



Keim Scandinavia A/S

Guldalderen 6
2640 Hedehusene
CVR No. 17890042

Annual report 2020

The Annual General Meeting adopted the
annual report on 12.05.2021

Jakob Kristensen

Chairman of the General Meeting

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Entity details

Entity

Keim Scandinavia A/S

Guldalderen 6

2640 Hedehusene

CVR No.: 17890042

Registered office: Høje Taastrup

Financial year: 01.01.2020 - 31.12.2020

Board of Directors

Jakob Kristensen

Roland Jean Claude Perriot, formand

Rüdiger Lugert

Executive Board

Edib Ludvig Medjedovic Hansen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Keim Scandinavia A/S for the financial year 01.01.2020 - 31.12.2020.

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 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

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.

Copenhagen, 12.05.2021

Executive Board

Edib Ludvig Medjedovic Hansen

Board of Directors

Jakob Kristensen

Roland Jean Claude Perriot
formand

Rüdiger Lugert

Independent auditor's report

To the shareholder of Keim Scandinavia A/S

Opinion

We have audited the financial statements of Keim Scandinavia A/S for the financial year 01.01.2020 - 31.12.2020, which comprise the 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 Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 of the management commentary.

Copenhagen, 12.05.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Christian Sanderhage

State Authorised Public Accountant
Identification No (MNE) mne23347

Management commentary

Primary activities

The primary activity of the Company is sale of paint and similar products for surface treatment of buildings in Scandinavia.

Development in activities and finances

Profit for the year of DKK 1.779 thousand (2019: DKK 779 thousand) is considered satisfactory

Outlook

The Company expects a profit for 2021 which is at same level than in 2020.

Foreign branches

Keim Scandinavia A/S has a branch in Sweden and in Norway. The branches are incorporated into the Company's financial statements.

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.

Income statement for 2020

	Notes	2020 DKK	2019 DKK
Gross profit/loss	1	16,693,464	14,164,742
Staff costs	2	(13,489,344)	(12,811,481)
Depreciation, amortisation and impairment losses	3	(362,388)	(278,398)
Operating profit/loss		2,841,732	1,074,863
Other financial income		368,692	235,640
Other financial expenses		(633,898)	(291,057)
Profit/loss before tax		2,576,526	1,019,446
Tax on profit/loss for the year	4	(797,261)	(240,760)
Profit/loss for the year		1,779,265	778,686
Proposed distribution of profit and loss			
Ordinary dividend for the financial year		1,779,265	0
Retained earnings		0	778,686
Proposed distribution of profit and loss		1,779,265	778,686

Balance sheet at 31.12.2020

Assets

	Notes	2020 DKK	2019 DKK
Acquired licences		0	8,728
Intangible assets		0	8,728
Plant and machinery		783,759	547,369
Leasehold improvements		208,107	300,857
Property, plant and equipment		991,866	848,226
Other receivables		277,604	275,349
Financial assets		277,604	275,349
Fixed assets		1,269,470	1,132,303
Manufactured goods and goods for resale		4,376,680	3,681,030
Inventories		4,376,680	3,681,030
Trade receivables		1,847,614	2,369,992
Deferred tax		28,233	43,705
Other receivables		917,681	6,338
Income tax receivable		437,899	1,256,404
Prepayments		390,071	433,351
Receivables		3,621,498	4,109,790
Cash		4,510,829	2,570,990
Current assets		12,509,007	10,361,810
Assets		13,778,477	11,494,113

Equity and liabilities

	Notes	2020 DKK	2019 DKK
Contributed capital		500,000	500,000
Retained earnings		3,039,538	2,779,176
Proposed dividend		1,779,265	0
Equity		5,318,803	3,279,176
Other payables		474,935	0
Non-current liabilities other than provisions	5	474,935	0
Trade payables		954,577	889,883
Payables to group enterprises		2,821,696	4,073,931
Other payables		4,208,466	3,251,123
Current liabilities other than provisions		7,984,739	8,214,937
Liabilities other than provisions		8,459,674	8,214,937
Equity and liabilities		13,778,477	11,494,113
Contingent liabilities	6		
Transactions with related parties	7		
Group relations	8		

Statement of changes in equity for 2020

	Contributed capital DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	500,000	2,779,176	0	3,279,176
Exchange rate adjustments	0	260,362	0	260,362
Profit/loss for the year	0	0	1,779,265	1,779,265
Equity end of year	500,000	3,039,538	1,779,265	5,318,803

Notes

1 Gross profit/loss

Gross profit comprises revenue, changes in inventories of finished goods and external expenses.

2 Staff costs

	2020	2019
	DKK	DKK
Wages and salaries	13,181,378	12,241,878
Pension costs	52,252	44,087
Other social security costs	80,244	48,524
Other staff costs	175,470	476,992
	13,489,344	12,811,481
Average number of full-time employees	22	21

3 Depreciation, amortisation and impairment losses

	2020	2019
	DKK	DKK
Amortisation of intangible assets	8,278	17,568
Depreciation of property, plant and equipment	354,110	260,830
	362,388	278,398

4 Tax on profit/loss for the year

	2020	2019
	DKK	DKK
Current tax	781,789	213,803
Change in deferred tax	15,472	26,957
	797,261	240,760

5 Non-current liabilities other than provisions

	Due after more than 12 months 2020 DKK
Other payables	474,935
	474,935

6 Contingent liabilities

The Company has rental and lease commitments of 1.093 thousand DKK.

7 Transactions with related parties

The annual report only discloses transactions with related parties that have not been completed on market terms. No such transactions have been completed during the financial year.

8 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
Keimfarben Beteiligungs GmbH, Keimstrasse 18, 86420 Diedorf, Germany

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these 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.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and external expenses.

Revenue

Revenue from 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 goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

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 writedowns of receivables recognised in current assets.

Staff costs

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

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Other financial income

Other financial income comprises interest income payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

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 acquired intellectual property rights.

Intellectual property rights acquired are measured at cost less accumulated amortisation.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Plant and machinery and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

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:

Plant and machinery	3-5 years
Leasehold improvements	5 years

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

Receivables

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

Inventories

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

Cost of goods for resale, raw materials and consumables 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 the tax-based value of assets and liabilities, for which the tax-based value 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.

Tax payable or receivable

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

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity.

Other financial liabilities

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