
SSG Partners A/S

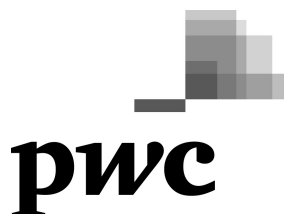
Knapholm 4, DK-2730 Herlev

Annual Report for 1 October 2019 - 30 September 2020

CVR No 34 58 24 40

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
12/11 2020

Allan Tharuman
Chairman of the General
Meeting



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of SSG Partners A/S for the financial year 1 October 2019 - 30 September 2020.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 30 September 2020 of the Company and of the results of the Company operations for 2019/20.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Herlev, 12 November 2020

Executive Board

Carsten Fensholt
Group CEO

Pernille Damm Nielsen
Group CFO

Board of Directors

John Staunbjerg Dueholm
Chairman

Martin Bøge Mikkelsen

Sonny Hoffmann Nielsen

Rune Lillie Gornitzka

Johan Agerman

Independent Auditor's Report

To the Shareholder of SSG Partners A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 September 2020 and of the results of the Company's operations for the financial year 1 October 2019 - 30 September 2020 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of SSG Partners A/S for the financial year 1 October 2019 - 30 September 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional 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.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

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

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

Based on the work we have performed, in our view, Management's Review 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 in Management's Review.

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 misstate-

Independent Auditor's Report

ment, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance 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 Company'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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the

Independent Auditor's Report

disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Hellerup, 12 November 2020

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jacob F Christiansen
State Authorised Public Accountant
mne18628

Henrik Ødegaard
State Authorised Public Accountant
mne31489

Company Information

The Company

SSG Partners A/S
Knapholm 4
DK-2730 Herlev

CVR No: 34 58 24 40
Financial period: 1 October - 30 September
Incorporated: 11 May 2012
Financial year: 9th financial year
Municipality of reg. office: Herlev

Board of Directors

John Staunbjerg Dueholm, Chairman
Martin Bøge Mikkelsen
Sonny Hoffmann Nielsen
Rune Lillie Gornitzka
Johan Agerman

Executive Board

Carsten Fensholt
Pernille Damm Nielsen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

Principal activities

SSG is one of Scandinavia's leading providers of damage control and adjacent services. The Company's business model has been tailor made to meet demands from insurance companies, including specialized repairwork not offered by traditional craftsmen. Damage control, which is SSG's core business and accounts for 85 percent of the Company's revenue for the financial year 2019/2020, primarily refers to services provided in acute situations to stop or limit damage following fire accidents, water leakage, mould or storm related incidents. Adjacent services, which account for 15 percent of the Company's revenue for the financial year 2019/2020, primarily refers to services provided in non acute situations which require specialized skillsets and tools. The offering within these adjacent services covers a wide array of services but is mainly divided into two sub segments, industry services and property services.

SSG's two service segments, damage control and adjacent services, require similar skillsets and equipment, which allows for efficient resource allocation between the two segments. As demand for damage control services varies over the year, labour and tools can easily be reallocated between the two segments to secure high utilization throughout the year. The two segments also complement each other well in the sense that, usually, damage control is required in acute situations, whereas adjacent services can be performed in non acute situations. In periods of high demand for damage control services, the Company can build a pipeline of adjacent services projects which can then be executed during periods of lower demand for damage control, thereby further improving the resource utilization over the year.

SSG was successfully acquired by Polaris Private Equity in December 2019. Polaris is a leading Nordic private equity company investing in mid-sized companies with the objective to invest in good companies with great potential and make them bigger and better in partnership with Management and the Board. At the same time Polaris/SSG acquired "EBE Gruppen" to strengthen the presence in the Swedish market. EBE Gruppen is the leading damage control and moisture technic company in Greater Gothenburg area, and EBE Gruppen has been successfully integrated in SSG during 2020.

The Danish business is SSG's largest operation, holding a clear market leading position. As per 30/9 2020, SSG Denmark had 353 employees and 13 centers across Denmark, offering nationwide coverage. The Danish operations accounted for 43 percent of the Company's total revenue for the financial year 2019/2020.

In Norway, SSG operates a total of 24 wholly owned centers and four franchise centers with a total of 296 employees. The Norwegian SSG operations account for 33 percent of the Company's total revenue in the financial year 2019/2020.

The Swedish operations are comprised of SSG Nordic and EBE Gruppen, which primarily offers damage control services. Sweden has 256 employees working at its 15 centers. The Swedish operations account for 24 percent of the Company's total revenue in the financial year 2019/2020. In line with the strategic focus on damage control services, Crendo (property service & administration) was divested during the year to free up management time and capacity in SSG's core operations.

It is SSG's ambition to be the most attractive 24/7 Damage Control Service partner in Scandinavia by

Management's Review

being:

- The leading partner in quality, customer service and communication.
- Competitive on cost, and with the clear ambition to help insurance companies to reduce average damage cost ongoing.
- The leading partner in digitalization, automatization and transparent reporting.
- The leading partner in innovation and new services to continue to be able to reduce average damage cost.

With the new owners and new management, SSG Group will continue to expand its presence in all Scandinavian countries, with the ambition of being a clear number 1 or 2 in each market.

Development in the year

In the financial year 2019/2020, SSG Group realised a loss of DKK 41 million compared to a profit of DKK 10.8 million last year. The results were effected by the following:

SSG A/S (Denmark) continued to generate solid results in accordance with expectations in a year without any "big damages projects". The ongoing progress of optimizing the business, digitalization and implementation of new innovative products also made a positive contribution. The Company has solid contracts with the majority of the large Danish insurance companies, and several contracts were renewed in 2019/20 after competitive tenders. In addition, some contracts were extended with increased geographical coverage.

For SSG Norway AS it was a year characterized by restructuring and refocusing of the strategy as planned. SSG Norway has a solid market position, but operation did not meet expectations, so management was replaced, and the regional organization restructured. A new experienced CEO started in August, new operational management & support systems have been implemented (SSG 3.0), and the key center management structure has been strengthened. We have also invested significantly in upgrading of competencies and education in customer service & quality in the second half of the financial year. We have already seen a solid improvement in customer satisfaction for the largest customers, and SSG Norway is now well positioned for future profitable growth.

EBE Gruppen AB was acquired in December 2019, and combined with SSG Nordic, we now have a strong representation across Sweden. EBE Gruppen brings strong operational performance and culture, and the platform will be the foundation for further growth in Sweden in combination with SSG Nordic. As a consequence of acquiring EBE Gruppen AB, SSG Nordic merged its Gothenburg operation into EBE Gruppen. EBE and most SSG Nordic centers have done well in 2019/20, but Covid-19 has had a small negative impact for the Municipality customers who have postponed projects. We continue to expand in Sweden, and we have recently opened a new center in Helsingborg and are looking for new locations in the Eastern part of Sweden as well. In addition, SSG Nordic has won two new major agreements with key insurance customers in Sweden, so we are well positioned for future growth.

Crendo (property & administration services in Sweden) has been divested during the summer 2020 in

Management's Review

order to focus 100% on Damage Control & Services.

Capital structure and resources

The SSG Partners share capital is divided into share classes. Management regularly assesses whether SSG has a capital structure that corresponds to the Company's need for the financing of working capital.

Together with the Company's banks, the Group's owners, Board of Directors and Executive Board assess the combination of equity, loans from shareholders and external financing on a recurring basis.

Management maintains an ongoing dialogue with the Group's most important lenders and shareholders, who show a high level of confidence in the Group. Management assesses that the Group's current capital structure and resources are adequate and sufficient to carry through the activities planned for financial year 2020/2021.

Financial targets on Group level

The Group has an organic revenue growth target of four to five percent per year. The targeted growth is mainly attributable to entering into additional framework agreements with insurance companies in Sweden, Norway and Denmark, as well as growing special services in Denmark, but also the underlying market growth due to climate changes etc.

In addition to the organic revenue growth, the Group has a target of growing revenue through acquisitions by an additional five to seven percent per year. Depending on the market conditions the actual acquired revenue growth can be lower or higher than the target. In line with the M&A strategy, future acquisitions aim to increase inhouse competencies, increase the geographical presence or give quick access to service platforms in specific markets. Management has ongoing dialogues with a number of potential acquisition targets.

To reach its margin target, management will continue to focus on the implementation of The SSG Way, innovation, customer satisfaction and its operational excellence initiatives within the Group.

A new Group Management team has been established during 2020 to support this progress within the Group.

Financial targets for Denmark

Management has an organic revenue target of three to five percent per year for Denmark. Revenue growth will be attributable to increased revenue from existing and new customers based on a new set of innovative services and continued dialogue with existing customers about transferring more basic damage administration/responsibility to SSG. In addition, focus will be on growing adjacent services and establishing "preventive" services in cooperation with insurance companies.

Financial targets for Norway

Management has an organic revenue growth target of five percent per year for Norway. This will be

Management's Review

largely driven by the continued focus on building strong relationships with insurance companies and intensifying sales efforts towards tier 2 customers with high revenue potential (the Company classifies its customers from tier 1 to tier 3 based on their geographical pan Nordic vs. domestic presence and customer base).

Profitability improvement will be driven by the initiatives implemented as part of the recent turnaround in form of operational improvement, competency redistribution, cost reductions, KPI measurements and ensuring end customer satisfaction.

Financial targets for Sweden

Management has an organic revenue growth target of five percent per year for Sweden. The strategy in terms of organic growth is to leverage inroads and experience from Denmark and Norway, thereby penetrating the large insurance segment.

Profitability is expected to increase as the service mix shifts to a larger share of damage control assignments following the acquisition of EBE Gruppen. Implementing The SSG Way, focusing on KPIs and driving operational excellence initiatives will also be important to ensure that the Swedish business meets its profitability target.

Uncertainty relating to recognition and measurement

Accounting estimates have been made in connection with the recognition and measurement of work in progress, receivables and goodwill. SSG currently works to improve its methods for the recognition and measurement of such items and, in Management's assessment, the estimates made provide a true and fair view in the Annual Report.

Employees

Employees constitute the most important asset of SSG, which makes it important to ensure the required technical and human skills. During the year, SSG has therefore held a number of technical courses on humidity, mould and damage control as well as hygiene/environmentally related courses. At management level, training in finances and sale/services has been provided. Moreover, SSG invests in training in the management systems of the insurance companies, In4mo and ScalePoint, on an ongoing basis.

As of 30/9 2020, the Company had 905 full time employees of whom two were part of Group management, 79 were in regional management and 99 held other administrative tasks within the Company. The remaining 725 employees were responsible for the manual labour within damage control and adjacent services.

Management's Review

Reporting guidelines of DVCA

The SSG Group is partly owned by private equity and follows certain reporting guidelines issued by the Danish Venture Capital and Private Equity Association. You may find the guidelines here www.DVCA.dk.

Shareholder information

The Company's shares are owned by SSG BidCo A/S which is owned by P-SSG 2019 A/S (92,61%) and Key employees, Boards and co-investors (6,78%). Furthermore, the Group holds 0,61% of own shares.

Corporate social responsibility report

For the main operating model of SSG, please refer to section "Principal Activities".

SSG does not consider its operating activities to contain any significant risks with respect to the climate and the environment. The policies in this area set objectives around the Company's desire to contribute to a better environment and prevent any unnecessary pollution and a set of Company obligations like full compliance with all legal requirement, strive for use of sub contractors with CSR policies, correct handling and disposal of waste etc. The specific activities are an ongoing focus on developing methods to reduce especially the use of fuel, electricity, and chemicals. SSG management is satisfied with the progress made in this area during the financial year.

SSG does operate in an environment where there are certain risks with respect to employee health and safety, for instance in connection with removal of asbestos and mould. The policies in this area establish the rules for employees, for instance specific work instructions, required training levels, use of protective gear etc.

Other policies take care of social aspects like respect for the individual, smoking and consumption of alcohol, among other things.

The level of implementation is controlled via regular site audits conducted by SSG quality teams where methods and use of equipment is reviewed. A workers' council is established where employee representatives meet and discuss health and safety related subjects and decides on appropriate new initiatives. The Group has earmarked investment in 2020 to improve the working environment.

One of the main measures of a healthy and safe work environment is sick leave, here SSG has achieved its objective of maximum 3% absence.

Report on human rights and anti-corruption

SSG does not have a policy for human rights and anti corruption, as SSG does not consider it critical to have specific initiatives in this area as employees, customers and suppliers are not regarded as being at risk of non compliance, the area being regulated by relevant public legislation and trade union rules.

Management's Review

Report on gender representation in Management

The Company has an ongoing objective of at least one female board member. The Company's executive management have hired one female member in 2020, but no females were on the board as no female board member has been elected.

The Company has an objective of 25% female representation by 2025 in leadership positions. The 23.5% of females has increased during last financial year and the Company is satisfied with the progress made here towards the 2025 goal.

The main activities behind the goal of increased female representation is centered around internal and external recruiting as well as making sure that all female internal talents get the needed attention and support in their leadership development to compete for leadership positions.

Dividend policy

The payment of dividend is to take place with due consideration of the required consolidation of equity as a basis for the Group's continuing expansion.

Subsequent events

SSG Partners and SSG Group A/S will be merged as at 1 October 2020 with SSG Group as the continuing company.

No other events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Other Management positions held by members of the Board of Directors and the Executive Board

Board of Directors

Name	John Staunshjerg Dueholm (chairman)	Johan Agerman	Rune Lillie Gornitzka
Position	Senior advisor	Board member	Partner - Polaris Equity
Chairman of the Board of Directors in:	SSG A/S, SSG Partners A/S, SSG Group A/S, SSG HoldCo A/S, SSG BidCo A/S, SSG Norge AS, Hydratech Industries A/S, Hydratech Industries Holding A/S, HTHH ApS, InterMail A/S, Jetpak AB	Aktieselskabet af 18. maj 2018, JA3C AB, several subsidiaries in Lowell Nordic Group, Future Pension AB	P-SSG 2019 A/S
Deputy chairman of the Board of Directors in:	DPF Svendborg A/S, SBS Automotive A/S, SBS Friction A/S, Scandinavian Brake Systems A/S		
Member of the Board of Directors in:	BWBP Fonden, Globus Wine A/S	SSG A/S, SSG Partners A/S, SSG Group A/S, SSG HoldCo A/S, SSG BidCo A/S, Svensk Inkasso Medlemsservice AB, Annika Braddon Consulting AB	SSG A/S, SSG Partners A/S, SSG Group A/S, SSG HoldCo A/S, SSG BidCo A/S, SSG Norge AS, P-DMM Holding 2019 A/S, P-DMM 2014 A/S, DMM Holding 1 A/S, DMM Holding 2 A/S, ProData Consult A/S, ProData Holding A/S, ProData BidCo A/S, Det Danske Madhus A/S
Member of the Executive Board in:	BWB Partners II K/S	Lowell Group	Stella Invest ApS
Name:	Sonny Hoffmann Nielsen	Martin Bøge Mikkelsen	
Position	Board member	Board member	
Chairman of the Board of Directors in:	HB-Care A/S, HB-Care Leasing ApS, HB-Care Leasing 1 ApS, WeCon A/S, Dane TopCo ApS	InterForce Region Hovedstaden	
Member of the Board of Directors in:	SSG A/S, SSG Partners A/S, SSG Group A/S, SSG HoldCo A/S, SSG BidCo A/S	SSG A/S, SSG Partners A/S, SSG Group A/S, SSG HoldCo A/S, SSG BidCo A/S, Secure Capital A/S, Secure Fondsmæglerselskab A/S, Alternative Equity Partners A/S, InterMail A/S	
Member of the Executive Board in:	SH Service ApS	MBMikkelsen Holding ApS, Mitco Invest ApS	

Other Management positions held by members of the Board of Directors and the Executive Board

Executive Board

Navn:	Carsten Fensholt	Pernille Damm Nielsen
Position	Group CEO	Group CFO
Chairman of the Board of Directors in:	SSG Nordic Holding AB, SSG Nordic AB, Crendo Holding AB, EBE Gruppen AB, EBE Torkteknik AB, EBE Skadeservice AB	
Member of the Board of Directors in:	SSG Norge AS	SSG Norge AS, SSG Nordic Holding AB, SSG Nordic AB, Crendo Holding AB, EBE Gruppen AB, EBE Torkteknik AB, EBE Skadeservice AB
Member of the Executive Board in:	SSG A/S, SSG Partners A/S, SSG Group A/S, SSG HoldCo A/S, SSG BidCo A/S	SSG A/S, SSG Partners A/S, SSG Group A/S, SSG HoldCo A/S, SSG BidCo A/S

Income Statement 1 October - 30 September

	Note	2019/20 TDKK	2018/19 TDKK
Other external expenses		-50	-1,534
Gross profit/loss		-50	-1,534
Income from investments in subsidiaries		-43,799	9,796
Financial income	2	7,185	4,552
Financial expenses	3	-3,662	-1,534
Profit/loss before tax		-40,326	11,280
Tax on profit/loss for the year	4	-764	-480
Net profit/loss for the year		-41,090	10,800

Distribution of profit

Proposed distribution of profit

Retained earnings	-41,090	10,800
	-41,090	10,800

Balance Sheet 30 September

Assets

	Note	2019/20 TDKK	2018/19 TDKK
Investments in subsidiaries	5	0	24,575
Other receivables		0	2,333
Fixed asset investments		0	26,908
Fixed assets		0	26,908
Receivables from group enterprises		184,686	138,072
Receivables		184,686	138,072
Cash at bank and in hand		70	0
Currents assets		184,756	138,072
Assets		184,756	164,980

Balance Sheet 30 September

Liabilities and equity

	Note	2019/20 TDKK	2018/19 TDKK
Share capital		34,111	38,371
Retained earnings		35,103	71,866
Equity	6	69,214	110,237
Credit institutions		0	20,000
Trade payables		251	156
Payables to group enterprises		114,527	34,054
Corporation tax		764	479
Other payables		0	54
Short-term debt		115,542	54,743
Debt		115,542	54,743
Liabilities and equity		184,756	164,980
Uncertainty with recognition and measurement	1		
Distribution of profit	7		
Contingent assets, liabilities and other financial obligations	8		
Related parties	9		
Accounting Policies	10		

Statement of Changes in Equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 October	38,371	71,866	110,237
Capital reduction	-4,260	4,260	0
Exchange adjustments relating to foreign entities	0	67	67
Net profit/loss for the year	0	-41,090	-41,090
Equity at 30 September	34,111	35,103	69,214

Notes to the Financial Statements

1 Uncertainty with recognition and measurement

There is an uncertainty associated with recognition and measurement of group goodwill and deferred tax assets, as recognition and measurement is based on expectations regarding future activities and results.

Group goodwill

The SSG Group has recognized group goodwill amounting to MDKK 127 (2018/19: MDKK 117). Group goodwill mainly relates to the acquisition of damage control activities in Denmark and Sweden and is amortized over 5-20 years. The group's Danish and Swedish operations have achieved a satisfactory result for 2019/20, in line with expectations.

Deferred tax asset

The SSG Group has recognized deferred tax asset related to the tax value of tax losses in the subsidiary in Norway with MDKK 13 and in Sweden with MDKK 4 which have been partly offset deferred tax related to customer contracts and relations. Tax losses can be carried forward and used indefinitely in Norway and Sweden. Based on budgets and estimates, it is expected that positive results for the subsidiaries will be realized and the tax asset is expected to be used within a period of 5 years. Management believes that the assumptions used are realistic and achievable.

2 Financial income

	2019/20 TDKK	2018/19 TDKK
Interest received from group enterprises	7,185	4,552
	7,185	4,552

3 Financial expenses

Interest paid to group enterprises	3,119	943
Other financial expenses	543	591
	3,662	1,534

4 Tax on profit/loss for the year

Current tax for the year	0	0
Deferred tax for the year	764	480
	764	480

Notes to the Financial Statements

	2019/20 TDKK	2018/19 TDKK
5 Investments in subsidiaries		
Cost at 1 October	150,437	150,437
Cost at 30 September	150,437	150,437
Value adjustments at 1 October	-125,862	-127,721
Exchange adjustment	67	441
Net profit/loss for the year	-43,799	9,796
Dividend to the Parent Company	0	-8,000
Other adjustments	0	-378
Value adjustments at 30 September	-169,594	-125,862
Equity investments with negative net asset value amortised over receivables	19,157	0
Carrying amount at 30 September	0	24,575

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
SSG Group A/S	Denmark	DKK 13,844	100%
SSG A/S	Denmark	DKK 2,826	100%
SSG Norge AS	Norway	NOK 3,000	100%
Crendo Holding AB	Sweden	SEK 1,459	75%
SSG Nordic Holding AB	Sweden	SEK 1,000	75%
SSG Nordic AB	Sweden	SEK 50	75%
EBE Gruppen AB	Sweden	SEK 50	75%
EBE Skadeservice AB	Sweden	SEK 200	75%
EBE Torkteknik AB	Sweden	SEK 50	75%

All foreign subsidiaries are recognised and measured as separate entities.

Notes to the Financial Statements

6 Equity

The share capital is broken down as follow:

	Number	Nominal value TDKK
A-shares	16,374,213	16,374
B-shares	10,645,413	10,646
C-shares	1,009,032	1,009
D-shares	6,080,357	6,080
E-shares	1,525	1
		34,110

The A-shares, B-shares, C-shares, D-shares and E-shares are subject to preferential rights in case of future capital increases and payment of dividend.

The share capital has developed as follows:

	2019/20 TDKK	2018/19 TDKK	2017/18 TDKK	2016/17 TDKK	2015/16 TDKK
Share capital at 1 October	38,371	38,371	38,369	38,130	38,130
Capital increase	0	0	2	239	0
Capital decrease	-4,260	0	0	0	0
Share capital at 30 September	34,111	38,371	38,371	38,369	38,130

7 Distribution of profit

	2019/20 TDKK	2018/19 TDKK
Retained earnings	-41,090	10,800
	-41,090	10,800

Notes to the Financial Statements

	2019/20	2018/19
	TDKK	TDKK
8 Contingent assets, liabilities and other financial obligations		

Other contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

9 Related parties

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company, P-SSG 2019 A/S and SSG BidCo A/S.

Name	Place of registered office
P-SSG A/S, CVR no 40 93 39 56	Copenhagen
SSG BidCo A/S, CVR no 38 62 09 08	Herlev

Notes to the Financial Statements

10 Accounting Policies

The Annual Report of SSG Partners A/S for 2019/20 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2019/20 are presented in TDKK.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of SSG BidCo A/S, CVR no 38 62 09 08, the Company has not prepared consolidated financial statements.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the

Notes to the Financial Statements

10 Accounting Policies (continued)

debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income Statement

Other external expenses

Other external expenses comprise costs relating to the key activities of the Company.

Income from investments in subsidiaries

The item “Income from investments in subsidiaries” in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the onaccount taxation scheme.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with other Danish Companies within the group. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance Sheet

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item “Investments in subsidiaries” in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to “Reserve for net revaluation under the equity method” under equity. The reserve is reduced by dividend

Notes to the Financial Statements

10 Accounting Policies (continued)

distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Other fixed asset investments

Other fixed asset investments consist of deposit and deferred tax asset.

Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Treasury shares

Purchase and sales prices for treasury shares are recognised directly in retained earnings under equity. A reduction of capital by cancellation of treasury shares reduces the share capital by an amount equal to the nominal value of the shares and increases retained earnings. Dividend on treasury shares is recognised directly in equity under retained earnings.

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

Deferred tax assets and liabilities are offset within the same legal tax entity.

Notes to the Financial Statements

10 Accounting Policies (continued)

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.