

Simonsen A/S

Møgelvangs Plads 7, 7900 Nykøbing Mors

Company reg. no. 12 64 63 72

Annual report

1 January - 31 December 2016

The annual report have been submitted and approved by the general meeting on the 31 January 2017.

Anders Borg
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

The board of directors and the managing director have today presented the annual report of Simonsen A/S for the financial year 1 January to 31 December 2016.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 December 2016 and of the company's results of its activities in the financial year 1 January to 31 December 2016.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Nykøbing Mors, 31 January 2017

Managing Director

Morten Simonsen

Board of directors

Anders Borg
Chairman

Morten Simonsen

Klaus Simonsen

Tove Simonsen

Independent auditor's report

To the shareholders of Simonsen A/S

Opinion

We have audited the annual accounts of Simonsen A/S for the financial year 1 January to 31 December 2016, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2016 and of the results of the company's operations for the financial year 1 January to 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

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

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

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

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management's review provides the information required under the Danish Financial Statements Act.

Independent auditor's report

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Nykøbing Mors, 31 January 2017

BRANDT

Company reg. no. 25 49 21 45

Flemming Hansen
State Authorised Public Accountant

Søren Yde
State Authorised Public Accountant

Company data

The company

Simonsen A/S
Møgelvangs Plads 7
7900 Nykøbing Mors

Phone 96691300
Fax 96691301
Web site www.simonsen.eu

Company reg. no. 12 64 63 72
Financial year: 1 January - 31 December

Board of directors

Anders Borg, Chairman
Morten Simonsen
Klaus Simonsen
Tove Simonsen

Managing Director

Morten Simonsen

Auditors

BRANDT, Statsautoriseret Revisionspartnerselskab
Limfjordsvej 42
7900 Nykøbing Mors

Bankers

Danske Bank, Åboulevarden 69, 8100 Aarhus C

Lawyer

TVC Advokatfirma, Frichsparken, Søren Frichs Vej 42a, 8230 Åbyhøj

Parent company

Morten Simonsen Holding ApS

Subsidiary

Simonsen Recycling ApS, Nykøbing Mors

Financial highlights

DKK in thousands.	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Profit and loss account:					
Net turnover	156.347	224.587	193.547	213.042	199.988
Gross profit	15.149	23.905	21.913	23.845	23.583
Results from operating activities	-1.458	5.188	5.328	4.922	5.294
Net financials	54	-105	-122	-75	8
Results for the year	-1.134	3.834	3.864	3.585	3.909
Balance sheet:					
Balance sheet sum	35.341	45.075	55.836	48.788	61.183
Equity	12.073	16.207	16.372	16.508	15.923
Employees:					
Average number of full time employees	13	13	12	13	13
Key figures in %:					
Gross margin	9,7	10,6	11,3	11,2	11,8
Profit margin	-0,9	2,3	2,8	2,3	2,6
Solvency ratio	34,2	36,0	29,3	33,8	26,0
Return on equity	-8,0	23,5	23,5	22,1	25,3

The calculation of key figures and ratios does in all material respects follow the Danish Association of Finance Analysts' recommendations and does only in a few respects deviate from the recommendations.

The key figures appearing from the survey have been calculated as follows:

$$\text{Gross margin} = \frac{\text{Gross results} \times 100}{\text{Net turnover}}$$

$$\text{Profit margin (EBIT margin)} = \frac{\text{Results from primary activities (EBIT)} \times 100}{\text{Net turnover}}$$

$$\text{Equity share} = \frac{\text{Equity, closing balance} \times 100}{\text{Assets in total, closing balance}}$$

$$\text{Return on equity} = \frac{\text{Results for the year} \times 100}{\text{Average equity}}$$

Management's review

The significant activities of the company

The company was established on 1st. December 1984 by the late Mr. Jorgen Simonsen. The company is 100% privately owned by Klaus and Morten Simonsen, the two sons of the founder. The company is a global supplier of insulating, refractory, specialised refractory and carbon materials to the primary aluminium industry, the WtE industry, the glass industry and melting & holding industry.

The company is a global sales and representative company for a wide range of producers of the said materials. The company represents these companies exclusively.

Development in activities and financial matters

The company realised a significant loss in the financial year, only twice in the 32 years of operation. However, a loss which was fully expected by the start of the fiscal year. The fiscal year was challenged by very low LME prices of aluminium, lower than usual demand for the company materials, very tough competition and no new projects. The customers in aluminium have been very vigilant in cost saving and control in demand, faced with strong competition from Chinese overproduction and supply. This has led to an overall tough situation for all associated suppliers.

The other industries are new to the company and the sales impact will only be noted in the the coming fiscal year.

The company has, however, maintained a close relationship to all producers and customers to be sure the position would be strong for the improvement of the market conditions.

The company has furthermore used the challenging circumstances to enter new markets, development and invest in a new company, and expanding the portfolio of industries. At the same time the company has also gone through a savings programme but still with investments in sales and customer contact globally. A strong control of cashflow has been and is always a prime target.

The company has again achieved the AAA rating from Bisnode Dun & Bradstreet.

The expected development

The company expects a full return to expected profitability with a significant higher turnover and gross margin. The market has seen a steep recovery, LME prices have improved and demand for aluminium is increasing globally. The projects are expected and the general overall and demand significant higher. The order backlog by the end of the fiscal year was much improved as to backlog 2015.

The new associated industries and target are expected to start performing and to be a valuable addition to the core market of the company, primary aluminium.

The company is entering new markets and will be investing heavily in being truly the only global supplier.

Accounting policies used

The annual report for Simonsen A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class C enterprises (medium sized enterprises).

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the profit and loss account. These including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

Accounting policies used

The profit and loss account

Net turnover

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Distribution costs

The distribution costs comprise costs which have been incurred for distribution of goods sold during the year and for sales campaigns carried out during the year. Additionally, costs for sales staff, costs for advertising and exhibitions, and depreciation are recognised in the profit and loss account.

Administration costs

Administration costs comprise costs which have been incurred during the year for management and administration, including costs for the administrative staff, the executive board, offices, stationery and office supplies, and depreciation.

Cost of sales

Costs of sales includes costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income/costs

Other operating income and costs comprise accounting items of secondary nature in proportion to the principal activities of the enterprise, including gains and losses on disposal of intangible and tangible fixed assets.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Results from equity investments in group enterprises and associated enterprises

After full elimination of intercompany profit or loss and deduction of amortisation of consolidated goodwill, the equity investment in the individual group enterprises are recognised in the profit and loss account at a proportional share of the group enterprises' results after tax.

After full elimination of intercompany profit or loss and deduction of amortisation of consolidated goodwill, the equity investment in the individual associated enterprises are recognised in the profit and loss account at a proportional share of the associated enterprises' results after tax.

Accounting policies used

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

The balance sheet

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Leasehold improvements	10 - 20 years	
Cars	3 years	exp. scrap 50%
EDP-equipment	4 years	
Office furniture and equipment	10 years	

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

Accounting policies used

Financial fixed assets

Equity investments in group enterprises and associated enterprises

Equity investments in group enterprises and associated enterprises are recognised in the balance sheet at a proportional share under the equity method, the value being calculated on the basis of the accounting policies of the parent company by the deduction or addition of unrealised intercompany profits and losses, and with the addition or deduction of residual value of positive or negative goodwill measured by applying the acquisition method.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises and associated enterprises are transferred to the reserves under the equity for net revaluation as per the equity method. Dividends from group enterprises expected to be decided before the approval of this annual report are not subject to a limitation of the revaluation reserves. The reserves are adjusted by other equity movements in group enterprises and associated enterprises.

Other securities and equity investments

Securities and equity investments recognised under fixed assets comprise listed bonds and shares which are measured at fair value on the balance sheet date. Listed securities are measured at market price.

Inventories

Inventories are measured at cost on basis of measured average prices. In case the net realisable value is lower than the cost, writedown takes place at this lower value.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in hand.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under the equity. Proposed dividend is recognised as a liability at the time of approval by the general meeting (the time of declaration).

Accounting policies used

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

According to the rules of joint taxation, Simonsen A/S is proportionally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

Financial liabilities related to borrowings are recognised at the received proceeds with the deduction of transaction costs incurred. In following periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value by use of the effective interest. The difference between the proceeds and the nominal value is recognised in the profit and loss account during the term of the loan.

Also capitalised residual leasing liabilities in connection with financial leasing contracts are recognised in the financial liabilities.

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Accrued expenses and deferred income

Received payments concerning income during the following years are recognised under accrued expenses and deferred income.

Profit and loss account 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2016</u>	<u>2015</u>
Net turnover	156.346.698	224.587.396
Production costs	-141.198.076	-200.682.440
Gross results	15.148.622	23.904.956
Distribution costs	-4.344.253	-5.187.324
Administration costs	-8.834.319	-9.426.912
Other operating income	-2.618.992	-2.882.394
Other operating costs	-809.416	-1.220.440
Operating profit	-1.458.358	5.187.886
Income from equity investments in group enterprises	15.971	17.430
Other financial income	39.359	12.822
1 Other financial costs	-1.293	-135.600
Financing, net	54.037	-105.348
Results before tax	-1.404.321	5.082.538
2 Tax on ordinary results	270.220	-1.248.087
Results for the year	-1.134.101	3.834.451

Balance sheet 31 December

All amounts in DKK.

<u>Note</u>	<u>2016</u>	<u>2015</u>
Assets		
Fixed assets		
4 Operating assets, and fixtures and furniture	2.077.626	2.666.898
Tangible fixed assets in total	<u>2.077.626</u>	<u>2.666.898</u>
5 Equity investments in group enterprises	1.036.389	1.020.418
6 Other securities and equity investments	154.425	134.091
Other debtors	288.212	288.212
Financial fixed assets in total	<u>1.479.026</u>	<u>1.442.721</u>
Fixed assets in total	<u>3.556.652</u>	<u>4.109.619</u>
Current assets		
Manufactured goods and trade goods	42.613	0
Prepayments for goods	0	1.433.702
Inventories in total	<u>42.613</u>	<u>1.433.702</u>
Trade debtors	21.442.085	25.609.685
Amounts owed by group enterprises	4.014.477	0
Deferred tax assets	122.231	0
Receivable corporate tax	314.000	257.009
Other debtors	379.100	465.544
Accrued income and deferred expenses	419.988	394.773
Debtors in total	<u>26.691.881</u>	<u>26.727.011</u>
Available funds	<u>5.049.893</u>	<u>12.805.056</u>
Current assets in total	<u>31.784.387</u>	<u>40.965.769</u>
Assets in total	<u>35.341.039</u>	<u>45.075.388</u>

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities		<u>2016</u>	<u>2015</u>
<u>Note</u>			
Equity			
7	Contributed capital	500.000	500.000
8	Other reserves	165.395	129.090
9	Results brought forward	11.407.370	12.577.775
10	Proposed dividend for the financial year	<u>0</u>	<u>3.000.000</u>
	Equity in total	<u>12.072.765</u>	<u>16.206.865</u>
 Provisions			
	Provisions for deferred tax	<u>0</u>	<u>147.989</u>
	Provisions in total	<u>0</u>	<u>147.989</u>
 Liabilities			
	Trade creditors	20.658.225	24.793.128
	Debt to group enterprises	0	59.549
	Debt to associated enterprises	1.071.296	1.029.441
	Other debts	1.299.523	2.717.076
	Accrued expenses and deferred income	<u>239.230</u>	<u>121.340</u>
	Short-term liabilities in total	<u>23.268.274</u>	<u>28.720.534</u>
	Liabilities in total	<u>23.268.274</u>	<u>28.720.534</u>
	 Equity and liabilities in total	 <u>35.341.039</u>	 <u>45.075.388</u>

11 Contingencies
12 Related parties

Notes

All amounts in DKK.

	<u>2016</u>	<u>2015</u>
1. Other financial costs		
Financial costs, group enterprises	0	110.259
Other financial costs	1.293	25.341
	<u>1.293</u>	<u>135.600</u>
2. Tax on ordinary results		
Tax of the results for the year, parent company	0	1.192.991
Adjustment for the year of deferred tax	-270.220	55.096
	<u>-270.220</u>	<u>1.248.087</u>
3. Proposed distribution of the results		
Reserves for net revaluation as per the equity method	15.971	17.430
Dividend for the financial year	0	3.000.000
Allocated to results brought forward	0	804.216
Allocated to other reserves	20.334	12.805
Allocated from results brought forward	-1.170.406	0
Distribution in total	<u>-1.134.101</u>	<u>3.834.451</u>
4. Operating assets, and fixtures and furniture		
Cost opening balance	4.857.394	4.507.717
Additions during the year	20.764	1.684.147
Disposals during the year	-436.055	-1.334.470
Cost closing balance	<u>4.442.103</u>	<u>4.857.394</u>
Depreciation and writedown opening balance	-2.190.496	-2.576.881
Depreciation for the year	-545.036	-537.515
Depreciation and writedown, assets disposed of	371.055	923.900
Depreciation and writedown closing balance	<u>-2.364.477</u>	<u>-2.190.496</u>
Book value closing balance	<u>2.077.626</u>	<u>2.666.898</u>

Notes

All amounts in DKK.

	<u>31/12 2016</u>	<u>31/12 2015</u>
5. Equity investments in group enterprises		
Acquisition sum, opening balance	<u>1.000.000</u>	<u>1.000.000</u>
Cost closing balance	<u>1.000.000</u>	<u>1.000.000</u>
Revaluations, opening balance	20.418	2.988
Results for the year	<u>15.971</u>	<u>17.430</u>
Revaluation closing balance	<u>36.389</u>	<u>20.418</u>
Book value closing balance	<u>1.036.389</u>	<u>1.020.418</u>
Group enterprises:		
	Domicile	Share of ownership
Simonsen Recycling ApS	Nykøbing Mors	100 %
6. Other securities and equity investments		
Cost opening balance	<u>121.286</u>	<u>121.286</u>
Cost closing balance	<u>121.286</u>	<u>121.286</u>
Revaluation opening balance	12.805	0
Revaluations for the year	<u>20.334</u>	<u>12.805</u>
Revaluation closing balance	<u>33.139</u>	<u>12.805</u>
Book value closing balance	<u>154.425</u>	<u>134.091</u>

Notes

All amounts in DKK.

	<u>31/12 2016</u>	<u>31/12 2015</u>
7. Contributed capital		
Contributed capital opening balance	<u>500.000</u>	<u>500.000</u>
	<u>500.000</u>	<u>500.000</u>
<p>The share capital consists of 48 shares each with a nominal value of DKK 10,000, and 20 shares each with a value of DKK 1,000. No shares hold particular rights.</p>		
8. Other reserves		
Other reserves opening balance	129.090	98.855
Provisions of the results for the year	<u>36.305</u>	<u>30.235</u>
	<u>165.395</u>	<u>129.090</u>
9. Results brought forward		
Results brought forward opening balance	12.577.776	11.773.559
Profit or loss for the year brought forward	<u>-1.170.406</u>	<u>804.216</u>
	<u>11.407.370</u>	<u>12.577.775</u>
10. Proposed dividend for the financial year		
Dividend opening balance	3.000.000	4.000.000
Distributed dividend	-3.000.000	-4.000.000
Dividend for the financial year	<u>0</u>	<u>3.000.000</u>
	<u>0</u>	<u>3.000.000</u>

Notes

All amounts in DKK.

11. Contingencies

Joint taxation

Morten Simonsen Holding ApS, company reg. no 10155010 being the administration company, the company is subject to the Danish scheme of joint taxation and it is proportionally liable for tax claims within the joint taxation scheme.

The company is proportionally liable for any obligation to withhold tax on interest, royalties and dividends of the jointly taxed companies.

The liabilities amount to a maximum corresponding to that share of the company capital, which is owned directly or indirectly by the ultimate parent company.

12. Related parties

The company is included in the consolidated annual accounts of Morten Simonsen Simonsen Holding ApS, Møgelvangs Plads 7, 7900 Nykøbing Mors.