# Uniscrap A/S

Sydmarken 22-26

2860 Søborg

CVR No. 53385613

# Annual Report 2015

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 31 May 2016

Frans Blach Rossen
Chairman

## Contents

**Uniscrap A/S**

## Management's Statement

Today, the Supervisory Board and the Executive Board have considered and adopted the Annual Report of Uniscrap A/S for the financial year1 January 2015 - 31 December 2015.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2015 and of the results of the Group's and the Company's operations and the Group's cash flows for the financial year 1 January 2015 - 31 December 2015.

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

We recommend that the Annual Report be adopted at the Annual General Meeting.

Søborg, 31 May 2016

**Executive Board**

Thomas Taagaard Christensen
Man. Director

**Supervisory Board**

| | | |
|---|---|---|
| Dr. René Gissinger<br>Chairman | Frans Blach Rossen | John Ingolf Pedersen |
| Kim Buhl Larsen<br>Employee Representative | Sten Lønsgren Andersen<br>Employee Representative | |

# Independent Auditor’s Report

**To the shareholders of Uniscrap A/S**

**Independent auditors' report on the consolidated financial statements and the parent company financial statements**

We have audited the consolidated financial statements and the parent company financial statements of Uniscrap A/S for the financial year 1 January 2015 - 31 December 2015, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as for the parent company and consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

***Management's responsibility for the consolidated financial statements and the parent company financial statements***

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

***Auditor's responsibility***

Our responsibility is to express an opinion on the consolidated financial statements and the parent company financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements and the parent company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and the parent company financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements and the parent company financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of consolidated financial statements and parent company financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements and the parent company financial statements.

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

Our audit has not resulted in any qualifications.

***Opinion***

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

## Independent Auditor's Report

### *Emphasis of matter regarding the financial statements*

Without modifying our opinion, we wish to draw attention to the fact that the Company's ability to continue as a going concern is associated with uncertainty. We refer to note 1 in the financial statements, which reflects management's assessment of preparation of the financial statements under the assumption of going concern.

***Statement on Management's Review***

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

Copenhagen, 31 May 2016

**Ernst & Young**

Eskild Jakobsen
State Authorised Public Accountant

Peter Jensen
State Authorised Public Accountant

## Company details

| | |
|---|---|
| **Company** | Uniscrap A/S<br>Sydmarken 22-26<br>2860 Søborg |
| Telephone | 4533427200 |
| email | info@uniscrap.dk |
| Website | www.uniscrap.dk |
| CVR No. | 53385613 |
| Registered office | Gladsaxe |
| Financial year | 1 January 2015 - 31 December 2015 |
| **Supervisory Board** | Dr. René Gissinger, Chairman<br>Frans Blach Rossen<br>John Ingolf Pedersen<br>Kim Buhl Larsen, Employee Representative<br>Sten Lønsgren Andersen, Employee Representative |
| **Executive Board** | Thomas Taagaard Christensen, Man. Director |
| **Auditors** | Ernst & Young<br>Osvald Helmuths Vej 4<br>2000 Frederiksberg |

# Management's Review

## The Group's principal activities

With its 13 environmentally certified receiving stations and processing centres located all across Denmark, Uniscrap A/S constitutes a national and 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 as well as electronic articles that are collected and processed for resale as secondary raw materials.

## Development in activities and financial matters

Uniscrap A/S' loss for the year after tax amounted to a loss of DKK 24,1m, which is a substantial decline compared to 2014 and previous expectations to 2015 and according to Management not an acceptable result despite difficult market conditions.

Equity at 31/12-2015 amounted to DKK 27,5.

The restructuring process initiated in 2013 continued in 2015 with positive results. The cost base has been lowered significantly and the organization is lean. In 2nd half of 2015 the heavy drop in marketprices caused losses on current trading. Emphasis on a more selective purchase/sales strategy will counter this development in 2016.

## Accounting estimates and uncertainty

When stating the accounting value of liabilities, estimates are required of how future events will affect the value of such liabilities at the balance sheet date. The estimates and assumptions are based on historical experience, contractual obligations and other factors which Management deems prudent in view of the circumstances, but which are uncertain and inaccurate and from which unexpected events may occur.

Estimates made of measurement of provisions, inclusive of contractual obligations on loss-making contracts as well as provisions for restructuring costs are material to the financial statements.

## Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the Company substantially.

## Expectations for the future

According to Management's expectations, the market conditions in general for 2016 will improve and the marketprices will increase and provide a base for significant improvement in result for 2016.

The total volume of iron and metal scrap offered on the Danish market is not expected to rise and thus focus on market shares and profitability is prioritised.

For 2016, Management expects a loss from the Company's operations between DKK 3 and 5m whereas 2017 should generate profits due to a continuous improvement of both business model and execution.

## Risks

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. The shares in Uniscrap A/S are pledged as security for financing arrangements in Scholz Holding GmbH.

## Management's Review

The external bank agreement has been terminated in 2015 and replaced by a long term loan of Euro 7.2 million from Scholz Holding GmbH. The loan is due for repayment 15 May 2017 in full, but management expects negotiations to defer the repayment in full or partially will be brought to a successful conclusion. This is based on the fact that Hong Kong listed Chiho-Tiande Group, according to Scholz Holding's press release of May 2 2016, has submitted an offer to buy Scholz Group's secured debt and announced desire to acquire majority of shares. Senior management in Scholz Group is convinced that the necessary refinancing of the group will take place as a result of the offer from Chiho-Tiande Group.Local management of Uniscrap A/S has prepared a forecast for the year 2016 concerning the difficult market conditions in 2016, which shows that the company has sufficient capital resources to support Uniscrap A/S 'activities in the 2016.

By presenting financial statements, management has taken into account the established credit facility with Scholz Holding GmbH and that the forecast for 2016 shows sufficient capital resources and therefore the financial statements have been prepared under the assumption of going concern.

**Statement on Corporate Social Responsibility**
*Statutory account of corporate social responsibility 2015, in accordance with sections §99A and §99B of the Danish Financial Statements Act*

At Uniscrap A/S we seek to ensure a responsible and sustainable business. In the following section of our annual report we account for the material sustainability aspects of our business that impact society and our stakeholders. Through our business focus on turning waste into valuable resources  without causing negative harm to society or the environment in the process  Uniscrap A/S contributes to the Danish society's resource economy. One of our key focus areas in 2015 was the restructuring of our core business processes. The operational transformation was done in order to ensure a more sustainable economic platform and reduce Uniscrap A/S' environmental impact.

**Environment and Climate Change Impact**
**Policy**
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.

**Activities and results**
Each year, Uniscrap A/S collects and processes considerable volumes of iron, metal and electronic scrap for reuse. In 2015, the total resources transferred through Uniscrap A/S amounted to more than 120,000 tons of residual scrap, recycled for reuse. Uniscrap A/S continuously aims to increase the reusable portion of scrap received. This requires close collaboration with local authorities. An outcome of our efforts is that we can now collect larger volumes of scrap at the collection sites. In 2015 Uniscrap A/S decided to outsource all transportation activities. Collection and delivery of scrap is now done by local haulers. Consequently, all transportation is more efficient and less environment intensive as the Uniscrap hauls are done alongside with the haulers other work. At the end of 2015 Uniscrap no longer has fuel consumption or emissions from its own transportation activities.

## Management's Review

Uniscrap A/S is subject to local supervisory authorities' environmental inspections. In addition to this, we conduct internal audits on an annual basis to ensure that we are always aligned with international standards and compliant with national environmental regulation. In 2015, external inspections were conducted at some yards while all yards were subject to an internal inspection. No significant outstanding environmental issues were found. Furthermore in 2015 Uniscrap A/S completed tests and evaluation of a new upcoming environmental improvement project for release in 2016.

In 1999, Uniscrap A/S became DS/EN ISO 14001 certified, and this standard has since then directed the Company's approach to environmental management. In 2015, each of our departments was subject to an internal audit ensuring that all systems and processes are in accordance with ISO 14001, paying particularly attention to operating oil skimmers at the yards. No significant non-compliances were reported. Furthermore, we also had 4 assessments of our operations conducted by certified third party auditors in 2015. These external reviews did not find any incidents of non-compliance. In 2016, 4 departments will undergo external reviews and all yards will have internal audits.

**Safety and Well-being at Work**
**Policy**
The well-being, health and safety of our employees are key areas of attention and vital to our ability to function as a business. At Uniscrap A/S, we believe that all incidents can be prevented through the appropriate management of health and safety risks. As an employer, we must provide a safe working environment for our employees, address any incidents and take corrective action to reduce hazards. We understand the impact of accidents and injuries at work, the types of losses associated with them and the effect they have on the people who work for us. Uniscrap A/S' safety rules are provided in the Employee Manual, and it is mandatory that all our employees act in accordance with these procedures. We also want to support our employees, should they fall ill. Thus, all employees are covered by a collective health insurance.

**Activities and results**
We recognise that ergonomics, stress and work-related ill-health are factors that can affect our employees. The health and safety risks faced by our staff vary according to their role within the Company. Some of our employees work in relatively low-risk environments, such as offices, and our occupational health and safety organisation provides guidance on work-related health issues. Employees at our stockpile areas and service centre operations are trained to minimize the risks they face. Incidents are more likely to happen in this part of our operations, which is why we carry out regular risk assessments and reviews.

Representatives of the occupational health and safety organisation hold quarterly meetings to ensure that safety provisions are complied with by all departments, follow up on any occupational accidents, and make suggestions for improvements in the working environment.

At Uniscrap A/S, we believe that guidelines are important but recognise that training and dialogue are more effective in terms of creating understanding among employees around health and safety precautions. The occupational health and safety organization has made an active effort to ensure that all departments comply with our safety provisions. A special area of focus was to train employees in understanding the importance of wearing adequate work clothing and applying safety equipment.

Unfortunately, in 2015, Uniscrap A/S had 2 occupational accidents resulting in more than one day of absence. In 2014, there were 4 reported accidents. The accident rate in 2015 equals an accident frequency of approximately 26.1 accidents per 1 million working hours. By comparison, the industry's average frequency is 27.8 (steel and metal industries, including salaried employees). We continuously work to reduce the risk of accidents and provide a safe work place for our employees.

## Management's Review

**Suppliers**
Uniscrap A/S has not developed a separate human rights policy or a supplier's code of conduct. Uniscrap A/S works to promote environmental, ethical and responsible business behavior among all its suppliers and customers through dialogue and co-operation. Due to cost effectiveness, scrap is a commodity that is locally processed. Consequently, we only source from Denmark and Sweden. In both countries, the regulatory regime regarding human rights, labour rights, environmental protection and sound business practices, is comprehensive and effectively enforced.

**Equal Opportunities**
**Policy**
Uniscrap A/S recognizes a shared responsibility on behalf of all employees to exercise the principles of mutual respect in all working relationships. We therefore enforce a zero tolerance policy with regard to harassment or discrimination. This position is underlined in our Employee Manual, where we for instance state that we always seek to ensure a diverse workforce and that no discrimination occurs in our recruitment processes.

**Activities and results**
It is Company policy to hire employees on the basis of their professional qualifications, regardless of sex, age, religion and nationality. Similar to other companies in the iron and metal industry, our workforce remains predominately male. We attribute this to our industrial nature. At the same time, Uniscrap A/S also seeks to achieve a better gender balance, both at management level and in the operating positions of the Company. However, only few women respond to advertised positions. Nonetheless, we remain focused on encouraging diversity among our workforce and will work on improving both targeted communication and our working environment to present the company as a workplace equally attractive to both genders. The Board of Directors will continue to evaluate ways to increase the share of women in management. Out of 60 employees, we employ 12 women (as of December 2015). The first management tier consists of one male director, while the second management tier consists of 7 managers, among whom there are one woman.

Currently, our board comprises 5 members, of which zero are women. In 2013, we set a goal of having one (20%) female member by the end of 2017. We did not recruit any female board members in 2015, but we continue our commitment and believe that we will reach the goal by 2017.

Uniscrap A/S has a close collaboration with local authorities, seeking to give people who may struggle to enter or stay in the labour market a chance to work, by offering them sheltered work and entry jobs. In 2015, Uniscrap A/S had an equivalent of 3 full time employees in such jobs.

# Key Figures and Financial Ratios

The development in the Company's key figures and financial ratios can be described as follows:
*Numbers appears in thousands*

| | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|---|---|---|---|---|
| Key figures | | | | | |
| Revenue | 277.444 | 345.681 | 493.504 | 526.587 | 745.654 |
| Gross profit/loss | 24.452 | 43.527 | 14.457 | 40.933 | 68.656 |
| Operating profit/loss | -18.923 | 1.326 | -41.575 | -15.109 | 100.187 |
| Net financials | -5.102 | -2.385 | -4.341 | -3.731 | -20.445 |
| Profit/loss for the year | -24.025 | -1.059 | -47.114 | -15.111 | 77.191 |
| Total assets | 115.902 | 149.394 | 165.041 | 203.093 | 211.808 |
| Investments in property, plant and equipment | 1.386 | 137 | 2.249 | 14.376 | 7.182 |
| Equity | 26.973 | 50.176 | 51.286 | 98.427 | 113.534 |
| Cash flows from (used in) operating activities | 36.866 | -1.661 | 6.933 | -584 | 7.664 |
| Cash flows from (used in) investing activities | -844 | 9.852 | -2.250 | -697 | 189.125 |
| Cash flows from (used in) financing activities | -3.044 | -8.153 | -4.660 | 1.258 | 182.564 |
| Employees in average | 78 | 90 | 112 | 112 | 132 |
| | | | | | |
| Ratios | | | | | |
| Gross margin (%) | 8,81 | 12,59 | 2,93 | 7,77 | 9,21 |
| Net margin (%) | -8,66 | -0,31 | -9,55 | -2,87 | 10,35 |
| Return on equity (%) | -62,28 | -2,09 | -62,94 | -14,26 | 72,84 |
| Equity ratio (%) | 23,27 | 33,59 | 31,07 | 48,46 | 53,6 |

For definitions of key ratios, see Accounting and Valuation Principles

# Accounting Policies

**Reporting Class**
The Annual Report of Uniscrap A/S for 2015 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

**Reporting currency**
The Annual Report is presented in Danish kroner.

**Translation policies**
On initial recognition, transactions in foreign currencies are translated at the exchange rates prevailing at the date of transaction. Gains and losses occurring due to differences between the transaction date rates and the rates at the date of payment are recognised as and item under Financial Income and Expenses in the Income Statement.

Receivables, debt and other monetary items denominated in a foreign currency are translated at the rate at the balance sheet date. The difference between the rate at the balance sheet date and the rate at the time when the receivable or payable occurred or was recognised in the latest Financial Statements is recognised in the Income Statement under Financial Income and Expenses.

Foreign subsidiaries and associates are considered separate entities. The income statements are translated into a monthly average rate of exchange and the balance sheet items are translated into the rates of exchange at the balance sheet date. Currency translation differences that occur when translating foreign subsidiaries' equity at the beginning of the year at the rates of exchange at the balance sheet date and when translating Income Statements from average rates at the rates of exchange at the balance sheet date are recognised directly in equity.

Translation adjustment of balances with separate foreign subsidiaries that is considered a part of the total investment in the subsidiary is recognised directly in equity. Similarly, foreign exchange gains and losses on loans and derivative financial instruments entered to assure net investments in foreign subsidiaries are recognised directly in equity.

**Consolidated Financial Statements**
The Consolidated Financial Statements comprise the parent company Uniscrap A/S and subsidiaries in which Uniscrap A/S directly or indirectly holds more than 50% of the voting rights or in other ways has control. Enterprises in which the Group holds between 20% and 50% of the voting rights and exercises significant but not controlling influence are considered associates, cf. Group chart.

For the consolidation, intercompany income and costs, shareholdings, intercompany balances and dividends as well as realised and unrealised profit and loss are eliminated in connection with transactions between the consolidated enterprises.

Equity investments in subsidiaries are eliminated by the proportionate share of the subsidiaries' market value of net assets and liabilities at the time of acquisition.

Newly acquired or established enterprises are recognised in the Consolidated Financial Statements from the date of acquisition. Enterprises sold or liquidated are recognised in the Consolidated Income Statement up to the date of disposal. Comparative figures are not corrected for enterprises newly acquired, sold or liquidated.

Grants provided to group enterprises are considered a capital contribution and are recognised under the item equity investments in group enterprises. Grants received from group enterprises are recognised as dividends.

# Accounting Policies

## General Information

**Basis of recognition and measurement**
Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the Income Statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the Income Statement.

Assets are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will accrue to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

## Income Statement

**Revenue**
Income from the sale of goods is recognised in the Income Statement from the date of delivery and when the risk has passed to the buyer if it is possible to calculate the income reliably. The revenue is calculated exclusive of VAT, charges and discounts.

**Other operating income and expenses**

Other operating income and expenses comprise items of a secondary nature to the principal activity of the Company.

**Raw materials and consumables**
Costs for raw materials and consumables comprise purchase of goods and services for resale.

**Other external expenses**
Other external expenses comprise expenses regarding sale and administration.

**Staff expenses**
Staff expenses comprise wages and salaries, pensions and social security costs.

Other staff expenses are recognised in other external expenses.

## Accounting Policies

**Amortisation and impairment of tangible assets**
Amortisation and impairment of tangible assets has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortised on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

| | Useful life | Residual value |
|---|---|---|
| Properties | 8-50 years | 0% |
| Plant and machinery | 3-13 years | 0% |
| Other fixtures and fittings, tools and equipment | 3-10 years | 0% |
| Leasehold improvements | 3-10 years | 0% |

Land is not amortised.

Profit or loss resulting from the sale of tangible assets is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the Income Statement under other operating income or expenses.

Income from equity investments comprises the proportionate share of profit/loss after tax and any adjustment of internal profit/loss and less amortisation of consolidated goodwill.

**Result of equity investments in subsidiaries and associates**
The proportionate share of the individual subsidiaries' profit/loss after tax is recognised in the parent company's Income Statement after full elimination of intercompany profit/loss.

The proportionate shares of the associates' profit/loss after tax are recognised in both the group's and parent company's Income Statement after elimination of the proportionate share of intercompany profit/loss.

**Financial income and expenses**
Financial income and expenses are recognised in the Income Statement with the amounts that concern the financial year. Financial income and expenses include interest income and expenses, realised and unrealised capital gains and losses regarding securities, debt and foreign currency transactions, dividends received from other equity investments, amortisation of financial assets and liabilities as well as surcharges and allowances under the tax repayment scheme.

**Tax on net profit/loss for the year**
The parent company is subjected to the Danish rules on compulsory joint taxation of the group's Danish subsidiaries. Subsidiaries are included in the joint taxation from the time when they are included in the consolidation in the Consolidated Financial Statement until they leave the consolidation.

The parent company is the administration company of the joint taxation and therefore settles all corporation tax payments with the tax authorities.

The current Danish corporation tax is distributed by settling the joint taxation contributions between the jointly taxed enterprises in proportion to their taxable income. In this connection, enterprises with tax losses receive joint taxation contributions from enterprises that have been able to use these losses to reduce their own tax profit.

Tax for the year which comprises the current corporation tax for the year and any changes in deferred tax, including as a consequence of a change to the tax rate, is recognised by the part attributable to the profit/loss for the year and directly in equity by the part attributable to items directly in equity.

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

# Accounting Policies

## Balance Sheet

**Tangible assets**
Tangible assets are measured at cost plus revaluations, if any, and less accumulated amortisation and impairment losses. Cost comprises the purchase price and costs directly attributable to the purchase until the date when the asset is available for use.

**Equity investments in group enterprises and associates**
Equity investments in group enterprises and associates are measured at cost. Dividends that exceed accumulated earnings of the group enterprise or the associate during the ownership period are treated as a reduction of the cost. If cost exceeds the net realisable value, a write-down to this lower value will be performed.

**Inventories**
Inventories are measured at cost on the basis of the FIFO principle or at the net realisable value if the latter is lower.

Merchandise are measured at cost comprising purchase price plus delivery costs.

**Receivables**
Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

**Accrued income, assets**
Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

**Cash and cash equivalents**
Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

**Equity**
Proposed dividend for the year is recognised as a separate item in equity.

**Provisions**
**Deferred tax**
Deferred tax and the associated adjustments for the year are determined according to the balance-sheet liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

**Other provisions**
Other provisions comprise expected costs of warranty commitments, loss on work in progress, restructuring, etc. Provisions are recognised when, at the balance sheet date, the company has a legal or actual obligation and it is likely that settlement will result in the company spending financial resources.

Provisions that are expected to be settled later than a year from the balance sheet date are measured at the present value and the expected payments. Other provisions are measured at net realisable value.

## Accounting Policies

**Financial liabilities**
Fixed-rate loans such as mortgage loans and loans from credit institutions are recognised initially at the proceeds received less transaction expenses incurred. In subsequent periods, loans are measured at amortised cost so that the difference between the proceeds and the nominal value is recognised in the Income Statement as an interest expense over the term of the loan.

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

**Lease commitments**
Lease commitments are measured at the present value of the remaining lease payments including any guaranteed residual value based on the interest rate implicit in the individual leases.

**Current tax liabilities**
Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

**Contingent assets and liabilities**
Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

## Accounting policies Cash Flow Statement

The Cash Flow Statement shows the Company's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

Cash flow from the operating activity is determined as the profit/loss for the year adjusted for changes in working capital and non-cash income statement items such as amortisation and impairment losses and provisions. The working capital comprises current assets less short-term liabilities, exclusive of the items that are included in cash and cash equivalents.

Cash flow from the investing activity comprises cash flows from purchase and sale of intangible, tangible and investments.

Cash flow from the financing activity comprises cash flows from raising and repaying long-term liabilities and payments to and from the owners.

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

**Methods of determining financial ratios that are included in the Management's Review**
Key figures and financial ratios are determined based on the "Recommendations & Financial Ratios 2015" issued by the Danish Society of Financial Analysts.

## Accounting Policies

### Explanation of financial ratios

Key figures and financial ratios are determined based on "Recommendations & Financial Ratios 2015" issued by the Danish Society of Financial Analysts.

$$\text{Gross margin (\%)} = \frac{\text{Gross profit X 100}}{\text{Revenue}}$$

$$\text{Net margin (\%)} = \frac{\text{Profit/loss for the year X 100}}{\text{Revenue}}$$

$$\text{Return on equity (\%)} = \frac{\text{Profit/loss for the year}}{\text{Avg. equity}}$$

$$\text{Solvency ratio (\%)} = \frac{\text{Equity X 100}}{\text{Total equity and liabilities at year end}}$$

## Income Statement

| | Note | Group 2015 DKK' 000 | Group 2014 DKK' 000 | Parent 2015 DKK' 000 | Parent 2014 DKK' 000 |
|---|---|---|---|---|---|
| Revenue | 2 | 277.444 | 345.682 | 268.878 | 333.160 |
| Change in inventories of finished goods, work in progress and goods for resale | | -7.297 | -3.311 | -7.325 | -3.592 |
| Other operating income | | 1.215 | 2.028 | 1.169 | 2.012 |
| Raw materials and consumables used | | -203.734 | -257.098 | -198.722 | -249.883 |
| Other external expenses | | -43.176 | -43.774 | -39.813 | -40.912 |
| **Gross profit** | | **24.452** | **43.527** | **24.187** | **40.785** |
| Employee benefits expense | 3 | -31.166 | -35.024 | -29.191 | -33.007 |
| Depreciation, amortisation expense and impairment losses of property, plant and equipment assets recognised in profit or loss | | -12.209 | -7.177 | -12.079 | -6.946 |
| **Profit/loss from ordinary operating activities** | | **-18.923** | **1.326** | **-17.083** | **832** |
| Finance income | 4 | 1.524 | 747 | 1.414 | 869 |
| Impairment of financial assets | | 0 | 0 | -2.876 | 0 |
| Finance expences | 5 | -3.750 | -3.132 | -3.487 | -2.844 |
| **Profit/loss from ordinary activities before tax** | | **-21.149** | **-1.059** | **-22.032** | **-1.143** |
| Tax expense on ordinary activities | 6 | -2.088 | 0 | -2.088 | 0 |
| **Profit/loss** | | **-23.237** | **-1.059** | **-24.120** | **-1.143** |
| **Proposed distribution of results** | | | | | |
| Retained earnings | | -23.237 | -1.059 | -24.120 | -1.143 |
| | | **-23.237** | **-1.059** | **-24.120** | **-1.143** |

## Balance Sheet as of 31. December

| | Note | Group 2015 DKK' 000 | Group 2014 DKK' 000 | Parent 2015 DKK' 000 | Parent 2014 DKK' 000 |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Land and buildings | 7 | 40.873 | 47.724 | 37.498 | 44.405 |
| Plant and machinery | 8 | 3.452 | 4.305 | 3.371 | 4.165 |
| Fixtures, fittings, tools and equipment | 9 | 3.787 | 6.060 | 3.779 | 6.042 |
| Leasehold improvements | 10 | 2.697 | 3.752 | 2.697 | 3.752 |
| **Property, plant and equipment** | | **50.809** | **61.841** | **47.345** | **58.364** |
| Long-term investments in group enterprises | 11, 12 | 0 | 0 | 1.043 | 2.295 |
| **Investments** | | **0** | **0** | **1.043** | **2.295** |
| **Fixed assets** | | **50.809** | **61.841** | **48.388** | **60.659** |
| Manufactured goods and goods for resale | | 14.145 | 21.166 | 12.876 | 19.925 |
| **Inventories** | | **14.145** | **21.166** | **12.876** | **19.925** |
| Trade receivables | | 15.422 | 15.036 | 14.924 | 13.773 |
| Receivables from group enterprises | | 20 | 43.725 | 4.260 | 43.269 |
| Tax receivables | | 59 | 65 | 0 | 0 |
| Other short-term receivables | | 1.092 | 3.742 | 969 | 3.663 |
| Prepayments | 13 | 1.068 | 1.422 | 1.009 | 1.362 |
| Deferred tax asset | 14 | 0 | 2.088 | 0 | 2.088 |
| **Receivables** | | **17.661** | **66.078** | **21.162** | **64.155** |
| **Cash and cash equivalents** | | **33.287** | **309** | **32.320** | **309** |
| **Current assets** | | **65.093** | **87.553** | **66.358** | **84.389** |
| **Assets** | | **115.902** | **149.394** | **114.746** | **145.048** |

## Balance Sheet as of 31. December

| | Note | Group 2015 DKK' 000 | Group 2014 DKK' 000 | Parent 2015 DKK' 000 | Parent 2014 DKK' 000 |
|---|---|---|---|---|---|
| **Liabilities and equity** | | | | | |
| Contributed capital | | 20.003 | 20.003 | 20.003 | 20.003 |
| Revaluation reserve | | 2.958 | 2.958 | 2.958 | 2.958 |
| Retained earnings | | 4.012 | 27.215 | 4.499 | 28.619 |
| **Equity** | 16 | **26.973** | **50.176** | **27.460** | **51.580** |
| Other provisions | 17 | 11.731 | 13.779 | 11.731 | 13.779 |
| **Provisions** | | **11.731** | **13.779** | **11.731** | **13.779** |
| Mortgage debt | | 0 | 955 | 0 | 955 |
| Debt to banks | | 0 | 5.276 | 0 | 0 |
| Payables to group enterprises | 1 | 53.730 | 0 | 53.730 | 0 |
| Financial lease commitments | | 1.287 | 2.118 | 1.287 | 2.118 |
| **Long-term liabilities other than provisions** | 18 | **55.017** | **8.349** | **55.017** | **3.073** |
| Short-term part of long-term liabilities other than provisions | | 896 | 1.311 | 896 | 1.311 |
| Debt to banks | | 2 | 43.463 | 2 | 43.463 |
| Trade payables | | 10.882 | 16.003 | 9.643 | 15.257 |
| Payables to group enterprises | | 0 | 766 | 0 | 1.516 |
| Other payables | | 10.065 | 15.134 | 9.997 | 15.069 |
| Deferred income, liabilities | | 336 | 413 | 0 | 0 |
| **Short-term liabilities other than provisions** | | **22.181** | **77.090** | **20.538** | **76.616** |
| **Liabilities other than provisions within the business** | | **77.198** | **85.439** | **75.555** | **79.689** |
| **Liabilities and equity** | | **115.902** | **149.394** | **114.746** | **145.048** |

| | |
|---|---|
| Ownership | 19 |
| Related parties | 20 |
| Contingent liabilities | 21 |
| Collaterals and assets pledges as security | 22 |
| Fees for auditors | 23 |

## Cash Flow Statement

| | 2015<br>DKK' 000 | 2014<br>DKK' 000 |
|---|---|---|
| Operating Profit/Loss | -18.923 | 1.326 |
| Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets | 11.993 | 7.177 |
| Other provisions | -2.048 | -3.047 |
| Other adjustments | -83 | 191 |
| Other adjustments for decrease (increase) in working capital | 4.441 | -4.927 |
| **Cash flow from operating activities before financial items** | **-4.620** | **720** |
| Interest received | 1.524 | 747 |
| Interest paid | -3.750 | -3.132 |
| **Cash flow from ordinary operating activities** | **-6.846** | **-1.665** |
| Income taxes paid | 6 | 4 |
| **Cash flows from operating activities** | **-6.840** | **-1.661** |
| | | |
| Purchase of property, plant and equipment | -1.386 | -137 |
| Sales of property, plant and equipment | 542 | 9.989 |
| **Cash flows from investing activities** | **-844** | **9.852** |
| | | |
| Repayment of debt to credit institutions | -56.774 | -8.153 |
| Raising of debt to group enterprises | 53.730 | |
| Repayment of receivable from group entreprises | 43.706 | |
| **Cash flows from financing activities** | **40.662** | **-8.153** |
| | | |
| **Net increase (decrease) in cash and cash equivalents** | **32.978** | **38** |
| Cash and cash equivalents, beginning balance | 309 | 271 |
| **Cash and cash equivalents, ending balance** | **33.287** | **309** |

## Notes

### 1. Uncertainties relating to going concern

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. The shares in Uniscrap A/S are pledged as security for financing arrangements in Scholz Holding GmbH.

The external bank agreement has been terminated in 2015 and replaced by a long term loan of Euro 7.2 million from Scholz Holding GmbH. The loan is due for repayment 15 May 2017 in full, but management expects negotiations to defer the repayment in full or partially will be brought to a successful conclusion. This is based on the fact that Hong Kong listed Chiho-Tiande Group, according to Scholz Holding's press release of May 2 2016, has submitted an offer to buy Scholz Group's secured debt and announced desire to acquire majority of shares. Senior management in Scholz Group is convinced that the necessary refinancing of the group will take place as a result of the offer from Chiho-Tiande Group.Local management of Uniscrap A/S has prepared a forecast for the year 2016 concerning the difficult market conditions in 2016, which shows that the company has sufficient capital resources to support Uniscrap A/S 'activities in the 2016.

By presenting financial statements, management has taken into account the established credit facility with Scholz Holding GmbH and that the forecast for 2016 shows sufficient capital resources and therefore the financial statements have been prepared under the assumption of going concern.

### 2. Revenue

| | Group | | Parent | |
|---|---|---|---|---|
| | **2015** | **2014** | **2015** | **2014** |
| Denmark | 70.180 | 113.177 | 70.180 | 113.177 |
| Other EU countries | 207.264 | 232.504 | 198.698 | 219.983 |
| | **277.444** | **345.681** | **268.878** | **333.160** |

### 3. Employee benefits expense

| | Group | | Parent | |
|---|---|---|---|---|
| | **2015** | **2014** | **2015** | **2014** |
| Wages and salaries | 28.214 | 31.845 | 26.900 | 30.392 |
| Post-employement benefit expense | 2.601 | 2.835 | 2.132 | 2.429 |
| Social security contributions | 351 | 344 | 159 | 186 |
| | **31.166** | **35.024** | **29.191** | **33.007** |
| Average number of employees | 78 | 90 | 74 | 86 |

Pursuant to the Danish Financial Statements Act section 98 B (3 no 2) remuneration of the Company's Management is not disclosed.

## Notes

### 4. Finance income

| | Group 2015 | Group 2014 | Parent 2015 | Parent 2014 |
|---|---|---|---|---|
| Other finance income from group enterprises | 796 | 790 | 796 | 790 |
| Other finance income | 728 | -43 | 618 | 79 |
| | **1.524** | **747** | **1.414** | **869** |

### 5. Finance expenses

| | Group 2015 | Group 2014 | Parent 2015 | Parent 2014 |
|---|---|---|---|---|
| Finance expenses group enterprises | 806 | 0 | 806 | 0 |
| Other finance expenses | 2.944 | 3.132 | 2.681 | 2.844 |
| | **3.750** | **3.132** | **3.487** | **2.844** |

### 6. Tax expense

| | Group 2015 | Group 2014 | Parent 2015 | Parent 2014 |
|---|---|---|---|---|
| Change in deferred tax for the year | 2.088 | 0 | 2.088 | 0 |
| | **2.088** | **0** | **2.088** | **0** |

## Notes

### 7. Land and buildings

| | Group | | Parent | |
|---|---|---|---|---|
| | **2015** | **2014** | **2015** | **2014** |
| Cost at the beginning of the year | 117.506 | 147.700 | 113.864 | 143.826 |
| Change due to a foreign currency translation adjustment | 123 | -232 | | |
| Addition during the year, incl. improvements | 0 | 39 | 0 | 39 |
| Disposal during the year | -6.355 | -30.001 | -6.355 | -30.001 |
| **Cost at the end of the year** | **111.274** | **117.506** | **107.509** | **113.864** |
| Revaluations at the beginning of the year | 3.988 | 3.988 | 3.988 | 3.988 |
| **Revaluations at the end of the year** | **3.988** | **3.988** | **3.988** | **3.988** |
| Depreciation and amortisation at the beginning of the year | -73.770 | -92.200 | -73.447 | -91.914 |
| Change due to foreign currency translation adjustment | -11 | 17 | | |
| Amortisation for the year | -4.038 | -4.884 | -3.982 | -4.830 |
| Reversal of impairment losses and amortisation of disposed assets | 3.430 | 23.297 | 3.430 | 23.297 |
| **Impairment losses and amortisation at the end of the year** | **-74.389** | **-73.770** | **-73.999** | **-73.447** |
| **Carrying amount at the end of the year** | **40.873** | **47.724** | **37.498** | **44.405** |

## Notes

### 8. Plant and machinery

| | Group | | Parent | |
|---|---|---|---|---|
| | 2015 | 2014 | 2015 | 2014 |
| Cost at the beginning of the year | 47.298 | 48.569 | 46.783 | 47.353 |
| Change due to a foreign currency translation adjustment | 17 | -73 | | |
| Addition during the year, incl. improvements | 805 | 0 | 805 | 0 |
| Disposal during the year | -118 | -1.198 | -118 | -570 |
| **Cost at the end of the year** | **48.002** | **47.298** | **47.470** | **46.783** |
| Depreciation and amortisation at the beginning of the year | -42.993 | -42.478 | -42.618 | -41.664 |
| Change due to foreign currency translation adjustment | -13 | 49 | | |
| Amortisation for the year | -1.601 | -1.662 | -1.538 | -1.524 |
| Reversal of impairment losses and amortisation of disposed assets | 57 | 1.098 | 57 | 570 |
| **Impairment losses and amortisation at the end of the year** | **-44.550** | **-42.993** | **-44.099** | **-42.618** |
| **Carrying amount at the end of the year** | **3.452** | **4.305** | **3.371** | **4.165** |
| Asset held under finacial leasing | 1.017 | 2.452 | 1.017 | 2.452 |

## Notes

### 9. Fixtures, fittings, tools and equipment

| | Group | | Parent | |
|---|---|---|---|---|
| | **2015** | **2014** | **2015** | **2014** |
| Cost at the beginning of the year | 88.005 | 95.909 | 87.567 | 95.443 |
| Change due to a foreign currency translation adjustment | 15 | -28 | | |
| Addition during the year, incl. improvements | 581 | 98 | 581 | 98 |
| Disposal during the year | -1.709 | -7.974 | -1.709 | -7.974 |
| **Cost at the end of the year** | **86.892** | **88.005** | **86.439** | **87.567** |
| Depreciation and amortisation at the beginning of the year | -81.945 | -87.194 | -81.525 | -86.786 |
| Change due to foreign currency translation adjustment | -14 | 25 | | |
| Amortisation for the year | -2.570 | -2.760 | -2.559 | -2.723 |
| Reversal of impairment losses and amortisation of disposed assets | 1.424 | 7.984 | 1.424 | 7.984 |
| **Impairment losses and amortisation at the end of the year** | **-83.105** | **-81.945** | **-82.660** | **-81.525** |
| **Carrying amount at the end of the year** | **3.787** | **6.060** | **3.779** | **6.042** |

### 10. Leasehold improvements

| | Group | | Parent | |
|---|---|---|---|---|
| | **2015** | **2014** | **2015** | **2014** |
| Cost at the beginning of the year | 10.432 | 10.432 | 10.432 | 10.432 |
| **Cost at the end of the year** | **10.432** | **10.432** | **10.432** | **10.432** |
| Depreciation and amortisation at the beginning of the year | -6.680 | -5.614 | -6.680 | -5.614 |
| Amortisation for the year | -1.055 | -1.066 | -1.055 | -1.066 |
| **Impairment losses and amortisation at the end of the year** | **-7.735** | **-6.680** | **-7.735** | **-6.680** |
| **Carrying amount at the end of the year** | **2.697** | **3.752** | **2.697** | **3.752** |

## Notes

### 11. Long-term investments in group enterprises

| | Parent | |
|---|---|---|
| | 2015 | 2014 |
| Cost at the beginning of the year | 2.295 | 2.295 |
| Addition during the year, incl. improvements | 1.624 | 0 |
| **Cost at the end of the year** | **3.919** | **2.295** |
| Impairment losses for the year | -2.876 | 0 |
| **Impairment losses and amortisation at the end of the year** | **-2.876** | **0** |
| **Carrying amount at the end of the year** | **1.043** | **2.295** |

### 12. Disclosure in long-term investments in group enterprises and associates

*Group enterprises*

| Name | Registered office | Share held in % | Equity | Profit |
|---|---|---|---|---|
| Uniscrap Sverige AB | Sweden | 100,00 | 554 | -1.993 |
| | | | **554** | **-1.993** |

### 13. Prepayments

| | Group | | Parent | |
|---|---|---|---|---|
| | 2015 | 2014 | 2015 | 2014 |
| Prepaid expenses | 1.068 | 1.422 | 1.009 | 1.362 |
| **Balance at the end of the year** | **1.068** | **1.422** | **1.009** | **1.362** |

### 14. Deffered tax

| | Group | | Parent | |
|---|---|---|---|---|
| | 2015 | 2014 | 2015 | 2014 |
| Deferred tax beginning of year | 2.088 | 2.088 | 2.088 | 2.088 |
| Changes in income statement items for the year | -2.088 | 0 | -2.088 | 0 |
| **Balance at the end of the year** | **0** | **2.088** | **0** | **2.088** |

An unrecognised deferred tax asset at 31 December 2015 totals DKK 10.98 k.

## Notes

### 15. Contributed capital

| | Number | Par value | Nominal vallue DKK'000 |
|---|---|---|---|
| Class A shares | 20.000 | 500 | 10.000 |
| Class B shares | 20.006 | 500 | 10.003 |
| | 40.006 | | 20.003 |

### 16. Statement of changes in equity

**Group**

| | Contributed capitall | Revaluation reserve | Retained earnings | I alt |
|---|---|---|---|---|
| Equity, beginning balance | 20.003 | 2.958 | 27.215 | 50.176 |
| Exchange adjustments | | | 34 | 34 |
| Proposed distribution of results | | | -23.237 | -23.237 |
| | **20.003** | **2.958** | **4.012** | **26.973** |

*The share capital has developed as follows:*

| | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|---|---|---|---|---|
| Contributed capital | 20.003 | 20.003 | 20.003 | 20.003 | 20.003 |
| | **20.003** | **20.003** | **20.003** | **20.003** | **20.003** |

**Parent**

| | Contributed capitall | Revaluation reserve | Retained earnings | I alt |
|---|---|---|---|---|
| Equity, beginning balance | 20.003 | 2.958 | 28.619 | 51.580 |
| Proposed distribution of results | | | -24.120 | -24.120 |
| | **20.003** | **2.958** | **4.499** | **27.460** |

*The share capital has developed as follows:*

| | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|---|---|---|---|---|
| Contributed capital | 20.003 | 20.003 | 20.003 | 20.003 | 20.003 |
| | **20.003** | **20.003** | **20.003** | **20.003** | **20.003** |

## Notes

### 17. Other provisions

| | Group | | Parent | |
|---|---|---|---|---|
| | 2015 | 2014 | 2015 | 2014 |
| Provision for loss-making contract | 11.731 | 13.779 | 11.731 | 13.779 |
| **Balance at the end of the year** | **11.731** | **13.779** | **11.731** | **13.779** |

When stating the accounting value of liabilities estimates are required of how future events may af-fect the value of such liabilities at the balance sheet date. The estimates and assumptions are based on historical experiences, contractual obligations and other factors which Management deems pru-dent in view of the circumstances, but which are uncertain and inaccurate and from which unex-pected events may occur.

Estimates made of measurement of the provision, inclusive of contractual obligations on loss-making contracts as well as provisions for costs of restoration, are material to the financial statements.

The provision is calculated at a total of DKK 11.731k at 31 December 2015 of which the long-term and short-term shares are estimated at DKK 8.890k and 2.842k respectively.

### 18. Long-term liabilities

**Group**

| | Due after 1 year | Due within 1 year | Due after 5 years |
|---|---|---|---|
| Payables to group enterprises | 53.730 | 0 | 0 |
| Finance lease commitments | 1.287 | 896 | 0 |
| | **55.017** | **896** | **0** |

**Parent**

| | Due after 1 year | Due within 1 year | Due after 5 years |
|---|---|---|---|
| Payables to group enterprises | 53.730 | 0 | 0 |
| Finance lease commitments | 1.287 | 896 | 0 |
| | **55.017** | **896** | **0** |

Payables to group enterprises fall due on 15 May 2017

### 19. Ownership

The Company has registered the following shareholder to hold more than 5% of the voting share capital or of the nominal value of the share capital:

Scholz AG, Am Bahnhof, 73457 Essingen, Germany

## Notes

## 20. Related parties

Related parties with a controlling interest in the Uniscrap A/S Group:

- Scholz AG, Germany

Related party transactions in the financial year:

- Loan provided to and from Scholz AG and related interests
- Intra-group trading

The company is included in the consolidated financial statements for:

- Scholz Holding GmbH Greater London EC4N 7DZ United Kingdom.

## 21. Contingent liabilities

The Company's lease at its headquarters in Søborg is interminable until 2022. The annual rent amounts to approximately net DKK 2,2m.

## 22. Collaterals and securities

Certain plant and machinery as well as other fixtures, etc. have been financed from finance leases, see note 9

Carrying amount of assets held under finance leases DKK'000 2.,183.

## 23. Fees for auditors elected on the general meeting

| | Group | | Parent | |
|---|---|---|---|---|
| | **2015** | **2014** | **2015** | **2014** |
| Statutory audit | 350 | 372 | 300 | 320 |
| Other assurance reports | 0 | 125 | 0 | 125 |
| Tax consultancy | 10 | 30 | 0 | 20 |
| Other services | 316 | 379 | 268 | 341 |
| | **676** | **906** | **568** | **806** |