

# Sika Danmark A/S

Hirsemarken 5, 3520 Farum

CVR no. 55 18 81 14

## Annual report

for the year 1 January - 31 December 2021

Approved at the Company's annual general meeting on 10 June 2022

Chair of the meeting:



.....

## Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	5
Financial statements 1 January - 31 December	8
Income statement	8
Balance sheet	9
Statement of changes in equity	11
Notes to the financial statements	12

## 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 Sika Danmark A/S for the financial year 1 January - 31 December 2021.

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 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

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.

Farum, 10 June 2022

Executive Board:

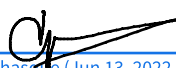


Anders Beier  
General Manager



Martin Schwalbe  
Head Finance

Board of Directors:

  
[Eric Dehasque \(Jun 13, 2022 16:26 GMT+2\)](#)


Eric Dehasque  
Chair

  
[Daniel Lang \(Jun 13, 2022 16:26 GMT+2\)](#)

Daniel Lang



Pascal Michael Rave

  
[Annette Fruergaard Jakobsen \(Jun 14, 2022 09:19 GMT+2\)](#)

Annette Jakobsen  
Elected by the employees



Maria Holm  
Elected by the employees

## Independent auditor's report

To the shareholders of Sika Danmark A/S

### Opinion

We have audited the financial statements of Sika Danmark A/S for the financial year 1 January - 31 December 2021, 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 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 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 ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

### 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, 10 June 2022  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28



Henrik Pedersen  
State Authorised Public Accountant  
mne35456



Simon Blendstrup  
State Authorised Public Accountant  
mne44060

## Management's review

### Company details

Name	Sika Danmark A/S
Address, Postal code, City	Hirsemarken 5, 3520 Farum
CVR no.	55 18 81 14
Registered office	Farum
Financial year	1 January - 31 December
E-mail	sika@dk.sika.com
Board of Directors	Eric Dehasque, Chair Daniel Lang Pascal Michael Rave Annette Jakobsen, Elected by the employees Maria Holm, Elected by the employees
Executive Board	Anders Beier, General Manager Martin Schwalbe, Head Finance
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark
Bankers	Danske Bank Jyske Bank Citibank

## Management's review

### Financial highlights

DKK'000	2021	2020	2019	2018	2017
<b>Key figures</b>					
Gross profit	83,641	78,560	65,331	43,642	43,721
Operating profit/loss	35,610	30,317	15,545	6,442	8,371
Net financials	-1,409	-892	-1,076	-911	-585
Profit for the year	26,677	23,028	3,138	4,447	6,071
<b>Total assets</b>					
Total assets	116,738	116,524	109,697	65,549	76,636
Equity	45,122	68,445	50,417	17,274	18,827
<b>Financial ratios</b>					
Current ratio	230.3%	261.6%	188.2%	133.0%	129.9%
Return on assets	30.5%	26.8%	17.7%	9.1%	9.6%
<b>Average number of full-time employees</b>					
Average number of full-time employees	67	68	71	52	51

The financial ratios stated under "Financial highlights" have been calculated as follows:

$$\text{Current ratio} = \frac{\text{Current assets} \times 100}{\text{Current liabilities}}$$

$$\text{Return on assets} = \frac{\text{Profit/loss from operating activities} \times 100}{\text{Average assets}}$$

Key figures for the financial years 2018 - 2017 has not been restated as a result of the intra-group merger with Skalflex A/S, which has been treated according to the book value-method, as described in the accounting policies.

## Management's review

### Business review

Sika Danmark A/S is a subsidiary of Sika AG, a global company located in Baar, Switzerland.

The Sika Group is globally active, offers specialty chemicals and supplies the building and construction industry as well as manufacturing industries with its products. Sika is a leader in processing materials used in sealing, bonding, damping, reinforcing and protecting load bearing structures.

Sika's product lines feature high quality concrete admixtures, specialty mortars, sealants and adhesives, fillers, damping and reinforcing materials, structural strengthening systems, industrial flooring as well as roofing and waterproofing systems.

Sika Danmark A/S's 2021 sales was positively impacted by the general market growth, profitable increase in the industry segment and other factors. Independent of many challenges during 2021, internally as well as externally, the company managed to increase operating profit based on the profitable sales growth combined with strict cost control, partly as a consequence from the Covid pandemic situation.

### Unusual matters having affected the financial statements

The Company was not exposed to any unusual commercial or financial risks in the year under review.

### Financial review

The income statement for 2021 shows a profit of DKK 26,677 thousand against a profit of DKK 23,028 thousand last year, and the balance sheet at 31 December 2021 shows equity of DKK 45,122 thousand.

Operating results for the financial year were in line with expectations.

### Knowledge resources

The Company has no knowledge resources of particular importance to its future earnings.

### Foreign branches

The Company maintains a registered branch in Iceland.

### Events after the balance sheet date

No events have occurred after the financial year end which could significantly affect the Company's financial position.

### Outlook

The Company expects volume decline in 2022 as a result of the continuously challenging environment and the global situation related to shortage in raw materials and logistics challenges. Operating profit for 2022 is expected to be in the same level as 2021, but is still highly influenced by the uncertainty in the market.



## Financial statements 1 January - 31 December

### Income statement

Note	DKK'000	2021	2020
	Gross profit	83,641	78,560
2	Staff costs	-46,807	-46,444
	Depreciation and amortisation of intangible assets and property, plant and equipment	-1,224	-1,799
	Profit before net financials	35,610	30,317
	Financial income	39	91
3	Financial expenses	-1,448	-983
	Profit before tax	34,201	29,425
4	Tax for the year	-7,524	-6,397
	Profit for the year	26,677	23,028

## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK'000	2021	2020
	ASSETS		
	Fixed assets		
5	Intangible assets		
	Acquired intangible assets	0	0
		0	0
6	Property, plant and equipment		
	Land and buildings	22,851	23,471
	Plant and machinery	1,364	1,194
	Other fixtures and fittings, tools and equipment	567	606
	Leasehold improvements	26	37
		24,808	25,308
	Total fixed assets	24,808	25,308
	Non-fixed assets		
	Inventories		
	Raw materials and consumables	7,646	6,962
	Finished goods and goods for resale	29,174	25,770
		36,820	32,732
	Receivables		
	Trade receivables	49,872	44,478
	Receivables from group entities	1,415	9,697
9	Deferred tax assets	533	639
	Other receivables	1,091	905
7	Prepayments	129	180
		53,040	55,899
	Cash	2,070	2,585
	Total non-fixed assets	91,930	91,216
	TOTAL ASSETS	116,738	116,524

## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK'000	2021	2020
	EQUITY AND LIABILITIES		
	Equity		
8	Share capital	7,000	7,000
	Retained earnings	18,122	11,445
	Dividend proposed for the year	20,000	50,000
	Total equity	<u>45,122</u>	<u>68,445</u>
	Provisions		
	Other provisions	1,695	500
11	Total provisions	<u>1,695</u>	<u>500</u>
	Liabilities other than provisions		
10	Non-current liabilities other than provisions		
	Mortgage debt	0	12,710
	Payables to group entities	30,000	0
		<u>30,000</u>	<u>12,710</u>
	Current liabilities other than provisions		
10	Current portion of long-term liabilities	0	1,043
	Trade payables	8,293	10,101
	Payables to group entities	20,618	8,030
	Income taxes payable	156	289
	Other payables	10,854	15,406
		<u>39,921</u>	<u>34,869</u>
	Total liabilities other than provisions	<u>69,921</u>	<u>47,579</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>116,738</u></u>	<u><u>116,524</u></u>

- 1 Accounting policies
- 12 Contractual obligations and contingencies, etc.
- 13 Collateral
- 14 Related parties
- 15 Appropriation of profit

## Financial statements 1 January - 31 December

### Statement of changes in equity

Note	DKK'000	Share capital	Retained earnings	Dividend proposed for the year	Total
	Equity at 1 January 2020	7,000	38,417	5,000	50,417
15	Transfer, see "Appropriation of profit"	0	-26,972	50,000	23,028
	Dividend distributed	0	0	-5,000	-5,000
	Equity at 1 January 2021	7,000	11,445	50,000	68,445
15	Transfer, see "Appropriation of profit"	0	6,677	20,000	26,677
	Dividend distributed	0	0	-50,000	-50,000
	Equity at 31 December 2021	7,000	18,122	20,000	45,122

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Sika Danmark A/S for 2021 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

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 has been prepared. The Company's cash flows are reflected in the consolidated cash flow statement for the higher-ranking parent company Sika AG.

#### Reporting currency

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

#### Foreign currency translation

Transactions denominated in foreign currencies are translated into Danish kroner at the exchange rates at the transaction date.

Receivables, payables and other monetary items denominated in foreign currencies are translated into Danish kroner at the exchange rates at the balance sheet date. Realised and unrealised exchange gains and losses are recognised in the income statement as financial income/expenses.

#### Income statement

##### Revenue

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

Income from the sale of goods and finished goods is recognised in revenue at the time of delivery and when the risk passes to the buyer, provided that the income can be made up reliably and is expected to be received.

Revenue is measured net of all types of discounts/rebates granted. Also, revenue is measured net of VAT and other indirect taxes charged on behalf of third parties.

##### Gross profit

The items revenue, change in inventories of finished goods, other operating income and external expenses have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

##### Other operating income

Other operating income and operating expenses comprise items of a secondary nature relative to the Company's core activities, including re-invoicing of some costs to other group companies, gains or losses on the sale of fixed assets, etc.

##### Cost of sales

Cost of sales includes the cost of goods 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.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### 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.

##### Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

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.

Buildings	40 years
Plant and machinery	3-10 years
Other fixtures and fittings, tools and equipment	3-6 years

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Land is not depreciated.

##### Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

##### Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Balance sheet

##### Intangible assets

Acquired intangible assets include software licences.

Acquired intangible assets are measured at cost less accumulated amortisation and impairment losses.

##### 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 arising from the sale of items of property, plant and equipment are recognised in the income statement under "Other operating income" or "Other operating expenses", respectively. Gains and losses are calculated by reference to the difference between the selling price less selling expenses and the carrying amount at the time of the sale.

##### Impairment of fixed assets

Property, plant and equipment and investments are subject to an annual test for indication of impairment other than the decrease in value reflected by depreciation or amortisation. Impairment tests are conducted in respect of individual assets or groups of assets generating separate cash flows when there is indication of impairment. The assets are written down to the higher of the value in use and net realisable value (recoverable amount) of the asset or group of assets if this is lower than the carrying amount. As for groups of assets, impairment losses are recognised in respect of the other assets.

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.

##### 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.

The cost of raw materials and consumables comprises the cost of acquisition plus delivery costs as well as other costs directly attributable to the acquisition.

Finished goods are measured at manufacturing cost, which includes the cost of raw materials, consumables and direct payroll costs plus production overheads.

Production overheads comprise the indirect cost of material and labour as well as maintenance and depreciation of property, plant and equipment used in the production process.

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.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value. Provisions are made for bad debts on the basis of objective indication that a receivable or a group of receivables are impaired. Provisions are made to the lower of the net realisable value and the carrying amount.

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

##### Prepayments

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

##### Cash

Cash comprises cash balances and bank balances.

##### Provisions

Provisions comprise anticipated expenses relating to warranty commitments, 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.

##### Income taxes

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

Provisions for deferred tax are calculated, based on the liability method, of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income, as well as temporary differences on non-amortisable goodwill.

Deferred tax is measured according to the tax rules and the tax rates in the respective countries applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the value at which they are expected to be utilised, either through elimination against tax on future earnings or through a set-off against deferred tax liabilities within the same jurisdiction.

##### Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. Interest-bearing debt is subsequently measured at amortised cost, using the effective interest rate method. Borrowing costs, including capital losses, are recognised as financing costs in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.



## Financial statements 1 January - 31 December

### Notes to the financial statements

DKK'000	2021	2020
2 Staff costs		
Wages/salaries	43,524	43,348
Pensions	2,533	2,574
Other social security costs	750	522
	<u>46,807</u>	<u>46,444</u>
Average number of full-time employees	<u>67</u>	<u>68</u>
Remuneration to members of Management:		
Executive Board	3,771	3,141
Board of Directors	15	15
	<u>3,786</u>	<u>3,156</u>
3 Financial expenses		
Interest expenses, group entities	378	203
Other financial expenses	1,070	780
	<u>1,448</u>	<u>983</u>
4 Tax for the year		
Estimated tax charge for the year	7,353	6,119
Deferred tax adjustments in the year	106	278
Tax adjustments, prior years	65	0
	<u>7,524</u>	<u>6,397</u>
5 Intangible assets		
DKK'000		Acquired intangible assets
Cost at 1 January 2021		<u>2,835</u>
Cost at 31 December 2021		<u>2,835</u>
Impairment losses and amortisation at 1 January 2021		<u>2,835</u>
Impairment losses and amortisation at 31 December 2021		<u>2,835</u>
Carrying amount at 31 December 2021		<u>0</u>

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 6 Property, plant and equipment

DKK'000	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 January 2021	33,552	16,902	4,198	479	55,131
Additions in the year	0	476	246	0	722
Cost at 31 December 2021	33,552	17,378	4,444	479	55,853
Impairment losses and depreciation at 1 January 2021	10,081	15,708	3,592	442	29,823
Depreciation in the year	620	306	285	11	1,222
Impairment losses and depreciation at 31 December 2021	10,701	16,014	3,877	453	31,045
Carrying amount at 31 December 2021	22,851	1,364	567	26	24,808

#### 7 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years.

DKK'000	2021	2020
8 Share capital		
Analysis of the share capital:		
7 shares of DKK 1,000,000.00 nominal value each	7,000	7,000
	7,000	7,000

Analysis of changes in the share capital over the past 5 years:

DKK'000	2021	2020	2019	2018	2017
Opening balance	7,000	7,000	6,000	6,000	6,000
Capital increase	0	0	1,000	0	0
	7,000	7,000	7,000	6,000	6,000

## Financial statements 1 January - 31 December

### Notes to the financial statements

DKK'000	2021	2020
9 Deferred tax		
Deferred tax at 1 January	-639	-916
Deferred tax adjustments in the year	106	277
Deferred tax at 31 December	-533	-639

### 10 Non-current liabilities other than provisions

DKK'000	Total debt at 31/12 2021	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Payables to group entities	30,000	0	30,000	0
	30,000	0	30,000	0

The long term mortgage debt has been redeemed in the financial year 2021.

### 11 Provisions

Other provisions comprise provisions for warranty and claims commitments. The commitment is expected to be settled as the warranties fall due, expectedly within a period of 0-5 years.

### 12 Contingent liabilities and other financial obligations

Other financial obligations

Other rent and lease liabilities:

DKK'000	2021	2020
Rent and lease liabilities	5,199	7,974

Rent and lease liabilities include a rent obligation totalling DKK 2,451 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 2,748 thousand, with remaining contract terms of 0-4 years.

### 13 Collateral

The company holds land and property with a booked value of DKK 22,851 thousand, which is provided as security for debt to credit institution.

The Danish Group enterprises are jointly and severally liable for tax on the jointly taxed income of the Group and for Danish taxes at source such as dividend tax, tax on royalty payments and withhold tax.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 14 Related parties

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

##### Parties exercising control

<u>Related party</u>	<u>Domicile</u>	<u>Basis for control</u>
Sika AG	Switzerland	Participating interest Shareholders' agreement Participating interest

##### Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
Sika AG	Switzerland	www.sika.com

##### Related party transactions

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

DKK'000	<u>2021</u>	<u>2020</u>
Sales of goods and services to group entities	3,642	2,008
Other operating income from group entities	7,315	7,373
Other operating expenses from group entities	12,965	11,175
Purchase of goods from group entities	114,637	97,365
Purchase of services from group entities	6,854	6,583
Financial expenses to group entities	378	203
Receivables from group entities	1,415	9,697
Payables to group entities	50,618	8,030

##### Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

<u>Name</u>	<u>Domicile</u>
Sika AG	Zugerstrasse 50, CH-6340 Baar, Switzerland

DKK'000	<u>2021</u>	<u>2020</u>
15 Appropriation of profit		
Recommended appropriation of profit		
Proposed dividend recognised under equity	20,000	50,000
Retained earnings/accumulated loss	6,677	-26,972
	<u>26,677</u>	<u>23,028</u>