



ETK EMS SKANDERBORG A/S

Industrivej 45
Stilling
8660 Skanderborg

CVR no. 20 17 72 84

ANNUAL REPORT FOR 2019/20

(24. Financial year)



Adopted at the annual general
meeting on
26. november 2020

chairman

TABLE OF CONTENTS

| | Page |
|--|-------------|
| Statements | |
| Statement by management on the annual report | 1 |
| Independent auditor's report | 2 |
| Management's review | |
| Company details | 5 |
| Financial highlights | 6 |
| Management's review | 7 |
| Financial statements | |
| Accounting policies | 9 |
| Income statement 1 July - 30 June | 14 |
| Balance sheet 30 June | 15 |
| Statement of changes in equity | 17 |
| Cash flow statement 1 July - 30 June | 18 |
| Notes to the annual report | 19 |

STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The supervisory and executive boards have today discussed and approved the annual report of ETK EMS Skanderborg A/S for the financial year 1 July 2019 - 30 June 2020.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 30 June 2020 and of the results of the company's operations and cash flows for the financial year 1 July 2019 - 30 June 2020.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Stilling, 26 November 2020

Executive board

Thomas Vinter
President

Supervisory board

Thomas Vinter

Torben Drejer

Steen Tygesen

INDEPENDENT AUDITOR'S REPORT

To the shareholders of ETK EMS Skanderborg A/S

Opinion

We have audited the financial statements of ETK EMS Skanderborg A/S for the financial year 1 July 2019 - 30 June 2020, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement, notes and summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 30 June 2020 and of the results of the company's operations and cash flows for the financial year 1 July 2019 - 30 June 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 the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on management's review

Management is responsible for management's review.

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

INDEPENDENT AUDITOR'S REPORT

In connection with our audit of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

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

Skanderborg, 26 November 2020

ADVOSION

statsautoriseret revisionspartnerselskab
CVR no. 37 55 70 64

Ole Christensen
State Authorised Public Accountant
MNE no. mne3602

Henrik Hansen
State Authorised Public Accountant
MNE no. mne21336

COMPANY DETAILS

| | |
|--------------------------|---|
| The company | ETK EMS Skanderborg A/S Industrivej 45 Stilling 8660 Skanderborg |
| | CVR no.: 20 17 72 84 |
| | Reporting period: 1 July 2019 - 30 June 2020 |
| | Domicile: Skanderborg |
| Supervisory board | Thomas Vinter Torben Drejer Steen Tygesen |
| Executive board | Thomas Vinter, President |
| Auditors | ADVOSION statsautoriseret revisionspartnerselskab Kristiansvej 13 8660 Skanderborg |

FINANCIAL HIGHLIGHTS

Seen over a 5-year period, the development of the Company may be described by means of the following financial highlights:

| | 2019/20 | 2018/19 | 2017/18 | 2016/17 | 2015/16 |
|-----------------------------------|---------|---------|---------|---------|---------|
| | T.EUR | T.EUR | T.EUR | T.EUR | T.EUR |
| Key figures | | | | | |
| Gross profit/loss | 5,341 | 5,528 | 4,542 | 4,947 | 4,812 |
| Profit/loss before net financials | 1,015 | 854 | 663 | 557 | 663 |
| Profit/loss for the year | 739 | 668 | 545 | 415 | 374 |
| Balance sheet total | 9,874 | 10,693 | 14,400 | 14,073 | 16,631 |
| Equity | 3,347 | 2,603 | 4,085 | 4,086 | 5,014 |
| Number of employees | 76 | 83 | 72 | 84 | 82 |
| Financial ratios | | | | | |
| Return on assets | 9.9% | 6.8% | 4.7% | 3.6% | 4.1% |
| Solvency ratio | 33.9% | 24.3% | 28.4% | 29.0% | 30.1% |
| Return on equity | 24.8% | 20.0% | 13.3% | 9.1% | 7.7% |

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see the summary of significant accounting policies.

MANAGEMENT'S REVIEW

Business review

The year's activity, similar to previous years, has consisted of fabrication of and trading in electronic equipment and expertise concerning such.

Financial review

The company's income statement for the year ended 30 June 2020 shows a profit of EUR 739,335, and the balance sheet at 30 June 2020 shows equity of EUR 3,346,635.

The financial year 2019/20 have been yet another successful year for ETK EMS Skanderborg A/S where the result have been very satisfactory for the shareholders.

The result for 2019/20 followed the trend from previous years and ETK EMS Group have continuously shown capability to make profit on the activity level provided by our global customers.

The world and the market have for sure shown to be changeable and unpredictable and the need for fast changes and adaption have become imperative. ETK EMS have really had benefit of the long-term transformation into a strong digitalized company. ETK EMS started 20 years ago to digitalize the cooperation downstream towards our suppliers and in the last decade, it have been upstream towards the customers. The last few years the digitalization and AI have been top focus in the production environment.

Our set-up with global back office in Thailand have during the last year been extended to even further assignments especially within global robotics programming and now the back office is covering majority of the daily tasks to run an EMS site overseas. Tasks strongly supported by high intensive digitalization.

Early 2019 ETK EMS Skanderborg won the price for being best company in the region participating in setting a local footprint and simultaneous being able to develop and secure the company for further growth. We have been proud to carry this honor for the entire year and hope we can achieve same recognition in the other regions where we are present.

During the last year, we have extended our investment in the global Key Account management team. New customers have signed contracts and business especially within Medico, Food and IoT have had strong development. Growth in these segments have had extraordinary positive effect to all the Danish sites.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

MANAGEMENT'S REVIEW

Expected development of the company, including specific prerequisites and uncertainties

After the first quarter of financial year, 2020/21 the expectation is to reach a result in the level of previous years. The first quarter of 2020/21 have actually been the strongest ever at our Danish sites.

ETK EMS Group expect result for 2020/21 to be in line with the previous years and by that very satisfactory to the shareholders.

Impact on the external environment and measures taken to prevent, reduce or mitigate damage

ETK EMS daily global CO₂ emissions decreased by -8% (180 ton) during last year especial supported by the Intelligent Power Control. The target is to reduce CO₂ emissions additional by 22% towards 2025 to reach the “30% in 5 years” target set by management.

Corporate social responsibility

The 17 sustainable development goals set by UN continue to be part of the agenda on activities internal as well as towards suppliers and customers. This year our CSR program have extended so ETK EMS Group have become “family” member of the organization KidsAid. An organization supporting sick kids and their families so they can forget about their situation just for a short while.

ACCOUNTING POLICIES

The annual report of ETK EMS Skanderborg A/S for 2019/20 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied are consistent with those of last year.

The annual report for 2019/20 is presented in EUR

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Revenue

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

ACCOUNTING POLICIES

Income from services, comprising service contracts and extended warranties relating to products and contracts sold is recognised on a straight-line basis as the services are provided.

Raw materials and consumables

Costs of raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

Other external expenses

Other external expenses include expenses related 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 pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

Balance sheet

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

ACCOUNTING POLICIES

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Depreciation is provided on the basis of the following estimated useful lives of the assets:

| | Useful life | Residual value |
|--|-------------|----------------|
| Other fixtures and fittings, tools and equipment | 3-8 years | 0 % |
| Leasehold improvements | 5 years | 0 % |

Assets costing less than EUR 1,892 are expensed in the year of acquisition.

The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

Gains or losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses, respectively.

Stocks

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

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

Impairment of fixed assets

The carrying amount of intangible assets, items of property, plant and equipment and investments in subsidiaries, associates and participating interests is tested annually for impairment, other than what is reflected through normal amortisation and depreciation.

Receivables

Receivables are measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

ACCOUNTING POLICIES

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the net proceeds and the nominal value is recognised in the income statement over the term of the loan.

Mortgage debt is thus measured at amortised cost, which for cash loans corresponds to the outstanding debt. For bond loans, amortised cost corresponds to an outstanding debt calculated as the underlying cash value of the loan at the time of borrowing, adjusted by amortisation of the value adjustment of the loan at the time of borrowing.

Other liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Cash flow statement

The cash flow statement shows the company's cash flows for the year, broken down under cash flows from operating, investing and financing activities, the year's changes in cash and cash equivalents and the company's cash and cash equivalents at the beginning and at the end of the year.

ACCOUNTING POLICIES

The cash flow effect of additions and disposals of entities is shown separately under cash flows from investing activities. The cash flow statement includes cash flows from acquired entities from the time of acquisition, and cash flows from sold entities are included until the date of sale.

Cash flows from operating activities

Cash flows from operating activities are stated as the company's profit or loss for the year, adjusted for non-cash operating items, changes in working capital and paid income taxes. Dividend income from investments is recognised under 'Interest income and dividend received'.

Cash flows from investing activities

Cash flows from investing activities comprise payments related to the acquisition and sale of entities and activities as well as intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the company's share capital and related costs, as well as the raising of loans, repayment of interest-bearing debt and payment of dividends to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Financial highlights

Definitions of financial ratios.

| | |
|------------------|---|
| Return on assets | $\frac{\text{Profit/loss before financials} \times 100}{\text{Average assets}}$ |
| Equity ratio | $\frac{\text{Equity excl. non-controlling interests, end of year} \times 100}{\text{Total liabilities, end of year}}$ |
| Return on equity | $\frac{\text{Profit/loss for analysis purposes} \times 100}{\text{Average equity excl. non-controlling interests}}$ |

INCOME STATEMENT 1 JULY - 30 JUNE

| | <u>Note</u> | <u>2019/20</u> EUR | <u>2018/19</u> EUR |
|--|-------------|-----------------------|-----------------------|
| Gross profit | | 5,340,734 | 5,528,426 |
| Staff costs | 1 | <u>-4,259,767</u> | <u>-4,576,549</u> |
| Profit/loss before amortisation/depreciation and impairment losses | | 1,080,967 | 951,877 |
| Depreciation, amortisation and impairment of intangible assets and property, plant and equipment | 2 | <u>-65,709</u> | <u>-97,875</u> |
| Profit/loss before net financials | | 1,015,258 | 854,002 |
| Financial income | 3 | 85,143 | 276,880 |
| Financial costs | 4 | <u>-152,375</u> | <u>-273,514</u> |
| Profit/loss before tax | | 948,026 | 857,368 |
| Tax on profit/loss for the year | 5 | <u>-208,691</u> | <u>-189,502</u> |
| Profit/loss for the year | | <u>739,335</u> | <u>667,866</u> |
| Extraordinary dividend for the year | | 0 | 2,143,680 |
| Retained earnings | | <u>739,335</u> | <u>-1,475,814</u> |
| | | <u>739,335</u> | <u>667,866</u> |

BALANCE SHEET 30 JUNE

| | Note | 2020 EUR | 2019 EUR |
|--|------|------------------|-------------------|
| Assets | | | |
| Other fixtures and fittings, tools and equipment | | 122,162 | 160,855 |
| Leasehold improvements | | 0 | 3,018 |
| Tangible assets | 6 | 122,162 | 163,873 |
| Deposits | | 181,230 | 180,960 |
| Fixed asset investments | | 181,230 | 180,960 |
| Total non-current assets | | 303,392 | 344,833 |
| Raw materials and consumables | | 3,330,848 | 3,067,697 |
| Finished goods and goods for resale | | 1,773,548 | 2,156,390 |
| Stocks | | 5,104,396 | 5,224,087 |
| Trade receivables | | 1,532,935 | 2,885,066 |
| Receivables from group entities | | 2,769,744 | 2,030,739 |
| Other receivables | | 0 | 176,122 |
| Deferred tax asset | | 29,765 | 31,717 |
| Prepayments | | 36,901 | 181 |
| Receivables | | 4,369,345 | 5,123,825 |
| Cash at bank and in hand | | 97,240 | 0 |
| Total current assets | | 9,570,981 | 10,347,912 |
| Total assets | | 9,874,373 | 10,692,745 |

BALANCE SHEET 30 JUNE

| | Note | 2020 EUR | 2019 EUR |
|---|------|------------------|-------------------|
| Equity and liabilities | | | |
| Share capital | | 179,801 | 179,533 |
| Retained earnings | | 3,166,834 | 2,423,876 |
| Equity | | 3,346,635 | 2,603,409 |
| Other payables | | 348,689 | 0 |
| Total non-current liabilities | 7 | 348,689 | 0 |
| Banks | | 631,555 | 1,318,666 |
| Trade payables | | 1,503,783 | 1,635,786 |
| Payables to group entities | | 2,963,015 | 4,212,834 |
| Corporation tax | | 206,692 | 190,341 |
| Other payables | | 874,004 | 731,709 |
| Total current liabilities | | 6,179,049 | 8,089,336 |
| Total liabilities | | 6,527,738 | 8,089,336 |
| Total equity and liabilities | | 9,874,373 | 10,692,745 |
| Mortgages and collateral | 8 | | |
| Related parties and ownership structure | 9 | | |

STATEMENT OF CHANGES IN EQUITY

| | Share capital | Retained earnings | Total |
|-------------------------------|----------------|-------------------|------------------|
| Equity at 1 July 2019 | 179,533 | 2,423,876 | 2,603,409 |
| Exchange adjustments | 268 | 3,623 | 3,891 |
| Net profit/loss for the year | 0 | 739,335 | 739,335 |
| Equity at 30 June 2020 | 179,801 | 3,166,834 | 3,346,635 |

CASH FLOW STATEMENT 1 JULY - 30 JUNE

| | Note | 2019/20 EUR | 2018/19 EUR |
|--|------|------------------|-------------------|
| Net profit/loss for the year | | 739,335 | 667,866 |
| Adjustments | 10 | 345,939 | 277,922 |
| Change in working capital | 11 | -18,619 | 4,833,926 |
| Cash flows from operating activities before financial income and expenses | | 1,066,655 | 5,779,714 |
| Interest income and similar income | | 85,143 | 276,880 |
| Interest expenses and similar charges | | -152,375 | -273,514 |
| Cash flows from ordinary activities | | 999,423 | 5,783,080 |
| Corporation tax paid | | -190,388 | -156,068 |
| Cash flows from operating activities | | 809,035 | 5,627,012 |
| Purchase of property, plant and equipment | | -24,684 | -117,686 |
| Cash flows from investing activities | | -24,684 | -117,686 |
| Dividend paid | | 0 | -2,143,680 |
| Cash flows from financing activities | | 0 | -2,143,680 |
| Change in cash and cash equivalents | | 784,351 | 3,365,646 |
| Cash at bank and in hand | | 0 | 43,346 |
| Overdraft facility | | -1,318,666 | -4,727,658 |
| Cash and cash equivalents | | -1,318,666 | -4,684,312 |
| Cash and cash equivalents | | -534,315 | -1,318,666 |
| Analysis of cash and cash equivalents: | | | |
| Cash at bank and in hand | | 97,240 | 0 |
| Overdraft facility | | -631,555 | -1,318,666 |
| Cash and cash equivalents | | -534,315 | -1,318,666 |

NOTES

| | 2019/20 | 2018/19 |
|---|------------------|------------------|
| | EUR | EUR |
| 1 Staff costs | | |
| Wages and salaries | 3,871,106 | 4,176,659 |
| Pensions | 304,771 | 321,072 |
| Other social security costs | 83,890 | 78,818 |
| | 4,259,767 | 4,576,549 |
| | 76 | 83 |
| 2 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment | | |
| Depreciation tangible assets | 67,185 | 97,875 |
| Gain/loss on disposal | -1,476 | 0 |
| | 65,709 | 97,875 |
| 3 Financial income | | |
| Interest received, group entities | 79,212 | 249,838 |
| Other financial income | 5,931 | 27,042 |
| | 85,143 | 276,880 |
| 4 Financial costs | | |
| Financial expenses, group entities | 139,049 | 176,873 |
| Other financial costs | 13,326 | 96,641 |
| | 152,375 | 273,514 |

NOTES

| | 2019/20 EUR | 2018/19 EUR |
|--|---|-----------------------------|
| 5 Tax on profit/loss for the year | | |
| Current tax for the year | 206,692 | 190,341 |
| Deferred tax for the year | 1,952 | -839 |
| Exchange adjustment deferred tax | 47 | 0 |
| | 208,691 | 189,502 |
| | 208,691 | 189,502 |
| 6 Tangible assets | | |
| | Other fixtures and fittings, tools and equip- ment | Leasehold im- provements |
| Cost at 1 July 2019 | 2,599,146 | 15,090 |
| Exchange adjustment | 3,880 | 22 |
| Additions for the year | 24,684 | 0 |
| Disposals for the year | -32,203 | 0 |
| Cost at 30 June 2020 | 2,595,507 | 15,112 |
| Impairment losses and depreciation at 1 July 2019 | 2,438,291 | 12,072 |
| Exchange adjustment | 3,094 | 18 |
| Depreciation for the year | 64,163 | 3,022 |
| Reversal of impairment and depreciation of sold assets | -32,203 | 0 |
| Impairment losses and depreciation at 30 June 2020 | 2,473,345 | 15,112 |
| Carrying amount at 30 June 2020 | 122,162 | 0 |

NOTES

7 Long term debt

| | Debt at 1 July 2019 | Debt at 30 June 2020 | Instalment next year | Debt outstan- ding after 5 years |
|----------------|------------------------|-------------------------|-------------------------|--|
| Other payables | 0 | 348,689 | 0 | 0 |
| | 0 | 348,689 | 0 | 0 |

8 Mortgages and collateral

A company mortgage has been established for EUR 2 million to the benefit of financial institutions. A general floating charge has also been established as security for bank debt of ETK EMS Frederikssund A/S.

The company has entered into a financial leasing contract concerning the leasing of plant and machinery. The leasing commitment comprises in total EUR 390.070.

The company is jointly and severally liable for tax on consolidated taxable income and dividend tax. The total amount of income tax payable etc. is shown in the annual report for Javitek ApS, which is the management company in relation to the joint taxation.

The company has issued a payment guarantee of EUR 67,090 in favour of a trading partner.

9 Related parties and ownership structure

Controlling interest

Closely related parties with determining influence comprise the parent company of ETK EMS Group ApS, Industrivej 45, Stilling, DKK-8660 Skanderborg and Javitek ApS, Karlslundvej 7, DKK-8330 Beder, which prepares the group accounts on which ETK EMS Skanderborg A/S is included as a subsidiary.

Other related parties

Closely related parties with significant influence comprise ETK EMS Properties ApS, Hakuna Matata ApS, ETK EMS Frederikssund A/S and ETK EMS Asia Produktions Ltd. as well as the boards and senior management.

NOTES

| | <u>2019/20</u> | <u>2018/19</u> |
|---|-----------------------|-------------------------|
| | EUR | EUR |
| 10 Cash flow statement - adjustments | | |
| Financial income | -85,143 | -276,880 |
| Financial costs | 152,375 | 273,514 |
| Depreciation, amortisation and impairment losses | 65,709 | 97,875 |
| Tax on profit/loss for the year | 208,691 | 189,502 |
| Other adjustments | 4,307 | -6,089 |
| | <u>345,939</u> | <u>277,922</u> |
| | | |
| 11 Cash flow statement - change in working capital | | |
| Change in inventories | 119,691 | -1,451,416 |
| Change in receivables | 752,528 | 5,135,691 |
| Change in trade payables, etc. | -890,838 | 1,149,651 |
| | <u>-18,619</u> | <u>4,833,926</u> |

Dette dokument er underskrevet af nedenstående parter, der med deres underskrift har bekræftet dokumentets indhold samt alle datoer i dokumentet.

This document is signed by the following parties with their signatures confirming the documents content and all dates in the document.

Thomas Vinter

Som Direktør NEM ID
PID: 9208-2002-2-269732078202
Tidspunkt for underskrift: 30-11-2020 kl.: 15:30:44
Underskrevet med NemID

Thomas Vinter

Som Bestyrelsesmedlem NEM ID
PID: 9208-2002-2-269732078202
Tidspunkt for underskrift: 30-11-2020 kl.: 15:30:44
Underskrevet med NemID

Torben Drejer

Som Bestyrelsesformand NEM ID
PID: 9208-2002-2-524227610479
Tidspunkt for underskrift: 30-11-2020 kl.: 16:12:02
Underskrevet med NemID

Steen Thy Tygesen

Som Bestyrelsesmedlem NEM ID
PID: 9208-2002-2-096572777608
Tidspunkt for underskrift: 01-12-2020 kl.: 16:19:29
Underskrevet med NemID

Henrik Hansen

Som Revisor NEM ID
RID: 80810872
Tidspunkt for underskrift: 02-12-2020 kl.: 08:54:57
Underskrevet med NemID

Ole Christensen

Som Revisor NEM ID
RID: 80351951
Tidspunkt for underskrift: 01-12-2020 kl.: 16:34:13
Underskrevet med NemID

Thomas Vinter

Som Dirigent NEM ID
PID: 9208-2002-2-269732078202
Tidspunkt for underskrift: 02-12-2020 kl.: 13:49:34
Underskrevet med NemID

This document is signed with esignatur. Embedded in the document is the original agreement document and a signed data object for each signatory. The signed data object contains a mathematical hash value calculated from the original agreement document, which secures that the signatures is related to precisely this document only. Prove for the originality and validity of signatures can always be lifted as legal evidence.

The document is locked for changes and all cryptographic signature certificates are embedded in this PDF. The signatures therefore comply with all public recommendations and laws for digital signatures. With esignatur's solution, it is ensured that all European laws are respected in relation to sensitive information and valid digital signatures. If you would like more information about digital documents signed with esignatur, please visit our website at www.esignatur.dk.

This document has esignatur Agreement-ID: 0847864eSup241124369