



Ropenhagen A/S

Hørskætt 14-16
2630 Taastrup
CVR No. 20039191

Annual report 2020

The Annual General Meeting adopted the
annual report on 15.03.2021

Dan Terkildsen

Chairman of the General Meeting

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Entity details

Entity

Ropenhagen A/S

Hørskættens 14-16

2630 Taastrup

CVR No.: 20039191

Registered office: Høje Taastrup

Financial year: 01.01.2020 - 31.12.2020

Board of Directors

Dan Terkildsen, Chairman

Troels Peter Troelsen

Peter Birk Nielsen, Executive Board

Edwin Adrianus Wilhelmus Jacobus van Steen

Executive Board

Peter Birk Nielsen, adm. dir.

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 Ropenhagen 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 and cash flows 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.

Taastrup, 15.03.2021

Executive Board

Peter Birk Nielsen
adm. dir.

Board of Directors

Dan Terkildsen
Chairman

Troels Peter Troelsen

Peter Birk Nielsen
Executive Board

Edwin Adrianus Wilhelmus Jacobus van Steen

Independent auditor's report

To the shareholders of Ropenhagen A/S

Opinion

We have audited the financial statements of Ropenhagen A/S for the financial year 01.01.2020 - 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement 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 and cash flows 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, 15.03.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

René Carøe Andersen

State Authorised Public Accountant
Identification No (MNE) mne34499

Management commentary

Financial highlights

	2020 DKK'000	2019 DKK'000	2018 DKK'000	2017 DKK'000	2016 DKK'000
Key figures					
Gross profit/loss	30,539	39,273	41,546	32,342	21,242
Operating profit/loss	15,753	17,828	20,435	15,958	6,331
Net financials	(1,284)	376	(19)	866	(1,048)
Profit/loss for the year	11,242	14,149	15,907	13,102	4,096
Total assets	59,331	80,629	73,740	57,169	50,369
Investments in property, plant and equipment	331	20	401	84	352
Equity	27,623	17,482	28,098	23,191	13,986
Ratios					
Return on equity (%)	49.85	62.08	62.03	70.48	33.40
Equity ratio (%)	46.56	21.68	38.10	40.57	27.77

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Return on equity (%):

Profit/loss for the year * 100

Average equity

Equity ratio (%):

Equity * 100

Total assets

Primary activities

The Company's main activity is sale and distribution of steel cables.

Development in activities and finances

The Company realised a profit after tax of DKK 11,242 k. The Company's balance sheet shows total assets of DKK 59,331 k. and equity of DKK 27,623 k.

Uncertainty relating to recognition and measurement

In Management's opinion, the Company's assets, equity and liabilities have been measured correctly.

Unusual circumstances affecting recognition and measurement

No unusual circumstances have occurred which would influence the measurement of the Company's assets, equity and liabilities.

Outlook

Outlook for 2021 is difficult to predict but we have a strong financial position to act if opportunities will occur during a 2021 which will be challenging and exciting to experience.

Particular risks

The fluctuation of interest only has a limited effect on the Company. Exchange rates can influence the Company's commodity prices.

Management expects stable but stagnant commodity prices in 2021.

Environmental performance

The Company has no manufacturing facilities in Denmark.

Research and development activities

The Company has no research and development activities.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, other than described under Outlook, which would influence the evaluation of this annual report.

Income statement for 2020

	Notes	2020 DKK	2019 DKK
Gross profit/loss	1	30,538,627	39,272,982
Distribution costs		(579,813)	(1,312,508)
Administrative expenses		(14,206,155)	(20,132,300)
Operating profit/loss		15,752,659	17,828,174
Other financial income		415,197	1,711,090
Other financial expenses		(1,698,976)	(1,335,440)
Profit/loss before tax		14,468,880	18,203,824
Tax on profit/loss for the year	4	(3,227,272)	(4,054,787)
Profit/loss for the year	5	11,241,608	14,149,037

Balance sheet at 31.12.2020

Assets

	Notes	2020 DKK	2019 DKK
Plant and machinery		491,657	392,236
Other fixtures and fittings, tools and equipment		16,071	21,989
Property, plant and equipment	6	507,728	414,225
Deposits		1,054,498	1,030,065
Financial assets	7	1,054,498	1,030,065
Fixed assets		1,562,226	1,444,290
Manufactured goods and goods for resale		27,770,767	50,656,791
Prepayments for goods		173,629	152,618
Inventories		27,944,396	50,809,409
Trade receivables		28,666,669	22,105,000
Deferred tax	8	28,000	38,000
Other receivables		20,504	298,727
Receivables		28,715,173	22,441,727
Cash		1,109,702	5,933,725
Current assets		57,769,271	79,184,861
Assets		59,331,497	80,629,151

Equity and liabilities

	Notes	2020 DKK	2019 DKK
Contributed capital	9	3,000,000	3,000,000
Retained earnings		22,623,274	14,481,666
Proposed dividend		2,000,000	0
Equity		27,623,274	17,481,666
Other payables		387,470	113,222
Non-current liabilities other than provisions		387,470	113,222
Bank loans		10,837,741	31,847,826
Prepayments received from customers		216,667	185,218
Trade payables		18,444,319	15,465,230
Tax payable		617,272	3,063,808
Other payables		1,204,754	12,472,181
Current liabilities other than provisions		31,320,753	63,034,263
Liabilities other than provisions		31,708,223	63,147,485
Equity and liabilities		59,331,497	80,629,151
Staff costs	2		
Amortisation, depreciation and impairment losses	3		
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Unrecognised rental and lease commitments	12		
Assets charged and collateral	13		

Statement of changes in equity for 2020

	Contributed capital DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	3,000,000	14,481,666	0	17,481,666
Extraordinary dividend paid	0	(1,100,000)	0	(1,100,000)
Profit/loss for the year	0	9,241,608	2,000,000	11,241,608
Equity end of year	3,000,000	22,623,274	2,000,000	27,623,274

Cash flow statement for 2020

	Notes	2020 DKK	2019 DKK
Operating profit/loss		15,752,659	17,828,174
Amortisation, depreciation and impairment losses		187,296	184,894
Working capital changes	10	8,574,495	(3,689,583)
Cash flow from ordinary operating activities		24,514,450	14,323,485
Financial income received		415,197	1,711,090
Financial expenses paid		(1,698,976)	(1,335,440)
Taxes refunded/(paid)		(5,663,810)	(4,815,544)
Cash flows from operating activities		17,566,861	9,883,591
Acquisition etc of intangible assets		0	(19,800)
Acquisition etc of property, plant and equipment		(330,800)	0
Sale of fixed asset investments		50,000	0
Cash flows from investing activities		(280,800)	(19,800)
Free cash flows generated from operations and investments before financing		17,286,061	9,863,791
Dividend paid		(1,100,000)	(24,765,494)
Cash flows from financing activities		(1,100,000)	(24,765,494)
Increase/decrease in cash and cash equivalents		16,186,061	(14,901,703)
Cash and cash equivalents beginning of year		(25,914,100)	(11,012,397)
Cash and cash equivalents end of year		(9,728,039)	(25,914,100)
Cash and cash equivalents at year-end are composed of:			
Cash		1,109,702	5,933,725
Short-term debt to banks		(10,837,741)	(31,847,825)
Cash and cash equivalents end of year		(9,728,039)	(25,914,100)

Notes

1 Gross profit/loss

As a result of Covid-19, the company has been entitled to receive wage compensation for employees, which is recognized under other operating income of DKK 251 k.

2 Staff costs

	2020 DKK	2019 DKK
Wages and salaries	8,539,038	14,317,170
Pension costs	84,532	99,036
Other social security costs	462,678	435,802
	9,086,248	14,852,008
Average number of full-time employees	14	13

	Remuneration of management 2020 DKK	Remuneration of management 2019 DKK
Total amount for management categories	2,192,603	8,245,783
	2,192,603	8,245,783

3 Depreciation, amortisation and impairment losses

	2020 DKK	2019 DKK
Depreciation of property, plant and equipment	237,295	184,894
Profit/loss from sale of intangible assets and property, plant and equipment	(50,000)	0
	187,295	184,894

4 Tax on profit/loss for the year

	2020 DKK	2019 DKK
Current tax	3,217,272	4,065,787
Change in deferred tax	10,000	(11,000)
	3,227,272	4,054,787

5 Proposed distribution of profit and loss

	2020 DKK	2019 DKK
Ordinary dividend for the financial year	2,000,000	0
Extraordinary dividend distributed in the financial year	1,100,000	22,765,494
Retained earnings	8,141,608	(8,616,457)
	11,241,608	14,149,037

6 Property, plant and equipment

	Plant and machinery DKK	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	2,814,327	1,805,782
Additions	330,800	0
Disposals	(600,000)	0
Cost end of year	2,545,127	1,805,782
Depreciation and impairment losses beginning of year	(2,422,091)	(1,783,793)
Depreciation for the year	(231,379)	(5,918)
Reversal regarding disposals	600,000	0
Depreciation and impairment losses end of year	(2,053,470)	(1,789,711)
Carrying amount end of year	491,657	16,071

7 Financial assets

	Deposits DKK
Cost beginning of year	1,030,065
Additions	24,433
Cost end of year	1,054,498
Carrying amount end of year	1,054,498

8 Deferred tax

	2020 DKK	2019 DKK
Changes during the year		
Beginning of year	38,000	27,000
Recognised in the income statement	(10,000)	11,000
End of year	28,000	38,000

9 Share capital

	Number	Par value DKK	Nominal value DKK
A-shares	3,000	1000	3,000,000
	3,000		3,000,000

10 Changes in working capital

	2020 DKK	2019 DKK
Increase/decrease in inventories	22,865,013	(6,437,332)
Increase/decrease in receivables	(6,307,878)	5,315,031
Increase/decrease in trade payables etc	(7,982,640)	(2,567,282)
	8,574,495	(3,689,583)

11 Financial instruments

The company has signed currency futures contracts as per 31 December 2020 has a negative fair value of DKK 514 k. Currency futures contracts have been signed to hedge the currency risk on trade payables in USD for a total of 875 k. Currency futures contracts have been signed with Spar Nord Bank and have a maturity of 8-10 months.

12 Unrecognised rental and lease commitments

	2020 DKK	2019 DKK
Liabilities under rental or lease agreements until maturity in total	1,825,496	2,443,909

13 Assets charged and collateral

Bank debt is secured by way of registered company charge of DKK 40,000 k.

Guarantees have been provided for DKK 20,125 k.

Accounting policies

Reporting class

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

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.

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 rate 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. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, production costs and other operating income.

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 is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Production costs

Production costs comprise cost of sales for the financial year, including ordinary writedown of inventories and other costs incurred to earn revenue for the financial year, including wages and salaries and amortisation, depreciation and impairment losses relating to and property, plant and equipment.

Distribution costs

Distribution costs comprise costs incurred for sale and distribution of the Entity's products, including wages and salaries for sales staff, advertising costs, travelling and entertainment expenses, etc, and amortisation, depreciation and impairment losses relating to property, plant and equipment involved in the distribution process.

Administrative expenses

Administrative expenses comprise expenses incurred for the Entity's administrative functions, including wages and salaries for administrative staff and Management, stationery and office supplies, and amortisation, depreciation and impairment losses relating to property, plant and equipment used for administration of the Entity.

Other operating income

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

Other financial income

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

Other financial expenses

Other financial expenses comprise interest expenses, net capital losses on payables and transactions in foreign currencies, amortisation of financial liabilities as well as 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.

The Entity is jointly taxed with Birk Nielsen ApS. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Property, plant and equipment**

Other fixtures and fittings, tools and equipment 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
Other fixtures and fittings, tools and equipment	3-5 years

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

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.

Receivables

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

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.

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. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Operating 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.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Tax receivable or payable

Current tax receivable or payable is recognised in the balance sheet, stated as tax computed 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 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, repayments of interest-bearing debt and payment of dividend.

Cash and cash equivalents comprise cash and short-term bank loans.