

# **Calderys Danmark A/S**

Hammerholmen 48

2650 Hvidovre

CVR No. 23102714

## **Annual Report 2019**

The Annual Report was presented and  
adopted at the Annual General Meeting of  
the Company on 5 October 2020

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Aurélien Cadars  
Chairman

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## **Management's Statement**

Today, Management has considered and adopted the Annual Report of Calderys Danmark A/S for the financial year 1 January 2019 - 31 December 2019.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January 2019 - 31 December 2019.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Hvidovre, 5 October 2020

### **Executive Board**

Allan Højdorf  
Man. Director

### **Supervisory Board**

Aurélien Cadars  
Chairman

Allan Højdorf  
Member

Urban Drotz  
Member

## Independent Auditors' Report

### To the shareholders of Calderys Danmark A/S

#### Opinion

We have audited the financial statements of Calderys Danmark A/S for the financial year 1 January 2019 - 31 December 2019, which comprise an income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2019 and of the results of its operations for the financial year 1 January 2019 - 31 December 2019 in accordance with the Danish Financial Statements Act.

#### Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in our auditors' report under "Auditors' responsibility for the audit of the financial statements". As required by the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, we are independent of the Company, 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 responsibility 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 considers necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### The auditor's responsibility for the audit of the financial statements

Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

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

- \* Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control.
- \* Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

## Independent Auditors' Report

- \* Evaluate whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.
- \* Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- \* Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect 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 which we identify during our audit.

### Report on other legal and regulatory requirements

#### Violation of company law and similar legislation

Management has filed the financial statements late. Consequently management can be held liable.

### Statement on 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 opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the financial statements 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 with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Copenhagen, 5 October 2020

**Deloitte**

**Statsautoriseret Revisionspartnerselskab**

CVR-no. 33963556

Flemming Larsen

State Authorised Public Accountant

mne27790

## **Calderys Danmark A/S**

### **Company details**

<b>Company</b>	Calderys Danmark A/S Hammerholmen 48 2650 Hvidovre
Telephone	36772811
Telefax	26770805
CVR No.	23102714
<b>Supervisory Board</b>	Aurélien Cadars Allan Højdorf Urban Drotz
<b>Executive Board</b>	Allan Højdorf, Man. Director
<b>Auditors</b>	Deloitte Statsautoriseret Revisionspartnerselskab Weidekampsgade 6 P.O. Box 1600 0900 København K CVR-no.: 33963556

## Management's Review

### The Company's principal activities

The Company's principal activities consist of sale and installation of refractories for refuse disposal plants and ovens.

### Exceptional circumstances

The Company has continued to work with guarantee commitments on an ongoing complaints cases (case by case). The cases have as in previous years been limited in value so no Guarantee provision is entered in the books. The Company has in 2019 been part of a large restructuring programme initiated by the Imerys SA Group. The programme, "Connect & Shape" is reshaping many functions in the Group. To this extent, Calderys Danmark A/S has entered cost for DKK 0.3m in 2019.

### Development in activities and financial matters

The Company's Income Statement of the financial year 1 January 2019 - 31 December 2019 shows a loss of DKK 0.9 million which is impacted by income from investments in group enterprises of DKK 1.3 million. The result for the year is also impacted by a DKK 2.6 million in group charge regarding prior years and the charge of the restructuring activity of DKK 0.3 million. Adjusted for this, the profit for the year amounts to DKK 0.7 million, which is considered satisfactory. The improved result is due to improved sales in 2019 vs 2018. The Balance Sheet at 31 December 2019 shows a balance sheet total of DKK 398.3 million and an equity of DKK 130.0 million.

### Post financial year events

The outbreak of Coronavirus/COVID-19 escalated in early 2020, and on March 11, 2020, the WHO declared the outbreak a worldwide pandemic. The eruption has led to a number of measures that affect the organization and conduct of day-to-day operations in the subsidiary companies, just as the group's suppliers and customers may be affected. The actual impact of this cannot be determined at present.

## **Accounting Policies**

### **Reporting Class**

The Annual Report of Calderys Danmark A/S for 2019 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with the adoption of individual rules from class C.

The accounting policies applied remain unchanged from last year.

### **Consolidated Financial Statements**

With reference to § 112 of the Danish Financial Statements Act, no Consolidated Financial Statement have been prepared because the Group enterprises are subsidiaries of a higher-ranking group.

### **Reporting currency**

The Annual Report is presented in Danish kroner.

### **Foreign currency translation policies**

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the Income Statement under Financial Income and Expenses.

## **General Information**

### **Basis of recognition and measurement**

The financial statement have been prepared under the historical cost princip.

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the Income Statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the Income Statement.

Assets are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.



## Accounting Policies

### Income Statement

#### Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised exclusive of VAT and net of sales discounts.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

#### Raw materials and consumables used

Costs for raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary write-downs of the relevant inventories.

#### Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationary and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

#### Staff expenses

Staff expenses comprise wages and salaries, pensions and social security costs.

#### Amortisation, depreciation and impairment losses

Amortisation and impairment of intangible and tangible assets has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortised on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life
Properties	33 years
Other fixtures and fittings, tools and equipment	3-10 years

Land is not amortised.

#### Financial income and expenses

Financial income and expenses are recognised in the Income Statement based on the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies and surcharges and allowances under the tax prepayment scheme.

#### Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

### Balance Sheet

#### Tangible assets

Tangible assets are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the date of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

## **Accounting Policies**

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

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual components differ.

### **Equity investments in group enterprises and associates**

Equity investments in group enterprises and associates are measured at cost. Dividends that exceed accumulated earnings of the group enterprise or the associate during the ownership period are treated as a reduction of the cost. If cost exceeds the net realisable value, a write-down to this lower value will be performed.

### **Inventories**

Inventories are measured at cost using weighted average prices. Where the net realisable value is lower than cost, the inventories are written down to this lower value.

The net realisable value of inventories is calculated as the selling price less costs of completion and costs incurred to make the sale. The value is determined taking into account the negotiability of inventories, obsolescence and expected development in sales price.

### **Contract work in progress**

Contract work in progress is measured at the selling price of the work performed. The selling price is measured by reference to the stage of completion at the reporting date and total expected income from the work in progress.

Work in progress is recognised in the balance sheet under receivables or payables depending on the net value of the selling price less invoicing on account.

### **Receivables**

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

### **Accrued income, assets**

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

### **Cash and cash equivalents**

Cash and cash equivalents comprise bank deposits.

### **Equity**

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

### **Provisions**

Other provisions comprise expected costs of non-recourse guarantee commitments in connection with contracts concluded.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Once it is likely that total costs will exceed total income from a contract in progress, provisions are made for the total loss estimated to result from the relevant contract.

## **Accounting Policies**

### **Current tax liabilities**

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

### **Other financial liabilities**

Other liabilities, comprising deposits, trade payables and other accounts payable, are measured at amortised cost, which usually corresponds to the nominal value.

### **Contingent assets and liabilities**

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

## Income Statement

	Note	2019 DKK	2018 DKK
Revenue		41.598.701	36.327.937
Raw materials and cosumables used		-31.133.526	-27.463.411
Other external expenses		-4.708.916	-5.420.177
<b>Gross result</b>		<b>5.756.259</b>	<b>3.444.349</b>
Staff costs	1, 2	-5.539.047	-5.166.608
Depreciation, amortisation and impairment losses		-475.407	-233.295
<b>Profit from ordinary operating activities</b>		<b>-258.195</b>	<b>-1.955.554</b>
Income from investments in group enterprises	3	1.327.000	123.082.000
Other financial income	4	29.013	24.216
Other financial expences	5	-1.313.622	-1.815.622
<b>Profit from ordinary activities before tax</b>		<b>-215.804</b>	<b>119.335.040</b>
Tax expense on ordinary activities	6	-711.189	821.968
<b>Profit</b>		<b>-926.993</b>	<b>120.157.008</b>
<b>Proposed distribution of results</b>			
Retained earnings		-926.993	120.157.008
<b>Distribution of profit</b>		<b>-926.993</b>	<b>120.157.008</b>

Balance Sheet as of 31 December

	Note	2019 DKK	2018 DKK
<b>Assets</b>			
Land and buildings	7	1.481.938	1.715.233
Fixtures, fittings, tools and equipment		44.628	0
<b>Property, plant and equipment</b>		<b>1.526.566</b>	<b>1.715.233</b>
Long-term investments in group enterprises	8, 9	371.900.200	430.573.200
Deposits		16.000	16.000
<b>Fixed asset investments</b>		<b>371.916.200</b>	<b>430.589.200</b>
<b>Fixed assets</b>		<b>373.442.766</b>	<b>432.304.433</b>
Raw materials and consumables		2.182.371	1.858.387
<b>Inventories</b>		<b>2.182.371</b>	<b>1.858.387</b>
Short-term trade receivables		3.640.092	6.341.103
Contract work in progress	10	2.216.435	1.362.818
Short-term receivables from group enterprises		13.620.957	3.292.666
Current deferred tax		744.624	1.454.503
Short-term tax receivables		448.000	216.000
Prepayments		84.970	163.322
<b>Receivables</b>		<b>20.755.078</b>	<b>12.830.412</b>
<b>Cash and cash equivalents</b>		<b>1.953.300</b>	<b>2.168.652</b>
<b>Current assets</b>		<b>24.890.749</b>	<b>16.857.451</b>
<b>Assets</b>		<b>398.333.515</b>	<b>449.161.884</b>

**Balance Sheet as of 31 December**

	Note	2019 DKK	2018 DKK
<b>Liabilities and equity</b>			
Contributed capital		1.300.000	1.300.000
Retained earnings		128.705.190	129.632.183
<b>Equity</b>		<b>130.005.190</b>	<b>130.932.183</b>
Other payables		223.000	0
<b>Long-term liabilities other than provisions</b>		<b>223.000</b>	<b>0</b>
Trade payables		690.413	2.280.173
Payables to group enterprises		262.304.644	311.928.194
Other payables		5.110.268	4.021.334
<b>Short-term liabilities other than provisions</b>		<b>268.105.325</b>	<b>318.229.701</b>
<b>Liabilities other than provisions within the business</b>		<b>268.328.325</b>	<b>318.229.701</b>
<b>Liabilities and equity</b>		<b>398.333.515</b>	<b>449.161.884</b>
Contingent liabilities	11		
Liabilities under off-balance sheet leases	12		
Ownership	13		
Related parties	14		

## Statement of changes in Equity

	Contributed capital DKK	Retained earnings DKK	Proposed dividend recognised in equity DKK	Total DKK
Equity 1 January 2019	1.300.000	129.632.183	0	130.932.183
Profit (loss)	0	-926.993	0	-926.993
<b>Equity 31 December 2019</b>	<b>1.300.000</b>	<b>128.705.190</b>	<b>0</b>	<b>130.005.190</b>

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

## Notes

	2019	2018
<b>1. Staff costs</b>		
Wages and salaries	5.351.691	5.004.020
Pension costs	187.356	162.588
	<b>5.539.047</b>	<b>5.166.608</b>
Average number of full-time employees	19	18
<b>2. Staff costs</b>		
<b>Total staff costs comprise:</b>		
Wages and salaries	13.379.240	12.138.308
Pension costs	187.356	162.588
Other social security costs	258.258	161.142
	<b>13.824.854</b>	<b>12.462.038</b>
<b>Total staff costs are allocated as follows:</b>		
Project costs	8.473.163	7.295.430
Staff costs	5.351.691	5.166.608
	<b>13.824.854</b>	<b>12.462.038</b>
<b>3. Income from investments in group enterprises</b>		
Dividend	60.000.000	155.000.000
Revaluation	-58.673.000	-31.918.000
	<b>1.327.000</b>	<b>123.082.000</b>
<b>4. Other financial income</b>		
Other financial income	29.013	24.216
	<b>29.013</b>	<b>24.216</b>
<b>5. Other financial expenses</b>		
Finance expenses arising from group enterprises	1.160.660	1.756.484
Other financial expenses	152.962	59.138
	<b>1.313.622</b>	<b>1.815.622</b>
<b>6. Tax expense</b>		
Taxes for prior years	1.310	0
Change in deferred tax	709.879	-821.968
	<b>711.189</b>	<b>-821.968</b>



## Notes

	2019	2018
<b>7. Land and buildings</b>		
Cost at the beginning of the year	8.697.486	8.697.486
<b>Cost at the end of the year</b>	<b>8.697.486</b>	<b>8.697.486</b>
Depreciation and amortisation at the beginning of the year	-6.982.253	-6.748.958
Amortisation for the year	-233.295	-233.295
<b>Impairment losses and amortisation at the end of the year</b>	<b>-7.215.548</b>	<b>-6.982.253</b>
<b>Carrying amount at the end of the year</b>	<b>1.481.938</b>	<b>1.715.233</b>

**8. Long-term investments in group enterprises**

Cost at the beginning of the year	462.491.200	462.491.200
<b>Cost at the end of the year</b>	<b>462.491.200</b>	<b>462.491.200</b>
Revaluations at the beginning of the year	-31.918.000	0
Revaluations for the year	-58.673.000	-31.918.000
<b>Revaluations at the end of the year</b>	<b>-90.591.000</b>	<b>-31.918.000</b>
<b>Carrying amount at the end of the year</b>	<b>371.900.200</b>	<b>430.573.200</b>

**9. Disclosure in long-term investments in group enterprises and associates***Group enterprises*

Name	Registered office	Share held in %	Equity	Profit
Imerys Industrial Minerals Denmark A/S (DKK thousands)	Skive	100,00	40.074	1.327
			<b>40.074</b>	<b>1.327</b>

**10. Contract work in progress**

Sales value of the production for the period	2.329.060	3.193.445
Payments on account received	-112.625	-1.830.627
<b>Net value of contract work</b>	<b>2.216.435</b>	<b>1.362.818</b>

*Progress billings are divided as follows in the balance sheet:*

Net receivables	2.216.435	1.362.818
Net liabilities	0	0
	<b>2.216.435</b>	<b>1.362.818</b>

**11. Contingent liabilities**

Recourse and non-recourse guarantee commitments	3.835.886	2.968.212
	<b>3.835.886</b>	<b>2.968.212</b>

## Notes

2019

2018

### 12. Unrecognised rental and lease commitments

Commitments under rental agreements or leases until expiry

354.367	754.732
<b>354.367</b>	<b>754.732</b>

### 13. Ownership

The Company has registered the following shareholder to hold more than 5% of the voting share capital or of the nominal value of the share capital:

Calderys Nordic AB, Sweden.

### 14. Related parties

Imerys, 154 Rue de l'Université, F-75007 Paris, France is the Ultimate Parent and has controlling interest via other group companies.

The Company is included in the Group Annual Report of Imerys, France. The Group Annual Report may be obtained at [www.imerys.com](http://www.imerys.com)