Aaen & Co.
STATSAUTORISEREDE REVISORER

# Oxymat A/S

Address: Fasanvej 18-20, 3200 Helsinge

## CVR-number 25 28 16 75

## *Annual Report 2019*

Financial year 1 January - 31 December 2019

**Adopted at the Annual General Meeting of the Company on 24 August 2020**

Troels Mørch Tuxen
chairman

# Contents

# Company Information

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

# Information on calculation of key figures and financial ratios

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|
| Net turnover | 160.880 | 153.400 | 130.687 | 145.980 | 149.504 |
| Gross Profit | 21.623 | 22.534 | 19.827 | 20.517 | 13.705 |
| EBITDA | 1.496 | 9.341 | 5.141 | 5.101 | 5.730 |
| Profit from operations | (2.968) | 5.175 | 2.510 | 2.352 | 2.905 |
| Interest net | (6.197) | (2.826) | (1.569) | 303 | (204) |
| Profit for the year | (8.157) | 1.351 | 706 | 1.365 | 1.725 |
| Fixed assets | 31.214 | 31.112 | 32.401 | 31.876 | 23.934 |
| Current assets | 59.516 | 61.305 | 49.939 | 49.591 | 41.522 |
| Total assets | 90.730 | 92.417 | 82.340 | 81.467 | 65.456 |
| Share capital | 10.000 | 10.000 | 10.000 | 10.000 | 10.000 |
| Equity capital | 26.153 | 34.310 | 33.391 | 32.685 | 32.910 |
| Deferred tax | - | - | - | 1.232 | 2.692 |
| Long-term debt | 14.843 | 7.061 | 6.646 | 9.074 | 2.805 |
| Short-term debt | 49.734 | 51.046 | 42.303 | 38.476 | 27.049 |
| Total liabilities and equity | 90.730 | 92.417 | 82.340 | 81.467 | 65.456 |
| Ratios : | | | | | |
| EBITDA margin | 1 | 6 | 4 | 3 | 4 |
| Return on net assets | (3) | 6 | 3 | 3 | 4 |
| Liquidity ratio | 120 | 120 | 118 | 129 | 154 |
| Solvency ratio | 29 | 37 | 41 | 40 | 50 |
| Return on equity | (27) | 4 | 2 | 4 | 5 |
| Number of full-time employees | 85 | 88 | 89 | 97 | 101 |

## 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 2019

The net turnover for the year amounted to T.DKK 160.880. This was an increase of 5 % compared to 2018 and lower than expected.

EBITDA amounted to T.DKK 1.496 against 9.341. The decline in EBITDA is due to unforeseen additional cost on our newly developed high-end generators in Q4, resulting in delays on deliveries by year end. The profit for 2019 was also negatively affected by the development in USD.

The company did sign orders for 184,8 mill DKK throughout 2019, which is 12 % higher than order intake in 2018.

The company has decreased the number of employees in the group by 3 throughout 2019 to a total of 85 employees.

## Exchange-rate risks

Activities abroad mean that earnings, cash flows and equity are affected by the exchange-rate and interest rate developments for a number of currencies. It is the company's currency policy to hedge commercial currency risks. Hedging takes place primarily through forward exchange contracts to hedge expected revenue and purchases within the next 12 months. There are no speculative currency dispositions.

Currency risks related to investments in subsidiaries and associates abroad are generally not hedged, as it is the company's opinion that continuous hedging of such long-term investments will not be optimal on the basis of a total risk and cost considerations.

## The expected development

Revenue and EBITDA in 2020 is expected to be significantly higher than in 2019.

Due to medical approval of the companies products Oxymat has been able to assist healthcare organizations in a number of countries around the globe in the fight against Covid-19. This has a positive effect in the order intake and earnings in 2020.

A number of new products have already been launched in 2020, one being a 10 feet container producing 70 kilos oxygen per hour, another a membrane system for nitrogen for our marine market.

The activities in Slovakia and China will continue without major changes in 2020.

# 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 2019.

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 2019 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, 24 August 2020

**Executive Board**

Jesper Sjögren

**Supervisory Board**

| | | |
|---|---|---|
| Troels Mørch Tuxen | Tage Kjær | Jesper Sjögren |
| Lea Lund Sjögren | Per Kaiser Lauritzen | |

# 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 January - 31 December 2019, 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 2019, and of the results of the Group and Parent Company operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2019 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, 24 August 2020
**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 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class C, medium-size enterprises. The accounting policies applied are unchanged compared to the last year.

The annual report is presented in DKK

Accounting policies are unchanged from previous period.

### 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 recognized 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 recognized 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 Sjögren 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

#### Property, plant, and equipment

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 recognized 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 recognized 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 amortization 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, amortization 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.

# Income statement 1 January - 31 December

| Note | | Group 2019 | Group 2018 | Parent Company 2019 | Parent Company 2018 |
|---|---|---|---|---|---|
| | Revenue | 160.880.419 | 153.400.476 | 103.720.175 | 96.835.815 |
| | Cost of production | 139.257.618 | 130.866.804 | 95.784.758 | 85.484.122 |
| | Gross profit | 21.622.801 | 22.533.672 | 7.935.417 | 11.351.693 |
| | Distribution costs | 8.480.985 | 8.404.575 | 8.566.802 | 6.061.759 |
| | Administrative expenses | 16.156.225 | 8.953.704 | 8.002.528 | 5.181.488 |
| | Other operating expenses | (46.412) | - | (46.412) | 1.454 |
| | Profit from ordinary operating activities | (2.967.997) | 5.175.393 | (8.587.501) | 106.992 |
| 9 | Profit of capital participation from group related companies | - | - | 3.588.302 | 2.644.004 |
| 2 | Other financial income | 1.046.043 | 470.117 | 1.014.752 | 416.274 |
| 3 | Other financial expenses | 7.243.380 | 3.295.685 | 7.467.087 | 2.746.832 |
| | Profit from ordinary activities before tax | (9.165.334) | 2.349.825 | (11.451.534) | 420.438 |
| 5 | Tax expense on ordinary activities | (1.007.962) | 998.671 | (3.294.162) | (483.954) |
| | Profit | (8.157.372) | 1.351.154 | (8.157.372) | 904.392 |
| | Proposed distribution of results: | | | | |
| | Proposed dividend recognised in equity | | | - | - |
| | Reserve for net revaluation according to equity method | | | 15.658.671 | (1.567.179) |
| | Minority interests | - | - | | |
| | Retained earnings | (8.157.372) | 1.351.154 | (23.816.043) | 2.471.571 |
| | Profit for the year distributed | (8.157.372) | 1.351.154 | (8.157.372) | 904.392 |

# Balance sheet 31 December

## Assets

| Note | | Group 2019 | Group 2018 | Parent Company 2019 | Parent Company 2018 |
|---|---|---|---|---|---|
| 6 | Land and buildings | 16.308.528 | 16.270.074 | 0 | 0 |
| 7 | Plant and machinery | 12.815.015 | 14.104.810 | 11.457.245 | 12.552.055 |
| 7 | Fixtures, fittings, tools and equipment | 461.846 | 737.386 | 461.846 | 737.386 |
| 8 | Property, plant and equipment in progress | 1.628.408 | 0 | 1.628.408 | 0 |
| | Property, plant and equipment | 31.213.797 | 31.112.270 | 13.547.499 | 13.289.441 |
| | Long-term investments in group enterprises | 0 | 0 | 43.834.120 | 35.675.449 |
| 9 | Investments | 0 | 0 | 43.834.120 | 35.675.449 |
| | Non-current assets | 31.213.797 | 31.112.270 | 57.381.619 | 48.964.890 |
| 10 | Inventories | 27.623.835 | 31.253.762 | 14.114.737 | 13.156.877 |
| | Short-term receivables from group enterprises | 0 | 0 | 2.442.548 | 4.384.056 |
| | Short-term trade receivables | 14.886.461 | 15.614.665 | 9.808.570 | 8.164.547 |
| 11 | Contract work in progress | 85.673 | 3.500.444 | 2.551.965 | 6.538.821 |
| 12 | Current deferred tax assets | 6.411.787 | 2.517.561 | 6.858.817 | 3.564.655 |
| | Short-term tax receivables | 0 | 1.242.915 | 0 | 0 |
| | Other short-term receivables | 3.810.893 | 2.619.765 | 2.024.908 | 1.417.202 |
| | Deferred income assets | 1.735.320 | 1.967.055 | 889.640 | 625.581 |
| | Receivables | 26.930.134 | 27.462.405 | 24.576.448 | 24.694.862 |
| | Cash and cash equivalents | 4.962.051 | 2.588.818 | 3.729.957 | 107.134 |
| | Current assets | 59.516.020 | 61.304.985 | 42.421.142 | 37.958.873 |
| | Total assets | 90.729.817 | 92.417.255 | 99.802.761 | 86.923.763 |

# Balance sheet 31 December

## Liabilities

| Note | | Group 2019 | Group 2018 | Parent Company 2019 | Parent Company 2018 |
|---|---|---|---|---|---|
| | Contributed capital | 10.000.000 | 10.000.000 | 10.000.000 | 10.000.000 |
| | Reserve for net revaluation according to equity method | 0 | 0 | 35.916.047 | 20.257.376 |
| | Retained earnings | 16.152.562 | 24.309.934 | -19.763.485 | 4.052.558 |
| | Equity | 26.152.562 | 34.309.934 | 26.152.562 | 34.309.934 |
| | Long-term debt to other credit institutions | 14.843.293 | 7.060.708 | 10.753.812 | 2.775.826 |
| 13 | Long-term debt | 14.843.293 | 7.060.708 | 10.753.812 | 2.775.826 |
| 13 | Short-term debt to other credit institutions | 25.650.898 | 26.797.325 | 25.456.047 | 24.557.964 |
| | Short-term trade payables | 19.656.683 | 20.647.229 | 12.447.532 | 14.335.169 |
| | Short-term tax payables | 1.028.206 | 0 | 0 | 0 |
| | Short-term payables to group enterprises | 428.344 | 414.989 | 23.429.055 | 9.712.784 |
| | Other short-term payables | 2.969.831 | 3.187.070 | 1.563.753 | 1.232.086 |
| | Short-term debt | 49.733.962 | 51.046.613 | 62.896.387 | 49.838.003 |
| | Total debt | 64.577.255 | 58.107.321 | 73.650.199 | 52.613.829 |
| | Total liabilities and equity | 90.729.817 | 92.417.255 | 99.802.761 | 86.923.763 |

14 Disclosure of mortgages and collaterals
15 Disclosure of contingent liabilities
16 Disclosure of scope and nature of derivative financial instruments
17 Disclosure of liabilities under off-balance sheet leases
18 Contingent liabilities
19 Disclosure of ownership

# Equity

## Group equity

| | Share capital | Retained earnings | Subsidiary reserve | Equity total |
|---|---|---|---|---|
| Equity capital 1 January | 10.000.000 | 24.309.934 | 0 | 34.309.934 |
| Dividend paid | 0 | 0 | 0 | 0 |
| Retained earnings | 0 | -8.157.372 | 0 | -8.157.372 |
| Equity capital, 31 December | 10.000.000 | 16.152.562 | 0 | 26.152.562 |

## Parent Company equity

| | Share capital | Retained earnings | Subsidiary reserve | Equity total |
|---|---|---|---|---|
| Equity capital 1 January | 10.000.000 | 4.052.558 | 20.257.376 | 34.309.934 |
| Dividend paid | 0 | 0 | 0 | 0 |
| Retained earnings | 0 | -23.816.043 | 15.658.671 | -8.157.372 |
| Equity capital, 31 December | 10.000.000 | -19.763.485 | 35.916.047 | 26.152.562 |

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

# Group cash flow statement

| Note | | 2019 | 2018 |
|---|---|---|---|
| | Profit (loss) from ordinary activities after tax | (8.157.372) | 1.351.154 |
| | Other adjustments for decrease (increase) in working capital | - | - |
| | Decrease (increase) in inventories | 3.629.927 | (2.366.877) |
| | Decrease (increase) in receivables | 3.183.582 | (4.662.312) |
| | Decrease (increase) in trade payables | (1.207.785) | 703.052 |
| | Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible | 4.464.278 | 4.165.631 |
| | Adjustments of tax expense | (1.007.962) | 998.671 |
| | Cash flow from operating activities before finance income (expenses) | 904.668 | 189.319 |
| | Income taxes paid (refund), classified as operating activities | (541.555) | (4.053.512) |
| | Cash flow from ordinary operating activities | 363.113 | (3.864.193) |
| | Purchase of property, plant and equipment, classified as investing activities | (4.639.393) | (2.938.112) |
| | Sales of property, plant and equipment, classified as investing activities | - | 60.000 |
| | Incurrence of debt to group enterprises | 13.355 | (46.935) |
| | Cash flows from (used in) investing activities | (4.626.038) | (2.925.047) |
| | Dividends paid, classified as financing activities | - | - |
| | Incurrence of debt to credit institutions | 6.636.158 | 8.986.821 |
| | Cash flows from (used in) financing activities | 6.636.158 | 8.986.821 |
| | Net increase (decrease) in cash and cash equivalents | 2.373.233 | 2.197.581 |
| | Cash and cash equivalents, beginning balance | 2.588.818 | 391.237 |
| | Cash and cash equivalents, ending balance | 4.962.051 | 2.588.818 |

# Notes to the annual accounts

| | | Group 2019 | Group 2018 | Parent Company 2019 | Parent Company 2018 |
|---|---|---|---|---|---|
| 1 | Employee benefits expense | | | | |
| | Wages and salaries | 24.362.952 | 26.330.136 | 12.777.185 | 13.252.628 |
| | Pensions | 5.424.084 | 5.757.807 | 1.909.599 | 1.851.297 |
| | Other costs to social security | 531.985 | 748.998 | 226.780 | 231.685 |
| | | 30.319.021 | 32.836.941 | 14.913.564 | 15.335.610 |
| | The average number of full-time employees | 85 | 88 | 26 | 30 |

| | | Group 2019 | Group 2018 | Parent Company 2019 | Parent Company 2018 |
|---|---|---|---|---|---|
| 2 | Other financial income | | | | |
| | Net foreign exchange transaction gains | 1.007.560 | 413.243 | 1.007.560 | 413.243 |
| | Financial income | 38.483 | 56.874 | 7.192 | 3.031 |
| | | 1.046.043 | 470.117 | 1.014.752 | 416.274 |

| | | Group 2019 | Group 2018 | Parent Company 2019 | Parent Company 2018 |
|---|---|---|---|---|---|
| 3 | Other financial expenses | | | | |
| | Net foreign exchange transaction losses | 5.299.277 | 1.134.200 | 5.205.819 | 1.051.422 |
| | Interest expenses to group related companies | | | 689.354 | 452.603 |
| | Other interest expenses | 1.944.103 | 2.161.485 | 1.571.914 | 1.242.807 |
| | | 7.243.380 | 3.295.685 | 7.467.087 | 2.746.832 |

| | | Group 2019 | Group 2018 | Parent Company 2019 | Parent Company 2018 |
|---|---|---|---|---|---|
| 4 | Depreciations | | | | |
| | Land and buildings | 1.062.941 | 1.069.339 | - | - |
| | Plant and machinery | 3.108.803 | 2.655.938 | 2.564.483 | 1.943.236 |
| | Fixtures, fittings, tools and equipment | 292.534 | 440.354 | 292.534 | 440.353 |
| | | 4.464.278 | 4.165.631 | 2.857.017 | 2.383.589 |

# Notes to the annual accounts

| | | Group | | Parent Company | |
|---|---|---|---|---|---|
| | | 2019 | 2018 | 2019 | 2018 |
| 5 | Tax expense on ordinary activities | | | | |
| | Tax on the taxable income for the year | 2.886.264 | 1.894.530 | - | - |
| | Increase of provision for deferred tax | (3.894.226) | (895.859) | (3.294.162) | (483.954) |
| | | (1.007.962) | 998.671 | (3.294.162) | (483.954) |

| | | Group 2019 | Group 2018 |
|---|---|---|---|
| 6 | Disclosure of property, plant and equipment | | |
| | Lands and buildings | | |
| | Purchase price, beginning of year | 24.023.156 | 23.754.610 |
| | Additions for the year | 1.101.395 | 268.546 |
| | Disposals for the year | - | - |
| | Purchase price, end of year | 25.124.551 | 24.023.156 |
| | Depreciation, beginning of year | 7.753.082 | 6.683.743 |
| | Depreciations for the year | 1.062.941 | 1.069.339 |
| | Reversed depreciation on disposals for the year | - | - |
| | Depreciations, end of year | 8.816.023 | 7.753.082 |
| | Note book value 31 December | 16.308.528 | 16.270.074 |

# Notes to the annual accounts

| | | Group | | Parent Company | |
|---|---|---|---|---|---|
| 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 | 24.335.637 | 2.395.786 | 14.665.060 | 2.395.785 |
| | Additions for the year | 1.819.008 | 90.582 | 1.469.673 | 90.582 |
| | Disposals for the year | 168.750 | 630.078 | - | 630.078 |
| | Purchase price, end of year | 25.985.895 | 1.856.290 | 16.134.733 | 1.856.289 |
| | Depreciation, beginning of year | 10.230.827 | 1.658.400 | 2.113.005 | 1.658.399 |
| | Depreciations for the year | 3.108.803 | 292.534 | 2.564.483 | 292.534 |
| | Reversed depreciation on disposals for the year | 168.750 | 556.490 | - | 556.490 |
| | Depreciations, end of year | 13.170.880 | 1.394.444 | 4.677.488 | 1.394.443 |
| | Note book value 31 December | 12.815.015 | 461.846 | 11.457.245 | 461.846 |

| | | 2019 | 2018 | 2019 | 2018 |
|---|---|---|---|---|---|
| | | Group | | Parent Company | |
| 8 | Disclosure of property, plant and equipment | | | | |
| | Property, plant and equipment in progress | | | | |
| | Purchase price, beginning of year | - | - | - | - |
| | Additions for the year | 1.628.408 | - | 1.628.408 | - |
| | Disposals for the year | - | - | - | - |
| | Purchase price, end of year | 1.628.408 | - | 1.628.408 | - |
| | Note book value 31 December | 1.628.408 | - | 1.628.408 | - |

# 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 | |
|---|---|---|
| | 2019 | 2018 |
| Purchase price | 7.918.073 | 7.918.073 |
| Additions for the year | - | - |
| | 7.918.073 | 7.918.073 |
| Value adjustments, beginning of the year | 27.757.376 | 29.324.555 |
| Profit shares for the year | 8.158.671 | 5.932.821 |
| Dividend | - | (7.500.000) |
| | 35.916.047 | 27.757.376 |
| Net asset value, end of the year | 43.834.120 | 35.675.449 |
| Profit of capital participation: | | |
| Profit share after tax for the year | 8.158.671 | 5.932.821 |
| Impairment receivables from group enterprises | (4.570.369) | (3.288.817) |
| | 3.588.302 | 2.644.004 |

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

| | | Group | | Parent Company | |
|---|---|---|---|---|---|
| | | 2019 | 2018 | 2019 | 2018 |
| 10 | Inventories | | | | |
| | Raw materials and supplies | 14.992.125 | 19.308.814 | 2.128.800 | 5.649.709 |
| | Goods and trades | 12.631.710 | 11.944.948 | 11.985.937 | 7.507.168 |
| | | 27.623.835 | 31.253.762 | 14.114.737 | 13.156.877 |
| 11 | Contract work in progress | | | | |
| | Work in process | 24.212.080 | 17.453.750 | 20.259.047 | 12.727.062 |
| | Prepayments | 24.126.407 | 13.953.306 | 17.707.082 | 6.188.241 |
| | Work in process, net | 85.673 | 3.500.444 | 2.551.965 | 6.538.821 |
| | Included in the balance sheet: | | | | |
| | Work in process, assets | 85.673 | 3.500.444 | 2.551.965 | 6.538.821 |
| | Prepayments | - | - | - | - |
| | | 85.673 | 3.500.444 | 2.551.965 | 6.538.821 |

# Notes to the annual accounts

| | Group 2019 | Group 2018 | Parent Company 2019 | Parent Company 2018 |
|---|---|---|---|---|
| **12 Current deferred tax assets** | | | | |
| Deferred tax, beginning of the year | | | (3.564.655) | (3.080.701) |
| Deferred tax for the year | | | (3.294.162) | (483.954) |
| Deferred tax 31 December | | | (6.858.817) | (3.564.655) |

| | Group 2019 | Group 2018 | Parent Company 2019 | Parent Company 2018 |
|---|---|---|---|---|
| **13 Details on long-term liabilities other than provisions** | | | | |
| Due after 5 years | 8.649.847 | 3.488.396 | 5.372.058 | - |
| Due in 1-5 years | 6.193.446 | 3.572.312 | 5.381.754 | 2.775.826 |
| Due in 1 year | 25.650.898 | 26.797.325 | 25.456.047 | 24.557.964 |
| | 40.494.191 | 33.858.033 | 36.209.859 | 27.333.790 |

## 14 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 8,053,354 have been deposited. Also as security for mortgage debt in Oxymat Ejendomme ApS, DKK 4,280,790, a mortgage has been given in the property.

Mortgage deeds registered to the mortgage at a nominal amount of DKK 3.610.000 have been registered. The registered mortgage deeds registered to the mortgagor are at the present time not provided as security for debt.

As security for bank loan the company has presented security DKK 10.000.000 and DKK 12.500.000 in assets, plant and equipment, goodwill, inventories and trade receivables - at total book value DKK 37.212.834.

# Notes to the annual accounts

## 15 Disclosure of contingent liabilities

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

## 16 Disclosure of scope and nature of derivative financial instruments

At the year ending 2019, the company has no forward exchange contracts

## 17 Disclosure of liabilities under off-balance sheet leases

The company has assumed operating rent- and leasing contracts which total kDKK 489 at the balance sheet date.

## 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 or minimum 5% of the share capital:

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