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In accordance with
Regulation 32 of the
Overseas Companies
Regulations 2009.

OS AA01

Statement of details of parent law and other information for an overseas company

WEDNESDAY



A09 01/02/2017 #54
COMPANIES HOUSE
A5ZBW4KP
A10 17/01/2017 #209
COMPANIES HOUSE
A5YBR5VK
A10 14/12/2016 #33
COMPANIES HOUSE
A5LUBARN
A37 01/12/2016 #49
COMPANIES HOUSE
A5KXHKG2
A06 18/11/2016 #80
COMPANIES HOUSE
A5JZMP6J

☒ What this form is for
You may use this form to
accompany your accounts
disclosed under parent law.

☒ What this form is NOT for
You cannot use this form for
an alteration of manner
with accounting requirements.

Part 1 Corporate company name

Corporate name of
overseas company ①

SCOTT SPORTS SA

UK establishment
number

B R 7 8 5 8

→ Filling in this form
Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

① This is the name of the company in
its home state.

Part 2 Statement of details of parent law and other information for an overseas company

A1 Legislation

Please give the legislation under which the accounts have been prepared and, if applicable, the legislation under which the accounts have been audited.

Legislation ②

SWITZERLAND

② This means the relevant rules or
legislation which regulates the
preparation and, if applicable, the
audit of accounts.

A2 Accounting principles

Accounts

Have the accounts been prepared in accordance with a set of generally accepted accounting principles?

Please tick the appropriate box.

☐ No. Go to Section A3.

☒ Yes. Please enter the name of the organisation or other
body which issued those principles below, and then go to Section A3.

③ Please insert the name of the
appropriate accounting organisation
or body.

Name of organisation
or body ③

KPMG

A3 Accounts

Accounts

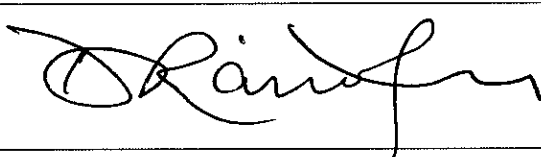
Have the accounts been audited? Please tick the appropriate box.

☐ No. Go to Section A5.

☒ Yes. Go to Section A4.

OS AA01

Statement of details of parent law and other information for an overseas company

A4 Audited accounts	
Audited accounts	<p>Have the accounts been audited in accordance with a set of generally accepted auditing standards?</p> <p>Please tick the appropriate box.</p> <p><input type="checkbox"/> No. Go to Part 3 'Signature'.</p> <p><input checked="" type="checkbox"/> Yes. Please enter the name of the organisation or other body which issued those standards below, and then go to Part 3 'Signature'.</p>
Name of organisation or body ①	KPMG
A5 Unaudited accounts	
Unaudited accounts	<p>Is the company required to have its accounts audited?</p> <p>Please tick the appropriate box.</p> <p><input checked="" type="checkbox"/> No.</p> <p><input type="checkbox"/> Yes.</p>
Part 3 Signature	
I am signing this form on behalf of the overseas company.	
Signature	<p>Signature</p> <p>X  X</p>
This form may be signed by: Director, Secretary, Permanent representative.	

OS AA01

Statement of details of parent law and other information for an overseas company



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name

Company name

SCOTT SPORTS SA

Address

UNIT 3

BAKER ROAD

NELSON PARK WEST

Post town

CRAMLINGTON

County/Region

NORTHUMBRIA

Postcode

NE23 1WL

Country

DX

Telephone



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☒ You have completed all sections of the form, if appropriate.
- ☒ You have signed the form.



Important information

Please note that all this information will appear on the public record.



Where to send

You may return this form to any Companies House address:

England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



703660/20

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SCOTT Sports SA, Givisiez
Report of the Statutory Auditor
on the Financial Statements
to the General Meeting of Shareholders
Financial Statements covering the period
from 1 September 2014 to 30 September 2015
(13-month period)

WEDNESDAY	A09	01/02/2017	COMPANIES HOUSE	
THURSDAY	A10	17/01/2017	COMPANIES HOUSE	#224
FRIDAY	A10	14/12/2016	COMPANIES HOUSE	#48
THURSDAY	A37	01/12/2016	COMPANIES HOUSE	#62
	A06	18/11/2016	COMPANIES HOUSE	#81



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Report of the Statutory Auditor to the General Meeting of Shareholders of

SCOTT Sports SA, Givisiez

Report of the Statutory Auditor on the Financial Statements

As statutory auditor, we have audited the accompanying financial statements of SCOTT Sports SA, which comprise the balance sheets, statement of income, statement of retained earnings and notes for the period from 1 September 2014 to 30 September 2015 (13-month period).

Board of Directors' Responsibility

The board of directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The board of directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the period from 1 September 2014 to 30 September 2015 comply with Swiss law and the company's articles of incorporation.

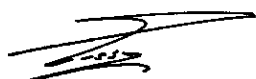
Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the board of directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

KPMG SA



Fabien Lussu
*Licensed Audit Expert
Auditor in Charge*



Myriam Roulin
Licensed Audit Expert



Lausanne, 29 January 2016

Enclosures:

- Financial statements (balance sheets, statement of income, statement of retained earnings and notes)
- Proposed appropriation of available earnings

SCOTT SPORTS SA
BALANCE SHEET
(Currency - Swiss Francs)

	<u>30 September 2015</u>	<u>31 August 2014</u>
A S S E T S		
CURRENT ASSETS :		
Cash and securities	68,807,459	55,360,606
Accounts receivable		
- Trade	52,466,925	35,832,480
- Allowance for doubtful accounts	(4,877,305)	(3,390,763)
<i>Total trade receivable</i>	<u>47,589,620</u>	<u>32,441,717</u>
- Group	31,817,647	18,283,176
- Allowance for doubtful accounts	(378,671)	(448,038)
<i>Total group receivable</i>	<u>31,438,976</u>	<u>17,835,138</u>
- Other	449,852	694,551
- Taxes receivable	574,026	566,530
<i>Total accounts receivable</i>	<u>80,052,474</u>	<u>51,537,936</u>
Inventories, net of reserve of CHF 34'489'654 (2014 : CHF 28'357'453)	69,688,887	57,238,620
Prepaid expenses	2,435,519	1,085,431
<i>Total current assets</i>	<u>220,984,339</u>	<u>165,222,593</u>
NON-CURRENT ASSETS :		
Long term group receivable	19,430,000	20,174,178
Allowance for doubtful accounts	(1,943,000)	(2,017,418)
<i>Total long term group receivable</i>	<u>17,487,000</u>	<u>18,156,760</u>
Investment in subsidiaries	25,868,263	8,868,263
Fixed assets, at cost	52,540,353	47,085,778
Less- accumulated depreciation	(37,099,217)	(32,785,259)
<i>Total net fixed assets</i>	<u>15,441,136</u>	<u>14,300,519</u>
Intangible assets, at cost	5,384,014	5,384,014
Less- accumulated depreciation	(3,493,772)	(2,544,335)
<i>Total patent</i>	<u>1,890,242</u>	<u>2,839,679</u>
<i>Total non-current assets</i>	<u>60,686,641</u>	<u>44,165,221</u>
<i>Total assets</i>	<u>281,670,980</u>	<u>209,387,814</u>

The closing date has been changed from August 31 to September 30

SCOTT SPORTS SA
BALANCE SHEET
(Currency - Swiss Francs)

	<u>30 September 2015</u>	<u>31 August 2014</u>
LIABILITIES AND SHAREHOLDER'S EQUITY		
CURRENT LIABILITIES :		
Bank borrowings	89,136,197	66,347,374
Current portion long-term debt	595,768	662,265
Current portion notes payable	2,631,400	631,400
Accounts payable		
- Trade	77,872,496	56,548,842
- Group	10,966,601	7,648,755
- Other	2,127,755	-
<i>Total accounts payable</i>	<u>90,966,852</u>	<u>64,197,597</u>
Accrued expenses	13,759,399	6,502,088
Provision	1,169,000	1,000,000
Accrued taxes	1,327,933	802,404
<i>Total current liabilities</i>	<u>199,586,549</u>	<u>140,143,128</u>
NON-CURRENT LIABILITIES :		
Long-term debt	1,553,823	2,238,900
Long-term notes payable	631,400	1,262,800
Long-term payable to shareholder	27,870,000	22,000,000
Provision	2,296,000	1,000,000
<i>Total non-current liabilities</i>	<u>32,351,223</u>	<u>26,501,700</u>
SHAREHOLDER'S EQUITY :		
Share capital	6,000,000	6,000,000
Legal reserve	3,000,000	3,000,000
Retained earnings	40,733,208	33,742,986
<i>Total shareholder's equity</i>	<u>49,733,208</u>	<u>42,742,986</u>
<i>Total liabilities and shareholder's equity</i>	<u>281,670,980</u>	<u>209,387,814</u>

The closing date has been changed from August 31 to September 30

SCOTT SPORTS SA

STATEMENT OF INCOME
FOR THE PERIOD
(Currency - Swiss Francs)

	from 1 September 2014 to 30 September 2015	from 1 September 2013 to 31 August 2014
Net sales	485,280,631	427,658,827
Cost of sales	(401,642,818)	(334,612,852)
<i>Gross profit</i>	<u>83,637,813</u>	<u>93,045,975</u>
EXPENSES:		
Personnel	(31,177,452)	(26,282,013)
Selling and distribution	(7,681,929)	(4,403,378)
Advertising and product development	(28,660,677)	(22,404,301)
Professional fees and management fees	(16,024,897)	(12,628,213)
Depreciation for G&A related fixed assets	(1,184,773)	(1,147,047)
Office rent, telephone, postage	(3,759,301)	(3,656,190)
Travel and representation	(373,623)	(272,558)
Repair and maintenance	(733,558)	(374,067)
<i>Total expenses</i>	<u>(89,596,210)</u>	<u>(71,167,767)</u>
<i>(Loss) / income from operations</i>	<u>(5,958,397)</u>	<u>21,878,208</u>
OTHER INCOME / (EXPENSES) :		
Interest income	511,444	713,502
Interest expense	(3,859,808)	(5,799,342)
Exchange differences income / (expense)	17,451,454	(2,872,103)
Other income	703,107	971,632
Other expense	(98,220)	(1,081,266)
(Loss) / gain on sale of fixed assets	(2,639)	120,055
<i>Total other income / (expenses)</i>	<u>14,705,338</u>	<u>(7,947,522)</u>
<i>Income before taxes</i>	<u>8,746,941</u>	<u>13,930,686</u>
TAXES	(1,603,347)	(1,863,120)
<i>Net income</i>	<u><u>7,143,594</u></u>	<u><u>12,067,566</u></u>

The closing date has been changed from August 31 to September 30

SCOTT SPORTS SA

STATEMENT OF RETAINED EARNINGS
FOR THE PERIOD
(Currency - Swiss Francs)

	from 1 September 2014 to 30 September 2015	from 1 September 2013 to 31 August 2014
RETAINED EARNINGS		
Balance, beginning of the period	33,742,986	21,666,243
Translation adjustment	(153,372)	9,177
Net income	7,143,594	12,067,566
<i>Balance, end of the period</i>	<u>40,733,208</u>	<u>33,742,986</u>

**NOTES TO FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2015 and AUGUST 31, 2014**

1. Operations

The Company sells mountain bikes, skipoles, skigoggles, skis, motorcycle-goggles, sunglasses and certain other leisure equipment and accessories through its own sales branches in Europe and to independent distributors.

As of September 1, 1998, SSG (Europe) SA was merged with SSG Holdings SA, without any increase in capital. Its name was then changed to SCOTT Sports SA.

2. Change of closing date

The date of the closing of the account has been changed in 2015 from August 31 to September 30. Thus, the period of this exercise is from September 1, 2014 to September 30, 2015 (13 months).

3. Investments

Investments in the following subsidiaries are stated at cost :

Subsidiaries	Share Capital in l.e.	Owned in %	2015 CHF	Share Capital in l.e.	Owned in %	2014 CHF
S.P.F. S.p.A., Aosta, Italy	EUR 1'074'000	100	3'600'000	EUR 1'074'000	100	3'600'000
Scott Sportech Benelux, N.V., Kortenberg, Belgium	EUR 495'787	19	110'094	EUR 495'787	19	110'094
Scott Sports AB, Uppsala, Sweden	SEK 500'000	100	2'535'450	SEK 500'000	100	2'535'450
Acerbis UK Ltd Luton Beds, UK	GBP 10'000	19	4'614	GBP 10'000	19	4'614
Scott Italia S.r.l. Albino, Italy	EUR 100'000	81	2'618'105	EUR 100'000	81	2'618'105
BERGAMONT Fahrrad Vertrieb GmbH, Hamburg, Germany	EUR 125'000	100	17'000'000	-	-	-
			25'868'263			8'868'263

On July 1, 2015 the Company obtained control of Bergamont Fahrrad Vertrieb GmbH, Hamburg, in Germany, a bike and bike accessories manufacturer, by acquiring 100% of the shares and voting rights in the company from BMC Group Holding AG. On August 1, 2015 the Company also acquired the Business Unit Bergamont Swiss from BMC Switzerland AG.

4. Inventories

Inventories are stated at cost. Manufactured inventories are assembled to a large extent by contractors and primarily consist of mountain bikes, ski and motorcycle goggles, skipoles and skis. Specific and general reserves are provided on inventory balances.

5. Fixed assets

Fixed assets include land, a building, machinery and equipment, furniture and fixtures, computer equipment and cars. The depreciation is computed on the straight-line basis over the estimated useful lives. The following depreciation rates are used:

- Building 3.33% p.a.
- Machinery and equipment 20% p.a.
- Furniture and fixtures 20% p.a.
- Computer hardware & software 33% p.a.
- Cars 33% p.a.

Expenditures for maintenance and repairs are charged to the statement of income as incurred.

At the balance sheet date, the Company had insured its fixed assets against fire for a total of CHF 49'046'161 as of September 30, 2015 and CHF 47'311'878 as of August 31, 2014.

6. Intangible assets

The depreciation is computed on the straight-line basis over the estimated useful lives.

- Trademarks 6 years
- Patents 5 years

7. Legal reserve

No allocation to the general reserve has been recorded, as the legal reserve reaches 50% of the share capital.

	2015 (H)	2014 (H)
Capital surplus	687'200	687'200
General reserve	2'312'800	2'312'800
	3'000'000	3'000'000

8. Depreciation

Total depreciation expense amounts to CHF 6'087'557 (2014: CHF 5'928'374).

	2015 CHF	2014 CHF
Depreciation for G&A related fixed assets	1'184'773	1'147'047
Depreciation included in cost of sales	4'593'991	4'547'644
Depreciation included in advertising	308'793	233'683
	6'087'557	5'928'374

9. Income taxes

The Company is liable for income and capital taxes. In Switzerland the Company is taxed based on its income from domestic operations only. The foreign branches are taxed in their respective countries based on their local contribution to the Company's net result. For financial reporting purposes the Company has accrued all income taxes which will be levied based on the net income reported as of September 30, 2015.

10. Foreign currency

The Group's operations are conducted in numerous currencies. The Group manages its foreign currency exposures through a combination of natural hedges and the use of forward exchange contracts. The Company generally enters into these forward contracts to hedge positions for up to twelve months.

At September 30, 2015, the Company had foreign exchange contracts for a total value of CHF 119.6 million (August 31, 2014: CHF 114.7 million). The Company has unrealized gains relating to these contracts of CHF 1'056'860 and unrealized losses of CHF 1'967'601 at September 30, 2015 (August 31, 2014: unrealized gains of CHF 3'169'265). According to the accounting policy of the company, the related unrealized losses are expensed in the statement of income but the unrealized gains are not recorded.

11. Royalties

Cost of sales includes royalties to Scott USA, Ltd of CHF 6'969'267 for the period ended September 30, 2015 and of CHF 6'152'700 for the period ended August 31, 2014.

12. Credit lines

The credit arrangements include the following conditions and covenants :

- Maximum availability under the credit line of CHF 220'000'000 (2014: CHF 132'000'000); including seasonal credit line of CHF 40'000'000 (2014: CHF 40'000'000), a peak credit line of CHF 20'000'000 (2014 : nil), term borrowings for investments of the shares of BERGAMONT Fahrrad Vertrieb GmbH as well as the Swiss business of BERGAMONT of CHF 17'000'000 (2014: nil), term borrowing for future investments of CHF 13'000'000 (2014: CHF 12'000'000) and credit line for the new building of CHF 30'000'000 (2014: nil).

The seasonal credit line of CHF 40'000'000 shall be reduced to zero annually as of July 1, and reinstated as of September 1 of the same calendar year. Last year the seasonal credit line of CHF 40'000'000 was temporary reduced by CHF 12'000'000 for 4 months (June, July, September, October) and was not available in August.

The peak credit line of CHF 20'000'000 shall be reduced to zero annually as of June 1, and reinstated as of December 1, of the same calendar year.

- Pledge of all accounts receivable in favour of the bank.
- The company has signed a negative pledge agreement with the Bank in which SCOTT Sports SA agrees not to pledge any assets in favor of any other third party.
- SCOTT Corporation SA, the parent company has pledged the shares of SCOTT Sports SA to the bank.
- The company is not allowed to, without the prior written consent of the bank, pay dividends, grant loans or make equity injections into not wholly owned subsidiaries of Scott Corporation SA with the exception of an annual dividend and/or loans or equity injections into not wholly owned subsidiaries not to exceed 60% of free cash flow generated by the Scott Group, and a one-time payment of CHF 6'000'000 to Scott Corporation SA to finance a minority stake in a new company.

13. Pledged assets

According to the bank agreement signed in April 2015 and amended in June 2015 by SCOTT Corporation SA and SCOTT Sports SA, the accounts receivable have been pledged.

14. Contingent liabilities

- There is no open irrevocable standby letter of credit issued to guarantee banking facilities to customers (2014: CHF 915'800).
- SCOTT Sports SA has open guarantees amounting to CHF 2'309'007 (2014: CHF 2'807'353) mainly for customs clearing and rent.
- SCOTT Sports SA acts as a guarantor on a real estate mortgage commitment taken by SSG (Europe) Distribution Center N.V. Aubange, Belgium in the amount of CHF 1.8 million (2014: CHF 2.5 million) for a distribution warehouse.

15. Litigations and claims

The risk on open litigations mainly concerns a distributor and tax and regulatory authorities. At September 30, 2015, the provision is of CHF 3'465'000 (August 31, 2014: 2'000'000).

16. Long-term debt

The long term debt of CHF 950'000 (2014: CHF 1'250'000) is secured by the building and land in Switzerland to the extent of CHF 5'106'912 (2014: CHF 5'304'120) (net book value). The repayment of the mortgage is scheduled in installments of CHF 300'000 per year.

The long term debt of CHF 1'199'591 (2014: CHF 1'651'165) is secured by the building and land in France to the extent of CHF 2'506'997 (2014: CHF 2'915'019) (net book value). The repayment of the mortgage is scheduled in installments of CHF 295'768 per year (2014: CHF 362'265).

17. Leasing commitment

At September 30, 2015, the company had lease commitments that were not recorded on the balance sheet for a total of CHF 1'818'836 (August 31, 2014: CHF 2'011'120).

18. Net release of hidden reserves

No release of hidden reserve in 2015. At August 31, 2014, the Company had released hidden reserves for a total of CHF 2'628'507.

19. Risk assessment

During the year 2015, a risk assessment has been performed with regards to those risks which exercise a material impact on the financial statements. This assessment was approved by the Board of Directors as at June 16, 2015.

SCOTT Sports SA

**PROPOSED APPROPRIATION OF AVAILABLE EARNINGS
AS OF SEPTEMBER 30, 2015**

The Board of Directors proposes to allocate the balance of retained earnings of CHF 40'733'208 as follows :

To be carried forward CHF 40'733'208