
Haas-Meincke A/S

Tonsbakken 10, DK-2740 Skovlunde

Annual Report for 1 January - 31 December 2020

CVR No 13 88 20 37

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
19/5 2021

Wolfgang Schnallinger
Chairman of the General
Meeting



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Management's Review	
Company Information	5
Financial Highlights	6
Management's Review	7
Financial Statements	
Income Statement 1 January - 31 December	11
Balance Sheet 31 December	12
Statement of Changes in Equity	15
Notes to the Financial Statements	16

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Haas-Meincke A/S 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.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

Skovlunde, 19 May 2021

Executive Board

Ole Jensen
Executive Officer

Board of Directors

Germar Holger Wacker
Chairman

Heinz Wolfgang Schnallinger
Deputy Chairman

Christian Puhr

Christian Courtois
Staff Representative

Erling Steen True Sandberg
Staff Representative

Independent Auditor's Report

To the Shareholder of Haas-Meincke A/S

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 Haas-Meincke A/S 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 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.

Independent Auditor's Report

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.

Independent Auditor's Report

- 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.

Hellerup, 19 May 2021

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Martin Lunden
State Authorised Public Accountant
mne32209

Gösta Gauffin
State Authorised Public Accountant
mne45821

Company Information

The Company

Haas-Meincke A/S
Tonsbakken 10
DK-2740 Skovlunde

CVR No: 13 88 20 37

Financial period: 1 January - 31 December

Municipality of reg. office: Ballerup

Board of Directors

Germar Holger Wacker, Chairman
Heinz Wolfgang Schnallinger
Christian Puhr
Christian Courtois
Erling Steen True Sandberg

Executive Board

Ole Jensen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Financial Highlights

Seen over a five-year period, the development of the Company is described by the following financial highlights:

	2020 TDKK	2019 TDKK	2018 TDKK	2017 TDKK	2016 TDKK
Key figures					
Profit/loss					
Revenue	421,941	704,919	729,511	629,948	727,280
Gross profit/loss	87,861	188,474	152,580	58,593	120,882
Operating profit/loss	-31,693	52,286	-3,692	-73,372	2,482
Profit/loss before financial income and expenses	-27,872	52,329	-3,692	-73,372	0
Net financials	-925	4,537	-7,432	7,466	-890
Net profit/loss for the year	-20,997	44,707	-7,909	-53,054	1,120
Balance sheet					
Balance sheet total	375,276	446,547	433,980	409,592	302,691
Equity	90,548	111,545	65,655	73,564	50,714
Investment in property, plant and equipment	3,407	630	0	6,813	12,274
Number of employees	226	241	233	233	247
Ratios					
Gross margin	20.8%	26.7%	20.9%	9.3%	16.6%
Return on assets	-7.4%	11.7%	-0.9%	-17.9%	0.0%
Solvency ratio	24.1%	25.0%	15.1%	18.0%	16.8%
Return on equity	-20.8%	50.5%	-11.4%	-85.4%	2.2%

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, see under accounting policies.

Management's Review

Key activities

The objective of the company is to carry on activities within the food industry as a producer and supplier of capital equipment, mainly for the bakery and chocolate industry.

Development in the year

The income statement of the Company for 2020 shows a loss of TDKK 20,997, and at 31 December 2020 the balance sheet of the Company shows equity of TDKK 90,548.

The scope of the Company's activities were lower than in 2019, which was a direct result of the COVID-19 pandemic all over the world, and thus substantially below the budget for the year.

During the year, the Company saw a major decline in overall activities due to the COVID-19 pandemic, and the main markets suffered a major negative impact in all of the regions targeted by the Company.

The past year and follow-up on development expectations from last year

The Company's results for the year were lower than the expectations, due to the COVID-19 related lockdowns all over the world, furthermore the border closing of Denmark for an extended period in 2020 resulted in a negative development of the profit/loss for the year.

The Company succeeded to keep a healthy level of the gross margin while considerably decreasing the operating expenses, without jeopardizing quality, however the impact from the substantial loss of turnover could not be fully compensated. The Company continued to invest in Research and Development activities to improve the standardization and modularization process to be better suited for the recovery expected in the upcoming year.

Operating risks

The Company's main operational risk consists of giving guarantees in connection with the commissioning of machines and plants. This is constantly being covered by means of tests of the plants in question and joint evaluations by the senior staff and management.

Moreover it is essential for the Company always to have a strong position on the markets where the products are sold and always to secure a competitive structure of costs. These risks are countered by investments in marketing and efficiency.

Market risks

The Company's use of aluminum and steel as substantial raw materials causes a special risk as there are significant fluctuations in the raw material prices which cannot be included in the prices for the finished products. This is to some extent met by entering into long-term delivery contracts.

Management's Review

Foreign exchange risks

Due to activities abroad, profit, cash flows and equity are affected by the development in exchange rates and interest rates in respect of a number of currencies, especially US dollar and Euro. All contracts for machines and plants in other currencies than DKK and Euro are hedged when contracting. As a principal rule spares and service work are not hedged.

The Company does not speculate in foreign currencies.

Interest rate risks

As the Company's does not have any net interest bearing debt, any changes will not have any direct impact on the Company's results.

Targets and expectations for the year ahead

The Company expects a market consolidation after the COVID-19 pandemic. The ownership structure, according to which the Company is represented in more than 140 countries is expected to have a positive impact, this is materializing in new orders through our owners network, which will secure a growth for the Company.

In addition, the global markets are seeing a positive development which is driven by the expected positive outcome in treating the COVID-19 pandemic situation.

The order intake at the end of 2020 picked up very good resulting in the highest order backlog for the Company. The development in the first quarter of 2021 continues the positive trend and is in line with our expectations.

Consequently we expect an increase in revenue by 25% for 2021 and a positive net profit/loss for the year.

Certain statements in the Financial Statement – Management commentary - are forward-looking. These forward-looking statements are based on certain assumptions and reflect our current expectations.

As a result, forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations.

Management's Review

Research and development

The development activities comprise three main areas, cookie lines, cracker lines and cake lines, besides ovens for all above purposes. The Company has had a specifically high level in its development activities.

The Company finds it necessary to continue and increase the high level in the development activities in order to constantly be able to introduce new solutions, which provide the customers with the opportunity to present new products/systems and to make production more efficient in terms of energy savings, waste reduction, and increased output. This is in accordance of the owner's goals of reducing waste, energy consumption and water usage by 50% for newly produced machines until 2025 compared with the status of 2016.

External environment

The Company observes the present environmental requirements and attempts in general to minimize the adverse environmental effects and problems which may arise during the work processes at the workplaces or which arise from waste substances from the Company's production.

Management assesses the current risk that considerable changes or stricter requirements in the environmental area can affect the Company's operations and profitability. It is Management's opinion that the Company does not have a risk profile that differs materially from the risk profile of the industry taken as a whole.

There are no pending lawsuits or other significant, unresolved issues in the environmental area.

Intellectual capital resources

It is decisive for the Company's development to maintain and recruit a competent and dedicated staff. These employees must have a high level of education and substantial technical experience.

The critical business processes in connection with the Company's principal products are service, quality and the flexibility to produce customized solutions. To ensure that the customer gets the service agreed and is satisfied with the cooperation, all supplies of machines and plants are followed up by a number of questions to the customer. The Company constantly receives a very fine judgement by the customers, and if there are any deviations these will be followed up both towards the customers and internally.

Statement of corporate social responsibility

With reference to section 99a(7) of the Danish Financial Statements Act and to the Annual Report of the Bühler Group, the Company has not disclosed this information in its own Management's Review.

The report is available on the Group's website:

<https://assetcdn.buhlergroup.com/asset/874601345621/b59a311e2a10445aa4b9ed8d3db002d8>

Management's Review

Statement on gender composition

The Company is proud to have a diverse workforce in relation to nationality, gender, age, education etc. We fully support gender equality at all levels of the organization and continuously strive to find the most competent individual for the job – regardless of gender. The Company currently employs approx. 84% men and 16% women overall, this share in the office staff is 77% men and 23% women.

1. The Board of Directors and Executive Board - current composition and target figure

The Company's policy regarding management diversity aims at having 25 % female members on the Board of Directors. However, the Company also aims at having the most qualified resources available. The Company is currently not in compliance with the policy as all members of the Board are male. The composition of genders in the Board of Directors is unchanged in 2020 due to no changes in shareholder elected members. The Company aims at meeting the target of 25 % female members on the Board of Directors in 2025 at the latest.

2. Other management levels

The Company has implemented new statistics measuring gender on all management levels throughout the Group, in order to increase the overall focus on gender diversity. The industry is today dominated by male leaders. The Company's target of 10 % female managers at all levels is based on an evaluation of what is practically achievable within the specific industry and within other comparable companies. However, the Company is not in compliance yet. In order to meet the target, the Company will seek to achieve that at least one from each sex will be among the last three candidates for management positions, promotions etc. The share of female managers at the end of 2020 is all in all unchanged from 2019.

Subsequent events

No events have occurred after the end of the financial year of material importance for the company's financial position.

Income Statement 1 January - 31 December

	Note	2020 TDKK	2019 TDKK
Revenue	1	421,941	704,919
Production costs	3	-334,080	-516,445
Gross profit/loss		87,861	188,474
Distribution expenses	3	-62,445	-61,660
Administrative expenses	3	-57,109	-74,528
Operating profit/loss		-31,693	52,286
Other operating income	2	3,821	43
Profit/loss before financial income and expenses		-27,872	52,329
Income from investments in subsidiaries	4	7,143	3,789
Financial income	5	7,546	13,300
Financial expenses	6	-15,614	-12,552
Profit/loss before tax		-28,797	56,866
Tax on profit/loss for the year	7	7,800	-12,159
Net profit/loss for the year		-20,997	44,707

Balance Sheet 31 December

Assets

	Note	2020 TDKK	2019 TDKK
Completed development projects		0	0
Software		1,247	2,520
Goodwill		6,531	7,920
Intangible assets	8	7,778	10,440
Land and buildings		8,278	8,849
Plant and machinery		1,863	3,200
Other fixtures and fittings, tools and equipment		597	1,671
Right of use assets		60,498	65,078
Leasehold improvements		3,415	3,072
Property, plant and equipment	9	74,651	81,870
Investments in subsidiaries	10	664	664
Deposits	11	4,169	4,107
Fixed asset investments		4,833	4,771
Fixed assets		87,262	97,081
Raw materials and consumables		39,525	41,890
Work in progress		49,593	14,197
Finished goods and goods for resale		2,695	6,609
Prepayments for goods		2,899	235
Inventories		94,712	62,931
Trade receivables		84,505	131,809
Receivables from group enterprises		60,810	134,949
Other receivables		2,177	3,920
Deferred tax asset	12	10,327	3,457
Corporation tax		989	0
Prepayments	13	48	156
Receivables		158,856	274,291

Balance Sheet 31 December

Assets

	<u>Note</u>	<u>2020</u> TDKK	<u>2019</u> TDKK
Cash at bank and in hand		<u>34,446</u>	<u>12,244</u>
Currents assets		<u>288,014</u>	<u>349,466</u>
Assets		<u>375,276</u>	<u>446,547</u>

Balance Sheet 31 December

Liabilities and equity

	Note	2020 TDKK	2019 TDKK
Share capital		5,000	5,000
Retained earnings		85,548	106,545
Equity		90,548	111,545
Other provisions	16	16,920	31,985
Provisions		16,920	31,985
Lease obligations		54,858	59,052
Other payables		12,375	4,877
Long-term debt	14	67,233	63,929
Lease obligations	14	6,460	6,467
Prepayments received from customers		61,896	44,220
Trade payables		93,921	117,712
Payables to group enterprises		16,408	49,562
Corporation tax		0	1,074
Other payables	14	21,890	20,053
Short-term debt		200,575	239,088
Debt		267,808	303,017
Liabilities and equity		375,276	446,547
Distribution of profit	15		
Contingent assets, liabilities and other financial obligations	17		
Related parties	18		
Fee to auditors appointed at the general meeting	19		
Accounting Policies	20		

Statement of Changes in Equity

	Share capital TDKK	Retained earnings TDKK	Total TDKK
Equity at 1 January	5,000	106,545	111,545
Net profit/loss for the year	0	-20,997	-20,997
Equity at 31 December	5,000	85,548	90,548

Notes to the Financial Statements

	2020	2019
	TDKK	TDKK
1 Revenue		
Geographical segments		
Revenue, Denmark	10,685	17,795
Revenue, Europe	168,657	137,463
Revenue, countries outside Europe	242,599	549,661
	421,941	704,919
2 Other operating income		
Sales rental	41	43
COVID-19 salary compensation	1,778	0
COVID-19 fixed cost compensation	1,981	0
Other income	21	0
	3,821	43
3 Staff		
Wages and Salaries	139,908	154,796
Pensions	10,300	11,192
Other social security expenses	1,528	1,972
	151,736	167,960
Average number of employees	226	241
Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.		
4 Income from investments in subsidiaries		
Gain from divestment of investment in subsidiary	7,143	1,550
Dividends received	0	2,239
	7,143	3,789

Notes to the Financial Statements

	2020 TDKK	2019 TDKK	
5 Financial income			
Other financial income	363	3,888	
Exchange gains	7,183	9,412	
	7,546	13,300	
6 Financial expenses			
Other financial expenses	1,277	1,516	
Exchange loss	14,337	11,036	
	15,614	12,552	
7 Tax on profit/loss for the year			
Current tax for the year	-989	1,074	
Deferred tax for the year	-6,897	11,010	
Adjustment of tax concerning previous years	59	0	
Adjustment of deferred tax concerning previous years	27	75	
	-7,800	12,159	
8 Intangible assets			
	Completed development projects TDKK	Software TDKK	Goodwill TDKK
Cost at 1 January	3,019	6,840	34,035
Cost at 31 December	3,019	6,840	34,035
Impairment losses and amortisation at 1 January	3,019	4,320	26,115
Amortisation for the year	0	1,273	1,389
Impairment losses and amortisation at 31 December	3,019	5,593	27,504
Carrying amount at 31 December	0	1,247	6,531

Development projects relate to the development of new versions of ovens, spraying programmes and energy-saving units.

Notes to the Financial Statements

9 Property, plant and equipment

	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Right of use assets	Leasehold improvements
	TDKK	TDKK	TDKK	TDKK	TDKK
Cost at 1 January	15,941	16,699	12,765	72,130	14,302
Additions for the year	0	0	293	2,718	396
Disposals for the year	0	-96	0	-1,258	0
Cost at 31 December	15,941	16,603	13,058	73,590	14,698
Impairment losses and depreciation at 1 January	7,092	13,499	11,094	7,052	11,230
Depreciation for the year	571	1,331	1,367	7,052	53
Impairment and depreciation of sold assets for the year	0	-90	0	-1,012	0
Impairment losses and depreciation at 31 December	7,663	14,740	12,461	13,092	11,283
Carrying amount at 31 December	8,278	1,863	597	60,498	3,415

10 Investments in subsidiaries

	2020	2019
	TDKK	TDKK
Cost at 1 January	664	3,560
Net effect from merger with Meincke Ejendomme A/S	0	-2,424
Disposals for the year	0	-472
Carrying amount at 31 December	664	664

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Votes and ownership	Equity	Net profit/loss for the year
Haas-Meincke BV	Netherlands	100%	4,725,399	1,201,017

Haas-Meincke A/S has in 2020 divested its investment in the former subsidiary Haas-Meincke Austria GmbH. A gain of DKK 7,143k has been recognised as income from subsidiaries in the income statement. The investment in Haas-Meincke Austria GmbH was recognised with a cost of TDKK 0 at 1 January 2020.

Notes to the Financial Statements

11 Other fixed asset investments

	Deposits	
	TDKK	
Cost at 1 January		4,107
Additions for the year		62
Cost at 31 December		4,169
Carrying amount at 31 December		4,169

12 Deferred tax asset

	2020	2019
	TDKK	TDKK
Deferred tax asset at 1 January	3,457	16,029
Net effect of merger with Meincke Ejendomme A/S	0	-1,487
Amounts recognised in the income statement for the year	6,870	-11,085
Deferred tax asset at 31 December	10,327	3,457

13 Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions and interests.

14 Long-term debt

Lease obligations

After 5 years	24,209	35,684
Between 1 and 5 years	30,649	23,368
Long-term part	54,858	59,052
Within 1 year	6,460	6,467
	61,318	65,519

Other payables

Between 1 and 5 years	12,375	4,877
Long-term part	12,375	4,877
Other short-term payables	21,890	20,053
	34,265	24,930

Notes to the Financial Statements

	2020	2019
	TDKK	TDKK
15 Distribution of profit		
Retained earnings	-20,997	44,707
	-20,997	44,707

16 Other provisions

The Company provides warranties of ordinary 1 year's warranty on the Company's products and 1 to 5 years' warranty and liabilities for major plants, and is therefore obliged to repair or replace goods, which are not satisfactory.

Based on previous experience in respect to the level of repairs, returns and other project costs for major plants, other provisions of TDKK 16,920 (2019: TDKK 31,985) have been recognised for expected warranty claims and expected project costs.

Warranty provisions	12,685	16,147
Project provisions	4,235	15,838
	16,920	31,985

17 Contingent assets, liabilities and other financial obligations

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. 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.

Notes to the Financial Statements

18 Related parties

	Basis
Controlling interest	
Bühler Food Equipment GmbH Franz Haas-Straße 1 Leobendorf, Niederösterreich 2100 Austria	Controlling shareholder
Bühler Holding AG Gupfenstrasse 5 zwil, St. Gallen 9240 Switzerland	Ultimate parent company
Other related parties	
Ole Jensen	Executive Board
Germer Holger Wachter	Board of Directors
Heinz Wolfgang Schnallinger	Board of Directors
Christian Puhr	Board of Directors
Christian Courtois	Board of Directors
Erling Steen True Sandberg	Board of Directors

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

There have been no transactions with related parties in the year that have not been made on normal market conditions.

Consolidated Financial Statements

The company is included in the ultimate parent company Annual Report of Bühler Holding AG

Name	Place of registered office
Bühler Holding AG	Switzerland

Notes to the Financial Statements

18 Related parties (continued)

The Group Annual Report of Bühler Holding AG may be obtained at the following address:

Gupfenstrasse 5
Uzwil, St. Gallen 9240
Switzerland

19 Fee to auditors appointed at the general meeting

PricewaterhouseCoopers

	2020 TDKK	2019 TDKK
Audit fee	640	650
Other assurance engagements	90	75
Tax advisory services	626	1,157
Other services	150	429
	1,506	2,311

Notes to the Financial Statements

20 Accounting Policies

The Annual Report of Haas-Meincke A/S for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C .

With regards to the true and fair view of the financial statements, certain reclassifications have been made in the notes. Comparative figures have been adjusted accordingly. The reclassification relates to classification of revenue to geographical segments and has had no effect in the result or the balance.

The Financial Statements for 2020 are presented in TDKK.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of Bühler Holding AG, the Company has not prepared consolidated financial statements.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of Bühler Holding AG, the Company has not prepared a cash flow statement.

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.

Notes to the Financial Statements

20 Accounting Policies (continued)

Leases

A lease asset and a corresponding lease liability are recognised in the balance sheet when a lease has been concluded and the lease asset has been made available.

The lease asset is initially measured at cost equivalent to the value of the lease liability added prepaid lease payments. The lease liability is initially measured at the net present value of future lease payments discounted at the interest rate implicit in the lease or the Company's incremental borrowing rate if the interest rate implicit in the lease is not available.

Subsequently, the asset is measured at cost less accumulated depreciation and impairment losses. The lease asset is depreciated over the lease term. Depreciation is recognised on a straight-line basis in the income statement.

Leases with terms of less than 12 months are not recognised in the balance sheet. This also applies to leases of low-value assets. Lease payments are instead recognised in the income statement on a straight-line basis over the lease term. No leases subject to variable payments have been concluded.

When assessing the expected lease term, the non-cancellable lease term is identified. If the lease includes an extension option which Management is reasonably certain to exercise, this is added to the non-cancellable lease term.

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.

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.

Revenue

Information on geographical segments based on the Company's risks and returns and its internal financial reporting system. Geographical segments are regarded as the primary segments.

Notes to the Financial Statements

20 Accounting Policies (continued)

Income Statement

Revenue

Revenue from contracts with customers is recognised on the basis of transfer of control, which according to IFRS 15 takes place at the time when control of the product or service delivered passes to the customer.

Control is considered passed to the customer when:

- a binding sales agreement has been made
- delivery has been made before year end
- the sales price has been determined; and
- payment has been received or may with reasonable certainty be expected to be received.

Revenue is recognised exclusive of VAT and net of discounts relating to sales.

Production costs

Production costs comprises costs incurred to achieve revenue for the year. Cost comprises raw materials, consumables, direct labour costs and indirect production costs such as maintenance and depreciation, etc, as well as operation, administration and management of factories.

Production costs also includes research and development costs that do not qualify for capitalisation as well as amortisation of capitalised development costs. Finally, provisions for losses on contract work are recognised.

Distribution expenses

Distribution expenses comprise costs in the form of salaries to sales and distribution staff, advertising and marketing expenses as well as operation of motor vehicles, depreciation, etc.

Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc. Amortisation of goodwill and software is also included to the extent that it relates to administrative activities.

Notes to the Financial Statements

20 Accounting Policies (continued)

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including rental income and government grants.

Government grants are recognised when it is reasonably certain that the Company complies with the conditions for receiving the grant, and it is reasonably certain that the Company will receive the grant. Government grants are recognised as other operating income, including COVID-19 compensation.

Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

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 Bühler Denmark, Danish branch of Bühler AG. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Notes to the Financial Statements

20 Accounting Policies (continued)

Balance Sheet

Intangible assets

Goodwill is amortised on a straight-line basis over the estimated useful life determined on the basis of Management's experience within the industry and product insight. The amortisation period is 20 years for strategically acquired enterprises.

Software are measured at the lower of cost less accumulated amortisation and recoverable amount. Amortisation is based on cost reduced by any residual value and calculated on a straight-line basis over the expected useful life, which is assessed at 5 years.

Development costs and costs relating to rights developed by the Company are recognised in the income statement as costs in the year of acquisition.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Plant and machinery	5-10 years
Other fixtures, fittings and tools	5 years
Leasehold improvements	5-10 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Notes to the Financial Statements

20 Accounting Policies (continued)

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Inventories

Inventories are measured at the lower of cost based on weighted average prices and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour with addition of indirect production costs. Indirect production costs comprise the cost of indirect materials and labour as well as maintenance and depreciation of the machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management.

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. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Notes to the Financial Statements

20 Accounting Policies (continued)

Other provisions include warranty obligations in respect of repair work within the warranty period of 1-5 years. Provisions are measured and recognised based on experience with guarantee work.

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, including the tax base of tax loss carry-forwards, 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

Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

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

Notes to the Financial Statements

20 Accounting Policies (continued)

Financial Highlights

Explanation of financial ratios

Gross margin	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$

PENNEO

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

Erling Steen True Sandberg

Staff Representative

On behalf of: Haas-Meinke A/S

Serial number: PID:9208-2002-2-331053046587

IP: 83.93.xxx.xxx

2021-05-21 11:15:28Z

NEM ID 

Christian Courtois

Staff Representative

On behalf of: Haas-Meincke A/S

Serial number: PID:9208-2002-2-388714700325

IP: 79.142.xxx.xxx

2021-05-25 00:33:56Z

NEM ID 

Germar Wacker


Chairman

On behalf of: Haas-Meincke A/S

Serial number: germar.wacker@buhlergroup.com

IP: 213.208.xxx.xxx

2021-05-25 09:50:19Z



Christian Puhr

Member of the Board of Directors

On behalf of: Haas-Meincke A/S

Serial number: christian.puhr@buhlergroup.com

IP: 185.63.xxx.xxx

2021-05-25 10:51:58Z



Ole Jensen

Executive Officer

On behalf of: Haas-Meincke A/S

Serial number: PID:9208-2002-2-783778125117

IP: 212.130.xxx.xxx

2021-05-26 09:47:06Z

NEM ID 

Wolfgang Schnallinger

Deputy Chairman

On behalf of: Haas-Meincke A/S

Serial number: wolfgang.schnallinger@buhlergroup.com

IP: 213.208.xxx.xxx

2021-05-31 07:45:12Z



Gösta Gauffin

State Authorised Public Accountant

On behalf of: PricewaterhouseCoopers Statsautoriseret...

Serial number: CVR:33771231-RID:93448161

IP: 83.136.xxx.xxx

2021-05-31 08:52:02Z

NEM ID 

Martin Lunden

State Authorised Public Accountant

On behalf of: PricewaterhouseCoopers Statsautoriseret...

Serial number: CVR:33771231-RID:77203914

IP: 83.136.xxx.xxx

2021-05-31 13:18:03Z

NEM ID 

Penneo document key: SGETY-0P28V-EYFEM-7WNK7-AUCS7-BIACQ

This document is digitally signed using Penneo.com. The digital signature data within the document is secured and validated by the computed hash value of the original document. The document is locked and timestamped with a certificate from a trusted third party. All cryptographic evidence is embedded within this PDF, for future validation if necessary.

How to verify the originality of this document

This document is protected by an Adobe CDS certificate. When you open the

document in Adobe Reader, you should see, that the document is certified by **Penneo e-signature service** <penneo@penneo.com>. This guarantees that the contents of the document have not been changed.

You can verify the cryptographic evidence within this document using the Penneo validator, which can be found at <https://penneo.com/validate>

PENNEO

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

Wolfgang Schnallinger


Chairman of the General Meeting

On behalf of: Haas-Meincke A/S

Serial number: wolfgang.schnallinger@buhlergroup.com

IP: 213.208.xxx.xxx

2021-05-31 13:28:01Z



This document is digitally signed using Penneo.com. The digital signature data within the document is secured and validated by the computed hash value of the original document. The document is locked and timestamped with a certificate from a trusted third party. All cryptographic evidence is embedded within this PDF, for future validation if necessary.

How to verify the originality of this document

This document is protected by an Adobe CDS certificate. When you open the

document in Adobe Reader, you should see, that the document is certified by **Penneo e-signature service** <penneo@penneo.com>. This guarantees that the contents of the document have not been changed.

You can verify the cryptographic evidence within this document using the Penneo validator, which can be found at <https://penneo.com/validate>