

# TORMAX Danmark A/S

Hjortsvangen 36  
7323 Give  
Denmark

CVR no. 52 78 16 12

## Annual report 2018

The annual report was presented and approved at the  
Company's annual general meeting on

31 May 2019

  
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chairman

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**TORMAX Danmark A/S**  
Annual report 2018  
CVR no. 52 78 16 12

## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of TORMAX Danmark A/S for the financial year 1 January – 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 assets, liabilities and financial position at 31 December 2018 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2018.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters, of the results for the year and of the Company's financial position.

We recommend that the annual report be approved at the annual general meeting.

Given, 31 May 2019  
Executive Board:



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Carsten Ravnhoj

Board of Directors:



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Philippe Heinz Heiniger  
Chairman



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Anja Margretha Landert

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Patrik Franz Robert  
Kilchmann



## Independent auditor's report

### To the shareholders of TORMAX Danmark A/S

#### Opinion

We have audited the financial statements of TORMAX Danmark A/S for the financial year 1 January – 31 December 2018 comprising income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies. The financial statements are 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 assets, liabilities and financial position at 31 December 2018 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2018 in accordance with the Danish Financial Statements Act.

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

#### Management's responsibility 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 that 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 as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made on the basis of these financial statements.

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

- identify and assess the risks of material misstatement of the company 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.



## Independent auditor's report

- 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.

### Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 the Management's review.

Aarhus, 31 May 2019

**KPMG**

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Michael Stenskrog  
State Authorised  
Public Accountant  
mne26819

**TORMAX Danmark A/S**  
Annual report 2018  
CVR no. 52 78 16 12

## Management's review

### Company details

TORMAX Danmark A/S  
Hjortsvangen 36  
7323 Give  
Denmark

Telephone: 80 20 08 00  
Website: [www.tormax.dk](http://www.tormax.dk)  
E-mail: [info@tormax.dk](mailto:info@tormax.dk)

CVR no.: 52 78 16 12  
Registered office: Give  
Financial year: 1 January – 31 December

### Board of Directors

Philippe Heinz Heiniger, Chairman  
Anja Margretha Landert  
Patrik Franz Robert Kilchmann

### Executive Board

Carsten Ravnhøj

### Auditor

KPMG  
Statsautoriseret Revisionspartnerselskab  
Bredskifte Allé 13  
8210 Aarhus V  
Denmark

## Management's review

### Financial highlights

DKK'000	2018	2017	2016	2015	2014
<b>Key figures</b>					
Gross profit	31,574	29,298	31,741	32,161	34,513
Operating profit	2,942	2,242	159	763	3,369
Profit/loss from financial income and expenses	-111	-122	-92	-248	-139
Profit for the year	2,212	1,645	44	372	2,401
<b>Total assets</b>					
Equity	74,782	72,445	69,295	65,213	66,419
Investment in property, plant and equipment	52,952	50,740	49,095	49,052	49,182
	3,432	5,595	1,981	2,568	5,133
<b>Ratios</b>					
Return on equity	5.4%	3.3%	0.1%	0.8%	5.0%
Solvency ratio	71.2%	70.0%	70.8%	75.2%	74.0%

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations & Ratios". The financial ratios have been calculated as follows:

Return on equity

$$\frac{\text{Profit after tax} \times 100}{\text{Average equity}}$$

Solvency ratio

$$\frac{\text{Equity at year end} \times 100}{\text{Total equity and liabilities at year end}}$$

## **Management's review**

### **Operating review**

#### **Principal activities**

TORMAX Danmark A/S' principal activities are the production, installation and service of automatic door systems in Denmark. Furthermore, a part of the Company's own production of revolving doors and curved door systems is exported to affiliated companies all over the world. Furthermore, the Danish Company sells goods for resale, such as air curtains, gate systems and bar facilities.

Revolving doors are developed in Denmark, while the Parent Company in Switzerland is in charge of the development of the primary products, sliding doors and swing doors.

#### **Development in activities and financial position**

Held up against the forecast previously announced, Management considers the profit for the year non-satisfactory.

The financial year 2018 has been characterized by fierce price competition, and TORMAX Danmark A/S has not seen the expected growth in activities compared to 2017. Instead the financial year 2018 has shown status quo compared to 2017.

#### **Events after the balance sheet date**

No events have occurred after the balance sheet date of significant importance to the assessment of the financial statements.

#### **Outlook**

Both the Danish market as well as the export market are expected to enjoy an activity increase in 2019. The Company expects to maintain its leading position on the Danish market for automatic door systems. The Company is about to optimise a number of procedures, e.g. within inventory management and sales configurator but expects to post a profit increase.

#### **Particular risks**

The Company's Management is of the opinion that the Company is not exposed to any particular risks other than those characterised as ordinary business risks.



## Financial statements 1 January – 31 December

### Income statement

DKK'000	Note	2018	2017
<b>Gross profit</b>		31,574	29,298
Distribution costs		-12,467	-10,904
Administrative expenses	2	-16,165	-16,152
<b>Operating profit</b>		2,942	2,242
Financial income		84	12
Financial expenses		-195	-134
<b>Profit before tax</b>		2,831	2,120
Tax on profit for the year	3	-619	-475
<b>Profit for the year</b>	4	2,212	1,645

## Financial statements 1 January – 31 December

### Balance sheet

DKK'000	Note	2018	2017
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible assets</b>			
Software	5	375	555
<b>Property, plant and equipment</b>			
Land and buildings	6	15,352	15,888
Fixtures and fittings, tools and equipment		8,649	8,207
<b>Total fixed assets</b>		24,001	24,095
<b>Current assets</b>			
<b>Inventories</b>			
Raw materials and consumables		16,984	14,236
Work in progress		2,713	2,585
		19,697	16,821
<b>Receivables</b>			
Trade receivables		20,283	18,431
Receivables from group entities		5,420	2,908
Other receivables		4	4
Corporation tax		167	0
Prepayments	7	1,988	1,046
		27,862	22,389
<b>Cash at bank and in hand</b>		2,847	8,585
<b>Total current assets</b>		50,406	47,795
<b>TOTAL ASSETS</b>		74,782	72,445

## Financial statements 1 January – 31 December

### Balance sheet

DKK'000	Note	2018	2017
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Contributed capital		590	590
Retained earnings		49,362	50,150
Proposed dividends for the financial year		3,000	0
<b>Total equity</b>		<b>52,952</b>	<b>50,740</b>
<b>Provisions</b>			
Provisions for deferred tax	8	2,222	2,056
Other provisions	9	1,522	1,434
<b>Total provisions</b>		<b>3,744</b>	<b>3,490</b>
<b>Liabilities other than provisions</b>			
<b>Current liabilities other than provisions</b>			
Prepayments received from customers		2,749	1,960
Trade payables		4,517	4,923
Payables to group entities		2,562	2,514
Corporation tax		0	209
Other payables		8,258	8,609
		18,086	18,215
<b>Total liabilities other than provisions</b>		<b>18,086</b>	<b>18,215</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>74,782</b>	<b>72,445</b>
<b>Staff costs and incentive schemes</b>	2		
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## Financial statements 1 January – 31 December

### Statement of changes in equity

DKK'000	Contributed capital	Retained earnings	Proposed dividends for the financial year	Total
Equity at 1 January 2018	590	50,150	0	50,740
Transferred over the profit appropriation	0	-788	3,000	2,212
<b>Equity at 31 December 2018</b>	<b>590</b>	<b>49,362</b>	<b>3,000</b>	<b>52,952</b>

## Financial statements 1 January – 31 December

### Cash flow statement

DKK'000	Note	2018	2017
Profit for the year		2,212	1,645
Other adjustments of non-cash operating items	12	988	1,627
Depreciation, amortisation and impairment losses		<u>3,634</u>	<u>3,724</u>
Cash flows from operations before changes in working capital		6,834	6,996
Changes in working capital	13	<u>-8,480</u>	<u>-2,025</u>
Cash flows from ordinary activities		-1,646	4,971
Interest income		78	12
Interest expense		-189	-134
Corporation tax paid		<u>-621</u>	<u>-76</u>
Cash flows from operating activities		<u>-2,378</u>	<u>4,773</u>
Acquisition of intangible assets		0	-10
Acquisition of property, plant and equipment		-3,432	-5,586
Disposal of property, plant and equipment		<u>72</u>	<u>246</u>
Cash flows from investing activities		<u>-3,360</u>	<u>-5,350</u>
Cash flows for the year		-5,738	-577
Cash and cash equivalents at the beginning of the year		<u>8,585</u>	<u>9,162</u>
Cash and cash equivalents at year end		<u><u>2,847</u></u>	<u><u>8,585</u></u>

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies

The annual report of TORMAX Danmark A/S for 2018 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

There have been made minor changes to the comparative figures in the income statement for 2017.

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

### Income statement

#### Revenue

Income from production and sale of goods is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received. The date of transfer of the most significant benefits and risks is determined using standard Incoterms © 2010.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

Services based on time spent are recognised in revenue as the work is performed.

#### Production costs

Production costs comprise costs, including depreciation, amortisation, wages and salaries incurred to generate revenue for the year. Such costs include direct and indirect costs for raw materials and consumables, wages and salaries, rent and leases and depreciation of production plant.

#### Gross Profit

Pursuant to Section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Distribution costs

Distribution costs comprise costs incurred to distribute goods sold during the year and to conduct sales campaigns, etc., including costs relating to sales staff, advertising and exhibitions as well as depreciation.

##### Administrative expenses

Administrative expenses comprise expenses incurred during the year for management and administration, including expenses for administrative staff, Management, office premises, office expenses and depreciation.

##### Financial income and expenses

Financial income and expenses comprise interest income and expense, payables and transactions denominated in foreign currencies, as well as surcharges and refunds under the on-account tax scheme, etc.

##### Tax on profit for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

### Balance sheet

#### Intangible assets

Intangible assets are measured at cost less accumulated amortisation and impairment losses. Intangible assets are amortised on a straight-line basis over the remaining life of the assets:

Software	2-6 years
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The amortisation period reflects the projected financial remaining life.

The useful life and residual value are reassessed annually. Changes are accounted for as accounting estimates, and the effect on depreciation is recognised prospectively

Gains and losses on the disposal of intangible assets are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal.

Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Property, plant and equipment

Land and buildings and tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Buildings	10-60 years
Fixtures and fittings, tools and equipment	4-15 years

The useful life and residual value are reassessed annually. Changes are accounted for as accounting estimates, and the effect on depreciation is recognised prospectively.

Land is not depreciated.

Fixed assets are depreciated to recoverable amount, if the amount is less than the financial value.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

##### Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.



## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries and indirect production overheads. Indirect production overheads comprise indirect materials and wages and salaries as well as the maintenance of depreciation of production machinery, buildings and equipment as well as factory administration and management. Borrowing costs are not included in cost.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

##### Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

##### Prepayments and deferred income

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

##### Equity

###### *Dividends*

The expected dividend payment for the year is disclosed as a separate item under equity.

##### Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Provisions

Provisions for ordinary warranty and service obligations on sold products are measured at net realisable value and recognised on the basis of the Company's past record with warranties.

##### Liabilities other than provisions

Other liabilities are measured at net realisable value.

##### Prepayments and deferred income

Deferred income comprises advance invoicing regarding income in subsequent years.

### Cash flow statement

The cash flow statement shows the Company's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

#### Cash flows from operating activities

Cash flows from operating activities are calculated as the Company's share of profit/loss for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

#### Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities, intangible assets, property, plant and equipment and investments.

#### Cash flows from financing activities

Cash flows from financing activities comprise changes in size or composition of the Company's share capital and costs in this respect as well as raising of loans, instalments on interest-bearing debt and distribution of dividends to owners.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

## Financial statements 1 January – 31 December

### Notes

#### 2 Staff costs and incentive schemes

	<u>2018</u>	<u>2017</u>
Wages and salaries	46,981	44,848
Pensions	3,314	3,180
Other social security costs	748	882
Other staff costs	<u>993</u>	<u>1,017</u>
	<u>52,036</u>	<u>49,927</u>
Average number of full-time employees	<u>105</u>	<u>104</u>
Staff costs are recognised in the financial statements as:		
Production	35,926	35,425
Distribution	6,502	5,427
Administration	<u>9,608</u>	<u>9,075</u>
	<u>52,036</u>	<u>49,927</u>

Pursuant to section 98b(3) of the Danish Financial Statements Act, the Company has not disclosed executive remuneration.

DKK'000

	<u>2018</u>	<u>2017</u>
<b>3 Tax on profit for the year</b>		
Current tax for the year	453	478
Deferred tax for the year	<u>166</u>	<u>-3</u>
	<u>619</u>	<u>475</u>
<b>4 Proposed profit appropriation</b>		
Proposed dividends for the year	3,000	0
Retained earnings	<u>-788</u>	<u>1,645</u>
	<u>2,212</u>	<u>1,645</u>

## Financial statements 1 January – 31 December

### Notes

#### 5 Intangible assets

DKK'000	<u>Software</u>
Cost at 1 January 2018	3,086
Cost at 31 December 2018	<u>3,086</u>
Amortisation and impairment losses at 1 January 2018	-2,531
Amortisation for the year	-180
Amortisation and impairment losses at 31 December 2018	<u>-2,711</u>
<b>Carrying amount at 31 December 2018</b>	<b><u>375</u></b>

#### 6 Property, plant and equipment

DKK'000	<u>Land and buildings</u>	<u>Fixtures and fittings, tools and equipment</u>	<u>Total</u>
Cost at 1 January 2018	25,032	21,810	46,842
Additions for the year	151	3,267	3,418
Disposals for the year	0	-1,469	-1,469
Cost at 31 December 2018	<u>25,183</u>	<u>23,608</u>	<u>48,791</u>
Depreciation and impairment losses at 1 January 2018	-9,144	-13,603	-22,747
Depreciation for the year	-687	-2,753	-3,440
Reversed depreciation and impairment losses on assets sold	0	1,397	1,397
Depreciation and impairment losses at 31 December 2018	<u>-9,831</u>	<u>-14,959</u>	<u>-24,790</u>
<b>Carrying amount at 31 December 2018</b>	<b><u>15,352</u></b>	<b><u>8,649</u></b>	<b><u>24,001</u></b>

DKK'000	<u>2018</u>	<u>2017</u>
<b>Depreciation is recognised as follows:</b>		
Production costs	895	968
Distribution costs	2,352	2,250
Administrative expenses	193	257
	<u>3,440</u>	<u>3,475</u>

#### 7 Prepayments

Deferred income comprises prepayments regarding property, cars, insurance premium, subscription, etc.

## Financial statements 1 January – 31 December

### Notes

#### 8 Provisions

DKK'000	2018	2017
Deferred tax at 1 January	2,056	2,060
Deferred tax adjustment for the year recognised in the income statement	166	-4
	<u>2,222</u>	<u>2,056</u>

#### 9 Other provisions

The Company has in 2018 recognised provisions for ordinary warranty on sold products of DKK 1,522 thousand (2017: DKK 1,434 thousand). The provision is recognised as the expected warranty costs based on the Company's past record with warranties.

#### 10 Contractual obligations, contingencies, etc.

TORMAX Danmark A/S has provided performance guarantees of a total of DKK 210 thousand (31 December 2017: DKK 0 thousand). The performance guarantees expire within 5 years.

#### 11 Related party disclosures

TORMAX Danmark A/S' related parties comprise the following:

##### Control

Landert Motoren AG, Zürich, Switzerland holds the majority of the share capital in the Company.

TORMAX Danmark A/S is part of the consolidated financial statements of Landert Motoren AG, registered office, Bülach/Zürich, Switzerland, which is the smallest and largest group, respectively, in which the Company is included as a subsidiary.

The consolidated financial statements of Landert Motoren AG can be obtained by contacting the company at: Landert Motoren AG, Unterweg 14, CH-8180 Bülach/Zürich, Switzerland.

##### Related party transactions

DKK'000	2018	2017
Sale of goods	13,696	12,191
Purchase of goods and services	11,725	12,211

Receivables from and payables to group entities are disclosed in the balance sheet.

## Financial statements 1 January – 31 December

### Notes

DKK'000	2018	2017
<b>12 Other adjustments</b>		
Other financial income	78	-12
Financial expenses	-189	134
Tax on profit for the year	619	475
Gains on the disposal of non-current assets	185	-310
Provisions	253	1,430
Other	42	-90
	<u>988</u>	<u>1,627</u>
<b>13 Changes in working capital</b>		
Change in inventories	-2,876	2,307
Change in receivables	-5,475	-4,199
Change in trade and other payables	-129	-133
	<u>-8,480</u>	<u>-2,025</u>