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# ***SurTec Scandinavia ApS***

Rådhuspladsen 16, DK-1550 København V

## **Annual Report for 1 January - 31 December 2020**

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CVR No 13 82 95 78

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
10/06 2021

Dieter Siegfried Alchert  
Chairman of the General  
Meeting



# Contents

	<u>Page</u>
<b>Management's Statement and Auditor's Report</b>	
Management's Statement	1
Independent Auditor's Report	2
<b>Company Information</b>	
Company Information	5
Management's Review	6
<b>Financial Statements</b>	
Income Statement 1 January - 31 December	7
Balance Sheet 31 December	8
Statement of Changes in Equity	10
Notes to the Financial Statements	11

# Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of SurTec Scandinavia ApS for the financial year 1 January - 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 operations for 2020.

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

Copenhagen, 10 June 2021

## Executive Board

Dieter Siegfried Aichert

Sanaz Andersson Mashayekhi

## Board of Directors

Karsten Grünke

Fulvio Lamberti

# Independent Auditor's Report

To the Shareholder of SurTec Scandinavia ApS

## Opinion

We have audited the Financial Statements of SurTec Scandinavia 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 are 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 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.

## 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.

## 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

# Independent Auditor's Report

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.

## 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 re-

# Independent Auditor's Report

quired under the Danish Financials 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.

Trekantområdet, 10 June 2021

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Jan Bunk Harbo Larsen

statsautoriseret revisor

mne30224

## **Company Information**

### **The Company**

SurTec Scandinavia ApS  
Rådhuspladsen 16  
DK-1550 København V

CVR No: 13 82 95 78  
Financial period: 1 January - 31 December  
Municipality of reg. office: København

### **Board of Directors**

Karsten Grünke  
Fulvio Lamberti

### **Executive Board**

Dieter Siegfried Aichert  
Sanaz Andersson Mashayekhi

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Herredsvej 32  
DK-7100 Vejle

# **Management's Review**

## **Key activities**

The activities of the Company consist in sale of chemicals and equipment, plant and spare parts used in connection with chemical and electronic surface treatment.

## **Development in the year**

The income statement of the Company for 2020 shows a profit of DKK 2,237,113, and at 31 December 2020 the balance sheet of the Company shows equity of DKK 2,719,630.

## **Subsequent events**

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.



## Income Statement 1 January - 31 December

	Note	2020 DKK	2019 DKK
<b>Gross profit/loss</b>		<b>3.546.491</b>	<b>2.550.205</b>
Staff expenses	1	-643.186	-2.640.868
<b>Profit/loss before financial income and expenses</b>		<b>2.903.305</b>	<b>-90.663</b>
Financial income		15.859	7.501
Financial expenses		-26.790	-16.689
<b>Profit/loss before tax</b>		<b>2.892.374</b>	<b>-99.851</b>
Tax on profit/loss for the year	2	-655.261	19.551
<b>Net profit/loss for the year</b>		<b>2.237.113</b>	<b>-80.300</b>

## Distribution of profit

### Proposed distribution of profit

Proposed dividend for the year		2.519.630	0
Retained earnings		-282.517	-80.300
		<b>2.237.113</b>	<b>-80.300</b>

## Balance Sheet 31 December

### Assets

	<u>Note</u>	<u>2020</u> DKK	<u>2019</u> DKK
Trade receivables		764.638	924.002
Deferred tax asset		0	13.509
Corporation tax		10.651	258.946
Prepayments		52.954	22.884
<b>Receivables</b>		<b><u>828.243</u></b>	<b><u>1.219.341</u></b>
<b>Cash at bank and in hand</b>		<b><u>3.616.202</u></b>	<b><u>1.412.212</u></b>
<b>Currents assets</b>		<b><u>4.444.445</u></b>	<b><u>2.631.553</u></b>
<b>Assets</b>		<b><u>4.444.445</u></b>	<b><u>2.631.553</u></b>

# Balance Sheet 31 December

## Liabilities and equity

	Note	2020 DKK	2019 DKK
Share capital		200.000	200.000
Retained earnings		0	282.517
Proposed dividend for the year		2.519.630	0
<b>Equity</b>		<b>2.719.630</b>	<b>482.517</b>
Provision for deferred tax		11.650	0
<b>Provisions</b>		<b>11.650</b>	<b>0</b>
Other payables		79.742	202.174
<b>Long-term debt</b>	3	<b>79.742</b>	<b>202.174</b>
Trade payables		218.474	341.340
Payables to group enterprises		257.085	281.722
Other payables	3	1.157.864	1.323.800
<b>Short-term debt</b>		<b>1.633.423</b>	<b>1.946.862</b>
<b>Debt</b>		<b>1.713.165</b>	<b>2.149.036</b>
<b>Liabilities and equity</b>		<b>4.444.445</b>	<b>2.631.553</b>
Contingent assets, liabilities and other financial obligations	4		
Related parties	5		
Accounting Policies	6		

## Statement of Changes in Equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	200.000	282.517	0	482.517
Net profit/loss for the year	0	-282.517	2.519.630	2.237.113
<b>Equity at 31 December</b>	<b>200.000</b>	<b>0</b>	<b>2.519.630</b>	<b>2.719.630</b>

## Notes to the Financial Statements

	2020 <u>DKK</u>	2019 <u>DKK</u>
<b>1 Staff expenses</b>		
Wages and salaries	591.871	2.537.599
Pensions	40.468	85.697
Other social security expenses	10.847	17.572
	<u><b>643.186</b></u>	<u><b>2.640.868</b></u>
 <b>Average number of employees</b>	 <u><b>1</b></u>	 <u><b>2</b></u>
 <b>2 Tax on profit/loss for the year</b>		
Current tax for the year	630.102	0
Deferred tax for the year	25.159	-19.551
	<u><b>655.261</b></u>	<u><b>-19.551</b></u>
 <b>3 Long-term debt</b>		
<b>Other payables</b>		
Between 1 and 5 years	79.742	202.174
Long-term part	79.742	202.174
Other short-term payables	1.157.864	1.323.800
	<u><b>1.237.606</b></u>	<u><b>1.525.974</b></u>
 <b>4 Contingent assets, liabilities and other financial obligations</b>	 <u>2020 DKK</u>	 <u>2019 DKK</u>
Rental and lease obligations	<u>203.322</u>	<u>42.533</u>

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 is disclosed in the Annual Report of EAGLEBURGMANN KE A/S, which is the management company of the joint taxation purposes. 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 un-earned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

# Notes to the Financial Statements

	2020	2019
	DKK	DKK
<b>4 Contingent assets, liabilities and other financial obligations</b> (continued)		

## 5 Related parties

Selskabet indgår i koncernrapporten for moderselskabet

The Company is included in the Group Annual Report of the Parent Company:

Name	Place of registered office
Freudenberg Group	Höhnerweg 2-4, 69465 Weinheim, Germany

The Group Annual Report of Freudenberg Group may be obtained at the following address:

[www.freudenberg.com](http://www.freudenberg.com)

# Notes to the Financial Statements

## 6 Accounting Policies

The Annual Report of SurTec Scandinavia ApS for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2020 are presented in DKK.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

# Notes to the Financial Statements

## 6 Accounting Policies (continued)

### Income Statement

#### Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

#### Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

#### Other external expenses

Other external expenses comprise expenses for premises, distribution, sale, advertising, administration, premises, bad debts, etc.

#### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, expenses for raw materials and consumables and other external expenses.

#### Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

#### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

#### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with Danish group companies. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.



# Notes to the Financial Statements

## 6 Accounting Policies (continued)

### Balance Sheet

#### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

#### Prepayments

Prepayments comprise prepaid expenses concerning expenses regarding subsequent financial reporting years.

#### Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

#### Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in 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 will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

#### Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

#### Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.