



Kingspan A/S  
Mercurvej 12A  
9530 Støvring

Telephone +45 70 21 77 88

**Kingspan A/S**  
Annual report 2015

The annual report was presented and adopted at the  
Company's annual general meeting

on 25 May 2016 20 \_\_\_\_

Poul Olesen  
chairman

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## **Statement by the Board of Directors and the Executive Board**

The Board of Directors and the Executive Board have today discussed and approved the annual report of Kingspan A/S for the financial year 1 January – 31 December 2015.

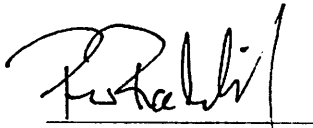
The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January – 31 December 2015.


Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

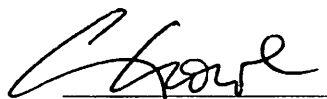
We recommend that the annual report should be approved at the annual general meeting.

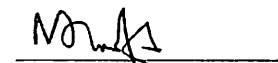
Støvring, 25 May 2016  
Executive Board:

  
Per Baumann Røddik

Board of Directors:

  
Paul Francis O'Gorman  
Chairman

  
Christopher Garret  
Crowe

  
Nigel Stuart Croft



## Independent auditor's report

To the shareholders of Kingspan A/S

### Independent auditor's report on the financial statements

We have audited the financial statements of Kingspan A/S for the financial year 1 January – 31 December 2015. The financial statements comprise accounting policies, income statement, balance sheet and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

#### *Management's responsibility for the financial statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's responsibility*

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.

#### *Opinion*

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2015 and of the results of the Company's activities for the financial year 1 January – 31 December 2015 in accordance with the Danish Financial Statements Act.

#### **Statement on the Management's review**

In accordance with the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Aarhus, 25 May 2016

**KPMG**

Statsautoriseret Revisionspartnerselskab  
CVR no. 25 57 81 98



Steffen S. Hansen  
State Authorised  
Public Accountant

## **Management's review**

### **Company details**

Kingspan A/S  
Mercurvej 12A  
9530 Støvring  
DK-9530 Støvring

Telephone: +45 70 21 77 88  
E-mail: info@kingspan-byg.dk  
CVR no.: 26 06 52 67  
Established: 17 May 2001  
Registered office: Rebild  
Financial year: 1 January – 31 December

### **Board of Directors**

Paul Francis O'Gorman (Chairman)  
Christopher Garret Crowe  
Nigel Stuart Croft

### **Executive Board**

Per Baumann Røddik, CEO

### **Auditor**

KPMG  
Statsautoriseret Revisionspartnerselskab  
Bredskifte Allé 13  
DK-8210 Aarhus V

### **Annual general meeting**

The annual general meeting will be held on 25 May 2016.

## **Management's review**

### **Operating review**

#### **Principal activities of the Company**

Kingspan A/S sells panels and fixtures for the construction of industrial buildings.

#### **Development in activities and financial position**

Earnings before interest and tax (EBIT) totalled DKK 1,830 thousand as against DKK 2,983 thousand in 2014.

During the year under review, the Company acquired the main activity from its affiliated company, Kingspan Danmark A/S.

Profit for the year totalled DKK 1,219 thousand as against DKK 2,250 thousand in 2014.

The Board of Directors considers the profit for the year satisfactory.

Management expects operating activities and results for 2016 to be in line with 2015.

#### **Events after the balance sheet date**

No events have occurred after the balance sheet date which could significantly affect the financial standing of the entity at 31 December 2015.

## **Financial statements 1 January – 31 December**

### **Accounting policies**

The annual report of Kingspan A/S for 2015 has been presented in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act.

As of 1 January 2015, Kingspan A/S opted for early adoption of the part of Act no. 738 of 1 June 2015 relating to business combinations in accordance with the uniting-of-interests method.

In connection with business combinations such as acquisition and disposal of equity investments, mergers, demergers, addition of assets and share exchange, etc., between entities under the parent company's control, the uniting of interests is considered to have been completed at the date of acquisition without any restatement of comparative figures. Previously, the uniting of interests was considered to have taken place at the beginning of the financial year with restatement of comparative figures.

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

### **Income statement**

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

Liabilities are recognised on the balance sheet when an outflow of economic benefits is probable and when the liability can be reliably measured. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

When assets and liabilities are recognised and measured, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities measured at fair value or amortised cost. Equally, costs incurred to generate the year's earnings are recognised, including depreciation, amortisation, impairment and provisions as well as reversals as a result of changes in accounting estimates of amount which were previously recognised in the income statement.

### **Revenue**

Income from the sale of goods for resale and finished goods is recognised in the income statement provided that delivery and transfer of risk to the buyer have taken place and that the income may be reliably measured and is expected to be received.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and taxes charged on behalf of third parties. All discounts granted are deducted from revenue.

## **Financial statements 1 January – 31 December**

### **Accounting policies**

#### **Income statement**

##### **Financial income and expenses**

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

##### **Tax on profit/loss for the year**

The Company is jointly taxed with its affiliated Danish companies. Current Danish corporation tax is allocated between the jointly taxed companies in proportion to their taxable income (full absorption with refunds for tax losses). The jointly taxed companies are taxed under the on account tax scheme.

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

#### **Balance sheet**

##### **Property, plant and equipment**

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

The basis of depreciation, which is calculated as cost less any residual values, is depreciated on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment	3-7 years
Software	3 years

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



## **Financial statements 1 January – 31 December**

### **Accounting policies**

#### **Inventories**

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

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

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

#### **Receivables**

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired.

#### **Prepayments, assets**

Prepayments comprise prepayments of costs relating to subsequent financial years.

#### **Equity - dividends**

Proposed dividends are recognised as a liability at the date on which they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

#### **Corporation tax and deferred tax**

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable in respective counties at the balance sheet date when the deferred tax is expected to crystallise as current tax. The change in deferred tax as a result of changes in tax rates is recognised in the income statement.

## **Financial statements 1 January – 31 December**

### **Accounting policies**

#### **Liabilities other than provisions**

Financial liabilities are measured at amortised cost, corresponding to nominal value.

## Financial statements 1 January – 31 December

### Income statement

DKK'000	Note	2015	2014
<b>Gross profit</b>		7,991	5,703
Staff costs	1	-6,120	-4,707
Depreciation of property, plant and equipment		-41	-44
Other income		0	2,031
<b>Operating profit</b>		1,830	2,983
Financial income		0	70
Financial expenses		-172	-58
<b>Profit before tax</b>		1,658	2,995
Tax on profit for the year	2	-439	-745
<b>Profit for the year</b>		1,219	2,250
<b>Proposed profit appropriation</b>			
Proposed dividends		0	800
Retained earnings		1,219	1,450
		1,219	2,250

## Financial statements 1 January – 31 December

### Balance sheet

DKK'000	Note	2015	2014
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3		
Fixtures and fittings, tools and equipment		246	8
<b>Total non-current assets</b>		<u>246</u>	<u>8</u>
<b>Current assets</b>			
<b>Inventories</b>			
Inventories		432	540
		<u>432</u>	<u>540</u>
<b>Receivables</b>			
Trade receivables		8,954	5,047
Receivables from group entities		0	197
Other receivables		635	724
Prepayments		176	125
Deferred tax assets		25	56
		<u>9,790</u>	<u>6,149</u>
<b>Cash at bank in and in hand</b>		<u>4,362</u>	<u>8,497</u>
<b>Total current assets</b>		<u>14,584</u>	<u>15,186</u>
<b>TOTAL ASSETS</b>		<u><u>14,830</u></u>	<u><u>15,194</u></u>

## Financial statements 1 January – 31 December

### Balance sheet

DKK'000	Note	2015	2014
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		500	500
Retained earnings		8,288	7,069
Proposed dividends	4	0	800
<b>Total equity</b>		<b>8,788</b>	<b>8,369</b>
<b>Current liabilities</b>			
Trade payables		1,051	852
Prepayments received from customers		0	1,697
Payables to group entities		22	867
Corporation tax		987	955
Other payables		3,982	2,454
<b>Total liabilities</b>		<b>6,042</b>	<b>6,825</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>14,830</b>	<b>15,194</b>
Contractual obligations, contingencies, etc.	5		
Ownership	6		

## Financial statements 1 January – 31 December

### Notes

DKK'000	2015	2014	
<b>1 Staff costs</b>			
Wages and salaries	5,570	4,187	
Pensions	24	503	
Other social security costs	526	17	
	6,120	4,707	
 <b>2 Tax on profit for the year</b>			
Current tax for the year	394	745	
Change in tax, previous years	14	0	
Deferred tax adjustment for the years	31	0	
	439	745	
 <b>3 Property, plant and equipment</b>			
DKK'000	Software	Fixtures and fittings, tools and equipment	Total
Cost at 1 January 2015	405	1,074	1,479
Additions	0	279	279
Disposals	0	-24	-24
Cost at 31 January 2015	405	1,329	1,734
Depreciation at 1 January 2015	402	1,069	1,471
Depreciation on disposals	0	-24	-24
Depreciation for the year	3	38	41
Depreciation at 31 December 2015	405	1,083	1,488
Carrying amount at 31 December 2015	0	246	246

## Financial statements 1 January – 31 December

### Notes

#### 4 Equity

DKK'000	Share capital	Retained earnings	Proposed divi- dends	Total
Balance at 1 January 2015	500	7,069	800	8,369
Dividends, distributed	0	0	-800	-800
Transferred, cf. profit appropriation	0	1,219	0	1,219
<b>Balance at 31 December 2015</b>	<b>500</b>	<b>8,288</b>	<b>0</b>	<b>8,788</b>

The share capital comprises 500 shares of DKK 1,000 each. All shares rank equally. The share capital has remained unchanged for the last five years.

#### 5 Contractual obligations, contingencies, etc.

##### Contingent liabilities

Lease obligations (operating leases) falling due within five years total DKK 128 thousand (2014: DKK 127 thousand).

##### Joint taxation

The Company is jointly taxed with the other Danish group companies. As a wholly-owned subsidiary, together with the other companies included in the joint taxation, the Company has joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties. Any subsequent correction of the taxable joint taxation income or withholding taxes might increase the Company's liability.

#### 6 Ownership

The following shareholders are registered in the Company's register of shareholders as holding a minimum of 5% of the voting rights or a minimum of 5% of the share capital:

Hoesch Bausysteme GmbH  
 Hammerstrasse 11  
 D-57223 Kreuztal