Oxymat A/S

Address: Fasanvej 18-20, 3200 Helsinge

CVR-nummer 25 28 16 75

Annual Report 2017

Financial year 1. januar - 31. december 2017

Adopted at the Annual General Meeting of the Company on 14 May 2018

Troels Mørch Tuxen
chairman

Contents

Company Information

The Company	Oxymat A/S Fasanvej 18-20 3200 Helsinge Municipality of reg. office: Gribskov
Supervisory Board	Troels Mørch Tuxen Jesper Sjögren Tage Kjær
Executive Board	Jesper Sjögren
Auditors	Aaen & Co. statsautoriserede revisorer p/s Kongevejen 3 3000 Helsingør
Date of foundation	21. March 2000
Financial year	1 January - 31 December

Information on calculation of key figures and financial ratios

	2017	2016	2015	2014	2013
Net turnover	130.687	145.980	149.504	132.393	93.851
Gross Profit	19.827	20.517	13.705	22.533	18.987
EBITDA	5.141	5.101	5.730	10.528	10.082
Profit from operations	2.510	2.352	2.905	8.828	8.304
Interest net	(1.569)	303	(204)	(702)	(788)
Profit for the year	**706**	**1.365**	**1.725**	**6.305**	**5.452**
Fixed assets	32.401	31.876	23.934	20.296	18.128
Current assets	49.939	49.591	41.522	38.473	34.393
Total assets	**82.340**	**81.467**	**65.456**	**58.769**	**52.521**
Share capital	10.000	10.000	10.000	10.000	10.000
Equity capital	**33.391**	**32.910**	**32.910**	**34.184**	**30.449**
Deferred tax	-	1.232	2.692	1.397	-
Long-term debt	6.646	9.074	2.805	2.941	6.147
Short-term debt	42.303	38.476	27.049	20.247	15.925
Total liabilities	**82.340**	**81.692**	**65.456**	**58.769**	**52.521**
Ratios :					
EBITDA margin	4	3	4	8	11
Return on net assets	3	3	4	15	16
Liquidity ratio	118	129	154	190	216
Solvency ratio	41	40	50	58	58
Return on equity	2	4	5	20	19
Number of full-time employees	89	97	101	79	73

Explanation of ratios

EBITDA margin:	EBITDA / Net turnover
Return on net assets:	Profit from operations x 100 / Total assets
Liquidity ratio:	Current assets x 100 / Short-term debt
Solvency ratio:	Equity capital x 100 / Total assets
Return on equity:	Profit for the year x 100 / Average equity capital

Management's Review

Development in 2017

The net turnover for the year amounted to T. DKK 130.687, this was a decrease of 10% compared with 2016. EBITDA amounted to T.DKK 5.141 against T.DKK 5.101 in 2016.

The decrease in net turnover is mainly due to late production start in the Danish production facility as first products were shipped from December 2017 only. It was possible to move major deliveries to early 2018 in agreement with customers.

The EBITDA level for 2017 is satisfactory as internal born investment cost in the new Danish production facility is affecting the net result with approximately 6 mill. DKK in 2017.

The decrease of USD currency exchange rate throughout 2017 has also had a negative impact of the year with approximately 4 mill DKK.

The entity in Slovakia had the best result ever and the result of 13,9 mill. DKK after tax is incorporated in the group income statement.

The company has decreased its number of employees from 97 in 2016 to 89 in 2017.

The company did sign orders for more than 150 mill DKK throughout 2017.

The expected development

The Danish entity did start up the new production facility in Helsinge in December 2017. Average production value the first 4 months of 2018 amounted to 4 mill. DKK in monthly revenue, this figure is expected to increase to Danish production amounting to 60 mill DK. The new design is well received with customers, and increased price level seemed to be accepted by customers.

The Danish production start will have a positive impact on EBITDA for 2018 as an additional revenue from the new production facility of 50 mill DKK is expected throughout 2018.

The company's activities in Slovakia and China continues as earlier without major changes throughout 2018.

An increasing net result is expected for 2018 compared to 2017.

Management's Statement on the Annual Report

Today the Board of Directors and Board of Executives have discussed and approved the Annual Report of Oxymat A/S for the financial year ended 31 December 2017.

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 Company's financial position at 31 December 2017 and of the results of Company's operations and cash flows for the financial year then ended.

In our opinion the management's review includes a fair review about the matters the review deals with.

We recommend that the Annual Report be approved at the annual general meeting

Helsinge, 14 May 2018

Executive Board

Jesper Sjögren

Supervisory Board

Troels Mørch Tuxen

Tage Kjær

Jesper Sjögren

Independent auditors' report

To the shareholders of Oxymat A/S:

Opinion

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Oxymat A/S for the financial year 1. januar - 31. december 2017, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows. The Consolidated Financial Statements and the Parent Company Financial Statements are prepared under 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 31. december 2017, and of the results of the Group and Parent Company operations as well as the consolidated cash flows for the financial year 1. januar - 31. december 2017 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements" section of our report. 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 the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Consolidated Financial Statements and the Parent Company 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 Consolidated Financial Statements and Parent Company Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements and the Parent Company 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 Consolidated Financial Statements and the Parent Company Financial Statements unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements

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

Independent auditors' report

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements and the Parent Company 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 Consolidated Financial Statements and the Parent Company 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 Consolidated Financial Statements and the Parent Company 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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the Consolidated Financial Statements and the Parent Company Financial Statements, including the disclosures, and whether the Consolidated Financial Statements and the Parent Company 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 Management's Review
Management is responsible for Management's Review.

Our opinion on the Consolidated Financial Statements and the Parent Company Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements and the Parent Company Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Consolidated Financial Statements or the Parent Company Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Independent auditors' report

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

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

Elsinore, 14 May 2018
Aaen & Co. statsautoriserede revisorer p/s
Kongevejen 3, 3000 Helsingør - CVR nummer 33 24 17 63

Søren Appelrod
State Authorised Public Accountant
mne23301

Accounting Policies

Basis of accounting

The Annual Report of Oxymat A/S for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class C. The accounting policies applied are unchanged compared to the last year.

The annual report is presented in DKK

Recognition and measurement

Revenues are recognized in the income statement as earned, which includes recognition of value adjustments of financial assets and liabilities. Furthermore, all expenses incurred, including depreciation, amortization and impairment losses, are recognized in the income statement.

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

Liabilities are recognized in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortized cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortized cost is calculated as original cost less any deductions and with addition/deduction of the cumulative amortization of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report, which confirm or invalidate affairs and conditions existing at the balance sheet date.

Basis of Consolidation

The Consolidated Financial Statements comprise the Parent Company Oxymat A/S and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Minority interests

Subsidiaries are recognised in the consolidated financial statements accounting records 100%. Minority interests proportional share of profit or loss is included in Distribution of profit and equity of the subsidiary companies is recognised as separate item in equity.

Accounting Policies

Translation policies

Transactions in foreign currencies are translated during the year at the exchange rates at the dates of transaction. Exchange differences between the exchange rates at the balance sheet date and the transactions date rates are recognised in financial income and expenses in the income statement. If exchange rate transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the exchange rate at the time of contracting the receivable or the debt is recognised in financial income and expenses in the income statement.

Fixed assets purchased in foreign currencies are measured at the rate of exchange at the date of the transaction.

Income statement

Gross profit

Gross profit includes revenue for the year less production costs and less distribution expenses and other external expenses.

Revenue is recognised in the income statement under the percentage-of-completion method. As regards contract work in progress, work in progress is recognised as income according to the stage of completion.

Cost of sales comprises cost incurred to achieve revenue for the year.

Other external expenses comprise expenses for distribution, sale, advertising, administration, premises, bad debts, lease expenses, etc.

Salaries

Staff costs include salaries and wages, including vacation pay and pensions and other social security costs, etc. to the company's employees. Staff costs are deducted from payments received from public authorities.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts relating to the financial year. Financial income and expenses comprise interest income and expenses, realised and unrealised exchange gains and losses concerning debt and transactions in foreign currencies as well as extra payments and repayment under the on-account taxation scheme.

Corporation tax

Tax for the year consists of the current tax for the year and change in deferred tax. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity entries is recognised directly in equity.

Oxymat A/S is jointly taxed with Sjøgren Holding ApS. The current joint corporation tax is allocated to the two companies in proportion to their taxable incomes (full allocation with credit for tax losses).

Accounting Policies

Balance sheet

Non – current assets

Land and buildings, technical plant, machinery and other plant, fixtures, fittings, tools and equipment are measured at cost less accumulated depreciation.

Depreciation is based on cost reduced by any expected residual value after the period of use.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Land and buildings	20 - 50	years	Scrap value	0%
Technical plant and machinery	3 – 10	years	Scrap value	0%
Other plant, fixtures, fittings, tools and equipment	3 – 10	years	Scrap value	0%

Gains or losses on sale of property, plant and equipment are calculated as the difference between the sales price less sales expenses and the carrying amount at the time of the sale. Gains or losses are recognised in depreciation in the income statement.

Investments in subsidiaries and associates

The proportionate share of the profit/loss of the individual subsidiaries after tax and full elimination of internal profit/loss and less amortisation of goodwill is recognised in the income statement.

The proportionate share of the profit/loss of the individual associates after tax and full elimination of internal profit/loss and less amortisation of goodwill is recognised in the income statement.

Investments in subsidiaries and associates are recognised in the balance sheet at the proportionate share of the net asset value of the enterprises calculated under the accounting policies of the Parent Company with deduction or addition of unrealised intercompany profits and losses and with addition or deduction of any remaining value of positive or negative goodwill stated under the purchase method.

Subsidiaries and associates with a negative net asset value are recognised at DKK 0, and any receivables from these enterprises are written down by the Parent Company's share of the negative net asset value to the extent that this is considered irrecoverable. If the negative net asset value exceeds receivables, the remaining amount is recognised in provisions to the extent that the Parent Company has a legal or constructive obligation to cover the subsidiary's losses.

Net revaluation of investments in subsidiaries and associates are transferred to reserve for net revaluation under equity under the equity method to the extent that the carrying amount exceeds the cost less amortisation of goodwill.

Accounting Policies

Inventories

Inventories are measured at cost according to the FIFO method. In case the net realizable value is lower than cost, write-down is made to this lower value.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables, direct labour and direct production costs.

The net realisable value of inventories is stated as sales price less expenses for finalisation and expenses paid to effect sales and is determined considering saleability, obsolescence and development in expected sales price.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed based on stage of completion.

Prepayments are set off against contract work in progress.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by provision for bad debts.

Prepayments and deferred income

Prepayments include expenses incurred in respect of subsequent financial years.

Cash at bank and in hand

Cash at bank and in the hand comprise cash and bank balances.

Accounting Policies

Dividend

Dividend which is expected paid for the year is shown as a separate item under equity. Proposed dividend is recognised as a liability at the time of adoption at the Annual General Meeting.

Corporation tax and deferred tax

The company is jointly taxed with its parent company Sjögren Holding ApS. As a result, current tax receivables are recognised and current tax liabilities in the balance sheet under receivables or debts either to affiliated undertakings..

Deferred tax is measured under the balance sheet liability method in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. In cases, eg concerning shares, where the computation of the tax may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity and jurisdiction. Any deferred net tax assets are measured at net realisable value.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement. For this year a tax rate of 22% has been applied.

Debt

Other debt is measured at amortised cost corresponding to nominal value.

Cash flow statement

The cash flow statement shows the Company's cash flows for the year broken down by operating, investing and financing activities as well as how these cash flows have affected the cash and cash equivalents for the year.

Cash flow from operating activities are presented indirectly and are calculated as the net profit/loss for the year of the Company adjusted for non-cash operating items such as depreciation, amortisation and impairment losses, provisions as well as changes in working capital, interest received and paid, payments concerning extraordinary items and corporation tax paid.

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible asses, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payment of dividend to the shareholders.

Income statement 1 January - 31 December

Note		Group 2017	Group 2016	Parent Company 2017	Parent Company 2016
	Revenue	130.686.604	145.980.444	69.097.935	110.574.679
	Cost of production	110.859.171	125.463.733	67.934.454	95.810.542
	Gross profit	**19.827.433**	**20.516.711**	**1.163.481**	**14.764.137**
	Distribution costs	6.612.576	10.524.264	10.305.922	13.780.546
	Administrative expenses	10.705.277	7.640.318	5.901.078	4.959.061
	Profit from ordinary operating activities	**2.509.580**	**2.352.129**	**(15.043.519)**	**(3.975.470)**
9	Profit of capital participation from group related companies	-	-	13.648.881	3.973.773
2	Other financial income	1.736.992	978.513	1.585.732	1.014.092
3	Other financial expenses	3.306.132	675.228	3.103.930	920.927
	Profit from ordinary activities before tax	**940.440**	**2.655.414**	**(2.912.836)**	**91.468**
5	Tax expense on ordinary activities	234.418	1.290.861	(3.633.277)	(844.189)
	Profit	**706.022**	**1.364.553**	**720.441**	**935.657**
	Proposed distribution of results:				
	Proposed dividend recognised in equity			-	-
	Reserve for net revaluation according to equity method			7.655.210	5.075.427
	Minority interests	(93.650)	(244.632)		
	Retained earnings	799.672	1.609.185	(6.934.769)	(4.139.770)
	Profit for the year distributed	**706.022**	**1.364.553**	**720.441**	**935.657**

Balance sheet 31 December

Assets

Note		Group 2017	Group 2016	Parent Company 2017	Parent Company 2016
6	Land and buildings	17.070.867	16.834.160	0	0
7	Plant and machinery	14.431.226	4.837.377	12.685.842	2.260.310
7	Fixtures, fittings, tools and equipment	899.150	1.301.196	899.149	1.301.195
8	Property, plant and equipment in progress	0	8.903.172	0	8.903.172
	Property, plant and equipment	**32.401.243**	**31.875.905**	**13.584.991**	**12.464.677**
	Long-term investments in group enterprises	0	0	37.242.628	23.295.981
9	**Investments**	**0**	**0**	**37.242.628**	**23.295.981**
	Non-current assets	**32.401.243**	**31.875.905**	**50.827.619**	**35.760.658**
10	**Inventories**	**28.886.885**	**17.693.902**	**7.626.545**	**1.798.672**
	Short-term receivables from group enterprises	0	0	4.448.337	4.244.311
	Short-term trade receivables	14.482.460	27.799.113	4.616.370	13.249.292
11	Contract work in progress	0	0	0	2.571.221
	Deferred income assets	1.621.702	0	3.080.701	0
	Other short-term receivables	3.217.865	1.179.752	1.271.115	417.644
	Costs exceeds income for the financial year	1.339.292	824.173	689.155	373.183
	Receivables	**20.661.319**	**29.803.038**	**14.105.678**	**20.855.651**
	Cash and cash equivalents	**391.237**	**2.094.059**	**11.648**	**1.563.455**
	Current assets	**49.939.441**	**49.590.999**	**21.743.871**	**24.217.778**
	Total assets	**82.340.684**	**81.466.904**	**72.571.490**	**59.978.436**

Balance sheet 31 December

Liabilities

Note		Group 2017	Group 2016	Parent Company 2017	Parent Company 2016
	Contributed capital	10.000.000	10.000.000	10.000.000	10.000.000
	Reserve for net revaluation according to equity method	0	0	21.824.555	14.169.345
	Retained earnings	23.391.123	22.685.101	1.580.987	8.515.756
	Minority interests	0	0		
	Proposed dividend recognised in equity	0	0	0	0
12	**Equity**	**33.391.123**	**32.685.101**	**33.405.542**	**32.685.101**
	Provisions for Deferred Tax	0	1.231.537	0	552.576
13	**Provisions**	**0**	**1.231.537**	**0**	**552.576**
	Long-term debt to other credit institutions	6.646.109	9.074.218	4.110.603	5.476.383
14	**Long-term debt**	**6.646.109**	**9.074.218**	**4.110.603**	**5.476.383**
14	Short-term debt to other credit institutions	18.225.103	16.897.306	16.995.110	14.216.699
	Short-term trade payables	15.117.929	11.061.332	6.583.064	5.901.375
	Short-term tax payables	485.178	1.422.014	0	25.665
	Short-term payables to group enterprises	461.924	22.656	8.336.673	0
11	Short-term prepayments received from customers	5.411.697	4.208.104	2.014.632	0
	Other short-term payables	2.601.621	4.864.636	1.125.866	1.120.637
	Short-term debt	**42.303.452**	**38.476.048**	**35.055.345**	**21.264.376**
	Total debt	**48.949.561**	**47.550.266**	**39.165.948**	**26.740.759**
	Total liabilities and equity	**82.340.684**	**81.466.904**	**72.571.490**	**59.978.436**

15 Disclosure of mortgages and collaterals
16 Disclosure of contingent liabilities
17 Contingent liabilities
18 Disclosure of ownership

Group cash flow statement

Note		2017	2016
	Profit	706.022	1.364.553
	Other adjustments for decrease (increase) in working capital	-	(244.632)
	Decrease (increase) in inventories	(11.192.983)	(3.695.178)
	Decrease (increase) in receivables	10.763.421	(5.919.659)
	Decrease (increase) in trade payables	2.997.175	(912.546)
	Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible	2.631.116	2.748.630
	Adjustments of tax expense	234.418	1.290.861
	Cash flow from operating activities before finance income (expenses)	**6.139.169**	**(5.367.971)**
	Income taxes paid (refund), classified as operating activities	(4.024.493)	(821.793)
	Cash flow from ordinary operating activities	**2.114.676**	**(6.189.764)**
	Purchase of property, plant and equipment, classified as investing activities	(3.156.454)	(10.690.675)
	Sales of property, plant and equipment, classified as investing activities	-	-
	Incurrence of debt to group enterprises	439.268	
	Other components of cash flows from (used in) investing acti'	-	(404.703)
	Cash flows from (used in) investing activities	**(2.717.186)**	**(11.095.378)**
	Dividends paid, classified as financing activities	-	(1.000.000)
	Incurrence of debt to credit institutions	(1.100.312)	17.178.664
	Cash flows from (used in) financing activities	**(1.100.312)**	**16.178.664**
	Net increase (decrease) in cash and cash equivalents	**(1.702.822)**	**(1.106.478)**
	Cash and cash equivalents, beginning balance	2.094.059	3.200.537
	Cash and cash equivalents, ending balance	**391.237**	**2.094.059**

Notes to the annual accounts

	Group 2017	Group 2016	Parent Company 2017	Parent Company 2016
1 Employee benefits expense				
Wages and salaries	23.218.501	20.401.150	9.045.063	6.777.712
Pensions	5.826.076	5.399.269	1.512.743	1.085.936
Other costs to social security	606.762	576.300	144.709	114.247
	29.651.339	**26.376.719**	**10.702.515**	**7.977.895**
The average number of full-time employees	**89**	**97**	**16**	**14**

	Group 2017	Group 2016	Parent Company 2017	Parent Company 2016
2 Other financial income				
Interest expenses to group related companies	-	-	-	392.737
Net foreign exchange transaction gains	1.736.992	824.655	-	-
Financial income	-	153.858	1.585.732	621.355
	1.736.992	**978.513**	**1.585.732**	**1.014.092**

	Group 2017	Group 2016	Parent Company 2017	Parent Company 2016
3 Other financial expenses				
Net foreign exchange transaction losses	1.896.498	65.684	-	-
Other interest expenses	1.409.634	609.544	3.103.930	920.927
	3.306.132	**675.228**	**3.103.930**	**920.927**

	Group 2017	Group 2016	Parent Company 2017	Parent Company 2016
4 Depreciations				
Land and buildings	1.051.233	884.401	-	-
Plant and machinery	1.125.341	1.282.860	184.420	181.586
Fixtures, fittings, tools and equipment	454.542	399.882	454.542	399.882
Leasehold improvements	-	181.487	-	-
	2.631.116	**2.748.630**	**638.962**	**581.468**

Notes to the annual accounts

	Group 2017	Group 2016	Parent Company 2017	Parent Company 2016
5 Tax expense on ordinary activities				
Tax on the taxable income for the year	3.124.535	2.778.921	-	25.665
Increase of provision for deferred tax	(2.890.117)	(1.488.060)	(3.633.277)	(869.854)
	234.418	**1.290.861**	**(3.633.277)**	**(844.189)**

6 Disclosure of property, plant and equipment

	2017	2016
Lands and buildings		
Purchase price, beginning of year	22.466.670	21.363.913
Additions for the year	1.287.940	1.102.757
Disposals for the year	-	-
Purchase price, end af year	23.754.610	22.466.670
Depreciation, beginning of year	5.632.510	4.748.109
Depreciations for the year	1.051.233	884.401
Reversed depriciation on disposals for the year	-	-
Depreciations, end of year	6.683.743	5.632.510
Note book value 31 December	**17.070.867**	**16.834.160**

Notes to the annual accounts

7 Disclosure of property, plant and equipment

	Group: Technical equipment and machines	Group: Fixtures, fittings and equipment	Parent Company: Technical equipment and machines	Parent Company: Fixtures, fittings and equipment
Purchase price, beginning of year	13.050.991	2.453.820	3.662.910	2.453.819
Additions for the year	10.719.190	52.496	10.609.952	52.496
Disposals for the year	346.815	-	-	-
Purchase price, end af year	23.423.366	2.506.316	14.272.862	2.506.315
Depreciation, beginning of year	8.213.614	1.152.624	1.402.600	1.152.624
Depreciations for the year	1.125.341	454.542	184.420	454.542
Reversed depriciation on disposals for the year	346.815	-	-	-
Depreciations, end of year	8.992.140	1.607.166	1.587.020	1.607.166
Note book value 31 December	**14.431.226**	**899.150**	**12.685.842**	**899.149**

8 Disclosure of property, plant and equipment

	2017	2016
Property, plant and equipment in progress		
Purchase price, beginning of year	8.903.172	-
Additions for the year	-	8.903.172
Disposals for the year	(8.903.172)	-
Purchase price, end af year	-	**8.903.172**
Note book value 31 December	-	**8.903.172**

Notes to the annual accounts

9 Long-term investments in group enterprises

Investments in and value adjustments to capital participation, which are financial fixed assets, can be specified as follows:

	Parent Company 2017	Parent Company 2016
Purchase price	7.918.073	7.918.073
Additions for the year	-	-
	7.918.073	7.918.073
Value adjustments, beginning of the year	15.377.908	10.302.481
Profit shares for the year	13.946.647	5.075.427
	29.324.555	15.377.908
Net asset value, end of the year	**37.242.628**	**23.295.981**
Profit of capital participation:		
Profit share after tax for the year	13.946.647	5.075.427
Impairment receivables from group enterprises	(297.766)	(1.101.654)
	13.648.881	**3.973.773**

Subsidiary's:

Oxymat Ejendomme ApS, 3200 Helsinge, 100% owned.

Oxymat Slovakia S.r.o, Vadovce, Slovakia, 100% owned.

Oxymat (Hangzhou) Co., Ltd., 70% owned.

Notes to the annual accounts

10 Inventories

	Group 2017	Group 2016	Parent Company 2017	Parent Company 2016
Raw materials and supplies	15.632.495	15.602.505	6.383.795	-
Goods and trades	13.254.390	2.091.397	1.242.750	1.798.672
	28.886.885	**17.693.902**	**7.626.545**	**1.798.672**

11 Contract work in progress

	Group 2017	Group 2016	Parent Company 2017	Parent Company 2016
Work in process	12.117.018	12.477.595	7.962.490	7.950.670
Prepayments	17.528.715	16.685.699	9.977.122	5.379.449
Work in process, netto	**(5.411.697)**	**(4.208.104)**	**(2.014.632)**	**2.571.221**
Included in the balance sheet:				
Work in process, assets	-	-	-	2.571.221
Prepayments	5.411.697	4.208.104	2.014.632	-
	(5.411.697)	**(4.208.104)**	**(2.014.632)**	**2.571.221**

12 Equity

	Subsidiary reserve	Retained earnings	Minority interests	Dividend
Equity capital 1 January	14.169.345	8.515.756	-	-
Dividend paid				-
Retained earnings	7.655.210	(6.934.769)		-
Equity capital, 31 December	**21.824.555**	**1.580.987**	**-**	**-**

The share capital is divided in 10.000.000 units shares of DKK 1. A total amount of DKK 10.000.000.

Notes to the annual accounts

	Group 2017	Group 2016	Parent Company 2017	Parent Company 2016
13 Provisions for Deferred Tax				
Deferred tax, beginning of the year			552.576	1.422.530
Deferred tax for the year			(3.633.277)	(869.954)
Deferred tax 31 December			**(3.080.701)**	**552.576**

14 Details on long-term liabilities other than provisions

	Group 2017	Group 2016	Parent Company 2017	Parent Company 2016
Due after 5 years	1.600.683	2.671.483	-	-
Due in 1-5 years	5.045.426	6.402.735	4.110.603	5.476.383
Due in 1 year	18.225.103	16.897.306	16.995.110	14.216.699
	24.871.212	**25.971.524**	**21.105.713**	**19.693.082**

15 Disclosure of mortgages and collaterals

As security for the bank engagement of Oxymat A/S, mortgage deed registered to the mortgager of DKK 1.100.000 and mortgage deed registered to the mortgager of DKK 650.000 with mortgage in the property at Fasanvej 18 at a book value of DKK 8,254,887 have been deposited. Also as security for mortgage debt in Oxymat Ejendomme ApS, DKK 2,671,609, a mortgage has been given in the property.

Mortgage deeds registered to the mortgager at a nominal amount of DKK 3.900.000 have been registered. The registered mortgage deeds registered to the mortgagor are at the present time not provided as security for debt.

Notes to the annual accounts

16 Disclosure of contingent liabilities

There is an obligation of a general guarantee for delivered products rely. The company estimates this guarantee to be maximum DKK 1.000.000.

17 Contingent liabilities

The company acts as the management company for the jointly taxed Danish subsidiaries. The company is jointly and severally liable with the other jointly taxed Group companies for payment of withholding taxes payable and for corporate taxes.

18 Disclosure of ownership

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

Sjøgren Holding ApS, Søkrogvej 19, 3200 Helsinge.
Jesper Bo Sjøgren, Søkrogvej 19, 3200 Helsinge.
Tage Kjær Invest ApS, Davidsvænge 17, 3480 Fredensborg