

Oxymat A/S

Address: Fasanvej 18-20, 3200 Helsingø

CVR-nummer 25 28 16 75

Annual Report 2016

Financial year 1. januar - 31. december 2016

Adopted at the Annual General Meeting of the Company on 8 May 2017



Troels Mørch Tuxen
chairman

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Company Information

The Company

Oxymat A/S
Fasanvej 18-20
3200 Helsingø

Municipality of reg. office: Gribskov

Supervisory Board

Troels Mørch Tuxen
Jesper Sjøgren
Tage Kjær

Executive Board

Jesper Sjøgren

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

	2016	2015	2014	2013	2012
Net turnover	145.980	149.504	132.393	93.851	92.310
GrossProfitLoss	20.517	13.705	22.533	18.987	15.441
EBITDA	5.101	5.730	10.528	10.082	8.084
Profit from operations	2.352	2.905	8.828	8.304	6.560
Interest net	303	(204)	(702)	(788)	(788)
Profit for the year	1.365	1.725	6.305	5.452	4.619
Fixed assets	31.876	23.934	20.296	18.128	16.996
Current assets	49.591	41.522	38.473	34.393	34.975
Total assets	81.467	65.456	58.769	52.521	51.971
Share capital	10.000	10.000	10.000	10.000	10.000
Equity capital	32.685	32.910	34.184	30.449	25.828
Deferred tax	1.232	2.692	1.397	-	-
Long-term debt	9.074	2.805	2.941	6.147	4.249
Short-term debt	38.476	27.049	20.247	15.925	21.894
Total liabilities	81.467	65.456	58.769	52.521	51.971
Ratios :					
EBITDA margin	3	4	8	11	9
Return on net assets	3	4	15	16	13
Liquidity ratio	129	154	190	216	160
Solvency ratio	40	50	58	58	50
Return on equity	4	5	20	19	20
Number of full-time employees (China included from 2013)	97	101	79	73	62

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 2016

The net turnover for the year amounted to DKK 145.980.444, this was a decrease of 2,4% compared with 2015. EBITDA amounted to DKK 2.352.129 against DKK 2.905.189 in 2015.

Net turnover as well as EBITDA level for 2016 is not satisfactory. The prices obtained in the marine sector is still not satisfactory and effect revenue as well as EBITDA level. The Danish production build up has continued throughout 2016, and has influenced EBITDA with more than 6 mill. DKK, as the factory will be effective from 2nd quarter 2017 only.

The company has decreased its number of employees from 101 in 2015 to 97 in 2016.

The company did sign orders for 140 mill DKK throughout 2016, which was an increase of 12 % compared to 2015.

The expected development

The company did build up a sales force in Denmark throughout 2016, and results are seen in 1 Q 2017 for the industrial market, the order intake for 2017 is expected to be between 150 and 160 mill DKK, but with larger profit margins as industrial sales increases and less profitable marine sales decreases.

The Danish production facility is expected to be operative during 2nd Q 2017, this will have a positive impact on EBITDA.

The company introduced in April 2017 a new line of PSA Oxygen and Nitrogen Generators with significant better performance, the result of this introduction is expected to have a positive impact on sales and EBITDA in 2017 and with increasing effect in the years to come.

An increasing net result is expected for 2017 compared to 2016

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 2016.

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 2016 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

Helsingør, 8 May 2017

Executive Board



Jesper Sjøgren

Supervisory Board



Troels Mørch Tuxen



Tage Kjær



Jesper Sjøgren

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 2016, 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 2016, 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 2016 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, 8 May 2017

Aaen & Co. statsautoriserede revisorer p/s

Kongevejen 3, 3000 Helsingør - CVR nummer 33 24 17 63



Søren Appelrod

State Authorised Public Accountant

Accounting Policies

Basis of accounting

The Annual Report of Oxymat A/S for 2016 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 previous 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 assets, 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.

Balance sheet 31 December

Assets

Note	Group		Parent Company		
	2016	2015	2016	2015	
6	Land and buildings	16.834.160	16.615.804	0	0
7	Plant and machinery	4.837.377	5.919.237	2.260.310	2.441.896
7	Fixtures, fittings, tools and equipment	1.301.196	1.217.332	1.301.195	1.217.332
8	Property, plant and equipment in progress	8.903.172	0	8.903.172	0
9	Leasehold improvements	0	181.487	0	0
	Property, plant and equipment	31.875.905	23.933.860	12.464.677	3.659.228
	Long-term investments in group enterprises	0	0	23.295.981	18.220.554
10	Investments	0	0	23.295.981	18.220.554
	Non-current assets	31.875.905	23.933.860	35.760.658	21.879.782
11	Inventories	17.693.902	13.998.724	1.798.672	182.024
	Short-term receivables from group enterprises	0	8.750	4.244.311	26.999.828
	Short-term trade receivables	27.799.113	16.323.033	13.249.292	7.488.563
12	Contract work in progress	0	1.441.189	2.571.221	0
	Deferred income assets	0	439.138	0	0
	Other short-term receivables	1.179.752	5.119.708	417.644	2.260.701
	Costs exceeds income for the financial year	824.173	990.699	373.183	44.677
	Receivables	29.803.038	24.322.517	20.855.651	36.793.769
	Cash and cash equivalents	2.094.059	3.200.537	1.563.455	11.419
	Current assets	49.590.999	41.521.778	24.217.778	36.987.212
	Total assets	81.466.904	65.455.638	59.978.436	58.866.994

Balance sheet 31 December

Liabilities

Note	Group		Parent Company	
	2016	2015	2016	2015
	10.000.000	10.000.000	10.000.000	10.000.000
	0	0	14.169.345	9.093.918
	22.685.101	22.154.047	8.515.756	13.060.129
	0	-244.632		
	0	1.000.000	0	1.000.000
13 Equity	32.685.101	32.909.415	32.685.101	33.154.047
	1.231.537	2.692.354	552.576	1.422.530
14 Provisions	1.231.537	2.692.354	552.576	1.422.530
	9.074.218	2.804.541	5.476.383	0
15 Long-term debt	9.074.218	2.804.541	5.476.383	0
15 Short-term debt to other credit institutions	16.897.306	5.988.319	14.216.699	5.850.780
	11.061.332	16.926.174	5.901.375	9.541.932
	1.422.014	0	25.665	154.646
	22.656	14.391	0	0
12 Short-term prepayments received from customers	4.208.104	0	0	6.680.441
	4.864.636	4.120.444	1.120.637	2.062.618
Short-term debt	38.476.048	27.049.328	21.264.376	24.290.417
Total debt	47.550.266	29.853.869	26.740.759	24.290.417
Total liabilities	81.466.904	65.455.638	59.978.436	58.866.994
16 Disclosure of mortgages and collaterals				
17 Disclosure of contingent liabilities				
18 Contingent liabilities				
19 Disclosure of ownership				

Group cash flow statement

Note	2016	2015
Profit	1.364.553	1.725.443
Other adjustments for decrease (increase) in working capital	(244.632)	358.595
Decrease (increase) in inventories	(3.695.178)	(2.839.518)
Decrease (increase) in receivables	(5.919.659)	(1.737.508)
Decrease (increase) in trade payables	(912.546)	3.801.627
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible	2.748.630	2.660.673
Adjustments of tax expense	1.290.861	976.011
Cash flow from operating activities before finance income (expenses)	(5.367.971)	4.945.323
Income taxes paid (refund), classified as operating activities	(821.793)	(21.600)
Cash flow from ordinary operating activities	(6.189.764)	4.923.723
Purchase of property, plant and equipment, classified as investing activities	(10.690.675)	(6.495.942)
Sales of property, plant and equipment, classified as investing activities	-	229.019
Other component of cash flows from financing activities	(404.703)	
Cash flows from (used in) investing activities	(11.095.378)	(6.266.923)
Dividends paid, classified as financing activities	(1.000.000)	(3.000.000)
Incurrence of debt to credit institutions	17.178.664	3.750.538
Cash flows from (used in) financing activities	16.178.664	750.538
Net increase (decrease) in cash and cash equivalents	(1.106.478)	(592.662)
Cash and cash equivalents, beginning balance	3.200.537	3.793.199
Cash and cash equivalents, ending balance	2.094.059	3.200.537

Notes to the annual accounts

	Group		Parent Company	
	2016	2015	2016	2015
1 Employee benefits expense				
Wages and salaries	20.401.150	21.365.753	6.777.712	3.608.285
Pensions	5.399.269	5.634.571	1.085.936	653.719
Other costs to social security	576.300	798.389	114.247	49.437
	26.376.719	27.798.713	7.977.895	4.311.441
 <i>The average number of full-time employees</i>				
	97	101	14	7
 2 Other financial income				
Interest expenses to group related companies	-	-	392.737	955.556
Net foreign exchange transaction gains	824.655	492.151	-	-
Financial income	153.858	30.675	621.355	100.830
	978.513	522.826	1.014.092	1.056.386
 3 Other financial expenses				
Net foreign exchange transaction losses	65.684	279.425	-	-
Other interest expenses	609.544	447.136	920.927	202.396
	675.228	726.561	920.927	202.396
 4 Depreciations				
Land and buildings	884.401	1.516.208	-	-
Plant and machinery	1.282.860	912.566	181.586	266.785
Fixtures, fittings, tools and equipment	399.882	231.899	399.882	231.899
Leasehold improvements	181.487	164.479	-	-
	2.748.630	2.825.152	581.468	498.684

Notes to the annual accounts

	Group		Parent Company	
	2016	2015	2016	2015
5 Tax expense on ordinary activities				
Tax on the taxable income for the year	2.778.921	942.604	25.665	154.646
Increase of provision for deferred tax	(1.488.060)	33.407	(869.954)	1.433.733
	1.290.861	976.011	(844.289)	1.588.379
6 Disclosure of property, plant and equipment				
<i>Lands and buildings</i>				
Purchase price, beginning of year	21.363.913	18.474.044		
Additions for the year	1.102.757	3.232.702		
Disposals for the year	-	342.833		
Purchase price, end of year	22.466.670	21.363.913		
Depreciation, beginning of year	4.748.109	3.542.109		
Depreciations for the year	884.401	1.516.208		
Reversed depreciation on disposals for the year	-	310.208		
Depreciations, end of year	5.632.510	4.748.109		
Note book value 31 December	16.834.160	16.615.804		

Notes to the annual accounts

	<i>Group</i>		<i>Parent Company</i>	
7 Disclosure of property, plant and equipment				
	Technical equipment and machines	Fixtures, fittings and equipment	Technical equipment and machines	Fixtures, fittings and equipment
Purchase price, beginning of year	12.926.529	1.970.074	3.662.910	1.970.074
Additions for the year	201.000	483.746	-	483.745
Disposals for the year	76.538	-	-	-
Purchase price, end of year	13.050.991	2.453.820	3.662.910	2.453.819
Depreciation, beginning of year	7.007.292	752.742	1.221.014	752.742
Depreciations for the year	1.282.860	399.882	181.586	399.882
Reversed depreciation on disposals for the year	76.538	-	-	-
Depreciations, end of year	8.213.614	1.152.624	1.402.600	1.152.624
Note book value 31 December	4.837.377	1.301.196	2.260.310	1.301.195
	2016	2015		
8 Disclosure of property, plant and equipment				
Property, plant and equipment in progress				
Purchase price, beginning of year	-	264.877		
Additions for the year	8.903.172	(264.877)		
Purchase price, end of year	8.903.172	-		
Note book value 31 December	8.903.172	-		
9 Disclosure of property, plant and equipment				
Leasehold improvements				
Purchase price, beginning of year	383.369	579.763		
Additions for the year	-	-		
Disposals for the year	-	196.394		
Purchase price, end of year	383.369	383.369		
Depreciation, beginning of year	201.882	233.797		
Depreciations for the year	181.487	164.479		
Reversed depreciation on disposals for the year	-	196.394		
Depreciations, end of year	383.369	201.882		
Note book value 31 December	-	181.487		

Notes to the annual accounts

10 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	
	2016	2015
Purchase price	7.918.073	7.918.073
Additions for the year	-	-
	<u>7.918.073</u>	<u>7.918.073</u>
Value adjustments, beginning of the year	10.302.481	13.757.711
Currency adjustment		-
Profit shares for the year	5.075.427	(3.455.230)
	<u>15.377.908</u>	<u>10.302.481</u>
Net asset value, end of the year	<u>23.295.981</u>	<u>18.220.554</u>
Profit of capital participation:		
Profit share after tax for the year	5.075.427	(3.455.230)
Impairment receivables from group enterprises	(1.101.654)	-
	<u>3.973.773</u>	<u>(3.455.230)</u>

Subsidiary's:

Oxymat Ejendomme ApS, 3200 Helsingør, 100% owned.

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

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

Notes to the annual accounts

	<i>Group</i>		<i>Parent Company</i>	
	2016	2015	2016	2015
11 Inventories				
Raw materials and supplies	15.602.505	13.449.630	-	-
Goods and trades	2.091.397	549.094	1.798.672	182.024
	17.693.902	13.998.724	1.798.672	182.024
12 Contract work in progress				
Work in process	12.477.595	34.016.522	7.950.670	17.552.229
Prepayments	16.685.699	32.575.333	5.379.449	24.232.670
Work in process, netto	(4.208.104)	1.441.189	2.571.221	(6.680.441)
Included in the balance sheet:				
Work in process, assets	-	1.441.189	2.571.221	-
Prepayments	4.208.104	-	-	6.680.441
	(4.208.104)	1.441.189	2.571.221	(6.680.441)
13 Equity				
	<u>Subsidiary reserve</u>	<u>Retained earnings</u>	<u>Minority interests</u>	<u>Dividend</u>
Equity capital 1 January	9.093.918	13.060.129	(244.632)	1.000.000
Dividend paid				(1.000.000)
Net adjustments of hedging instruments		(404.703)	244.632	
Retained earnings	5.075.427	(4.139.670)		-
Equity capital, 31 December	14.169.345	8.515.756	-	-

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

	<i>Group</i>		<i>Parent Company</i>	
	2016	2015	2016	2015
14 Provisions for Deferred Tax				
Deferred tax, beginning of the year			1.422.530	(11.203)
Deferred tax for the year			(869.954)	1.433.733
Deferred tax 31 December			552.576	1.422.530
15 Details on long-term liabilities other than provisions				
Due after 5 years	2.671.483	2.248.167	-	-
Due in 1-5 years	6.402.735	556.374	5.476.383	-
Due in 1 year	16.897.306	5.988.319	14.216.699	5.850.780
	25.971.524	8.792.860	19.693.082	5.850.780
16 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 7,389,800 have been deposited. Also as security for mortgage debt in Oxymat Ejendomme ApS, DKK 2,807,089, 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

17 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.

18 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.

19 Disclosure of ownership

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

Sjøgren Holding ApS, Søkrogvej 19, 3200 Helsingø.

Jesper Bo Sjøgren, Søkrogvej 19, 3200 Helsingø.

Tage Kjær Invest ApS, Davidsvænge 17, 3480 Fredensborg