the next financial year. The Board of Directors must annually perform a self-assessment to assess the competencies of the Board of Directors and its individual members and assess the Board of Directors' performance and achievements.

The Board of Directors forms a quorum when more than half of its members are represented. Any decisions are made by simple majority. In the event of equal votes, the Chairman or, in the Chairman's absence, the Deputy Chairman shall have the casting vote. See article 11.3 of the Company's Articles of Association.

The Board of Directors has established an Audit Committee, a Remuneration Committee and a Nomination Committee (as defined below). All of the committees report to the Board of Directors.

17.1.1 AUDIT COMMITTEE

The Audit Committee is a committee charged solely with preparing the resolutions to be taken by the Board of Directors. The committee works in accordance with its terms of reference. The terms of reference shall be updated and approved annually by the Board of Directors. Minutes of meetings are submitted to the Board of Directors.

The Audit Committee consists of a minimum of three members who are appointed by the Board of Directors. Initially all members of the Board of Directors are members of the Audit Committee with Anders Skole-Sørensen as the chairman. On the basis of his position as CFO with Matas A/S, Anders Skole-Sørensen is in particular considered to have relevant and up-to-date economic expertise and insight into financial affairs and financial reporting and auditing in relation to listed companies.

The Audit Committee holds a minimum of four meetings annually and monitors the Company's accounting and internal controls, and establishes conditions and a framework for the work of the external auditors.

The work of the Audit Committee is defined in an annual plan approved by the Board of Directors.

The tasks of the Audit Committee includes:

- To inform the Board of Directors of the outcome of the statutory audit, including the process for presentation of accounts;
- To supervise the Company's audit and financial reporting, including the process for the financial reporting, and submitting recommendations to ensure its integrity;
- To monitor the statutory audit of the annual financial statements and audits of other financial statements taking into account the results of the most recent quality control of the external auditor;
- To monitor the appropriateness and efficiency of the financial reporting processes;
- To assess and if necessary investigate the Executive Management's actions and assessments for the annual, biannual and quarterly financial reporting before they are submitted to the Board of Directors;
- To review and assess – prior to the Board of Directors' review of and statement on the annual report – reports on the internal control and risk management systems and to ensure that such internal control and risk procedures are effective in regards to the financial reporting process of the Company, without breaching its independence, and draft report of the Board of Directors on the annual report;
- To investigate the circumstances of any resignation of external auditors and advice on steps to be taken in that regard;

- To assess the need for establishing an internal audit function; and
- To assess tax risks and advice on steps to be taken in that regard, including assessing whether a tax policy should be adopted.

17.1.2 REMUNERATION COMMITTEE

The Remuneration Committee is charged solely with preparing resolutions to be taken by the Board of Directors. The Committee works in accordance with its terms of reference. The terms of reference are updated and approved annually by the Board of Directors. Minutes of meetings are submitted to the Board of Directors.

The Remuneration Committee shall consist of at least two members, both of whom shall be members of the Board of Directors. The Remuneration Committee consists of Sanna Mari Suvanto-Harsaae as chairman and Kristian Carlsson Kemppinen and Anders Skole-Sørensen as the other members.

The Committee convenes when it is deemed necessary or appropriate in relation to the Company's needs, however at least once a year.

The tasks of the Remuneration Committee include:

- To prepare and submit the general guidelines on incentive pay for the Executive Management and the Board of Directors to the Board of Directors for approval prior to final approval by the annual general meeting as required by the Danish Companies Act.
- To submit proposals to the Board of Directors regarding remuneration for members of the Board of Directors prior to approval by the annual general meeting.
- On behalf of the Board of Directors to implement and agree customary adjustments to the pay and employment conditions of the Executive Management, including remuneration, customary bonus agreements as well as employee benefits, car arrangements and severance agreements, while signature of new agreements and establishment or adjustment of share-based incentive schemes is negotiated by the Committee and submitted to the Board of Directors for approval or determined by the committee pursuant to specific mandate from the Board of Directors.
- To ensure that the remuneration (and other benefits accruing to the board of directors and management) are consistent with the Group's remuneration policy and with the assessment of the individual's contribution.
- To monitor that the disclosures in the annual report regarding remuneration to the Board of Directors and Executive Management are correct, give a true and fair view and are adequate.
- To monitor other factors in relation to the tasks stated which the remuneration committee finds necessary in its judgement as well as other tasks which the rest of the Board of Directors may ask the committee to prepare or assess.

17.1.3 NOMINATION COMMITTEE

The Nomination Committee shall consist of at least two members, both of whom shall be members of the Board of Directors, and at least one shall also be a member of the Remuneration Committee. The Nomination Committee is a committee charged solely with preparing resolutions to be taken by the Board of Directors. The Committee works in accordance with its terms of reference. The terms of reference are updated and approved annually by the Board of Directors. Minutes of meetings are submitted to the Board of Directors.

The Nomination Committee consists of Sanna Mari Suvanto-Harsaae as chairman and Kristian Carlsson Kemppinen as the other member.

The Nomination Committee convenes when it is deemed necessary or appropriate in relation to the Company's needs, however at least twice a year.

The tasks of the Nomination Committee include:

- To continuously assess the Board of Director's relevant competencies. As part of this, the Nomination Committee annually issues a recommendation to the Board of Directors;
- To propose a competence profile for the Board of Directors, in which the Committee lists suitable criteria for selection of Board members;
- To ensure that the performances and results of the Board of Directors as a whole and its individual members, along with the Board's collaboration with the Executive Management, are evaluated and the findings of such evaluation are presented for discussion to the Board of Directors;

- To continuously assess the composition, expert knowledge and experience of the Executive Management, along with the performance and results of its duties, and issue recommendations to the Board of Directors on any need for changes in the Executive Management; and
- To ensure that succession plans exist for the Executive Management, including considering the adequate size of the Executive Management.

17.1.4 DESCRIPTION OF PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

The Board of Directors and the Executive Management are ultimately responsible for the Group's risk management and internal controls in relation to its financial reporting, and approve the Group's general policies in this regard. The Audit Committee assists the Board of Directors in overseeing the reporting process and the most important risks. The Executive Management is responsible for the effectiveness of the internal controls and risk management and for the implementation of such controls aimed at mitigating the risk associated with the financial reporting.

The Company believes that the Group's reporting and internal control systems enable it to be compliant with disclosure obligations applying to issuers whose shares are admitted to trading and official listing on Nasdaq Copenhagen.

As part of the overall risk management, the Group has set up internal control systems, which are reviewed regularly by the Board of Directors to ensure that these systems are appropriate and sufficient in relation to the Group's activities and operations.

The Group's procedures and internal controls are planned and executed to ensure a reasonable level of comfort that the financial reporting is reliable and in compliance with internal policies and gives a true and fair view of the Group's financial performance, the financial position and material risks. The procedures and controls are furthermore planned with a view to support the quality and efficiency of the Group's business processes and the safeguarding of the Group's assets. The evaluation of the risks includes an assessment of the likelihood that an error will occur and whether the financial impact of such error would be material.

In addition to the above, the Group has developed internal control and procedures over the financial reporting with the aim to enable the Group to monitor the Group's performance, operations, funding, risk and internal control. The Group continues to improve the internal control and procedure over the financial reporting and believes, that the current control and procedure in place enables the Group to be compliant with the disclosure obligations applying to issuers of shares on Nasdaq Copenhagen.

The internal control and procedures over financial reporting include, among other things:

- Weekly reports of incoming orders and gross and net revenue by month;
- Monthly revenue reports, on a per store basis, of the Group's sales to stores;
- Consolidated monthly reports summarising results for legal entities including balance sheet and cash flow results in comparison to budgeted performance and previous year performance and explanations of deviations, together with key performance indicators;
- Four-eye principle within the finance department to ensure the quality of the accounting records;
- The predominant majority of all invoices received go through a standardised authorisation process. In addition, a detailed review of cost on account level is made in connection with the monthly reports.

17.2 CORPORATE GOVERNANCE

The Board of Directors has adopted a set of corporate governance principles that make up the Company's corporate governance policy. The Company's corporate governance statement is available on its website. Information included on the Company's website does not form part of and is not incorporated by reference into this Prospectus, unless otherwise specifically stated herein.

The Company complies with 46 of the 47 recommendations set out in the recommendations on Corporate Governance of the Danish Committee on Corporate Governance, issued on 6 May 2013, as updated in November 2014 (the "**Corporate Governance Recommendations**"), while complying partly or not complying with 1 recommendation, being:

- *Establishment of a whistleblower scheme for expedient and confidential notification of possible or suspected wrongdoing.* The Group already has a scheme for confidential notification to the CEO or the Chairman of possible or suspected wrongdoing, which – although not qualifying as a whistleblower scheme for purposes of the Corporate Governance Recommendations – is deemed sufficient for the time being.

17.3 ROLE OF BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

Powers to manage the Company are divided between the Board of Directors and the Executive Management, which are independent of one another.

The members of the Executive Management are appointed by the Board of Directors. The Executive Management handles day-to-day management, while the Board of Directors supervises the work of the Executive Management and is responsible for the general strategic direction of the Group. The primary tasks for the Board of Directors are to ensure that the Company has a strong management team, an adequate organisational structure, efficient business processes, optimal capital structure, transparent bookkeeping and practices and responsible asset management.

17.4 REMUNERATION POLICY

In accordance with section 139 of the Danish Companies Act, the Company's General Meeting has approved a Remuneration Policy.

Pursuant to the Remuneration Policy, each member of the Board of Directors and the Executive Management will be entitled to receive an annual remuneration. The Remuneration Policy lays down the principles governing remuneration of, and provides general guidelines for incentive pay to, the members of the Board of Directors and Executive Management as required under the Danish Companies Act and the Corporate Governance Recommendations.

The overall object of the Remuneration Policy is to ensure alignment of interest between the Company and its board of directors, executive management and shareholders, and with the object to constantly maintain the motivation of the Boards of Directors and Executive Management for achieving the targets set by the Company.

The Board of Directors shall consider the members' remuneration at frequent intervals based on recommendations from the Remuneration Committee of the Board of Directors. During the formulation of these recommendations, the Remuneration Committee is guided by relevant comparisons with other companies.

Members of the Board of Directors will receive a fixed annual fee. The annual general meeting must approve the remuneration paid to members of the Board of Directors for a specific financial year. Members of the Board of Directors will not receive incentive pay. Expenses such as travel and accommodation relating to meetings of the Board of Directors and relevant training will be reimbursed by the Company.

The Board of Directors shall deal with and decide on the remuneration of the Executive Management based on proposals submitted by the Remuneration Committee. The remuneration of the Executive Management shall be considered annually in relation to that of other comparable companies.

The remuneration package to the Executive Management shall consist of a fixed base salary, a short-term cash bonus and a long-term cash bonus. Further, the Executive Management will receive special non-monetary benefits such as company car, phone, etc. Expenses incurred by the Executive Management relating to travel, conferences, training etc. are reimbursed by the Company.

The pension contribution for the Executive Management may comprise a maximum of 25% of the fixed base salary. The period of notice for the members of the Executive Management may not exceed 12 months.

17.5 COMMUNICATION AND INTERACTION WITH INVESTORS AND OTHER STAKEHOLDERS

In order to maintain a high and consistent level of information and to be proactive and open in the communication with shareholders and related stakeholders within the boundaries of applicable stock exchange regulations, the Company has adopted an investor relation policy. Furthermore, the Group has adopted a corporate social responsibility ("**CSR**") policy with a view to ensure that the business of the Group is conducted in a responsible manner and that sustainable solutions are always targeted. The Company's investor relations and CSR policies are accessible on its website. Information included on the Company's website does not form part of and is not incorporated by reference into this Prospectus, unless otherwise specifically stated herein.

In addition, the Board of Directors has adopted a set of internal rules aimed e.g. at ensuring that the disclosure of information complies with the applicable stock exchange regulations. All company announcements will be published through Nasdaq Copenhagen, and will subsequently be accessible from the Company's website.

The Company will publish quarterly and annual reports.

Not later than eight weeks before the contemplated date of the annual General Meeting, the Company will publish the date of the meeting and the deadline for submitting requests for specific proposals to be included on the agenda. In accordance with the Articles of Association, General Meetings will be convened by the Board of Directors with at least three weeks' and not more than five weeks' notice. Notices convening General Meetings will be published by postings on the Company's website or by other means.

Every shareholder will be entitled to have specific business considered at the annual General Meeting, provided a written request to that effect is submitted to the Board of Directors no later than six weeks prior to the meeting. At General Meetings, the attending shareholders will be able to ask questions to the Board to Directors and the Executive Management.

The Company is expected to adopt contingency procedures in the event of takeover bids according to which the Board of Directors will not without the acceptance of the General Meeting attempt to counter the takeover bid by making decisions that in effect prevent shareholders from deciding on the takeover bid themselves.

17.6 AUDIT

The external auditors will be appointed for a term of one year by the annual General Meeting upon recommendation by the Audit Committee. The framework for the auditors' duties, including their remuneration, audit and non-audit tasks, is agreed annually between the Board of Directors and the auditors based on a recommendation from the Audit Committee.

17.7 SERVICE CONTRACTS WITH THE MEMBERS OF THE BOARD OF DIRECTORS

No service contracts have been entered into or will be entered into between the Company and the members of the Board of Directors providing for benefits upon termination of employment.

17.8 SERVICE CONTRACTS WITH THE MEMBERS OF THE EXECUTIVE MANAGEMENT

For the description of the main terms of the service contracts entered into with the members of the Executive Management see section 16.1.2 *"Compensation of and key terms with the Company's Executive Management"*.

18. EMPLOYEEES AND SHAREHOLDINGS

18.1 EMPLOYEES

As of 30 September 2017, the Group had 434 employees working across all the Group's sites and offices. The following table sets forth the number of employees by category on the dates presented.

Number of FTEs split by category		**As at 31 December**		
	As of 30 September 2017	**2016***	**2015***	**2014***
White collar	132	114	115	114
Production	32	26	25	24
Sales	76	70	74	75
Administration	24	18	16	15
Blue collar	302	219	208	177
Production	302	219	208	177
Total	**434**	**333**	**323**	**291**

*Excluding employees joining the Group as a result of the acquisition of Nettoline A/S effective as of 1 January 2017

18.2 SHAREHOLDINGS

The holdings of Shares in the Company by the members of the Board of Directors and the Executive Management are set out below:

Name	**No. of Shares held in the Company as of the date of the Prospectus**
Sanna Mari Suvanto-Harsaae (held through the holding company Rakaas ApS which is owned by Sanna Mari Suvanto-Harsaae and her husband, Jens Albert Harsaae)	32,300
Kristian Carlsson Kemppinen	0
Anders Skole-Sørensen	0
Peter Jelkeby	0
Erik Albert Ingemarsson	0
Ole Lund Andersen	484,400
Mogens Elbrønd Pedersen	32,300
Karsten Rydder Pedersen	96,900

18.3 INCENTIVE PROGRAMMES

The Group uses the following types of incentive programmes, which are described in further detail below:

- Management incentive programme
- New long term incentive programme

MANAGEMENT INCENTIVE PROGRAMME

The Company has established an incentive programme under which certain key employees, directors and managers of the Company and its affiliates have been granted warrants and have subscribed for Shares in the Company.

The issued warrants entitle the participant to subscribe for 100 Shares of nominal DKK 0.1 for each warrant held by the participant on the terms and conditions of a warrants agreement entered into between the Company and the participant dated 8 June 2016 (the "**Warrant Agreement**").

Articles 3.4-3.5 of the Company's Articles of Association contains a provision providing for the issuance of warrants as well as the corresponding increase in the share capital of the Company. In addition to those set out in the Warrant Agreement, the terms and conditions are further reflected in Appendix A and Appendix B to the Company's Articles of Association attached hereto as Annex A. Both the Shares and the warrants held by the participants are governed by a shareholders' agreement entered into between the participants and the Selling Shareholder dated 8 June 2016 (the "**Shareholders' Agreement**"). See section 19.4 "Arrangement among shareholders", for further information on the Shareholders' Agreement.

EXERCISE PRICE

Each warrant entitles the holder, subject to the terms and conditions of the Warrant Agreement, to subscribe for 100 Shares of nominal DKK 0.1 at a price of DKK 30.9686 with an addition of 8% p.a. on an accumulated basis in accordance with the following formula (30.9686 * (0.08 * (207/365)) + 30.9686) * (0.08 * (327/365)) + (30.9686 * (0.08 * (207/365)) + 30.9686) where 207 and 327 together are the number of days between 8 June 2016 and the date of subscription to the Share (the "Exercise Price"). As an alternative to issuing shares, the Company has the possibility to pay a cash settlement to the participants equal to the difference between the value of the Offer Price and the Exercise Price.

EXERCISE

The warrants may only be exercised in case of an exit defined, inter alia, as a public offering and listing of the Shares in the Company on a stock exchange. Warrants not exercised will lapse.

All holders of warrants participating in the incentive programme have provided an irrevocable undertaking to the Company, subject to pricing of the Offering, that they will exercise their warrants in full in connection with the Offering. The holders of warrants will receive a net cash settlement equal to the difference between the Offer Price and the Exercise Price. The net cash settlement of the warrants is expected to take place on 24 November 2017.

Below is a table showing cash settlement which the holders of warrants will receive in connection with settlement of the warrants on 24 November 2017 at an Offer Price at bottom end, midpoint and top-end of the offer price range, respectively:

Name	**Gross cash settlement amount in DKK**			**Net profit from the cash settlement in DKK**		
	bottom	**mid**	**top-end**	**bottom**	**mid**	**top-end**
Sanna Mari Suvanto-Harsaae	1,786,387	2,028,637	2,270,887	786,010[1]	892,600[1]	999,190[1]
Kristian Carlsson Kemppinen	0	0	0	0	0	0
Anders Skole-Sørensen	0	0	0	0	0	0
Peter Jelkeby	0	0	0	0	0	0
Erik Albert Ingemarsson	0	0	0	0	0	0
Ole Lund Andersen	53,580,550	60,846,550	68,112,550	23,575,442[1]	26,772,482[1]	29,969,522[1]
Mogens Elbrønd Pedersen	3,572,774	4,057,274	4,541,774	1,572,021[1]	1,785,201[1]	1,998,381[1]
Karsten Rydder Pedersen	10,718,322	12,171,822	13,625,322	4,716,062[1]	5,355,602[1]	5,995,142[1]
Other employees in the Group	5,890,100	6,688,850	7,487,600	2,591,644[1]	2,943,094[1]	3,294,544[1]

1 After deduction of any acquisition price paid for the warrants at grant and taxes payable at an assumed rate of 56 per cent (the effective tax rate payable by each eligible person may differ depending on their personal circumstances).

Following the net cash settlement of the warrants, the Company will not have any warrants in issue.

The cash settlement of the Company's incentive programme will be financed partly through funds made available under the Facility Agreement (see section 23.1 "*Facility Agreement*"). Assuming an Offer Price at midpoint of the offer price range, the cash settlement will amount to DKK 85,793,133, of which DKK 50 million will be financed under the Facility Agreement.

Other than certain terms, inter alia in respect of non-competition, non-solicitation and confidentiality, the Shareholders' Agreement will terminate in accordance with its terms in connection with the admission to trading and official listing of the Shares on Nasdaq Copenhagen.

Prior to the Offering, members of the Executive Management and certain members of the Board of Directors have expressed that they will buy Offer Shares at the Offer Price up to a certain fixed investment amount being DKK 1,000,000 with respect to Ole Lund Andersen, DKK 250,000 with respect to Mogens Elbrønd Pedersen, DKK 250,000 with respect to Karsten Rydder Pedersen, DKK 400,000 with respect to Sanna Mari Suvanto-Harsaae, DKK 750,000 with respect to Anders Skole-Sørensen and DKK 230,000 with respect to Peter Jelkeby. The number of Offer Shares that will be allocated to meet these orders will depend on the Offer Price.

NEW LONG-TERM INCENTIVE PROGRAMME

The Board of Directors has established a cash-based one-off long-term incentive programme ("**LTI**") applicable for the period 1 January 2018 to 31 December 2020 ("**LTI Period**"), under which the Company's Executive Management participates. The Board of Directors may, however, decide to include further participants in the LTI, in which case participants will be entitled to either a prorated LTI payment based on the remaining LTI Period or a full LTI payment (participation with retroactive effect) as had the participants been enrolled in the LTI as from 1 January 2018.

The LTI is cash based, and any payments under the LTI are subject to achievement of predefined bonus targets. The predefined bonus targets are based on total absolute and relative shareholder return (TSR) in the Company (annual target and three-year target) and earnings per share (EPS) in the Company (three-year target). Any payments under the LTI is subject to continued employment within the Group. The Company may, however, at its discretion decide on a case-by-case basis that a participant shall be considered a good-leaver and receive for example a prorated part of LTI compared to length of employment in the LTI Period. Potential payments will be made after expiry of the LTI Period, i.e. after lapse of the three-year target; however, the Company will provide for payments on an annual basis.

The LTI includes a cap on the potential payments under the LTI equal to 50% of each participants annual base salary per year of the LTI Period, i.e. a total cap on the potential payments for each participant of an amount corresponding to one and a half times annual base salary for the LTI Period.

19. MAJOR SHAREHOLDERS

19.1 OWNERSHIP STRUCTURE

As at the date of this Prospectus, the Company's share capital is DKK 1,000,000 divided into 10,000,000 Shares with a nominal value of DKK 0.1 each.

The Selling Shareholder owns 92.48% of the Company's share capital and voting rights and the Board of Directors, Executive Management and certain other employees of the Group own in aggregate 7.52% of the Company's share capital and voting rights. In addition, pursuant to the Company's management incentive programme, certain members of the Board of Directors and members of the Executive Management as well as certain other employees of the Group own warrants which will be settled in cash immediately prior to completion of the Offering.

The Selling Shareholder is a limited liability company organised under the laws of Luxembourg under registration no. B 198128, 1. The registered office of the Selling Shareholder is 1, rue de la Poudrerie, L - 3364 Leudelange, Luxembourg. The Selling Shareholder is owned by IK Small Cap I Fund (51%) and certain co-investors (49%) being limited partner entities. IK Small Cap I Fund is advised by IK Investment Partners Ltd.

In connection with the Offering, the Selling Shareholder is offering up to 7,000,000 Offer Shares, excluding the Option Shares. In addition, the Selling Shareholder has granted an Overallotment Option to the Managers, exercisable in whole or in part by the Stabilising Manager, to purchase Option Shares at the Offer Price, from the first day of trading in and official listing of the Shares until the day 30 calendar days thereafter, solely to cover overallotments or other short positions, if any, incurred in connection with the Offering.

Furthermore, the Company has received irrevocable commitments from the Cornerstone Investors to purchase Cornerstone Shares in connection with the Offering. Up to 3,500,000 Offer Shares (corresponding to 50% of the Offer Shares) will be reserved for allocation to the Cornerstone Investors. Otherwise, the purchase of Cornerstone Shares will be made on terms and conditions identical to those on which all other investors purchase Shares in the Offering, in accordance with and subject solely to the terms and conditions of this Prospectus.

The Company, the Selling Shareholder, the Board of Directors, Executive Management and a limited number of other employees will be subject to certain lock-up obligations. See section 29.19 "*Lock-up*".

19.2 SHARES OUTSTANDING AFTER THE OFFERING

No new shares will be issued in connection with the Offering and consequently, the Company's registered share capital as of completion of the Offering will amount to DKK 1,000,000 divided into 10,000,000 Shares with a nominal value of DKK 0.1 each.

19.3 SHAREHOLDERS

The following table sets forth information regarding the Company's ownership structure (i) as at the date of this Prospectus assuming that the current warrants outstanding under the Company's management incentive programme are settled in full in cash; and (ii) immediately following the completion of the Offering assuming (a) the maximum number of Offer Shares sold in the Offering, but assuming no exercise of the Overallotment Option and (b) the maximum number of Offer Shares sold in the Offering, including exercise in full of the Overallotment Option:

	Shares owned as at the date of this Prospectus with the assumption listed under (i) above		Shares owned following the completion of the Offering with the assumptions listed under (i) and (ii) above: Assuming no exercise of the Overallotment Option		Assuming full exercise of the Overallotment Option	
	Number of Shares	**Approx. percent**	**Number of Shares**	**Approx. percent**	**Number of Shares**	**Approx. percent**
Innovator International S.à r.l.	9,247,600	92.476	2,247,600	22.476	1,197,600	11.976
Ole Lund Andersen	484,400	4.844	494,656[1]	4.947	494,656[1]	4.947
Mogens Elbrønd Pedersen	32,300	0.323	34,864[1]	0.349	34,864[1]	0.349
Karsten Rydder Pedersen	96,900	0.969	99,464[1]	0.995	99,464[1]	0.995
Sanna Suvanto-Harsaae (including Shares held through the holding company Rakaas ApS which is owned by Sanna Suvanto-Harsaae and her husband, Jens Albert Harsaae)	32,300	0.323	36,403[1]	0.364	36,403[1]	0.364
Anders Skole-Sørensen	-	-	7,692[1]	0.077	7,692[1]	0.077
Peter Jelkeby	-	-	2,359[1]	0.024	2,359[1]	0.024
Other employees of the Group	106,500	1.065	106,500	1.065	106,500	1.065
New investors acquiring Shares in the Offering	–	–	6,970,462	69.705	8,020,462	80.205
Total Shareholders	**10,000,000**	**100.000**	**10,000,000**	**100.000**	**10,000,000**	**100.000**

(1) Includes the expected purchase of Offer Shares at the mid-point of the Offer Price Range up to a certain fixed investment amount

Prior to the Offering, members of the Executive Management and certain members of the Board of Directors have expressed that they will buy Offer Shares at the Offer Price up to a certain fixed investment amount being DKK 1,000,000 with respect to Ole Lund Andersen, DKK 250,000 with respect to Mogens Elbrønd Pedersen, DKK 250,000 with respect to Karsten Rydder Pedersen, DKK 400,000 with respect to Sanna Mari Suvanto-Harsaae, DKK 750,000 with respect to Anders Skole-Sørensen and DKK 230,000 with respect to Peter Jelkeby. The number of Offer Shares that will be allocated to meet these orders will depend on the Offer Price. The table above includes such number of Offer Shares which the members of the Executive Management and the Board of Directors are expected to acquire in the Offering based on the expected purchase of Offer Shares at the Offer Price up to a certain fixed investment amount.

19.4 ARRANGEMENTS AMONG SHAREHOLDERS

On 8 June 2016, the participants in the management incentive programme and the Selling Shareholder entered into the Shareholders' Agreement governing their respective shareholdings in the Company. The Shareholders' Agreement will terminate in accordance with its terms in connection with the admission to trading and official listing of the Shares on Nasdaq Copenhagen, except for certain terms, inter alia, in respect of non-competition, non-solicitation and confidentiality, to which the parties to the Shareholders' Agreement will remain subject.

20. RELATED PARTY TRANSACTIONS

The Selling Shareholder, the Board of Directors and the Executive Management are considered related parties of the Company as they exercise a significant influence on the Company's operations. Related parties also include such persons' relatives as well as undertakings in which such persons have significant interests. In addition, companies controlled by the Selling Shareholder are considered related parties.

Except as set out below or in relation to compensation and benefits received as a result of membership of the Board of Directors, Executive Management, employment with the Group or shareholdings in the Company, the Company has not undertaken any significant transactions with the Selling Shareholder, members of the Board of Directors and the Executive Management, or undertakings outside of the Group, in which related parties have interests. For information on remuneration paid to the members of the Board of Directors and Executive Management, see section 15 "*Board of Directors and Executive Management*". For a description of the Group's incentive programmes, see section 18.3 "*Incentive Programmes*".

The Group's employees, the Executive Management and the Board of Directors have the opportunity to purchase kitchens, bathrooms and storage at a discounted price. The purchases are carried out indirectly through an independent store. The total value of the purchases made by the Board of Directors and Executive Management was DKK 136,750 in 2016, DKK 179,759 in 2015 and DKK 0 in 2014.

In 2016, advisory fee and travel expenses totaling DKK 5.9 million have been paid to IK Investment Partners Ltd., which is associated with the Selling Shareholder. As of the date of this Prospectus, DKK 0.1 million has been paid to IK Investment Partners Ltd. to cover travel expenses for 2017.

No advisory fee will be charged in 2017 or going forward by an entity associated with the Selling Shareholder.

21. FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES AND DIVIDENDS

21.1 INTRODUCTION TO FINANCIAL INFORMATION

Reference is made to section 3.1 "*Financial information*".

21.2 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

When preparing the consolidated financial statements, the Executive Management makes a number of accounting estimates, judgements and assumptions which form the basis for recognition and measurement of income, expenses, assets and liabilities.

The judgements, estimates and assumptions made are based on historical experience and other factors which Executive Management assesses to be reliable, but which, by their nature, are associated with uncertainty and unpredictability. These assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise.

21.3 CROSS REFERENCE

The additional information explicitly listed in the table below has been incorporated by reference into this Prospectus pursuant to article 28 of the Prospectus Regulation as also set out in section 19 of the Danish Executive Order on Prospectuses. Direct and indirect references in the reports to other documents or websites are not incorporated by reference and do not form part of this Prospectus. The reports speak only as at the date of their respective publications and have not been updated for purposes of this Prospectus. Prospective investors should assume that the information in this Prospectus as well as the information incorporated by reference herein is accurate as at the date on the front cover of those documents only. The business, financial condition, cash flows and results of operations as presented in the consolidated financial statements of the Company and TMK Group may have changed since those dates. Prospective investors are encouraged to read the information incorporated by reference in conjunction with the cautionary statements in section 2.2 "*Special Notice Regarding Forward-looking Statements*" and in conjunction with section 1 "*Risk Factors*" in this Prospectus.

The additional information incorporated by reference into this Prospectus is exclusively set out in the cross reference table below, and is available for inspection at the Company's address Skautrupvej 16, Tvis, DK-7500 Holstebro, Denmark, Denmark, and at www.tcmgroup.dk.

Disclosure element reference – the Interim Financial Statements:
With reference to the interim financial statements for the nine months period ended 30 September 2017 of the Company:

Management's statement	Page 18
Independent auditor's review report	Pages 19-20
Consolidated interim financial statements and notes	Pages 9-17

Disclosure element reference – the Consolidated Danish GAAP Financial Statements for 2016:
With reference to the annual report for 2016 of the Company prepared in accordance with Danish GAAP:

Management's statement	Page 2
Independent auditor's report	Pages 3-5
Consolidated financial statements and notes	Pages 9-18

Disclosure element reference – the Consolidated IFRS Financial Statements for 2016:
With reference to the annual report for 2016 of the Company prepared in accordance with IFRS:

Management's statement	Page 61
Independent auditor's report	Pages 62-64
Consolidated financial statements and notes	Pages 12-52

Disclosure element reference – the Consolidated Danish GAAP Financial Statements for 2015:
With reference to the annual report for 2015 of the Former Holding Company:

Management's statement	Page 2
Independent auditor's report	Pages 3–4
Consolidated financial statements and notes	Pages 15–23

The main differences between Danish GAAP and IFRS as applied by the Group are explained in section 11.3 "*Explanation of differences between the Group's result of operations for 2015 and financial position at 31 December 2015 according to Danish GAAP and IFRS*"

Disclosure element reference – the Consolidated Danish GAAP Financial Statements for 2014:
With reference to the annual report for 2014 of the Former Holding Company:

Management's statement	Page 2
Independent auditor's report	Pages 3–4
Consolidated financial statements and notes	Pages 15–24

21.4 PRO FORMA SELECTED FINANCIAL INFORMATION

The Company acquired the Former TCM Group effective as of 1 March 2016. As the acquisition has significantly impacted the Company's assets, liabilities and revenues, the Company has chosen to present certain pro forma financial information. The Company's Interim Pro Forma Accounts and 2016 Pro Forma Accounts is included on pages F-1 - F-13 in the Prospectus.

21.5 DIVIDENDS AND DIVIDEND POLICY

21.5.1 DIVIDEND POLICY

The Board of Directors has adopted a dividend policy with a target payout ratio of 40-60 percent of consolidated net profit for the year. The Board of Directors is currently not planning to distribute dividend for the financial year 2017 due to the cash settlement of the Company's management incentive programme in connection with the Offering, see section 18.3 "*Incentive programmes*". As an alternative or in addition to making dividend payments, the Board of Directors may initiate share buybacks. A decision by the Board of Directors to engage in share buybacks, if any, will be made in accordance with the factors applicable to dividend payments set forth below.

Payment of dividends, and the amounts and timing thereof, will depend on a number of factors, including future revenue, profits, financial conditions, general economic and business conditions, future prospects, strategic initiatives such as M&A activities or large scale investments decided upon by the Board of Directors, and such other factors as the Board of Directors may deem relevant as well as applicable legal and regulatory requirements. There can be no assurance that in any given year a dividend or share buyback will be proposed or declared or that the Company's financial performance will allow it to adhere to the dividend policy or any increase in the pay-out ratio. The Company's ability to pay dividends or buy back shares may be impaired as a result of various factors, including materialisation of any of the risks described in this Prospectus. See section 1 "*Risk Factors*". Furthermore, the dividend policy is subject to change as decided by the Board of Directors from time to time.

Dividends paid to the Company's shareholders generally will be subject to withholding tax, while share buybacks will be deemed a sale of shares for Danish tax purposes and as a general rule will not be subject to Danish withholding tax. For a description of Danish withholding taxes and certain other tax considerations relevant to the purchase or holding of the Shares, see section 28.10 "*Taxation*".

Statements relating to the dividend policy constitute forward-looking statements. Forward-looking statements are not guarantees of future financial performance and actual dividends or share buybacks could differ materially from those expressed or implied by such forward-looking statements as a result of many factors, including those described in section 1 "*Risk Factors*" and section 2.2 "*Special Notice Regarding Forward-looking Statements*".

21.5.2 DIVIDENDS

In accordance with the Danish Companies Act, ordinary dividends, if any, are declared with respect to a financial year at the annual General Meeting in the following year, at the same time as the statutory annual report, which includes the audited financial statements, for that financial year is approved.

Further, the General Meeting may resolve to distribute interim dividends or authorise the Board of Directors to decide on the distribution of interim dividends. Any resolution to distribute interim dividends within six months after the date of the Company's latest adopted annual report must be accompanied by the statement of financial position from the Company's latest annual report or an interim statement of financial position, which must be reviewed by the Company's auditor. If the decision to distribute an interim dividend is passed more than six months after the date of the Company's latest adopted annual report, then an interim statement of financial position must be prepared and reviewed by the Company's auditor. The statement of financial position or the interim statement of financial position, as applicable, must show that the Company has sufficient funds available for distribution.

Dividends may not exceed the amount recommended by the Board of Directors for approval by the General Meeting. Moreover, dividends, including interim dividends, may only be made out of distributable reserves, may not exceed an amount that is considered sound and adequate with regard to the financial condition of the Company and may not be to the detriment of the Company's creditors and otherwise must satisfy such other factors, as the Board of Directors may deem relevant.

As at the date of this Prospectus, the Board of Directors has been authorised by the General Meeting to distribute interim dividends, but currently does not intend to do so.

21.5.3 HISTORICAL DIVIDENDS

The Company has not paid out dividends since its formation in December 2015.

21.6 LEGAL AND ARBITRATION PROCEEDINGS ETC.

The Group may from time to time be subject to claims and various legal proceedings. Claims may e.g. arise under the Group's commercial contracts with customers, franchisees, dealers and suppliers, and in relation to e.g. personnel matters and intellectual property rights. In connection with the Group's recent termination and renegotiation of certain of its dealer and customer contracts, it cannot be ruled out that the Group may receive claims. However, in the Executive Management's view, if any such claims related to the terminations are made and are determined in favour of the claimants, they are not likely to cause any material impact on the Group's financial position or results of operation.

The Group was recently denied registration of its Svane kitchen trade mark in Norway by the Norwegian trademark register. The Group has appealed the decision and a final ruling is expected by the end of 2017.

Other than as set out above, the Group is not aware of any pending or threatened litigation or disputed claims, arbitration, government, administrative or regulatory cases, policies or factors which have had or which, in the opinion of the Board of Directors or the Executive Management, may reasonably be expected to have a material impact on the Group's business, reputation, financial position or results of operations.

21.7 SIGNIFICANT CHANGES IN THE GROUP'S FINANCIAL OR TRADING POSITION

The Group's site in Horsens has been sold with effect from 15 January 2018. The sale of the site will impact EBIT with a non-recurring loss of DKK 7 million and have a positive impact on net interest bearing debt of DKK 17 million.

The cash settlement of the Company's incentive programme described in section 18.3 "*Incentive programme*" will be financed partly through funds made available under the Facility Agreement (see section 23.1 "*Facility Agreement"*) and the cash settlement of the Company's incentive programme will increase the Group's net debt.

Apart from this, no significant changes have occurred in the Group's financial and trading position since 30 September 2017.

21.8 NAMES AND ADDRESS OF THE COMPANY'S STATUTORY AUDITORS

The name and address of the Company's independent auditors are as follows:

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
DK-2300 København S
Denmark

Deloitte Statsautoriseret Revisionspartnerselskab is represented by Bill Haudal Pedersen, State Authorised Public Accountant, and Sumit Sudan, State Authorised Public Accountant, both members of FSR – Danish Auditors.

The Consolidated Danish GAAP Financial Statements for 2014, the Consolidated Danish GAAP Financial Statements for 2015, the Consolidated Danish GAAP Financial Statements for 2016 and the Consolidated IFRS Financial Statements for 2016 have been audited by Deloitte Statsautoriseret Revisionspartnerselskab. The consolidated interim financial statements for the Company for the nine months ended 30 September 2017 have been reviewed by Deloitte Statsautoriseret Revisionspartnerselskab. The Executive Management's pro forma financial information for the nine months period ended 30 September 2016 and the pro forma financial information for the financial year ended 31 December 2016 have been examined by Deloitte Statsautoriseret Revisionspartnerselskab.

The independent auditors' report included in the Consolidated Danish GAAP Financial Statements for 2016 has been signed by Bill Haudal Pedersen, State Authorised Public Accountant, and Allan Søborg Olsen, State Authorised Public Accountant while the Consolidated Danish GAAP Financial Statements for 2015 and 2014 have been signed by Allan Søborg Olsen, State Authorised Public Accountant. The Consolidated IFRS Financial Statements for 2016 have been signed by Bill Haudal Pedersen, State Authorised Public Accountant, and Sumit Sudan, State Authorised Public Accountant.

Deloitte Statsautoriseret Revisionspartnerselskab is a member of FSR – Danish Auditors.

22. ADDITIONAL INFORMATION

The following is a summary of material information relating to the Company's share capital, including a summary of certain provisions of the Articles of Association dated 7 November 2017 as well as a brief description of certain provisions of the Danish Companies Act. This summary does not purport to be exhaustive and should be read in conjunction with the full text of the Articles of Association (which are attached hereto as Annex A) as well as in the context of applicable Danish law.

The Company is a public limited company incorporated on 9 December 2015 and is organised under the laws of Denmark under the name TCM Group A/S. The Company has its registered office at Skautrupvej 16, Tvis, DK-7500 Holstebro, Denmark. The Company is registered with the Danish Business Authority under CVR no. 37 29 12 69.

22.1 REGISTERED SHARE CAPITAL

As at the date of this Prospectus, the Company's share capital is DKK 1,000,000, divided into 10,000,000 Shares with a nominal value of DKK 0.1 each. The Shares are denominated in Danish kroner. The Shares are not divided into share classes and all Shares rank pari passu in respect of voting rights, pre-emption rights, redemption, conversion and restrictions or limitations according to the Articles of Association of eligibility to receive dividend or proceeds in the event of dissolution and liquidation. No Shares carry special rights. All Shares are issued and fully paid up. Each Share entitles its holder to one vote at General Meetings.

Other than as set out in section 18.3 "*Incentive programmes*", the Company has not issued any securities that are convertible, exchangeable nor have warrants attached.

22.2 AUTHORISATION TO INCREASE SHARE CAPITAL

Pursuant to article 5.1 of the Articles of Association, the Board of Directors is authorised to increase the share capital by cash contribution, contribution in kind and conversion of debt by issuance of new Shares of no more than nominally DKK 200,000. Such increase may be effected in one or more issues. Any such issuance must be made at market price. The authorisation to the Board of Directors to increase the share capital will be in force until 6 November 2022. The new Shares must be negotiable instruments and recorded in the names of the holders in the Company's register of shareholders. The negotiability of the new Shares may not be subject to restrictions. The pre-emption rights of the existing shareholders would not apply to the issue of new Shares. The new Shares, if any, will carry the same rights as the existing Shares.

Pursuant to article 5.2 of the Articles of Association, the Board of Directors is authorised to increase the share capital by cash contribution by issuance of new Shares of no more than nominally DKK 200,000 in connection with subscription of shares by the Group's employees. Such increase may be effected in one or more issues. Any such issuance can be made at a subscription price below market price. The authorisation to the Board of Directors to increase the share capital will be in force until 6 November 2022. The new Shares must be negotiable instruments and recorded in the names of the holders in the Company's register of shareholders. The negotiability of the new Shares may not be subject to restrictions. The pre-emption rights of the existing shareholders would not apply to the issue of new Shares. The new Shares, if any, will carry the same rights as the existing Shares.

Pursuant to article 5.4 of the Articles of Association, when exercising the authorisations given in articles 5.1 and 5.2 of the Articles of Association, the Board of Directors is overall authorised to increase the share capital of the company with a total of nominally DKK 200,000.

22.3 AUTHORISATION TO ACQUIRE TREASURY SHARES

As at the date of this Prospectus, the Board of Directors on behalf of the Company is authorised to purchase treasury Shares to the extent that the Company's holding of treasury Shares at no time exceeding 10 percent of the Company's share capital. The purchase price may not deviate by more than 10 percent from the quoted price on Nasdaq Copenhagen at the time of the purchase. The authorisation is valid until 6 November 2022.

The Company does not hold any treasury shares as at the date of this Prospectus.

22.4 AUTHORISATION TO DISTRIBUTE INTERIM DIVIDENDS

As at the date of this Prospectus, the Board of Directors has been authorised by the Company's General Meeting to distribute interim dividends, but has no plan to do so in the near future.

For further details on dividends and the Company's dividend policy, see section 21.5 "*Dividends and Dividend Policy*".

22.5 DEVELOPMENT IN SHARE CAPITAL

The Company was incorporated as a private limited liability company (in Danish abbreviated to "ApS") on 9 December 2015 with a share capital of DKK 50,000 divided into 50,000 Shares with a nominal value of DKK 1 each. On 15 September 2017, the Company was converted to a public limited liability company (in Danish abbreviated to "A/S"). In addition, the following changes have been effected to the Company's share capital since incorporation:

Date	Resolved change	Share capital and number of shares before change	Share capital and number of shares after change
1 March 2016	Cash capital increase of nominal DKK 50,000	50,000/50,000	100,000/100,000
15 September 2017	Share split of nominal value of shares from DKK 1 to DKK 0.1	100,000/100,000	100,000/1,000,000
15 September 2017	Increase of share capital by DKK 900,000 through issue of bonus shares to all shareholders pro rata on the basis of number of shares held in the Company	100,000/1,000,000	1,000,000/10,000,000

22.6 ARTICLES OF ASSOCIATION

22.6.1 OBJECT

Pursuant to article 2.1 of the Articles of Association, the object of the Company is to hold interests, directly or indirectly, in companies with activities within the kitchen, bath and wardrobe industry and other associated activities.

22.6.2 PROVISIONS CONCERNING MEMBERS OF THE COMPANY'S BOARD OF DIRECTORS AND THE EXECUTIVE MANAGEMENT

The Board of Directors is responsible for the Company's overall and strategic management and it supervises the Company's activities, management and organisation. The Board of Directors appoints and dismisses the members of the Executive Management, who are responsible for the Company's day-to-day operations.

In accordance with article 11.1 of the Articles of Association, the Board of Directors consists of no fewer than four (4) and no more than six (6) members elected at the General Meeting. Members of the Board of Directors may be re-elected. Any person that as of the date of the general meeting is 70 years or more cannot be elected to the board of directors.

Currently, the Company has no employee representatives on the Board of Directors. Employees of a group of Danish companies that have employed at least 35 employees for the preceding three years are entitled to elect directors corresponding to one half of the number of directors elected by the general meeting of shareholders to the group holding company. Board members elected by the employees are elected for terms of four years and they hold the same rights and obligations as any member of the Board of Directors elected by the shareholders.

The Board of Directors elects its Chairman and Deputy-chairman. The members of the Board of Directors elected by the General Meeting are elected for a term of one year and may be re-elected.

22.6.3 GENERAL MEETINGS AND VOTING RIGHTS

General Meetings must be held at the Company's registered office or in the Greater Copenhagen area.

The annual General Meeting must be held each year in time for the audited and adopted annual report to reach the Danish Business Authority before expiry of the time limit provided by the Danish Financial Statements Act. Not later than eight weeks before the contemplated date of the annual General Meeting, which the Company will announce in its financial calendar, the Company must publish the actual date of the General Meeting and the deadline for submitting requests for specific proposals to be included on the agenda.

Extraordinary General Meetings must be held when determined by the Board of Directors or requested by the Company's auditor. Furthermore, an extraordinary General Meeting must be held when requested by shareholders possessing no less than 5 percent of the Company's share capital. Such request must be submitted in writing to the Board of Directors and be accompanied by a specific proposal for the business to be transacted. The Board of Directors must convene an extraordinary General Meeting no later than two weeks after such request has been made.

General Meetings must be convened by the Board of Directors with at least three weeks' and not more than five weeks' notice. The notice of the General Meeting must be published on the Company's website. Furthermore, a notice of the General Meeting must be sent by e-mail to all shareholders recorded in the Company's register of shareholders who have so requested.

The notice must specify the time and place of the General Meeting and the agenda containing the business to be transacted at the meeting. If a proposal to amend the Articles of Association is to be considered at the General Meeting, the main contents of the proposal must be specified in the notice. Notices convening General Meetings at which a resolution will be passed pursuant to section 77 (2), section 92 (1) or (5), or section 107 (1) or (2) of the Danish Companies Act must set out the full wording of the proposals.

Every shareholder is entitled to have a specific subject considered at the annual General Meeting. Such proposals must be submitted in writing to the Board of Directors not later than six weeks prior to the General Meeting.

The right of a shareholder to attend and vote at a General Meeting is determined by the Shares held by the shareholder on the date of registration. The date of registration is one week before the General Meeting. The Shares held by each shareholder on the date of registration are calculated based on the registration of the number of shares held by that shareholder in the Company's register of shareholders as well as on any notification of ownership received by the Company for the purpose of registration in its register of shareholders, but which have not yet been registered.

At the General Meeting, each Share carries one vote and, therefore, all Shares have equal voting rights.

Any shareholder who is entitled to attend the General Meeting pursuant to the Articles of Association and who wishes to attend the General Meeting must request to receive an admission card not later than three days prior to the date of the meeting. A shareholder may, subject to having requested an admission card, attend in person or by proxy, and the shareholder or the proxy may attend together with an adviser.

The right to vote may be exercised by a written and dated instrument of proxy in accordance with applicable laws. A shareholder who is entitled to participate in the General Meeting pursuant to the Articles of Association may vote by correspondence in accordance with the provisions of the Danish Companies Act. Such votes by correspondence must be received by the Company not later than the day before the General Meeting. Votes by correspondence cannot be withdrawn.

The language at General Meetings will be Danish or English as resolved by the Board of Directors. Documents prepared for use by the General Meeting, including notice convening the general meeting and agenda with the complete proposals as well as any additional material, may be prepared in Danish or English as resolved by the Board of directors. The Company's annual reports and interim financial reports are prepared and presented in English. The Board of Directors may resolve that the annual report also is prepared in Danish.

22.6.4 RESOLUTIONS BY THE GENERAL MEETINGS AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Resolutions at General Meetings must be passed by a simple majority of votes cast unless otherwise prescribed by law or by the Articles of Association.

Adoption of changes to the Articles of Association, dissolution of the Company, merger or demerger requires that the decision is adopted with at least two-thirds of the votes cast as well as the share capital represented at the General Meeting, unless applicable laws prescribe stricter or less strict adoption requirements or applicable laws confer independent competence to the Board of Directors or other bodies.

The provisions in the Articles of Association relating to a change of the rights of shareholders or a change to the capital are no more stringent than required by the Danish Companies Act.

22.7 REGISTRATION OF SHARES

The Shares will be delivered in book-entry form through allocation to accounts with VP Securities through a Danish bank or other institution authorised as custodian.

The Shares are issued in dematerialised form through VP Securities. The address of VP Securities is Weidekampsgade 14, DK-2300 Copenhagen S, Denmark.

The Shares will be registered in the name of the holder in the Company's register of shareholders. The Company's register of shareholders is kept by VP Securities, Weidekampsgade 14, DK-2300 Copenhagen S, Denmark.

22.8 TRANSFER OF SHARES

The Shares are negotiable instruments and no restrictions under the Company's Articles of Association or Danish law apply to the transferability of the Shares. See "*Selling Restrictions*" and "*Transfer Restrictions*" for certain restrictions applicable to the transfer of Offer Shares.

22.9 PRE-EMPTION RIGHTS

Under Danish law, all shareholders have pre-emptive subscription rights in connection with capital increases affected as cash contributions. An increase in the share capital can be resolved by the shareholders at a General Meeting or by the Board of Directors pursuant to an authorisation given by the shareholders. In connection with an increase of the Company's share capital, the shareholders may, by resolution at a General Meeting, approve deviations from the general Danish pre-emptive rights of the shareholders. Under the Danish Companies Act, such resolution must be adopted by the affirmative vote of shareholders holding at least a two-thirds majority of the votes cast and the share capital represented at a General Meeting. Furthermore, it is a prerequisite that the capital increase is subscribed for at market price. The Board of Directors is authorised to increase the Company's share capital in one or more issues at market price without pre-emptive rights to the shareholders. See section 22.2 "*Authorisations to increase share capital*" above.

The exercise of pre-emptive rights may be restricted for shareholders resident in certain jurisdictions, including but not limited to the United States, Canada, Japan and Australia, unless the Company decides to comply with applicable local requirements.

The Company intends to evaluate at the time of any issue of Shares subject to pre-emptive rights or in a rights offer, as the case may be, the cost and potential liabilities associated with complying with any local requirements, as well as the indirect benefits to the Company of enabling the exercise of shareholders not residing in Denmark of their pre-emption rights to Shares or participation in any rights offer, as the case may be, and any other factors considered appropriate at the time, and then to make a decision as to whether to comply with any local requirements. No assurances are given that local requirements will be complied with to enable the exercise of such holders' pre-emption rights or participation in any rights offer.

22.10 REDEMPTION AND CONVERSION PROVISIONS

Except as provided for in the Danish Companies Act (see section 28.9 "*Mandatory redemption of Shares*"), no shareholder is under an obligation to have his or her Shares redeemed in whole or in part by the Company or by any third party, and none of the Shares carry any redemption or conversion rights or any other special rights.

22.11 DISSOLUTION AND LIQUIDATION

In the event of dissolution and liquidation of the Company, the shareholders are entitled to participate in the distribution of assets in proportion to their nominal shareholdings after payment of the Company's creditors.

22.12 TAKEOVER BIDS

No public mandatory or voluntary takeover offers have been made by any third party pursuant to the Danish Securities Trading Act in respect of the Shares during the past or current financial year.

Neither the Articles of Association nor the Company's memorandum of association contains provisions that are likely to have the effect of delaying, deferring or preventing a change in control of the Company.

Consistent with the Corporate Governance Recommendations, the Board of Directors has adopted a set of guidelines for the handling of takeover bids.

22.13 DISCLOSURE OF MAJOR SHAREHOLDINGS

Holders of shares in Danish companies with shares admitted to trading and official listing on Nasdaq Copenhagen are, pursuant to the Danish Securities Trading Act section 29, required to give simultaneous notice to the company and the Danish FSA of the shareholdings in the company immediately, when the shareholding reaches, exceeds or falls below thresholds at intervals of 5, 10, 15, 20, 25, 50 or 90% and limits of 1/3 or 2/3 of the voting rights or nominal value of the total share capital.

Holders of shares in a company mean a natural or legal person who, directly or indirectly, holds (i) shares in the company on behalf of himself and for his own account, (ii) shares in the company on behalf of himself, but for the account of another natural or legal person, or (iii) share certificates, where such holder is considered a shareholder in relation to the underlying securities represented by the certificate.

The duty to notify set forth above further applies to natural and legal persons who are entitled to acquire, sell or exercise voting rights which are:

a) held by a third party with whom that natural or legal person has concluded an agreement, which obliges them to adopt, by concerted exercise of the voting rights they hold, a lasting common policy towards the management of the issuer in question (common duty to inform for all parties to the agreement);
b) held by a third party under an agreement concluded with that natural or legal person providing for the temporary transfer of the voting rights in question in return for consideration;
c) attached to shares which are lodged as collateral for that natural or legal person, provided the person controls the voting rights and declares an intention of exercising them;
d) attached to shares in which that natural or legal person has a lifelong right of disposal;
e) held, or may be exercised within the meaning of (a) to (d), by an undertaking controlled by that person or entity;
f) attached to shares deposited with that natural or legal person and which the person can exercise at his own discretion in the absence of specific instructions from the shareholders;
g) held by a third party in its own name on behalf of that person; or
h) exercisable by that person through a proxy where that person may exercise the voting rights at his discretion in the absence of specific instructions of the shareholder.

The duty to notify set forth above also applies to anyone, who directly or indirectly holds (a) financial instruments that afford the holder a right to purchase existing shares (e.g., share options); and/or (b) financial instruments based on existing shares and with an economic effect equal to that of the financial instruments mentioned in (a), regardless of them not affording the right to purchase existing shares (e.g., cash-settled derivatives linked to the value of the shares in question). Holding of these kinds of financial instruments counts towards the thresholds mentioned above and may, thus, trigger a duty to notify by themselves or when accumulated with a shareholding.

The notification must be made immediately and within the same trading day (before midnight) of the transaction and in accordance with the provisions of the Executive Order no. 1256 of 4 November 2015 and must disclose the number of voting rights and shares held directly or indirectly following the transaction. The notification must further state the transaction date on which the threshold was reached or no longer reached and the identity of the shareholder as well as the identity of any natural or legal person with the right to vote on behalf of the shareholder and, in the case of a group structure, the chain of controlled undertakings through which voting rights are effectively held. The information must be notified to the company and simultaneously submitted electronically to the Danish FSA. Failure to comply with the notification requirements is punishable by fine.

When an obligation to notify rests on more than one natural or legal person, the notification may be made through a joint notification. However, use of a joint notification does not exempt the individual shareholders or natural or legal persons from their responsibilities in connection with the obligation to notify or the contents of the notification.

After receipt of the notification, the company must publish the contents of the notification. Furthermore, the general duty of notification under the Danish Companies Act section 55 in respect of notification of significant holdings applies, namely when the limit of 100% of the share capital's voting rights or nominal value of the company are reached or are no longer reached. Section 58 of the Danish Companies Act provides that a company must publish information related to major shareholdings received pursuant to section 55 of the Danish Companies Act in an electronic public register of shareholders, which is kept by the Danish Business Authority.

22.14 SHORT SELLING

The Short Selling Regulation (236/2012/EU) includes certain notification requirements in connection with short selling and imposes restrictions on uncovered short selling of shares admitted to trading on a trading venue (including Nasdaq Copenhagen).

When a natural or legal person reaches or falls below a net short position of 0.2% of the issued share capital of a company that has shares admitted to trading on a trading venue, such person must notify the relevant competent authority, which in Denmark is the Danish FSA. The obligation to notify, moreover, applies in each case where the short position reaches 0.1% above the 0.2% threshold. In addition, when a natural or legal person reaches or falls below a net short position of 0.5% of the issued share capital of a company that has shares admitted to trading on a trading venue and each 0.1% above that, such person must make a public announcement of its net short position.

A natural or legal person is prohibited from entering into a short sale of a share admitted to trading on a trading venue unless one of the following conditions is satisfied: (i) the natural or legal person has borrowed the share or has made alternative provisions resulting in a similar legal effect, (ii) the natural or legal person has entered into an agreement to borrow the share or has another absolutely enforceable claim under contract or property law to be transferred ownership of a corresponding number of securities of the same class so that settlement can be effected when it is due or (iii) the natural or legal person has an arrangement with a third party under which that third party has confirmed that the share has been located and has taken measures vis-à-vis third parties necessary for the natural or legal person to have reasonable expectation that settlement can be effected when it is due. Certain exemptions apply to the prohibition, such as in the case of market-makers or in relation to the carrying out of a stabilisation permitted under the Safe Harbour Regulation (1052/2016/EC).

23. MATERIAL CONTRACTS

Except as disclosed below, there are no contracts, other than contracts entered into in the ordinary course of business, to which the Company or any member of the Group is a party that: (i) are material to it and that have been entered into in the two years immediately preceding the date of this Prospectus; or (ii) contain any obligations or entitlements that are, or may be, material to the Group as of the date of this Prospectus.

23.1 FACILITY AGREEMENT

On 7 November 2017, the Company, TCM Group Invest, TMK, Svane Køkkenet, Køkkenretail ApS, Nettoline and Nordea Danmark, Filial af Nordea Bank AB (publ), Sverige ("**Nordea**") entered into a multicurrency facility agreement (the "**Facility Agreement**") conditional upon first day of trading in, and official listing of, the Shares on Nasdaq Copenhagen which Facility Agreement will replace the Group's existing funding facilities. The Facility Agreement provides (i) certain multicurrency loan facilities of an aggregate amount of DKK 175 million for the purpose of refinancing existing acquisition debt and financing of the cash settlement of the Company's incentive programmes (as described in section 18.3 "*Incentive programmes*") and (ii) multicurrency revolving facilities of an aggregate amount of up to DKK 75 million for partly refinancing of existing debt, general corporate and working capital purposes, including acquisitions of companies and businesses, of the Group other than the Company and TCM Group Invest. Upon listing of the Shares on Nasdaq Copenhagen, an arrangement fee is payable to Nordea.

The interest rate payable on each loan under the Facility Agreement is the applicable reference rate (e.g. CIBOR for loans in DKK and EURIBOR for loans in EUR) plus a margin. The margin is subject to a margin ratchet which varies based on the leverage ratio of the Group's total debt (calculated on a net basis) to its consolidated EBITDA.

All obligations under the Facility Agreement shall be guaranteed by members of the Group who in total represent 85% of the consolidated EBITDA of the Group (presently all companies within the Group are guarantors).

Indebtedness under the Facility Agreement may be voluntarily wholly or partly prepaid or cancelled, subject to giving notice and certain minimum amounts and customary breakage costs.

Under the Facility Agreement, the Company has made a number of customary representations and warranties on the date of execution of the Facility Agreement, certain of which are deemed to be repeated in certain circumstances thereafter.

In addition, the Facility Agreement contains certain covenants in respect of the future maintenance and conduct of the Group's business (subject to agreed exceptions), including, among others, various restrictive covenants, such as restrictions on acquisitions, incurrence of financial indebtedness, granting of loans and guarantees providing security and disposals of assets, as well as requirements to provide financial and certain other information to the lenders. Pursuant to the Facility Agreement, the Group may not, without the lender's consent, acquire companies, businesses and shares unless certain conditions are fulfilled, including, that (i) the target business shall be in the same line of business, (ii) such acquisitions shall have a total consideration of less than DKK 125 million in a given year (subject to carry forward of unused amounts), (iii) such acquisitions shall have a total consideration not exceeding DKK 300 million during the tenor of the Facility Agreement and (iv) the target business is located in the Nordic region. Further, subject to various additional customary and agreed exceptions, the Group may not incur new financial indebtedness of more than DKK 20 million without the consent of the lender.

The Facility Agreement includes two financial covenants relating to (i) the ratio of the consolidated EBITDA to finance charges (being consolidated financial expenses less financial income) and (ii) the ratio of total net debt of the Group to consolidated EBITDA (in each case subject to various agreed adjustments and special items).

The multicurrency loan facilities and the multicurrency revolving facilities are due 5 years after first day of trading in, and official listing of, the Shares on Nasdaq Copenhagen. The facilities under the Facility Agreement may become wholly or partly pre-payable on the occurrence of a change of control or a sale of all or substantially all of the Group's business and assets. A ''change of control'' includes various situations where a person or group of persons acting in concert gains direct or indirect control of the Company where control relates to the power to (i) cast, or control the casting of, more than one third of the maximum number of votes at a general meeting, (ii) appoint or remove the majority of directors (or equivalent officers) or (iii) give directions with respect to the operating and financial policies with which the directors (or equivalent officers) are obliged to comply.

The Facility Agreement contains customary events of default subject to specified exceptions, materiality, grace periods, baskets, thresholds, qualifications and remedy periods. An event of default will, among others, occur in case of non-payment of principal or interest, breach of financial or other covenants, material breach of representations and warranties, cross-default above a certain agreed threshold amount, certain insolvency and bankruptcy events and judgements against the Group in excess of a certain agreed threshold and a customary material adverse change clause.

23.2 ACQUISITION OF NETTOLINE A/S

Pursuant to a share purchase agreement dated 21 December 2016, the Former Holding Company purchased all the shares in Nettoline A/S for a price of DKK 60 million on an enterprise value basis from Nettoline Holding ApS (now Anpartsselskabet af 10. juni 2015). The acquisition was not of a size that triggered approval from the Danish or other relevant competition authorities. The acquisition was made on usual terms and conditions, and the seller has made customary representations and warranties and have agreed to undertake customary non-compete obligations while the Group has no significant obligations outstanding under the share purchase agreement.

23.3 UNDERWRITING AGREEMENT

For information about the Underwriting Agreement, see section 29.7 *"Withdrawal of Offering"* and section 29.16 *"Placing"*.

23.4 CORNERSTONE AGREEMENTS

The Company, the Selling Shareholder and the Joint Global Coordinators have entered into Cornerstone Agreements with each of the Cornerstone Investors, being Arbejdsmarkedets Tillægspension, BI Asset Management Fondsmæglerselskabet A/S on behalf of certain clients, Investeringsforeningen Fundamental Invest, Nordea Investment Management AB, Denmark (branch of Nordea Investment Management AB, Sweden), Handelsbanken, branch of Svenska Handelsbanken AB (publ.), Sweden, Nykredit Bank A/S and Spar Nord Bank A/S. Pursuant to the Cornerstone Agreements, the Cornerstone Investors have undertaken subject to certain conditions to purchase the Cornerstone Shares. The commitments undertaken by the Cornerstone Investors are subject to certain conditions, being that (i) the Offering is completed no later than 8 December 2017, (ii) the Offer Price does not exceed DKK 105 per Offer Share, (iii) the Cornerstone Investors receiving an allocation equal to their respective total investment amount, and (iv) there being no changes to information provided in this Prospectus of material importance to an investor in the Company. Up to 3,500,000 Offer Shares (corresponding to 50% of the Offer Shares) will be reserved for allocation to the Cornerstone Investors.

24. THIRD PARTY INFORMATION AND EXPERT STATEMENTS AND DECLARATIONS OF ANY INTEREST

This Prospectus contains statistics, data and other information relating to markets, market sizes, market positions and other industry data pertaining to the Group's business and markets. Unless otherwise indicated, such information is based on the Group's analysis of multiple public sources, including a market report from CSIL (2017) and information otherwise obtained from Euroconstruct (2016), Statistics Denmark (2017), Statistics Norway (2017), Statistics Sweden (2017), exit interviews of Svane customers conducted by RetailWise as well as the MEC reports.

The exit interviews of Svane customers conducted by RetailWise and the MEC reports have been commissioned by the Group, however, not specifically for purposes of this Prospectus. RetailWise ApS provides exit shopping analyses and reports and has been retained for this purpose by the Group. RetailWise ApS' address is Bjønholms Allé 20, DK-8260 Viby J, Denmark. MEC Denmark A/S is a media agency and has been retained by the Group to prepare a market analysis. MEC Danmark A/S' address is Kristen Bernikows Gade 1, 4th floor, DK-1105 Copenhagen K, Denmark. Neither RetailWise ApS nor MEC Danmark A/S are considered to have any material interests in the Group.

The Company confirms that information sourced from third parties has been accurately reproduced and that to the best of the Company's knowledge and belief, and so far as can be ascertained from the information published by such third party, no facts have been omitted which would render the information provided inaccurate or misleading. The Company does not make any representation as to the accuracy of information provided by third parties. Thus, developments in the Group's activities may deviate from the market developments stated in this Prospectus. The Company assumes no obligation to update such information. If information has been obtained from third parties, the Company confirms that such information has been accurately reproduced and to the best of the Company's knowledge and belief, and in so far as can be ascertained from the information published by such third party, no facts have been omitted which would render the information provided inaccurate or misleading, but the accuracy and completeness of such information is not guaranteed.

Market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgements by both the researchers (including the Company) and the respondents, including judgements about what types of products and transactions should be included in the relevant market. Accordingly, there can be no assurance that a third party using different methodologies or sources could not arrive at different results from the Company's analysis presented in this Prospectus.

As a result, prospective investors should be aware that the market data relating to the Group's markets, market sizes, market shares, markets positions and other industry data pertaining to the Group's business and markets in this Prospectus, may not be reliable indicators of the Group's future results of operations or business performance.

25. DOCUMENTS ON DISPLAY

Copies of the following documents may be inspected and obtained during usual business hours on any day (excluding Saturdays, Sundays and Danish public holidays) at the Company's registered office, at Skautrupvej 16, Tvis, DK-7500 Holstebro, Denmark, during the period in which this Prospectus is in effect:

(i) The MEC reports;

(ii) the Company's memorandum of association and the Articles of Association;

(iii) the IFRS Interim Financials, Consolidated Danish GAAP Financial Statements for 2016, the Consolidated IFRS Financial Statements for 2016, the Consolidated Danish GAAP Financial Statements for 2015 and and the Consolidated Danish GAAP Financial Statements for 2014;

(iv) the statutory financial statements of the Company's subsidiaries, as set out in section 8 "*Organisational structure*" as at and for the years ended 31 December 2016, 2015 and 2014; and

(v) this Prospectus.

The Danish Consolidated Act no. 1089 of 14 September 2015 on limited liability companies (the "**Danish Companies Act**") requires the Company to make its statutory annual reports, including the audited financial statements, available to shareholders on the Company's website three weeks before the annual General Meeting. At the same time, the Company is required to send these documents to registered shareholders who have so requested.

The English Language Prospectus and the Danish Language Prospectus are, subject to certain restrictions, together with the Articles of Association, the IFRS Interim Financials, the Consolidated Danish GAAP Financial Statements for 2016, the Consolidated IFRS Financial Statements for 2016, the Consolidated Danish GAAP Financial Statements for 2015 and the Consolidated Danish GAAP Financial Statements for 2014, available on the Company's website at www.tcmgroup.dk. The information included on the Company's website does not form part of and is not incorporated by reference into this Prospectus, unless otherwise specifically stated herein.

26. INFORMATION ON HOLDINGS

For information on material investments held by the Company in other companies, see section 8 "*Organisational Structure*".

PART II. TERMS OF THE OFFERING

27. KEY INFORMATION

27.1 WORKING CAPITAL STATEMENT

The Company believes that, as at the date of this Prospectus, its working capital is adequate to meet the Group's financing requirements for at least twelve months after the first date of trading on Nasdaq Copenhagen, which is expected to be on 24 November 2017, including in respect of the Group's potential significant future investments, as mentioned in section 5.4 "*Investments of the Group*".

27.2 CAPITALISATION AND INDEBTEDNESS

See section 12.1 "*Capitalisation and indebtedness*".

27.3 INTEREST OF NATURAL OR LEGAL PERSONS INVOLVED IN THE OFFERING

Carnegie and Danske Bank are acting as Joint Global Coordinators in the Offering and Carnegie, Danske Bank and ABG Sundal Collier are acting as Joint Bookrunners in the Offering and are the Managers in the Offering. Certain Managers and their respective affiliates have from time to time been engaged in, and may in the future engage in, commercial banking, investment banking and financial advisory transactions and services in the ordinary course of their business with the Company or the Selling Shareholder or any of the Company's or the Selling Shareholder's respective related parties. With respect to certain of these transactions and services, the sharing of information is generally restricted for reasons of confidentiality, internal procedures or applicable rules and regulations. The Managers have received and will receive customary fees and commissions for these transactions and services and may come to have interests that may not be aligned or could potentially conflict with the interests of prospective investors and the Company.

In addition, in the ordinary course of business, the Managers and their respective affiliates may make or hold a broad array of investments including serving as counterparties to certain derivative and hedging arrangements and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the Company. The Managers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

The Selling Shareholder is selling Shares in the Offering and will as a result have a direct economic interest in the Offering. In addition, members of the Board of Directors, the Executive Management and certain other employees in the Group participate in the Group's management incentive programme and therefore have a direct economic interest in the Offering, see further section 15.3 "*Executive Management*" and section 18 "*Employees and shareholdings*".

Except for this, the Company is not aware of any interests, including conflicting ones, which are material to the Offering.

27.4 REASON FOR THE OFFERING AND USE OF PROCEEDS

The admission to trading and official listing of the Shares on Nasdaq Copenhagen in connection with the Offering is expected to provide a strong platform for future growth by enhancing the visibility of the Company, including further strengthening of its brands, further improve the ability to attract and retain key employees, diversify the shareholder base and gain access to capital markets.

The Company will not receive any proceeds from the Offering.

28. INFORMATION ABOUT THE SECURITIES TO BE ADMITTED TO TRADING

28.1 TYPE AND CLASS OF THE SHARES

The Company only has one class of shares.

Application has been made for the Shares to be admitted to official listing on Nasdaq Copenhagen under the ISIN code DK0060915478. The first day of official listing of and trading in the Shares on Nasdaq Copenhagen is expected to be 24 November 2017 under the symbol "TCM" in the permanent ISIN DK0060915478. The admission to trading and official listing of the Shares on Nasdaq Copenhagen, is subject to Nasdaq Copenhagen's approval of the distribution of Offer Shares, the Offering not being withdrawn prior to the settlement of the Offering and the Company making an announcement to that effect.

28.2 GOVERNING LAW AND JURISDICTION

The Shares have been issued in accordance with Danish law.

This Prospectus has been prepared in compliance with the standards and requirements of Danish law, including the rules issued by Nasdaq Copenhagen.

Any dispute that may arise as a result of the Offering is subject to the exclusive jurisdiction of the Danish courts.

28.3 REGISTRATION

The Shares are registered in book-entry form electronically with VP Securities, Weidekampsgade, 14, 2300 Copenhagen S, Denmark. All Shares are registered on accounts with account holding banks in VP Securities. Investors that are not residents of Denmark may use a VP Securities member directly or their own bank's correspondent bank as their account holding bank or arrange for registration and settlement through Clearstream, 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg, or Euroclear, 1, Boulevard du Roi Albert II, B-1210 Brussels, Belgium.

The Company's register of shareholders is kept by VP Services A/S, Weidekampsgade 14, P.O. Box 4040, 2300 Copenhagen S, Denmark.

28.4 CURRENCY

The Shares are denominated in DKK.

28.5 RIGHTS ATTACHED TO THE SHARES

28.5.1 DIVIDEND RIGHTS

Each Share entitles its holder to receive distributed dividends and will confer on the holder the right to receive dividends from the financial year 2017.

The Company's dividends, if declared, will be paid in DKK to the shareholders' accounts set up through VP Securities. No restrictions on dividends or special procedures apply to holders of Shares who are not residents of Denmark. See section 28.10 "*Taxation*" below for a summary of certain tax consequences in relation to dividends or distributions to holders of Shares. The dividend policy of the Company is described in section 21.5 "*Dividends and dividend policy*". Dividends not claimed by shareholders will be forfeited in favour of the Company, normally after three years, under the general rules of Danish law or statute of limitations.

The Articles of Association does not contain provisions on cumulative payments of dividend.

28.5.2 VOTING RIGHTS

The Shares are issued with a nominal value of DKK 0.1 each. Each Share gives the holder the right to one vote at the Company's General Meetings.

28.5.3 DISSOLUTION AND LIQUIDATION

In the event of dissolution and liquidation of the Company, the shareholders will be entitled to participate in the distribution of assets in proportion to their nominal shareholdings after payment of the Company's creditors.

28.5.4 PREEMPTIVE RIGHTS

Under Danish law, the shareholders generally have pre-emption rights if the general meeting of the Company resolves to increase the share capital by cash payment. However, the pre-emption rights of the shareholders may be derogated from by a majority comprising at least 2/3 of the votes cast and of the share capital represented at the general meeting if the share capital increase is made at market price. The Board of Directors is authorised to increase the Company's share capital in one or more issues without pre-emption rights to the Company's shareholders. See section 22.2 "*Authorisation to increase share capital*".

28.5.5 REDEMPTION AND CONVERSION PROVISIONS

Except as provided for in the Danish Companies Act, see section 28.9 "*Mandatory redemption of shares*", no shareholder is under an obligation to have his Shares redeemed in whole or in part by the Company or by any third party, and none of the Shares carry any redemption or conversion rights or any other special rights.

28.6 RESOLUTIONS, AUTHORISATIONS AND APPROVALS OF THE OFFERING

The decision to apply for the Share to be traded and officially listed on Nasdaq Copenhagen and this Prospectus, has been approved by the Board of Directors at a board meeting held on the date of this Prospectus.

28.7 NEGOTIABILITY AND TRANSFERABILITY OF THE SHARES

The Shares are negotiable instruments and no restrictions under Danish law will apply to the transferability of the Shares.

The Company's Articles of Association do not contain any transfer restrictions.

28.8 MANDATORY TENDER OFFERS

The Danish Securities Trading Act (Part 8) and Executive Order no. 562 of June 2, 2014 include rules concerning public offers for the acquisition of shares admitted to trading on a regulated market (including Nasdaq Copenhagen).

If a shareholding is transferred, directly or indirectly, in a company with one or more share classes admitted to trading on a regulated market or an alternative market place, to an acquirer or to persons acting in concert with such acquirer, the acquirer must give all shareholders of the company the option to dispose of their shares on identical terms if the acquirer gains a controlling interest as a result of the transfer.

A controlling interest exists if the acquirer, directly or indirectly, holds more than one third of the voting rights in the company, unless it can be clearly proven in special cases that such ownership does not constitute a controlling interest. An acquirer who does not hold more than one third of the voting rights in a company nevertheless has a controlling interest when the acquirer has:

- the right to control more than one third of the voting rights in the company according to an agreement with other investors;
- the right to control the financial and operational affairs of the company according to the articles of association or agreement; or
- the right to appoint or dismiss a majority of the members of the supervisory body and this body has controlling influence over the company.

Warrants, call options and other potential voting rights, which may currently be exercised or converted, must be taken into account in the assessment of whether the acquirer holds a controlling interest. Voting rights attached to treasury shares must be included in the calculation of voting rights. Exemptions from the mandatory tender offer rules may be granted under special circumstances by the Danish FSA.

28.9 MANDATORY REDEMPTION OF SHARES

Where a shareholder holds more than 90% of the shares in a company and a corresponding proportion of the voting rights, such shareholder may, pursuant to the Danish Companies Act, section 70, decide that the other shareholders have their shares redeemed by that shareholder. In this case, the other shareholders must be requested, under the rules governing notices for general meetings, to transfer their shares to the shareholder within four weeks. If the redemption price cannot be agreed upon, the redemption price must be determined by an independent expert appointed by the court in the jurisdiction of the company's registered office in accordance with the provisions of the Danish Companies Act. Specific requirements apply to the contents of the notice to the other shareholders regarding the redemption. If not all minority shareholders have transferred their shares to the acquiring shareholder within the four-week deadline, the acquiring shareholder shall, as soon as possible, unconditionally deposit in favour of the relevant minority shareholders an amount corresponding to the redemption price for those shares not transferred in accordance with the Danish act on the right for debtors to release themselves from obligations by way of deposit.

Furthermore, where a shareholder holds more than 90% of the shares in a company and a corresponding proportion of the voting rights, the other shareholders may require such shareholder to acquire their shares pursuant to section 73 of the Danish Companies Act. If the redemption price cannot be agreed upon, the redemption price is determined by an independent expert appointed by the court in the jurisdiction of the company's registered office in accordance with the provisions of the Danish Companies Act. The redemption offer is, inter alia, required to be communicated through the Danish Business Authority's IT system at the time of notification of the four-week period. Redemption of the remaining shareholders will be carried out at the time of the expiry of the four-week period even if the redemption price remains subject to final determination by an expert, provided that funds representing the redemption price have been deposited by the majority shareholder.

28.10 TAXATION

28.10.1 DANISH TAX CONSIDERATIONS

The following is a summary of certain Danish income tax considerations relating to the Offering and the Shares.

The summary is for general information only and does not purport to constitute exhaustive tax or legal advice. It is specifically noted that the summary does not address all possible tax consequences relating to the Offering and the Shares. The summary is based solely upon the tax laws of Denmark in effect on the date of this Prospectus. Danish tax laws may be subject to change, possibly with retroactive effect.

The summary does not cover investors to whom special tax rules apply, and, therefore, may not be relevant, for example, to investors subject to the Danish Tax on Pension Yields Act (i.e. pension savings), professional investors, certain institutional investors, insurance companies, pension companies, banks and stockbrokers. The summary does not cover taxation of individuals and companies who carry on a business of purchasing and selling shares. The summary only sets out the tax position of the direct owners of the Shares and further assumes that the direct investors are the beneficial owners of the Shares and any dividends thereon. Sales are assumed to be sales to a third party. For shareholders residing outside Denmark, this summary further assumes that the shareholder does not have a permanent establishment in Denmark.

Shareholders are advised to consult their tax advisors regarding the applicable tax consequences of the Offering, acquiring, holding and disposing of the Shares based on their particular circumstances. Shareholders who may be affected by the tax laws of other jurisdictions should consult their tax advisors with respect to the tax consequences applicable to their particular circumstances as such consequences may differ significantly from those described herein.

28.10.2 TAX CONSIDERATIONS RELATING TO THE SHARES

The following includes a summary of certain Danish tax considerations relating to the Shares. The summary is subject to the general reservations outlined above.

28.10.3 TAXATION OF DANISH TAX RESIDENT SHAREHOLDERS

SALE OF SHARES (INDIVIDUALS)

Gains from the sale of shares are taxed as share income at a rate of 27% on the first DKK 51,700 (for cohabiting spouses, a total of DKK 103,400) and at a rate of 42% on share income exceeding DKK 51,700 (for cohabiting spouses over DKK 103,400). The income amount is in 2018, DKK 52,900 (for cohabiting spouses, a total of DKK 105,800). Such amounts are subject to annual adjustments and include all share income (i.e., all capital gains and dividends derived by the individual or cohabiting spouses, respectively).

Gains and losses on the sale of shares admitted to trading on a regulated market are calculated as the difference between the purchase price and the sales price. The purchase price is generally determined using the average method, which means that each share is considered acquired for a price equivalent to the average acquisition price of all the shareholder's shares in the issuing company.

Losses on the sale of shares admitted to trading on a regulated market can only be offset against other share income deriving from shares admitted to trading on a regulated market, (i.e., received dividends and capital gains on the sale of shares admitted to trading on a regulated market). Unused losses will automatically be offset against a cohabiting spouse's share income deriving from shares admitted to trading on a regulated market and additional losses can be carried forward indefinitely and offset against future share income deriving from shares admitted to trading on a regulated market.

Losses on shares admitted to trading on a regulated market may only be set off against gains and dividends on other shares admitted to trading on a regulated market as outlined above if the Danish tax authorities have received certain information relating to the shares before expiry of the tax return filing deadline for the income year in which the shares were acquired. This information is normally provided to the Danish tax authorities by the securities dealer.

HOLDING AND SALE OF SHARES (COMPANIES)

For the purpose of taxation of sale of shares, a distinction is made between Subsidiary Shares, Group Shares and Taxable Portfolio Shares:

"**Subsidiary Shares**" are generally defined as shares owned by a corporate shareholder holding at least 10% of the nominal share capital of the issuing company.

"**Group Shares**" are generally defined as shares in a company in which the shareholder of the company and the issuing company are subject to Danish joint taxation or fulfil the requirements for international joint taxation under Danish law.

"**Taxable Portfolio Shares**" are defined as shares that do not qualify as Subsidiary Shares, Group Shares or Tax-Exempt Portfolio Shares. The Shares will be listed in connection with the Offering and will thus qualify as taxable portfolio shares if the shareholder holds less than 10% of the share capital.

Gains or losses on disposals of Subsidiary Shares and Group Shares are not included in the taxable income of the shareholder.

Special rules apply with respect to Subsidiary Shares and Group Shares in order to prevent exemption through certain holding company structures just as other anti-avoidance rules may apply. These rules will not be described in further detail.

Capital gains from the sale of Taxable Portfolio Shares admitted to trading on a regulated market are taxable at a rate of 22% irrespective of ownership period. Losses on such shares are deductible.

Gains and losses on Taxable Portfolio Shares admitted to trading on a regulated market are taxable according to the mark-to-market principle. According to the mark-to-market principle, each year's taxable gain or loss is calculated as the difference between the market value of the shares at the beginning and end of the tax year. Thus, taxation will take place on an accrual basis even if no shares have been disposed of and no gains or losses have been realised. If the Taxable Portfolio Shares are sold or otherwise disposed of before the end of the income year, the taxable income of that income year equals the difference between the value of the Taxable Portfolio Shares at the beginning of the income year and the realisation sum. If the Taxable Portfolio Shares are acquired and realised in the same income year, the taxable income equals the difference between the acquisition sum and the realisation sum. If the Taxable Portfolio Shares are acquired in the income year and not realised in the same income year, the taxable income equals the difference between the acquisition sum and the value of the shares at the end of the income years.

A change of status from Subsidiary Shares/Group Shares to Taxable Portfolio Shares (or vice versa) is for tax purposes deemed to be a disposal of the shares and a reacquisition of the shares at market value at the time of change of status.

DIVIDENDS (INDIVIDUALS)

Dividends paid to individuals who are tax residents of Denmark are taxed as share income, as described above. All share income must be included when calculating whether the amounts mentioned above are exceeded.

Dividends paid to individuals are generally subject to 27% withholding tax.

DIVIDENDS (COMPANIES)

Dividends paid on Taxable Portfolio Shares are subject to the standard corporation tax rate of 22% irrespective of ownership period.

The withholding tax rate is 22%. If the distributing company withholds a higher amount, the shareholder can claim a refund of the excess tax. A claim for repayment must be filed within two months. Otherwise, the excess tax will be credited in the corporate income tax for the year.

Dividends received on Subsidiary Shares and Group Shares are tax-exempt (and exempt from withholding tax) irrespective of ownership period subject to certain anti-avoidance rules that will not be described in further detail.

28.10.4 TAXATION OF SHAREHOLDERS RESIDING OUTSIDE DENMARK

SALE OF SHARES (INDIVIDUALS AND COMPANIES)

Shareholders not resident in Denmark are normally not subject to Danish taxation on any gains realised on the sale of shares, irrespective of the ownership period, subject to certain anti-avoidance rules that will not be described in further detail.

DIVIDENDS (ANNOUNCED CHANGES)

The Danish government has announced that it intends to introduce a new model regarding taxation of dividends, distributed on shares admitted to trading on a regulated market, whereby dividends at the time of distribution will be taxed at a final tax rate based on each shareholder's specific circumstances. Therefore, information about the shareholders (beneficial owner according to Danish legislation) must be disclosed prior to the distribution, in order for the dividend-paying companies, to calculate and withhold the correct amount of tax for each shareholder. The new model is intended to eliminate fraud and make it easier for the tax authorities to verify that no withholding tax is wrongfully refunded.

The bill for the new model has not yet been introduced or announced, nor when the new model is expected to be implemented. As such, there is no assurance that the rules below will be changed in the nearest future.

DIVIDENDS (INDIVIDUALS)

Under Danish law, dividends paid in respect of shares are generally subject to Danish withholding tax at a rate of 27%. If the withholding tax rate applied is higher than the applicable final tax rate for the shareholder, a request for a refund of Danish tax in excess hereof can be made by the shareholder in the following situations:

1. Double taxation treaty

In the event that the shareholder is a resident of a state with which Denmark has entered into a double taxation treaty and the shareholder is entitled to the benefits under such treaty, the shareholder may generally, through certain certification procedures, seek a refund from the Danish tax authorities of the tax withheld in excess of the applicable treaty rate, which is typically 15%. Denmark has a large network of tax treaties. A shareholder's entitlement to a reduced tax rate under an applicable tax treaty is subject to a Danish anti-avoidance rule that will not be described in further detail.

2. Credit under Danish tax law

If the shareholder holds less than 10% of the nominal share capital of the company and the shareholder is tax resident in a state which has a double tax treaty or an international agreement, convention or other administrative agreement on assistance in tax matters with Denmark according to which the competent authority in the state of the shareholder is obligated to exchange information with Denmark, dividends are subject to tax at a rate of 15%. If the shareholder is tax resident outside the EU, it is an additional requirement for eligibility for the 15% tax rate that the shareholder together with related shareholders holds less than 10% of the nominal share capital of the company. Note that the reduced tax rate does not affect the withholding rate, why the shareholder must also in this situation claim a refund as described above in order to benefit from the reduced rate.

A request for a refund of excess withholding tax generally must be accompanied by certain documentation. Generally, a refund of tax withheld in excess of the applicable treaty rate shall be paid within six months following the Danish tax authorities' receipt of the refund claim. If the refund is paid later than six months after the receipt of the claim, interest will be calculated on the amount of refund. The six-month deadline can be suspended, if the Danish tax authorities based on information received from the tax payer are unable to determine whether the taxpayer is entitled to a refund based on the taxpayer's affairs. If the deadline is suspended accordingly, computation of interest is also suspended.

DIVIDENDS (COMPANIES)

Dividends received on Subsidiary Shares are exempt from Danish tax (including withholding tax) provided the taxation of the dividends is to be waived or reduced in accordance with the Parent-Subsidiary Directive (2011/96/EU) or in accordance with a tax treaty with the jurisdiction in which the company investor is resident. Further, dividends received on Group Shares – not being Subsidiary Shares – are exempt from Danish tax (including withholding tax) provided the company investor is a resident of the EU or the EEA and provided the taxation of dividends should have been waived or reduced in accordance with the Parent-Subsidiary Directive (2011/96/EU) or in accordance with a tax treaty with the country in which the company investor is resident had the shares been Subsidiary Shares. The aforesaid tax exemption for dividends on Subsidiary Shares and Group Shares is subject to a Danish anti-avoidance rule that will not be described in further detail.

Dividend payments on Taxable Portfolio Shares (and Subsidiary Shares and Group Shares, if not tax-exempt) will be subject to tax at the rate of 22%. However, the applicable withholding rate on such dividends is 27%, meaning that any foreign corporate shareholder can request a refund of at least 5%. Furthermore, the foreign corporate shareholder can make a request for a refund of Danish tax in the following situations:

1. Double taxation treaty
In the event that the shareholder is a resident of a state with which Denmark has entered into a double taxation treaty and the shareholder is entitled to the benefits under such treaty, the shareholder may generally, through certain certification procedures, seek a refund from the Danish tax authorities of the tax withheld in excess of the applicable treaty rate, which is typically 15%. Denmark has a large network of tax treaties. A shareholder's entitlement to a reduced tax rate under an applicable tax treaty is subject to a Danish anti-avoidance rule that will not be described in further detail.

2. Credit under Danish tax law
If the shareholder holds less than 10% of the nominal share capital in the company and the shareholder is resident in a jurisdiction which has a double taxation treaty or an international agreement, convention or other administrative agreement on assistance in tax according to which the competent authority in the state of the shareholder is obligated to exchange information with Denmark, dividends are generally subject to a tax rate of 15%. If the shareholder is tax resident outside the EU, it is an additional requirement for eligibility for the 15% tax rate that the shareholder together with related shareholders holds less than 10% of the nominal share capital of the company. Note that the reduced tax rate does not affect the withholding rate, why the shareholder must also in this situation claim a refund as described above in order to benefit from the reduced rate.

With respect to payment of refunds and documentation, reference is made to the above description "*Dividends (Individuals)*", which applies equally to corporate shareholders residing outside Denmark. However, special documentation requirements for the eligibility of the 22% rate for corporate shareholders will also apply.

28.10.5 SHARE TRANSFER TAX AND STAMP DUTIES

No Danish share transfer tax or stamp duties are payable on transfer of the Shares.

28.10.6 WITHHOLDING TAX OBLIGATIONS

An issuer of shares is subject to Danish withholding tax obligations and payment of the withholding tax to the Danish tax authorities in accordance with applicable Danish laws.

29. TERMS AND CONDITIONS OF THE OFFERING

29.1 EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Offer Period commences	13 November 2017
Offer Period will not be closed in whole or in part before	21 November 2017 at 00:01 a.m. (CET)
Offer Period closes no later than	23 November 2017 at 4:00 p.m. (CET)
Publication of the pricing statement containing the Offer Price and number of Offer Shares	24 November 2017
First day of trading in and official listing of the Shares on Nasdaq Copenhagen under the permanent ISIN conditional upon final completion of the Offering	24 November 2017
Completion of the Offering including settlement of the Offer Shares	28 November 2017
Announcement of completion of the Offering	28 November 2017

The above timetable is subject to change. Any changes will be announced via Nasdaq Copenhagen. Until the publication by the Company of the announcement that the Offering has completed, expected on 28 November 2017, the admission of the Shares to trading and official listing on Nasdaq Copenhagen will remain conditional.

29.2 TERMS OF THE OFFERING

The Offering consist of (i) a public offering to retail and institutional investors in Denmark and (ii) private placements to institutional investors in the rest of the world in compliance with Regulation S.

The Selling Shareholder is offering up to 7,000,000 Offer Shares, excluding any Shares subject to the Overallotment Option.

The Selling Shareholder has granted an Overallotment Option to the Managers, exercisable in whole or in part by the Stabilising Manager, to purchase Option Shares at the Offer Price, from the first day of trading in, and official listing of, the Shares until the day 30 calendar days thereafter, solely to cover overallotments or other short positions, if any, incurred in connection with the Offering.

Furthermore, the Company has received undertakings subject to certain conditions from each of the Cornerstone Investors to purchase Offer Shares at the Offer Price for an aggregate amount of DKK 315 million, corresponding to 42.9 - 50% of the Offer Shares, depending on the final Offer Price (excluding the Overallotment Option). The undertakings of the Cornerstone Investors are divided as follows: Arbejdsmarkedets Tillægspension will invest DKK 75 million, BI Asset Management Fondsmæglerselskabet A/S on behalf of certain clients will invest DKK 50 million, Investeringsforeningen Fundamental Invest will invest DKK 45 million, Nordea Investment Management AB, Denmark (branch of Nordea Investment Management AB, Sweden) will invest 50 million, Handelsbanken, branch of Svenska Handelsbanken AB (publ.), Sweden will invest DKK 30 million, Nykredit Bank A/S will invest DKK 35 million and Spar Nord Bank A/S will invest DKK 30 million. Up to 3,500,000 Offer Shares (corresponding to 50% of the Offer Shares) will be reserved for allocation to the Cornerstone Investors.

Prior to the Offering, members of the Executive Management and certain members of the Board of Directors have expressed that they will buy Offer Shares at the Offer Price up to a certain fixed investment amount being DKK 1,000,000 with respect to Ole Lund Andersen, DKK 250,000 with respect to Mogens Elbrønd Pedersen, DKK 250,000 with respect to Karsten Rydder Pedersen, DKK 400,000 with respect to Sanna Mari Suvanto-Harsaae, DKK 750,000 with respect to Anders Skole-Sørensen and DKK 230,000 with respect to Peter Jelkeby. Up to 32,000 Offer Shares (corresponding to 0.46% of the Offer Shares) will be reserved for any orders placed in the Offering by the Board of Directors and the Executive Management. Erik Albert Ingemarsson and Kristian Carlsson Kemppinen are restricted from participating in the Offering due to internal IK Investment Partners' policies on investments in IK Small Cap I Fund's portfolio companies.

See also section 29.4 "*Submission of bids*".

29.3 OFFER PERIOD

The Offer Period will commence on 13 November 2017 and will close no later than 23 November 2017 at 4:00 p.m. (CET). The Offer Period may be closed prior to 23 November 2017; however, the Offer Period will not be closed in whole or in part before 21 November 2017 at 00:01 a.m. (CET). If the Offer Period is closed before 23 November 2017, the first day of trading in and official listing of the Shares on Nasdaq Copenhagen and the date of payment and settlement will be moved forward accordingly. The Offer Period in respect of applications for purchases of amounts up to, and including, DKK 3 million may be closed before the remainder of the Offering is closed at the discretion of the Joint Global Coordinators, if they deem the orders received sufficient to close the book-building process. Any such earlier closing, in whole or in part, will be announced through Nasdaq Copenhagen.

29.4 SUBMISSION OF BIDS

29.4.1 APPLICATIONS TO PURCHASE AMOUNTS OF UP TO AND INCLUDING DKK 3 MILLION

Applications by Danish investors to purchase amounts of up to and including DKK 3 million should be made by submitting the application form enclosed in the Prospectus to the investor's own account holding bank during the Offer Period or such shorter period as may be announced through Nasdaq Copenhagen. Applications are binding and cannot be altered or cancelled. Applications may specify a maximum price per Offer Share in Danish kroner. If the Offer Price exceeds the maximum price per Offer Share specified in the application form, then no Offer Shares will be allocated to the investor. Where no maximum price per Offer Share has been indicated, applications will be deemed to be made at the Offer Price. All applications made at a price equivalent to the Offer Price, or a higher price, will be settled at the Offer Price following allotment, if any. Applications should be made for a number of Offer Shares or for an aggregate amount rounded to the nearest Danish krone amount or with the maximum of two decimals. Only one application will be accepted from each account in VP Securities. For binding orders, the application form must be submitted to the investor's own account holding bank in complete and executed form in due time to allow the investor's own account holding bank to process and forward the application to ensure that it is in the possession of Danske Bank A/S, no later than 4:00 p.m. (CET) on 23 November 2017, or such earlier time at which the Offering is closed.

29.4.2 APPLICATIONS TO PURCHASE AMOUNTS OF MORE THAN DKK 3 MILLION

Investors who wish to apply to purchase amounts of more than DKK 3 million can indicate their interest to one or more of the Managers during the Offer Period. During the Offer Period, such investors can continuously change or withdraw their declarations of interest, but these declarations of interest become binding applications at the end of the Offer Period. Immediately following the determination of the Offer Price, investors will be allocated a number of Offer Shares at the Offer Price within the limits of the investor's most recently submitted or adjusted declaration of interest. All applications made at a price equivalent to the Offer Price, or a higher price, will be settled at the Offer Price following allotment, if any.

29.5 REDUCTIONS OF PURCHASES

In the event that the total number of Shares applied for in the Offering exceeds the number of Offer Shares, reductions will be made as follows:

- With respect to applications for amounts of up to and including DKK 3 million, reductions will be made mathematically.
- With respect to applications for amounts of more than DKK 3 million, individual allocations will be made. The Joint Global Coordinators will allocate the Offer Shares after agreement upon such allocations with the Board of Directors and the Selling Shareholder.
- Up to 32,000 Offer Shares (corresponding to 0.46% of the Offer Shares) will be reserved for orders placed in the Offering by the Board of Directors and the Executive Management. Please see section 29.2 "*Terms of the Offering*".
- Up to 3,500,000 Offer Shares (corresponding to 50% of the Offer Shares) will be reserved for allocation to the Cornerstone Investors. Please see section 29.2 "*Terms of the Offering*".

It is expected that the result of the Offering, the Offer Price and the basis of the allocation will be announced through Nasdaq Copenhagen no later than 8:00 a.m. (CET) on 24 November 2017. If the Offer Period is closed before 23 November 2017, the announcement of the Offer Price and allocation will be brought forward accordingly.

Following the expiration of the Offer Period, investors will receive a statement indicating the number of Offer Shares allocated, if any, and the equivalent value at the Offer Price, unless otherwise agreed between the investor and the relevant account holding bank.

Orders and indications of interest may not result in an allocation of Offer Shares.

If the total applications in the Offering exceed the number of Offer Shares, a reduction will be made. In such event, the Joint Global Coordinators reserve the right to require documentation to verify that each application relates to a single account in VP Securities. Further, the Joint Global Coordinators reserve the right to require documentation to verify the authenticity of all orders, to demand the name of each purchaser, to pass on such information to the

Company and the Selling Shareholder, and to make individual allocations if there are several orders that are determined to have originated from the same purchaser.

29.6 MINIMUM AND/OR MAXIMUM APPLICATIONS AMOUNTS

The minimum purchase amount is one (1) Offer Share. No maximum purchase amount applies to the Offering. However, the number of shares is limited to the number of Offer Shares in the Offering.

29.7 WITHDRAWAL OF THE OFFERING

Completion of the Offering is conditional upon the Offering not being withdrawn. The Offering may be withdrawn by the Company, the Selling Shareholder or the Joint Global Coordinators at any time before pricing and allocation of the Offering take place. The Offering may also be withdrawn if Nasdaq Copenhagen is not satisfied that there will be a sufficiently broad distribution of the Shares to investors or if, for other reasons, the Shares cannot be admitted for trading and/or official listing on Nasdaq Copenhagen.

The Underwriting Agreement (as defined herein) contains a provision entitling the Joint Global Coordinators on behalf of the Managers as well as the Selling Shareholder and the Company to terminate the Offering (and the arrangements associated with it) at any time prior to settlement of the Offering by delivery, and payment for the Offer Shares expected on or around 28 November 2017 (including after admission) in certain circumstances, including force majeure and material changes in the financial condition of the Company's business.

The termination rights of the parties to the Underwriting Agreement will lapse upon settlement of the Offering, currently expected to take place on 28 November 2017, except in respect of the Option Shares. The termination rights of the parties to the Underwriting Agreement shall lapse, in respect of the Option Shares, upon settlement of the sale of the Option Shares, if the Overallotment Option is exercised.

Nasdaq Copenhagen's approval of the admission on Nasdaq Copenhagen is subject to such termination rights not being exercised after pricing and prior to settlement, of the Offering (excluding any termination rights in respect of the Overallotment Option). Until the publication by the Company of the announcement that the Offering has completed, expected on 28 November 2017, the admission of the Shares to trading and official listing on Nasdaq Copenhagen will remain conditional.

The Underwriting Agreement contains closing conditions which the Company believes are customary for offerings such as the Offering. In addition, the Company and the Selling Shareholder have given usual representations and warranties to the Managers. The completion of the Offering is dependent on compliance with all of the closing conditions set forth in the Underwriting Agreement.

If one or more closing conditions are not met, the Managers may, at their discretion, withdraw the Offering. If the Offering is terminated or withdrawn: the Offering and any associated arrangements will lapse, all submitted orders will be automatically cancelled, any monies received in respect of the Offering will be returned to the investors without interest (less any transaction costs) and admission to trading and/or official listing of the Shares on Nasdaq Copenhagen will be cancelled. All dealings in the Offer Shares prior to settlement of the Offering are for the account of, and at the sole risk of, the parties concerned.

Any withdrawal of the Offering will be announced immediately through Nasdaq Copenhagen.

29.8 INVESTOR'S WITHDRAWAL RIGHTS

In the event that the Company is required to publish a supplement to this Prospectus, between the date of publication of this Prospectus and the first day of trading of the Shares on Nasdaq Copenhagen, investors who have submitted orders to purchase Offer Shares in the Offering shall have two trading days following the publication of the relevant supplement within which the investors can withdraw their offer to purchase Offer Shares in the Offering in its entirety. The right to withdraw an application to purchase Offer Shares in the Offering in these circumstances will be available to all investors in the Offering provided the obligation to publish a supplement to this Prospectus was triggered before completion of the Offering and provided no Offer Shares have been delivered. Furthermore, if the Offer Price announced exceeds the Offer Price Range, investors who have submitted orders to purchase Offer Shares in the Offering will have two trading days following announcement of the Offer Price to withdraw their offer in its entirety. If the order is not withdrawn within the stipulated period any order to purchase Offer Shares in the Offering will remain valid and binding.

For withdrawal rights outside of situations where a supplement to this Prospectus has been published, see section 29.4 "*Submission of bids*".

29.9 SELLING AGENTS

Carnegie Investment Bank, filial af Carnegie Investment Bank AB (Publ), Sverige
Overgaden Neden Vandet 9 B
1414 Copenhagen K
Denmark

Danske Bank A/S
Holmens Kanal 2-12
1092 Copenhagen K
Denmark

A request for copies of the Prospectus may be submitted by persons who satisfy the requirements of the applicable selling restrictions (see section 29.20 "*Jurisdictions in which the Offering will be announced and restrictions applicable to the Offering*") from:

Carnegie Investment Bank, filial af Carnegie Investment Bank AB (Publ), Sverige
Overgaden Neden Vandet 9 B
1414 Copenhagen K
Denmark
Email:prospekter@carnegie.dk

Danske Bank A/S
Holmens Kanal 2-12
1092 Copenhagen K
Denmark
Email: prospekter@danskebank.dk
Phone no. + 45 70 23 08 34 (requisition of the prospectus)

In addition, the Prospectus available, subject to certain restrictions, on the Company's website at www.tcmgroup.dk.

The distribution of this Prospectus and the offer or sale of the Offer Shares in certain jurisdictions is restricted by law. Persons possessing this Prospectus are required by the Company, the Selling Shareholder and the Managers to inform themselves about and to observe any restrictions. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Offer Shares in any jurisdiction to any person to whom it would be unlawful to make such an offer in such jurisdiction.

29.10 PAYMENT AND SETTLEMENT

The Offer Shares will be registered in book-entry form electronically with VP Securities, Weidekampsgade 14, 2300 Copenhagen S, Denmark. All Shares are registered on accounts with account holding banks in VP Securities. Investors that are not residents of Denmark may use a Danish bank directly or their own bank's correspondent Danish bank as their account holding bank or arrange for registration and settlement through Clearstream, 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg, or Euroclear, 1, Boulevard du Roi Albert II, B-1210 Brussels, Belgium.

Settlement is expected to take place two business days after the announcement of the Offer Price and allocation, and is expected to be on 28 November 2017. The account holding bank will normally send a statement to the name and address registered in VP Securities showing the number of Offer Shares purchased by the investor unless otherwise agreed between the investor and the relevant account holding bank. This statement also constitutes evidence of the investor's holding.

The Offer Shares are expected to be delivered in book entry form through the facilities of VP Securities, Euroclear and Clearstream on or around 28 November 2017 against payment in immediately available funds in Danish kroner. If pricing and allocation of the Offering takes place before 23 November 2017, the first date of trading in and official listing of the Shares on Nasdaq Copenhagen and the date of payment and settlement will be brought forward accordingly. All dealings in the Offer Shares prior to settlement will be for the account of and at the sole risk of the parties involved.

Investors will not receive specific allocation information from the Company or the Selling Shareholder.

29.11 PUBLICATION OF THE RESULT OF THE OFFERING

The result of the Offering will be announced through Nasdaq Copenhagen expectedly on 24 November 2017.

29.12 PRE-ALLOTMENT INFORMATION

Upon completion of the Offering the Company's share capital will be DKK 1,000,000, divided into 10,000,000 Shares with a nominal value of DKK 0.1 each.

29.13 PLAN OF DISTRIBUTION

See section 29.2 "*Terms of the Offering*", section 29.4 "*Submission of bids*" and section 29.16 "*Placing*".

29.14 OVERALLOTMENT INFORMATION

See section 29.2 "*Terms of the Offering*".

The Selling Shareholder has pursuant to a share lending agreement agreed to make available to the Managers Option Shares for purposes of delivery of the Offer Shares to investors in connection with the Overallotment Option.

29.15 PRICING

The Offer Price will be determined through a book-building process. Book-building is a process in which the Joint Global Coordinators and Joint Bookrunners, prior to the final pricing of the Offering, collect indications of interest in the Offer Shares from potential institutional investors. The Offer Price is free of brokerage charges and is expected to be between DKK 90 and DKK 105 per Offer Share. This indicative Offer Price Range has been set by the Selling Shareholder, the Board of Directors and the Joint Global Coordinators taking into account, among other things, the investor feedback from pre-marketing investor education, current market sentiment, widespread fundamental and relative valuation methods, the Group's historic and projected revenues and earnings, the cash flow and, the Company's objective to establish an orderly after-market in the Offer Shares and prevailing market conditions. Following the book-building process, the Offer Price will be determined by the Selling Shareholder and the Board of Directors in consultation with the Joint Global Coordinators and the Offer Price is expected to be announced through Nasdaq Copenhagen no later than 8:00 a.m. (CET) on 24 November 2017.

It is currently expected that the Offer Price will be set within the Offer Price Range. If the Offer Price Range is amended, the Company will make an announcement through Nasdaq Copenhagen and publish a supplement to this Prospectus. Following the publication of the relevant supplement, investors who have submitted orders to purchase Offer Shares in the Offering will have two trading days to withdraw their offer, in its entirety. See also section 29.8 "*Investors' Withdrawal Rights*". If the Offer Price Range is amended, the announcement of the Offer Price will not be published until the period for exercising such withdrawal rights has ended.

29.16 PLACING

As of the date hereof, the Company, the Selling Shareholder and the Managers named below have entered into an underwriting agreement (the "**Underwriting Agreement**") setting out the terms on which the placing of the Offer Shares will be conducted. Hence, subject to certain conditions set forth in the Underwriting Agreement and the execution of a pricing agreement, the Selling Shareholder will agree to sell to the purchasers procured by the Managers or, failing which, to the Managers themselves; and each of the Managers, severally but not jointly, will agree to procure purchasers for, or failing such procurement, to purchase from the Company the percentage of total number of Offer Shares offered listed opposite such Manager's name below.

Managers	**Percentage of Offer Shares**
Carnegie Investment Bank, filial af Carnegie Investment Bank AB (publ), Sverige	42.5%
Danske Bank A/S	42.5%
ABG Sundal Collier Denmark, filial af ABG Sundal Collier ASA, Norge	15.0%
Total	**100%**

The Underwriting Agreement provides that the obligations of the Managers to procure purchasers for, or failing which, to purchase themselves, Offer Shares, are subject to: (i) entry into the pricing agreement between the Company, the Selling Shareholder and the Managers, which will contain the Offer Price and the exact number of Offer Shares; (ii) receipt of opinions on certain legal matters from counsels; and (iii) certain other conditions, including receipt of auditor letters and reports and officer certificates. The Company has agreed to indemnify the Managers against certain losses and liabilities arising out of or in connection with the Offering. The Managers are not required to take or pay for the Option Shares covered by the Managers' Overallotment Option described below.

The Underwriting Agreement provides that, upon the occurrence of certain events, such as the general suspension of all trading on Nasdaq Copenhagen, a material adverse change in the Company's business, results of operations or financial condition or in the financial markets and under certain other conditions, the Managers may elect to terminate their several commitments and have the right to withdraw from the Offering before delivery of the Offer Shares. If the Managers elect to terminate their several commitments, the Offering may be cancelled, and if it is cancelled, no Offer Shares will be delivered. All dealings in the Offer Shares prior to delivery and settlement are at the sole risk of the parties concerned.

Pursuant to the Underwriting Agreement, the Joint Global Coordinators, on behalf of the Managers, have been granted an option to purchase Option Shares from the Selling Shareholder solely to cover overallotments or short positions, if any, exercisable for a period of 30 calendar days after the first day of trading in and official listing of the Shares. If any Option Shares are agreed to be purchased under the Overallotment Option, each Manager will be obligated, subject to certain conditions contained in the Underwriting Agreement, to purchase a number of Option Shares proportionate to that Manager's initial percentage of Offer Shares reflected in the table above, and the Selling Shareholder will be obligated to sell such number of Option Shares to the respective Managers.

Members of the Executive Management and certain members of the Board of Directors have expressed that they will participate in the Offering by investing in Shares at the Offer Price. Up to 32,000 Offer Shares (corresponding to 0.46% of the Offer Shares) will be reserved for such purpose. In addition, up to 3,500,000 Offer Shares (corresponding to 50% of the Offer Shares) will be reserved for allocation to the Cornerstone Investors.

In connection with the Offering, the Managers and any affiliates acting as investors for their own account may take up the Shares and in that capacity may retain, purchase or sell the Shares, for their own account and may offer or sell such securities otherwise than in connection with the Offering, in each case, in accordance with applicable law. The Managers do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

No action has been or will be taken in any jurisdiction other than Denmark that would permit a public offering of the Offer Shares, or the possession, circulation or distribution of this Prospectus or any other material relating to the Company or the Offer Shares, in any jurisdiction where action for that purpose is required. Accordingly, the Offer Shares may not be offered or sold, directly or indirectly, and neither this Prospectus nor any other offering material or advertisements in connection with the Offer Shares may be distributed or published, in or from any country or jurisdiction, except in compliance with any applicable rules and regulations of such country or jurisdiction.

29.17 ADMISSION TO TRADING

Application has been made for the Shares to be admitted to official listing on Nasdaq Copenhagen under the ISIN code DK0060915478. The first day of official listing of and trading in the Shares on Nasdaq Copenhagen is expected to be 24 November 2017 under the symbol "TCM" in the permanent ISIN DK0060915478.

29.18 STABILISATION

In connection with the Offering, the Stabilising Manager, or its agents, on behalf of the Managers, may engage in transactions that stabilise, maintain or otherwise affect the price of the Shares for up to 30 calendar days from the commencement of trading in and official listing of the Shares on Nasdaq Copenhagen.

Specifically, the Managers may over allot Offer Shares or effect transactions with a view to supporting the market price of the Shares at a level higher than that which might otherwise prevail. Accordingly, the Stabilising Manager on behalf of the Managers may over allot Offer Shares by accepting offers to purchase a greater number of Offer Shares than for which they are obligated to procure purchasers under the Underwriting Agreement, creating a short position. A short sale is covered if the short position is no greater than the number of Offer Shares available for purchase by the stabilising manager on behalf of the Managers under the Overallotment Option. The Managers can close out a covered short sale by exercising the Overallotment Option or purchasing Shares in the open market. In determining the source of Shares to close out a covered short sale, the Managers will consider, among other things, the open market price of Shares compared to the price available under the Overallotment Option.

The Stabilising Manager and its agents are not required to engage in any of these activities and, as such, there is no assurance that these activities will be undertaken. If undertaken, the Stabilising Manager or its agents may end any of these activities at any time and they must be brought to an end at the end of the 30 calendar days' period mentioned above. Save as required by law or regulation, the Stabilising Manager does not intend to disclose the extent of any stabilisation transactions under the Offering.

To the extent that there is stabilisation profits rendered as a result of stabilisation activity by the Stabilisation Manager and any non-exercise or partial exercise of the Overallotment Option, such profits shall be for the benefit of the Managers.

Neither the Company nor the Selling Shareholder has entered into a market maker agreement in relation to the Offering.

29.19 LOCK-UP

The Company has agreed with the Managers that it will not, except as set forth below, for a period of 180 days from the first day of trading and official listing of the Shares, without the prior written consent of the Joint Global Coordinators, (i) issue, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of (or publicly announce such action), directly or indirectly, any of Shares or any securities convertible into or exercisable or exchangeable for Shares, (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Shares, whether any such transaction described in (i) or (ii) above is to be settled by delivery of Shares or such other securities, in cash or otherwise, or (iii) submit to the Company's shareholders a proposal to effect any of the foregoing. The foregoing shall not apply to the transfer of share based instruments in connection with the terms of the Company's existing management incentive programme or new long term incentive programme.

Upon the completion of the Offering, the Selling Shareholder will own 2,247,600 Shares, corresponding to 22.48% of the Company's share capital and voting rights, assuming all Offer Shares are sold and no exercise of the Overallotment Option. Assuming all Offer Shares are sold and the Overallotment Option is exercised in full, the Selling Shareholder will own 1,197,600 Shares, corresponding to 11.98% of the Company's share capital and voting rights upon the completion of the Offering.

The Selling Shareholder has agreed with the Managers that it will not, except as set forth below, for a period of 180 days from the first day of trading and official listing of the Shares, without the prior written consent of the Joint Global Coordinators: (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, cause the Company to issue, or otherwise transfer or dispose of (or publicly announce such action), directly or indirectly, any of the Shares, or any securities convertible into or exercisable or exchangeable for the Shares; (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Shares, whether any such transactions described in clause (i) or (ii) above are to be settled by delivery of the Shares or such other securities, in cash or otherwise; or (iii) submit to the shareholders a proposal to effect any of the foregoing.

The foregoing will not apply to (i) the sale of the Offer Shares in the Offering; (ii) the lending of Shares under the share lending agreement; (iii) the transfer of Shares to the direct or indirect existing shareholders of the Selling Shareholder in connection with or arising out of any dividend or other distribution, or any liquidation, dissolution, reorganisation or other similar event affecting it or any of its affiliates; provided, however that if any such distribution or other event takes place during the 180 day lock-up period of the Selling Shareholder the restrictions set forth above shall apply to such shareholder of the Selling Shareholder receiving the Shares as part of any such distribution or other event and (iv) any disposal of Shares pursuant to a general offer made to all holders of Shares in the Company made in accordance with takeover regulations on terms which treat all such holders alike.

In addition, the members of the Board of Directors and Executive Management who hold Shares in the Company have agreed with the Managers and a limited number of employees who hold Shares in the Company have agreed with the Company that, for a period of 360 days from the first day of trading and official listing of the Shares, they will be subject to materially the same lock-up restrictions as the Selling Shareholder set forth above in respect of any Shares held in the Company as of the date of this Prospectus. In addition to the exceptions set out above, the lock-up obligations agreed by the members of the Board of Directors, Executive Management and employees who hold Shares in the Company, will not apply to (i) the transfer of any or all of the Shares to a spouse, child or any legal entity over which a member of the Board of Directors, Executive Management or employee who holds Shares in the Company alone or together with any other related party has or have a controlling influence, (ii) the receipt of restricted stock units, warrants or shares in any share-based incentive programmes, (iii) the transfer of any or all of the Shares as a result of death, permanent disability or an interruption in employment for a continuous period of not less than 16 weeks due to disability or illness or (iv) the pledge of any Shares to or in favour of a financial institution for such amount as was borrowed from such financial institution to finance the purchase of Shares, subject to certain restrictions and (v) any disposal of Shares pursuant to a general offer made to all holders of Shares in the Company made in accordance with takeover regulations on terms which treat all such holders alike; provided, however, with respect to (i), that the transferring party procures the transferee to execute a deed of adherence with respect to the Shares containing the same lock-up terms.

The Selling Shareholder has pursuant to a share lending agreement agreed to make available to the Managers Option Shares for purposes of delivery of the Offer Shares to investors in connection with the Overallotment Option.

29.20 JURISDICTIONS IN WHICH THE OFFERING WILL BE ANNOUNCED AND RESTRICTIONS APPLICABLE TO THE OFFERING

29.20.1 GENERAL

The Offering consist of (i) a public offering to retail and institutional investors in Denmark and (ii) private placements to institutional investors in the rest of the world in compliance with Regulation S.

No action has been or will be taken in Denmark or in any country or jurisdiction by the Company that would or is intended to permit a public offering of the Shares or the possession, circulation or distribution of this Prospectus or any other offering material relating to the Company or the Shares offered hereby in any jurisdiction where action for any such purpose may be required. Accordingly, the Shares may not be offered or sold, directly or indirectly, and neither this Prospectus nor any other material or advertisements made public in connection with the Offering may be distributed or published, in or from any country or jurisdiction except in compliance with any applicable rules and regulations of any such country or jurisdiction.

29.20.2 UNITED STATES

The Offer Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Prospectus. Any representation to the contrary is a criminal offense in the United States.

The Offer Shares have not been and will not be registered under the U.S. Securities Act and are being: (i) sold in the United States only pursuant to an available exemption from, or a transaction not subject to, the registration requirements under the U.S. Securities Act; and (ii) offered and sold outside the United States in compliance with Regulation S.

29.20.3 EUROPEAN ECONOMIC AREA RESTRICTIONS

In any member state of the European Economic Area (the "**EEA**") other than Denmark (each a "**Relevant Member State**"), this Prospectus is only addressed to, and is only directed at, investors in that Relevant Member State who fulfil the criteria for exemption from the obligation to publish a prospectus, including qualified investors, within the meaning of the Prospectus Directive as implemented in each such Relevant Member State.

This Prospectus has been prepared on the basis that all offers of Offer Shares, other than the offer contemplated in Denmark, will be made pursuant to an exemption under the Prospectus Directive, as implemented in the Relevant Member States, from the requirement to produce a prospectus for offers of Offer Shares. Accordingly any person making or intending to make any offer within the EEA of Offer Shares which is the subject of the placement contemplated in this Prospectus should only do so in circumstances in which no obligation arises for the Company, the Selling Shareholder or any of the Managers to produce a prospectus for such offer. None of the Company, the Selling Shareholder or the Managers have authorised, nor does any of the Company, the Selling Shareholder or the Managers authorise, the making of any offer of Offer Shares through any financial intermediary, other than offers made by Managers which constitute the final placement of Offer Shares contemplated in this Prospectus.

The Offer Shares have not been, and will not be, offered to the public in any Relevant Member State, excluding Denmark. Notwithstanding the foregoing, an offering of the Offer Shares may be made in a Relevant Member State: (i) to any qualified investor as defined in the Prospectus Directive; (ii) by the Managers to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive subject to obtaining the prior consent of the Joint Global Coordinators); (iii) to investors who acquire securities for a total consideration of at least EUR 100,000 per investor, for each separate offer; (iv) if the denomination per unit amounts to at least EUR 100,000; or (v) in any other circumstances falling within Article 3(2) of the Prospectus Directive; provided that no such offer of Offer Shares shall result in a requirement for the publication by the Company, the Selling Shareholder or any of the Managers of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any Offer Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Offering and the Offer Shares so as to enable an investor to decide to purchase Offer Shares, as that definition may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State. The expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the Amending Directive 2010/73/EU), and includes any relevant implementing measures in the Relevant Member State.

29.20.4 UNITED KINGDOM RESTRICTIONS

Offers of the Offer Shares pursuant to the Offering are only being made to persons in the United Kingdom who are "qualified investors" or otherwise in circumstances which do not require publication by the Company of a prospectus pursuant to section 85(1) of the U.K. Financial Services and Markets Act 2000.

This Prospectus is only being distributed to, and is only directed at, and any investment or investment activity to which the Prospectus relates is available only to, and will be engaged in only with persons who are investment professionals falling within Article 19(5) or falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc."), of the U.K. Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or other persons to whom such investment or investment activity may lawfully be made available (together, "**Relevant Persons**"). Persons who are not Relevant Persons should not take any action on the basis of the Prospectus and should not act or rely on it.

30. EXPENSE OF THE OFFERING

The Company will not receive any of the proceeds from the sale of the Offer Shares by the Selling Shareholder in the Offering.

Expenses in relation to the Offering, including commissions and fees (fixed and discretionary) to be paid to the Managers, are payable by the Selling Shareholder.

Further, the Selling Shareholder has agreed to pay a selling commission to the account holding banks (unless such account holding bank is a Manager) equivalent to 0.25% of the Offer Price of the Offer Shares that are allocated in respect of purchase orders of up to and including DKK 3 million submitted through the relevant account holding banks (except for the Managers).

Certain expenses in relation to the admission to trading and official listing of the Shares on Nasdaq Copenhagen are payable by the Company. The expenses payable by the Company in connection with the Offering are expected to amount to between DKK 12 million and DKK 16 million.

None of the Company, the Selling Shareholder or the Managers will charge expenses to investors. Investors will have to bear customary transaction and handling fees charged by their account holding financial institution.

31. DILUTION

The Offering will not result in any dilution.

32. ADDITIONAL INFORMATION

- Financial advisors to the Company: Carnegie Investment Bank, filial af Carnegie Investment Bank AB (Publ), Sverige, Danske Bank A/S and ABG Sundal Collier Denmark, filial af ABG Sundal Collier ASA, Norge
- Legal advisor to the Company: Kromann Reumert, Sundkrogsgade 5, DK-2100 Copenhagen Ø, Denmark
- Auditors to the Company: Deloitte Statsautoriseret Revisionspartnerselskab, Weidekampsgade 6, DK- 2300 København S, Denmark
- Legal advisor to the Managers: Gorrissen Federspiel Advokatpartnerselskab, Axeltorv 2, DK-1609 Copenhagen V, Denmark

33. GLOSSARY

ABG Sundal Collier	ABG Sundal Collier ASA Denmark, filial af ABG Sundal Collier ASA, Norge
Acquisition Date	1 March 2016
Articles of Association	The Articles of Association of the Company proposed adopted at the General Meeting
Audit Committee	The audit committee of the Company
Auditors	Deloitte Statsautoriseret Revisionspartnerselskab, Weidekampsgade 6, DK-2300 København S, Denmark
Ballingslöv	Ballingslöv International AB
Board of Directors	The Board of Directors of the Company at any given time
Branded Stores	The products of the TCM Group are mainly marketed through an elaborate network of 60 single-brand kitchen specialty stores predominantly in Denmark and Norway, which all operates under franchise or dealer agreements (except from one store that is owned by the TCM Group).
B2B	Business-to-business
B2C	Business-to-consumer
CAGR	Compounded annual growth rate
Capital Region	The Capital Region of Denmark, "Region Hovedstaden"
Capital resources	Shall have the meaning as stated in section 12 "*Capital Resources*".
Carnegie	Carnegie Investment Bank, filial af Carnegie Investment Bank AB (Publ), Sverige
Chairman	The chairman of the Board of Directors
Clearstream	Clearstream Banking, S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg
CNC	Computerised numerically controlled router machines used for cutting various hard materials, such as wood and composites
Code	United States Internal Revenue Code of 1986, as amended
Company	TCM Group A/S, a Danish limited public company with registration no. 37291269
Cornerstone Agreements	The cornerstone agreements entered into between Company, the Selling Shareholder, the Joint Global Coordinators and each of the Cornerstone Investors
Cornerstone Investors	Each of Arbejdsmarkedets Tillægspension, BI Asset Management Fondsmæglerselskabet A/S on behalf of certain clients, Investeringsforeningen Fundamental Invest, Nordea Investment Management AB, Denmark (branch of Nordea Investment Management AB, Sweden), Handelsbanken, branch of Svenska Handelsbanken AB (publ.), Sweden, Nykredit Bank A/S and Spar Nord Bank A/S
Cornerstone Shares	Offer Shares, equal to a total purchase price amount of DKK 315 million
Corporate Governance Recommendations	The recommendations on Corporate Governance of the Danish Committee on Corporate Governance, issued on 6 May 2013, as updated in November 2014

CSIL	Center for Industrial Studies
CSR	Corporate social responsibility
Danish Business Authority	Erhvervsstyrelsen
Danish Companies Act	Consolidated Act no. 1089 of 14 September 2015, as amended, on public and private limited companies
Danish Executive Order on Prospectuses	Executive order no. 1257 of 6 November 2015, as amended, on prospectuses for securities admitted to trading in a regulated market and for offering to the public of securities of at least EUR 5,000,000
Danish FSA	The Danish Financial Supervisory Authority, "Finanstilsynet"
Danish GAAP	The Danish Financial Statements Act
Danish Language Prospectus	The Danish language version of the Prospectus
Danish Securities Trading Act	Consolidated Act no. 251 of 21 March 2017, as amended, on Securities Trading
Danske Bank	Danske Bank A/S
Deputy Chairman	The deputy chairman of the Board of Directors
DIY	Do-it-yourself
DKK	Danish Kroner
EEA	European Economic Area
EMEA	Europe, Middle East and Africa
English Language Prospectus	This Prospectus as published in the English language, including a Danish translation of the summary
EU	The European Union
EUR	The euro, the lawful currency of the participating member states in the Third Stage of the European and Monetary Union of the Treaty Establishing the European Community.
Euroclear	Euroclear Bank S.A./N.A., 1, Boulevard de Roi Albert II, B-1210 Brussels, Belgium
Executive Management	The executive management of the Company at any given time
Exercise Price	Each warrant entitles the holder, subject to the terms and conditions of the Warrant Agreement, to subscribe for one Share at a price of DKK 30,6986 with an addition of 8% p.a. on an accumulated basis in accordance with the following formula (30.9686 * (0.08 * (207/365)) + 30.9686) * (0.08 * (327/365)) + (30.9686 * (0.08 * (207/365)) + 30.9686) where 207 and 327 together are the number of days between 8 June 2016 and the date of subscription to the Share
Facility Agreement	A multicurrency facility agreement entered into between the Company, TCM Group Invest and Nordea Danmark, filial af Nordea Bank AB (publ), Sverige, dated 7 November 2017

Former Holding Company	TCM Group A/S, registration number 28505000, which company was dissolved on 23 May 2017 following a merger with TMK (prior to the Company changing name to TCM Group A/S)
Former TCM Group	The Former Holding Company and its subsidiaries as of the Acquisition Date
FSMA	United Kingdom Financial Services and Markets Act
FSR-Danish Auditors	FSR - danske revisorer. Sectoral association for certified auditors in Denmark
FY	Financial Year
General Meeting	The general meeting of shareholders of the Company
Group or TCM Group	TCM Group A/S, including its subsidiaries TCM Group Invest, TMK, Nettoline, Svane Køkkenet and Køkkenretail ApS
IFRS	International Financial Reporting Standards as adopted by the European Union
ISIN	International Security Identification Number
IRS	United States Internal Revenue Service
Joint Bookrunners or Managers	Joint Global Coordinators and ABG Sundal Collier
Joint Global Coordinators	Carnegie and Danske Bank
kitchn	A brand acquired in connection with the acquisition of Nettoline. Kitchn.dk is an online brand targeting the DIY end-customer segment, while it runs two unmanned showrooms in Denmark, which are available to customers. As of the prospectus date, kitchn.dk is sold online in Denmark. In addition, kitchn has a store network consisting of 8 independent Swedish kitchen retailers
LTI	The long-term incentive programme
LTI Period	The period 1 January 2018 to 31 December 2020
MEC reports	The consumer behavior analysis commissioned by the Group from the MEC consultancy firm (2016a, 2016b)
Nasdaq Copenhagen	Nasdaq Copenhagen A/S, company reg. no. 19042677
Nettoline	Nettoline A/S, a Danish public limited liability company with registration no. 31599555
Nobia	Nobia AB
Nomination Committee	The nomination committee of the Company
Nordea	Nordea Danmark, filial af Nordea Bank AB (publ), Sverige
Offering	The initial public offering of the Offer Shares by the Selling Shareholder
Offer Shares	Up to 7,000,000 existing Shares to be offered by the Selling Shareholder in the Offering
Option Shares	The Selling Shareholder has granted an option to the Managers, exercisable in whole or in part by the Stabilising Manager, to purchase up to 1,050,000 additional Shares in the Company at the Offer Price.

Prospectus	The Prospectus, which has been approved by the Danish FSA
Prospectus Directive	Directive 2003/71/EC (and amendments thereto)
Prospectus Regulation	Commission Regulation (EC) no. 809/2004 of 29 April, 2004
Remuneration Committee	The Company's remuneration committee
RetailWise	RetailWise ApS
Securities Act	United States Securities Act of 1933
Selling Shareholder	Means Innovator International S.à r.l., under registration no. B 198128, 1, rue de la Poudrerie, L 3364 Leudelange, Luxembourg
Shareholders' Agreement	Shareholders' agreement entered into between the Company, the Selling Shareholder and the participants in the management incentive programme regarding ownership of Shares in the Company, dated 8 June 2016
Shares	The outstanding shares of the Company at any given time.
Stabilising Manager	Carnegie Investment Bank, filial af Carnegie Investment Bank AB (Publ), Sverige
Svane	Svane is the Group's main brand. The Svane brand is sold through Svane-branded kitchen specialty stores on a franchise basis and to a minor extent through dealers in Norway. As of the Prospectus Date, Svane is sold through 26 franchise stores, 6 independent stores, and one store owned by the Group
Svane Køkkenet	Svane Køkkenet A/S, a Danish public limited liability company with company registration no. 28517939
TCM Group Invest	TCM Group Invest ApS, a Danish private limited liability company with company registration no. 37291382
TMK	TMK A/S, a Danish public limited liability company with company registration no. 75924712
Tvis	The Tvis brand is sold through Tvis stores defined as Branded Stores, and independent Tvis branded kitchen specialty stores. As of 25 October 2017, Tvis is sold through 20 dealer stores in Denmark, 6 Nordsjö kökkenet stores in Norway and 1 dealer store in Faroe Islands.
Underwriting Agreement	The underwriting agreement entered into between Company, the Selling Shareholder and the Managers on 13 November 2017
U.S. or United States	United States of America
USD	United States Dollars
VP Securities	VP Securities A/S, a Danish limited liability company with company registration no. 21599336
Warrant Agreement	Warrants agreement entered into between the Company and the participants in the management incentive programme regarding ownership of warrants in the Company, dated 8 June 2016

PRO-FORMA FINANCIAL INFORMATION

INDEX TO THE 2016 PRO FORMA ACCOUNTS AND THE INTERIM PRO FORMA ACCOUNTS: PAGE:

F.1 PRO FORMA FINANCIAL INFORMATION

As described in section 3.1 "*Financial Information*", the acquisition of the Former Holding Company ("the Acquisition") as at the Acquisition Date has significantly impacted the results of operations and cash flows of the Group. The Group has chosen to present certain pro forma financial information of how the Acquisition might have affected the results of operations and cash flows, had the acquisition been effective as at 1 January 2016.

The unaudited pro forma financial information set out below have been prepared for illustrative purposes only and in accordance with Annex II of the Prospectus Regulation.

Because of its nature, the pro forma financial information addresses a hypothetical situation and does not, therefore, represent the Group's actual results of operations and cash flows. Actual results of operations and cash flows may be materially different. Management gives no assurance that the actual results of operations and cash flows, if the Acquisition had been effective on 1 January 2016, would have been as indicated.

F.2 STATEMENT BY MANAGEMENT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE COMPANY FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

In section F.7 "*Unaudited pro forma financial information for the nine months period ended 30 September 2016*" Management presents unaudited pro forma financial information, prepared on the basis of the adjustments and assumptions set out below, which illustrates the impact the acquisition of TCM Group could have had on the results of operations for the nine months period ended 30 September 2016 had the acquisition been effective on 1 January 2016. The pro forma financial information is unaudited and has been prepared solely for use in this Prospectus in accordance with the Commission Regulation, and is not to be used for any other purposes.

The pro forma financial information was prepared on the basis of the stated criteria described in section F.6 "I*ntroduction to unaudited pro forma financial information*" and in accordance with accounting policies as described in the reviewed consolidated interim financial statements for the nine months period ended 30 September 2017 ("Interim Financial Statements"). See section 21.3 "*Cross reference*".

Management believes that the presented pro forma financial information has been properly compiled and that it has in all material respects been presented on the basis of the stated criteria and in accordance with accounting policies as described in the Interim Financial Statements. It should be noted that the pro forma financial information solely reflects an illustrative calculation of the matters set out. Actual future financial statements may differ materially from this information.

Holstebro, 13 November 2017

TCM Group A/S

BOARD OF DIRECTORS

Sanna Mari Suvanto-Harsaae
Chairman

Kristian Carlsson Kemppinen
Deputy Chairman

Anders Skole-Sørensen

Peter Jelkeby

Erik Albert Ingemarsson

EXECUTIVE MANAGEMENT

Ole Lund Andersen
CEO

Mogens Elbrønd Pedersen
CFO

Karsten Rydder Pedersen
COO

F.3 INDEPENDENT AUDITOR'S REPORT ON EXAMINATION OF MANAGEMENT'S UNAUDITED PRO FORMA FINANCIAL INFORMATION FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

TO THE SHAREHOLDERS AND POTENTIAL INVESTORS

We have been assigned to report on whether the pro forma financial information for the nine months period ended 30 September 2016 of the Company presented in section F.7 "*Unaudited pro forma financial information for the nine months period ended 30 September 2016*" in the Prospectus has been properly compiled on the basis of the applicable criteria and in accordance with the accounting policies as described in the Interim Financial Statements. The applicable criteria to be applied in the compilation is set out in commission regulation (EC) no. 809/2004 with subsequent amendment, Annex I, "Minimum Disclosure Requirements for the Share Registration Document (schedule)" Section 20.2, "*Pro forma financial information*" and Annex II, "Pro forma financial information building block" (the Commission Regulation).

The pro forma financial information is set out in section F.7 "*Unaudited pro forma financial information for the nine months period ended 30 September 2016*" of the Prospectus. The applicable criteria on the basis of which the Company has compiled the pro forma financial information are described in section F.6 "*Introduction to the unaudited pro forma financial information*".

The pro forma financial information has been compiled by the Management to illustrate the impact of the transaction set out in section 3.1 "*Financial Information*" on the Company's performance for the period 1 January 2016 – 30 September 2016 as if the transaction had taken place at 1 January 2016.

We express reasonable assurance in our conclusion.

In this engagement to report on the pro forma financial information the term "properly compiled" means that the pro forma financial adjustments have been collected, classified and summarized as well as presented appropriately on the basis of the applicable criteria described in section F.6 "*Introduction to the unaudited pro forma financial information*".

In this engagement to report on the pro forma financial information the term "in accordance with the accounting policies of the Company" means that the pro forma financial adjustments where relevant and to the extent possible in respect of recognition and measurement (including necessary adjustments) have been prepared consistently with the accounting policies described in the Interim Financial Statements.

The purpose of pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on historical unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the transaction at 1 January 2016 would have been as presented. As part of this process, information about the Company's financial performance has been extracted by Management from the comparative figures in the reviewed Interim Financial Statements and information about the Former Holding Company's financial performance has been extracted by Management from the unaudited accounting records of the Former Holding Company for the period 1 January – 29 February 2016.

The pro forma financial information and our accompanying report has been prepared solely for the use of the Prospectus that is prepared in accordance with the Commission Regulation, and is not to be used for any other purposes.

MANAGEMENT'S RESPONSIBILITY

The Board of Directors and the Executive Management are responsible for the proper compiling of the pro forma financial information on the basis of the applicable criteria and in accordance with the accounting policies as described in the reviewed Interim Financial Statements as well as set out in the Commission Regulation.

AUDITOR'S RESPONSIBILITY

Our responsibility is, in accordance with the Commission Regulation Annex II Section 7, to express an opinion about whether the pro forma financial information has been properly compiled on the basis of the applicable criteria and in accordance with the accounting policies as described in the reviewed Interim Financial Statements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

We conducted our examinations in accordance with (ISAE) 3420, "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus", and additional requirements under Danish audit.

Deloitte Statsautoriseret Revisionspartnerselskab is subject to International Standard on Quality Control (ISQC) 1, and, accordingly, applies a comprehensive quality control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by FSR – Danish Auditors (Code of Ethics for Professional Accountants), which are based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

As part of our examinations, we have evaluated whether the disclosed basis for the pro forma adjustments provides a reasonable basis for presenting the significant effects directly attributable to the transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the historical unadjusted financial information.

The procedures selected depend on the auditor's judgment, having regard to the auditor's understanding of the nature of the Company, the transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

In addition, we have evaluated the overall presentation of the pro forma financial information.

CONCLUSION

This conclusion is based upon the understanding of "properly compiled" and "in accordance with the accounting policies of the Company", as disclosed in the introductory paragraphs of the report.

In our opinion, the pro forma financial information has been properly compiled on the basis of the applicable criteria and in accordance with the accounting policies as described in the reviewed Interim Financial Statements.

Copenhagen, 13 November 2017

DELOITTE
Statsautoriseret Revisionspartnerselskab
Central Business Registration no. 33 96 35 56

Bill Haudal Pedersen State-Authorised Public Accountant	Sumit Sudan State-Authorised Public Accountant

F.4 STATEMENT BY MANAGEMENT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

In section F.8 "*Unaudited pro forma financial information for the financial year ended 31 December 2016*" Management presents unaudited pro forma financial information, prepared on the basis of the adjustments and assumptions set out below, which illustrates the impact the acquisition of TCM Group could have had on the results of operations for the financial year ended 31 December 2016 had the acquisition been effective on 1 January 2016. The pro forma financial information is unaudited and has been prepared solely for use in this Prospectus in accordance with the Commission Regulation, and is not to be used for any other purposes.

The pro forma financial information was prepared on the basis of the stated criteria described in section F.6 "*Introduction to unaudited pro forma financial information*" and in accordance with accounting policies as described in the audited consolidated financial statements prepared in accordance with IFRS of the Company for the financial year ended 31 December 2016 ("Consolidated IFRS Financial Statements for 2016"). See section 21.3 "*Cross reference*".

Management believes that the presented pro forma financial information has been properly compiled and that it has in all material respects been presented on the basis of the stated criteria and in accordance with accounting policies as described in the audited Consolidated IFRS Financial Statements for 2016. It should be noted that the pro forma financial information solely reflects an illustrative calculation of the matters set out. Actual future financial statements may differ materially from this information.

Holstebro, 13 November 2017

TCM Group A/S

BOARD OF DIRECTORS

Sanna Mari Suvanto-Harsaae
Chairman

Kristian Carlsson Kemppinen
Deputy Chairman

Anders Skole-Sørensen

Peter Jelkeby

Erik Albert Ingemarsson

EXECUTIVE MANAGEMENT

Ole Lund Andersen
CEO

Mogens Elbrønd Pedersen
CFO

Karsten Rydder Pedersen
COO

F.5 INDEPENDENT AUDITOR'S REPORT ON EXAMINATION OF MANAGEMENT'S UNAUDITED PRO FORMA FINANCIAL INFORMATION FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

TO THE SHAREHOLDERS AND POTENTIAL INVESTORS

We have been assigned to report on whether the pro forma financial information for the Company presented in section F.8 "*Unaudited pro forma financial information for the financial year ended 31 December 2016*" in the Prospectus has been properly compiled on the basis of the applicable criteria and in accordance with the accounting policies as described in the audited Consolidated IFRS Financial Statements for 2016. The applicable criteria to be applied in the compilation is set out in commission regulation (EC) no. 809/2004 with subsequent amendment, Annex I, "Minimum Disclosure Requirements for the Share Registration Document (schedule)" Section 20.2, "*Pro forma financial information*" and Annex II, "Pro forma financial information building block" (the Commission Regulation).

The pro forma financial information is set out section F.8 "*Unaudited pro forma financial information for the financial year ended 31 December 2016*" of the Prospectus. The applicable criteria on the basis of which the Company has compiled the pro forma financial information are described in section F.6 "*Introduction to the unaudited pro forma financial information*".

The pro forma financial information has been compiled by the Management to illustrate the impact of the transaction set out in section 3.1 "*Financial information*" on the Company's performance for 2016 as if the transaction had taken place at 1 January 2016.

We express reasonable assurance in our conclusion.

In this engagement to report on the pro forma financial information the term "properly compiled" means that the pro forma financial adjustments have been collected, classified and summarized as well as presented appropriately on the basis of the applicable criteria described in section F.6 "*Introduction to the unaudited pro forma financial information*".

In this engagement to report on the pro forma financial information the term "in accordance with the accounting policies of the Company" means that the pro forma financial adjustments where relevant and to the extent possible in respect of recognition and measurement (including necessary adjustments) have been prepared consistently with the accounting policies described in the Consolidated IFRS Financial Statements for 2016.

The purpose of pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on historical unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the transaction at 1 January 2016 would have been as presented. As part of this process, information about the Company's financial performance has been extracted by Management from the Company's audited Consolidated IFRS Financial Statements for 2016 and information about the Former Holding Company's financial performance has been extracted by Management from the unaudited accounting records of the Former Holding Company for the period 1 January – 29 February 2016.

The pro forma financial information and our accompanying report has been prepared solely for the use of the Prospectus that is prepared in accordance with the Commission Regulation, and is not to be used for any other purposes.

MANAGEMENT'S RESPONSIBILITY

The Board of Directors and the Executive Management are responsible for the proper compiling of the pro forma financial information on the basis of the applicable criteria and in accordance with the accounting policies as described in the audited Consolidated IFRS Financial Statements for 2016 as well as set out in the Commission Regulation.

AUDITOR'S RESPONSIBILITY

Our responsibility is, in accordance with the Commission Regulation Annex II Section 7, to express an opinion about whether the pro forma financial information has been properly compiled on the basis of the applicable criteria and in accordance with the accounting policies as described in the audited Consolidated IFRS Financial Statements for 2016.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

We conducted our examinations in accordance with (ISAE) 3420, "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus", and additional requirements under Danish audit.

Deloitte Statsautoriseret Revisionspartnerselskab is subject to International Standard on Quality Control (ISQC) 1, and, accordingly, applies a comprehensive quality control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by FSR – Danish Auditors (Code of Ethics for Professional Accountants), which are based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

As part of our examinations, we have evaluated whether the disclosed basis for the pro forma adjustments provides a reasonable basis for presenting the significant effects directly attributable to the transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the historical unadjusted financial information.

The procedures selected depend on the auditor's judgment, having regard to the auditor's understanding of the nature of the Company, the transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

In addition, we have evaluated the overall presentation of the pro forma financial information.

CONCLUSION

This conclusion is based upon the understanding of "properly compiled" and "in accordance with the accounting policies of the Company", as disclosed in the introductory paragraphs of the report.

In our opinion, the pro forma financial information has been properly compiled on the basis of the applicable criteria and in accordance with the accounting policies as described in the audited Consolidated IFRS Financial Statements for 2016.

Copenhagen, 13 November 2017

DELOITTE
Statsautoriseret Revisionspartnerselskab
Central Business Registration no. 33 96 35 56

Bill Haudal Pedersen
State-Authorised Public Accountant

Sumit Sudan
State-Authorised Public Accountant

F.6 INTRODUCTION TO UNAUDITED PRO FORMA FINANCIAL INFORMATION

The unaudited pro forma financial information for the nine months ended 30 September 2016 (Interim Pro Forma Accounts) set out in F.7 "*Unaudited pro forma financial information for the nine months period ended 30 September 2016*" and for the financial year ended 31 December 2016 (2016 Pro Forma Accounts) set out in F.8 "*Unaudited pro forma financial information for the financial year ended 31 December 2016*" has been compiled in accordance with the accounting policies as described in the reviewed consolidated interim financial statements of the Company for the nine months period ended 30 September 2017 ("Interim Financial Statements") and the accounting policies as described in the audited consolidated financial statements of the Company for the financial year ended 31 December 2016 ("Consolidated IFRS Financial Statements for 2016"), respectively, and commission regulation (EC) no. 809/2004 with subsequent amendment, Annex I, "Minimum Disclosure Requirements for the Share Registration Document (schedule)" Section 20.2, "*Pro forma financial information*" and Annex II, "Pro forma financial information building block" (the Commission Regulation).

The unaudited pro forma financial information presents how the Acquisition might have affected earnings and cash flows of the Group, had the Acquisition been undertaken at 1 January 2016 based on information presently available and certain assumptions that Management considers reasonable.

The unaudited pro forma financial information has been prepared by combining like items of income, expenses and cash flows of the Group for the period 1 January to 30 September 2016 or for the financial year 2016, respectively, that include the Former Holding Company and its subsidiaries as of 1 March 2016 and of The Former Holding Company and its subsidiaries for the period 1 January to 29 February 2016.

The financial information of the Group for the period 1 January to 30 September 2016 before pro forma adjustments has been extracted from the comparative figures in the Interim Financial Statements, the financial information for the financial year 2016 before pro forma adjustments has been extracted from the Consolidated IFRS Financial Statements for 2016 and the financial information of The Former Holding Company and its subsidiaries for the period 1 January to 29 February 2016 has been extracted from the Management's unaudited accounting records prepared accordance with recognition and measurement criteria of IFRS.

The Group's acquisition of the Former Holding Company and its subsidiaries is explained in note 28 to the Consolidated IFRS Financial Statements for 2016. The calculated purchase price is allocated on acquired assets and liabilities as of 1 March 2016 based upon their estimated fair values. For the purpose of the pro forma financial information the Acquisition is accounted for as it took place the 1 January 2016 and it is assumed that the differences between the fair value of the acquired assets and liabilities and their carrying amount is the same as at 1 January 2016 as the differences calculated as at 1 March 2016. Thus the pro forma adjustments consist of amortisation for the period 1 January to 29 February 2016 of identified intangible assets (Franchise set-up) and are calculated on the same basis as for the actual amortisation subsequent to the Acquisition. Furthermore, it is assumed that the purchase price would have been the same as the actual purchase price, and thus the pro forma adjustments consist also of financial expenses for the period 1 January to 29 February 2016 calculated on the related financing.

The unaudited pro forma financial information should be read in conjunction with the Interim Financial Statements and the Consolidated IFRS Financial Statements for 2016.

For a more detailed explanation of the pro forma adjustments see notes below in F.7 "*Unaudited pro forma financial information for the nine months period ended 30 September 2016*" and notes below in F.8 "*Unaudited pro forma financial information for the financial year ended 31 December 2016*".

The unaudited pro forma financial information is provided for informational purposes only and does not purport to represent what the actual acquisition would have impacted the results of operations or cash flow had the Acquisition occurred on 1 January 2016, nor is it necessarily indicative of future results of operations or cash flows of the Group.

F.7 UNAUDITED PRO FORMA FINANCIAL INFORMATION FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

(Unaudited)	Nine months ended 30 September 2016				
(DKK million)	Interim Financial Statements	Former Holding Company and its subsidiaries for 1/1-2016 to 29/2-2016 [1]	Pro forma adjustments	Notes	As adjusted
Income statement					
Revenue	346.2	91.2			437.4
Cost of goods sold	(242.4)	(67.2)			(309.6)
Gross profit	**103.8**	**24.0**			**127.8**
Selling expenses	(36.0)	(11.1)			(47.1)
Administrative expenses	(21.0)	(5.9)	(1.3)	(2)	(28.2)
Other operating income	0.0	0.0			0.0
Other operating expenses	0.0	0.0			0.0
Operating profit before non-recurring items	**46.8**	**7.0**	**(1.3)**		**52.5**
Non-recurring items	(18.4)	0.0			(18.4)
Operating profit	**28.4**	**7.0**	**(1.3)**		**34.1**
Financial income	0.2	(0.1)			0.1
Financial expenses	(10.8)	(0.0)	(1.4)	(3)	(12.2)
Profit before tax	17.8	6.9	(2.7)		22.0
Tax on net profit for the period	(7.0)	(1.6)	0.6	(4)	(8.0)
Net profit for the period	**10.8**	**5.3**	**(2.1)**		**14.0**
Cash flow					
Operating activities	35.9	(3.9)			31.9
Investing activities	(481.1)	(0.1)			(481.2)
Financing activities	499.6	(0.2)	(1.2)	(5)	498.2
Key figures and ratios					
EBITA (non-IFRS)	32.8	7.0	0.0		39.8
Non-recurring items	(18.4)	0.0	0.0		(18.4)
Adjusted EBITDA (non-IFRS)	55.8	8.3	0.0		64.1
Depreciation	4.7	1.3	0.0		6.0
Amortisation	4.4	0.0	1.3		5.7
Capex excl. acquisitions (non-IFRS)					
Cash flow from investing activities	481.1	0.1	0.0		481.2
Acquisitions of operations	(479.4)	0.0	0.0		(479.4)
Sale of tangible assets	0.0	0.0	0.0		0.0
Investments in financial assets	0.0	(0.1)	0.0		(0.1)
Capex excl. acquisitions (non-IFRS)	**1.6**	**0.0**	**0.0**		**1.6**

Notes:

(1) "Former Holding Company and its subsidiaries for 1/1-2016 to 29/2-2016" represents the consolidated income, expenses and cash flow for the period 1 January 2016 to 29 February 2016 of The Former Holding Company and its subsidiaries prepared in accordance with recognition and measurement criteria of IFRS after elimination of transactions between the Former Holding Company and its subsidiaries. In the period 1 January 2016 to 29 February 2016 no significant transactions between the Former Holding Company and subsidiaries took place with TCM Group A/S or TCM Group Invest ApS and thus no elimination is required.

(2) The pro forma adjustment for Administrative expenses relates to amortisation of Franchise set-up corresponding to the additional amortisation that would have been made, had the Acquisition and purchase price allocation occurred on 1 January 2016. The fair value of the Franchise set-up at the Acquisition Date amounting to DKK 37.8 million is amortised over 5 years, thus the additional amortisation for 2 months would have been DKK 1.3 million.

(3) The pro forma adjustment for Financial expenses consists of costs of the related financing of the purchase consideration for the period 1 January to 29 February 2016. The interest costs related to the financing of the purchase consideration amounting to DKK 210 million would have resulted in additional financing costs for 2 months of DKK 1.2 million, and amortisation of borrowing costs of DKK 0.2 million.

(4) The pro forma adjustment for Tax on net profit for the period consists of DKK 0.3 million related to tax impact on the pro forma adjustment described in note (2) and DKK 0.3 million related to tax impact from the pro forma adjustment described in note (3) calculated at a tax rate of 22%..

(5) The pro forma adjustment for cash flow from Financing activities relates to payment of the additional financial expenses that would have been paid, had the Acquisition and purchase price allocation occurred on 1 January 2016 as calculated in note (3).

F.8 UNAUDITED PRO FORMA FINANCIAL INFORMATION FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

(Unaudited)	Financial year ended 31 December 2016				
(DKK million)	Consolidated IFRS Financial Statements for 2016	Former Holding Company and its subsidiaries for 1/1-2016 to 29/2-2016 (1)	Pro forma adjustments	Notes	As adjusted
Income statement					
Revenue	508.5	91.2			599.7
Cost of goods sold	(353.5)	(67.2)			(420.7)
Gross profit	**155.0**	**24.0**			**179.0**
Selling expenses	(50.2)	(11.1)			(61.3)
Administrative expenses	(31.9)	(5.9)	(1.3)	(2)	(39.1)
Other operating income	0.0	0.0			0.0
Other operating expenses	0.0	0.0			0.0
Operating profit before non-recurring items	**72.9**	**7.0**	**(1.3)**		**78.7**
Non-recurring items	(18.7)	0.0			(18.7)
Operating profit	**54.2**	**7.0**	**(1.3)**		**60.0**
Financial income	0.2	(0.1)			0.1
Financial expenses	(13.4)	(0.0)	(1.4)	(3)	(14.9)
Profit before tax	**41.0**	**6.9**	**(2.7)**		**45.1**
Tax on net profit for the period	(12.5)	(1.6)	0.6	(4)	(13.4)
Net profit for the period	**28.5**	**5.3**	**(2.1)**		**31.7**
Cash flow					
Operating activities	84.2	(3.9)			80.3
Investing activities	(483.9)	(0.1)			(484.0)
Financing activities	496.3	(0.2)	(1.2)	(5)	494.8
Key figures and ratios					
EBITA (non-IFRS)	60.5	7.0	0.0		67.5
Non-recurring items	(18.7)	0.0	0.0		(18.7)
Adjusted EBITDA (non-IFRS)	85.6	8.3	0.0		93.9
Depreciation	6.4	1.3	0.0		7.8
Amortisation	6.3	0.0	1.3		7.6
Capex excl. acquisitions (non-IFRS)					
Cash flow from investing activities	483.9	0.1	0.0		484.0
Acquisitions of operations	(479.4)	0.0	0.0		(479.4)
Sale of tangible assets	0.0	0.0	0.0		0.0
Investments in financial assets	0.0	(0.1)	0.0		(0.1)
Capex excl. acquisitions (non-IFRS)	**4.4**	**0.0**	**0.0**		**4.4**

Notes:

(1) "Former Holding Company and its subsidiaries for 1/1-2016 to 29/2-2016" represents the consolidated income, expenses and cash flow for the period 1 January 2016 to 29 February 2016 of The Former Holding Company and its subsidiaries prepared in accordance with recognition and measurement criteria of IFRS after elimination of transactions between the Former Holding Company and its subsidiaries. In the period 1 January 2016 to 29 February 2016 no significant transactions between the Former Holding Company and subsidiaries took place with TCM Group A/S or TCM Group Invest ApS and thus no elimination is required.

(2) The pro forma adjustment for Administrative expenses relates to amortisation of Franchise set-up corresponding to the additional amortisation that would have been made, had the Acquisition and purchase price allocation occurred on 1 January 2016. The fair value of the Franchise set-up at the Acquisition Date amounting to DKK 37.8 million is amortised over 5 years, thus the additional amortisation for 2 months would have been DKK 1.3 million.

(3) The pro forma adjustment for Financial expenses consists of costs of the related financing of the purchase consideration for the period 1 January to 29 February 2016. The interest costs related to the financing of the purchase consideration amounting to DKK 210 million would have resulted in additional financing costs for 2 months of DKK 1.2 million, and amortisation of borrowing costs of DKK 0.2 million.

(4) The pro forma adjustment for Tax on net profit for the period consists of DKK 0.3 million related to tax impact on the pro forma adjustment described in note (2) and DKK 0.3 million related to tax impact from the pro forma adjustment described in note (3) calculated at a tax rate of 22%..

(5) The pro forma adjustment for cash flow from Financing activities relates to payment of the additional financial expenses that would have been paid, had the Acquisition and purchase price allocation occurred on 1 January 2016 as calculated in note (3).

ANNEX A – ARTICLES OF ASSOCIATION

1. NAME

1.1 The company's name is TCM Group A/S.

2. OBJECT

2.1 The object of the company is to hold interests, directly or indirectly, in companies with activities within the kitchen, bath and wardrobe industry and other associated business.

3. SHARE CAPITAL

3.1 The company's share capital is DKK 1,000,000, divided into shares of DKK 0.1 or any multiple thereof.

3.2 The share capital has been fully paid up.

3.3 In connection with any cash capital increase, the company's shareholders are entitled to subscribe for the new shares in proportion to their shareholdings, unless the general meeting resolves to override such pre-emption rights in favour of others.

3.4 Until 8 June 2021, the company's board of directors is authorized (i) to issue and allocate warrants in one or more stages to employees and board members of the company with a right to subscribe for up to a total of nominal DKK 15,000 new shares against cash contribution, and (ii) to carry out the necessary increases of the share capital, as is provided for by the authorization as set out in the enclosed Appendix A.

3.5 By resolution of 8 June 2016, the board of directors has exercised the authorization by issue of 13,660 warrants on the terms and conditions set out in the enclosed Appendix B.

3.6 On 7 November 2017 the general meeting resolved to annul the remaining authorisation in article 3.4 of the Articles of Association. Accordingly, the authorization granted to the board of directors' in article 3.4 has been exercised in full.

4. SHARES

4.1 The company's shares are issued in the names of the holders and shall be recorded in the names of the holders in the company's register of shareholders.

4.2 The company's shares are negotiable instruments. The shares shall be freely transferable and non-redeemable.

4.3 The company's shares are registered with the Danish securities centre VP Securities A/S, Central Business Register (CVR) number 21 59 93 36, and therefore the company shall not issue any physical share certificates. All rights attaching to the shares shall be notified to VP securities A/S in accordance with the applicable rules.

4.4 The register of shareholders shall be kept by VP Securities A/S, Central Business Register (CVR) number 21 59 93 36. The register of shareholders shall not be available for inspection by the shareholders.

5. INCREASE OF THE SHARE CAPITAL

5.1 In the period until 6 November 2022, the board of directors is authorised on one or more occasions to increase the share capital without pre-emptive rights for the existing shareholders by cash contribution; contribution in kind; and/or conversion of debt by issuance of new shares of no more than nominal DKK 200,000. The subscription is to be made at market price.

5.2 In the period until 6 November 2022, the board of directors is authorised on one or more occasions to increase the share capital without pre-emptive rights for the existing shareholders by cash contribution by issuance of new shares of no more than nominal DKK 200,000 in connection with subscription of shares by the company's or its subsidiaries' officers employees at a subscription price below market price.

5.3 Any new shares issued under the authorisations in 5.1 or 5.2 shall be negotiable instruments and shall be issued in the names of the holders and recorded in the names of the holders in the company's register of shareholders. The negotiability of the new shares shall not be subject to restrictions. The new shares shall carry the same rights as the company's existing shares.

5.4 When exercising the authorisations given in articles 5.1 and 5.2 the board of directors is overall authorised to increase the share capital of the company with a total of nominally DKK 200,000.

6. CORPORATE LANGUAGE

6.1 In addition to Danish, the company also has English as corporate language. Meetings of the board of directors may be held in English.

7. GENERAL MEETING; POWERS, VENUE AND NOTICE

7.1 The shareholders' authority to pass resolutions shall be exercised at the general meeting.

7.2 Subject to statute and to these articles of association, the general meeting has the supreme authority in all the company's affairs.

7.3 General meetings shall be held at the company's registered office or in the Greater Copenhagen area.

7.4 The annual general meeting shall be held every year in time for the audited and adopted annual report to reach the Danish Business Authority (in Danish: Erhvervsstyrelsen) before expiry of the time limit provided by the Danish Financial Statements Act (in Danish: Årsregnskabsloven).

7.5 No later than eight weeks before the date of the annual general meeting, the board of directors shall announce the scheduled date of the general meeting as well as the latest date for the submission of requests by shareholders to have specific issues included on the agenda.

7.6 Extraordinary general meetings to consider specific issues shall be convened within two weeks of receipt of a written request to such effect from the board of directors, the auditor, or shareholders holding in aggregate no less than 5% of the share capital.

7.7 General meetings shall be convened by the board of directors no later than three weeks and no earlier than five weeks before the date of the general meeting by publishing a notice on the company's website and, where requested, by e-mail to all shareholders registered in the register of shareholders.

7.8 The company's general meetings shall not be open to the public, unless authorised by the board of directors in each individual case. However, the company's general meetings shall always be open to the press.

8. GENERAL MEETING; AGENDA

8.1 For a continuous period of three weeks beginning no later than three weeks before the date of any general meeting (including the date of the meeting), the company shall make the following information available to the shareholders on the company's website:

1. The notice convening the general meeting.
2. The aggregate number of shares and voting rights at the date of the notice.
3. The documents to be submitted to the general meeting, including, in the case of the annual general meeting, the audited annual report.
4. The agenda of the general meeting and the full text of any proposal to be submitted to the general meeting.
5. Proxy and postal voting forms, if applicable, unless such forms are sent directly to the shareholders.

The agenda of the annual general meeting shall include the following items:

1. The report of the board of directors on the company's activities during the past financial year.
2. Adoption of the audited annual report.
3. Adoption of the remuneration for the board of directors and any board committees.
4. Appropriation of profit or loss as recorded in the adopted annual report.
5. Election of directors.
6. Election of auditor(s).
7. Any proposal by the board of directors and/or shareholders.

9. GENERAL MEETINGS; VOTING RIGHTS AND RIGHTS OF REPRESENTATION, ETC.

9.1 Each share of nominally DKK 0.1 shall carry one vote at the company's general meetings.

9.2 Shareholders may attend general meetings in person or by proxy and may, in both cases, be accompanied by an advisor.

9.3 Proxies may exercise voting rights on behalf of shareholders subject to presenting a written or electronic and dated instrument of proxy. The company shall make a written or electronic proxy form available to all shareholders entitled to vote at the general meeting. The chairman of the meeting finally decides on any matters relating to the authenticity of any proxies.

9.4 A shareholder's rights to attend and vote at general meetings shall be determined on the basis of the shares held by the shareholder on the date of registration. The date of registration shall be one week before the date of the general meeting.

9.5 Shareholders shall notify the company of their attendance or their proxy holder's attendance at any general meeting no later than three days before the date of the general meeting. This requirement shall also apply to any advisers.

9.6 Within the three months immediately preceding the date of any general meeting, a shareholder may submit questions in writing to the company's management about matters of significance to the assessment of the annual report and the general position of the company or of significance to any matter to be resolved at the general meeting.

9.7 General meetings may be held in either Danish or English as resolved by the board of directors. Documents prepared for use by the general meetings, including notice convening the general meeting and agenda with the complete proposals as well as any additional material, may be prepared in Danish or English as resolved by the board of directors.

10. GENERAL MEETINGS; CHAIRMAN, RESOLUTIONS AND MINUTES

10.1 The board of directors shall appoint a chairman to preside over the general meeting and to ensure that the meeting is held in an orderly and proper manner. The chairman shall decide all matters relating to the transaction of business and voting.

10.2 All business transacted by the general meeting shall be decided by a simple majority of votes, unless otherwise provided by the Danish Companies Act (in Danish: Selskabsloven) or by these Articles of Association.

10.3 Minutes shall be kept of the proceedings at general meetings, which shall be signed by the chairman of the meeting. The minutes or a certified copy of the minutes shall be available for inspection by the shareholders at the company's registered office. No later than two weeks after the general meeting, the results of voting at the meeting shall be announced on the company's website.

11. BOARD OF DIRECTORS

11.1 The company is managed by a board of directors consisting of 4 to 6 directors elected by the general meeting to hold office until the next annual general meeting. Any persons that as of the date of the general meeting is 70 years or more cannot be elected to the board of directors.

11.2 The board of directors elects a chairman and a vice-chairman. No member of the executive management may be elected as chairman or vice-chairman.

11.3 The board of directors forms a quorum when more than half of all directors are represented. All business transacted by the board of directors shall be decided by a simple majority of votes. In the event of an equality of votes, the chairman or, in the chairman's absence, the vice-chairman shall have a casting vote.

11.4 The board of directors shall adopt rules of procedure governing the performance of its duties.

11.5 Minutes of board meetings shall be signed by all directors present at the meeting.

12. EXECUTIVE MANAGEMENT

12.1 The board of directors shall appoint one to five executive officers to be responsible for the day-to-day management of the company's business. If the executive management consists of more than one member, one member shall be appointed as chief executive officer.

13. INCENTIVE REMUNERATION

13.1 Guidelines have been adopted for incentive remuneration for the members of the management, cf. section 139(2) of the Danish Companies Act. The guidelines are published on the company's website, www.tcmgroup.dk.

14. ELECTRONIC COMMUNICATION

14.1 The company may use electronic exchange of documents and electronic mails (e-mails) when communicating with its shareholders. This includes, but is not limited to giving notice to shareholders of annual and extraordinary general meetings, including the complete proposals for amendment of the articles of association, forwarding the agenda and the annual report, etc. and providing other general information to the shareholders. The company may always use ordinary mail as an alternative to electronic communication. The shareholders are responsible for ensuring that the company is in possession of the correct electronic contact details. The shareholders may request information on the system requirements and on the procedure to be followed when communicating by electronic means by contacting the company.

15. POWER TO BIND THE COMPANY

15.1 The company shall be bound by the signatures of the chairman of the board acting jointly with a member of the executive management, by signatures of the chairman of board acting jointly with a board member, or by the entire board of directors acting jointly.

16. AUDITING

16.1 The company's financial statement shall be audited by one or two state-authorised public accountants elected by the general meeting to hold office until the next annual general meeting.

16.2 The company's annual reports and interim financial reports are prepared and presented in English. The board of directors may resolve that the annual report shall also be prepared in Danish.

17. FINANCIAL YEAR

17.1 The company's financial year shall be the calendar year.

APPENDIX A

On 8 June 2016, the board of directors of TCM Group A/S resolved to authorize the board of directors until 8 June 2021 (i) to issue and allocate warrants in one or more stages to employees and board members of the company with a right to subscribe for up to a total of nominal DKK 15,000 new shares against cash contribution, and (ii) to carry out the necessary increases of the share capital.

The following applies to the authorisation:

- that the warrants entitle to the subscription for shares of up to a total nominal value of DKK 15,000 new shares in the company;
- that the board of directors is authorized to implement decisions regarding the necessary share capital increases up to a nominal amount of DKK 15,000 shares against cash contributions in full;
- that the warrants – and the shares subscribed for in the company based on those warrants – are issued/subscribed for without preemptive rights for the company's existing shareholders, as the warrants are granted to certain employees and board members of the company as further determined by the board of directors;
- that restrictions apply concerning transferability of the warrants and the shares that are subscribed for on the basis of the warrants as set out above in the articles of association, clause 3;
- that no shareholder shall be obliged to have his/her shares redeemed, neither by the company nor by others;
- that the shares that are subscribed for on the basis of the warrants shall be non-negotiable, issued to registered holders and recorded in the company's register of shareholders; and
- that the board of directors is authorized to set out further terms and conditions for the warrants and the exercise thereof.

APPENDIX B

On 8 June 2016, the board of directors of TCM Group A/S resolved to issue 13,660 warrants on the following terms and conditions:

- The maximum amount by which the share capital may be increased by exercise of the warrants is DKK 13,6600 as each warrant by exercise provides the right to increase the share capital with DKK 1.00 by subscription for one share of nominal DKK 1.00;
- The present shareholder will have no pre-emption rights in relation to the warrants or the following capital increases;
- Exercise of the warrants by subscription for new shares may take place in case of an exit situation (as further defined in the warrant programme) against simultaneously payment in cash of the subscription amount. The board of directors must inform the warrant holders in writing of any contemplated exit, to the extent practicable, no later than 20 business days prior to the expected closing date of the exit. The warrant holders shall exercise the warrants within 10 business days of the warrant holders having received the exit notice;
- Shares subscribed for under the warrants shall give the right to receive dividend and other rights against the company from the time of exercise of the warrants;
- The warrants can be exercised by subscription for shares in the company at a price of DKK 3,096.86 per share which shall be added 8 per cent p.a. as further set out in the warrant programme;
- The costs in relation to the issuance of warrants are not payable by the company;
- If the warrant holder has not exercised the warrant before the company implements such changes to its capital structure which cause the value of the warrants to be increased or reduced, an adjustment of the exercise price and/or the number of shares which may be subscribed for pursuant to the warrants shall be made. The adjustment principles are further set out in the warrant programme. Such changes in the capital structure of the company include capital increases and capital decreases not carried out at market price, issuance of warrants and issuance of convertible instruments and mergers and demergers.
- Notwithstanding the before mentioned no adjustment shall be made if the company resolves to issue shares, warrants, convertible instruments or similar to the board members, executive officers, employees or consultants of the company or its group companies or buys or sells own shares in this connection. This applies irrespective of whether such issue provides the right to acquire shares at a price lower than the market price of the company's shares at the time of allotment or whether the purchase/sale of own shares takes place at a price higher or lower than the market price of the company's shares.
- The board of directors shall determine whether an implemented change in the capital structure gives rise to an adjustment of the exercise price and/or the number of shares, which can be subscribed for on the basis of a warrant;
- If the company is merged or demerged, irrespective of the company being the surviving or continuing company, the warrants shall be exchanged for new warrants which entitle the warrant holder to subscribe for the shares in the continuing company; and
- Warrants shall automatically lapse in the event of the liquidation of the company. The lapse becomes effective when the general meeting of the company has adopted the final liquidation accounts;
- On 15 September 2017 the general meeting resolved (i) a share split, where each share with nominal value of DKK 1 is split up into 10 shares with a nominal value of DKK 0.10 and (ii) to increase the Company's share capital from DKK 100,000 by DKK 900,000 to DKK 1,000,000 by bonus share issuance. In accordance with the adjustment provisions above, this implies that (i) each warrant of nominal DKK 1 entities the warrant holder to subscribe for 100 shares of nominal DKK 0.10 and (ii) that the subscription price of a share with the nominal value of DKK 0.10 is 30.9686 with shall be added 8 per cent p.a. as further set out above.

ANNEX B.1: APPLICATION FORM IN ENGLISH

Application form (Only one form per custody account)	Offering of up to 7,000,000 Offer Shares of DKK 0.1 nominal value each	
Application for purchase of Offer Shares in TCM Group A/S, CVR-no. 37291269		
Selling agents:	Carnegie Investment Bank, filial af Carnegie Investment Bank AB (Publ), Sverige Overgaden Neden Vandet 9 B 1414 Copenhagen K Denmark	Danske Bank A/S Holmens Kanal 2-12 1092 Copenhagen K Denmark
Joint Global Coordinators and Joint Bookrunners:	Carnegie Investment Bank, filial af Carnegie Investment Bank AB (Publ), Sverige ("**Carnegie**") and Danske Bank A/S ("**Danske Bank**" and together with Carnegie the "**Joint Global Coordinators**"). ABG Sundal Collier Denmark, filial af ABG Sundal Collier ASA, Norge ("**ABG Sundal Collier**", and together with the Joint Global Coordinators, the "**Managers**" or the "**Joint Bookrunners**")	
Offer Period:	13 November 2017 to 23 November 2017 at 4:00 p.m. (CET) unless the Offering is closed earlier in whole or in part. The Offer Period for order applications up to and including DKK 3 million may be closed before the remainder of the Offering. The Offering will not be closed before 21 November 2017 at 00:01 a.m. (CET).	
Offer Price Range:	DKK 90 to DKK 105 per Offer Share	
ISIN	Permanent ISIN: DK0060915478	

The English Language Prospectus dated 13 November 2017 includes *inter alia* the Articles of Association of TCM Group A/S, the consolidated financial statements of TCM Group A/S as at and for the years ended 31 December 2016 and the terms and conditions for the purchase of Offer Shares.

Both binding order applications and expressions of interest can be submitted with specification of a maximum price. If the Offer Price is determined at a higher level than the stated maximum price no Offer Shares will be allocated to the purchaser.

For binding orders up to and including DKK 3 million the application form is submitted to the purchaser's own account holding institution duly filled in and signed.

The application form shall be submitted within an appropriate amount of time for the account holding institution to process and forward the application form so that the application form reaches Danske Bank no later than 23 November 2017 at 4:00 p.m. (CET) or such earlier time as the Offering may be closed in whole or in part.

Expressions of interest to purchase Offer Shares for more than DKK 3 million shall be submitted to one of the Managers (*e.g.* by using this application form).

On the terms and conditions stated in the English Language Prospectus dated 13 November 2017 including in "*Risk Factors*" and "*Selling Restrictions*", I/we hereby submit an order application to purchase Offer Shares in TCM Group A/S and simultaneously declare to have received a copy of the English Language Prospectus and that I/we have solely based my/our investment decision on the contents of the English Language Prospectus. The Offer Price will be fixed upon closing of the Offering through a bookbuilding process. See the "*Terms and Conditions of the Offering*". Only one application form per custody account with VP Securities A/S (VP) will be accepted.

Application submitted as a binding application (for orders up to and including DKK 3 million)		
I/we accept that the Managers may demand information about my/our name(s), address(es) and application and are entitled to pass on such information to the Selling Shareholder, TCM Group A/S and the Managers. I/we undertake to pay the equivalent of the Offer Shares allocated at the offer price fixed.		
Field (1) or (2) only should be completed		
(1) For Danish kroner (DKK) (*rounded to the nearest Danish krone amount/maximum of two decimals*)	(2) Number of Offer Shares:	(3) Maximum price per Offer Share if any

Expression of interest submitted pursuant to the book-building process (for orders above DKK 3 million)

I/we accept that the application form and information about my/our name(s) and address(es) are entitled to be passed on to the Selling Shareholder, TCM Group A/S and the Managers. I/we accept that I/we during the Offer Period can amend or revoke this expression of interest but that this expression of interest automatically will be converted into a binding purchase order upon expiry of the Offer Period.

Field (1) or (2) only should be completed

(1) For Danish kroner (DKK): (*rounded to the nearest Danish krone amount/maximum of two decimals*)	(2) Number of Offer Shares:	(3) Maximum price per Offer Share if any

If the aggregate applications to purchase and expressions of interest exceeds the total number of Offer Shares, a reduction will be completed as further described in the English Language Prospectus. Neither submission of application orders nor submission of expressions of interest entitles to any Offer Shares. Settlement of the Offering will be effected by way of registration of the allocated number of Offer Shares on your custody account with VP Securities A/S (VP) against payment in DKK, which is expected to take place on or before 28 November 2017.

Information and signature

Name:	VP custody account no.:	
Address:	Settlement account no:	
Postal code and city:	Custodian bank:	
Tel.:		
Date:		
	This application form was submitted to (to be completed by account-holding institution):	
	Reg. No.:	*Participant ID-no. (CD-ident.):*
	Date:	*Tel.:*

Signature *Company stamp and signature*

Please complete the form overleaf when opening a new VP custody account.

Opening of new VP custody account
(This box should be filled in when opening a new VP custody account and any related settlement account)

Civil registration (CPR) no./company registration (CVR) no.:

Name:

Address:

Postal code and city:

Tel.:

Position:

Existing account no. for settlement, if any:

ANNEX B.2: ORDREBLANKET

Ordreblanket (Kun én blanket pr. depot)	**Udbud af op til 7.000.000 stk. Udbudte Aktier à nominelt DKK 0,1**	
Ordre om køb af Udbudte Aktier i TCM Group A/S, CVR-nr. 37291269		
Salgssteder:	Carnegie Investment Bank, filial af Carnegie Investment Bank AB (Publ), Sverige Overgaden Neden Vandet 9 B 1414 Copenhagen K Denmark	Danske Bank A/S Holmens Kanal 2-12 1092 Copenhagen K Denmark
Joint Global Coordinators og Joint Bookrunners:	Carnegie Investment Bank, filial af Carnegie Investment Bank AB (Publ), Sverige ("**Carnegie**") og Danske Bank A/S ("**Danske Bank**" og sammen med Carnegie "**Joint Global Coordinators**"). ABG Sundal Collier Denmark, filial af ABG Sundal Collier ASA, Norge ("**ABG Sundal Collier**", og sammen med Joint Global Coordinators, "**Managers**" eller "**Emissionsbankerne**")	
Udbudsperiode:	13. november 2017 til 23. november 2017 kl. 16:00 (dansk tid), medmindre Udbuddet helt eller delvist lukkes tidligere. Udbudsperioden for ordrer til og med DKK 3 mio. kan lukkes før resten af Udbuddet. Udbuddet vil tidligst blive lukket den 21. november 2017 kl. 00:01 (dansk tid).	
Udbudskursinterval:	DKK 90 – DKK 105 pr. Udbudt Aktie	
ISIN-kode	Permanent ISIN-kode: DK0060915478	

Det Engelsksprogede Prospekt dateret den 13. november 2017 indeholder bl.a. vedtægter for TCM Group A/S, koncernregnskabet for TCM Group A/S for regnskabsåret 2016 samt vilkårene for køb af Udbudte Aktier.

Både bindende ordrer og interessetilkendegivelser kan afgives med angivelse af en eventuel maksimumkurs. Fastsættes Udbudskursen højere end den anførte maksimumkurs, vil ordregiver ikke blive tildelt nogen Udbudte Aktier.

For bindende ordrer til og med DKK 3 mio. indleveres ordreblanketten til ordregivers eget kontoførende institut i udfyldt og underskrevet stand.

Ordreblanketten skal indleveres i så god tid, at det kontoførende institut har mulighed for at behandle og videresende ordreblanketten, således at den er Danske Bank, i hænde senest den 23. november 2017 kl. 16:00 dansk tid eller et sådant tidligere tidspunkt, hvor Udbuddet måtte blive lukket helt eller delvist.

Interessetilkendegivelser om at købe Udbudte Aktier for mere end DKK 3 mio. skal afgives til en af Emissionsbankerne (f.eks. ved brug af denne ordreblanket).

På vilkår som anført i det Engelsksprogede Prospekt dateret den 13. november 2017, herunder afsnittene "*Risikofaktorer*" og "*Salgsbegrænsninger*", afgiver jeg/vi hermed ordre om køb af Udbudte Aktier i TCM Group A/S og bekræfter samtidig at have fået udleveret et eksemplar af det Engelsksprogede Prospekt, og at jeg/vi alene har baseret min/vores investeringsbeslutning på indholdet af det Engelsksprogede Prospekt. Udbudskursen fastsættes efter lukning af Udbuddet via bookbuilding-metoden, jf. afsnittet "*Udbudsbetingelser*". Der kan kun afgives én ordreblanket pr. depot hos VP Securities A/S (VP).

Ordre afgivet som bindende ordre (for ordrebeløb til og med DKK 3 mio.)

Jeg/vi accepterer, at Emissionsbankerne kan kræve oplysninger om mit/vores navn, adresse og ordre og er berettiget til at videregive disse oplysninger til den Sælgende Aktionær, TCM Group A/S og Emissionsbankerne. Jeg/vi forpligter mig/os hermed til at betale modværdien af de Udbudte Aktier tildelt til den fastsatte udbudskurs.

Felt (1) eller (2) skal udfyldes		
(1) For kroner (DKK): (*afrundet til nærmeste krone/ maksimalt to decimaler*)	(2) Antal Udbudte Aktier:	(3) Eventuel maksimumkurs pr. Udbudt Aktie

Interessetilkendegivelse afgivet efter bookbuilding-metoden (for ordrebeløb større end DKK 3 mio.)

Jeg/vi accepterer, at ordreblanketten samt oplysninger om mit/vores navn og adresse videregives til den Sælgende Aktionær, TCM Group A/S og Emissionsbankerne. Jeg/vi accepterer, at jeg/vi kan ændre eller tilbagekalde interessetilkendegivelsen i løbet af Udbudsperioden, men at interessetilkendegivelsen bliver til en bindende ordre ved Udbudsperiodens udløb.

Felt (1) eller (2) skal udfyldes		
(1) For kroner (DKK): (*afrundet til nærmeste krone/ maksimalt to decimaler*)	(2) Antal Udbudte Aktier:	(3) Eventuel maksimumkurs pr. Udbudt Aktie

Overstiger de samlede ordrer og interessetilkendegivelser det samlede antal Udbudte Aktier, vil der ske reduktion som anført i det Engelsksprogede Prospekt (jf. afsnittet "*Fordelingsplan*"). Afgivelse af ordrer eller interessetilkendegivelser berettiger ikke til tildeling af Udbudte Aktier. Afvikling af Udbuddet sker ved registrering af antal tildelte Udbudte Aktier på Deres depot i VP Securities A/S (VP) mod betaling i DKK, hvilket forventes at finde sted senest den 28. November 2017.

Oplysninger og underskrift

Navn:	VP-depotnr.:	
Adresse:	Kontonr. til afregning:	
Postnr. og by:	Kontoførende institut:	
Telefon:		
Dato:		
	Ordren er indleveret til (udfyldes af kontoførende institut):	
	Reg.nr.:	*CD-ident.:*
	Dato:	*Telefon:*

Underskrift *Firmastempel og underskrift*

Udfyld nedenfor ved oprettelse af et nyt VP-depot.

Oprettelse af nyt VP-depot
(Denne rubrik udfyldes i forbindelse med oprettelse af nyt VP-depot og evt. tilhørende afregningskonto)

CPR-nr./CVR-nr.:

Navn:

Adresse:

Postnr. og by:

Telefon:

Stilling:

Evt. eksisterende konto nr. til afregning: