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HEJK ApS
Central Business Registration No 16822000
Neptunvej 1
8600 Silkeborg

Annual report 2015

The Annual General Meeting adopted the annual report on 20.04.2016

Chairman of the General Meeting

Name: Kristian Saxtrup Sylvest

Contents

Entity details

Entity

HEJK ApS
Neptunvej 1
8600 Silkeborg

Central Business Registration No: 16822000
Registered in: Silkeborg
Financial year: 01.01.2015 - 31.12.2015

Executive Board

Kristian Saxtrup Sylvest
Henrik Saxtrup Sylvest

Entity auditors

Deloitte Statsautoriseret Revisionspartnerselskab
City Tower, Værkmestergade 2
8000 Aarhus C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of HEJK ApS for the financial year 01.01.2015 - 31.12.2015.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2015 and of the results of its operations and cash flows for the financial year 01.01.2015 - 31.12.2015.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Silkeborg, 20.04.2016

Executive Board

Kristian Saxtrup Sylvest Henrik Saxtrup Sylvest

Independent auditor's reports

To the owners of HEJK ApS
Report on the financial statements
We have audited the consolidated financial statements and parent financial statements of HEJK ApS for the financial year 01.01.2015 - 31.12.2015, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes for the Group as well as for the Parent and the consolidated cash flow statement. The consolidated financial statements and parent financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the consolidated financial statements and parent financial statements
Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s responsibility
Our responsibility is to express an opinion on the consolidated financial statements and parent financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether consolidated financial statements and parent financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and parent financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the consolidated financial statements and parent financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements and parent financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as the overall presentation of the consolidated financial statements and parent financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion
In our opinion, the consolidated financial statements and parent financial statements give a true and fair view of the Group’s and the Parent’s financial position at 31.12.2015, and of the results of their operations and the Group’s cash flows for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

Statement on the management commentary
Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the consolidated financial statements and parent financial statement.

Independent auditor's reports

On this basis, it is our opinion that the information provided in the management commentary is consistent with the consolidated financial statements and parent financial statement.

Aarhus, 20.04.2016

Deloitte
Statsautoriseret Revisionspartnerselskab

Thomas Rosquist Andersen	Steen Andersen
State Authorised Public Accountant	State Authorised Public Accountant

CVR-nr. 33963556

Management commentary

	2015 DKK'000	2014 DKK'000	2013 DKK'000	2012 DKK'000	2011 DKK'000
Financial highlights					
Key figures					
Revenue	590.067	573.093	462.795	507.153	375.615
Gross profit/loss	66.199	80.532	53.165	57.978	44.751
Operating profit/loss	12.747	34.891	9.407	8.901	2.500
Net financials	-8.607	-12.926	-12.363	-13.425	-14.408
Profit/loss for the year	1.807	9.974	-2.108	-4.119	-7.848
Total assets	287.325	272.430	260.298	261.116	282.891
Investments in property, plant and equipment	8.231	768	702	3.251	4.060
Equity	-749	-2.679	-10.349	-8.053	-5.484
Employees in average	85	80	69	80	80
Ratios					
Gross margin (%)	11,2	14,1	11,5	11,4	11,9
Net margin (%)	0,3	1,7	(0,5)	(0,8)	(2,1)
Solvency ratio	(0,3)	(1,0)	(4,0)	(3,1)	(1,9)

Management commentary

Primary activities

The Company's business activity is stockholding and trading of stainless steel primarily in Northern Europe, secondarily in the rest of the world.

Development in activities and finances

The Company's income statement for the financial year ended 31 December 2015 shows a net profit of DKK 1.807 thousand, and the balance sheet shows equity of DKK -749 thousand, which in addition to subordinated debt of DKK 21.019 thousand adds up to a total liable capital of DKK 20.270 thousand and a solvency ratio of 7.1 % including subordinated debt.

The achieved operating profit reflects the challenging market conditions that prevailed during 2015, when a sharp drop in the raw material prices impacted negatively on operating margins. Nickel prices declined 37 % (€/ton) with the steepest decline taking place during the 2nd half of the year, when the overall market demand also slowed down, resulting in very low price levels last seen only for a short period during the crisis in 2009.

Quantitative sales (tons) increased by 5 % relative to financial year 2014, which in effect means the Company gained market share. Overall cost efficiency measured as operating cost per ton was almost maintained, despite increased sales costs driven by new sales activities in Sweden. The positive development in the sales subsidiaries in Germany and the Netherlands also continued, while the Norwegian activities suffered from a very difficult market environment especially in the petrochemical sector.

The Company continued its focus on e-business, and more than 50 % of all sales orders was processed digitally. This transition is expected to continue, and it will influence all aspects of the Company's business model.

Management commentary

Outlook

The European market for stainless steel is still under pressure with subdued demand and low growth expectations. Until such time when the stagnation in the European economy is replaced by growth and increased industrial investment activity, a significant improvement in demand for stainless steel is not expected.

A continued increase in sales revenue is expected, especially in Sweden and as result of a number of new long term agreements with strategic customers.

For the financial year 2016 the Company is expecting to deliver positive results, which combined with a controlled balance sheet growth shall lead to improved solvency.

The development in January reaffirms these expectations.

Material assumptions and uncertainties
Uncertainty regarding exchange rates, raw materials and general economic development will continue to influence the market. The Company will continue to focus on cost efficiency and customer profitability to maintain flexibility and resilience to adverse changes.

A deferred tax asset has been recognized in the company, totaling DKK 17,053k. The utilization of it will depend on positive results of operations in a 3-5-year period. Management believes that the deferred tax asset can be utilized via positive operating income in the years to come.

Particular risks

The Company uses currency hedges to hedge purchases of goods. The Company is dependent on the development in the prices of raw materials, especially nickel and molybdenum.

Corporate social responsibility

The Company has not drawn up any CSR policy.

Account of the gender composition of management

The supervisory board targets a representation of the underrepresented sex in the supervisory board of 33% and works to meet this target by end-2018. At present, the underrepresented sex makes up 0% of the directors elected by the general meeting.

Management has also adopted a policy to increase the share of the underrepresented sex at other managerial levels. The policy lays down the framework for individual managers' career development, including mentoring schemes, as well as internal targets for the underrepresented gender's share of managerial positions. The policy also lays down guidelines for recruiting and retention of female managers.

Management commentary

The Company has launched the following specific measures to increase the share of the underrepresented sex:

- Individual career planning support
- Mentoring schemes
- A staff policy that promotes equal career opportunities for men and women
- Recruitment procedures that contribute to ensuring equal opportunities for men and women

Based on these measures, the Company expects the share of the underrepresented sex at other managerial levels than the board to go up.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (big).

The accounting policies applied for this consolidated financial statements and parent financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

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

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence are regarded as associates.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Accounting policies

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in the income statement and the balance sheet, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

Business combinations

Newly acquired or newly established enterprises are recognised in the consolidated financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the consolidated income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. On acquisition of enterprises, provisions are made for costs relating to decided and published restructurings in the acquired enterprise. Allowance is made for the tax effect of restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised under intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful life, however, no more than 20 years. Negative differences in amount (negative goodwill), corresponding to an estimated adverse development in the relevant enterprises, are recognised in the balance sheet under deferred income, and they are recognised in the income statement when such adverse development is realised.

Profits or losses from divestment of equity investments

Profits or losses from divestment or winding-up of subsidiaries are calculated as the difference between selling price or settlement price and the carrying amount of the net assets at the time of divestment or winding-up, inclusive of non-amortised goodwill and estimated divestment or winding-up expenses

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

Accounting policies

Income statement

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises costs of sales for the financial year measured at cost, adjusted for ordinary inventory write-downs.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Other operating expenses

Other operating expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities.

Income from investments in associates

Income from investments in associates comprises the pro rata share of the individual associates' profit/loss after elimination of internal profits or losses.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Accounting policies

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using the estimated useful lives of the assets. The amortisation period is five years. For development projects protected by intellectual property rights, the maximum amortisation period is the remaining duration of the relevant rights. Development projects are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Land and buildings, plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Accounting policies

Buildings	50 years
Plant and machinery	3-10 years
Other fixtures and fittings, tools and equipment	3-10 years

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises
Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity plus or minus unamortised positive, or negative, goodwill and minus or plus unrealised intra-group profits or losses.

Group enterprises with negative equity are measured at DKK 0, and any receivables from these enterprises are written down by the Parent's share of such negative equity value if it is deemed irrecoverable. If the negative equity value exceeds the amount receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Investments in associates
Investments in associates are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the associates' equity value plus or minus unamortised positive, or negative, goodwill and minus or plus unrealised pro rata internal profits and losses.

Associates with negative equity are measured at DKK 0, and any receivables from these associates are written down by the share of such negative equity if it is deemed irrecoverable. If the negative equity value exceeds the amount receivable, the remaining amount is recognised under provisions if there is a legal or constructive obligation to cover the liabilities of the relevant associate.

Upon distribution of profit or loss, net revaluation of investments in associates is transferred to Reserve for net revaluation according to the equity method under equity.

Investments in associates are written down to the lower of recoverable amount and carrying amount.

Accounting policies

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

Other investments

Other investments comprise listed securities which are measured at fair value (market price) at the balance sheet date.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Minority interests

Minority interests consist of non-controlling interests share of equity in subsidiaries not 100% owned by the parent company.

Mortgage debt

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable

Accounting policies

amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

Finance lease commitments
Lease commitments relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease commitments are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

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

Income tax receivable or payable
Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Cash flow statement
The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, instalments on interest-bearing debt, purchase of treasury shares, and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank debt.

Accounting policies

Financial highlights

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2015" issued by the Danish Society of Financial Analysts.

Ratios	Calculation formula	Ratios reflect
Gross margin (%)	$\frac{\text{Gross profit x 100}}{\text{Revenue}}$	The Entity's operating gearing.
Net margin (%)	$\frac{\text{Profit/loss for the year x 100}}{\text{Revenue}}$	The Entity's operating profitability.
Solvency ratio	$\frac{\text{Equity x 100}}{\text{Total assets}}$	The financial strength of the Entity.

Consolidated income statement for 2015

	Notes	2015 DKK'000	2014 DKK'000
Revenue		590.067	573.093
Cost of sales		-498.949	-468.508
Other external expenses	2	-24.919	-24.053
Gross profit/loss		**66.199**	**80.532**
Staff costs	1	-47.658	-41.894
Depreciation, amortisation and impairment losses		-5.794	-3.696
Other operating expenses		0	-51
Operating profit/loss		**12.747**	**34.891**
Income from investments in associates		-244	-159
Other financial income	3	535	804
Other financial expenses	4	-8.898	-13.571
Profit/loss from ordinary activities before tax		**4.140**	**21.965**
Tax on profit/loss from ordinary activities	5	-858	-5.145
Consolidated profit/loss		**3.282**	**16.820**
Minority interests' share of profit/loss		-1.475	-6.846
Profit/loss for the year		**1.807**	**9.974**

Proposed distribution of profit/loss			
Retained earnings		1.807	9.974
		1.807	**9.974**

Consolidated balance sheet at 31.12.2015

	Notes	2015 DKK'000	2014 DKK'000
Completed development projects		4.076	3.989
Intangible assets	6	**4.076**	**3.989**
Land and buildings		30.515	26.543
Plant and machinery		0	48
Other fixtures and fittings, tools and equipment		7.552	7.192
Property, plant and equipment	7	**38.067**	**33.783**
Investments in associates		0	0
Other investments		3	3
Other receivables		76	76
Fixed asset investments	8	**79**	**79**
Fixed assets		**42.222**	**37.851**
Raw materials and consumables		136.516	131.773
Prepayments for goods		1.220	3.364
Inventories		**137.736**	**135.137**
Trade receivables		76.856	71.360
Receivables from associates		7.019	7.854
Deferred tax assets		17.053	11.147
Other short-term receivables		1.581	2.077
Prepayments	11	1.027	1.194
Receivables		**103.536**	**93.632**
Cash		**3.831**	**5.810**
Current assets		**245.103**	**234.579**
Assets		**287.325**	**272.430**

Consolidated balance sheet at 31.12.2015

	Notes	2015 DKK'000	2014 DKK'000
Contributed capital		300	300
Revaluation reserve		1.339	1.339
Retained earnings		-2.388	-4.318
Equity		**-749**	**-2.679**
Minority interests	12	**6.908**	**5.433**
Subordinate loan capital		21.019	21.019
Mortgage debts		19.940	21.668
Finance lease liabilities		1.297	630
Non-current liabilities other than provisions	13	**42.256**	**43.317**
Current portion of long-term liabilities other than provisions	13	2.214	2.530
Bank loans		120.323	114.314
Trade payables		89.884	82.218
Payables to associates		2.398	2.398
Income tax payable		0	692
Other payables		24.091	24.207
Current liabilities other than provisions		**238.910**	**226.359**
Liabilities other than provisions		**281.166**	**269.676**
Equity and liabilities		**287.325**	**272.430**
Subsidiaries	9		
Unrecognised rental and lease commitments	15		
Mortgages and securities	16		

Consolidated statement of changes in equity for 2015

	Contributed capital DKK'000	Revaluation reserve DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	300	1.339	-4.318	-2.679
Value adjustments	0	0	123	123
Profit/loss for the year	0	0	1.807	1.807
Equity end of year	**300**	**1.339**	**-2.388**	**-749**

Consolidated cash flow statement for 2015

	Notes	2015 DKK'000	2014 DKK'000
Operating profit/loss		12.594	34.891
Amortisation, depreciation and impairment losses		5.794	3.696
Working capital changes	14	-7.713	-11.606
Cash flow from ordinary operating activities		**10.675**	**26.981**
Financial income received		535	803
Financial income paid		-8.898	-13.571
Income taxes refunded/(paid)		-692	-685
Cash flows from operating activities		**1.620**	**13.528**
Acquisition etc of intangible assets		-8.231	-1.523
Acquisition etc of property, plant and equipment		0	-4.293
Sale of property, plant and equipment		0	1.300
Cash flows from investing activities		**-8.231**	**-4.516**
Loans raised		6.009	0
Instalments on loans etc		-1.377	-7.412
Cash flows from financing activities		**4.632**	**-7.412**
Increase/decrease in cash and cash equivalents		**-1.979**	**1.600**
Cash and cash equivalents beginning of year		5.810	4.210
Cash and cash equivalents end of year		**3.831**	**5.810**

Notes to consolidated financial statements

	2015 DKK'000	2014 DKK'000
1. Staff costs		
Wages and salaries	43.771	38.299
Pension costs	3.344	2.888
Other social security costs	491	489
Other staff costs	52	218
	47.658	**41.894**
Average number of employees	**97**	**85**

	Remuneration of management 2015 DKK'000	Remuneration of management 2014 DKK'000
Executive Board	4.200	3.210
Board of Directors	367	377
	4.567	**3.587**

	2015 DKK'000	2014 DKK'000
2. Fees to the auditor appointed by the Annual General Meeting		
Statutory audit services	350	350
Tax services	70	25
Other services	0	50
	420	**425**

	2015 DKK'000	2014 DKK'000
3. Other financial income		
Interest income	535	804
	535	804

Notes to consolidated financial statements

4. Other financial expenses

	2015 DKK'000	2014 DKK'000
Interest expenses	8.833	13.571
Exchange rate adjustments	65	0
	8.898	**13.571**

5. Tax on profit/loss from ordinary activities

	2015 DKK'000	2014 DKK'000
Tax on current year taxable income	0	760
Change in deferred tax for the year	865	4.332
Adjustment concerning previous years	-7	53
	858	**5.145**

6. Intangible assets

	Completed development projects DKK'000
Cost beginning of year	15.127
Additions	1.934
Cost end of year	**17.061**
Amortisation and impairment losses beginning of year	-11.138
Amortisation for the year	-1.847
Amortisation and impairment losses end of year	**-12.985**
Carrying amount end of year	**4.076**

Notes to consolidated financial statements

	Land and buildings DKK'000	Plant and machinery DKK'000	Other fixtures and fittings, tools and equipment DKK'000
7. Property, plant and equipment			
Cost beginning of year	29.500	624	34.315
Additions	4.717	0	3.514
Cost end of year	**34.217**	**624**	**37.829**
Revaluations beginning of year	1.786	0	0
Revaluations end of year	**1.786**	**0**	**0**
Depreciation and impairment losses beginning of the year	-4.743	-576	-27.123
Depreciation for the year	-745	-48	-3.154
Depreciation and impairment losses end of the year	**-5.488**	**-624**	**-30.277**
Carrying amount end of year	**30.515**	**0**	**7.552**

	Investments in associates DKK'000	Other investments DKK'000	Other receivables DKK'000
8. Fixed asset investments			
Cost beginning of year	290	3	76
Cost end of year	**290**	3	76
Impairment losses beginning of year	-290	0	0
Impairment losses end of year	**-290**	**0**	**0**
Carrying amount end of year	**0**	**3**	**76**

Notes to consolidated financial statements

9. Subsidiaries	Registered in	Corporate form	Equity interest %
2-F Finans ApS	Silkeborg	ApS	66,7
Saxtrup A/S	Silkeborg	A/S	100,0

10. Associates	Registered in	Equity interest %
Dacapo S.A.	Switzerland	25,0

11. Prepayments

Prepayments are prepaid costs for the next year.

12. Minority interests

Minority interests are minority shares of the equity in subsidiaries.

13. Long-term liabilities other than provisions	Instalments within 12 months 2015 DKK'000	Instalments within 12 months 2014 DKK'000	Instalments beyond 12 months 2015 DKK'000	Outstanding after 5 years DKK'000
Subordinate loan capital	0	0	21.019	21.019
Mortgage debts	1.784	1.772	19.940	14.701
Finance lease liabilities	430	758	1.297	0
	2.214	**2.530**	**42.256**	**35.720**

14. Change in working capital	2015 DKK'000	2014 DKK'000
Increase/decrease in inventories	-2.599	-27.834
Increase/decrease in receivables	-3.998	-8.530
Increase/decrease in trade payables etc	-1.116	24.758
	-7.713	**-11.606**

Notes to consolidated financial statements

	2015 DKK'000	2014 DKK'000
15. Unrecognised rental and lease commitments		
Commitments under rental agreements or leases until expiry	6.345	16.192

16. Mortgages and securities

The following assets have been put up as security for the Company's debt:

Unsecured claims and inventory owned by Dacapo Stainless B.V. have been put up as security for credit facilities in ABN Amro Bank, The Netherlands. Bank loans amount to DKK 19,156k.

Unsecured claims owned by Dacapo Stainless AB and Dacapo Stainless AS have been put up as security for credit facilities in Coface Finans A/S. Loans amount to DKK 6,703k.

Unsecured claims owned by Dacapo Stainless GmbH have been put up as security for credit facilities in Jyske Bank, Germany. Bank loans amount to DKK 1,314k.

Company charge of DKK 100,000k consisting of unsecured claims, inventory, operating equipment, etc. owned by Dacapo Stainless A/S have been put up as security for credit facilities in Jyske Bank as well as pledges in shares and receivables of DKK 36,505k in group enterprises. Bank loans amount to DKK 74,866k.

Land and buildings with a carrying amount of DKK 30.690 have been put up as security for the Company's debt.

Parent income statement for 2015

	Notes	2015 DKK'000	2014 DKK'000
Other external expenses		-23	-67
Operating profit/loss		**-23**	**-67**
Income from investments in group enterprises		1.953	10.179
Other financial expenses	1	-165	-195
Profit/loss from ordinary activities before tax		**1.765**	**9.917**
Tax on profit/loss from ordinary activities	2	42	57
Profit/loss for the year		**1.807**	**9.974**

Proposed distribution of profit/loss		
Retained earnings	1.807	9.974
	1.807	**9.974**

Parent balance sheet at 31.12.2015

	Notes	2015 DKK'000	2014 DKK'000
Investments in group enterprises		8.825	6.740
Investments in associates		0	0
Other investments		3	3
Fixed asset investments	3	**8.828**	**6.743**
Fixed assets		**8.828**	**6.743**
Receivables from group enterprises		54	51
Receivables from associates		58	28
Deferred tax assets		2.248	2.206
Receivables		**2.360**	**2.285**
Current assets		**2.360**	**2.285**
Assets		**11.188**	**9.028**

Parent balance sheet at 31.12.2015

	Notes	2015 DKK'000	2014 DKK'000
Contributed capital		300	300
Retained earnings		-1.049	-2.979
Equity		**-749**	**-2.679**
Bank loans		4.000	4.023
Payables to group enterprises		5.492	5.256
Payables to associates		2.398	2.398
Other payables		47	30
Current liabilities other than provisions		**11.937**	**11.707**
Liabilities other than provisions		**11.937**	**11.707**
Equity and liabilities		**11.188**	**9.028**
Contingent liabilities	4		
Mortgages and securities	5		

Parent statement of changes in equity for 2015

	Contri-buted capi-tal DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	300	-2.979	-2.679
Value adjustments	0	123	123
Profit/loss for the year	0	1.807	1.807
Equity end of year	**300**	**-1.049**	**-749**

Notes to parent financial statements

	2015 DKK'000	2014 DKK'000
1. Other financial expenses		
Financial expenses from group enterprises	108	100
Other financial expenses	57	95
	165	**195**

	2015 DKK'000	2014 DKK'000
2. Tax on profit/loss from ordinary activities		
Change in deferred tax for the year	-42	-57
	-42	**-57**

	Investments in group enterprises DKK'000	Investments in associates DKK'000	Other investments DKK'000
3. Fixed asset investments			
Cost beginning of year	12.695	290	3
Cost end of year	**12.695**	**290**	**3**
Impairment losses beginning of year	-5.955	-290	0
Adjustments on equity	132	0	0
Share of profit/loss for the year	1.953	0	0
Impairment losses end of year	**-3.870**	**-290**	**0**
Carrying amount end of year	**8.825**	**0**	**3**

	2015 DKK'000	2014 DKK'000
4. Contingent liabilities		
Recourse guarantee commitments related to Parent and fellow subsidiaries	74.866	72.559
Contingent liabilities related to Parent and fellow subsidiaries	**74.866**	**72.559**

The Company serves as an administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2013 for income taxes etc. for the jointly taxed companies and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these companies.

Notes to parent financial statements

5. Mortgages and securities

Bank debt is secured by way of shares in subsidiaries. The book value is DKK 9,607 k.