

# Dansk Skorstens Teknik A/S

Storstrømsvej 1, 6715 Esbjerg N

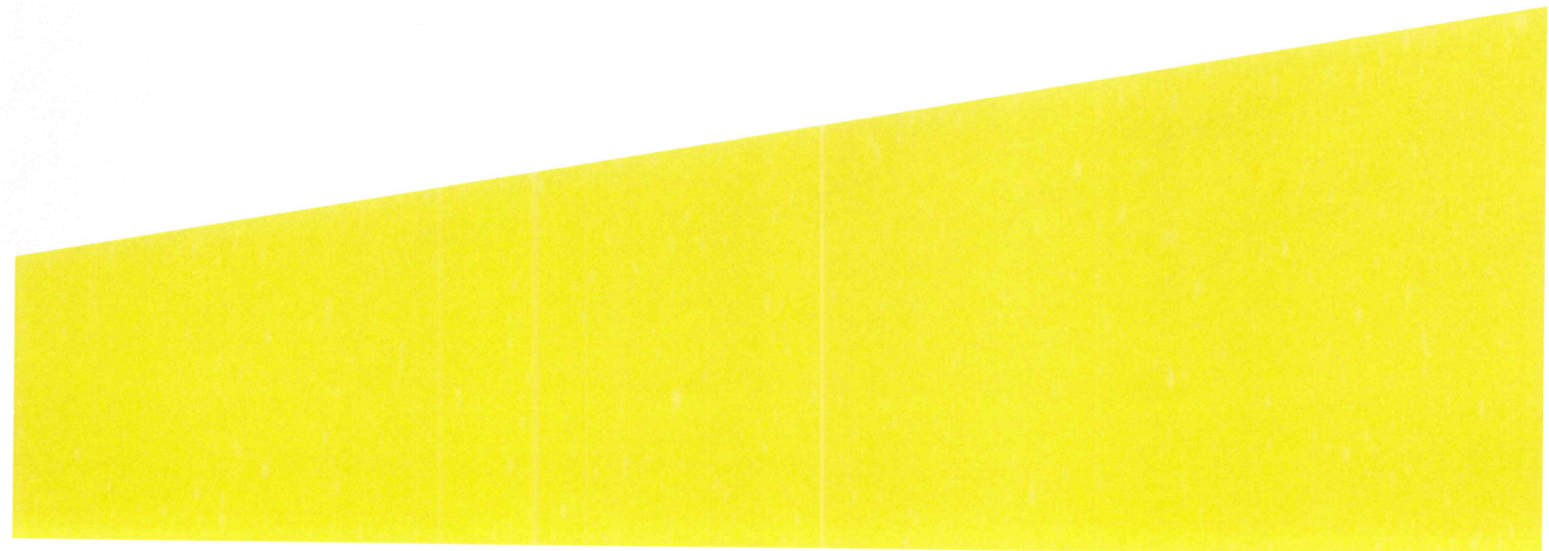
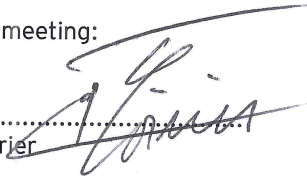
CVR no. 19 34 86 87

## Annual report 2020/21

Approved at the Company's annual general meeting on 30 June 2021

Chair of the meeting:

.....  
Frédéric Coirier



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## Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Dansk Skorstens Teknik A/S for the financial year 1 April 2020 - 31 March 2021.

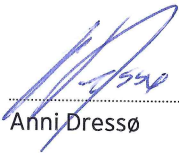
The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 March 2021 and of the results of the Company's operations for the financial year 1 April 2020 - 31 March 2021.

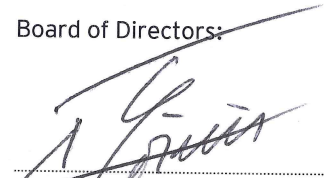
Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Esbjerg, 30 June 2021  
Executive Board:

  
.....  
Anni Dressø

Board of Directors:

  
.....  
Frédéric Coirier  
Chair  
.....  
Gildas Léauté  
.....  
Anni Dressø

## Independent auditor's report

To the shareholder of Dansk Skorstens Teknik A/S

### Opinion

We have audited the financial statements of Dansk Skorstens Teknik A/S for the financial year 1 April 2020 - 31 March 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 March 2021 and of the results of the Company's operations for the financial year 1 April 2020 - 31 March 2021 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

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 rules and requirements.

### 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 as to 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 the 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.

## Independent auditor's report

- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Statement on the Management's review

Management is responsible for the Management's review.

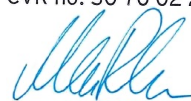
Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Esbjerg, 30 June 2021  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28



Morten Østergaard Koch  
State Authorised Public Accountant  
mne35420



Mads Klausen  
State Authorised Public Accountant  
mne46588

## Management's review

### Company details

Name	Dansk Skorstens Teknik A/S
Address, Postal code, City	Storstrømsvej 1, 6715 Esbjerg N
CVR no.	19 34 86 87
Established	24 June 1996
Registered office	Esbjerg
Financial year	1 April 2020 - 31 March 2021
Website	<a href="http://www.dst-as.dk">www.dst-as.dk</a>
E-mail	<a href="mailto:mail@dst.dk">mail@dst.dk</a>
Board of Directors	Frédéric Coirier, Chair Gildas Léauté Anni Dressø
Executive Board	Anni Dressø
Auditors	EY Godkendt Revisionspartnerselskab Bavnehøjvej 5, 6700 Esbjerg, Denmark

## **Management's review**

### **Business review**

The primary activity of the Company is service related activities within steel chimneys and other steel constructions.

### **Financial review**

The income statement for 2020/21 shows a profit of DKK 94,168 against a loss of DKK 1,154,261 last year, and the balance sheet at 31 March 2021 shows equity of DKK 2,992,586.

Management considers the Company's financial performance in the year to be as expected.

### **Events after the balance sheet date**

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

### **Outlook**

The Company's activities for 2021/22 are expected to be on a higher level compared to 2020/21 and earnings are expected to be positive.

## Financial statements 1 April 2020 - 31 March 2021

### Income statement

Note	DKK	2020/21	2019/20
	<b>Gross profit</b>	6,663,251	5,169,859
2	Staff costs	-6,443,769	-6,432,825
	Depreciation of property, plant and equipment	-83,575	-224,814
	<b>Profit/loss before net financials</b>	135,907	-1,487,780
3	Financial income	4,280	19,597
	Financial expenses	-17,919	-10,778
	<b>Profit/loss before tax</b>	122,268	-1,478,961
4	Tax for the year	-28,100	324,700
	<b>Profit/loss for the year</b>	94,168	-1,154,261
	 <b>Recommended appropriation of profit/loss</b>		
	Retained earnings/accumulated loss	94,168	-1,154,261
		94,168	-1,154,261



## Financial statements 1 April 2020 - 31 March 2021

### Balance sheet

Note	DKK	<u>2020/21</u>	<u>2019/20</u>
	<b>ASSETS</b>		
	<b>Fixed assets</b>		
5	<b>Property, plant and equipment</b>		
	Fixtures and fittings, other plant and equipment	635,038	63,277
		<u>635,038</u>	<u>63,277</u>
	<b>Total fixed assets</b>	<u>635,038</u>	<u>63,277</u>
	<b>Non-fixed assets</b>		
	<b>Inventories</b>		
	Work in progress	211,124	411,854
		<u>211,124</u>	<u>411,854</u>
	<b>Receivables</b>		
	Trade receivables	517,730	905,833
6	Work in progress for third parties	407,060	434,162
	Receivables from group enterprises	1,185,973	1,192,553
	Deferred tax assets	293,400	321,500
	Other receivables	120,248	5,944
	Prepayments	47,086	6,057
		<u>2,571,497</u>	<u>2,866,049</u>
	<b>Cash</b>	<u>1,129,009</u>	<u>1,159,215</u>
	<b>Total non-fixed assets</b>	<u>3,911,630</u>	<u>4,437,118</u>
	<b>TOTAL ASSETS</b>	<u><u>4,546,668</u></u>	<u><u>4,500,395</u></u>

## Financial statements 1 April 2020 - 31 March 2021

### Balance sheet

Note	DKK	<u>2020/21</u>	<u>2019/20</u>
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	Share capital	500,000	500,000
	Retained earnings	2,492,586	2,398,418
	<b>Total equity</b>	<u>2,992,586</u>	<u>2,898,418</u>
	<b>Liabilities other than provisions</b>		
	<b>Current liabilities other than provisions</b>		
	Bank debt	56,710	11,019
	Trade payables	121,031	86,660
	Other payables	1,376,341	1,504,298
		<u>1,554,082</u>	<u>1,601,977</u>
		<u>1,554,082</u>	<u>1,601,977</u>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>4,546,668</u></u>	<u><u>4,500,395</u></u>

- 1 Accounting policies
- 7 Contractual obligations and contingencies, etc.
- 8 Related parties

**Financial statements 1 April 2020 - 31 March 2021****Statement of changes in equity**

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 April 2020	500,000	2,398,418	2,898,418
Transfer through appropriation of profit	0	94,168	94,168
Equity at 31 March 2021	<u>500,000</u>	<u>2,492,586</u>	<u>2,992,586</u>

The Company's share capital is not divided into several classes.

The Company's share capital has remained DKK 500,000 over the past 5 years.

## Financial statements 1 April 2020 - 31 March 2021

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Dansk Skorstens Teknik A/S for 2020/21 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK).

### Income statement

#### Revenue

Income from the rendering of services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year (percentage-of-completion method).

Contract work in progress is recognised as revenue by reference to the stage of completion. Accordingly, revenue corresponds to the selling price of work performed during the year (the percentage of completion method). When income from a construction contract cannot be estimated reliably, revenue is recognised only corresponding to the costs incurred to the extent that it is probable that they will be recovered.

The stage of completion is determined by reference to the proportion of costs incurred to the latest cost estimate.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

#### Gross profit

The items revenue, change in work in progress, cost of sales, other operating income and external expenses have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

#### Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

#### Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

#### Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

#### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

## Financial statements 1 April 2020 - 31 March 2021

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Fixtures and fittings, other plant and equipment      3-5 years

##### Financial income

Financial income and financial expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

##### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with the parent company. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

##### Balance sheet

##### Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

##### Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct labour and indirect production overheads.

Indirect production overheads include the indirect cost of material and labour as well as maintenance and depreciation of production machinery, buildings and equipment and expenses relating to plant administration and management. Borrowing costs are not recognised in the sales price.

## Financial statements 1 April 2020 - 31 March 2021

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

##### Work in progress for third parties

Service supplies and contract work in progress for third parties are measured at the market value of the work performed less progress billings. The market value is calculated based on the stage of completion at the balance sheet date and the total expected income from the relevant contract. The stage of completion is calculated based on the expenses incurred relative to the expected total expenses relating to the relevant contract.

Where the outcome of contract work in progress cannot be estimated reliably, the market value is measured at the expenses incurred in so far as they are expected to be paid by the purchaser.

Where the total expenses relating to the work in progress are expected to exceed the total market value, the expected loss is recognised as a loss-making agreement under "Provisions" and is expensed in the income statement.

The value of work in progress less progress billings is classified as assets when the selling price exceeds progress billings and as liabilities when progress billings exceed the market value.

##### Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

##### Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

##### Equity

###### *Proposed dividends*

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

## Financial statements 1 April 2020 - 31 March 2021

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

##### Other payables

Other payables are measured at net realisable value.

## Financial statements 1 April 2020 - 31 March 2021

### Notes to the financial statements

DKK	2020/21	2019/20
<b>2 Staff costs</b>		
Wages/salaries	5,370,658	5,559,868
Pensions	323,030	271,080
Other social security costs	157,130	193,963
Other staff costs	592,951	407,914
	6,443,769	6,432,825
 Average number of full-time employees	9	10
 <b>3 Financial income</b>		
Interest receivable, group entities	0	7,123
Other financial income	4,280	12,474
	4,280	19,597
 <b>4 Tax for the year</b>		
Deferred tax adjustments in the year	28,100	-324,700
	28,100	-324,700
 <b>5 Property, plant and equipment</b>		
DKK		Fixtures and fittings, other plant and equipment
Cost at 1 April 2020		1,862,116
Additions		655,336
Disposals		-783,279
Cost at 31 March 2021		1,734,173
Impairment losses and depreciation at 1 April 2020		1,798,839
Depreciation		83,575
Depreciation and impairment of disposals		-783,279
Impairment losses and depreciation at 31 March 2021		1,099,135
Carrying amount at 31 March 2021		635,038
 DKK	2020/21	2019/20
<b>6 Work in progress for third parties</b>		
Selling price of work performed	407,060	434,162
	407,060	434,162
recognised as follows:		
Work in progress for third parties (assets)	407,060	434,162
	407,060	434,162



## Financial statements 1 April 2020 - 31 March 2021

### Notes to the financial statements

#### 7 Contractual obligations and contingencies, etc.

The Company is jointly taxed with its parent, VL Staal a/s, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends.

#### Other financial obligations

The Company has entered rent agreements with a total rent obligation of DKK 261 thousand over a rent period of 18 months.

#### 8 Related parties

##### Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
Poujoulat SA	France	<a href="http://www.poujoulat.fr">www.poujoulat.fr</a>

##### Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

<u>Name</u>	<u>Domicile</u>
VL Staal a/s	Esbjerg, Denmark