



SPG SIGTEVÆV ApS

Barmstedt Alle 2
5500 Middelfart
CVR No. 32284264

Annual report 2020

The Annual General Meeting adopted the
annual report on 16.04.2021

Peter Cederberg
Conductor

Contents

Entity details	2
Statement by Management	3
Independent auditor's extended review report	4
Management commentary	6
Income statement for 2020	7
Balance sheet at 31.12.2020	8
Statement of changes in equity for 2020	10
Notes	11
Accounting policies	14

Entity details

Entity

SPG SIGTEVÆV ApS

Barmstedt Alle 2

5500 Middelfart

CVR No.: 32284264

Registered office: Middelfart

Financial year: 01.01.2020 - 31.12.2020

Executive Board

Peter Cederberg, adm. dir

Håkan Cederberg

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Egtved Allé 4

6000 Kolding

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of SPG SIGTEVÆV ApS 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 financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations 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.

Middelfart, 16.04.2021

Executive Board

Peter Cederberg
adm. dir

Håkan Cederberg

Independent auditor's extended review report

To the shareholders of SPG SIGTEVÆV ApS

Conclusion

We have performed an extended review of the financial statements of SPG SIGTEVÆV ApS 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. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting 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 extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity

personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

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 extended review 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 extended review 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 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.

Kolding, 16.04.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Lars Bjerregaard Nielsen

State Authorised Public Accountant
Identification No (MNE) mne29393

Management commentary

Primary activities

The Company's activity consists of production and sale of wire mesh screens, rubber screen cloth and polyurethane screen cloth as well as related activities.

Description of material changes in activities and finances

The profit for the year amounted to DKK 960k, which Management considers satisfactory.

The Company expects a positive development for the next few years. It is Management's opinion that the Company has the necessary capital resources to meet its obligations as they mature. The Company is largely financed by loans from the Parent, which continues to support the Company.

The Company has debt with the Parent amounting to DKK 8,035k. The Parent will not claim repayment of the debt until the Company's cash position allows.

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.

Income statement for 2020

	Notes	2020 DKK	2019 DKK
Gross profit/loss		10,640,736	9,986,935
Staff costs	1	(8,317,045)	(7,230,644)
Depreciation, amortisation and impairment losses	2	(406,955)	(405,978)
Operating profit/loss		1,916,736	2,350,313
Other financial expenses	3	(667,287)	(62,952)
Profit/loss before tax		1,249,449	2,287,361
Tax on profit/loss for the year	4	(289,596)	(503,307)
Profit/loss for the year		959,853	1,784,054
Proposed distribution of profit and loss			
Retained earnings		959,853	1,784,054
Proposed distribution of profit and loss		959,853	1,784,054

Balance sheet at 31.12.2020

Assets

	Notes	2020 DKK	2019 DKK
Goodwill		0	137,500
Intangible assets	5	0	137,500
Land and buildings		22,539,633	4,750,421
Other fixtures and fittings, tools and equipment		584,710	737,447
Property, plant and equipment	6	23,124,343	5,487,868
Other receivables		134,030	131,055
Financial assets		134,030	131,055
Fixed assets		23,258,373	5,756,423
Manufactured goods and goods for resale		3,709,333	3,847,382
Inventories		3,709,333	3,847,382
Trade receivables		2,670,704	2,231,626
Other receivables		31,603	58,989
Prepayments		100,329	50,555
Receivables		2,802,636	2,341,170
Cash		877,041	1,595,077
Current assets		7,389,010	7,783,629
Assets		30,647,383	13,540,052

Equity and liabilities

	Notes	2020 DKK	2019 DKK
Contributed capital		226,000	226,000
Retained earnings		8,655,054	7,695,201
Equity		8,881,054	7,921,201
Deferred tax		401,000	185,000
Provisions		401,000	185,000
Bank loans		10,048,030	338,141
Non-current liabilities other than provisions	7	10,048,030	338,141
Current portion of non-current liabilities other than provisions	7	669,000	445,800
Prepayments received from customers		44,184	0
Trade payables		731,660	1,225,301
Payables to group enterprises		8,034,858	2,134,034
Income tax payable		57,607	211,047
Other payables		1,779,990	1,079,528
Current liabilities other than provisions		11,317,299	5,095,710
Liabilities other than provisions		21,365,329	5,433,851
Equity and liabilities		30,647,383	13,540,052
Unrecognised rental and lease commitments	8		
Assets charged and collateral	9		

Statement of changes in equity for 2020

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	226,000	7,695,201	7,921,201
Profit/loss for the year	0	959,853	959,853
Equity end of year	226,000	8,655,054	8,881,054

Notes

1 Staff costs

	2020 DKK	2019 DKK
Wages and salaries	7,250,630	6,324,574
Pension costs	875,092	758,802
Other social security costs	171,323	147,268
Other staff costs	20,000	0
	8,317,045	7,230,644
Average number of full-time employees	19	16

2 Depreciation, amortisation and impairment losses

	2020 DKK	2019 DKK
Amortisation of intangible assets	137,500	150,000
Depreciation of property, plant and equipment	269,455	249,978
Profit/loss from sale of intangible assets and property, plant and equipment	0	6,000
	406,955	405,978

3 Other financial expenses

	2020 DKK	2019 DKK
Financial expenses from group enterprises	88,770	26,338
Other interest expenses	152,166	36,614
Exchange rate adjustments	400,601	0
Other financial expenses	25,750	0
	667,287	62,952

4 Tax on profit/loss for the year

	2020 DKK	2019 DKK
Current tax	73,607	531,047
Change in deferred tax	216,000	(25,000)
Adjustment concerning previous years	(11)	(2,740)
	289,596	503,307

5 Intangible assets

	Goodwill DKK
Cost beginning of year	750,000
Cost end of year	750,000
Amortisation and impairment losses beginning of year	(612,500)
Amortisation for the year	(137,500)
Amortisation and impairment losses end of year	(750,000)
Carrying amount end of year	0

6 Property, plant and equipment

	Land and buildings DKK	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	4,750,421	2,018,953
Additions	17,823,235	82,695
Cost end of year	22,573,656	2,101,648
Depreciation and impairment losses beginning of year	0	(1,281,506)
Depreciation for the year	(34,023)	(235,432)
Depreciation and impairment losses end of year	(34,023)	(1,516,938)
Carrying amount end of year	22,539,633	584,710

7 Non-current liabilities other than provisions

	Due within 12 months 2020 DKK	Due within 12 months 2019 DKK	Due after more than 12 months 2020 DKK
Bank loans	669,000	445,800	10,048,030
	669,000	445,800	10,048,030

8 Unrecognised rental and lease commitments

	2020 DKK	2019 DKK
Liabilities under rental or lease agreements until maturity in total	338,000	654,000

9 Assets charged and collateral

Bank debt is secured on a deposited mortgage deed registered to the mortgagor of a nominal value of DKK 11,600k on the property, and a floating charge has been provided of a nominal value of DKK 1,000k on intangible assets and property, plant and equipment, unsecured claims from sale of goods and services as well as inventories.

The carrying amount of mortgaged properties is DKK 22,540k, and the carrying amount of intangible assets and property, plant and equipment, unsecured claims from sale of goods and services as well as inventories charged is DKK 3,390k.

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.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods, other operating income, cost of raw materials and consumables 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.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary writedowns of the relevant inventories.

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.

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**Goodwill**

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. The amortisation periods used are 5 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

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:

Buildings	50 years
Other fixtures and fittings, tools and equipment	3-5 years
Plant and machinery	3-5 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.

Receivables

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

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. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation of and impairment losses relating to machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in cost.

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

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

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.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Tax receivable or payable

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