PF Group A/S

Sverigesvej 2, 7480 Vildbjerg

Company reg. no. 35 24 21 47

Annual report

1 January - 31 December 2015

The annual report has been submitted and approved by the general meeting on the 30 March 2016.

Hans Lohmann
Chairman of the meeting

Contents

Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

The board of directors and the managing director have today presented the annual report of PF Group A/S for the financial year 1 January to 31 December 2015.

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

We consider the accounting policies used appropriate, and in our opinion, the consolidated annual accounts and the annual accounts provide a true and fair view of the assets, the liabilities and the financial position, consolidated and for the company respectively as on 31 December 2015, and of the results of the activities, consolidated and of the company respectively and of consolidated cash flows in the financial year 1 January to 31 December 2015.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Vildbjerg, 30 March 2016

Managing Director

John Nielsen

Board of directors

Hans Lohmann
Chairman

Niels Garde Toft

Jesper Kirkeby Hansen

Martin Krogh Pedersen

The independent auditor's reports

To the shareholders of PF Group A/S

Report on the consolidated annual accounts and the annual accounts

We have audited the consolidated annual accounts and the annual accounts of PF Group A/S for the financial year 1 January to 31 December 2015, which comprise accounting policies used, profit and loss account, balance sheet and notes, consolidated and for the company respectively and consolidated cash flow statement. The consolidated annual accounts and the annual accounts are prepared in accordance with the Danish Financial Statements Act.

The management's responsibility for the consolidated annual accounts and the annual accounts

The management is responsible for the preparation of consolidated annual accounts and annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore, the management is responsible for such internal control as it determines necessary in order to prepare consolidated annual accounts and annual accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the consolidated annual accounts and the annual accounts based on our audit. We conducted our audit in accordance with international standards on auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated annual accounts and the annual accounts are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated annual accounts and the annual accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the consolidated annual accounts and the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of consolidated annual accounts and annual accounts that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as the overall presentation of the consolidated annual accounts and the annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The audit has not resulted in any qualification.

The independent auditor's reports

Opinion

In our opinion, the consolidated annual accounts and the annual accounts give a true and fair view of the assets, liabilities and financial position, consolidated and for the company respectively at 31 December 2015 and of the results of the company's operations, consolidated and for the company respectively and of consolidated cash flows for the financial year 1 January to 31 December 2015 in accordance with the Danish Financial Statements Act.

Statement on the management's review

Pursuant to the Danish Financial Statements Act, we have read the management's review. We have not performed any further procedures in addition to the audit of the consolidated annual accounts and the annual accounts. On this basis, it is our opinion that the information provided in the management's review is consistent with the consolidated annual accounts and the annual accounts.

Herning, 30 March 2016

Partner Revision
State Authorised Public Accountants
CVR-nr. 15 80 77 76

Peter Vinderslev
State Authorised Public Accountant

Company data

The company	PF Group A/S Sverigesvej 2 7480 Vildbjerg	
	Company reg. no.:	35 24 21 47
	Domicile:	Herning
	Financial year:	1 January 2015 - 31 December 2015 3rd financial year
Board of directors	Hans Lohmann, Chairman Niels Garde Toft Jesper Kirkeby Hansen Martin Krogh Pedersen	
Managing Director	John Nielsen	
Auditors	Partner Revision statsautoriseret revisionsaktieselskab Industrivej Nord 15 7400 Herning	
Bankers	Nordea Bank Danmark A/S, Østergade 4 - 6, 7400 Herning	
Parent company	MIE4 Holding 3 ApS Gammeltorv 18, 1457 København K	
Subsidiaries	A/S Maskinfabrikken PcP, Herning, Denmark PF Værktøj Herning ApS, Herning, Denmark Nordjysk Døgngalvanisering A/S, Rebild, Denmark ElefantRiste A/S, Holstebro, Denmark Elefant Gratings Ltd., England PcP. Norge AS, Norway PcP. Grating Ltd., England PcP. Sicherheitsroste GmbH, Germany PcP. Nederland B.V., Netherlands PcP. Belgium S.A., Belgium Rejillas PcP Espana SL, Spain PcP. Durk Sverige AB, Sweden Guardrail Engineering Ltd., England	

Consolidated financial highlights

DKK in thousands.	2015	2014	2013
Profit and loss account:			
Net turnover	320.339	323.995	176.641
Gross profit	154.641	149.518	75.803
Results from operating activities	32.568	30.944	10.143
Net financials	-3.468	-5.190	-3.514
Results for the year	20.861	18.729	3.905
Balance sheet:			
Balance sheet sum	325.572	328.223	344.682
Equity	185.575	163.581	145.431
Cash flow:			
Operating activities	38.863	27.921	-19.400
Investment activities	-10.760	-5.413	-1.845
Financing activities	-27.186	-28.684	-3.313
Employees:			
Average number of full time employees	258	260	270
Key figures in %: *)			
Gross margin	48,3	46,1	42,9
Profit margin	10,2	9,6	5,7
Solvency ratio	57,0	49,8	42,2
Return on equity	11,9	12,1	2,7

*) The key figures have been laid out in accordance with the publication "Anbefalinger & Nøgletal 2015" ("Recommendations & Key Figures 2015") published by the CFA Society Denmark. As to definitions, please see the section on accounting policies used.

The financial highlights for 2013 only comprise the period 15 Maj - 31 December.

Management's review

The significant activities of the group

The principal activity of the parent enterprise is the ownership, management and administration of subsidiaries.

The principal activity of PF Group is the manufacturing and processing of materials and products to the metal industry and the building industry.

The products are sold worldwide, and the major part of the turnover is exported from Denmark.

Development in activities and financial matters

In several ways, the year 2015 was challenging to PF Group.

During the year, the group focused on selling to existing customers, however, attention was also give to the development of new markets; potential customers and possibilities in relation to products.

In 2015, PF Group experienced a turnover of MDKK 320,3 achieving a profit before tax of MDKK 29,1, compared to a result before tax of MDKK 25,8 in 2014. From year-end 2014 to year-end 2015, the balance sheet total went down from MDKK 328,2 to MDKK 325,6.

Taking the challenges into account, the executive board and the board of directors consider the results for the year 2015 acceptable.

The future

Referring to the overall strategy, the future for PF Group is expected to show an increase in activities and an improved bottom line. Measures taken will show their worth and, still, there will be focus on efficiency measures and automation. In addition, optimization of administrative flows and procedures including new ERP-setup will take place to support the accomplishment of the strategic objectives.

Management's review

Material business risks

The PF Group considers itself to be competitive on prices in the markets in which it operates. Still, there are and will continue to be a pressure regarding sales prices, which requires measures concerning automation and efficiency.

The application of raw materials like steel, aluminum etc. poses a particular risk, since fluctuation in purchasing prices of raw material does not always follow trends in the market prices of the finished goods.

The sales management is aware of the challenge and is working continuously to minimize the risk.

The group's credit risk on trade receivables is minimized by means of credit insurance, where it is considered profitable. The group also cooperates with collection agencies, so that the actual losses on bad debts are kept to a minimum. It is not, however, the group's general policy to hedge commercial foreign exchange risks.

Financial risks

The board continuously assesses whether the capital structure of PF Group is consistent with company interests and with the interests of company stakeholders. The main objective is to ensure a capital structure supporting the long-term profitable growth.

On 31 December 2015, the net interest-bearing debts of PF Group amounted to MDKK 76 and the solvency ratio was 57 %.

As the interest-bearing debt represents a significant amount, any major changes in interest rates will have a direct effect on the consolidated earnings. In 2015, no amendments have been made to guidelines or procedures of management and administration of this, and in order to minimize the interest risk, a part of the interest-bearing debts of PF Group has been incurred at fixed interest rates.

No PF Group shares hold particular rights, and the company's articles of association states no limits as to ownership or voting right. If an offer is made to acquire the company's shares, the board will consider it in accordance with the legislation.

Management's review

Statutory report on corporate social responsibility (CSR)

Within corporate social responsibility PF Group has in 2015 signed a corporate policy: Business Principles & Corporate Social Responsibility.

The policy is based on the ten principles of corporate social responsibility in the UN Global Compact: The Universal Declaration of Human Rights, The International Labor Organization's Declaration and Fundamental Principles and Rights at Work, The Rio Declaration of Environment and Development and The United Nations Conversion Against Corruption.

PF Group wishes to develop its core business and to handle its strategic challenges in a financially and socially responsible manner. A part of the human attitude of PF Group is already equal opportunities for all employees irrespective of gender or ethnicity. PF Group hire, remunerate and promote employees on a basis of skills, competences and performance – not according to gender, religion nor race. The working environment in general and social responsibilities against individuals in the factories and in the administration are on ongoing basis evaluated, and corrective actions are regularly implemented. PF Group has entered into a cooperation with local authorities and language schools about activation of refugees. PF Group carries out voluntary activities and social actions to achieve its strategic goals.

Initiatives related to external parties such as suppliers and sub-contractors are also to be evaluated.

PF Group complies with legislation in the countries and local societies in which it is operating.

Environmental issues

PF Group is environmentally conscious and is engaged in targeted and systematic efforts to continuously protecting the environment through energy and material optimization, pollution prevention, waste minimization and environmental management. The goal is continually to reduce environmental impacts caused by the business operation.

In 2015 PF Group has invested in further automatization in the factories among others to reduce energy consumption, implemented significant initiatives within optimization of material consumption and focused on developments within the CO2 neutral aluminum range. Recycling initiatives and new waste handling processes have been implemented.

All Danish companies have been environmentally approved, and there are no pending cases concerning environmental issues.

Management's review

Stakeholders and communication

PF Group continuously seeks to develop and maintain good relationships with relevant stakeholders as such relationships are considered to be of great value to the group in terms of positive development.

PF Group has drawn up a communications policy and additional policies on various key areas such as staff, environment and responsibility towards customers and society as a whole. The policies and related procedures are to ensure that information of importance for e.g. investors, employees and authorities is forwarded to same and published in accordance with current rules and agreements. Part of the responsibility of the board of directors is to ensure both compliance and current adaptation of the guidelines in accordance with the development within the group as well as in its environment.

Staff matters and know-how

During the year, the group has unchanged number of competent and experienced employees, which has strengthened the group's base in terms of technical competence and managerial insight, while restructuring in minor legal entities has resulted in a reduction in the number of employees.

Development in the total workforce:

	Denmark	Aboard
Staff beginning 2015	152	108
Recruitments during the year	28	4
Resignations during the year	22	10
Staff year-end 2015	158	102

On average, PF Group has employed 258 people during 2015.

The group is a manufacturer of various gratings; mesh gratings and safety gratings, stair treads for floors, walkways, staircases, and of scaffold planks etc. The production activity requires special skills and knowledge of the techniques in this particular field of business. The objective of the PF Group is to hold the latest knowledge in the field, as well as to ensure rapid adaptability.

In order to continue to maintain the high level of knowledge and its development, it is crucial that PF Group can recruit on a current basis and retain staff with the necessary professional skills in production and in administration at home as well as abroad.

Management's review

Corporate governance

The board of directors and the executive board consistently seek to ensure that the company's management structure and control systems are appropriate and that they function satisfactorily. On an ongoing basis, the management also develops and maintains internal procedures, to achieve the active, safe and profitable management of the company.

The planning of management tasks is based on the Companies Act, the Danish Financial Statements Act, the Articles of Association of the group, as well as on good practice for companies of the same size and with the same international reach as PF Group.

By virtue of its status as a company owned by a private equity fund, PF Group aims to comply with the DVCA guidelines for responsible ownership and good corporate governance. For competitive reasons, sales and earnings according to main business segments are not disclosed in the annual report. The report refers to www.dvca.dk for further information on guidelines, and likewise, the group annual accounts shall be published by the usual channels.

Target figures for the breakdown of the board according to gender

In 2015, the gender balance of the company's board appointed by the general meeting showed; four men and no women.

Pursuant to Danish legislation on gender composition at management level in Danish undertakings, the company has decided that the members of the board appointed by the general meeting should represent minimum 20 % of the under-represented gender by the ordinary general meeting in 2018, at the latest. The target figure reflects the policy of increasing the proportion of the under-represented sex, and the breakdown in the group as a whole shows 16 % women and 84 % men in 2015, which corresponds to the distribution in 2014.

Responsibilities of the board of directors

On a current basis, the board of directors of PF Group ensures that the executive board complies by the objectives, the strategies and the business procedures adopted. Information from the executive board is provided systematically at meetings and through written and oral reports. Such reporting includes developments in the outside world, the company's development and profitability and the financial position, including an evaluation of the business risks and of the financial risks.

In addition to the general meeting, the board of directors meets five times a year according to a scheduled meeting calendar. The agendas for the four meetings have been structured according to a rotation system ensuring that all relevant issues will be discussed by the board in the course of a calendar year. Between the ordinary board meetings, the board of directors are kept informed on a current basis of the company's results and financial position, and the board will be convened for extraordinary meetings if circumstances call for it. Further information concerning the board of directors appears in note 27.

No audit committee has been appointed, because such tasks are being handled by the board.

Management's review

Fee to the board of directors

Directors' fees and remuneration to the executive employees comprise a fixed salary with no incentive pay.

Shareholding by the board of directors, the executive board and the executive employees

At year-end, MIE4 Holding 3 ApS and the executive board (via Nila Invest Herning ApS) have been registered as owners of a minimum of 5 % of the voting rights or of the share capital (share-holders ownership interest and voting rights are identical) in PF Group. By means of an ownership interest of 76.3 %, the private equity fund Maj Invest Equity 4 K/S via MIE4 Holding 3 ApS is controlling the company. The private equity fund is represented on the board of directors by partner Mr. Niels Garde Toft.

Dividend policy

Any distribution of dividend will take place with due consideration to the necessary consolidation of equity as a basis for the company's continued expansion.

Events subsequent to the financial year

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

Accounting policies used

The annual report for PF Group A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class C enterprises (large enterprises).

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the group is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the group is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency, which are not settled at the date of the balance sheet, are translated by using the closing rate. The difference between the closing rate and the rate at the time of establishment of the receivable or the payable is recognised in the profit and loss account under financial income and financial costs.

Accounting policies used

Fixed assets and other non-monetary assets acquired in foreign currency and which are not considered to be investment assets purchased in foreign currencies are measured at the exchange rate on the transaction date.

In case the foreign group enterprises and associated enterprises meet the criteria for being independent units, the profit and loss accounts are translated by using an average exchange rate for the period in question, and the balance sheet items are translated by using the closing rate. Differences arising in connection with the translation of the equity of foreign group enterprises at the beginning of the year to the closing rate are recognised directly in the equity. The same goes for differences arising in connection with translation of the profit and loss accounts from average exchange rate to the closing rate.

Derived financial instruments

At the first recognition, derived financial instruments are recognised at cost in the balance sheet. Afterwards they are measured at fair value. Positive and negative fair values of derived financial instruments are recognised under other debtors and other creditors respectively.

Changes in the fair value of derived financial instruments classified as and meeting the criteria for hedging the fair value of a recognised asset or a recognised liability are recognised in the profit and loss account together with any changes in the fair value of the hedged asset or the hedged liability.

Changes in the fair value of derived financial instruments classified as and meeting the criteria for hedging future assets and liabilities are recognised under debtors or creditors and in the equity.

If a future transaction results in recognition of assets or liabilities, amounts which have been recognised in the equity, are transferred from the equity and recognised in the cost for the asset or the liability respectively. If the future transaction results in income or costs, amounts which have been recognised in the equity, are transferred to the profit and loss account in the period in which the hedged item influenced the profit and loss account.

As regards any derived financial instruments which do not meet the criteria for being treated as hedging instruments, changes are recognised currently in the fair value in the profit and loss account.

Changes in the fair value of derived financial instruments used for hedging net investments in independent foreign group enterprises or associated enterprises are recognised directly in the equity.

The consolidated annual accounts

The consolidated annual accounts comprise the parent company PF Group A/S and those group enterprises of which PF Group A/S directly or indirectly owns more than 50 % of the voting rights or in other ways has controlling interest. As it appears from the group chart, enterprises of which the group owns between 20 and 50 % of the voting rights and exercises considerable, but not controlling interest are considered associated enterprises.

Accounting policies used

By the consolidation, elimination of intercompany income and costs, shareholding, intercompany balances and dividends and realised and unrealised gains and losses from transactions among the consolidated enterprises takes place.

Equity interests in group enterprises are settled by the proportional share of the group enterprises' trade value of net assets and liabilities at the date of acquisition.

Newly acquired or newly established enterprises are recognised in the consolidated annual accounts as of the date of acquisition. Disposed or terminated enterprises are recognised in the consolidated annual accounts until the date of disposal. In relation to newly acquired, disposed or terminated enterprises, comparative figures are not adjusted.

The positive difference (goodwill) between cost and fair value of taken-over, identified assets and liabilities, including provisions for restructuring, are recognised under intangible fixed assets and amortised systematically in the profit and loss account after an individual evaluation of their financial lifetime, however, with a maximum of 20 years. Negative differences (negative goodwill) which reflects an expected adverse development in the relevant enterprises are recognised in the balance sheet under accruals and recognised in the profit and loss account concurrently with the adverse development being realised. In relation to negative goodwill not concerning expected adverse development, an amount corresponding to the fair value of non-monetary assets is recognised in the balance sheet. Subsequently, the non-monetary assets are recognised in the profit and loss account over their average lifetime.

Gains or losses from the disposal or termination of group enterprises or associated enterprises are recognised as the difference between the sales price or the termination sum and the book value of the net assets at the sales date and expected costs of sale or termination.

Minority interests
The items of the group enterprises are recognised by 100 % in the consolidated annual accounts. The minority interests' proportionate share of the profit or loss and the equity of the group enterprises is adjusted annually and recognised as separate items in the profit and loss account and in the balance sheet.

The profit and loss account

Net turnover
The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Cost of sales
Cost of sales include costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Accounting policies used

Other operating income/costs

Other operating income and costs comprise accounting items of secondary nature in proportion to the principal activities of the enterprise.

Other external costs

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation, amortisation and writedown for the year and gains and losses on disposal of intangible and tangible fixed assets.

Net financials

Net financials include interest income, interest expenses, and realised and unrealised capital gains and losses on financial assets and liabilities. Net financials are recognised in the profit and loss account with the amounts concerning the financial year.

Interest and other costs concerning loans for financing the production of intangible and tangible fixed assets and concerning the production period are not recognised in the cost of the fixed asset.

Results from equity investments in group enterprises

After full elimination of intercompany profit or loss and deduction of amortisation of consolidated goodwill, the equity investment in the individual group enterprises are recognised in the profit and loss account at a proportional share of the group enterprises' results after tax.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The parent enterprise and the Danish group enterprises are subject to the Danish rules on compulsory joint taxation of the consolidated Danish enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

Accounting policies used

The balance sheet

Intangible fixed assets

Patents, and licences

Patents and licenses are measured at cost with deduction of accrued amortisation. Patents are amortised on a straight-line basis over the remaining patent period, and licenses are amortised over the contract period, however, for a maximum of 10 years.

Goodwill

Goodwill is amortised over its estimated useful life which is determined on the basis of the management's experience with the individual business areas. The amortisation period is 20 years, being the longer for taken over companies with a strong market position and a long-range earnings potential.

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown. Land is not depreciated.

The basis of depreciation is cost with deduction of expected residual value after the end of the useful life of the asset.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

Buildings	20-50 years
Technical plants and machinery	3-10 years
Other plants, operating assets, fixtures and furniture	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or loss is recognised in the profit and loss account under depreciation.

As regards self-constructed assets, the cost comprises costs for materials, components, deliveries from sub suppliers, direct wages expenditure, and indirect production costs.

Accounting policies used

Leasing contracts

At the first recognition in the balance sheet, leasing contracts concerning tangible fixed assets by which the group holds all essential risks and advantages attached to the proprietary right (financial leasing) are measured either at fair value or at the present value of the future leasing services, whichever value is lower. When calculating the present value, the internal interest rate of the leasing contract or an approximate value for the same is used as the capitalisation rate. Afterwards, financially leased assets are treated in the same way as other similar tangible assets.

The capitalised residual leasing liability is recognised in the balance sheet as a liability, and the interest part of the leasing contract is recognised in the profit and loss account over the term of the contract.

All other leasing contracts are considered operational leasing. Payments in connection with operational leasing and other rental agreements are recognised in the profit and loss account over the term of the contract. The group's total liabilities concerning operational leasing and rental agreements are recognised under contingencies etc.

Writedown of fixed assets

The book values of both intangible and tangible fixed assets as well as equity investments in subsidiaries and associated enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets respectively. Writedown takes place to the recoverable amount, if this value is lower than the book value.

The recoverable value is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow deriving from the use of the asset or the group of assets.

Previously recognised writedown is reversed when the condition for the writedown no longer exist. Writedown relating to goodwill is not reversed.

Financial fixed assets

Equity investments in group enterprises

Equity investments in group enterprises are recognised in the balance sheet at a proportional share under the equity method, the value being calculated on the basis of the accounting policies of the parent company by the deduction or addition of unrealised intercompany profits and losses, and with the addition or deduction of residual value of positive or negative goodwill measured by applying the acquisition method.

Accounting policies used

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises are transferred to the reserves under the equity for net revaluation as per the equity method. Dividends from group enterprises expected to be decided before the approval of this annual report are not subject to a limitation of the revaluation reserves. The reserves are adjusted by other equity movements in group enterprises.

Newly taken over or newly established companies are recognised in the annual accounts as of the time of acquisition. Sold or liquidated companies are recognised at the time of cession.

Positive differences (goodwill) between the acquisition value and the fair value of the assets and liabilities taken over, inclusive of liability provisions for restructuring, are recognised under equity investments in group enterprises, and they are amortised over the estimated financial life. The financial life is determined on the basis of the management's experience with the individual business areas. The amortisation period is maximum 20 years, being the longer for strategically taken over companies with a strong market position and a long range earnings potential. The book value of goodwill is evaluated currently and written down in the profit and loss account in those cases where the book value exceeds the expected future net income from the enterprise or the activity, to which the goodwill is attached.

Inventories

Inventories are measured at cost on basis of the FIFO method. In case the net realisable value of the inventories is lower than the cost, writedown takes place to this lower value.

The cost for trade goods, raw materials, and consumables comprises the acquisition cost with the addition of the delivery costs.

The cost for manufactured goods and works in progress comprises the cost for raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance of and depreciation on machinery, factory buildings and equipment applied during the production process, and costs for factory administration and factory management. Borrowing costs are not recognised in cost.

The net realisable value for inventories is recognised as the market price with deduction of completion costs and selling costs. The net realisable value is determined taking into consideration the negotiability, obsolescence, and development of the expected market price.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Accounting policies used

Available funds

Available funds comprise cash at bank and in hand.

Equity - dividend

Dividend expected to be distributed for the year is recognised as a separate item under the equity. Proposed dividend is recognised as a liability at the time of approval by the general meeting.

Corporate tax and deferred tax

Current tax receivable and tax 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 previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

According to the rules of joint taxation, PF Group A/S is proportionally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax. In the period 2014 to 2016, the corporate tax rate will be reduced gradually from 25 % to 22 %, which will affect the deferred tax liabilities and deferred tax assets. Unless a recognition with a different tax rate than 22 % will result in a significant material deviation in the estimated deferred tax liability or tax asset, deferred tax liabilities and assets are recognised by 22 %.

Other provisions

Provisions comprise expected costs for guarantee liabilities, loss on work in progress, restructuring, etc. Provisions are recognised when the group has a legal or actual liability which is due to a previous event and when it is likely that the settlement of the liability will result in expenditure of the financial resources of the group.

Liabilities

Financial liabilities related to borrowings are recognised at the received proceeds with the deduction of transaction costs incurred. In following periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value by use of the effective interest. The difference between the proceeds and the nominal value is recognised in the profit and loss account during the term of the loan.

Accounting policies used

Mortgage debt and bank debt are for instance measured at amortised cost. As to cash loans, this corresponds to the outstanding debt of the loan. For bond loans, the amortised cost corresponds to an outstanding debt calculated as the underlying cash value at the date of borrowing adjusted by amortisation of the market value adjustment on the date of the borrowing carried out over the repayment period.

Also capitalised residual leasing liabilities in connection with financial leasing contracts are recognised in the financial liabilities.

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

Accrued expenses and deferred income
Received payments concerning income during the following years are recognised under accrued expenses and deferred income.

The cash flow statement

The cash flow statement shows the cash flow of the group for the year, divided in cash flows deriving from operating activities, investment activities, and financing activities respectively, the changes in the liabilities, and the available funds at the beginning and the end of the year respectively.

The effect of cash flow deriving from purchase and sale of enterprises appears separately under cash flow from investment activities. In the cash flow statement, cash flow deriving from purchased enterprises is recognised as of the date of acquisition, and cash flow deriving from sold enterprises is recognised until the sales date.

Cash flow from operating activities
Cash flow from operating activities are calculated as the results for the year adjusted for non-cash operating items, the change in the working capital, and corporate tax paid.

Cash flow from investment activities
Cash flow from investment activities comprises payments in connection with the acquisition and sale of enterprises and activities and payments related to the acquisition and sale of fixed assets.

Cash flow from financing activities
Cash flow from financing activities comprises changes in the size or the composition of the share capital and the costs in this connection. Furthermore, these activities comprise borrowings, instalments on interestbearing debt, and payment of dividend to the shareholders.

Accounting policies used

Available funds
Available funds comprise cash funds with deduction of short-term bank debt and short term securities which can easily be converted into cash funds and on which only an insignificant risk of value changes exists.

Segment information

Information on activity and geographical markets is provided. The segment information follows the consolidated accounting policies, risks and internal financial control systems.

The key figures

The key figures have been laid out in accordance with the publication "Anbefalinger & Nøgletal 2015" ("Recommendations & Key Figures 2015") published by the CFA Society Denmark.

The key figures in the survey appear as follows:

Gross margin

$$\frac{\text{Gross results x 100}}{\text{Net turnover}}$$

Profit margin (EBIT margin)

$$\frac{\text{Results from primary activities (EBIT) x 100}}{\text{Net turnover}}$$

Equity share

$$\frac{\text{Equity less minority interests, closing balance x 100}}{\text{Assets in total, closing balance}}$$

Return on equity

$$\frac{\text{*Results x 100}}{\text{Average equity exclusive of minority interests}}$$

***Results**

Results for the year with deduction of minority interests' share of same

Profit and loss account 1 January - 31 December

All amounts in DKK.

		Group		Parent enterprise	
Note		2015	2014	2015	2014
1	Net turnover	320.338.923	323.994.574	249.600	249.600
	Other operating income	79.583	195.902	0	0
	Raw materials and consumables used	-122.340.841	-126.876.304	0	0
	Other external costs	-43.436.947	-47.795.725	-166.897	-101.586
	Gross results	**154.640.718**	**149.518.447**	**82.703**	**148.014**
2	Staff costs	-105.281.313	-102.184.780	0	0
	Depreciation, amortisation and writedown relating to tangible and intangible fixed assets	-16.791.327	-16.389.284	-200.004	-200.004
	Operating profit	**32.568.078**	**30.944.383**	**-117.301**	**-51.990**
	Income from equity investments in group enterprises	0	0	22.366.485	20.878.128
	Other financial income from group enterprises	0	0	0	161.060
	Other financial income	238.809	316.895	7.841	2.073
3	Other financial costs	-3.706.632	-5.506.506	-1.852.183	-2.954.221
	Results before tax	**29.100.255**	**25.754.772**	**20.404.842**	**18.035.050**
	Tax on ordinary results	-8.239.246	-8.731.933	456.167	693.941
	Results for the year	**20.861.009**	**17.022.839**	**20.861.009**	**18.728.991**
	The minority interests' share of the results of the subsidiaries	0	1.706.152	0	0
	The group share of the results for the year	**20.861.009**	**18.728.991**	**20.861.009**	**18.728.991**

Proposed distribution of the results:

	2015	2014
Reserves for net revaluation as per the equity method	22.366.485	20.878.128
Allocated from results brought forward	-1.505.476	-2.149.137
Distribution in total	**20.861.009**	**18.728.991**

Balance sheet 31 December

All amounts in DKK.

Assets

Note		Group 2015	Group 2014	Parent enterprise 2015	Parent enterprise 2014
	Fixed assets				
4	Acquired concessions, patents, licenses, trademarks and similar rights	1.483.323	1.683.327	1.483.323	1.683.327
5	Goodwill	108.064.461	114.269.109	0	0
	Intangible fixed assets in total	109.547.784	115.952.436	1.483.323	1.683.327
6	Land and property	72.027.303	74.826.556	0	0
7	Production plant and machinery	11.578.692	11.329.125	0	0
8	Other plants, operating assets, and fixtures and furniture	6.580.091	3.656.932	0	0
	Tangible fixed assets in total	90.186.086	89.812.613	0	0
9	Equity investments in group enterprises	0	0	245.908.867	241.832.243
	Financial fixed assets in total	0	0	245.908.867	241.832.243
	Fixed assets in total	**199.733.870**	**205.765.049**	**247.392.190**	**243.515.570**

Balance sheet 31 December

All amounts in DKK.

Assets

Note		Group 2015	2014	Parent enterprise 2015	2014
	Current assets				
	Raw materials and consumables	26.134.730	23.206.711	0	0
	Work in progress	7.728.071	7.092.297	0	0
	Manufactured goods and trade goods	23.613.888	27.550.119	0	0
	Inventories in total	57.476.689	57.849.127	0	0
	Trade debtors	44.932.362	43.308.688	0	0
	Receivable corporate tax	0	0	0	712.797
	Other debtors	884.493	842.862	0	0
10	Accrued income and deferred expenses	1.354.488	794.286	0	0
	Debtors in total	47.171.343	44.945.836	0	712.797
	Cash funds	21.190.444	19.663.255	203.903	175.418
	Current assets in total	**125.838.476**	**122.458.218**	**203.903**	**888.215**
	Assets in total	**325.572.346**	**328.223.267**	**247.596.093**	**244.403.785**

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities

Note		Group 2015	Group 2014	Parent enterprise 2015	Parent enterprise 2014
	Equity				
11	Contributed capital	10.000.000	10.000.000	10.000.000	10.000.000
	Reserves for net revaluation as per the equity method	0	0	6.168.265	1.789.641
	Results brought forward	175.575.146	153.581.058	169.406.881	151.791.417
	Equity in total	**185.575.146**	**163.581.058**	**185.575.146**	**163.581.058**
12	**Minority interests**	**0**	**0**	**0**	**0**
	Provisions				
13	Provisions for deferred tax	3.025.274	2.283.905	74.902	56.046
14	Other provisions	0	123.480	0	0
	Provisions in total	**3.025.274**	**2.407.385**	**74.902**	**56.046**
	Liabilities				
15	Mortgage debt	33.493.317	37.178.003	0	0
16	Other banking institutions	15.000.000	40.000.000	15.000.000	40.000.000
17	Bank debts	4.141.465	4.561.874	0	0
18	Leasing liabilities	452.268	667.166	0	0
19	Other debts	26.971.884	26.186.532	26.971.884	26.186.532
	Long-term liabilities in total	80.058.934	108.593.575	41.971.884	66.186.532

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities

Note		Group 2015	Group 2014	Parent enterprise 2015	Parent enterprise 2014
	Short-term part of long-term liabilities	14.617.645	14.311.806	10.000.000	10.000.000
	Bank debts	2.498.576	1.888.000	0	0
	Trade creditors	15.049.015	13.686.050	0	0
	Debt to group enterprises	0	0	9.800.648	4.457.749
	Corporate tax	721.169	465.210	57.689	0
	Other debts	23.779.257	23.290.183	115.824	122.400
20	Accrued expenses and deferred income	247.330	0	0	0
	Short-term liabilities in total	56.912.992	53.641.249	19.974.161	14.580.149
	Liabilities in total	**136.971.926**	**162.234.824**	**61.946.045**	**80.766.681**
	Equity and liabilities in total	**325.572.346**	**328.223.267**	**247.596.093**	**244.403.785**

21 Fee, auditor

22 Mortgage and securities

23 Contingencies

24 Financial risks

25 Related parties

Consolidated statement of changes in equity

All amounts in DKK.

	Contributed capital	Results brought forward	In total
Equity 1 January 2014	10.000.000	135.430.809	145.430.809
Profit or loss for the year brought forward	0	18.728.991	18.728.991
Exchange rate adjustments	0	-154.088	-154.088
Capital movements group enterprises	0	-424.654	-424.654
Equity 1 January 2015	10.000.000	153.581.058	163.581.058
Exchange rate adjustments	0	1.042.671	1.042.671
Capital movements group enterprises	0	90.408	90.408
Profit or loss for the year brought forward	0	20.861.009	20.861.009
	10.000.000	**175.575.146**	**185.575.146**

Statement of changes in equity of the parent enterprise

All amounts in DKK.

	Contributed capital	Reserves for net revaluation as per the equity method	Results brought forward	In total
Equity 1 January 2014	10.000.000	4.853.885	130.576.924	145.430.809
Share of results	0	20.878.128	-2.149.137	18.728.991
Exchange rate adjustments	0	-154.088	0	-154.088
Distributed dividend	0	-24.107.990	24.107.990	0
Capital movements group enterprises	0	-424.654	0	-424.654
Group contibutions	0	744.360	-744.360	0
Equity 1 January 2015	10.000.000	1.789.641	151.791.417	163.581.058
Group contibutions	0	2.359.967	-2.359.967	0
Distributed dividend	0	-21.480.907	21.480.907	0
Share of results	0	22.366.485	-1.505.476	20.861.009
Exchange rate adjustments	0	1.042.671	0	1.042.671
Capital movements group enterprises	0	90.408	0	90.408
	10.000.000	**6.168.265**	**169.406.881**	**185.575.146**

Cash flow statement 1 January - 31 December

All amounts in DKK.

Note		Group 2015	2014
	Results for the year	20.861.009	18.728.991
26	Adjustments	28.374.916	28.595.346
	Change in working capital	336.708	-2.775.329
	Cash flow from operating activities before net financials	49.572.633	44.549.008
	Interest received and similar amounts	238.809	316.895
	Interest paid and similar amounts	-3.706.632	-5.506.506
	Cash flow from ordinary activities	46.104.810	39.359.397
	Corporate tax paid	-7.241.918	-11.438.147
	Cash flow from operating activities	**38.862.892**	**27.921.250**
	Purchase/sale of tangible and intagible fixed assets	-10.760.148	-5.413.301
	Purchase of financial fixed assets	0	0
	Dividends received	0	0
	Cash flow from investment activities	**-10.760.148**	**-5.413.301**
	Repayments of long-term debt	-28.228.802	-28.529.496
	Exchange rate adjustments	1.042.671	-154.088
	Cash flow from financing activities	**-27.186.131**	**-28.683.584**
	Changes in available funds	**916.613**	**-6.175.635**
	Available funds 1 January 2015	17.775.255	23.950.890
	Available funds 31 December 2015	**18.691.868**	**17.775.255**

Available funds		
Cash funds	21.190.444	19.663.255
Short-term bank debts	-2.498.576	-1.888.000
Available funds 31 December 2015	**18.691.868**	**17.775.255**

Notes

All amounts in DKK.

1. Net turnover

Segment information

Inforrmation on activity and geographical markets is provided. The segment information follows the consolidated accounting policies, risks and internal financial control systems.

All amounts in TDKK

Year 2015
Gratings ect. 283.913, other goods 36.426, total 320.339.
Skandinavia 181.939, other countries 138.400, total 320.339.

Year 2014
Gratings ect. 291.120, other goods 32.875, total 323.995.
Skandinavia 185.455, other countries 138.540, total 323.995.

	Group		Parent enterprise	
	2015	2014	2015	2014
2. Staff costs				
Salaries and wages	95.602.818	92.760.203	0	0
Other costs for social security	9.678.495	9.424.577	0	0
	105.281.313	**102.184.780**	**0**	**0**
Executive board and board of directors	2.445.796	2.505.423	0	0
Average number of employees	258	260	0	0
3. Other financial costs				
Financial costs, group enterprises	0	0	174.458	24.218
Other financial costs	3.706.632	5.506.506	1.677.725	2.930.003
	3.706.632	**5.506.506**	**1.852.183**	**2.954.221**

Notes

All amounts in DKK.

	Group 31/12 2015	Group 31/12 2014	Parent enterprise 31/12 2015	Parent enterprise 31/12 2014
4. Acquired concessions, patents, licenses, trademarks and similar rights				
Cost 1 January 2015	2.000.000	2.000.000	2.000.000	2.000.000
Cost 31 December 2015	**2.000.000**	**2.000.000**	**2.000.000**	**2.000.000**
Amortisation and writedown 1 January 2015	-316.673	-116.669	-316.673	-116.669
Amortisation for the year	-200.004	-200.004	-200.004	-200.004
Amortisation and writedown 31 December 2015	**-516.677**	**-316.673**	**-516.677**	**-316.673**
Book value 31 December 2015	**1.483.323**	**1.683.327**	**1.483.323**	**1.683.327**

	Group 31/12 2015	Group 31/12 2014
5. Goodwill		
Cost 1 January 2015	124.093.135	124.093.135
Cost 31 December 2015	**124.093.135**	**124.093.135**
Amortisation and writedown 1 January 2015	-9.824.026	-3.619.378
Amortisation for the year	-6.204.648	-6.204.648
Amortisation and writedown 31 December 2015	**-16.028.674**	**-9.824.026**
Book value 31 December 2015	**108.064.461**	**114.269.109**

Notes

All amounts in DKK.

	Group 31/12 2015	31/12 2014
6. Land and property		
Cost 1 January 2015	127.420.330	126.899.707
Translation by use of the exchange rate valid on balance sheet date 31 December 2015	789.365	389.117
Additions during the year	162.084	131.506
Cost 31 December 2015	**128.371.779**	**127.420.330**
Revaluation 1 January 2015	9.289.684	9.293.953
Translation by use of the exchange rate valid on balance sheet date 31 December 2015	4.832	-4.269
Revaluation 31 December 2015	**9.294.516**	**9.289.684**
Depreciation and writedown 1 January 2015	-61.883.458	-58.308.981
Translation by use of the exchange rate valid on balance sheet date 31 December 2015	-162.177	-1.795
Depreciation for the year	-3.593.357	-3.572.682
Depreciation and writedown 31 December 2015	**-65.638.992**	**-61.883.458**
Book value 31 December 2015	**72.027.303**	**74.826.556**

Notes

All amounts in DKK.

	Group	
	31/12 2015	31/12 2014
7. Production plant and machinery		
Cost 1 January 2015	136.542.059	134.161.865
Translation by use of the exchange rate valid on balance sheet date 31 December 2015	446.454	373.040
Additions during the year	5.011.979	4.022.361
Disposals during the year	-3.754.929	-2.015.207
Cost 31 December 2015	**138.245.563**	**136.542.059**
Depreciation and writedown 1 January 2015	-125.212.934	-121.869.432
Translation by use of the exchange rate valid on balance sheet date 31 December 2015	-356.761	-306.576
Depreciation for the year	-4.877.637	-4.873.300
Depreciation and writedown, assets disposed of	3.780.461	1.836.374
Depreciation and writedown 31 December 2015	**-126.666.871**	**-125.212.934**
Book value 31 December 2015	**11.578.692**	**11.329.125**
Leased assets are included with a book value of	563.830	834.617

Notes

All amounts in DKK.

		Group 31/12 2015	31/12 2014
8.	**Other plants, operating assets, and fixtures and furniture**		
	Cost 1 January 2015	14.955.403	15.030.866
	Translation by use of the exchange rate valid on balance sheet date 31 December 2015	90.629	629.197
	Additions during the year	5.471.467	702.947
	Disposals during the year	-1.898.125	-1.407.607
	Cost 31 December 2015	**18.619.374**	**14.955.403**
	Depreciation and writedown 1 January 2015	-11.298.471	-10.781.432
	Translation by use of the exchange rate valid on balance sheet date 31 December 2015	-78.821	-28.555
	Depreciation for the year	-1.905.963	-1.431.022
	Depreciation and writedown, assets disposed of	1.243.972	942.538
	Depreciation and writedown 31 December 2015	**-12.039.283**	**-11.298.471**
	Book value 31 December 2015	**6.580.091**	**3.656.932**

Notes

All amounts in DKK.

	Parent enterprise 31/12 2015	Parent enterprise 31/12 2014
9. Equity investments in group enterprises		
Acquisition sum, opening balance 1 January 2015	240.042.602	240.000.000
Additions during the year	0	42.602
Disposals during the year	-302.000	0
Cost 31 December 2015	**239.740.602**	**240.042.602**
Revaluations, opening balance 1 January 2015	11.613.667	8.473.263
Exchange rate adjustments	1.042.671	-154.088
Results for the year before goodwill amortisation	28.571.133	27.082.776
Reversals for the year concerning disposals	2.359.967	0
Dividend	-21.480.907	-24.107.990
Other movements in capital	90.408	319.706
Revaluation 31 December 2015	**22.196.939**	**11.613.667**
Amortisation of goodwill, opening balance 1 January 2015	-9.824.026	-3.619.378
Amortisation of goodwill for the year	-6.204.648	-6.204.648
Depreciation on goodwill 31 December 2015	**-16.028.674**	**-9.824.026**
Book value 31 December 2015	**245.908.867**	**241.832.243**
The items include goodwill with an amount of	108.064.461	114.269.109

Group enterprises:

	Domicile	**Share of ownership**
A/S Maskinfabrikken PcP	Herning, Denmark	100 %
PF Værktøj Herning ApS	Herning, Denmark	100 %
Nordjysk Døgngalvanisering A/S	Rebild, Denmark	100 %
ElefantRiste A/S	Holstebro, Denmark	100 %
Elefant Gratings Ltd.	England	100 %
PcP. Norge AS	Norway	100 %
PcP. Grating Ltd.	England	100 %
PcP. Sicherheitsroste GmbH	Germany	100 %
PcP. Nederland B.V.	Netherlands	100 %
PcP. Belgium S.A.	Belgium	100 %
Rejillas PcP Espana SL	Spain	100 %
PcP. Durk Sverige AB	Sweden	100 %
Guardrail Engineering Ltd.	England	100 %

Notes

All amounts in DKK.

	Group 31/12 2015	Group 31/12 2014	Parent enterprise 31/12 2015	Parent enterprise 31/12 2014
10. Accrued income and deferred expenses				
Prepaid insurance and subscriptions	1.354.488	794.286	0	0
	1.354.488	**794.286**	**0**	**0**
11. Contributed capital				
Contributed capital 1 January 2015			10.000.000	10.000.000
			10.000.000	**10.000.000**

The share capital consists of 10.000.000 shares, each with a nominal value of DKK 1. No shares hold particular rights.

	Group 31/12 2015	Group 31/12 2014
12. Minority interests		
Minority interests 1 January 2015	0	1.748.754
Share of the results for the year	0	-1.748.754
	0	**0**

Notes

All amounts in DKK.

	Group 31/12 2015	Group 31/12 2014	Parent enterprise 31/12 2015	Parent enterprise 31/12 2014
13. Provisions for deferred tax				
Provisions for deferred tax 1 January 2015	2.283.905	2.027.531	56.046	37.190
Deferred tax of the results for the year	741.369	256.374	18.856	18.856
	3.025.274	**2.283.905**	**74.902**	**56.046**
The following items are subject to deferred tax:				
Intangible fixed assets	74.902	56.046	74.902	56.046
Tangible fixed assets	4.197.898	3.289.447	0	0
Internal profit inventories	-1.030.067	-1.008.193	0	0
Current assets	-303.600	-153.360	0	0
Liabilities	86.141	99.965	0	0
	3.025.274	**2.283.905**	**74.902**	**56.046**
14. Other provisions				
Other provisions 1 January 2015	123.480	132.810	0	0
Change of the year in other provisions	-123.480	-9.330	0	0
	0	**123.480**	**0**	**0**

Other provisions comprise expected costs for guarantee liabilities

Notes

All amounts in DKK.

		Group		Parent enterprise	
		31/12 2015	31/12 2014	31/12 2015	31/12 2014
15.	**Mortgage debt**				
	Mortgage debt in total	37.195.307	40.617.454	0	0
	Share of amount due within 1 year	-3.701.990	-3.439.451	0	0
		33.493.317	**37.178.003**	**0**	**0**
	Share of liabilities due after 5 years	19.187.843	22.487.546	0	0
16.	**Other banking institutions**				
	Other banking institutions in total	25.000.000	50.000.000	25.000.000	50.000.000
	Share of amount due within 1 year	-10.000.000	-10.000.000	-10.000.000	-10.000.000
		15.000.000	**40.000.000**	**15.000.000**	**40.000.000**
	Share of liabilities due after 5 years	0	0	0	0
17.	**Bank debts**				
	Bank debts in total	4.726.110	5.122.119	0	0
	Share of amount due within 1 year	-584.645	-560.245	0	0
		4.141.465	**4.561.874**	**0**	**0**
	Share of liabilities due after 5 years	1.989.275	2.535.559	0	0

Notes

All amounts in DKK.

	Group 31/12 2015	Group 31/12 2014
18. Leasing liabilities		
Leasing liabilities in total	783.278	979.276
Share of amount due within 1 year	-331.010	-312.110
	452.268	**667.166**
Share of liabilities due after 5 years	0	0

	Group 31/12 2015	Group 31/12 2014	Parent enterprise 31/12 2015	Parent enterprise 31/12 2014
19. Other debts				
	26.971.884	26.186.532	26.971.884	26.186.532
Share of amount due within 1 year	0	0	0	0
	26.971.884	**26.186.532**	**26.971.884**	**26.186.532**
Share of liabilities due after 5 years	0	26.186.532	0	26.186.532
20. Accrued expenses and deferred income				
Prepayments/deferred income	247.330	0	0	0
	247.330	**0**	**0**	**0**

Notes

All amounts in DKK.

	Group 2015	2014
21. Fee, auditor		
Total fee for auditors	1.286.744	1.370.214
Fee concerning compulsory audit, Partner Revision A/S	432.700	433.900
Fee concerning compulsory audit, others	464.044	486.314
Other services	390.000	450.000
	1.286.744	**1.370.214**

22. Mortgage and securities

Parent enterprise

Stocks/shares in Danish group enterprises are provided as security for the group commitment to Nordea Bank A/S.

There has been given a negative pledge as security for the company and some group enterprises accounts with banks.

Group

There has been given a negative pledge as security for group enterprises accounts with banks.

As security for the mortgage/bank debt, 66.762 TDKK, mortgage nominal 98.953 TDKK has been granted on land and property representing a book value of 69.241 TDKK on 31 december 2015.

Chattel mortgage deed 3.000 TDKK on specific machine.
The machine is representing a book value of 0 DKK on 31 December 2015.

There is provided mortgage deed in inventories, debtors and operating assets as security for bank debt.
The inventories and debtors and operating assets is representing a book value of 17.848 TDKK on 31 December 2015.

Notes

All amounts in DKK.

23. Contingencies

Contingent liabilities

Parent enterprise

The company has provided guarantees for the bank debts of the group enterprises.

There has been given a letter of support for group enterprises.

The company has provided guarantees for mortgage debt in some group companies, debt 31 December 2015 31.685 TDKK.

Stocks/shares in Danish group enterprises is provided as security for the group commitment to banks.

Group

Operational leasing contracts with an average annual leasing payment 1.609 TDKK.
Total outstanding leasing payments 2.724 TDKK.

Rent contracts with an average annual rent 2.332 TDKK.
The rent in the notice period 9.867 TDKK.

Joint taxation

MIE4 Holding 3 ApS, company reg. no 32 33 82 67 being the administration company, the company is subject to the Danish scheme of joint taxation and it is proportionally liable for tax claims within the joint taxation scheme.

The company is proportionally liable for any obligation to withhold tax on interest, royalties and dividends of the jointly taxed companies.

24. Financial risks

Interest risks

The group has entered an interest rate swap agreement in order to limit the interest rate risk in relation to a mortgage loan with a floating interest rate. Changes in the market value of the interest rate swap are recognised directly in equity.

25. Related parties

Controlling interest

MIE4 Holding 3 ApS Gammeltorv 18 1457 København K	Majority shareholder

Notes

All amounts in DKK.

Other related parties

Group enterprises and members of the board and executive board of the group enterprises. Together they own 17 % of the share capital.

Transactions

Transactions between group enterprises have been carried out on an arm's length basis and comprise debts/receivables and trading goods.

Ownership

According to the company's list of shareholders, the following shareholders own a minimum of 5 % of the voting rights or a minimum of 5 % of the share capital:

MIE4 Holding 3 ApS, Gammeltorv 18, 1457 København K

Nila Invest, Herning ApS, Kousgaards Plads 1, 7400 Herning

Greenhills Holding ApS, Industrivej Nord 15, 7400 Herning

Notes

All amounts in DKK.

	Group 2015	2014
26. Adjustments		
Depreciation and amortisation	16.791.327	16.389.284
Income from equity investments in group enterprises	0	0
Other financial income	-238.809	-316.895
Other financial costs	3.706.632	5.506.506
Tax on ordinary results	8.239.246	8.731.933
Other provisions	-123.480	-9.330
The minority interests' share of the results of the subsidiaries	0	-1.706.152
	28.374.916	**28.595.346**

27. Board information

Hans Lohmann (Appointed by MIE4 Holding 3 ApS per 15.05.2013):
Executive board: Bluecap Invest ApS.

Board of directors: Nordjysk Døgngalvanisering A/S, PF Group A/S, P.F. Værktøj Herning ApS, A/S Maskinfabrikken PcP, Elefantriste A/S, JFK Industri A/S, SFK Systems A/S, IaI Holding A/S, Ib Andresen Industri A/S, Bramming Plast-Industri A/S, Sjørring Maskinfabrik A/S and Sjørring Invest ApS.

Niels Garde Toft (Appointed by MIE4 Holding 3 ApS per 27.06.2013):
Executive board: Equity Datterholding 15 ApS, Equity Datterholding 14 ApS, Equity Datterholding 8 ApS, LDE Holding 5 ApS, LDE Holding 8 ApS, LDE Holding 14 ApS, MIE4 Holding 3 ApS, MIE4 Holding 6 ApS, JKF Industri Holding ApS, LDETRE Holding 12 ApS, LDE1 ApS, LDE 2 ApS and LDE 3 ApS and Maks ApS.

Board of directors: A/S Maskinfabrikken PcP, PF Group A/S, Fonden LDE 2 GP, Bramming Plast-Industri A/S, JKF Industri A/S, Proløn A/S and Proløn Holding ApS.

Martin Krogh Pedersen (Appointed by Nila Invest, Herning ApS per 15.05.2013):
Executive board: K.P. Holding A/S, Ejendomsselskabet Ringkøbing ApS, MHKP Holding ApS, MHKPO ApS and MHKPS ApS.

Board of directors: A/S Maskinfabrikken PcP, Elefantriste A/S, Ringkøbing Landbobank A/S, PF Group A/S, KP Komponenter A/S, KP Group Holding ApS and KP Components Inc.

Jesper Kirkeby Hansen (Appointed by MIE4 Holding 3 ApS per 30.06.2015):
Executive board: Skamol A/S, FSN SKA A/S and Churchtown ApS.

Board of directors: A/S Maskinfabrikken PcP, PF Group A/S, NCM Core A/S, Skamol Russia A/S and Tefcold A/S.