Umicore Denmark ApS

Nøjsomhedsvej 20
2800 Kgs. Lyngby
CVR no. 38 89 23 04

Annual report for the period 28 August 2017 to 31 December 2018

Adopted at the annual general meeting on 5 July 2019

chairman

Joakim Thøgersen

Table of contents

Statement by Management on the Annual Report

The Executive Board have today considered and approved the Annual Report of Umicore Denmark ApS for the financial year 28 August 2017 - 31 December 2018.

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

In our opinion, the Financial Statements give a true and fair view of the Company's financial position at 31 December 2018 and of the results of the Company's operations for the financial year 28 August 2017 - 31 December 2018.

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

We recommend the adoption of the Annual Report at the Annual General Meeting.

Kgs. Lyngby, 5 July 2019

Executive Board

Joakim Reimer Thøgersen	Ralph Konrad Kiessling	Wilfried Müller

Independent Auditor's Report

To the Shareholder of Umiore Denmark ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2018, and of the results of the Company's operations for the financial year 28 August 2017 - 31 December 2018 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Umicore Denmark ApS for the financial year 28 August 2017 - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("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, we conclude that 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 of management's review.

Independent Auditor's Report

Management's Responsibilities for the Financial Statements
Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the 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 judgment and maintain professional skepticism 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 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, 5 July 2019

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31

Bo Schou-Jacobsen	Conrad Mattrup Lundsgaard
State Authorised Public Accountant	State Authorised Public Accountant
mne28703	mne34529

Company Details

The Company	Umicore Denmark ApS Nøjsomhedsvej 20 2800 Kgs. Lyngby	
	CVR no.:	38 89 23 04
	Reporting period:	28 August 2017 - 31 December 2018
	Financial year:	1st financial year
	Domicile:	Lyngby-Taarbæk
Executive Board	Joakim Reimer Thøgersen Ralph Konrad Kiessling Wilfried Müller	
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup	

Financial Highlights

Seen over a 1-year period, the development of the Company may be described by means of the following financial highlights:

	2017/18 TDKK
Key figures	
Gross profit/loss	94.837
Net financials	-1.755
Profit/loss for the year	2.289
Balance sheet	
Balance sheet total	268.907
Investment in property, plant and equipment	52.340
Equity	62.339
Number of employees	111
Financial ratios	
Return on assets	5,7%
Solvency ratio	23,2%
Return on equity	7,3%

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see the summary of significant accounting policies.

Management's Review

Business activities

Umicore Denmark ApS is a leading producer of high-performance catalysts for a wide range of industries. Its automotive catalysts are used in emission systems for on-road and non-road heavy-duty diesel (HDD) applications and ensure compliance with the most stringent emission norms, including Euro VI. Its stationary business offers catalytic solutions to treat NOx emissions from industrial sources such as gas-fired power plants as well as marine applications. Umicore Denmark currently employs 111 people, serving customers from production plant in Frederikssund and R&D, sales and product management facilities in Kongens Lyngby. R&D activities are delivered to other Umicore Group entities.

Activities and changes during the year

Umicore Denmark has been incorporated on 28 August 2017. On 30 November 2017 the entity purchased from Haldor Topsoe A/S the automotive and stationary business net assets located in Denmark.

Through this acquisition, Umicore Group gained access to an extended customer base, particularly in Europe and China, a broader product portfolio for heavy-duty diesel applications, as well as additional IP and technology in the field of emission control catalysis. It also provides Umicore with an entry into the stationary emission control segment.

The integration of Umicore Denmark in the Umicore organization has been ongoing during 2018. Integration of our employees in the Umicore organization was our first priority. This has been done by exchange of a number of expats, participation in Umicore training programs and coordination of research projects and commercial activities. Business processes have been implemented across the organization.

Development during the year

Umicore Denmark's income statement for the year ended 31 December 2018 shows a net profit of 2.3 million DKK. The balance sheet at 31 December 2018 was 268.9 million DKK of which equity of 62.3 million DKK. The profit has been affected by one-off items related to the integration of the business. Taking these net one-off costs into consideration, the net profit for the year is considered satisfactory compared to expected. The employee turnover has been 8% in 2018, which is in line with the average industry turnover rate.

In connection with the purchase price allocation, a badwill of 20.3 million DKK before tax was recognised, this impacting the income statement with the same amount.

Management's Review

Management team

The executive board of Umicore Denmark consists of Ralph Kiesling (Executive Vice President) in Umicore), Joakim Reimer Thøgersen (Vice President & Managing Director Umicore Denmark) and Wilfried Muller (Senior vice President Umicore).The management team of Umicore Denmark consists of Joakim Reimer Thøgersen (Vice President & Managing Director Umicore Denmark), Trine Lengaard (HR director), Christophe Steverlynck (finance director), Magnus Lewander (product management automotive), Paer Gabrielsson (research & development automotive), Kim Pedersen (research & development stationary), Mikkel Nygaard Larsen (sales director stationary).

Expectations for the year ahead

Management expects a positive development for next year. Umicore Denmark will continue to focus on innovation to stay at the forefront of developing sustainable technologies and products for its customers. We will start reaping the benefits from all the integration efforts that took place in 2018. Umicore Denmark will play a key role in the development of the stationary business, in the supply of catalysts to the HDD market and the development of next generation automotive SCR catalysts.

Special risks apart from generally occurring risks in industry

Operating risks

The company experience competition in certain markets, which highlights the importance of continue delivery performance and price competitiveness.

Regulatory and legal risks

The company is exposed to changes in regulatory environment where it operates. The company's business stand to benefit from certain regulatory trends, notably those regarding more stringent emission controls for vehicles. Changes to existing product-related legislation and the introduction of new legislation might impact our business.

Technology and substitution

The company is a materials technology group with a strong focus on the development of innovative materials and processes. The choice and development of these technologies represents the single biggest opportunity and risk for the company. Achieving the best cost-performance balance for materials is a priority for the company and its customers. There is always a risk that customers will seek alternative materials for their products should those of the company not provide this optimum balance.

Talent attraction and retention

The attraction and retention of skilled people are important factors in enabling Umicore to fulfill its strategic ambitions and to build further expertise, knowledge and capabilities in the business. Being unable to do so would compromise our ability to deliver on our goals.

Accounting Policies

The annual report of Umicore Denmark ApS for 2017/18 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The Annual Report for 2017/18 is presented in TDKK.

Basis of recognition and measurement
The Financial Statements have been prepared under the historical cost method.

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.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Translation policies
Danish kroner is used as reporting currency as most of the Company’s transactions are in DKK. All other currencies are regarded as foreign currencies.

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.

Accounting Policies

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 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.

Derivative financial instruments
Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently measured at fair value.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognised asset or liability are recognised in the income statement together with changes in the fair value of the hedged asset or liability. Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of future assets and liabilities are recognised in other receivables or other payables and in equity. If the forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the forecast transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects profit or loss.

For derivative financial instruments that do not qualify for hedge accounting, changes in fair value are recognised in the income statement on a regular basis.

Leases
All leases, that are not classified as financial leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Accounting Policies

Business Combinations

The takeover method is applied for acquisitions if the company gains control of an entity and/or business. Identifiable assets, liabilities, and contingent liabilities in companies acquired are measured at their fair values at the dates of acquisition. Identifiable intangible assets are recognised, if they can be separated or arise from a contractual right. Deferred tax is recognised on fair value adjustments. Positive differences between the cost of acquisition and fair value of the identifiable assets, liabilities, and contingent liabilities acquired is recognised as goodwill under intangible assets, whereas negative differences (negative goodwill) are recognised directly in the income statement at the date of acquisition. Transaction costs relating to acquisitions are charged to the income statement as other external expenses at the time of acquisition.

A separate receivable is recognised for arrangements under which the company has the right to be reimbursed by the seller for the outcome of a contingecy or uncertainty related to a specific asset or liability. The asset is measured at the amount equal to the value adjustment of the asset or liability in question to the extent that the right to obtain reimbursement is considered enforceable.

Goodwill and negative goodwill relating to acquired enterprises may be adjusted until the end of the financial year following the year of acquisition.

Profit or loss on sale or winding-up of subsidiaries and associates is stated as the difference between the selling price or the winding-up sum and the carrying amount of net assets at the time of sale as well as expected selling or winding-up costs.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Revenue

Revenue from the sale of goods and services is recognised when the risks and rewards relating to the goods and services sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Cost of goods and services sold

Costs of raw materials and consumables include the raw materials and consumables used in generating the year’s revenue.

Accounting Policies

Other operating income and expenses
Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and property, plant and equipment.

Other external expenses
Other external expenses comprise advertising, administation, rent of leasehold, provisions for bad debt, other leases etc.

Staff expenses
Staff expenses comprise wages and salaries as well as other payroll expenses.

Amortisation, depreciation and impairment losses
Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses
Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

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 the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Balance sheet

Intangible assets
Software are measured at the lower of cost less accumulated amortisation and recoverable amount. Software are amortised on a straight-line basis over the useful life, which is assessed at 2-7 years.

Property, plant and equipment
Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Accounting Policies

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

	Useful life
Other fixtures and fittings, tools and equipment	3-10 years

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets
The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount. If so, the asset is written down to its lower recoverable amount.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Inventory
Inventories are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

The net realisable value of stocks is calculated as the selling price less costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

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

Prepayments
Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Provisions
Provisions are recognised when, as a result of a past event, the company has a legal or constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Deferred tax
Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, 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 within the same legal tax entity.

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. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax liabilities and assets
Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

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

Cash flow statement
With reference to section 86(4) of the Danish Financial Statements Act, the Company has not prepared a cash flow statement as the cash flow statement is included in the consolidated financial statements of Umicore International S.A.

Accounting Policies

Financial highlights

Definitions of financial ratios.

$$\text{Return on assets} = \frac{\text{Profit/loss before financials x 100}}{\text{Average assets}}$$

$$\text{Solvency ratio} = \frac{\text{Equity at year-end x 100}}{\text{Total assets at year-end}}$$

$$\text{Return on equity} = \frac{\text{Net profit for the year x 100}}{\text{Average equity}}$$

Income Statement 28 August 2017 - 31 December 2018

	Note	2017/2018
		TDKK
Gross profit		**94.837**
Staff expenses	1	-79.173
Profit/loss before amortisation/depreciation and impairment losses		**15.664**
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	2	-8.033
Profit/loss before net financials		**7.631**
Financial income	3	1.069
Financial expenses	4	-2.824
Profit/loss before tax		**5.876**
Tax on profit/loss for the year	5	-3.587
Profit/loss for the year		**2.289**
Distribution of profit	6	
Special items	7	

Balance Sheet 31 December

	Note	2018
		TDKK
Assets		
Software		3.592
Intangible assets	8	**3.592**
Other fixtures and fittings, tools and equipment		43.698
Property, plant and equipment in progress		1.152
Property, plant and equipment	9	**44.850**
Total non-current assets		**48.442**
Raw materials and consumables		12.546
Work in progress		2.179
Finished goods and goods for resale		47.189
Stocks		**61.914**
Trade receivables		49.384
Receivables from group enterprises		43.176
Other receivables	10	24.684
Deferred tax asset		70
Prepayments		29
Receivables		**117.343**
Cash at bank and in hand		**41.208**
Total current assets		**220.465**
Total assets		**268.907**

Balance Sheet 31 December

	Note	2018
		TDKK
Equity and liabilities		
Share capital		500
Retained earnings		61.839
Equity	11	**62.339**
Other provisions	12	8.557
Total provisions		**8.557**
Payables to group enterprises		45.000
Total non-current liabilities	13	**45.000**
Prepayments received from customers		4.989
Trade payables		31.954
Payables to group enterprises	13	16.124
Corporation tax		752
Other payables	14	99.192
Total current liabilities		**153.011**
Total liabilities		**198.011**
Total equity and liabilities		**268.907**
Subsequent events	15	
Contingent assets, liabilities and other financial obligations	16	
Related parties and group relation	17	

Statement of changes in equity

	Share capital	Share premium account	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 28 August 2017	50	0	0	50
Cash capital increase	450	59.550	0	60.000
Net profit/loss for the year	0	0	2.289	2.289
Transfer from share premium account	0	-59.550	59.550	0
Equity at 31 December 2018	**500**	**0**	**61.839**	**62.339**

Notes to the Financial Statements

		2017/2018
		TDKK
1	**Staff expenses**	
	Wages and salaries	71.737
	Pensions	6.797
	Other social security costs	639
	Staff expenses total	**79.173**
	Remuneration to the Executive Board	1.992
	Average number of employees	111

2	**Depreciation, amortisation and impairment of intangible assets and property, plant and equipment**	
	Amortisation of intangible assets	544
	Depreciation of property, plant and equipment	7.489
		8.033

3	**Financial income**	
	Exchange gains	1.069
		1.069

4	**Financial expenses**	
	Interest paid to group enterprises	1.489
	Other financial expenses	1.335
		2.824

Notes to the Financial Statements

		2017/2018
		TDKK
5	**Tax on profit/loss for the year**	
	Current tax for the year	753
	Deferred tax for the year	2.834
		3.587

		2017/2018
6	**Distribution of profit**	
	Retained earnings	2.289
		2.289

7 Special items

Gross profit includes a badwill gain of 20.3 million DKK.

8 Intangible assets

	Software
	TDKK
Cost at 28 August 2017	0
Additions for the year	4.136
Cost at 31 December 2018	4.136
Impairment losses and amortisation at 28 August 2017	0
Amortisation for the year	544
Impairment losses and amortisation at 31 December 2018	544
Carrying amount at 31 December 2018	**3.592**

Notes to the Financial Statements

9 Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress
	TDKK	TDKK
Cost at 28 August 2017	0	0
Additions for the year	51.187	1.152
Cost at 31 December 2018	51.187	1.152
Impairment losses and depreciation at 28 August 2017	0	0
Depreciation for the year	7.489	0
Impairment losses and depreciation at 31 December 2018	7.489	0
Carrying amount at 31 December 2018	**43.698**	**1.152**

10 Other receivables

A receivable has been recognised for the reimbursement of losses, if any, on certain inventory items and certain trade receivables. Certain conditions must be met to obtain the reimbursement.

Management has assessed that there is a signficant risk that the conditions cannot be met in full, and consequently, Management has recognised a receivable at 9 million DKK included in Other receivables. Management asses that a contingent asset of DKK 16.1 million exist as of 31 December 2018 which has not been recognized due to uncertainty.

After the balance sheet date an amount of DKK 5 million has been received, whereas the remaining amounts is expected to be received more than one year from the balance sheet date but within 5 years.

11 Equity

The share capital consists of 500 shares of a nominal value of TDKK 1.000. No shares carry any special rights.

Notes to the Financial Statements

		2018
		TDKK
12	**Other provisions**	
	Additions for the year	13.200
	Use of provisions	-4.643
	Balance at 31 December	**8.557**
	The provision is expected to mature as follows:	
	Between 1 and 5 years	8.557
		8.557

Other provisions relate to onerous contracts relating to two leases of premises taken over in the business acquisition.

13	**Long term debt**	
	Payables to group enterprises	
	Between 1 and 5 years	45.000
	Non-current portion	45.000
	Other short-term debt to subsidiaries	16.124
	Current portion	16.124
		61.124

14 Other payables

Included in other payables is a deferred consideration of DKK 85.6 million.

15 Subsequent events

No subsequent events incurred after 31 December 2018 significantly affecting the financial position.

Notes to the Financial Statements

16 Contingent assets, liabilities and other financial obligations

The Company has entered into 7 operating leases with expiration between 11 – 47 months, with an average monthly lease payment of DKK 220 thousand. Total lease obligation amounts to DKK 51,345 thousand.

Other than the financial obligations related to the FX derivatives and leases, there are no other contingent liabilities to report.

The Company is using FX derivatives to hedge it's position and reduce as such the FX risks.

At year-end, the Company has entered into the following forward contracts:

Sale EUR 14.4 million (DKK 107.6 million)
Sale USD 0.3 million (DKK 1.8 million)
Purchase CNY 16.9 million (DKK 15.6 million)
Purchase EUR 5.1 million (DKK 37.9 million)

At year-end a positive market value of DKK 0.4 million is included in Other receivables and the loss of DKK 0.1 million is included in financial income.

There are no collateral or securities as of 31 december 2018.

17 Related parties and group relation

Transactions

Transactions with related parties has been carried out at arm's length terms.

Consolidated Financial Statements

The Company is included in the Group Annual Report of Umicore International S.A.

17 Related parties and group relation (continued)

The Group Annual Report of Umicore International S.A. may be obtained at the following address:

Umicore International S.A.
L-4940 Bascharage
Zone d'Activités Econo-miques
R. Steichenrue Bommel 5
Luxembourg

Or on: https://www.umicore.com/en/investors/.