

JELD-WEN ApS
DANMARKSVEJ 9, 9670 LØGSTØR

ANNUAL REPORT
1 JANUARY - 31 DECEMBER 2020
CVR NO. 10 27 68 02

The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 29th June 2021



Lisa Marie Oxnard

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COMPANY DETAILS

Company	JELD-WEN ApS Danmarksvej 9 9670 Løgstør
	Telephone: +45 7013 0530 Telefax: +45 7013 0531 Website: www.jeld-wen.biz CVR no.: 10 27 68 02 Financial Year: 1 January - 31 December
Board of Directors	David Richard Guernsey, Chairman John Raymond Linker Roya Behnia
Board of Executives	Lisa Marie Oxnard
Auditor	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Plantanvej 4 7400 Herning

MANAGEMENT'S STATEMENT

The Executive Board and Board of Directors have today considered and adopted the Annual Report of JELD-WEN ApS for the financial year 1 January 2020 - 31 December 2020.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2020 of the Company and of the results of the Company's operations for 2020.

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

Løgstør, 29th June 2021

Executive Board

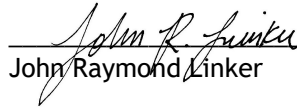


Lisa Marie Oxnard

Board of Directors



David Richard Guernsey
Chairman



John Raymond Linker



Roya Behnia

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of JELD-WEN ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of JELD-WEN ApS for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Aarhus, 29th June 2021

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Michael Nielsson
State Authorised Public Accountant
mne15151

Hans Jørgen Andersen
State Authorised Public Accountant
mne30211

FINANCIAL HIGHLIGHTS

	2020	2019	2018	2017	2016
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
Income statement					
Operating profit/loss	1.779	-143	-2.077	-1.276	-4.952
Financial income and expenses, net	-72.806	88.489	521	1.304.306	-129.681
Loss/profit for the year	-57.569	70.402	-3.869	1.303.091	-139.179
Balance sheet					
Balance sheet total	5.749.244	5.273.981	4.618.054	5.537.763	3.794.011
Investments in Tangible fixed assets	0	0	0	0	0
Equity	3.034.500	3.092.069	3.021.667	3.025.536	1.722.445
Average number of full-time employees					
	4	4	5	6	11
Ratios					
Solvency ratio	52,7	58,6	65,4	54,6	45,4
Return on equity	Neg.	2,3	Neg.	54,9	Neg.

The ratios stated in the list of key figures and ratios have been calculated as follows:

Solvency ratio:

$$\frac{\text{Equity at year end} \times 100}{\text{Total equity and liabilities, at year end}}$$

Return on equity:

$$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$$

MANAGEMENT REVIEW

Principal activities

JELD-WEN ApS' activities are holding activities as previous years.

The JELD-WEN ApS Group is Europe's leading manufacturer of internal and external door solutions. The JELD-WEN ApS Group develops, manufactures and markets a wide range of high-quality doors and supplementary products.

The headquarters of JELD-WEN ApS Group is located in Solihull, UK.

Development in activities and financial position

Results

JELD-WEN ApS has no significant revenue and has not received any dividend this year.

The Board of Directors considers the result to be satisfactory.

Total equity

At the end of 2020 the total equity amounts to DKK 3.034m against DKK 3.092m at the end of 2019. The equity ratio has decreased from 58.6% to 52.7% at the end of 2020.

Financial risks

As a larger, international company with operations and investments in several countries, the JELD-WEN ApS Group is exposed to financial risks. The Group's exchange rate, interest rate, cash flow and credit risks are monitored and managed centrally in the Group.

The Board of Directors approves the exchange rate and interest rate policy. In the policy, the statement of the Group's risks is defined, just as limits have been set for open risks. Furthermore, the policy defines the financial instruments which are approved for use in connection with the hedging of commercial risks. No speculation is allowed. The Group's commercial exchange rate, interest rate and cash flow and hedging positions are regularly reported to the Board of Directors.

Exchange rate risks

It is the Group's policy to hedge in advance a substantial part of the forecasted foreign exchange risks arising mainly from the purchase of goods and services denominated in non-functional currency within a 12-month horizon in the normal course of business (transactional risks). When reviewing the open exchange rate risks, the volatility of the currencies is taken into consideration. The continuous exchange rate risks of the Group are primarily hedged through the matching of payments in the same currency and through the use of forward contracts.

Interest rate risks

The Group is primarily financed by intra-group loans and the overall hedging of interest rate risks is thus made in cooperation with the Parent Company.

Cash flow

Funding and management of continuous cash flow are handled centrally in the Group and in collaboration with the Parent Company.

Profit/loss for the year compared to future expectations

Loss for the year amounted to DKK -57.569k against profit DKK 70.402k in 2019.

Significant events after the end of the financial year

In March 2020, the World Health Organization declared the outbreak of COVID-19 a global pandemic. In the following weeks, global restrictions, including stay at home and similar orders, were implemented in a significant number of regions in which we operate. During the second and third quarters of 2020, we experienced intermittent closures of certain manufacturing facilities due to local and governmental mandates, with disruptions occurring primarily in April and May. Customer demand and revenue were consistent with our expectations during April and May with high-teens percentage declines from the prior year, however, they improved through the last half of the second quarter and continued to improve throughout the second half of 2020. We have modified our manufacturing facilities and procedures, based on recommended public health guidelines, to ensure the health and well-being of our employees.

We have continued monitoring our liquidity throughout 2020 and increased liquidity compared to prior year. We have also taken measures to reduce discretionary spending including for example, restricted travel, implemented hiring freezes for non-essential positions, delayed merit increases, and suspended all non-critical spending, such as marketing and discretionary projects. In addition, during the second quarter, we implemented short-term actions to reduce salary costs, including by our executive leadership team and Board of Directors elected to reduce their second quarter compensation by 25%, and implemented short-term employee furloughs throughout our Company. During the third and fourth quarters, we reversed certain salary cost cutting initiatives to those negatively impacted. Further, to maintain sufficient levels of cash and liquidity, we are deferring tax payments, where permitted through COVID-19 related government subsidy programs and are actively monitoring our accounts receivable for customers with elevated credit risk. We are monitoring the situation closely and, if necessary, will relax cost saving measures or implement additional measures as appropriate.

The scope and nature of impacts from COVID-19, most of which are beyond our control, continue to evolve, and the outcome is uncertain. The ultimate effects of the COVID-19 pandemic on us and the end markets we service, is highly uncertain and will depend on future developments. Such effects could exist for an extended period even after the pandemic ends.

No other significant events have occurred since the end of the financial year.

Future development

Holding activity with minor revenue and no dividend expected.

The company's result is expected to be in line with the previous year. The ultimate extent of the effects of the COVID-19 pandemic on the Company, and the end markets we service, is highly uncertain and will depend on future developments and such effects could exist for an extended period even after the pandemic ends.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

		2020	2019
		DKK '000	DKK '000
OPERATING PROFIT/LOSS		1.779	-143
Staff costs	1	-2.624	-2.556
Depreciations and amortisation	2	-80	-80
EARNINGS BEFORE INTEREST AND TAX ...		-925	-2.779
Financial income	3	51.403	125.053
Financial expenses	4	-124.209	-36.564
LOSS/PROFIT BEFORE TAX		-73.731	85.710
Tax on loss/profit for the year	5	16.162	-15.308
LOSS/PROFIT FOR THE YEAR	6	-57.569	70.402

BALANCE SHEET AT 31 DECEMBER

		2020	2019
		DKK '000	DKK '000
ASSETS			
Other plant, machinery, tools and equipment.....		103	183
Tangible fixed assets	7	103	183
Investments in group enterprises	8	2.492.739	2.492.739
Receivables from group enterprises	9	1.704.156	1.749.594
Fixed asset investments		4.196.895	4.242.333
FIXED ASSETS		4.196.998	4.242.516
Receivables from group enterprises		178.969	315.553
Deferred tax	10	14.604	3.021
Other receivables		623	78
Corporation tax receivable		5.987	0
Prepayments and accrued income		0	8
Receivables		200.183	318.660
Cash and cash equivalents		1.352.063	712.805
CURRENT ASSETS		1.552.246	1.031.465
ASSETS		5.749.244	5.273.981

BALANCE SHEET AT 31 DECEMBER

		2020	2019
		DKK '000	DKK '000
EQUITY AND LIABILITIES			
Share capital	11	67.213	67.213
Retained profit		2.967.287	3.024.856
EQUITY		3.034.500	3.092.069
Payables to group enterprises		1.142.669	1.281.473
Long-term liabilities	12	1.142.669	1.281.473
Trade payables		850	126
Payables to group enterprises		1.563.164	873.691
Corporation tax payable.....		0	16.919
Other liabilities.....		8.060	9.703
Current liabilities		1.572.075	900.439
LIABILITIES		2.714.744	2.181.912
EQUITY AND LIABILITIES		5.749.244	5.273.981
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EQUITY

	Share capital DKK '000	Retained profit DKK '000	Total DKK '000
Equity at 1 January 2019	67.213	2.954.454	3.021.667
Proposed distribution of profit	0	70.402	70.402
Equity at 31 December 2019.....	67.213	3.024.856	3.092.069
Equity at 1 January 2020	67.213	3.024.856	3.092.069
Proposed distribution of profit	0	-57.569	-57.569
Equity at 31 December 2020.....	67.213	2.967.287	3.034.500

Note

	2020 DKK '000	2019 DKK '000	
Staff costs			1
Average number of employees: 4 (2019: 4)			
Wages and salaries	2.403	2.342	
Pensions	221	214	
	2.624	2.556	
No remuneration has been paid to the executive board or board of directors in 2019 and 2020.			
Depreciation and amortisation			2
Intangible Fixed Assets:			
Amortisation for the year	0	0	
Tangible Fixed Assets:			
Depreciation for the year	80	80	
	80	80	

	2020	2019	Note
	DKK '000	DKK '000	
Financial income			3
Group enterprises	51.403	54.947	
Other interest income	0	0	
Foreign exchange gains.....	0	70.106	
	51.403	125.053	
 Financial expenses			 4
Group enterprises	35.128	35.682	
Other interest expenses.....	2.946	882	
Foreign exchange losses.....	86.135	0	
	124.209	36.564	
 Tax on loss/profit for the year			 5
Calculated tax on taxable income of the year	4.579	-18.885	
Adjustment of tax for previous years	0	3.482	
Adjustment of deferred tax.....	11.583	95	
	16.162	15.308	
 PROPOSED DISTRIBUTION OF PROFIT			 6
Accumulated profit	-57.569	70.402	
	-57.569	70.402	

			Note
Tangible fixed assets			7
Other plant, machinery, tools and equipment			
Cost at 1 January.....	32.688	32.688	
Disposals.....	0	0	
Additions	0	0	
Cost at 31 December	32.688	32.688	
Depreciation and impairment losses at 1 January.....	32.505	32.425	
Reversal of depreciations of assets disposed.....	0	0	
Depreciation for the year	80	80	
Depreciation and write-down at 31 December	32.585	32.505	
Carrying amount at 31 December	103	183	
	2020	2019	
	DKK '000	DKK '000	
Fixed asset investments			8
Investments in Group enterprises			
Cost at 1 January.....	2.492.739	2.492.739	
Disposals.....	0	0	
Additions	0	0	
Cost at 31 December	2.492.739	2.492.739	
Revaluation at 1 January.....	0	0	
Change in accounting policies.....	0	0	
Revaluation at 31 December	0	0	
Carrying amount at 31 December	2.492.739	2.492.739	

Note 8 continued...

Investments in subsidiaries

Company name	Registered Company form	in	Ownersh p share %	Equity DKK '000	Result DKK '000
JELD-WEN EUROPE Ltd	Ltd	Sheffield, UK	100%	3.126.558*	-53.076*
- JELD-WEN UK Limited	Ltd	Sheffield, UK	100%	1.439.059*	248.110*
- JELD-WEN UK Pension Trustee	Ltd	Sheffield, UK	100%	0*	0*
- JELD-WEN Hong Kong Limited	PLC	Hong Kong, HK	100%	1.245*	-15*
- Domoferm Service GmbH	GmbH	Gänserndorf, AT	100%	446*	-30*
- Domoferm GmbH & Co, KG	GmbH & Co KG	Gänserndorf, AT	100%	-1.711*	-18.825*
- HSE Spol s.r.o.	s.r.o.	Humpolec, CZ	100%	32.096*	311*
- Domoferm Export, GmbH	GmbH	Gänserndorf, AT	100%	63.676*	6.317*
- Domoferm Tschechia s.r.o	s.r.o.	Praha, CZ	100%	184*	-115*
- Domoferm Polska Sp. Z.o.o	Sp. Z.o.o	Lesznowola, PL	100%	18.521	1.652
- Domoferm Sp. Z.o.o	Sp. Z.o.o	Lesznowola, PL	100%	9*	-7*
- Domoferm Hungaria Kft.	Kft	Budapest, HU	100%	102*	0*
- Domoferm d.o.o.	d.o.o.	Zagreb-Lučko, HR	100%	n/a	n/a
- Domoferm OOO	OOO	Moscow, RU	99%	n/a	n/a
- Staalkozijn Nederland B.V.	B.V	Winterswijk, NL	100%	4.844*	1.994*
- Drumetall GmbH	GmbH	Gänserndorf, AU	100%	2.299*	1.927*
- JELD-WEN Danmark A/S	A/S	Løgstør, DK	100%	146.015*	18.331*
- JELD-WEN Österreich GmbH, Spital am Pyhrn	GmbH	Spital am Pyhrn, AU	100%	180.218*	-67.434*
- JELD-WEN Türen GmbH	GmbH	Spital am Pyhrn, AU	100%	97.888*	14.323*
- JELD-WEN Eesti AS	AS	Rakvere, EE	100%	n/a	n/a
- JELD-WEN Norge AS	AS	Oslo, NO	100%	8.100*	4.568*
- JELD-WEN Sverige AB	AB	Åstorp, SE	100%	n/a	n/a
- Dooria AS	AS	Oslo, NO	100%	35.958*	106*
- Vännäs Dörr AB	AB	Vännäs, SE	100%	20.238*	1.970*
- JELD-WEN Magyarországn Kft,	Kft	Lenti, HU	100%	32*	3*
- JELD-WEN Latvija SIA	SIA	Aizkraukle, LV	100%	113.424*	11.697*
- JELD-WEN France SAS	SAS	Eauze, FR	100%	n/a	n/a
- JELD-WEN Schweiz AG,	AG	Bremgarten, CH	100%	51.952*	5.952*
- ZARGAG Zargen + Türen AG,	AG	Bremgarten, CH	100%	39.182*	5.506*
- JELD-WEN Deutschland Holding GmbH	GmbH	Oettingen, DE	89%	33.412*	4.000*
- JELD-WEN Deutschland Verwaltungs-GmbH	GmbH	Oettingen, DE	100%	1.265*	89*
- JELD-WEN Deutschland GmbH & Co. KG	GmbH	Oettingen, DE	100%	134.154	36.533
- BOS GmbH	GmbH	Emsdetten, DE	100%	20.759	-18.326
- BBE Domoferm GmbH	GmbH	Brilon, DE	100%	10.670*	945*
- JELD-WEN Suomi OY	OY	Vääksy, FI	100%	64.078*	9.070*
- Mattiovi OY	OY	Laitila, FI	100%	1.503*	1.964*

* means latest annual report is from 2019.

n/a means no annual report are available and therefore the result and equity are not presented.

				Note
	2020	2019		
	DKK '000	DKK '000		
Receivables from group enterprises				9
Receivables at 1 January	1.749.594	1.653.762		
Disposals	0	-14.931		
Additions	4.488	43.265		
Currency adjustment	-49.926	67.498		
	1.704.156	1.749.594		
Deferred tax				10
Deferred tax (assets):				
Tangible assets	254	329		
Debt	1.169	1.169		
Accrued interest.....	11.732	0		
Other	1.449	1.523		
	14.604	3.021		
Deferred tax comprises deferred tax of debt, accrued interest, and tangible fixed assets.				
Share capital				11
Specification of the share capital:				
Shares, 6.721.307 stk. a nom. DKK 10.....	67.213	67.213		
	67.213	67.213		
Long-term liabilities				12
	1/1 2020	31/12 2020	Repayment	Debt
	Total	Total	Next year	outstanding
	liabilities	liabilities		After 5
				years
Payables to group enterprises....	1.281.473	1.142.669	0	1.142.669
	1.281.473	1.142.669	0	1.142.669

Contingencies etc.

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Contingent liabilities

The company is jointly and severally liable with the jointly registered group enterprises for the total VAT payable. As at 31.12.2020 the VAT payable was DKK 4.812k.

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc. of the Group. The total amount of corporation tax payable by the Group amounts to DKK 6.143k and corporation tax receivable from Group enterprises amounts to DKK 12,130k. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Related parties

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Related parties with a controlling influence on JELD-WEN ApS:

JELD-WEN Holding Inc., 2645 Silver Crescent Drive, Charlotte, NC 28273, USA

JELD-WEN European Holdings, LLC., 2645 Silver Crescent Drive, Charlotte, NC 28273, USA

Other related parties having performed transactions with the company

The company's related parties having a significant influence comprise subsidiaries and associates as well as the companies' Board of Directors, Board of Executives and executive officers and their relatives. Related parties also include companies in which the abovementioned group of persons has material interests.

Transactions with related parties

The company only states transactions with related parties that have not been made on market terms. There are no transactions that have not been made on market terms.

Group reporting

Group Report for JELD-WEN Holding Inc. can be obtained at the following address:

<http://investors.jeld-wen.com/investor-relations/annual-reports-and-proxies-landing>

Events after the balance sheet date

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In March 2020, the World Health Organization declared the outbreak of COVID-19 a global pandemic. In the following weeks, global restrictions, including stay at home and similar orders, were implemented in a significant number of regions in which we operate. During the second and third quarters of 2020, we experienced intermittent closures of certain manufacturing facilities due to local and governmental mandates, with disruptions occurring primarily in April and May. Customer demand and revenue were consistent with our expectations during April and May with high-teens percentage declines from the prior year, however, they improved through the last half of the second quarter and continued to improve throughout the second half of 2020. We have modified our manufacturing facilities and procedures, based on recommended public health guidelines, to ensure the health and well-being of our employees.

We have continued monitoring our liquidity throughout 2020 and increased liquidity compared to prior year. We have also taken measures to reduce discretionary spending including for example, restricted travel, implemented hiring freezes for non-essential positions, delayed merit increases, and suspended all non-critical spending, such as marketing and discretionary projects. In addition, during the second quarter, we implemented short-term actions to reduce salary costs, including by our executive leadership team and Board of Directors elected to reduce their second quarter compensation by 25%,

Events after the balance sheet date (continued)

15

and implemented short-term employee furloughs throughout our Company. During the third and fourth quarters, we reversed certain salary cost cutting initiatives to those negatively impacted. Further, to maintain sufficient levels of cash and liquidity, we are deferring tax payments, where permitted through COVID-19 related government subsidy programs and are actively monitoring our accounts receivable for customers with elevated credit risk. We are monitoring the situation closely and, if necessary, will relax cost saving measures or implement additional measures as appropriate.

The scope and nature of impacts from COVID-19, most of which are beyond our control, continue to evolve, and the outcome is uncertain. The ultimate effects of the COVID-19 pandemic on us and the end markets we service, is highly uncertain and will depend on future developments. Such effects could exist for an extended period even after the pandemic ends.

No other significant events have occurred since the end of the financial year.

ACCOUNTING POLICIES

The annual report of JELD-WEN ApS for 2020 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class C, middle enterprise.

Consolidated

With reference to section 112 of the Danish Financial Statements Act, the company has not prepared consolidated financial statements, however, the financial statements of the company are included in the consolidated financial statements of JELD-WEN Holding Inc., 2645 Silver Crescent Drive, Charlotte, NC 28273, USA.

Recognition and measurement in general

Assets are recognized in the balance sheet when it is probable that future economic benefits will flow to the company, and the asset's value can be reliably measured.

Liabilities are recognized in the balance sheet when the company, as a result of a prior event, has a legal or constructive obligation and when it is probable that future economic benefits will flow out from the company, and the value of the liabilities can be reliably measured.

On initial recognition assets and liabilities are measured at cost. The measurement subsequent to the initial recognition is affected as described below for each financial statement item.

Anticipated risks and losses arising before the time of presentation of the annual report and which are confirming or invalidating affairs and conditions existing at the balance sheet date are considered at the recognition and measurement.

In the income statement the income is recognized when earned, whereas costs are recognized by the amounts attributable to this financial year. Value adjustments of financial assets and liabilities are recognized in the income statement as financial income or financial costs.

INCOME STATEMENT

Operating loss

The items revenue and administrative expenses have been aggregated into one item in the income statement called Operating loss in accordance with sections 32 of the Danish Financial Statements Act.

Revenue

Income from the rendering of services is recognized as revenue as the services are rendered.

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

Administrative expenses

Administrative expenses recognize costs incurred during the year regarding management and administration of the group, inclusive of costs relating to the administrative staff, executives, office premises and office expenses etc.

Depreciation and amortization

This comprises depreciation and amortization of other plant, machinery, tools, equipment and intangible assets.

ACCOUNTING POLICIES

Financial income and expenses in general

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realized and unrealized gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortization of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognized in the income statement by the amounts that relate to the financial year.

Dividend from investments in subsidiaries is recognised in the income statement in the year of declaration.

Tax on profit for the year

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognized in the income statement by the portion that may be attributed to the profit for the year, and is recognized directly in the equity by the portion that may be attributed to entries directly to the equity.

BALANCE SHEET

Intangible fixed assets

Other intangible assets are measured at the lower of cost less accumulated amortization or the recoverable amount. Patents are amortized over the residual patent term and licenses are amortized over the term of the agreement, however, not more than 5 years.

Intangible fixed assets are generally written down to the lower of recoverable value and carrying amount.

Tangible fixed assets

Land and buildings, production plant and machinery, other plants, fixtures and equipment are measured at cost less accumulated depreciation and write-down. Land is not depreciated.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used. As regards self-manufactured assets, the cost price includes cost of materials, components, subcontractors, direct payroll and indirect production costs.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life
Other plants, fixtures and equipment.....	3 - 7 years

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognized in the income statement as other operating income or other operating expenses.

Fixed asset investments

Investments in subsidiaries are measured at cost. Cost includes the consideration measured at fair value plus direct purchase costs. In case of indication of impairment, an impairment test must be conducted. Investments are written down to the lower of the carrying amount and the recoverable amount.

ACCOUNTING POLICIES

Receivables

Receivables are measured at amortized cost, which usually corresponds to nominal value. The value is reduced by write-down to meet expected losses.

Accruals, assets

Accruals recognized as assets include costs incurred relating to the subsequent financial year.

Securities and investments

Securities and investments, recognized as current assets, comprise public quoted bonds, shares and other current investments that are measured at fair market value on the balance sheet date. Public quoted securities are measured at quoted price. Non-quoted securities are measured at sales value based on computed net present value.

Other provisions for liabilities

Other provisions for liabilities include bonus, restructuring and deferred tax etc.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognized in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realizable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date would be applicable when the deferred tax is expected to crystallize as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognized in the income statement, except from items recognized directly in equity.

Liabilities

Financial liabilities are recognized at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortized cost equal to the capitalized value when using the effective interest, the difference between the proceeds and the nominal value being recognized in the income statement over the term of loan.

Other liabilities are measured at amortized cost equal to nominal value.

Other liabilities, which include debt to suppliers, subsidiaries and associates and other debt are measured at amortized cost, which usually corresponds to the nominal value.

Accruals recognized as liabilities include payments received regarding income in subsequent years.

The capitalized residual lease liability on finance lease contracts is also recognized as financial liabilities.

Accruals, liabilities

Accruals recognized as liabilities include payments received regarding income in subsequent years.

ACCOUNTING POLICIES

Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the relevant rate on the transaction date and the relevant rate on the payment date are recognized in the income statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivables or payables is recognized in the income statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.

CASHFLOW

With reference to section 86 of the Danish Financial Statements Act. 4, the preparation of cash flow statement is omitted. The company has omitted to prepare a cash flow statement as it is included in the cash flow statement in the consolidated financial statements of JELD-WEN Holding Inc.