Uniscrap A/S

Stålvej 6, 6000

CVR no. 53 38 56 13

Annual report 2018

Approved at the Company's annual general meeting on 29 May 2019

Chairman:

....

Thomas Taagaard Christensen

Building a better working world

Contents

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Uniscrap A/S for the financial year 1 January - 31 December 2018.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2018 and of the results of the Company's operations 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 and the results of the Company's operations and financial position.

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

Kolding, 29 May 2019
Executive Board:

Thomas Taagaard
Christensen
Man. Director

Board of Directors:

Jan Hülsmann Chairman	Klaus Bernward Hauschulte	Markus Maier
Sten Lønsgren Andersen Employee Representative	Kim Buhl Larsen Employee Representative	

Independent auditor's report

To the shareholders of Uniscrap A/S

Opinion

We have audited the financial statements of Uniscrap A/S for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity 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 financial position of the Company at 31 December 2018 and of the results of the Company's operations 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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 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 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 the financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

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 note 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 Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 29 May 2019
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Peter Jensen
State Authorised Public Accountant
mne33246

Management's review

Company details

Name	Uniscrap A/S
Address, Postal code, City	Stålvej 6, 6000
CVR no.	53 38 56 13
Established	31 July 1952
Registered office	Kolding
Financial year	1 January - 31 December
Board of Directors	Jan Hülsmann, Chairman Klaus Bernward Hauschulte Markus Maier Sten Lønsgren Andersen, Employee Representative Kim Buhl Larsen, Employee Representative
Executive Board	Thomas Taagaard Christensen, Man. Director
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuths Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Financial highlights

DKK'000	2018	2017	2016	2015	2014
Key figures					
Revenue	421,833	326,400	238,441	268,878	333,160
Gross margin	18,996	28,106	25,405	24,187	40,785
Ordinary operating profit/loss	-11,507	-2,818	-5,541	-17,083	832
Net financials	-2,136	-3,002	-2,497	-4,949	1,975
Profit/loss for the year	-9,726	370	-8,038	-24,120	-1,143
Total assets	108,111	96,253	104,359	114,746	145,048
Investment in property, plant and equipment	4,893	1,847	257	1,386	137
Equity	9,084	19,793	19,422	27,460	51,580
Financial ratios					
Gross margin	4.5%	8.6%	10.7%	9.0%	12.2%
Equity ratio	8.4%	20.6%	18.6%	23.9%	35.6%
Return on equity	-67.4%	1.9%	-34.3%	-61.0%	-2.2%
Average number of employees	40	39	64	74	86

Financial ratios are calculated in accordance with the Danish Finance Society's recommendations. For terms and definitions, please see the accounting policies.

Management's review

Business review

With its 4 environmentally certified receiving stations and processing centres, Uniscrap A/S constitutes a national leading environmental enterprise within waste management and recycling. Uniscrap A/S is also represented on the Swedish market with a scrap site in Skillingaryd south of Jönköping. The Swedish activities are aggregated in an independent company, Uniscrap Sverige AB, which is a fully-owned subsidiary of Uniscrap A/S. The Company's main fractions are iron and metal scrap that are collected and processed for resale as secondary raw materials.

Financial review

In 2018, the Company's revenue amounted to DKK 421,833 thousand against DKK 326,400 thousand last year. The income statement for 2018 shows a loss of DKK 9,726 thousand against a profit of DKK 370 thousand last year, and the balance sheet at 31 December 2018 shows equity of DKK 9,084 thousand.

The Company has lost more than 50% of the share capital and thus subejct to regulation regarding loss of capital. Reestablishment of the share capital is expected through future earnings.

Impact on the external environment

In 1999, we introduced our environmental policy which structures the Company's efforts to reduce our environmental and climate change impact. Our policy is reviewed on a regular basis by both Management and the board. In our view, waste is not just waste. When handled responsibly, waste does not need to burden society and the environment but can be transformed into a valuable resource. This is particularly true for recoverable materials, such as iron and metal waste, which can be reused in up to 75%-100%, depending on the material. Not only does recycling reduce harmful greenhouse gas emissions, it also conserves resources at a minimal cost compared to waste disposal and not least makes the economy less dependent on primary raw materials. Contributing to a better resource economy by ensuring sustainable resource management through the sorting and development of residual scrap for new raw materials is central to Uniscrap A/S' business. This implies that we handle materials responsibly and apply intelligent recycling systems. None of our recycling processes requires chemical treatment or the use of water.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Outlook

According to Management's expectations, the market conditions in general for 2019 will not change significantly. Therefore, Uniscrap has already in 2018 redefined its market approach. In Q4 2019 Uniscrap will relocate to a completely new yard in Taulov. And as part of the relocation Uniscrap will have access to Fredericia Port enabling Uniscrap to export to markets all over the World. This will lead to a zero result in 2019, but from 2020 and onwards it is expected that Uniscrap will make annual positive results at +10 mDKK.

Uniscrap A/S is a part of the Scholz Group's structured bank agreement, and also a part of the Scholz Group's restructuring measures initiated to achieve improvements of net assets, the financial position and results of operations of the Scholz Group and Uniscrap A/S.

Scholz Group is part of the Chinese Chiho Environmental Group and the Groups structured bank agreement has been renegotiated which has secured Uniscrap A/S' credit facility with Scholz Group until 2023.

Local management of Uniscrap A/S has prepared a forecast for 2019, which shows that the company has sufficient capital resources to support Uniscrap A/S' operations for the coming years.

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2018	2017
	Revenue	421,833	326,400
	Cost of sales	-369,595	-269,837
	Change in inventories of finished goods and work in progress	7,064	2,705
	Other operating income	4,306	6,691
	Other external expenses	-44,612	-37,853
	Gross profit	18,996	28,106
2	Staff costs	-22,603	-18,436
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-3,593	-5,798
	Other operating expenses	0	-500
	Profit/loss before net financials	-7,200	3,372
	Income from investments in group enterprises	-390	0
3	Financial income	1,817	450
4	Financial expenses	-3,953	-3,452
	Profit/loss for the year	-9,726	370

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2018	2017
	ASSETS		
	Fixed assets		
5	Property, plant and equipment		
	Land and buildings	25,260	27,098
	Plant and machinery	3,923	705
	Fixtures and fittings, other plant and equipment	2,198	2,578
	Leasehold improvements	0	108
		31,381	30,489
6	Investments		
	Investments in group enterprises	653	1,043
		653	1,043
	Total fixed assets	32,034	31,532
	Non-fixed assets		
	Inventories		
	Finished goods and goods for resale	20,027	12,963
		20,027	12,963
	Receivables		
	Trade receivables	27,666	21,379
	Receivables from group enterprises	23,598	17,876
	Other receivables	266	2,539
7	Prepayments	79	579
		51,609	42,373
	Cash	4,441	9,385
	Total non-fixed assets	76,077	64,721
	TOTAL ASSETS	108,111	96,253

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2018	2017
	EQUITY AND LIABILITIES		
	Equity		
8	Share capital	20,003	20,003
	Retained earnings	-10,919	-210
	Total equity	9,084	19,793
	Provisions		
	Other provisions	0	450
	Total provisions	0	450
	Liabilities other than provisions		
9	Non-current liabilities other than provisions		
	Lease liabilities	11,017	0
	Payables to group entities	43,247	47,238
		54,264	47,238
	Current liabilities other than provisions		
9	Short-term part of long-term liabilities other than provisions	7,812	4,081
	Trade payables	22,202	19,143
	Payables to group enterprises	1,750	810
	Deposits	284	367
	Other payables	12,715	4,371
		44,763	28,772
	Total liabilities other than provisions	99,027	76,010
	TOTAL EQUITY AND LIABILITIES	108,111	96,253

1 Accounting policies
10 Contractual obligations and contingencies, etc.
11 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

Note	DKK'000	Share capital	Retained earnings	Total
	Equity at 1 January 2018	20,003	-210	19,793
12	Transfer, see "Appropriation of profit/loss"	0	-9,726	-9,726
	Other value adjustments of equity	0	-983	-983
	Equity at 31 December 2018	20,003	-10,919	9,084

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

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

In accordance with section 112(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

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

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement is prepared for the parent company, as its cash flows are reflected in the consolidated cash flow statement.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to the ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of the future lease payments. In calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently accounted for in the same way as the Company's other assets.

The capitalised residual lease liability is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods, is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on 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 and rebates granted are recognised in revenue.

Other operating income and operating expenses

Other operating income and operating expenses comprise items of a secondary nature relative to the Company's core activities, including gains or losses on the sale of fixed assets.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Raw materials and consumables, etc.

Raw materials and consumables include expenses relating to raw materials and consumables used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Land and buildings	8-50 years
Plant and machinery	3-13 years
Fixtures and fittings, other plant and equipment	3-10 years
Leasehold improvements	3-10 years

The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. In case of changes in the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Profit from investments in subsidiaries

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

The item includes dividend received from subsidiaries.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Investments in subsidiaries

Investments in subsidiaries and associates are measured at cost. Dividends received that exceed the accumulated earnings in the subsidiary or the associate during the period of ownership are treated as a reduction in the cost of acquisition.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

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

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash.

Provisions

Provisions comprise anticipated expenses relating to onerous contracts, restructurings, etc. Provisions are recognised when the Company has a legal or constructive obligation at the balance sheet date as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to 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. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Lease liabilities

Lease liabilities are measured at the net present value of the remaining lease payments including any guaranteed residual value based on the interest rate implicit in the lease.

Financial statements 1 January - 31 December

Notes to the financial statements

	DKK'000	2018	2017
2	Staff costs		
	Wages/salaries	21,024	16,956
	Pensions	1,487	1,391
	Other social security costs	92	89
		22,603	18,436
	Average number of full-time employees	40	39

By reference to section 98b(3), (ii), of the Danish Financial Statements Act, remuneration to Management is not disclosed.

3	Financial income		
	Interest receivable, group entities	173	220
	Other financial income	1,644	230
		1,817	450
4	Financial expenses		
	Interest expenses, group entities	2,269	2,480
	Other financial expenses	1,684	972
		3,953	3,452

5 Property, plant and equipment

DKK'000	Land and buildings	Plant and machinery	Fixtures and fittings, other plant and equipment	Total
Cost at 1 January 2018	89,125	47,564	87,690	224,967
Additions	420	4,144	329	4,893
Disposals	0	-6,572	-29,771	-36,823
Cost at 31 December 2018	89,545	45,136	58,248	193,037
Impairment losses and depreciation at 1 January 2018	62,027	46,859	85,112	194,478
Foreign exchange adjustments	25	72	-34	171
Depreciation	2,233	616	743	3,592
Reversal of accumulated depreciation and impairment of assets disposed	0	-6,334	-29,771	-36,585
Impairment losses and depreciation at 31 December 2018	64,285	41,213	56,050	161,656
Carrying amount at 31 December 2018	25,260	3,923	2,198	31,381
Property, plant and equipment include finance leases with a carrying amount totalling	0	3,725	0	3,725

Financial statements 1 January - 31 December

Notes to the financial statements

6 Investments

DKK'000	Investments in group enterprises
Cost at 1 January 2018	1,043
Cost at 31 December 2018	1,043
Value adjustments at 1 January 2018	0
Impairment losses	-390
Value adjustments at 31 December 2018	-390
Carrying amount at 31 December 2018	653

Name	Legal form	Domicile	Interest	Equity DKK'000	Profit/loss DKK'000
Subsidiaries					
Uniscrap Sverige	AB	Sweden	100.00%	-96	142

7 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years DKK 79 thousand (2017: DKK 579 thousand)

DKK'000	2018	2017
8 Share capital		
Analysis of the share capital:		
20,000 A shares of DKK 500.00 nominal value each	10,000	10,000
20,006 B shares of DKK 500.00 nominal value each	10,003	10,003
	20,003	20,003

The Company's share capital has remained DKK 20,003 thousand over the past 5 years.

9 Non-current liabilities other than provisions

DKK'000	Total debt at 31/12 2018	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Lease liabilities	13,033	2,016	11,017	2,591
Payables to group entities	49,043	5,796	43,247	0
	62,076	7,812	54,264	2,591

Financial statements 1 January - 31 December

Notes to the financial statements

10 Contractual obligations and contingencies, etc.

Other financial obligations

Other rent and lease liabilities:

DKK'000	2018	2017
Rent and lease liabilities	5,214	4,371

Rent and lease liabilities include a rent obligation totalling DKK 1,122 thousand in interminable rent agreements with remaining contract terms of 2 years. Furthermore, the Company has liabilities under operating leases for cars and IT equipment, totalling DKK 4,092 thousand, with remaining contract terms of 1-5 years.

11 Related parties

Uniscrap A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Scholz Recyling GmbH	Germany	Participating interest

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Chiho Environmental Group Limited	48 Wang Lok Street, Yuen Long Industrial Esate, Hong Kong	www.cvr.dk
Scholz Recycling GmbH	Am Bahnhof, 73457 Essingen, Germany	At domicile

Related party transactions

Uniscrap A/S was engaged in the below related party transactions:

DKK'000	2018	2017
Sales of goods and services to group entities	76,171	71,708
Purchase of goods from group entities	6,862	6,811

The Company has receivables and payables to other groupentities, which are presented in the balance sheet and the related interest is presented innotes 3 and 4.

Information on the remuneration to management

Information on the remuneration to Management appears from note 2, "Staff costs".

DKK'000	2018	2017
12 Appropriation of profit/loss		
Recommended appropriation of profit/loss		
Retained earnings/accumulated loss	-9,726	370
	-9,726	370