

## **Hans Hellstrøm Henningsen Holding ApS**

Stationsvej 5  
4295 Stenlille  
CVR No. 40730885

### **Annual report 2020**

The Annual General Meeting adopted the  
annual report on 10.06.2021

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**Hans Hellstrøm Henningsen**  
Chairman of the General Meeting

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# Entity details

## Entity

Hans Hellstrøm Henningsen Holding ApS  
Stationsvej 5  
4295 Stenlille

Business Registration No.: 40730885  
Registered office: Sorø  
Financial year: 01.01.2020 - 31.12.2020

## Executive Board

Hans Hellstrøm Henningsen, direktør

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
2300 Copenhagen S

# Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of Hans Hellstrøm Henningsen Holding ApS for the financial year 01.01.2020 - 31.12.2020

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

In my opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2020 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2020 - 31.12.2020.

I believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

I recommend the annual report for adoption at the Annual General Meeting.

Stenlille, 10.06.2021

**Executive Board**

**Hans Hellstrøm Henningsen**  
direktør

# Independent auditor's report

## To the shareholders of Hans Hellstrøm Henningsen Holding ApS

### Opinion

We have audited the consolidated financial statements and the parent financial statements of Hans Hellstrøm Henningsen Holding ApS for the financial year 01.01.2020 - 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2020 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2020 - 31.12.2020 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board of 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.

### Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

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

### Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent 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 Group's and the Entity'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 consolidated financial statements and the parent 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 Group's and the Entity'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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

**Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 10.06.2021

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

**René Carøe Andersen**

State Authorised Public Accountant  
Identification No (MNE) mne34499

# Management commentary

## Financial highlights

	2020 DKK'000	2019 DKK'000
<b>Key figures</b>		
Revenue	149,154	173,194
Gross profit/loss	92,169	98,716
Operating profit/loss	3,064	11,401
Net financials	(4,826)	2,114
Profit/loss for the year	(1,632)	11,415
Profit for the year excl. minority interests	617	3,080
Balance sheet total	174,780	175,721
Investments in property, plant and equipment	8,786	259,524
Equity	123,794	127,031
Equity excl. minority interests	55,507	55,374
Cash flows from operating activities	27,170	(31,790)
Cash flows from investing activities	(1,924)	4,953
Cash flows from financing activities	(111)	30,788
Average number of employees	209	207
<b>Ratios</b>		
Gross margin (%)	61.79	57.00
Net margin (%)	(1.09)	6.59
Equity ratio (%)	70.83	72.29
Revenue per employee	713	836

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

**Gross margin (%):**

Gross profit/loss \* 100  
Revenue

**Net margin (%):**

Profit/loss for the year \* 100  
Revenue

**Equity ration (%):**

Equity \* 100  
Total assets

**Revenue per employee:**

Revenue  
Average number of employees

### Primary activities

The primary activities of the Group comprise the development, manufacturing and sale of protective solutions, which are sold mainly on the European market. The production is carried out primarily in Denmark, and sales are carried out through enterprises in Denmark, six other European countries, North America and Asia.

### Development in activities and finances

The Company was, like many other companies, significantly impacted by the COVID-19 pandemic, particularly as many of the customers closed during the spring. It is estimated that about two months of turnover was lost. To counter this, the production capacity was reduced through employees being temporarily on leave. The building up of production capabilities in Poland continued, and injection moulding was started up in a limited scale starting in the 4th quarter.

The Group's revenue for the year fell to DKK 149,154 thousand, down from 173,194 in 2019. Despite the significant drop in revenue the company managed to achieve a minor positive net result before results from investment activities and impairment of financial assets.

### Uncertainty relating to recognition and measurement

The valuation of assets and liabilities is made in accordance with current accounting policies and Management of DBI Holding A/S is of the opinion that no uncertainty is related to recognition and measurement.

### Unusual circumstances affecting recognition and measurement

There have been no unusual circumstances affecting recognition and measurement in the financial year 2020.

### Outlook

The COVID-19 pandemic is making the near-term commercial outlook somewhat uncertain. Experts predicts the overall global market for automobiles to be down by 10% compared to pre-pandemic markets. While the company expects to grow beyond this, the company is simultaneously optimizing its production set-up. Production in Denmark will be merged from two facilities to one in the spring 2021, and the expansion of capabilities in Poland will continue and be finalized during the first half of 2021.

### Particular risks

The Group's activities do not involve any particular risks; neither operating nor financial risks. As the main part of transactions is carried out in euro, the Group's activities are not considered to involve any special foreign exchange risks.

### Knowledge resources

The Group employs the needed number of employees with relevant qualifications who possess considerable know-how of the Group's products and production. Further and supplementary training is provided to the extent necessary.

### Environmental performance

The manufacturing company is environmentally certified under ISO 14001 and, moreover, also under ISO 9001, ISO 50001 and IATF 16949. The Group's activities do not have any material environmental impact.

# Consolidated income statement for 2020

	Notes	2020 DKK	2019 DKK
Revenue		149,154,038	173,194,178
Other operating income	2	4,569,527	0
Costs of raw materials and consumables		(33,502,021)	(38,394,476)
Other external expenses		(28,052,605)	(36,084,089)
<b>Gross profit/loss</b>		<b>92,168,939</b>	<b>98,715,613</b>
Staff costs	3	(76,547,705)	(72,941,649)
Depreciation, amortisation and impairment losses	4	(12,557,564)	(14,373,021)
<b>Operating profit/loss</b>		<b>3,063,670</b>	<b>11,400,943</b>
Other financial income		1,252,586	4,424,252
Impairment of financial assets		(1,500,000)	0
Other financial expenses	5	(4,578,763)	(2,310,646)
<b>Profit/loss before tax</b>		<b>(1,762,507)</b>	<b>13,514,549</b>
Tax on profit/loss for the year	6	130,197	(2,099,285)
<b>Profit/loss for the year</b>	7	<b>(1,632,310)</b>	<b>11,415,264</b>

# Consolidated balance sheet at 31.12.2020

## Assets

	Notes	2020 DKK	2019 DKK
Land and buildings		36,301,535	37,849,535
Plant and machinery		19,840,966	23,714,194
Other fixtures and fittings, tools and equipment		6,903,465	6,620,139
Leasehold improvements		585,975	340,625
Property, plant and equipment in progress		2,872,504	2,141,125
<b>Property, plant and equipment</b>	8	<b>66,504,445</b>	<b>70,665,618</b>
Other investments		0	8,223,632
Deposits		385,671	683,440
Other receivables		750,000	2,300,000
Deferred tax	10	2,627,536	1,281,648
<b>Financial assets</b>	9	<b>3,763,207</b>	<b>12,488,720</b>
<b>Fixed assets</b>		<b>70,267,652</b>	<b>83,154,338</b>
Raw materials and consumables		6,065,460	6,740,686
Manufactured goods and goods for resale		27,125,706	30,814,179
<b>Inventories</b>		<b>33,191,166</b>	<b>37,554,865</b>
Trade receivables		37,357,596	38,237,125
Contract work in progress	11	178,300	2,585,186
Other receivables		1,984,341	1,168,226
Tax receivable		10,741	688,482
Prepayments	12	967,707	110,222
<b>Receivables</b>		<b>40,498,685</b>	<b>42,789,241</b>

Other investments	1,685,380	0
<b>Investments</b>	<b>1,685,380</b>	<b>0</b>
<hr/>		
<b>Cash</b>	<b>29,137,406</b>	<b>12,222,199</b>
<hr/>		
<b>Current assets</b>	<b>104,512,637</b>	<b>92,566,305</b>
<hr/>		
<b>Assets</b>	<b>174,780,289</b>	<b>175,720,643</b>
<hr/>		

**Equity and liabilities**

	Notes	2020 DKK	2019 DKK
Contributed capital		40,000	40,000
Retained earnings		55,466,638	55,223,764
Proposed dividend for the financial year		0	110,600
<b>Equity belonging to Parent's shareholders</b>		<b>55,506,638</b>	<b>55,374,364</b>
<b>Equity belonging to minority interests</b>		<b>68,286,979</b>	<b>71,656,821</b>
<b>Equity</b>		<b>123,793,617</b>	<b>127,031,185</b>
Other provisions	13	0	525,396
<b>Provisions</b>		<b>0</b>	<b>525,396</b>
Mortgage debt		16,512,291	16,512,291
<b>Non-current liabilities other than provisions</b>		<b>16,512,291</b>	<b>16,512,291</b>
Bank loans		50,128	8,271,023
Trade payables		6,895,488	7,675,181
Payables to owners and management		67,160	999
Tax payable		475,037	229,735
Other payables		26,986,568	15,474,833
<b>Current liabilities other than provisions</b>		<b>34,474,381</b>	<b>31,651,771</b>
<b>Liabilities other than provisions</b>		<b>50,986,672</b>	<b>48,164,062</b>
<b>Equity and liabilities</b>		<b>174,780,289</b>	<b>175,720,643</b>
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	15		
Assets charged and collateral	16		
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# Consolidated statement of changes in equity for 2020

	Contributed capital DKK	Retained earnings DKK	Proposed dividend for the financial year DKK	Equity belonging to Parent's shareholders DKK	Equity belonging to minority interests DKK
Equity beginning of year	40,000	55,223,764	110,600	55,374,364	71,656,821
Ordinary dividend paid	0	0	(110,600)	(110,600)	0
Exchange rate adjustments	0	(373,664)	0	(373,664)	(1,120,994)
Profit/loss for the year	0	616,538	0	616,538	(2,248,848)
<b>Equity end of year</b>	<b>40,000</b>	<b>55,466,638</b>	<b>0</b>	<b>55,506,638</b>	<b>68,286,979</b>

  

	Total DKK
Equity beginning of year	127,031,185
Ordinary dividend paid	(110,600)
Exchange rate adjustments	(1,494,658)
Profit/loss for the year	(1,632,310)
<b>Equity end of year</b>	<b>123,793,617</b>

# Consolidated cash flow statement for 2020

	Notes	2020 DKK	2019 DKK
Operating profit/loss		3,063,670	11,400,943
Amortisation, depreciation and impairment losses		12,708,084	14,664,907
Other provisions		0	(525,396)
Working capital changes	14	15,457,098	(58,985,903)
<b>Cash flow from ordinary operating activities</b>		<b>31,228,852</b>	<b>(33,445,449)</b>
Financial income received		1,252,586	4,424,252
Financial expenses paid		(4,578,763)	(2,310,646)
Taxes refunded/(paid)		(732,237)	(458,499)
<b>Cash flows from operating activities</b>		<b>27,170,438</b>	<b>(31,790,342)</b>
Acquisition etc. of intangible assets		(8,786,092)	(17,899,999)
Sale of property, plant and equipment		274,104	227,893
Acquisition of fixed asset investments		(1,685,380)	(1,685,989)
Sale of fixed asset investments		8,273,632	4,311,572
Other cash flows from investing activities		0	20,000,000
<b>Cash flows from investing activities</b>		<b>(1,923,736)</b>	<b>4,953,477</b>
<b>Free cash flows generated from operations and investments before financing</b>		<b>25,246,702</b>	<b>(26,836,865)</b>
Loans raised		0	8,271,023
Repayments of loans etc.		0	(5,387,500)
Dividend paid		(110,600)	0
Addition cash through business combinations		0	27,904,518
<b>Cash flows from financing activities</b>		<b>(110,600)</b>	<b>30,788,041</b>
<b>Increase/decrease in cash and cash equivalents</b>		<b>25,136,102</b>	<b>3,951,176</b>
Cash and cash equivalents beginning of year		3,951,176	0
<b>Cash and cash equivalents end of year</b>		<b>29,087,278</b>	<b>3,951,176</b>

Cash and cash equivalents at year-end are composed of:

Cash	29,137,406	12,222,199
Short-term bank loans	(50,128)	(8,271,023)
<b>Cash and cash equivalents end of year</b>	<b>29,087,278</b>	<b>3,951,176</b>

# Notes to consolidated financial statements

## 1 Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

## 2 Other operating income

The entity has due to Covid-19 received in total 4,349 thousands regarding financial help packages from the Danish Government.

## 3 Staff costs

	2020 DKK	2019 DKK
Wages and salaries	67,690,727	66,300,775
Pension costs	3,220,115	2,304,983
Other social security costs	3,213,028	3,550,373
Other staff costs	2,423,835	785,518
	<b>76,547,705</b>	<b>72,941,649</b>
Average number of full-time employees	209	207

	Remuneration of manage- ment 2019 DKK
Total amount for management categories	2,908,463
	<b>2,908,463</b>

## 4 Depreciation, amortisation and impairment losses

	2020 DKK	2019 DKK
Depreciation on property, plant and equipment	12,708,084	14,604,907
Profit/loss from sale of intangible assets and property, plant and equipment	(150,520)	(231,886)
	<b>12,557,564</b>	<b>14,373,021</b>

## 5 Other financial expenses

Fair value adjustments for other investment is DKK 850 thousands.

**6 Tax on profit/loss for the year**

	<b>2020 DKK</b>	<b>2019 DKK</b>
Current tax	942,201	1,998,322
Change in deferred tax	(1,345,888)	68,352
Adjustment concerning previous years	273,490	32,611
	<b>(130,197)</b>	<b>2,099,285</b>

**7 Proposed distribution of profit/loss**

	<b>2020 DKK</b>	<b>2019 DKK</b>
Ordinary dividend for the financial year	0	110,600
Retained earnings	616,538	2,969,644
Minority interests' share of profit/loss	(2,248,848)	8,335,020
	<b>(1,632,310)</b>	<b>11,415,264</b>

**8 Property, plant and equipment**

	<b>Land and buildings DKK</b>	<b>Plant and machinery DKK</b>	<b>Other fixtures and fittings, tools and equipment DKK</b>	<b>Leasehold improvements DKK</b>	<b>Property, plant and equipment in progress DKK</b>
Cost beginning of year	60,310,703	168,892,401	14,208,016	11,091,600	2,141,125
Exchange rate adjustments	0	0	(231,349)	0	0
Additions	0	5,304,528	2,057,261	692,924	731,379
Disposals	0	(5,184,610)	0	0	0
<b>Cost end of year</b>	<b>60,310,703</b>	<b>169,012,319</b>	<b>16,033,928</b>	<b>11,784,524</b>	<b>2,872,504</b>
Depreciation and impairment losses beginning of year	(22,461,168)	(145,178,207)	(7,587,877)	(10,750,975)	0
Depreciation for the year	(1,548,000)	(9,169,924)	(1,542,586)	(447,574)	0
Reversal regarding disposals	0	5,176,778	0	0	0
<b>Depreciation and impairment losses end of year</b>	<b>(24,009,168)</b>	<b>(149,171,353)</b>	<b>(9,130,463)</b>	<b>(11,198,549)</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>36,301,535</b>	<b>19,840,966</b>	<b>6,903,465</b>	<b>585,975</b>	<b>2,872,504</b>

## 9 Financial assets

	Deposits DKK	Other receivables DKK	Deferred tax DKK
Cost beginning of year	684,858	2,300,000	1,281,648
Additions	0	0	1,345,888
Disposals	(297,769)	(50,000)	0
<b>Cost end of year</b>	<b>387,089</b>	<b>2,250,000</b>	<b>2,627,536</b>
Impairment losses beginning of year	(1,418)	0	0
Impairment losses for the year	0	(1,500,000)	0
<b>Impairment losses end of year</b>	<b>(1,418)</b>	<b>(1,500,000)</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>385,671</b>	<b>750,000</b>	<b>2,627,536</b>

## 10 Deferred tax

	2020 DKK	2019 DKK
Property, plant and equipment	(818,000)	631,000
Fixed asset investments	330,000	0
Inventories	(217,000)	220,000
Receivables	4,000	(4,000)
Provisions	220,000	434,648
Tax losses carried forward	3,108,536	0
<b>Deferred tax</b>	<b>2,627,536</b>	<b>1,281,648</b>

	2020 DKK	2019 DKK
<b>Changes during the year</b>		
Beginning of year	1,281,648	0
Recognised in the income statement	1,345,888	(68,352)
Additions through business combinations etc.	0	1,350,000
<b>End of year</b>	<b>2,627,536</b>	<b>1,281,648</b>

Deferred tax assets are recognized on the basis of expected realized income from sales. The revenue base justify recognition of the tax assets.

## 11 Contract work in progress

	2020 DKK	2019 DKK
Contract work in progress	2,865,513	3,312,397
Progress billings	(2,687,213)	(727,211)
	<b>178,300</b>	<b>2,585,186</b>

## 12 Prepayments

Prepayments relate to prepaid expenses.

**13 Other provisions**

Other provisions relate to restructuring liability.

**14 Changes in working capital**

	<b>2020</b>	<b>2019</b>
	<b>DKK</b>	<b>DKK</b>
Increase/decrease in inventories	4,363,699	(37,554,865)
Increase/decrease in receivables	1,910,584	(42,100,759)
Increase/decrease in trade payables etc.	10,272,807	20,731,487
Other changes	(1,089,992)	(61,766)
	<b>15,457,098</b>	<b>(58,985,903)</b>

**15 Unrecognised rental and lease commitments**

	<b>2020</b>	<b>2019</b>
	<b>DKK</b>	<b>DKK</b>
Total liabilities under rental or lease agreements until maturity	6,201,060	11,262,789

**16 Assets charged and collateral**

Mortgage debt is secured by way of mortgage on properties. The mortgage also comprises the plant and machinery deemed part of the property.

The carrying amount of mortgaged properties is DKK 36.301 thousands.

**17 Non-arm's length related party transactions**

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

## 18 Subsidiaries

	Registered in	Corporate form	Ownership %
Henningsen Invest ApS	Charlottenlund	ApS	1
DBI Holding A/S	Stenlille	A/S	25
DBI Plastics Group A/S	Stenlille	A/S	100
DBI Properties ApS	Stenlille	ApS	100
DBI Plastics A/S	Stenlille	A/S	100
DBI Plastics GmbH	Germany	GmbH	100
DBI Plastics SARL	France	SARL	100
DBI Plastics Ltd.	United Kingdom	Ltd.	100
DBI Plastics Sp.	Poland	Sp.	100
DBI Plastics SL	Spain	SL	100
DBI Plastics N.A. Inc.	United States of America	Inc.	100
DBI Plastics (Shanghai) Co. Ltd.	China	Co. Ltd.	100
DBI Plastics Srl.	Italy	Srl.	100

# Parent income statement for 2020

	Notes	2020 DKK	2019 DKK
Other external expenses		(82,651)	(7,500)
<b>Gross profit/loss</b>		<b>(82,651)</b>	<b>(7,500)</b>
Income from investments in group enterprises		224,432	0
Other financial expenses		(45,018)	(300,000)
<b>Profit/loss before tax</b>		<b>96,763</b>	<b>(307,500)</b>
Tax on profit/loss for the year		(86,785)	67,650
<b>Profit/loss for the year</b>	2	<b>9,978</b>	<b>(239,850)</b>

# Parent balance sheet at 31.12.2020

## Assets

	Notes	2020 DKK	2019 DKK
Investments in group enterprises		58,820,861	78,820,861
Deferred tax	4	28,000	0
<b>Financial assets</b>	3	<b>58,848,861</b>	<b>78,820,861</b>
<b>Fixed assets</b>		<b>58,848,861</b>	<b>78,820,861</b>
Receivables from group enterprises		1,456,004	0
Tax receivable		0	676,207
Joint taxation contribution receivable		0	3,676,868
<b>Receivables</b>		<b>1,456,004</b>	<b>4,353,075</b>
<b>Cash</b>		<b>1,157,917</b>	<b>0</b>
<b>Current assets</b>		<b>2,613,921</b>	<b>4,353,075</b>
<b>Assets</b>		<b>61,462,782</b>	<b>83,173,936</b>

**Equity and liabilities**

	Notes	2020 DKK	2019 DKK
Contributed capital		40,000	40,000
Retained earnings		58,417,521	58,407,543
Proposed dividend for the financial year		0	110,600
<b>Equity</b>		<b>58,457,521</b>	<b>58,558,143</b>
Tax payable		0	185,735
<b>Non-current liabilities other than provisions</b>		<b>0</b>	<b>185,735</b>
Payables to group enterprises		45,606	21,403,760
Other payables		2,959,655	3,026,298
<b>Current liabilities other than provisions</b>		<b>3,005,261</b>	<b>24,430,058</b>
<b>Liabilities other than provisions</b>		<b>3,005,261</b>	<b>24,615,793</b>
<b>Equity and liabilities</b>		<b>61,462,782</b>	<b>83,173,936</b>
Events after the balance sheet date	1		
Working conditions	5		
Contingent liabilities	6		
Transactions with related parties	7		

# Parent statement of changes in equity for 2020

	Contributed capital DKK	Retained earnings DKK	Proposed dividend for the year DKK	Total DKK
Equity beginning of year	40,000	58,407,543	110,600	58,558,143
Ordinary dividend paid	0	0	(110,600)	(110,600)
Profit/loss for the year	0	9,978	0	9,978
<b>Equity end of year</b>	<b>40,000</b>	<b>58,417,521</b>	<b>0</b>	<b>58,457,521</b>

# Notes to parent financial statements

## 1 Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

## 2 Proposed distribution of profit and loss

	2020 DKK	2019 DKK
Ordinary dividend for the financial year	0	110,600
Retained earnings	9,978	(350,450)
	<b>9,978</b>	<b>(239,850)</b>

## 3 Financial assets

	Investments in group enterprises DKK	Deferred tax DKK
Cost beginning of year	78,820,861	0
Additions	0	28,000
Disposals	(20,000,000)	0
<b>Cost end of year</b>	<b>58,820,861</b>	<b>28,000</b>
<b>Carrying amount end of year</b>	<b>58,820,861</b>	<b>28,000</b>

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

## 4 Deferred tax

	2020 DKK
Tax losses carried forward	28,000
<b>Deferred tax</b>	<b>28,000</b>

  

	2020 DKK
<b>Changes during the year</b>	
Recognised in the income statement	28,000
<b>End of year</b>	<b>28,000</b>

Deferred tax assets are recognized on the basis of expected realized income from group enterprises sales. The revenue base justify recognition of the tax assets.

## 5 Working conditions

The entitys Executive Board receive salary payments from group enterprises.

**6 Contingent liabilities**

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities.

**7 Non-arm's length related party transactions**

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

# Accounting policies

## Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

## Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

## Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the

rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in translation reserve in equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are recognised directly in translation reserve in equity.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

## **Income statement**

### **Revenue**

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

### **Other operating income**

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

### **Costs of raw materials and consumables**

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

### **Other external expenses**

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

### **Staff costs**

Staff costs comprise wages and salaries, and social security contributions, pension contributions, etc. for entity

staff.

**Depreciation, amortisation and impairment losses**

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of property, plant and equipment.

**Income from investments in group enterprises**

Income from investments in group enterprises comprises dividends etc. received from the individual group enterprises in the financial year.

**Other financial income**

Other financial income comprises dividends etc. received on other investments, interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

**Impairment of financial assets**

Impairment of financial assets comprise impairment of financial assets which are not measured at fair value on a current basis.

**Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies, and tax surcharge under the Danish Tax Prepayment Scheme etc.

**Tax on profit/loss for the year**

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Parent is jointly taxed with all of its Danish group enterprises and other Danish consolidated companies. The current Danish income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

**Balance sheet****Property, plant and equipment**

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For self-constructed assets, cost comprises direct and indirect costs of materials, components, subsuppliers and labour costs.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation on property, plant and equipment used in the manufacturing process are recognised in cost based on time spent on each asset.

Interest expenses on loans for the financing of the manufacture of property, plant and equipment are included

in cost if they relate to the manufacturing period. All other finance costs are recognised in the income statement.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Buildings	30 years
Plant and machinery	3-7 years
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	3-5 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

### **Investments in group enterprises**

Investments in group enterprises are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

### **Receivables**

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

### **Other investments**

Other investments comprise listed securities which are measured at fair value (market price) at the balance sheet date, and unlisted equity investments measured at the lower of cost and net realisable value.

### **Deferred tax**

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

### **Inventories**

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

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

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

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

**Contract work in progress**

Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a contract in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet under receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts, and finance costs are recognised in the income statement as incurred.

**Tax payable or receivable**

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

**Joint taxation contributions payable or receivable**

Current joint taxation contributions payable or receivable are recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

**Prepayments**

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

**Other investments (current assets)**

Other current asset investments comprise listed securities measured at fair value (market price) at the balance sheet date, and unlisted investments measured at the lower of cost and net realisable value.

**Cash**

Cash comprises cash in hand and bank deposits.

**Dividend**

Proposed dividend for the financial year is disclosed as a separate item in equity.

**Minority interests**

Minority interests comprise the minority interests' share of subsidiaries' equity in which the subsidiary is not wholly owned by the Parent.

**Other provisions**

Other provisions comprise anticipated costs of non-recourse guarantee commitments, returns, loss on contract work in progress, decided and published restructuring, etc.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

On acquisition of enterprises and investments in group enterprises, provisions are made for costs relating to restructuring in the acquired enterprise that were decided and published at the acquisition date at the latest.

Once it is probable that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

**Mortgage debt**

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

**Other financial liabilities**

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

**Cash flow statement**

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, inception of finance leases, repayments of interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank loans.