



## Clextral A/S

Erhvervsparken 5 A  
4621 Gadstrup  
CVR No. 29601062

## Annual report 2019

The Annual General Meeting adopted the  
annual report on 29.05.2020

---

**Xavier Boivin**

Chairman of the General Meeting

# Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2019	8
Balance sheet at 31.12.2019	9
Statement of changes in equity for 2019	11
Notes	12
Accounting policies	15

# Entity details

## Entity

Clextral A/S

Erhvervsparken 5 A

4621 Gadstrup

CVR No.: 29601062

Registered office: Roskilde

Financial year: 01.01.2019 - 31.12.2019

## Board of Directors

Xavier Boivin, Chairman

Georges Bernard Hallary

David Souillat

## Executive Board

Henrik Slangerup Pedersen, CEO

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P. O. Box 1600

0900 Copenhagen C

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Clextral A/S for the financial year 01.01.2019 - 31.12.2019.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Gadstrup, 29.05.2020

## Executive Board

**Henrik Slingerup Pedersen**  
CEO

## Board of Directors

**Xavier Boivin**  
Chairman

**Georges Bernard Hallary**

**David Souillat**

# Independent auditor's report

## To the shareholders of Clextrol A/S

### Opinion

We have audited the financial statements of Clextrol A/S for the financial year 01.01.2019 - 31.12.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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 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 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 about 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 these 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 Entity'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 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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 29.05.2020

**Deloitte**

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

**Stine Eva Grothen**

State Authorised Public Accountant

Identification No (MNE) mne29431

**Mads Lundemann**

State Authorised Public Accountant

Identification No (MNE) mne44181

# Management commentary

## Primary activities

The Entity's activities comprise renovation and production of screws, worms, cylinders and other round, vital wearing parts.

## Description of material changes in activities and finances

No events have occurred after the balance sheet date to this date, which would influence the evaluation of the annual report.

## Development in activities and finances

Profit for the year before tax amounts to DKK 1,625 Thousand, and profit for the year after tax amounts to DKK 1,324 thousand. Management considers profit for the year satisfactory.

## Events after the balance sheet date

In early 2020, the outbreak and the spread of the coronavirus disease (COVID-19) has adversely affected the Company's revenue compared to expectations at the beginning of the year. Based on the assumption that the effect of COVID-19 will ease off during the second half of 2020, Management has assessed that the outbreak will not have any material impact on the Company. However, at present, a reliable estimate of when the effect of COVID-19 will slow down and the revenue and operating activities will return to normal cannot be made. Other than that, no events have occurred after the balance sheet date, which would influence the evaluation of this annual report.



# Income statement for 2019

	Notes	2019 DKK	2018 DKK
<b>Gross profit/loss</b>		<b>5,928,152</b>	<b>7,850,293</b>
Staff costs	2	(4,429,625)	(4,731,105)
Depreciation, amortisation and impairment losses	3	(66,805)	(106,433)
<b>Operating profit/loss</b>		<b>1,431,722</b>	<b>3,012,755</b>
Income from investments in group enterprises		268,883	416,520
Other financial expenses	4	(75,676)	(104,702)
<b>Profit/loss before tax</b>		<b>1,624,929</b>	<b>3,324,573</b>
Tax on profit/loss for the year	5	(300,771)	(648,713)
<b>Profit/loss for the year</b>		<b>1,324,158</b>	<b>2,675,860</b>
<b>Proposed distribution of profit and loss</b>			
Ordinary dividend for the financial year		0	4,500,000
Extraordinary dividend distributed in the financial year		0	3,350,000
Retained earnings		1,324,158	(5,174,140)
<b>Proposed distribution of profit and loss</b>		<b>1,324,158</b>	<b>2,675,860</b>

# Balance sheet at 31.12.2019

## Assets

	Notes	2019 DKK	2018 DKK
Plant and machinery		1,057,419	94,515
Other fixtures and fittings, tools and equipment		0	0
Leasehold improvements		3,837	15,348
<b>Property, plant and equipment</b>	6	<b>1,061,256</b>	<b>109,863</b>
Investments in group enterprises		2,485,402	3,816,519
<b>Other financial assets</b>	7	<b>2,485,402</b>	<b>3,816,519</b>
<b>Fixed assets</b>		<b>3,546,658</b>	<b>3,926,382</b>
Raw materials and consumables		696,368	836,854
<b>Inventories</b>		<b>696,368</b>	<b>836,854</b>
Trade receivables		4,009,668	4,874,596
Contract work in progress		191,000	294,250
Deferred tax	8	15,337	75,614
Income tax receivable		148,850	260,458
Joint taxation contribution receivable		84,656	84,810
Prepayments		206,928	163,318
<b>Receivables</b>		<b>4,656,439</b>	<b>5,753,046</b>
<b>Cash</b>		<b>1,161,904</b>	<b>4,061,595</b>
<b>Current assets</b>		<b>6,514,711</b>	<b>10,651,495</b>
<b>Assets</b>		<b>10,061,369</b>	<b>14,577,877</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2019 DKK</b>	<b>2018 DKK</b>
Contributed capital		500,000	500,000
Reserve for net revaluation according to the equity method		2,520,867	2,251,984
Retained earnings		2,232,498	1,177,223
Proposed dividend		0	4,500,000
<b>Equity</b>		<b>5,253,365</b>	<b>8,429,207</b>
Other payables		59,483	0
<b>Non-current liabilities other than provisions</b>		<b>59,483</b>	<b>0</b>
Trade payables		886,915	442,393
Payables to group enterprises		2,686,690	3,893,337
Other payables		1,174,916	1,812,940
<b>Current liabilities other than provisions</b>		<b>4,748,521</b>	<b>6,148,670</b>
<b>Liabilities other than provisions</b>		<b>4,808,004</b>	<b>6,148,670</b>
<b>Equity and liabilities</b>		<b>10,061,369</b>	<b>14,577,877</b>
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	9		
Contingent liabilities	10		
Assets charged and collateral	11		
Group relations	12		

# Statement of changes in equity for 2019

	Contributed capital DKK	Reserve for net revaluation according to the equity method DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	500,000	2,251,984	1,177,223	4,500,000	8,429,207
Ordinary dividend paid	0	0	0	(4,500,000)	(4,500,000)
Profit/loss for the year	0	268,883	1,055,275	0	1,324,158
<b>Equity end of year</b>	<b>500,000</b>	<b>2,520,867</b>	<b>2,232,498</b>	<b>0</b>	<b>5,253,365</b>

# Notes

## 1 Events after the balance sheet date

In early 2020, the outbreak and the spread of the coronavirus disease (COVID-19) has adversely affected the Company's revenue compared to expectations at the beginning of the year. Based on the assumption that the effect of COVID-19 will ease off during the second half of 2020, Management has assessed that the outbreak will not have any material impact on the Company. However, at present, a reliable estimate of when the effect of COVID-19 will slow down and the revenue and operating activities will return to normal cannot be made. Other than that, no events have occurred after the balance sheet date, which would influence the evaluation of this annual report

## 2 Staff costs

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	3,685,669	4,014,434
Pension costs	509,236	509,655
Other social security costs	234,720	207,016
	<b>4,429,625</b>	<b>4,731,105</b>
Average number of full-time employees	<b>8</b>	<b>9</b>

## 3 Depreciation, amortisation and impairment losses

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
Depreciation of property, plant and equipment	107,263	106,433
Profit/loss from sale of intangible assets and property, plant and equipment	(40,458)	0
	<b>66,805</b>	<b>106,433</b>

## 4 Other financial expenses

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
Financial expenses from group enterprises	27,973	42,291
Other interest expenses	24,765	35,867
Exchange rate adjustments	22,938	26,544
	<b>75,676</b>	<b>104,702</b>

## 5 Tax on profit/loss for the year

	2019 DKK	2018 DKK
Current tax	240,494	644,732
Change in deferred tax	60,277	697
Adjustment concerning previous years	0	3,284
	<b>300,771</b>	<b>648,713</b>

## 6 Property, plant and equipment

	Plant and machinery DKK	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	7,995,399	218,035	160,009
Additions	1,088,199	0	0
Disposals	(141,800)	(175,475)	0
<b>Cost end of year</b>	<b>8,941,798</b>	<b>42,560</b>	<b>160,009</b>
Depreciation and impairment losses beginning of year	(7,900,885)	(218,035)	(144,661)
Depreciation for the year	(95,752)	0	(11,511)
Reversal regarding disposals	112,258	175,475	0
<b>Depreciation and impairment losses end of year</b>	<b>(7,884,379)</b>	<b>(42,560)</b>	<b>(156,172)</b>
<b>Carrying amount end of year</b>	<b>1,057,419</b>	<b>0</b>	<b>3,837</b>

## 7 Financial assets

	Investments in group enterprises DKK
Cost beginning of year	1,564,535
<b>Cost end of year</b>	<b>1,564,535</b>
Revaluations beginning of year	2,251,984
Share of profit/loss for the year	268,883
Dividend	(1,600,000)
<b>Revaluations end of year</b>	<b>920,867</b>
<b>Carrying amount end of year</b>	<b>2,485,402</b>

## 8 Deferred tax

Deferred tax is incumbent on intangible assets, property, plant and equipment and leasehold improvements

## 9 Unrecognised rental and lease commitments

	2019 DKK	2018 DKK
Liabilities under rental or lease agreements until maturity in total	<b>329,720</b>	<b>283,733</b>

## 10 Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for these entities.

Corporate income tax payable of the Group amounts to DKK 0 at the balance sheet date.

## 11 Assets charged and collateral

The Company has deposited mortgage deeds registered to the mortgagor on plant and machinery. Mortgage debt is secured by way of deposited mortgage deeds registered to the mortgagor. The carrying amount of assets mortgaged is DKK 0.

## 12 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:  
Legris Industries Deceloppement, 20 Quai Duguay Trouin, 35 000 Rennes, France

# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are classified directly as equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are classified directly as equity.



## **Income statement**

### **Gross profit or loss**

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress and external expenses.

### **Revenue**

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Changes in inventories of finished goods and work in progress comprise decreases or increases for the financial year in inventories of finished goods and work in progress. This item includes ordinary write-downs of such inventories. Changes in inventories of raw materials are included in costs of raw materials and consumables.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

### **Cost of sales**

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

### **Other external expenses**

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

### **Staff costs**

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

### **Depreciation, amortisation and impairment losses**

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

### **Income from investments in group enterprises**

Anvestments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

### **Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

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

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the

income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

## Balance sheet

### Property, plant and equipment

Leasehold improvements are measured at cost less accumulated depreciation. The basis of depreciation is cost less estimated residual value after the end of useful life. Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when the asset is ready to be put into operation. Maximum straight-line depreciation is made over the remaining lease period or over the estimated useful life.

Plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses and plus revaluation based on third party estimates.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For self-constructed assets, cost comprises direct and indirect costs of materials, components, subsuppliers and labour costs. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Plant and machinery	6-13 years
Other fixtures and fittings, tools and equipment	2-5 years
Leasehold improvements	10 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

### Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus or minus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

**Inventories**

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost of goods for resale, raw materials and consumables consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated the estimated selling price less completion costs and costs incurred to execute sale.

**Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

**Contract work in progress**

Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

Each contract in progress is recognised in the balance sheet under receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

**Deferred tax**

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

**Income tax payable or receivable**

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

**Joint taxation contributions receivable or payable**

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

**Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

**Cash**

Cash comprises cash in hand and bank deposits.

**Dividend**

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

**Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.