



## Selmont A/S

Havneøen 1  
7100 Vejle  
CVR No. 29815992

## Annual report 2020

The Annual General Meeting adopted the  
annual report on 28.04.2021

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**Bettina Winther Christensen**  
Chairman of the General Meeting

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# Entity details

## Entity

Selmont A/S

Havneøen 1

7100 Vejle

Business Registration No.: 29815992

Registered office: Vejle

Financial year: 01.01.2020 - 31.12.2020

## Board of Directors

Anders Peter Geismar Christoffersen, Chairman

Christina Rothmann Johansen

Casper Kirk Johansen

## Executive Board

Casper Kirk Johansen

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

# Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Selmont A/S for the financial year 01.01.2020 - 31.12.2020

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2020 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2020 - 31.12.2020.

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.

Vejle, 28.04.2021

## Executive Board

**Casper Kirk Johansen**

## Board of Directors

**Anders Peter Geismar Christoffersen**  
Chairman

**Christina Rothmann Johansen**

**Casper Kirk Johansen**

# Independent auditor's report

## To the shareholder of Selmont A/S

### Opinion

We have audited the consolidated financial statements and the parent financial statements of Selmont A/S for the financial year 01.01.2020 - 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2020 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2020 - 31.12.2020 in 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 consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group 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 consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and 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 consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent 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 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 consolidated financial statements and the parent 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 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 consolidated financial statements and the parent 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient and 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 the management commentary**

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent 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 consolidated financial statements and the parent 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.

Aarhus, 28.04.2021

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

**Thomas Rosquist Andersen**

State Authorised Public Accountant  
Identification No (MNE) mne31482

**Søren Alsen Lauridsen**

State Authorised Public Accountant  
Identification No (MNE) mne40040

# Management commentary

## Financial highlights

	2020 DKK'000	2019 DKK'000	2018 DKK'000	2017 DKK'000	2016 DKK'000
<b>Key figures</b>					
Operating profit/loss	11,710	(16,925)	(26,279)	(44,281)	(6,150)
Net financials	114,685	85,288	(13,805)	144,888	78,584
Profit/loss for the year	144,886	60,680	(34,296)	31,992	73,294
Balance sheet total	1,756,192	1,638,451	1,609,534	2,000,888	2,019,127
Investments in property, plant and equipment	654	527	0	0	3,322
Equity	1,510,336	1,393,168	1,378,495	1,439,757	1,432,503
Cash flows from operating activities	(9,586)	47,975	(24,773)	75,398	(30,996)
Cash flows from investing activities	(37,563)	40,875	72,175	106,824	707,805
Cash flows from financing activities	(30,119)	(39,523)	(347,267)	(51,151)	(96,882)
<b>Ratios</b>					
Return on equity (%)	10,0	4,4	(2,4)	2,2	5,2
Equity ratio (%)	86,0	85,0	85,6	72,0	70,9

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

### Return on equity (%):

$\frac{\text{Profit/loss for the year excl. minority interests} * 100}{\text{Average equity excl. minority interests}}$

### Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Total assets}}$



### **Primary activities**

The purpose of the Company is to perform investing activities, own shares in other companies and perform administration activities.

### **Development in activities and finances**

The Selmont Group invest in a wide portfolio of listed and unlisted equities, interest-bearing receivables and properties.

In 2020 the Group has realized a profit of DKK144,886k and equity as at 31.12.2020 of DKK 1,510,336k. The Executive Board and Board of Directors consider the result in 2020 as satisfactory.

### **Outlook**

The management of the company consider the Group well equipped for the future and expect the result in 2021 to be at, or above DKK 50 million. However, the expectations are highly dependant on the development of the financial markets.

### **Particular risks**

#### *Operations*

We have not taken any risks that could be referred as special considering the extent of our activities as an investment company.

#### *External environment*

Selmont and its directly controlled subsidiaries, has only a minimal impact on the external environment and therefore we have not implemented any special measures to prevent, reduce or remedy our impact.

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

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

# Consolidated income statement for 2020

	Notes	2020 DKK'000	2019 DKK'000
<b>Gross profit/loss</b>		<b>9,322</b>	<b>(16,433)</b>
Depreciation, amortisation and impairment losses		2,388	(492)
<b>Operating profit/loss</b>		<b>11,710</b>	<b>(16,925)</b>
Income from investments in associates		31,669	45,282
Other financial income	1	116,983	94,379
Other financial expenses	2	(2,298)	(54,373)
<b>Profit/loss before tax</b>		<b>158,064</b>	<b>68,363</b>
Tax on profit/loss for the year	3	(13,178)	(7,683)
<b>Profit/loss for the year</b>	4	<b>144,886</b>	<b>60,680</b>

# Consolidated balance sheet at 31.12.2020

## Assets

	Notes	2020 DKK'000	2019 DKK'000
Other fixtures and fittings, tools and equipment		772	2,561
<b>Property, plant and equipment</b>	5	<b>772</b>	<b>2,561</b>
Investments in associates		351,681	297,432
Receivables from associates		126,066	109,038
Other investments		327,039	305,724
<b>Financial assets</b>	6	<b>804,786</b>	<b>712,194</b>
<b>Fixed assets</b>		<b>805,558</b>	<b>714,755</b>
Manufactured goods and goods for resale		118,731	105,867
<b>Inventories</b>		<b>118,731</b>	<b>105,867</b>
Other receivables		5,683	3,516
<b>Receivables</b>		<b>5,683</b>	<b>3,516</b>
Other investments		794,088	803,090
<b>Investments</b>		<b>794,088</b>	<b>803,090</b>
<b>Cash</b>		<b>32,132</b>	<b>11,223</b>
<b>Current assets</b>		<b>950,634</b>	<b>923,696</b>
<b>Assets</b>		<b>1,756,192</b>	<b>1,638,451</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2020 DKK'000</b>	<b>2019 DKK'000</b>
Contributed capital		5,000	5,000
Retained earnings		1,310,034	1,218,781
Proposed dividend for the financial year		30,000	30,000
<b>Equity belonging to Parent's shareholders</b>		<b>1,345,034</b>	<b>1,253,781</b>
<b>Equity belonging to minority interests</b>		<b>165,302</b>	<b>139,387</b>
<b>Equity</b>		<b>1,510,336</b>	<b>1,393,168</b>
Deferred tax	7	1,300	0
<b>Provisions</b>		<b>1,300</b>	<b>0</b>
Bank loans		0	50,000
<b>Non-current liabilities other than provisions</b>	8	<b>0</b>	<b>50,000</b>
Current portion of non-current liabilities other than provisions	8	0	5,900
Bank loans		228,545	172,764
Trade payables		49	282
Payables to owners and management		6,559	8,515
Tax payable		6,179	3,986
Other payables		3,224	3,836
<b>Current liabilities other than provisions</b>		<b>244,556</b>	<b>195,283</b>
<b>Liabilities other than provisions</b>		<b>244,556</b>	<b>245,283</b>
<b>Equity and liabilities</b>		<b>1,756,192</b>	<b>1,638,451</b>
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# Consolidated statement of changes in equity for 2020

	Contributed capital DKK'000	Retained earnings DKK'000	Proposed dividend for the financial year DKK'000	Equity belonging to Parent's shareholders DKK'000	Equity belonging to minority interests DKK'000
Equity beginning of year	5,000	1,218,779	30,000	1,253,779	139,387
Ordinary dividend paid	0	0	(30,000)	(30,000)	0
Exchange rate adjustments	0	(407)	0	(407)	0
Fair value adjustments of hedging instruments	0	250	0	250	2,441
Profit/loss for the year	0	91,412	30,000	121,412	23,474
<b>Equity end of year</b>	<b>5,000</b>	<b>1,310,034</b>	<b>30,000</b>	<b>1,345,034</b>	<b>165,302</b>

	Total DKK'000
Equity beginning of year	1,393,166
Ordinary dividend paid	(30,000)
Exchange rate adjustments	(407)
Fair value adjustments of hedging instruments	2,691
Profit/loss for the year	144,886
<b>Equity end of year</b>	<b>1,510,336</b>

# Consolidated cash flow statement for 2020

	Notes	2020 DKK'000	2019 DKK'000
Operating profit/loss		11,710	(16,925)
Amortisation, depreciation and impairment losses		(2,388)	492
Working capital changes	9	(12,127)	49,763
<b>Cash flow from ordinary operating activities</b>		<b>(2,805)</b>	<b>33,330</b>
Financial income received		11,693	24,339
Financial expenses paid		(8,742)	(8,736)
Taxes refunded/(paid)		(9,732)	(958)
<b>Cash flows from operating activities</b>		<b>(9,586)</b>	<b>47,975</b>
Acquisition etc. of property, plant and equipment		(654)	(527)
Sale of property, plant and equipment		4,500	0
Loans		(12,268)	0
Repayments received		2,744	56,131
Investments in associates		(8,223)	0
Other investments additions		(24,141)	(14,729)
Other investments disposals		479	0
<b>Cash flows from investing activities</b>		<b>(37,563)</b>	<b>40,875</b>
<b>Free cash flows generated from operations and investments before financing</b>		<b>(47,149)</b>	<b>88,850</b>
Loans raised		55,781	14,577
Dividend paid		(30,000)	(40,000)
Repayment of debt to credit institutions		(55,900)	(14,100)
<b>Cash flows from financing activities</b>		<b>(30,119)</b>	<b>(39,523)</b>

<b>Increase/decrease in cash and cash equivalents</b>	<b>(77,268)</b>	<b>49,327</b>
Cash and cash equivalents beginning of year	814,313	693,229
Currency translation adjustments of cash and cash equivalents	89,175	71,757
<b>Cash and cash equivalents end of year</b>	<b>826,220</b>	<b>814,313</b>
Cash and cash equivalents at year-end are composed of:		
Cash	32,132	11,223
Securities	794,088	803,090
<b>Cash and cash equivalents end of year</b>	<b>826,220</b>	<b>814,313</b>

# Notes to consolidated financial statements

## 1 Other financial income

	2020 DKK'000	2019 DKK'000
Other interest income	7,687	9,066
Exchange rate adjustments	1,599	0
Fair value adjustments	9,057	0
Other financial income	98,640	85,313
	<b>116,983</b>	<b>94,379</b>

## 2 Other financial expenses

	2020 DKK'000	2019 DKK'000
Exchange rate adjustments	0	12,287
Fair value adjustments	0	40,204
Other financial expenses	2,298	1,882
	<b>2,298</b>	<b>54,373</b>

## 3 Tax on profit/loss for the year

	2020 DKK'000	2019 DKK'000
Current tax	12,197	5,994
Change in deferred tax	1,300	261
Adjustment concerning previous years	(319)	1,428
	<b>13,178</b>	<b>7,683</b>

## 4 Proposed distribution of profit/loss

	2020 DKK'000	2019 DKK'000
Ordinary dividend for the financial year	30,000	30,000
Extraordinary dividend distributed in the financial year	0	20,000
Retained earnings	91,412	(8,732)
Minority interests' share of profit/loss	23,474	19,412
	<b>144,886</b>	<b>60,680</b>



## 5 Property, plant and equipment

	<b>Other fixtures and fittings, tools and equipment DKK'000</b>
Cost beginning of year	7,513
Disposals on divestments etc.	(441)
Additions	654
Disposals	(6,953)
<b>Cost end of year</b>	<b>773</b>
Depreciation and impairment losses beginning of year	(4,952)
Disposals on divestments etc	110
Depreciation for the year	(191)
Reversal regarding disposals	5,032
<b>Depreciation and impairment losses end of year</b>	<b>(1)</b>
<b>Carrying amount end of year</b>	<b>772</b>

## 6 Financial assets

	<b>Investments in associates DKK'000</b>	<b>Receivables from associates DKK'000</b>	<b>Other investments DKK'000</b>
Cost beginning of year	53,805	109,338	413,509
Transfers	11,500	0	(11,500)
Additions	8,223	19,772	24,141
Disposals	0	(2,744)	(479)
<b>Cost end of year</b>	<b>73,528</b>	<b>126,366</b>	<b>425,671</b>
Revaluations beginning of year	243,627	0	0
Adjustments on equity	2,691	0	0
Amortisation of goodwill	(1,134)	0	0
Share of profit/loss for the year	32,969	0	0
<b>Revaluations end of year</b>	<b>278,153</b>	<b>0</b>	<b>0</b>
Impairment losses beginning of year	0	(300)	(107,785)
Impairment losses for the year	0	0	(1,995)
Reversal of impairment losses	0	0	11,148
<b>Impairment losses end of year</b>	<b>0</b>	<b>(300)</b>	<b>(98,632)</b>
<b>Carrying amount end of year</b>	<b>351,681</b>	<b>126,066</b>	<b>327,039</b>

<b>Associates</b>	<b>Registered in</b>	<b>Ownership %</b>
Enzo & C Holding Aps	Vejle	50,0
Kirk & Thorsen A/S	Vejle	50,0
Racehall A/S	Viby J	20,0
Heli Leasing ApS	Vejle	50,0
Cosmo Ejendomme ApS	Aarhus	50,0
Qblue Balanced A/S	Copenhagen	27,5

## 7 Deferred tax

<b>Changes during the year</b>	<b>2020 DKK'000</b>
Recognised in the income statement	1,300
<b>End of year</b>	<b>1,300</b>

## 8 Non-current liabilities other than provisions

Previous years' non-current debt to other credit institutions has been repaid.

## 9 Changes in working capital

	<b>2020 DKK'000</b>	<b>2019 DKK'000</b>
Increase/decrease in inventories	(12,865)	7,635
Increase/decrease in receivables	2,054	36,216
Increase/decrease in trade payables etc.	(1,316)	5,912
	<b>(12,127)</b>	<b>49,763</b>

## 10 Derivative financial instruments

Agreements have been made for derivative financial instruments in the form of forward exchange transactions. The fair value of derivatives financial instruments constitute on the balance sheet DKK 3,771 as per 31.12.2020 against DKK -1,093k as per 31.12.2019.

The forward exchange transactions has been entered to secure future transactions in GBP, USD, CHF and EUR. The forward exchange transactions has a maturity of 2-3 months.

## 11 Assets charged and collateral

The Group has provided guarantees for associated companies' bank loans, amounting to DKK 121.656k as per 31 December 2020.

Contingent liabilities and residual commitments for participation in investment projects amounts to a maximum of DKK 191,510k.

The Group has placed a value deposit, which as per 31 December 2020 consists of DKK 953,816k, as collateral for bank loans in Bank Syz, which as of December 31, 2020 amounts to DKK 133,025k.

### 12 Non-arm's length related party transactions

Apart from intra-group transactions and normal management remuneration, no transactions have been carried out with the Board of Directors, the Executive Board, senior executives, major shareholders, affiliates companies or other related parties. All transactions have taken place on market terms

### 13 Subsidiaries

	<b>Corporate form</b>	<b>Ownership %</b>
Selmont Agro ApS	ApS	100
Christina Kirk A/S	A/S	100
CKJ Family Invest ApS	ApS	10

The shares in Momentum & Friends were sold during the financial year and is omitted from the consolidation.

# Parent income statement for 2020

	Notes	2020 DKK'000	2019 DKK'000
<b>Gross profit/loss</b>		<b>(4,285)</b>	<b>(5,209)</b>
Depreciation, amortisation and impairment losses		2,388	(382)
<b>Operating profit/loss</b>		<b>(1,897)</b>	<b>(5,591)</b>
Income from investments in group enterprises		18,482	(3,429)
Income from investments in associates		4,493	22,067
Other financial income	1	116,995	94,377
Other financial expenses	2	(2,295)	(54,330)
<b>Profit/loss before tax</b>		<b>135,778</b>	<b>53,094</b>
Tax on profit/loss for the year	3	(14,366)	(11,828)
<b>Profit/loss for the year</b>	4	<b>121,412</b>	<b>41,266</b>

# Parent balance sheet at 31.12.2020

## Assets

	Notes	2020 DKK'000	2019 DKK'000
Other fixtures and fittings, tools and equipment		773	2,230
<b>Property, plant and equipment</b>	5	<b>773</b>	<b>2,230</b>
Investments in group enterprises		180,146	167,531
Receivables from group enterprises		0	667
Investments in associates		121,555	97,339
Receivables from associates		126,067	109,039
Other investments		327,039	305,245
<b>Financial assets</b>	6	<b>754,807</b>	<b>679,821</b>
<b>Fixed assets</b>		<b>755,580</b>	<b>682,051</b>
Receivables from group enterprises		6,668	6,735
Other receivables		4,069	1,016
<b>Receivables</b>		<b>10,737</b>	<b>7,751</b>
Other investments		794,087	803,089
<b>Investments</b>		<b>794,087</b>	<b>803,089</b>
<b>Cash</b>		<b>30,481</b>	<b>10,587</b>
<b>Current assets</b>		<b>835,305</b>	<b>821,427</b>
<b>Assets</b>		<b>1,590,885</b>	<b>1,503,478</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2020 DKK'000</b>	<b>2019 DKK'000</b>
Contributed capital		5,000	5,000
Retained earnings		1,310,034	1,218,779
Proposed dividend for the financial year		30,000	30,000
<b>Equity</b>		<b>1,345,034</b>	<b>1,253,779</b>
Deferred tax	7	1,300	0
<b>Provisions</b>		<b>1,300</b>	<b>0</b>
Bank loans		0	50,000
<b>Non-current liabilities other than provisions</b>	<b>8</b>	<b>0</b>	<b>50,000</b>
Current portion of non-current liabilities other than provisions	8	0	5,900
Bank loans		228,545	172,530
Trade payables		49	265
Payables to group enterprises		1,007	1,554
Payables to owners and management		6,559	8,515
Tax payable		6,935	8,395
Other payables		1,456	2,540
<b>Current liabilities other than provisions</b>		<b>244,551</b>	<b>199,699</b>
<b>Liabilities other than provisions</b>		<b>244,551</b>	<b>249,699</b>
<b>Equity and liabilities</b>		<b>1,590,885</b>	<b>1,503,478</b>
Financial instruments	9		
Contingent liabilities	10		
Assets charged and collateral	11		
Related parties with controlling interest	12		
Transactions with related parties	13		

## Parent statement of changes in equity for 2020

	Contributed capital DKK'000	Retained earnings DKK'000	Proposed dividend for the year DKK'000	Total DKK'000
Equity beginning of year	5,000	1,218,779	30,000	1,253,779
Ordinary dividend paid	0	0	(30,000)	(30,000)
Exchange rate adjustments	0	(407)	0	(407)
Fair value adjustments of hedging instruments	0	250	0	250
Profit/loss for the year	0	91,412	30,000	121,412
<b>Equity end of year</b>	<b>5,000</b>	<b>1,310,034</b>	<b>30,000</b>	<b>1,345,034</b>

# Notes to parent financial statements

## 1 Other financial income

	2020 DKK'000	2019 DKK'000
Financial income from group enterprises	14	3
Other interest income	7,687	9,443
Exchange rate adjustments	1,598	0
Fair value adjustments	9,057	0
Other financial income	98,639	84,931
	<b>116,995</b>	<b>94,377</b>

## 2 Other financial expenses

	2020 DKK'000	2019 DKK'000
Financial expenses from group enterprises	0	20
Exchange rate adjustments	0	12,287
Fair value adjustments	0	40,204
Other financial expenses	2,295	1,819
	<b>2,295</b>	<b>54,330</b>

## 3 Tax on profit/loss for the year

	2020 DKK'000	2019 DKK'000
Current tax	13,000	10,400
Change in deferred tax	1,300	0
Adjustment concerning previous years	66	1,428
	<b>14,366</b>	<b>11,828</b>

## 4 Proposed distribution of profit and loss

	2020 DKK'000	2019 DKK'000
Ordinary dividend for the financial year	30,000	30,000
Extraordinary dividend distributed in the financial year	0	20,000
Retained earnings	91,412	(8,734)
	<b>121,412</b>	<b>41,266</b>



## 5 Property, plant and equipment

	<b>Other fixtures and fittings, tools and equipment DKK'000</b>
Cost beginning of year	7,072
Additions	654
Disposals	(6,953)
<b>Cost end of year</b>	<b>773</b>
Depreciation and impairment losses beginning of year	(4,842)
Depreciation for the year	(190)
Reversal regarding disposals	5,032
<b>Depreciation and impairment losses end of year</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>773</b>

## 6 Financial assets

	Investments in group enterprises DKK'000	Receivables from group enterprises DKK'000	Investments in associates DKK'000	Receivables from associates DKK'000	Other investments DKK'000
Cost beginning of year	321,310	6,617	9,482	109,339	413,030
Transfers	0	0	11,500	0	(11,500)
Additions	0	0	8,223	19,772	24,141
Disposals	(332)	(667)	0	(2,744)	0
<b>Cost end of year</b>	<b>320,978</b>	<b>5,950</b>	<b>29,205</b>	<b>126,367</b>	<b>425,671</b>
Revaluations beginning of year	0	0	87,857	0	0
Amortisation of goodwill	0	0	(1,134)	0	0
Share of profit/loss for the year	0	0	5,627	0	0
<b>Revaluations end of year</b>	<b>0</b>	<b>0</b>	<b>92,350</b>	<b>0</b>	<b>0</b>
Impairment losses beginning of year	(153,779)	(5,950)	0	(300)	(107,785)
Exchange rate adjustments	(407)	0	0	0	0
Share of profit/loss for the year	18,482	0	0	0	0
Dividend	(5,711)	0	0	0	0
Impairment losses for the year	0	(667)	0	0	(1,995)
Reversal of impairment losses	0	667	0	0	11,148
Other adjustments	250	0	0	0	0
Reversal regarding disposals	333	0	0	0	0
<b>Impairment losses end of year</b>	<b>(140,832)</b>	<b>(5,950)</b>	<b>0</b>	<b>(300)</b>	<b>(98,632)</b>
<b>Carrying amount end of year</b>	<b>180,146</b>	<b>0</b>	<b>121,555</b>	<b>126,067</b>	<b>327,039</b>

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

Investments in associates	Registered in	Corporate form	Ownership %
Enzo & C Holding Aps	Vejle	ApS	50,0
Kirk & Thorsen A/S	Vejle	A/S	50,0
Racehall A/S	Viby J	A/S	20,0
Heli Leasing ApS	Vejle	ApS	50,0
Cosmo Ejendomme ApS	Aarhus	ApS	50,0
Qblue Balanced A/S	Copenhagen	A/S	27,5

## 7 Deferred tax

	<b>2020</b>
<b>Changes during the year</b>	<b>DKK'000</b>
Recognised in the income statement	1,300
<b>End of year</b>	<b>1,300</b>

## 8 Non-current liabilities other than provisions

Previous years' non-current debt to other credit institutions has been repaid.

## 9 Derivative financial instruments

Agreements have been made for derivative financial instruments in the form of forward exchange transactions. The fair value of derivatives financial instruments constitute on the balance sheet DKK 3,771 as per 31.12.2020 against DKK -1,093k as per 31.12.2019.

The forward exchange transactions has been entered to secure future transactions in GBP, USD, CHF and EUR. The forward exchange transactions has a maturity of 2-3 months.

## 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, and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities.

## 11 Assets charged and collateral

Selmont has provided guarantees for associated companies' bank loans, amounting to DKK 121.656k as per 31 December 2020.

Contingent liabilities and residual commitments for participation in investment projects amounts to a maximum of DKK 191,510k.

The company has placed a value deposit, which as per 31 December 2020 consists of DKK 953,816k, as collateral for bank loans in Bank Syz, which as of December 31, 2020 amounts to DKK 133,025k.

## 12 Related parties with controlling interest

Related parties with controlling influence - Casper Kirk Johansen, Vejle, owns all shares in the company and thus has a controlling influence on this.

## 13 Non-arm's length related party transactions

Apart from intra-group transactions and normal management remuneration, no transactions have been carried out with the Board of Directors, the Executive Board, senior executives, major shareholders, affiliates companies or other related parties. All transactions have taken place on market terms.

# Accounting policies

## Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these consolidated financial statements and parent 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.

## Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence, are regarded as associates.

## Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date,

with net assets having been calculated at fair value.

### 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.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

### Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognised under other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging the fair value of a recognised asset or a recognised liability are recorded in the income statement together with changes in the value of the hedged asset or the hedged liability.

### Income statement

#### Gross profit or loss

Gross profit or loss comprises revenue, other operating income and external expenses.

#### Revenue

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.

**Other operating income**

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

**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.

**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**

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

**Income from investments in associates**

Income from investments in associates comprises the pro rata share of the individual associates' profit/loss after pro rata elimination of intra-group profits or losses.

**Other financial income**

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

**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.

**Balance sheet****Property, plant and equipment**

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

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.

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:

Other fixtures and fittings, tools and equipment	13 years
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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 in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value.

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 in equity.

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

### **Investments in associates**

Investments in associates are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the associates' equity value.

Associates with negative equity value are measured at DKK 0. Any receivables from these associates 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 associate, 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 associates is transferred to reserve for net revaluation according to the equity method in equity.

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

### **Receivables**

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

### **Other investments**

Other investments comprise listed and unlisted securities which are measured at fair value (market price) at the balance sheet date.

**Inventories**

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

Cost consists of purchase price plus delivery costs.

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

**Other investments (current assets)**

Other investments comprise listed and unlisted securities which are measured at fair value (market price) at the balance sheet date.

**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.

**Minority interests**

Minority interests comprise the minority interests' share of subsidiaries' equity in which the subsidiary is not wholly owned by the Parent.

**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.

**Other financial liabilities**

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

**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.

**Cash flow statement**

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and taxes paid.



Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, inception of finance leases, repayments of interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk.