



## SPG SIGTEVÆV ApS

Falstersvej 11, 5500 Middelfart  
CVR No. 32284264

## Annual report 2019

The Annual General Meeting adopted the  
annual report on 26.02.2020

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**Peter Cederberg**  
Conductor

# Contents

Entity details	2
Statement by Management	3
Independent auditor's extended review report	4
Management commentary	6
Income statement for 2019	7
Balance sheet at 31.12.2019	8
Statement of changes in equity for 2019	10
Notes	11
Accounting policies	14

# Entity details

## Entity

SPG SIGTEVÆV ApS

Falstersvej 11

5500 Middelfart

CVR No.: 32284264

Registered office: Middelfart

Financial year: 01.01.2019 - 31.12.2019

## 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 01.01.2019 - 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.

Middelfart, 18.02.2020

## 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 01.01.2019 - 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.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 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, 18-02-2020

#### **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 1,784k, 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 2,134k. 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 2019

	Notes	2019 DKK	2018 DKK
<b>Gross profit/loss</b>		<b>9,986,935</b>	<b>9,095,363</b>
Staff costs	1	(7,230,644)	(6,813,881)
Depreciation, amortisation and impairment losses	2	(405,978)	(427,738)
<b>Operating profit/loss</b>		<b>2,350,313</b>	<b>1,853,744</b>
Other financial expenses	3	(62,952)	(83,352)
<b>Profit/loss before tax</b>		<b>2,287,361</b>	<b>1,770,392</b>
Tax on profit/loss for the year	4	(503,307)	(393,863)
<b>Profit/loss for the year</b>		<b>1,784,054</b>	<b>1,376,529</b>
<b>Proposed distribution of profit and loss</b>			
Retained earnings		1,784,054	1,376,529
<b>Proposed distribution of profit and loss</b>		<b>1,784,054</b>	<b>1,376,529</b>



# Balance sheet at 31.12.2019

## Assets

	Notes	2019 DKK	2018 DKK
Goodwill		137,500	287,500
<b>Intangible assets</b>	5	<b>137,500</b>	<b>287,500</b>
Land and buildings		4,750,421	3,077,295
Other fixtures and fittings, tools and equipment		737,447	984,798
<b>Property, plant and equipment</b>	6	<b>5,487,868</b>	<b>4,062,093</b>
Other receivables		131,055	131,055
<b>Other financial assets</b>		<b>131,055</b>	<b>131,055</b>
<b>Fixed assets</b>		<b>5,756,423</b>	<b>4,480,648</b>
Manufactured goods and goods for resale		3,847,382	3,310,509
<b>Inventories</b>		<b>3,847,382</b>	<b>3,310,509</b>
Trade receivables		2,231,626	2,634,943
Other receivables		58,989	32,325
Prepayments		50,555	14,310
<b>Receivables</b>		<b>2,341,170</b>	<b>2,681,578</b>
<b>Cash</b>		<b>1,595,077</b>	<b>1,253,842</b>
<b>Current assets</b>		<b>7,783,629</b>	<b>7,245,929</b>
<b>Assets</b>		<b>13,540,052</b>	<b>11,726,577</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2019 DKK</b>	<b>2018 DKK</b>
Contributed capital		226,000	226,000
Retained earnings		7,695,205	5,911,151
<b>Equity</b>		<b>7,921,205</b>	<b>6,137,151</b>
Deferred tax		185,000	210,000
<b>Provisions</b>		<b>185,000</b>	<b>210,000</b>
Bank loans		338,141	789,783
<b>Non-current liabilities other than provisions</b>	<b>7</b>	<b>338,141</b>	<b>789,783</b>
Current portion of non-current liabilities other than provisions	7	445,800	474,000
Trade payables		1,225,297	460,946
Payables to group enterprises		2,134,034	2,273,634
Income tax payable		211,047	107,603
Other payables		1,079,528	1,273,460
<b>Current liabilities other than provisions</b>		<b>5,095,706</b>	<b>4,589,643</b>
<b>Liabilities other than provisions</b>		<b>5,433,847</b>	<b>5,379,426</b>
<b>Equity and liabilities</b>		<b>13,540,052</b>	<b>11,726,577</b>
Unrecognised rental and lease commitments	8		
Assets charged and collateral	9		

# Statement of changes in equity for 2019

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	226,000	5,911,151	6,137,151
Profit/loss for the year	0	1,784,054	1,784,054
<b>Equity end of year</b>	<b>226,000</b>	<b>7,695,205</b>	<b>7,921,205</b>

# Notes

## 1 Staff costs

	2019 DKK	2018 DKK
Wages and salaries	6,324,574	5,960,188
Pension costs	758,802	743,375
Other social security costs	147,268	110,318
	<b>7,230,644</b>	<b>6,813,881</b>
Average number of full-time employees	<b>16</b>	<b>17</b>

## 2 Depreciation, amortisation and impairment losses

	2019 DKK	2018 DKK
Amortisation of intangible assets	150,000	150,000
Depreciation of property, plant and equipment	249,978	277,738
Profit/loss from sale of intangible assets and property, plant and equipment	6,000	0
	<b>405,978</b>	<b>427,738</b>

## 3 Other financial expenses

	2019 DKK	2018 DKK
Financial expenses from group enterprises	26,338	26,300
Other interest expenses	36,614	57,052
	<b>62,952</b>	<b>83,352</b>

## 4 Tax on profit/loss for the year

	2019 DKK	2018 DKK
Current tax	531,047	104,863
Change in deferred tax	(25,000)	289,000
Adjustment concerning previous years	(2,740)	0
	<b>503,307</b>	<b>393,863</b>

## 5 Intangible assets

	<b>Goodwill DKK</b>
Cost beginning of year	750,000
<b>Cost end of year</b>	<b>750,000</b>
Amortisation and impairment losses beginning of year	(462,500)
Amortisation for the year	(150,000)
<b>Amortisation and impairment losses end of year</b>	<b>(612,500)</b>
<b>Carrying amount end of year</b>	<b>137,500</b>

## 6 Property, plant and equipment

	<b>Land and buildings DKK</b>	<b>Other fixtures and fittings, tools and equipment DKK</b>
Cost beginning of year	3,077,295	2,347,806
Additions	1,673,126	58,627
Disposals	0	(387,480)
<b>Cost end of year</b>	<b>4,750,421</b>	<b>2,018,953</b>
Depreciation and impairment losses beginning of year	0	(1,363,008)
Depreciation for the year	0	(249,978)
Reversal regarding disposals	0	331,480
<b>Depreciation and impairment losses end of year</b>	<b>0</b>	<b>(1,281,506)</b>
<b>Carrying amount end of year</b>	<b>4,750,421</b>	<b>737,447</b>

## 7 Non-current liabilities other than provisions

	<b>Due within 12 months 2019 DKK</b>	<b>Due within 12 months 2018 DKK</b>	<b>Due after more than 12 months 2019 DKK</b>
Bank loans	445,800	474,000	338,141
	<b>445,800</b>	<b>474,000</b>	<b>338,141</b>

## 8 Unrecognised rental and lease commitments

	<b>2019 DKK</b>	<b>2018 DKK</b>
Liabilities under rental or lease agreements until maturity in total	654,000	769,000

### 9 Assets charged and collateral

Bank debt is secured on a deposited mortgage deed registered to the mortgagor of a nominal value of DKK 1,300k 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 7,750k, 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 3,238k.

# 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:

Plant and machinery	3-5 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.

**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.

**Income 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.