

# TEN CATE ADVANCED ARMOUR DANMARK A/S


Damsbovej 10, 5492 Vissenbjerg

CVR no. 28 31 00 64

## Annual report 2021

Approved at the Company's annual general meeting on 28 June 2022

Chair of the meeting:

  
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Helle Specht

The following is a translation of an original Danish document. The original Danish document is the governing document for all purposes, and in case of any discrepancy, the Danish wording will be applicable.

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

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of TEN CATE ADVANCED ARMOUR DANMARK A/S for the financial year 1 January - 31 December 2021.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

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

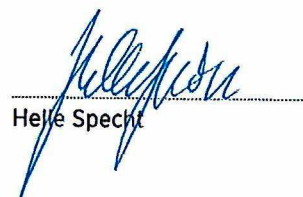
Vissenbjerg, 28 June 2022  
Executive Board:

  
Helle Specht

Board of Directors:

DocuSigned by:  
  
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Steen Tanderup  
Chair

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Helle Specht

## Independent auditor's report

To the shareholder of TEN CATE ADVANCED ARMOUR DANMARK A/S

### Opinion

We have audited the financial statements of TEN CATE ADVANCED ARMOUR DANMARK A/S for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 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 financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

### Management's responsibilities for the financial statements

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

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

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the 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 taken on the basis of the financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for 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 Company's internal control.

## Independent auditor's report

- ▶ 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 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 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 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 Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Statement on the Management's review

Management is responsible for the Management's review.


Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that the Management's review is in accordance with the 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 the Management's review.

Odense, 28 June 2022  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

  
Morten Schougaard Sørensen  
State Authorised Public Accountant  
mne32129

## Management's review

### Company details

Name	TEN CATE ADVANCED ARMOUR DANMARK A/S
Address, Postal code, City	Damsbovej 10, 5492 Vissenbjerg
CVR no.	28 31 00 64
Established	28 December 2004
Registered office	Assens
Financial year	1 January - 31 December
E-mail	invoice_tcaadk@tencate.com
Board of Directors	Steen Tanderup, Chair Wilfred Sluijter Helle Specht
Executive Board	Helle Specht
Auditors	EY Godkendt Revisionspartnerselskab Cortex Park Vest 3, 5230 Odense M, Denmark

## Management's review

### Financial highlights

EUR	2021	2020	2019	2018	2017
<b>Key figures</b>					
Gross profit	10,137,531	8,938,661	12,404,741	11,283,711	7,278,032
Operating profit/loss	4,553,979	3,816,403	6,306,893	5,395,460	2,022,363
Net financials	-576,269	-349,379	-79,818	3,937	53,947
<b>Profit for the year</b>	<b>3,095,832</b>	<b>2,822,473</b>	<b>4,855,110</b>	<b>4,211,737</b>	<b>1,533,996</b>
<b>Balance sheet</b>					
Total assets	23,465,612	25,101,588	17,329,666	11,323,341	7,987,289
Investments in property, plant and equipment	195,328	146,366	638,545	560,631	242,858
<b>Equity</b>	<b>15,606,996</b>	<b>15,732,328</b>	<b>12,845,968</b>	<b>7,997,197</b>	<b>3,804,829</b>
<b>Financial ratios</b>					
Return on assets	18.8%	18.0%	44.0%	55.9%	30.6%
Equity ratio	66.5%	62.7%	74.1%	70.6%	47.6%
Return on equity	19.8%	19.8%	46.6%	71.4%	50.5%
<b>Operational metrics</b>					
Average number of full-time employees	47	52	64	66	48

For terms and definitions, please see the accounting policies.

## Management's review

### Business review

TenCate Advanced Armour Danmark A/S designs, develops and manufactures lightweight survivability solutions for personnel, land vehicles, naval vessels, aircraft, structures and fixed installations for the Danish, European and Asian markets.

### Unusual matters having affected the financial statements

During the year, it was established that the company has a lease contract on factory premises with terms that defines it as a financial lease contract within the scope of financial lease obligations that needs to be accounted for as a lease obligation and a corresponding asset in accordance with the Danish Financial Statement Act. The lease contract has by mistake previously been recognized as an operational lease contract. Reference is made to note 1 about the impact on the annual report and comparative figures of the correction of the mistake.

### Financial review

The income statement for 2021 shows a profit of EUR 3,095,832 against a profit of EUR 2,822,473 last year, and the balance sheet at 31 December 2021 shows equity of EUR 15,606,996.

The profit is in line with the expectations.

### Research and development activities

Research and development activities have been strengthened with new team member adding new skillsets. Events after the balance sheet date. No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

### Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

### Outlook

The Company's revenue for 2022 is expected to increase by approx. 15% due to the continued growth in the Company's core markets in Northern Europe. Further, profit is expected to increase but in a modest way due to TenCate enhancing capabilities and skillset.



**Financial statements 1 January - 31 December****Income statement**

Note	EUR	<u>2021</u>	<u>2020</u>
	<b>Gross profit</b>	10,137,531	8,938,661
	Distribution costs	-1,253,669	-946,597
10	Administrative expenses	-4,329,883	-4,023,984
	<b>Operating profit</b>	4,553,979	3,968,080
	Other financial expenses	-576,269	-349,379
	<b>Profit before tax</b>	3,977,710	3,618,701
2	Tax on profit for the year	-881,878	-796,228
	<b>Profit for the year</b>	<u>3,095,832</u>	<u>2,822,473</u>

## Financial statements 1 January - 31 December

## Balance sheet

Note	EUR	<u>2021</u>	<u>2020</u>
	<b>ASSETS</b>		
	<b>Fixed assets</b>		
3	<b>Intangible assets</b>		
	Acquired intangible assets	21,510	1,585
		<u>21,510</u>	<u>1,585</u>
4	<b>Property, plant and equipment</b>		
	Land and buildings	4,375,502	4,428,557
	Plant and machinery	1,237,063	1,421,882
	Fixtures and fittings, other plant and equipment	0	0
	Property, plant and equipment under construction	124,293	0
		<u>5,736,858</u>	<u>5,850,439</u>
	<b>Total fixed assets</b>	<u>5,758,368</u>	<u>5,852,024</u>
	<b>Non-fixed assets</b>		
	<b>Inventories</b>		
	Raw materials and consumables	1,026,456	1,451,359
	Work in progress	212,930	382,370
	Finished goods and goods for resale	208	286,956
		<u>1,239,594</u>	<u>2,120,685</u>
	<b>Receivables</b>		
	Trade receivables	2,320,988	2,978,924
	Receivables from group enterprises	10,268,332	11,643,466
	Other receivables	519,143	588,170
5	Prepayments	78,677	261,242
		<u>13,187,140</u>	<u>15,471,802</u>
	<b>Cash</b>	<u>3,280,510</u>	<u>1,657,077</u>
	<b>Total non-fixed assets</b>	<u>17,707,244</u>	<u>19,249,564</u>
	<b>TOTAL ASSETS</b>	<u><u>23,465,612</u></u>	<u><u>25,101,588</u></u>

## Financial statements 1 January - 31 December

## Balance sheet

Note	EUR	2021	2020
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
6	Share capital	134,000	134,000
	Retained earnings	15,472,996	12,371,658
	Dividend proposed	0	3,226,670
	<b>Total equity</b>	<b>15,606,996</b>	<b>15,732,328</b>
	<b>Provisions</b>		
7	Provisions for deferred tax	90,232	43,681
	<b>Total provisions</b>	<b>90,232</b>	<b>43,681</b>
	<b>Liabilities other than provisions</b>		
8	<b>Non-current liabilities other than provisions</b>		
	Lease liabilities	4,129,094	4,271,829
		<b>4,129,094</b>	<b>4,271,829</b>
	<b>Current liabilities other than provisions</b>		
8	Short-term part of long-term liabilities other than provisions	142,735	128,944
	Trade payables	1,913,811	2,425,607
	Payables to group enterprises	0	830,289
	Corporation tax payable	399,353	0
	Other payables	1,183,391	1,668,910
		<b>3,639,290</b>	<b>5,053,750</b>
	<b>Total liabilities other than provisions</b>	<b>7,768,384</b>	<b>9,325,579</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>23,465,612</b>	<b>25,101,588</b>

- 1 Accounting policies
- 11 Contractual obligations and contingencies, etc.
- 12 Related parties
- 13 Appropriation of profit

## Financial statements 1 January - 31 December

### Statement of changes in equity

Note	EUR	Share capital	Retained earnings	Dividend proposed	Total
		134,000	12,711,968	0	12,845,968
		0	5,248	0	5,248
		134,000	12,717,216	0	12,851,216
13		0	-404,197	3,226,670	2,822,473
		0	58,639	0	58,639
		134,000	12,371,658	3,226,670	15,732,328
13		0	3,095,832	0	3,095,832
		0	5,506	0	5,506
		0	0	-3,226,670	-3,226,670
		134,000	15,472,996	0	15,606,996

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of TEN CATE ADVANCED ARMOUR DANMARK A/S for 2021 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

#### Material misstatements

During the year, it was established that the company has a lease contract on factory premises with terms that defines it as a financial lease contract within the scope of financial lease obligations that needs to be accounted for as a lease obligation and a corresponding asset in accordance with the Danish Financial Statement Act.

The lease contract has by mistake previously been recognised as an operational lease contract.

The company has made a full adjustment of comparative figures so that the accounts are presented as if the correct recognition had been valid for the entire period. This has had the following effect on the accounts

#### Opening balance 2020

As a consequence of the material error assets in the form of the company's property has been increased by 4,523 tEUR and interest-bearing debt is increased by 4,517 tEUR. The change has led to an increase in equity of 5 tEUR and an increase in deferred tax of 1 tEUR on 1 January 2020.

#### Impact 2020

As a consequence of the material error assets in the form of the company's property are underestimated by 4,429 tEUR and interest-bearing debt is underestimated by 4,401 tEUR, equity is underestimated by 22 tEUR and deferred tax is underestimated by 6 tEUR in 2020. Further, profit before tax for the year is underestimated by 21 tEUR and profit after tax by 16 tEUR. Finally, there have been some reclassifications between the items in the profit and loss statement, so that interest expenses have increased by 227 tEUR, depreciations have increased by 95 tEUR and administrative expenses has decreased by 343 tEUR.

#### Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are reflected in the consolidated cash flow statement for the higher-ranking parent company XX.

#### Reporting currency

The financial statements are presented in euros (EUR), as the Company's most significant transactions are settled in EUR.

#### Derivative financial instruments

On initial recognition, derivative financial instruments are recognised at cost in the balance sheet and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are presented as separate items in the balance sheet.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Income statement

###### Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received.

###### Gross profit

The items revenue, production costs and other operating income have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

###### Production costs

Production costs comprise costs incurred in generating the revenue for the year. Such costs include direct and indirect costs of raw materials, consumables and production staff, rent and leases, as well as depreciation on production plant.

Production costs also comprise research and development costs that do not qualify for capitalisation and amortisation of capitalised development costs.

Also, provision for losses on construction contracts is recognised.

###### Distribution costs

Distribution costs comprise costs related to the distribution of goods sold in the year and to sales campaigns, etc. carried out in the year, including costs related to sales staff, advertising, exhibitions and amortisation/depreciation. Sales and marketing costs are recognised in the income statement when the Company obtains control of the sales or marketing product.

###### Administrative expenses

Administrative expenses include expenses incurred in the year for company management and administration, including expenses relating to administrative staff, Management, office premises and expenses as well as amortisation/depreciation of assets used for administrative purposes.

###### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

###### Financial expenses

Financial expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

##### Balance sheet

##### Intangible assets

Other intangible assets include development projects and other acquired intangible rights, including software licences, distribution rights and development projects.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

##### Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

##### Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

##### Other securities and investments

Securities which the Company intends to hold to maturity are measured at amortised cost, using the effective interest rate method at the date of acquisition. Value adjustments are recognised in the income statement under "Net financials".

Securities and investments consisting of listed shares and bonds are measured at fair value (market price) at the balance sheet date. Investments not admitted to trading on an active market are measured at cost.

##### Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

#### Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

#### Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

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#### Equity

##### *Proposed dividends*

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

##### Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

##### Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.



## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Fair value

The fair value measurement is based on the principal market. If no principal market exists, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability less transaction and/or transport costs.

All assets and liabilities which are measured at fair value, or whose fair value is disclosed, are classified based on the fair value hierarchy, see below:

Level 1: Value in an active market for similar assets/liabilities

Level 2: Value based on recognised valuation methods on the basis of observable market information

Level 3: Value based on recognised valuation methods and reasonable estimates (non-observable market information).

**Financial statements 1 January - 31 December****Notes to the financial statements****1 Accounting policies (continued)****Financial ratios**

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating profit/loss	Profit/loss before financial items adjusted for other operating income and other operating expenses
Return on assets	$\frac{\text{Profit/loss from operating activities} \times 100}{\text{Average assets}}$
Equity ratio	$\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$

## Financial statements 1 January - 31 December

## Notes to the financial statements

EUR	2021	2020
<b>2 Tax on profit for the year</b>		
Estimated tax charge for the year	835,344	867,713
Deferred tax adjustments in the year	46,534	-71,485
	<u>881,878</u>	<u>796,228</u>

**3 Intangible assets**

EUR	Acquired intangible assets
Cost at 1 January 2021	348,768
Additions through mergers and business combinations	131
Additions	68,000
Cost at 31 December 2021	<u>416,899</u>
Impairment losses and amortisation at 1 January 2021	347,183
Exchange rate adjustment	131
Amortisation for the year	48,075
Impairment losses and amortisation at 31 December 2021	<u>395,389</u>
Carrying amount at 31 December 2021	<u>21,510</u>

**4 Property, plant and equipment**

EUR	Land and buildings	Plant and machinery	Fixtures and fittings, other plant and equipment	Property, plant and equipment under construction	Total
Cost at 1 January 2021	4,570,917	3,530,619	28,138	0	8,129,674
Foreign exchange adjustments	0	1,330	11	0	1,341
Additions	46,258	24,777	0	124,293	195,328
Disposals	0	-3,861	0	0	-3,861
Cost at 31 December 2021	<u>4,617,175</u>	<u>3,552,865</u>	<u>28,149</u>	<u>124,293</u>	<u>8,322,482</u>
Impairment losses and depreciation at 1 January 2021	142,360	2,108,737	28,138	0	2,279,235
Foreign exchange adjustments	0	794	11	0	805
Depreciation	99,313	210,132	0	0	309,445
Reversal of accumulated depreciation and impairment of assets disposed	0	-3,861	0	0	-3,861
Impairment losses and depreciation at 31 December 2021	<u>241,673</u>	<u>2,315,802</u>	<u>28,149</u>	<u>0</u>	<u>2,585,624</u>
Carrying amount at 31 December 2021	<u>4,375,502</u>	<u>1,237,063</u>	<u>0</u>	<u>124,293</u>	<u>5,736,858</u>

**5 Prepayments**

Prepayments comprise prepaid operating costs. Prepayments are measured at cost.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 6 Share capital

The Company's share capital has remained EUR 134,000 in the past year.

Contributed capital consists of 1,000 shares of a value of DKK 1,000 each. No shares carry special rights.

EUR	2021	2020
<b>7 Deferred tax</b>		
Deferred tax at 1 January	37,569	113,372
Deferred tax adjustment for the year	52,663	-69,691
<b>Deferred tax at 31 December</b>	<b>90,232</b>	<b>43,681</b>

#### 8 Non-current liabilities other than provisions

EUR	Total debt at 31/12 2021	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Lease liabilities	4,271,829	142,735	4,129,094	0
	4,271,829	142,735	4,129,094	0

#### 9 Derivative financial instruments and disclosure of fair values

##### Fair value disclosures

The Company has the following assets and liabilities measured at fair value:

EUR	Derrivatives
Fair value at year end	-96,909
Value adjustments in the income statement	0
Fair value level	3

EUR	2021	2020
<b>10 Staff costs</b>		
Wages/salaries	3,537,327	3,490,324
Pensions	272,600	284,539
Other social security costs	65,508	80,356
	<b>3,875,435</b>	<b>3,855,219</b>
	<b>2021</b>	<b>2020</b>
Average number of full-time employees	47	52

By reference to section 98b(3), (ii), of the Danish Financial Statements Act, remuneration to Management is not disclosed.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 11 Contractual obligations and contingencies, etc.

The Company is jointly taxed with its parent, Ten Cate Danmark A/S, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends falling due for payment.

##### Other financial obligations

Other lease liabilities:

EUR	2021	2020
Lease liabilities	<u>53,023</u>	<u>90,718</u>

Lease liabilities include operating leases for, totalling DKK 53,023, with remaining contract terms of 1-4 years.

The Company has entered into foreign exchange forward and swap contracts to hedge currency risks on operational order and balance sheet positions in GBP and USD. Operational order and balance sheet positions in EUR are not hedged due to a floating peg against DKK. The total market value of the outstanding foreign exchange derivatives at 31 December 2021 represented a negative of EUR 97 thousand.

#### 12 Related parties

TEN CATE ADVANCED ARMOUR DANMARK A/S' related parties comprise the following:

##### Parties exercising control

Related party	Domicile	Basis for control
Ten Cate Danmark A/S	Vissenbjerg, Denmark	Shareholder (Parent company)
Protego Topco B.V.	Netherlands	Shareholder (Ultimative parent Company)

##### Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Protego Topco B.V.	Netherlands	CVR

##### Related party transactions

TEN CATE ADVANCED ARMOUR DANMARK A/S was engaged in the below related party transactions:

EUR	2021	2020
Revenue from group entites	6,683,290	3,853,305
Purchase from group entites	1,771,276	1,521,080

Receivables and payables to group entities are disclosed in the balance sheet

EUR	2021	2020
<b>13 Appropriation of profit</b>		
Recommended appropriation of profit		
Proposed dividend recognised under equity	0	3,226,670
Retained earnings/accumulated loss	<u>3,095,832</u>	<u>-404,197</u>
	<u>3,095,832</u>	<u>2,822,473</u>