Chrispa ApS

Jernbanegade 27, 6000 Kolding

CVR-no. 20 47 23 91

Annual report 2020/21

Approved at the Company's annual general meeting on 11 August 2021

Chair of the meeting:

....
Mads Pauli Ringkjøbing-Christiansen

Building a better
working world

Contents

Statement by Management on the annual report

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Chrispa ApS for the financial year 1 May 2020 – 30 April 2021.

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

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 30 April 2021 and of the results of the Group's and the Parent Company's operations and the consolidated cash flows for the financial year 1 May 2020 – 30 April 2021.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's operations and financial matters and the results of the Group's and the Parent Company's operations and financial position.

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

Kolding, 11 August 2021
Executive Board:

Mads Pauli Ringkjøbing-Christiansen
CEO

Board of Directors:

Lars Pauli Christiansen Chairman	Tine Bøwadt Christiansen	Mads Pauli Ringkjøbing-Christiansen

Jette Bøwadt Christiansen

Independent auditor's report

To the shareholders of Chrispa ApS

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Chrispa ApS for the financial year 1 May 2020 – 30 April 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for both the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 30 April 2021 and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 May 2020 – 30 April 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 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 consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "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 Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and 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 consolidated financial statements and parent company 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 Group's and the Parent 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 Group or the Parent 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 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.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and 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 Group's and the Parent 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 Group's and the Parent 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 Group and the Parent 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Independent auditor's report

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 Statements Act. We did not identify any material misstatement of the Management's review.

Aabenraa, 11 August 2021
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Jon Midtgaard
State Authorised
Public Accountant
mne28657

Management's review

Company details

Name	Chrispa ApS
Address, zip-code, city	Jernbanegade 27, 6000 Kolding, Denmark
CVR no.	20 47 23 91
Established	19 November 1997
Registered office	Kolding
Financial year	1 May – 30 April
Telephone	+45 61 46 16 26
Board of Directors	Lars Pauli Christiansen, Chairman Tine Bøwadt Christiansen Mads Pauli Ringkjøbing-Christiansen Jette Bøwadt Christiansen
Executive Board	Mads Pauli Ringkjøbing-Christiansen
Auditor	EY Godkendt Revisionspartnerselskab Skibbroen 16, 6200 Aabenraa, Denmark

Management's review

Financial highlights

DKK'000	2020/21	2019/20	2018/19	2017/18	2016/2017
Key figures					
Revenue	367,098	341,647	327,153	323,999	273,293
Gross profit	114,670	88,741	72,444	77,614	54,883
Profit from ordinary activities	74,111	47,746	30,715	35,288	13,207
Profit/loss from financial income and expenses, net	42,273	-2,940	7,041	-2,360	7,384
Profit before tax	115,839	43,118	35,763	32,929	15,616
Profit for the year	**98,612**	**33,462**	**27,693**	**25,695**	**11,300**
Non-current assets	129,386	145,413	143,607	156,126	175,363
Current assets	330,634	230,181	226,749	212,491	182,959
Total assets	460,020	375,594	370,356	368,617	358,322
Share capital	1,000	1,000	1,000	1,000	1,000
Equity	**374,331**	**290,214**	**272,280**	**255,927**	**236,803**
Provisions	11,828	13,933	18,299	21,254	23,023
Non-current liabilities	13,223	20,044	17,096	19,023	20,946
Cash Flow					
Cash flows from operating activities	66,932	68,482	50,988	39,258	48,013
Cash flows from investing activities	-31,924	-20,025	-36,457	-8,026	-32,075
Portion relating to investments in items of property, plant and machinery	-3,955	-4,377	-5,489	-6,282	-7,534
Cash flows from financing activities	-16,437	-17,459	-12,552	-8,669	-7,350
Total cash flows	18,571	30,998	1,979	22,563	8,588
Development costs for the year	32,633	35,260	32,607	35,437	28,255
Development costs for the year recognised in the income statement	36,657	40,742	44,682	35,359	30,181
Financial ratios					
Growth	7.4%	4.4%	1.0%	18.6%	5.6%
Operating margin	20.2%	14.0%	9.4%	10.9%	4.8%
PBT ratio	31.6%	12.6%	10.9%	10.2%	5.7%
Return on invested capital	39.6%	24.7%	15.3%	17.0%	6.1%
Return on investment	30.5%	19.2%	11.7%	13.1%	4.9%
Gross margin	31.2%	26.0%	22.1%	24.0%	20.1%
Current ratio	545.3%	447.8%	361.8%	293.4%	235.9%
Solvency ratio	81.4%	77.3%	73.5%	62.8%	61.5%
Return on equity	28.8%	10.6%	9.7%	9.5%	4.5%
Average number of full-time employees	**150**	**153**	**160**	**155**	**158**

Financial ratios are calculated in accordance with the recommendations of the Danish Finance Society's guidelines.

Management's review

Operating review

Principal activity

Chrispa ApS is the parent company of OJ Electronics A/S, whose activities comprise development, manufacturing and distribution of control, regulation and monitoring electronic solutions and components for the improvement of the physical environment and human comfort. Activities are electronic control systems and components for electric underfloor heating and electronic control systems and drives for the HVAC industry.

In addition, Chrispa ApS is an investment company, which invests broadly in securities, real estate and businesses.

Development in activities and financial position

Profit after tax for the year is DKK 98.1 million. The Group's equity at 30 April 2021 is DKK 374.3 million. The performance for the year is overall satisfactory.

OJ Electronics A/S:

OJ Electronics has generated a revenue of DKK 367 million. The growth was 7.4%against last year's revenue. Growth was achieved through a strong development at some of the larger customers of the OJ Electronics and through new customers. Towards the end of the year OJ Electronics was favoured by a strong growth in demand on the back of the Covid-19 decline. OJ Electronics still sees growth as a result of investments and co-creation with our customers in development of leading products and solutions for the market. The current investment rate is in balance with the overall growth of the company. On a continuous basis, OJ Electronics invests in selecting and exchanging components and solutions in order to optimize the competitiveness of the company. These activities have been intensified through the year and have resulted in an increase in the gross margin. Processes and procedures are optimized through designated initiatives in order to stay competitive. Reluctance in cost spending has reduced the overall fixed cost for OJ Electronics as some activities and expenditures were reduced due to Covid-19. The Profit from ordinary activities is DKK 77 million equivalent to an Operating margin of 20.9% This is an increase compared to last year where Operating margin was 14.6% The result for the year is a profit of DKK 58 million, which is an increase, compared to last year at DKK 19 million.

We focus on energy-efficient products and an increased demand for products supporting cross system optimizations and connectivity. A large part of the products contain functionality for use in connection with or over the Internet. High comfort remains a focus point with market adaptation of the product specifications.

OJ Electronics has invested in extensive product developments. Products are based on specific customers and market expectations and have resulted in a number of platforms that will form the framework for more products in the coming years.

OJ Electronics invests in improved operating processes and manufacturing and has a strong supplier base under continuous improvement. The investments strengthens the profit and reduces risk in the coming years.

Management's review

Investment activity:

The Parent Company, Chrispa ApS, is continuously working on expanding its portfolio of investments in securities, real estate and businesses.

In the financial year 2020/21, an amount of DKK 6.7 million was invested in unlisted businesses. The Company's total investments (carrying amount) of securities, shares in associates/other shares and real estate amount to DKK 206.4 million as of 30 April 2021. In addition, the Company has cash and cash equivalents of DKK 19.6 million.

The parent company realised in the financial year 2020/21 a gain of DKK 31.1 million from sale of shares in Controlled Polymers Holding ApS. This gain is recognised under financial income.

Return on invested capital in the form of financial items and impairment write-downs implied an accounting profit of DKK 45.4 million, partly based on cost. The results are considered satisfactory.

Capital resources

The Group's primary capital resources comprise liquid assets and unutilized credit facilities. Current capital resources are estimated to be sufficient to realize the budgeted activity for 2021/22.

Research and development activities and knowledge resources

Research and development activities are carried out by the subsidiary OJ Electronics.

OJ Electronics A/S:

OJ Electronics primary development activities are focused on products with improved user friendliness and supporting the increased requirements for connectivity with other systems and remote user access. These activities increase in importance while energy efficiency and comfort remains the important primary functions of the products and systems.

OJ Electronics shows a decreased R&D cost level, DKK 37 million, in line with the strategy and in line with a balance between the level of R&D and the growth potential.

The link between the expense for the year and expense recognized in the income statement is shown below:

DKK'000	2020/21	2019/20
Expense for the year	32,633	35,260
Hereof additions to development project and equipment in course of construction	-15,125	-12,485
Amortization and impairment of completed development projects	19,149	17,967
Expense for the year recognized in income statement, net	36,657	40,742

The development activities remains important for realizing the growth in the coming years. To accommodate increased focus on cost and development just-in-time flexibility is built into the development process based on extensive cooperation with external partners. Further this is an important activity to scale to activities and strengthen the activities with required competences for the coming years.

Management's review

Outlook

The Group expects positive results for the financial year 2021/22.

OJ Electronics A/S:

OJ Electronics expects an increased but stable revenue based on the Covid-19 outlook for the global economy. Exact predictions at this stage is difficult to give. OJ Electronics has focussed on securing that we can manage even quite difficult conditions. The strategy will be reviewed and updated in 2021/22. This will be in line with a normal strategy renewal process.

Based on early predictions the profit margin will be slightly falling but stable and at a high level.

Investments activity:

For the investment activity a positive result is expected, despite Covid-19.

Special risks

Financial risks

The Group is exposed to the development on the financial markets. However, the Group solidity and credit facilities reduces the financial risk to an acceptable level.

Currency risks

Main trading currencies are DKK, USD and EUR. Group policy minimizes the currency risk through the use of financial facilities.

Interest rate risks

The Group utilizes to some extent interest swaps to reduce risk.

Credit risks

The Group's credit risk policy entails that all major customers and other partners are continuously assessed on a regular basis.

Knowledge resources

The group's main activities are carried out by the subsidiary OJ Electronics A/S.

OJ Electronics A/S:

Management of OJ Electronics is continuously working on the further development of employee competencies, as well as using substantial resources to attract new qualified employees. Resources are used to develop and maintain cooperation with external partners, where these can contribute to knowledge and flexibility in relation to capabilities that OJ Electronics needs. There is particular focus on the development of the OJ electronics' management resources.

Corporate Social Responsibility

The group's main activities are carried out by the subsidiary OJ Electronics A/S, who develop and produce HVAC and floor heating solutions. Thus, it has been assessed that main impact on environment and climate is done by OJ Electronics A/S. Below a summary of OJ Electronics CSR report has been included.

Management's review

OJ Electronics A/S:

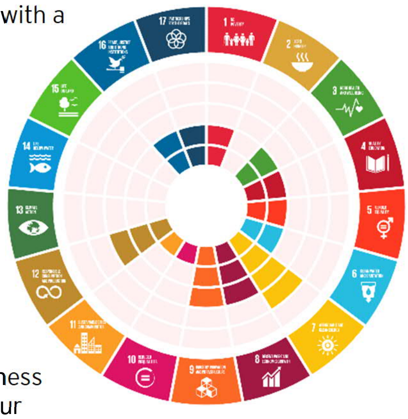
Business model

At OJ Electronics we go to work every day to improve the climate for both people and planet. Nothing less. Realizing people all over the world increasingly will seek to improve their comfort we develop and bring to market HVAC and floor heating solutions improving the indoor climate and comfort in thousands of buildings and houses at the same time saving energy to the benefit of the climate on our planet.

The main activities of OJ Electronics take place in Sønderborg, supported by sales representatives in PL, RUS and US and the supply chain involves long-term agreements of sub-contracting with companies in Asia and Eastern Europe.

Environment and climate

At OJ Electronics we strive to be aware of and reduce the impact on environment and climate created through activities as a consequence of our business. Our mission is to supply energy efficient solutions to enable people controlling their in-door climate in an intelligent way with a minimum impact on environment and climate, and we cooperate with educational institutions to continuously develop and supply sustainable solutions.



OJ Electronics has made UN17 sustainable development goals part of the current strategy. Impact from activities due to our business has in 2020 been assessed against the 169 targets derived from UN17. The assessment has resulted in transport throughout our value chain, packaging for our products and scrapping products as they reach their end of life is our main impact on climate and environment. We will conduct an assessment review once a year to measure our improvement. Under the company´s new strategic initiative for sustainable development and through assessing our business activities against the 169 targets derived from UN17, we will certify our environmental management according to ISO 14001. Certification is expected in Q2 2022.

The Sønderborg area of Denmark has initiated its own climate project: Project Zero, in which OJ Electronics participates and help reach the common goal of making the Sønderborg area CO2 neutral by 2029. Through our membership in the Clean Energy cluster OJ Electronics plays a role tying companies, utilities, knowledge institutions and the public sector together in market-driven green innovation.

Internally we sort waste from production, mainly electronics related, in more than 20 categories and we meet the requirements of the EU directive WEEE2 (Waste Electrical and Electronic Equipment directive). In regards to hazardous substances and chemicals OJ Electronics meets the requirements within the EU directives of RoHS3 (Restriction of Hazardous Substances) and REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals).

OJ Electronics is aware of the damage that natural disasters can affect our sub-suppliers, and we require local protection of production facilities in order to prevent negative impact on local environment.

Management's review

Working environment

At OJ Electronics we aim to combine decent work with economic growth. We respect and appreciate labour rights and promote a safe and secure working environment for all employees no matter assigned as temporary employees or long term, gender, nationality, precarious employment or other distinctions.

Under the company´s new strategic initiative for sustainable development and through assessing our business activities against the 169 targets derived from UN17, we will seek certification of our working environment according to ISO 45001. Certification is expected in Q2 2022.

Management considers work related accidents and attrition among employees as the highest risks within the working environment, hence a focus on health and safety with a special focus on preventive actions.

OJ Electronics undertakes employee satisfaction surveys every 3 years and all managers hold individual appraisals through the year with each employee. The recent survey conducted March 2021 had a response from 96 %of the employees and showed that 92 %in general are very satisfied with their job situation at OJ Electronics, which is an improvement compared to a result of 73 %in 2018.

Absence due to illness within OJ Electronics has a satisfying low level even during the Covid-19 pandemic, where restrictions of isolation has been added. Accidents including near accidents are registered and analysed in order to take necessary measures to avoid similar situations in the future.

	2020/21	2019/20	2018/19
Near accidents	3	6	1
Accidents without sickness absence	3	7	4
Accidents with sickness absence	0	1	0

Work-related accidents – accounting principals

The company measures work-related accidents and classifies these in three groups. Data are collected through the internal organization for OHS and includes all employees, temporary employees, external consultants and other guests of the company's site.

'Near accidents' are work-related incidents that could have become an accident, but without any personal injury. 'Accidents' are work-related incidents which implies personal injury. The company classifies such accidents into accidents with sickness absence and without sickness absence.

Addressing human rights, anti-corruption and bribery

Suppliers to OJ Electronics are a valuable extension to our own value chain and we expect suppliers to comply to the same high standards as OJ itself. We strive to ensure human rights, avoid slavery, child labour and bribery, and ensure adequate and equitable sanitation and hygiene for everybody involved in activities through OJ Electronics. Internally at OJ Electronics gifts representing a low value unable to affect decisions are accepted.

OJ Electronics is committed to ensure that minerals contained in our products are sourced with due respect for human rights, the need to avoid contributing to conflicts and the desire to support development through our supply chain practices.

No matter where the products and services supplied to customers of OJ Electronics are manufactured (in Denmark, Asia or Eastern Europe) OJ Electronics assesses and manages both financial and non-financial risks to protect our employees, assets and reputation. Where relevant and necessary, suppliers are required to agree to the OJ Electronics Code of Conduct, which all contract manufactures have done.

At least once a year Management Group reviews the risk exposure associated with the activities of OJ.

OJ Electronics has not identified any breaches in 2020/21 in the Code of conduct regarding human rights, anti-corruption and bribery.

Management's review

Covid-19

OJ Electronics participates in reducing the occurrence of Covid-19 virus and follows restrictions and recommendations from government and national health authorities. Management at OJ continuously evaluates the practical implications for own employers and keeps updated information visible.

Routines for cleaning, usage of meeting rooms and canteen has been changed and Covid-19 tests supported. Where possible employees have been working from home. Production has been guarded from external guests as well as internal physical interaction has been kept at a minimum.

One employee has been infected with the Covid-19 virus during 2020/21 with no attendance. No incidents with virus at the facility has occurred.

Equal gender representation

Chrispa ApS believes in diversity among employees including a more equal gender representation. Diversity is positive for development of new products and improving processes which again will ensure better results. Therefore, it is an ambition for the Group to ensure diversity among employees within the Group.

Board of directors

On 30 April 2021 the board of directors has 4 members in Chrispa ApS, 2 men and 2 women. Thus, Chrispa ApS has an equal gender representation and therefore no further goals have been set for the Board of Directors gender representation.

Management

OJ Electronics A/S:

In OJ Electronics management includes all management levels. In order to ensure diversity of gender, OJ Electronics strives to ensure that at least one female candidate is among the final 3 candidates for management positions. By 30 April 2021 women occupied 25%of management positions, which is a decrease from 30%by 30 April 2020.

Investment activity:

The parent company has only 1 employee.

Events after the balance sheet date

OJ Electronics A/S:

On the back of the Covid-19 pandemic a worldwide shortage of electronic components and other raw materials has become widespread. Further a widespread shortage of transportation capacity has become evident. Dependant on the duration and severity of the shortages this can affect the ability to deliver and manufacture products and can negatively affect the financial performance of OJ Electronics.

Because of the current global outbreak of Covid-19, we see a potential negative impact on demand in the OJ Electronics' markets. The impact on the OJ Electronics' operations and financial position for financial year 2021/22 will depend on the length and scope of the virus-outbreak, which is still uncertain at the date of this annual report.

Management believes that OJ Electronics has a strong financial position and available credit facilities in place to get OJ Electronics well through this increased uncertainty.

Consolidated financial statements and parent company financial statements 1 May – 30 April

Income statement

Note		Group 2020/21 DKK'000	Group 2019/20 DKK'000	Parent 2020/21 DKK'000	Parent 2020/19 DKK'000
2	**Revenue**	367,098	341,646	0	0
	Production costs	-215,770	-212,163	0	0
	Development costs	-36,658	-40,741	0	0
	Gross profit	114,670	88,742	0	0
	Selling and distribution costs	-22,892	-23,608	0	0
	Administrative expenses	-17,667	-17,388	-2,722	-2,232
	Operating profit	74,111	47,746	-2,722	-2,232
8	Profit in subsidiaries after tax	0	0	50,156	34,174
3	Financial income	47,093	4,531	46,791	2,481
3	Financial expenses	-5,470	-7,472	-827	-6,056
9,10	Impairment of financial assets	-545	-1,687	-545	-1,687
	Profit before tax	115,189	43,118	92,853	26,680
5	Tax for the year	-17,084	-9,656	-2,698	1,351
	Profit for the year	98,105	33,462	90,155	28,031
	Breakdown of the consolidated profit:				
	Shareholders in Chrispa ApS	90,155	28,031		
	Non-controlling interests	7,950	5,431		
		98,105	33,462		

Consolidated financial statements and parent company financial statements 1 May – 30 April

Balance sheet

Note		Group 2020/21 DKK '000	Group 2019/20 DKK '000	Parent 2020/21 DKK '000	Parent 2019/20 DKK '000
	ASSETS				
	Non-current assets				
6	**Intangible assets**				
	Completed development projects	18,372	22,927	0	0
	Development projects in progress	11,347	11,677	0	0
		29,719	34,604	0	0
7	**Property, plant and equipment**				
	Land and buildings	45,989	47,598	2,732	2,806
	Plant, machinery and equipment	9,643	12,827	108	112
	Plant, machinery and equipment in course of construction	873	148	0	0
		56,505	60,573	2,840	2,918
	Investments				
8	Equity investments in subsidiaries	0	0	123,403	101,258
9	Equity investments in associates	12,635	21,956	12,635	21,955
10	Other equity investments	30,527	28,279	30,521	28,273
12	Deferred tax asset	0	0	143	0
		43,162	50,235	166,702	151,486
	Total non-current assets	129,386	145,412	169,542	154,404
	Currents assets				
	Inventories				
	Raw materials and consumables	14,458	15,415	0	0
	Work in progress	10,469	8,653	0	0
	Finished goods and goods for resale	14,835	16,226	0	0
		39,762	40,294	0	0
	Receivables				
	Trade receivables	64,525	49,108	0	0
	Receivables from group entities	0	0	3	3
	Joint taxation contribution	0	0	14,355	12,518
	Other receivables	8,033	4,874	6,461	3,915
	Prepayments	2,600	2,432	1,920	1,525
		75,158	56,414	22,739	17,961
3	**Securities**	160,506	92,330	160,506	92,330
	Cash	55,208	41,143	19,584	22,080
	Total current assets	330,634	230,181	202,829	132,371
	TOTAL ASSETS	460,020	375,593	372,371	286,775

Consolidated financial statements and parent company financial statements 1 May – 30 April

Balance sheet

Note		Group		Parent	
		2020/21	2019/20	2020/21	2019/20
		DKK '000	DKK '000	DKK '000	DKK '000
	EQUITY AND LIABILITIES				
	Equity				
11	Share capital	1,000	1,000	1,000	1,000
	Net revaluation according to the equity method	0	0	51,330	39,313
	Retained earnings	345,125	264,970	292,445	223,867
	Translation reserve	-1,256	-1,606	0	0
	Hedging reserve	-94	-184	0	0
	Proposed dividend	10,000	10,000	10,000	10,000
	Shareholders in Chrispa ApS' share of equity	354,775	274,180	354,775	274,180
	Non-controlling interests	19,556	16,034	0	0
	Total equity	374,331	290,214	354,775	274,180
	Provisions				
12	Deferred tax	7,866	9,887	0	0
13	Warranties	3,962	4,046	0	0
	Total provisions	11,828	13,933	0	0
	Liabilities				
	Non-current liabilities				
14	Credit institutions	13,223	15,175	0	0
	Other payables	0	4,868	0	0
	Total non-current liabilities	13,223	20,043	0	0
	Current liabilities				
	Current portion of non-current liabilities	1,933	1,919	0	0
	Credit institutions	7	4,513	3	705
	Trade payables	31,794	24,935	158	176
	Payables to group entities	0	0	243	352
	Corporation tax	16,595	11,187	17,041	11,212
	Other payables	10,309	8,849	151	150
	Total current liabilities	60,638	51,403	17,596	12,595
	Total liabilities	73,861	71,446	17,596	12,595
	TOTAL EQUITY AND LIABILITIES	460,020	375,593	372,371	286,775

1	Accounting policies
4	Fees paid to the auditor appointed at the annual general meeting
15	Staff costs
16	Depreciation, amortisation and impairment losses
17	Contractual obligations and contingencies, etc.
18	Mortgages and collateral
19	Currency and interest rate risks and use of derivative financial instruments
20	Related parties
21	Profit appropriation

Consolidated financial statements and parent company financial statements
1 May – 30 April

Statement of changes in equity

	Group							
DKK '000	Share capital	Retained earnings	Translation reserve	Hedging reserve	Dividend proposed for the year	Shareholders in Chrispa ApS' share of equity	Non-controlling interests	Total equity
Equity at 1 May 2019	1,000	246,939	-1,495	-288	10,000	256,156	16,124	272,280
Dividend distribution	0	0	0	0	-10,000	-10,000	-5,519	-15,519
Transferred via distribution of profit	0	18,031	0	0	10,000	28,031	5,431	33,462
Value adjustment of hedging instruments	0	0	0	104	0	104	16	120
Foreign exchange adjustments, foreign subsidiary	0	0	-111	0	0	-111	-18	-128
Equity at 1 May 2020	1,000	264,970	-1,606	-184	10,000	274,180	16,034	290,214
Dividend distribution	0	0	0	0	-10,000	-10,000	-4,498	-14,498
Transferred via distribution of profit	0	80,155	0	0	10,000	90,155	7,950	98,105
Value adjustment of hedging instruments	0	0	0	90	0	90	14	104
Foreign exchange adjustments, foreign subsidiary	0	0	350	0	0	350	56	405
Equity at 30 April 2021	1,000	345,125	-1,256	-94	10,000	354,775	19,556	374,331

Consolidated financial statements and parent company financial statements 1 May – 30 April

Statement of changes in equity

	Parant				
DKK '000	Share capital	Net revaluation according to the equity method	Retained earnings	Dividend proposed for the year	Total
Equity at 1 May 2019	1,000	36,646	208,510	10,000	256,156
Dividend distribution	0	0	0	-10,000	-10,000
Value adjustment of hedging instruments	0	104	0	0	104
Foreign exchange adjustments, foreign subsidiary	0	-111	0	0	-111
Transferred via distribution of profit	0	2,674	15,357	10,000	28,031
Equity at 1 May 2020	1,000	39,313	223,867	10,000	274,180
Dividend distribution	0	0	0	-10,000	-10,000
Value adjustment of hedging instruments	0	90	0	0	90
Foreign exchange adjustments, foreign subsidiary	0	350	0	0	350
Transferred via distribution of profit	0	11,577	68,578	10,000	90,155
Equity at 30 April 2021	1,000	51,330	292,445	10,000	354,775

Consolidated financial statements and parent company financial statements 1 May – 30 April

Cash flow statement

	Group	
	2020/21	2019/20
	DKK '000	DKK '000
Operating profit	74,111	47,745
Depreciation and amortisation	22,050	24,657
Adjustment of provisions for warranties	-84	-1,127
Cash generated from operations (operating activities)	96,077	71,275
Interest received	4,271	4,287
Interest paid	-5,541	-3,112
Cash generated from operations (ordinary activities)	94,807	72,450
Changes in inventories	1,041	-523
Changes in trade receivables	-15,417	13,584
Changes in other receivables	-2,795	-413
Changes in trade payables	6,720	-4,432
Changes in other payables	-3,413	-228
Changes in prepayments and deferred income	-255	-425
Income taxes paid/received	-13756	-11,531
Cash flows from operating activities	66,932	68,482
Acquisition of intangible assets	-9,143	-10,080
Acquisition of property, plant and equipment	-3,955	-4,377
Disposal of property, plant and equipment	0	0
Acquisition of other equity investments	-6,717	-15,000
Sale of other equity investments	43,933	1,310
Acquisition of securities	-81,841	-17,292
Sale of securities	25,798	25,410
Called bonds	1	4
Cash flows from investing activities	-31,924	-20,025
Repayment of non-current liabilities	-1,938	-1,940
Dividends paid	-14,499	-15,518
Cash flows from financing activities	-16,437	-17,458
-		
Net cash flows	18,571	30,998
Cash and cash equivalents, beginning of year	36,630	5,632
Cash and cash equivalents, year-end	55,201	36,630

The cash flow statement cannot be directly derived from the other components of the consolidated financial statements.

Consolidated financial statements and parent company financial statements 1 May – 30 April

Notes

1 **Accounting policies**

The annual report of Chrispa ApS for 1 May 2020 – 30 April 2021 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

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

Consolidated financial statements

Control

The consolidated financial statements comprise the Parent Company Chrispa ApS and subsidiaries controlled by Chrispa ApS.

Control means the power to exercise decisive influence over a subsidiary's financial and operating decisions. Moreover, the possibility of yielding a return from the investment is required.

In assessing if the Parent Company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity may become empowered to exercise decisive influence over another entity's financial and operating decisions.

Significant influence

Entities over whose financial and operating decisions the Group can exercise significant influence are classified as associates. Significant influence is deemed to exist when the Parent Company holds or controls, directly or indirectly, more than 20% of the voting rights of an entity but does not control it.

The existence of potential voting rights that may currently be exercised or converted into voting rights is considered when assessing whether significant influence exists.

Preparation of consolidated financial statements

The consolidated financial statements are prepared as a consolidation of the Parent Company's and the individual subsidiaries' financial statements, which are prepared according to the Group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends as well as realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the Group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains unless they do not reflect impairment.

The subsidiaries' financial statement items are included 100% in the consolidated financial statements. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries that are not wholly-owned are included in the Group's profit/loss and equity, respectively, but are presented separately.

Acquisitions and disposals of non-controlling interests that are still controlled are recognised directly in equity as a transaction between shareholders.

Consolidated financial statements and parent company financial statements 1 May – 30 April

Notes

1 **Accounting policies (continued)**

Business combinations

Newly acquired entities are recognised in the consolidated financial statements from the acquisition date. Entities sold or otherwise disposed of are recognised in the consolidated financial statements up to the date of disposal. Comparative figures are not restated to reflect newly acquired entities. Discontinued operations are presented separately, see below. The acquisition date is the date when the Group actually obtains control of the acquired entity.

The purchase method is applied to acquisitions of new businesses over which the Group obtains control. The acquired businesses' identified assets, liabilities and contingent liabilities are measured at fair value at the acquisition date. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax on revaluations is recognised.

Positive differences (goodwill) between, on the one hand, the consideration for the acquired entity, the value of non-controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill in intangible assets. Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of the economic life of the asset.

Negative differences (negative goodwill) are recognised in the income statement at the acquisition date.

Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a functional currency different from the Group's presentation currency are accounted for as assets and liabilities belonging to the foreign entity and are, on initial recognition, translated into the foreign entity's functional currency using the exchange rate at the transaction date.

The purchase consideration for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the purchase consideration is contingent on future events or compliance with agreed terms, such part of the purchase consideration is recognised at fair value at the acquisition date. Subsequent adjustments of contingent purchase considerations are recognised in the income statement. Expenses incurred to acquire entities are recognised in the income statement in the year in which they are incurred.

If uncertainties regarding the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the purchase consideration exist at the acquisition date, initial recognition will take place on the basis of provisional values. If it turns out subsequently that the identification or measurement of the purchase consideration, acquired assets, liabilities or contingent liabilities was incorrect on initial recognition, the statement will be adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Subsequently, any adjustments are recognised as errors.

Gains or losses from the disposal of subsidiaries resulting in a loss of control are calculated as the difference between, on the one hand, the net selling price and, on the other hand, the proportionate share of the carrying amount of net assets. If the Parent Company still holds equity investments in the divested entity, the remaining proportionate share of the carrying amount forms the basis for the measurement of equity investments in associates or securities and equity investments.

Non-controlling interests

On initial recognition, non-controlling interests are measured at the fair value of the non-controlling interests' equity interest.

Goodwill relating to the non-controlling interests' share of the acquired entity is thus recognised.

Consolidated financial statements and parent company financial statements 1 May – 30 April

Notes

1 Accounting policies (continued)

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Foreign subsidiaries and associates are considered separate entities. The income statements are translated at the average exchange rates for the month, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of the opening equity of foreign entities at the exchange rates at the balance sheet date and on translation of the income statements from average exchange rates to the exchange rates at the balance sheet date are recognised directly in equity.

Foreign exchange adjustments of balances with foreign subsidiaries that are considered part of the total investment in the subsidiary are recognised directly in equity. Foreign exchange gains and losses on loans and derivative financial instruments designated as hedges of foreign subsidiaries are also recognised directly in equity.

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised in the balance sheet at cost and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables or other payables.

Fair value adjustments of derivative financial instruments designated and qualifying as hedging of the fair value of a recognised asset or liability are recognised in the income statement together with fair value adjustments of the hedged asset or liability.

Fair value adjustments of derivative financial instruments designated and qualifying as hedging of future assets or liabilities are recognised in other receivables or other payables and in equity. If the forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the forecast transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects the income statement.

Fair value adjustments of derivative financial instruments that do not qualify for hedge accounting are recognised in the income statement on an ongoing basis.

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2020.

Consolidated financial statements and parent company financial statements 1 May – 30 April

Notes

1 Accounting policies (continued)

Revenue is measured ex. VAT and taxes charged on behalf of third parties.

Production costs

Production costs comprise costs, including depreciation/amortisation charges and salaries, incurred in generating the year's revenue. Commercial entities recognise their cost of sales, and manufacturing entities recognise their production costs incurred in generating the revenue for the year. Such costs include direct and indirect costs related to raw materials and consumables, wages and salaries, rent and leases as well as impairment losses on production plant.

Development costs

Development costs comprise research and development costs that do not qualify for capitalisation and amortisation of capitalised development costs that meet the criteria for capitalisation.

Selling and distribution costs

Selling and distribution costs comprise costs related to the distribution of goods sold in the year and to sales campaigns, etc. carried out in the year, including costs related to sales staff, advertising, exhibitions and amortisation/depreciation.

Administrative expenses

Administrative expenses comprise costs incurred in the year to manage and administer the Company, including expenses related to administrative staff, management, office premises, office expenses and amortisation/depreciation.

Profit/loss from equity investments in subsidiaries

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

Financial income and expenses

Financial income and expenses comprise interest income and expenses, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Financial income also includes dividends from associates.

Tax for the year

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company, Chrispa A/S, acts as administration company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporation tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Consolidated financial statements and parent company financial statements 1 May – 30 April

Notes

1 Accounting policies (continued)

Tax for the year comprises current income tax, joint taxation contribution and changes in deferred tax for the year due to changes in the tax rate. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts recognised directly in equity is recognised directly in equity.

Balance sheet

Intangible assets

Development projects

Development costs comprise expenses, salaries and amortisation directly or indirectly attributable to development activities.

Development projects that are clearly defined and identifiable and where the technical feasibility, sufficient resources and a potential future market or development potential are evidenced, and where the Parent Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses as well as development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually 3-5 years.

Rights, patents and licences are measured at cost less accumulated amortisation and impairment losses. Rights, patents and licences acquired are amortised on a straight-line basis over the remaining patent period, and licences are amortised over the licence term, usually 5 years.

Gains and losses on the disposal of development projects, patents and licences are determined as the difference between the selling price less costs to sell and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating expenses, respectively.

Property, plant and equipment

Land and buildings and plant and equipment are measured at cost less accumulated depreciation. Land is not depreciated

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, sub-suppliers and wages and salaries. All financing costs regarding the production period are expensed no matter whether they can be attributed to costs.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

Consolidated financial statements and parent company financial statements 1 May – 30 April

Notes

1 Accounting policies (continued)

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

Buildings and installations	25 – 50 years
Plant, machinery and equipment	3 – 10 years

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

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

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the net present value of future lease payments. In calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as discount factor. Assets held under finance leases are subsequently accounted for as the Company's other assets.

The capitalised residual lease liability is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

All other leases are considered operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The Company's total liabilities relating to operating leases and other leases are disclosed in contingencies, etc.

The Group's total liabilities relating to operating leases and other leases are disclosed under "Contractual obligations and contingencies, etc."

Equity investments in subsidiaries in the parent company financial statements

Equity investments in subsidiaries are measured according to the equity method in the parent company financial statements. The Company has chosen to consider the equity method a measurement method.

On initial recognition, equity investments in subsidiaries are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding the consolidated financial statements above.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Consolidated financial statements and parent company financial statements 1 May – 30 April

Notes

1 Accounting policies (continued)

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies in the consolidated financial statements. Negative goodwill is recognised in the income statement.

Dividend received is deducted from the carrying amount.

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Equity investments in associates

Equity investments in associates are measured at cost. Where net realisable value is lower than cost, investments are written down to this lower value.

Other equity investments

Other equity investments, recognised under fixed assets, are measured at fair value. Where fair value cannot be determined, the cost price is used.

Impairment of non-current assets

The carrying amount of intangible assets, property, plant and equipment and equity investments in subsidiaries and associates is tested annually for indication of impairment other than the decrease in value reflected by amortisation/depreciation.

Impairment tests are conducted on individual assets or groups of assets when there is indication of impairment. Write-down is made to the lower of the carrying amount and the recoverable amount.

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

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.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries as well as indirect production overheads. Production overheads comprise costs of material and labour as well as maintenance of and depreciation on production machinery, buildings and equipment as well as costs relating to plant administration and management. Borrowing costs are not recognised.

The net realisable value of inventories is determined as the selling price less costs of completion and costs incurred to affect the sale, taking into account marketability, obsolescence and developments in the expected selling price.

Consolidated financial statements and parent company financial statements 1 May – 30 April

Notes

1 **Accounting policies (continued)**

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Write-down for bad and doubtful debts is made when there is objective evidence that a receivable or a portfolio of receivables has been 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.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the net 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.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Securities and investments

Securities and investments consisting in listed shares and bonds are measured at fair value (market price) at the balance sheet date. Unlisted securities are measured at fair value based on calculated capital value. In cases where fair value cannot be determined, the cost price is used.

Equity

Net revaluation reserve according to the equity method

Net revaluation of equity investments in subsidiaries is recognised at cost in the net revaluation reserve according to the equity method.

The reserve can be eliminated in case of losses, realisation of equity investments or changes in accounting estimates.

The reserve cannot be recognised at a negative amount.

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are amortised or are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Translation reserve

The translation reserve comprises the share of foreign exchange differences arising on translation of financial statements of entities that have a functional currency other than DKK, foreign exchange adjustments of assets and liabilities considered part of the Company's net investments in such entities and foreign exchange adjustments regarding hedging transactions that hedge the Company's net investments in such entities. The reserve is dissolved on the sale of foreign entities or if the conditions for effective hedging no longer exist. When equity investments in subsidiaries in the parent company financial statements are subject to the limitation requirement in the net revaluation reserve according to the equity method, foreign exchange adjustments will be included in this equity reserve instead.

Consolidated financial statements and parent company financial statements 1 May – 30 April

Notes

1 **Accounting policies (continued)**

Hedging reserve

The hedging reserve comprises the cumulative net change after tax in the fair value of hedging transactions that qualify for recognition as a cash flow hedge and where the hedged transaction has not yet been realised. The reserve is dissolved when the hedged transaction is realised, if the hedged cash flows are no longer expected to be realised or if the hedging relationship is no longer effective. The reserve does not represent a limitation under company law and may therefore be negative.

Dividend

Proposed dividend is recognised as a liability at the date when it is adopted at the annual general meeting (declaration date). Dividend expected to be distributed for the year is presented as a separate line item in equity.

Corporation tax and deferred tax

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

Joint taxation contribution payable and receivable is recognised in the balance sheet as "Corporation tax".

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to non-deductible goodwill and on office premises and other items where temporary differences – apart from acquisitions – arise at the acquisition date without affecting either profit/loss for the year or taxable income. 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 assets, including the tax value of tax loss carry-forwards, are recognised under "Assets" 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 and jurisdiction.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Provisions

In addition to deferred tax, provisions comprise anticipated expenses related to warranty commitments. Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are measured at net realisable value or fair value. If the obligation is expected to be settled far into the future, the obligation is measured at fair value.

Warranty commitments include expenses for remedial action in respect of the contract work within the warranty period of 1-5 years. Provisions for warranty commitments are measured at net realisable value and recognised based on past experience. Liabilities that are expected to be settled after one year after the balance sheet date are discounted at average bond yields.

Consolidated financial statements and parent company financial statements 1 May – 30 April

Notes

1 Accounting policies (continued)

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at the proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Deferred income

Deferred income comprises payments received concerning income in subsequent years.

Fair value

Fair value is determined based on the principal market. If no principal market exists, the fair value is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability less transaction and/or transport costs.

All assets and liabilities that are measured at fair value or whose fair value is disclosed are classified based on the fair value hierarchy, see below:

Level 1: Value based on the fair value of similar assets/liabilities in an active market.

Level 2: Value based on generally accepted valuation methods on the basis of observable market information.

Level 3: Value based on generally accepted valuation methods and reasonable estimates based on non-observable market information.

Cash flow statement

The cash flow statement shows the Group's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and disposals of enterprises is shown separately in cash flows from investing activities. Cash flows from acquisitions of entities are recognised in the cash flow statement from the date of acquisition. Cash flows from disposals of entities are recognised up until the date of disposal.

Cash flows from operating activities

Cash flows from operating activities are calculated as the Group's share of the profit/loss adjusted for non-cash operating items, changes in working capital and income taxes paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities, activities and intangible assets, property, plant and equipment and investments.

Consolidated financial statements and parent company financial statements 1 May – 30 April

Notes

1 Accounting policies (continued)

Cash flows from financing activities

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

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are subject to only minor risks of changes in value.

Segment information

Information is disclosed by geographical markets. Segment information is based on the Group's accounting policies, risks and management control.

Financial ratios

The financial ratios stated under "Group financial highlights" have been calculated as follows:

Growth	$\frac{\text{Development in revenue x 100}}{\text{Revenue (prior year)}}$
Operating margin	$\frac{\text{Operating profit/loss (EBIT) x 100}}{\text{Revenue}}$
Profit before tax (PBT) ratio	$\frac{\text{Profit before tax (EBT) x 100}}{\text{Revenue}}$
Return on invested capital	$\frac{\text{Operating profit/loss (EBIT) x 100}}{\text{Average of net investments}}$
Return on investment	$\frac{\text{Operating profit/loss (EBIT) x 100}}{\text{Average of total assets}}$
Gross margin	$\frac{\text{Gross profit/loss x 100}}{\text{Revenue}}$
Current ratio	$\frac{\text{Current assets x 100}}{\text{Current liabilities}}$
Solvency ratio	$\frac{\text{Equity at year end x 100}}{\text{Total equity and liabilities at year end}}$
Return on equity	$\frac{\text{Profit/loss for the year after tax x 100}}{\text{Average equity}}$

Consolidated financial statements and parent company financial statements 1 May – 30 April

Notes

2 Segment information

Geographical segments

	Group		Parent	
DKK'000	2020/21	2019/20	2020/21	2019/20
Scandinavia	138,601	135,157	0	0
Rest of Europe	92,602	88,680	0	0
North America	115,093	101,827	0	0
Rest of world	20,802	15,982	0	0
	367,098	341,646	0	0

The Group only has one activity and has therefore not disclosed any activity segments.

3 Financial items and securities

In financial year 2020/21 the parent company realised a gain of DKK 31.1 million from sale of shares in Controlled Polymers Holding ApS. This gain is recognised under financial income.

The financial year's unrealized gains and losses on investments in securities amount to a net of DKK 11,863 thousand (2019/20: DKK -4,366 thousand). The securities portfolio comprises listed securities that are valued at fair value (level 1). The value of the portfolio amounts to DKK 160,506 thousand at 30 April 2021.

	Group		Parent	
DKK'000	2020/21	2019/20	2020/21	2019/20
4 Fees paid to the auditors appointed at the annual general meeting				
Total fees to EY	316	321	101	101
Fee for statutory audit	227	228	56	54
Tax consultancy	27	18	24	15
Assurance engagements	0	0	0	0
Non-audit services	62	75	21	32
	316	321	101	101
5 Tax on profit for the year				
Current tax	19,855	12,875	2,841	-1,351
Adjustment of tax in respect of previous years	-723	11	0	0
Deferred tax adjustment for the year	-2,048	-3,230	-143	0
	17,084	9,656	2,698	-1,351

Consolidated financial statements and parent company financial statements 1 May – 30 April

Notes

6 Intangible assets

	Group			
DKK'000	Completed development projects	Development projects in course of construction	Rights and know how acquired	Total
Cost at 1 May 2020	140,293	11,677	30,280	182,250
Additions	9,473	14,264	0	23,737
Transferred	0	-9,473	0	-9,473
Disposals	0	-5,121	0	-5,121
Cost at 30 April 2021	149,766	11,347	30,280	191,393
Amortisation and impairment losses at 1 May 2020	117,366	0	30,280	147,646
Amortisation	14,028	0	0	14,028
Reversal of accumulated depreciation and impairment of assets disposed	0	0	0	0
Amortisation and impairment losses at 30 April 2021	131,394	0	30,280	161,674
Carrying amount at 30 April 2021	18,372	11,347	0	29,719
Amortised over	3-5 years		5 years	

Consolidated financial statements and parent company financial statements 1 May – 30 April

Notes

7 Property, plant and equipment

	Group			Parent	
DKK'000	**Land and buildings**	**Plant, machinery and equipment**	**Assets in course of construction**	**Land and buildings**	**Plant, machinery and equipment**
Cost at 1 May 2020	73,452	106,300	148	3,701	115
Exchange rate adjustment relating to foreign entities	0	20	0	0	0
Additions	0	3,230	861	0	0
Transferred	0	0	-135	0	0
Disposals	0	-690	0	0	0
Cost at 30 April 2021	73,452	108,860	874	3,701	115
Depreciation and impairment losses at 1 May 2020	25,854	93,474	0	894	3
Exchange rate adjustment relating to foreign entities	0	20	0	0	0
Depreciation and impairment	1,609	6,413	0	75	4
Disposals	0	-690	0	0	0
Depreciation and impairment losses at 30 April 2021	27,463	99,217	0	969	7
Carrying amount at 30 April 2021	45,989	9,643	874	2,732	108
Depreciated over	25-50 years	3-10 years	-	50 years	5 years

Consolidated financial statements and parent company financial statements 1 May – 30 April

Notes

8 Equity investments in subsidiaries

	Parent	
	2020/21	2019/20
	DKK'000	DKK'000
Cost at 1 May	30,644	30,644
Cost at 30 April	30,644	30,644
Value adjustments at 1 May	70,614	71,177
Fair value adjustment of financial instruments in subsidiary	90	104
Foreign exchange adjustment, foreign subsidiary	350	-111
Profit/loss for the year	50,156	34,174
Distributed dividend	-28,451	-34,730
Value adjustments at 30 April	92,759	70,614
Carrying amount at 30 April	123,403	101,258

						Parent's share	
Name (DKK'000)	Registered office	Voting rights and ownership	Share capital	Equity DKK'000	Profit/loss DKK'000	Equity DKK'000	Profit/loss DKK'000
OJ Electronics A/S	Sønderborg	49.0%	1,040	142,817	58,017	69,980	28,428
OJE Holding ApS	Sønderborg	73.2%	171	72,833	29,582	53,306	21,651
CMH Kolding ApS	Kolding	80.0%	50	146	96	117	77
						123,403	50,156

The subsidiaries are considered independent entities.

9 Equity investments in associates

	Group		Parent	
	2020/21	2019/20	2020/21	2019/20
	DKK'000	DKK'000	DKK'000	DKK'000
Cost at 1 May	21,956	21,656	21,956	21,656
Additions	3,179	500	3,179	500
Disposals	-12,500	-200	-12,500	-200
Cost at 30 April	12,635	21,956	12,635	21,956
Depreciation and revaluation at 1 May	0	0	0	0
Impairment to fair value	0	0	0	0
Depreciation and revaluation at 30 April	0	0	0	0
Carrying amount at 30 April	12,635	21,956	12,635	21,956

Profit/loss and equity is stated according to latest public available annual reports.

Name and registered office	Voting rights and ownership	Profit/loss DKK'000	Equity DKK'000
Multilift 550 ApS, Kolding	50,0%	-8	-539
Rævegade-Strandgade Invest ApS, København K	33,3%	213	15,208
SF Fore Invest II ApS, København K	44,7%	8	-15
SF Fore Invest IV ApS, København K	47,5%	N/A	N/A
Bellinger A/S, Risskov	38,0%	-7,016	-915

Consolidated financial statements and parent company financial statements 1 May – 30 April

Notes

10 Other equity investments

	Group		Parent	
	2020/21	2019/20	2020/21	2019/20
	DKK'000	DKK'000	DKK'000	DKK'000
Cost at 1 May	37,319	22,819	37,313	22,813
Additions	3,539	14,500	3,539	14,500
Disposals	-1,500	0	-1,500	0
Cost at 30 April	39,358	37,319	39,352	37,313
Depreciation and revaluation at 1 May	-9,040	-6,243	-9,040	-6,243
Revaluation at fair value	4	0	4	0
Impairment to fair value	-545	-1,547	-545	-1,547
Disposals	750	-1,250	750	-1,250
Depreciation and revaluation at 30 April	-8,831	-9,040	-8,831	-9,040
Carrying amount at 30 April	30,527	28,279	30,521	28,273

11 Share capital

The subscribed capital comprises 2,000 shares of DKK 500 each.

The company has one share class and all shares carry the same rights.

The share capital has remained unchanged for the past 5 years.

12 Deferred tax

	Group		Parent	
	2020/21	2019/20	2020/21	2019/20
	DKK'000	DKK'000	DKK'000	DKK'000
Development projects	6,538	7,613	0	0
Properties	4,940	4,600	0	0
Plant, machinery and machinery	294	615	0	0
Other	-3,906	-2,941	-143	0
	7,866	9,887	-143	0

Deferred tax liabilities are expected to be set off within:				
0-1 years	-3,763	-2,941	0	0
1-5 years	6,689	8,228	-143	0
> 5 years	4,940	4,600	0	0
	7,866	9,887	-143	0

Consolidated financial statements and parent company financial statements 1 May – 30 April

Notes

13 Warranties

The Group has provided a guarantee for certain products. A provision of DKK 3,962 thousand has been been recognised (2019/20 DKK 4,046 thousand) for expected warranty claims. The provision has been calculated based on historical information on the level of repairs and returned goods as well as specific warranty cases.

The maturity dates for the warranty obligations are expected to be:

	Group		Parent	
	2020/21	2019/20	2020/21	2019/20
	DKK'000	DKK'000	DKK'000	DKK'000
0-1 years	1,504	1,994	0	0
1-5 years	2,458	2,052	0	0
	3,962	4,046	0	0

14 Credit institutions

Long-term debt falling due after five years after the financial year end	5,553	7,392	0	0

15 Staff costs

Total staff costs include:				
Wages and salaries	73,495	73,099	1,252	1,155
Pensions	5,654	6,073	0	0
Other social security costs	543	553	0	0
	79,692	79,725	1,252	1,155
Staff costs are recognised in the consolidated financial statements and the parent company financial statements as follows:				
Production costs	31,422	32,526	0	0
Development costs	21,002	19,858	0	0
Selling and distribution costs	16,251	16,505	0	0
Administrative expenses	11,017	10,836	1,252	1,155
	79,692	79,725	1,252	1,155
Average number of full-time employees	150	153	1	1
Management remuneration (Executive Board and Board of Directors)	1,252	1,155	1,252	1,155

Consolidated financial statements and parent company financial statements 1 May – 30 April

Notes

16 Depreciation, amortisation and impairment losses

	Group		Parent	
	2020/21	2019/20	2020/21	2019/20
	DKK'000	DKK'000	DKK'000	DKK'000
Property	1,609	1,575	74	74
Plant, machinery and equipment	6,414	7,484	4	3
Profit on the disposal of equipment	0	26	0	0
Development projects	19,149	17,967	0	0
	27,172	27,052	78	77
Amortisation, depreciation and impairment losses are recognised in the consolidated financial statements and the parent company financial statements as follows:				
Production costs	5,340	6,375	0	
Development costs	19,640	18,583	0	
Selling and distribution costs	528	286	0	
Administrative expenses	1,664	1,808	78	77
	27,172	27,052	78	77

17 Contractual obligations and contingencies, etc.

Contingent liabilities

There are no pending litigation or disputes that are expected to materially affect the Group's and the Company's financial position.

The Group's Danish companies are jointly liable for the joint registrations of VAT.

The Parent Company and the Group has provided a guarantee to associates' credit institutions limited to DKK 9.0 million.

The Parent Company and the Group has provided investment commitments totalling DKK 16.0 million. The commitment may be called by the counterpart, increasing the investments.

The Parent Company is jointly taxed with Danish subsidiaries. The companies included in the joint taxation have joint and several unlimited liability for Danish withholding taxes on dividends, interest and royalties.

Operating lease liabilities, etc.

The Group has entered into operating leases with an average annual lease payment of DKK 192 thousand and a remaining term of 6 months. The remaining lease obligation totals DKK 96 thousand.

18 Mortgages and collateral

Land and buildings with a carrying amount of DKK 43,256 thousand at 30 April 2021 (2019/20: DKK 44,791 thousand) have been provided as collateral for mortgage loans of DKK 15,156 thousand (2019/20: DKK 17,095 thousand).

Consolidated financial statements and parent company financial statements 1 May – 30 April

Notes

19 Currency and interest rate risks and use of financial instruments

The Group uses interest rate swaps to hedge interest rate risks, whereby floating interest payments are rescheduled into fixed interest payments.

DKK'000	2020/21				2019/20			
	Notional principal	Value adjustment recognised in equity	Fair value	Term to maturity	Notional principal	Value adjustment recognised in equity	Fair value	Term to maturity
				months				months
Interest rate swaps	6,959	104	-290	86	7,899	120	-424	98

The hedged cash flows are expected to be realised and will affect results of operations over the term to maturity of the interest rate swap.

The fair value amount is recognised in the consolidated financial statements and parent company financial statements in accordance with the accounting policies.

20 Related parties

The Group's related parties include the members of the Board of Directors and the Executive Board, see page 6, subsidiaries, see note 8 and those companies' Boards of Directors and Executive Boards.

Remuneration/fees to members of the Executive Board and the Board of Directors are reflected in note 15.

Except for transactions eliminated in the consolidated financial statements, remuneration and dividend distribution no other related party transactions have been performed. All transactions have been carried out on an arm's length basis.

	Parent	
	2020/21	2019/20
	DKK'000	DKK'000
21 Profit appropriation		
Proposed distribution of profit		
Proposed dividend	10,000	10,000
Reserve for net revaluation according to the equity method	11,577	2,674
Retained earnings	68,578	15,357
	90,155	28,031

PENNEO

Underskrifterne i dette dokument er juridisk bindende. Dokumentet er underskrevet via Penneo™ sikker digital underskrift. Underskrivernes identiteter er blevet registereret, og informationerne er listet herunder.

"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."

Mads Pauli Ringkjøbing-Christiansen
CEO
På vegne af: Chrispa ApS
Serienummer: PID:9208-2002-2-776789291089
IP: 128.76.xxx.xxx
2021-08-13 11:12:26Z
NEM ID

Mads Pauli Ringkjøbing-Christiansen
Chairman
På vegne af: Chrispa ApS
Serienummer: PID:9208-2002-2-776789291089
IP: 128.76.xxx.xxx
2021-08-13 11:13:19Z
NEM ID

Mads Pauli Ringkjøbing-Christiansen
Board of Directors
På vegne af: Chrispa ApS
Serienummer: PID:9208-2002-2-776789291089
IP: 128.76.xxx.xxx
2021-08-13 11:13:19Z
NEM ID

Lars Pauli Christiansen
Board of Directors
På vegne af: Chrispa ApS
Serienummer: PID:9208-2002-2-606540209615
IP: 83.89.xxx.xxx
2021-08-13 11:19:00Z
NEM ID

Tine Bøwadt Christiansen
Board of Directors
På vegne af: Chrispa ApS
Serienummer: PID:9208-2002-2-036568707704
IP: 176.20.xxx.xxx
2021-08-15 15:57:04Z
NEM ID

Jette Bøwadt Christiansen
Board of Directors
På vegne af: Chrispa ApS
Serienummer: PID:9208-2002-2-009222841520
IP: 185.5.xxx.xxx
2021-08-16 08:21:57Z
NEM ID

Jon Midtgaard
State Authorised Public Accountant
På vegne af: EY Godkendt Revisionspartnerselskab
Serienummer: CVR:30700228-RID:11522188
IP: 145.62.xxx.xxx
2021-08-16 09:06:02Z
NEM ID