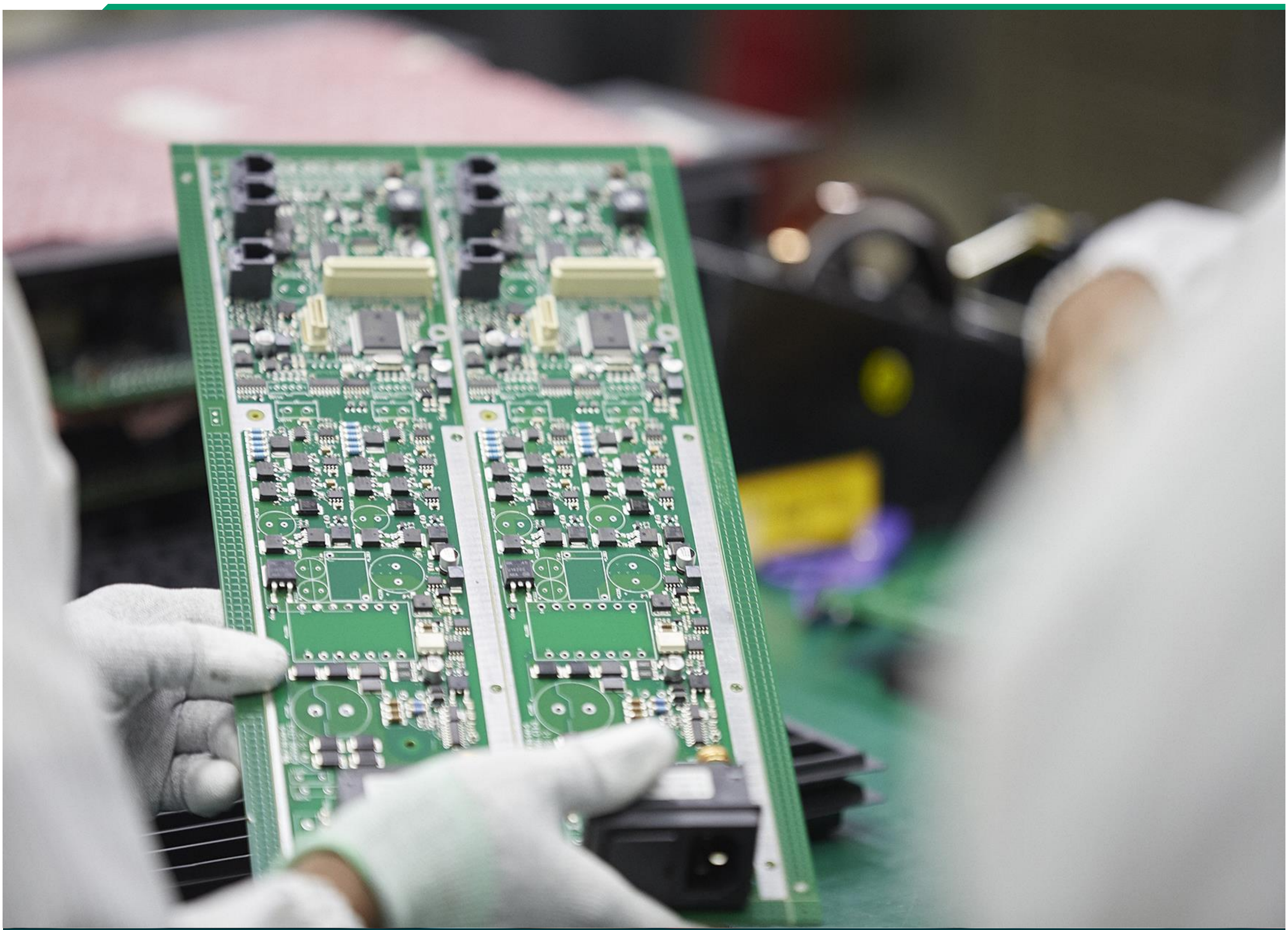

Annual report

2020

GPV International A/S CVR No. 66945715 Lysholt Allé 11 DK-7100 Vejle	Approved at the Annual General Meeting, 1 March 2021 Conductor Henrik Tornbjerg

> ***Accomplish More***
Electronics Manufacturing Services Worldwide

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Entity details

Entity

GPV International A/S
Lysholt Allé 11
DK-7100 Vejle

Central Business Registration No: 66945715
Registered in: Vejle
Financial year: 01.01.2020 - 31.12.2020

Phone: +4572191919
Web Site: www.gpv-group.com

Board of Directors

Jens Bjerg Sørensen, Chairman
Jørn Ankær Thomsen
Poul Erik Schou-Pedersen
Lars Aagaard Nielsen
Bjarne Skaarup Jepsen, Employee director
Kirsten Cecilie Kristensen, Employee director

Executive Board

Bo Lybæk, Chief Executive Officer

Entity auditors

EY
Godkendt Revisionspartnerselskab
CVR-nr. 30 70 02 28
Havnegade 33
6700 Esbjerg

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of GPV International A/S for the financial year 1 January – 31 December 2020.

The annual report is presented in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31 December 2020 and of the results of its operations and cash flows for the financial year 1 January – 31 December 2020.

In our opinion the management commentary contains a fair review of the affairs and conditions referred to therein.

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

Vejle, 1 March 2021

Executive Board

Bo Lybæk
Chief Executive Officer

Board of Directors

Jens Bjerg Sørensen Chairman	Jørn Ankær Thomsen	Poul Erik Schou-Pedersen
Lars Aagaard Nielsen	Bjarne Skaarup Jepsen Employee director	Kirsten Cecilie Kristensen Employee director

Independent auditor's reports

To the shareholders of GPV International A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of GPV International A/S for the financial year 1 January – 31 December 2020, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies, for the Group and the Parent Company. The consolidated financial statements and the parent company financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2020 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January – 31 December 2020 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "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 Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

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 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 our procedures, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Management's responsibilities for the 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 International Financial Reporting Standards as adopted by the EU and additional requirements of 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 Group's and the Parent 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 Group or the Parent 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 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 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent 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 Group's and the Parent 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 Group and the Parent 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.

Independent auditor’s report

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Esbjerg, 1 March 2021

EY
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Claus Hammer-Pedersen State Authorised Public Accountant MNE-no. 21334	Søren Jensen State Authorised Public Accountant MNE-no. 32733

Financial highlights

Key figures	2020 tDKK	2019 tDKK	2018 tDKK	2017 tDKK	2016* tDKK
Revenue	2,886,803	2,855,514	1,218,303	1,147,519	667,630
Operating profit/loss before depreciation and amortisation (EBITDA)	269,808	195,532	113,716	105,633	68,625
Operating profit/loss (EBIT)	147,517	75,141	74,765	78,338	49,721
Net financials	(31,408)	(12,771)	(3,607)	5,643	(5,186)
Profit/loss for the year	98,402	47,316	63,221	92,884	49,976
Total assets	2,350,090	2,444,483	2,317,904	910,771	675,909
Investments in property, plant and equipment	41,812	87,078	113,800	76,166	37,993
Equity	931,701	895,815	779,997	280,782	205,504
Net interest-bearing debt	614,910	819,053	811,974	350,504	239,731
Employees in average	3,611	3,621	1,453	1,302	1,074

Ratios					
EBITDA margin (%)	9.3	6.8	9.3	9.2	10.3
EBIT margin (%)	5.1	2.6	6.1	6.8	7.4
Net margin (%)	3.4	1.7	5.2	8.1	7.5
NIBD/EBITDA ratio	2.3	4.2	7.1	3.3	3.5
Return on equity (%)	10.8	5.6	11.9	38.2	29.6
Return on invested capital (%)	10.5	6.0	7.1	15.3	15.7
Equity ratio (%)	39.6	36.7	33.7	31.0	30.4

* The financial year 2016 covers a nine months period (1 April – 31 December 2016).

Financial highlights

Financial highlights are defined and calculated as follows.

	Calculation formula	Ratio effect
EBITDA margin (%)	$\frac{\text{(EBITDA) x 100}}{\text{Revenue}}$	The Entity’s profitability before depreciation and amortisation.
EBIT margin (%)	$\frac{\text{(EBIT) x 100}}{\text{Revenue}}$	The Entity’s profitability
Net margin (%)	$\frac{\text{Profit/(loss) for the year x 100}}{\text{Revenue}}$	The Entity's operating profitability
NIBD/EBITDA ratio	$\frac{\text{Net interest bearing debt}}{\text{EBITDA}}$	The Entity’s gearing based on carrying amount
Return on equity (%)	$\frac{\text{Profit/(loss) for the year x 100}}{\text{Average equity}}$	The Entity's return on capital invested in the Entity by the owners
Return on invested capital (%)	$\frac{\text{(EBITA) x 100}}{\text{Average invested capital}}$	The Entity’s return on capital invested
Equity ratio (%)	$\frac{\text{Equity x 100}}{\text{Total assets}}$	The Entity’s equity ratio and financial strength

Management commentary

Management Commentary

2020 was a year highly influenced by the worldwide COVID-19 pandemic with fluctuating demand and restrictions put in place by governments in different countries. During 2020 GPV have had to close down a few sites for a short period due to local restrictions as well as we have been forced to introduce short-time work in some periods due to low demand from customers in certain industries. Other industries have shown a strong development – especially within Semicon and MedTech, where we have received and delivered on a large one-of order related to COVID-19. Overall, it has shown that GPV has a good market position with a good well-balanced customer portfolio, which have served us well through the pandemic in 2020.

GPV's 2020 performance is despite the pandemic satisfactory showing a slightly increase in net sales of 1.1%, an operating profit before depreciation and amortisation (EBITDA) with an increase of 38.0% and a cash flow from operating activities at DKK 252 million.

The acquisition of the Swiss EMS company CCS Group end of 2018 has positioned GPV with a strong market position in Northern Europe, Central Europe and Americas, and with a manufacturing platform in Europe, Asia and Americas with service offerings within high-mix/low-medium volume EMS, product design & engineering, box build, high precision mechanics and cable harness.

In 2020 we have continued working with a range of strategic initiatives with the aim of further strengthening the platform for our core business. During the year we have initiated implementation of a new global MES (Manufacturing Execution System) to make sure GPV also in the future will be in the forefront, we have implemented new technology to conduct live online customer meetings, audits and collaboration seamless, and we have continued the work with automation and streamlining administrative procedures also using automation tools.

During 2020, we have been working with optimization of our performance and to ensure a continued fit of our footprint to our strategy, "Winning our Future". It has been decided to focus our Chinese activities further on an even stronger procurement organization. With this step we aim to secure an even stronger platform for serving the increasing demand from our existing customers as well as from new customers.

At the end of 2020, GPV stands as a healthy, well-developed business with a sound base of competent employees and with an appropriate production footprint in Asia, Europe and the Americas – a strong platform as the future basis for value-adding growth for our valued customers, for GPV, and for our owners.

Financial developments in the financial year 2020

Total net sales for FY 2020 came to DKK 2,887 million (FY 2019 DKK 2,856 million). Despite the present situation with COVID-19 pandemic we have seen an increase in net sales of 1.1% from 2019.

For FY 2020, operating profit before depreciation and amortisation (EBITDA) amounted to DKK 269.8 million (FY 2019 DKK 195.5 million), which is a satisfactory level.

For FY 2020, operating profit (EBIT) amounted to DKK 147.5 million (FY 2019 DKK 75.1 million), which is a satisfactory level. Profit for the year came to DKK 98.4 million (FY 2019 DKK 47.3 million).

The total cash flow from operating activities for FY 2020 amounted to DKK 252.4 million (FY 2019 DKK 231.2 million). Investments have, due to the uncertainty from the pandemic situation, been postponed and total for FY 2020 equals DKK 48.3 million in production related equipment and facilities (FY 2019 DKK 88.3 million).

At year-end 2020, total assets amounted to DKK 2,350 million against DKK 2,444 million for the previous year.

At the financial year-end, total equity amounted to DKK 932 million (DKK 896 million at the financial year-end 2019) including a negative exchange-rate adjustment in the year of DKK 48 million and a negative adjustment from defined benefit obligations of DKK 15 million.

COVID-19 pandemic

Only a few GPV employees have been infected with COVID-19, which has enabled us to maintain a high level of activity and service during the pandemic.

Since mid-March 2020 we have had a task force in place handling high frequency information to customers, internal communication and operational adaptions to COVID-19 hygiene and distance requirements.

As many other global companies, GPV was, and still is, impacted by the COVID-19 pandemic. A few of GPV's sites have been fully or partially closed down for shorter periods of time due to the lockdown in China and restrictions in other countries. In some sites we have utilized the local possibilities for temporary adjustments of the workforce to adapt to variations in demand from our customers.

For shorter periods part of our white-collar employees worked from home. We were proud to see how fast and determined our employees adapted to this unprecedented situation and came together to keep the company operational and to service our customers through increased use of digital tools. At the end of 2020, we have most of our employees back in the offices, and all manufacturing sites operating with full capacity, but health and safety of our employees continue to be our first priority.

The unusual situation has moved our business model in a more digital direction with majority of communication conducted on digital platforms – customer meetings, internal governance and digitalization of processes like NPI (New Product Implementation), customer audits and compliance audits.

Events subsequent to the financial year-end

No material events have occurred after the end of the financial year.

Outlook 2021

GPV will in 2021 continue the development of the recurring business and continue to deliver high quality products to all our customers. With the focus on investments in new automated production technology and with the planned footprint with manufacturing capabilities in Denmark, Switzerland, Austria, Germany, Slovakia, Thailand, Sri Lanka and Mexico, together with our global sales and procurement organisation, GPV have a strong position in our core markets.

Our service offerings towards our customers cover design & engineering, electronics and mechanics manufacturing, cable harness assembly, box-build, mechatronics products and together with strong logistic and total life cycle management approach. With this strong platform both geographical and service offering GPV continue our focused efforts to increase the value creation for our customers and to explore the market potential.

The trend towards outsourcing of production, within the industries in which GPV is operating, is expected to continue in 2021. The customers will focus further on their core competencies and reduce their investments in capital equipment and inventories, and at the same time via GPV gain access to flexibility and an outsourcing partner that can handle manufacturability studies, complex production and transfer of production sites, together with product development, test design, testing and logistics.

GPV will in 2021 have a continued focus on capacity and invest in extended capacity when deemed a requirement.

FY 2021 will continue to be characterised by unsecure market conditions due to the present COVID-19 pandemic. Governmental restrictions are expected to continue and will put pressure on the organisations ability to act via digital technologies and thoroughly communication. Against this outlook, GPV expects to be able to cope with the challenges and expect a stable development in net sales. Operating profit before depreciation and amortisation (EBITDA) and operating profit (EBIT) are expected on level with 2020, and with a positive cash flow from operating activities for 2021.

Management will closely follow developments in the current situation and take the steps necessary to secure continued competitiveness and the required liquid resources.

Employee development and appraisal

It is an essential prerequisite for the continued development of our business that we are able to attract, retain, develop and motivate employees who have the necessary skills and capability. Important elements to support this include the delegation of responsibility and competencies as well as cross-organisational solutions.

Our focus on Service Excellence and environmental management

We have uncompromising focus on timely delivery of faultless, secure and functional products and services that fulfil expectations and requirements from our customers. The competence and commitment of all employees are a prerequisite for achieving this. In 2020 we have further tightened our measures, and together with limitations due to the COVID-19 pandemic beginning of the year this have given a temporary decrease in delivery performance beginning of the year. During 2020 we recovered back to a high service level. We expect that our service level will continue at a high level in 2021.

GPV is also determined to ensure environmental management as well as responsible behaviour in all areas. Because GPV is an international supplier, it is imperative that GPV makes sure that all environmental and quality requirements are channelled to our partners and suppliers to ensure the same high levels of quality, environment, safety and ethics throughout the value chain.

Quality management

GPV's quality system is based on the standard ISO 9001. In addition, GPV has obtained a number of important quality certifications as well as plant and workmanship approvals.

In all manufacturing sites, GPV holds a number of general as well as industry-specific certifications and workmanship standards aiming to fulfil the needs of and requirements from our customers.

A total list of certificates and approvals can be found on GPV's homepage at:

www.gpv-group.com/about-gpv/awards-certificates/

Environmental management

GPV makes continuous efforts to mitigate the environmental impact of our business activities. Our largest environmental impact relates to the consumption of energy, raw materials and the derived materials waste.

Our policy is always to comply with the rules and regulations that apply and to commit to making progress at our own initiative within environment, health and safety.

Corporate Responsibility

GPV is dedicated to be a responsible employer and a good corporate citizen. Our Code of Conduct (COC) represents our core values and reflects our continued commitment to ethical business practices and regulatory compliance.

We take a serious view of any suspicion of breach of GPV Code of Conduct, and in any cases of non-compliance with the Code of Conduct, we will act.

Corporate Social Responsibility (CSR)

For GPV's statutory description of Corporate Social Responsibility, hereunder human rights, social and labour conditions, climate, environment and anti-corruption, in accordance with §99a and b in the Financials Statements act, please refer to Schouw & Co. at

http://schouw.dk/en/about-us/corporate-governance/

GPV strives continually to improve our work environment. We aim to strengthen and implement a shared corporate culture, which is to help us treat all colleagues equally.

Please refer to the statement in the annual report for 2020 of the ultimate parent company Schouw & Co., on policies and targets regarding gender representation in management:

Working Environment

In GPV the number of working hours lives up to the local labour legislation. In situations where law or agreements require overtime pay or other kind of nuisance bonus, such payment is paid. Further GPV in Thailand is certified according to TLS 8001 on Social Accountability.

GPV ensures that all phases of the supply chain are planned and organised to promote a safe, healthy and responsible working environment.

The purpose is to avoid accidents and to ensure that the physical and mental conditions of the employees will not deteriorate. It is indeed important to GPV to have healthy employees. GPV ensures that efforts to improve the general health are part of the GPV way to act.

GPV helps improving the health of our employees by combining the efforts to improve the work environment with initiatives targeting a healthier lifestyle and an improved well-being.

Freedom of Association

GPV does not interfere with the employees‘ choice of union or other association and respects the employees‘ right to organise and enter into collective bargaining.

Child Labour

GPV does not accept child labour. GPV is aware of and respects the ban against child labour as expressed in the EU Directive 94/33/EC of 22 June 1994 on the protection of young people in the workplace, the UN Convention on Economic, Social and Cultural Rights of 16 December 1966, ILO Convention No. 138 of 26 June 1973 on Minimum Age, ILO Convention No. 182 of 17 June 1999 on the Worst Forms of Child Labour as well as the UN Convention on the Rights of the Child of 20 November 1989.

Conflict Minerals

GPV support Section 1502 of the 2010 Dodd-Frank Act Wall Street Reform and Consumer Protection Act that promote transparency and customer awareness regarding the use of Conflict Minerals.

GPV does not directly purchase any Conflict Minerals from any source and does not knowingly procure any product containing Conflict Minerals.

For our Conflict Minerals Statement, we refer to the Company’s website at:

www.gpv-group.com/about-gpv/downloads/

Corruption

As a company operating and delivering globally GPV is exposed to different cultures primarily in Asia, Europe and the Americas. As expressed in our Code of Conduct, we pride ourselves of acting credibly and with integrity in all of our operations, and we do not accept or offer bribes.

GPV is aware of and observes all applicable laws, rules and regulations in the various countries in which we operate. GPV is responsible for understanding these laws, rules and regulations and how they apply to our business and jobs, and for preventing, detecting and reporting instances of non-compliance to the relevant individuals, institutions or authorities.

GPV sources raw materials and services in different countries. Our ambition is for our suppliers to meet our Code of Conduct which governs ethical, social and environmental responsibilities. GPV will in 2020 conduct supplier audits in business ethics.

For a full CSR policy and achieved results we refer to the Company’s website at:

http://www.gpv-group.com/about-gpv/csr-business-continuity-plan-threat-analysis/

GPV has no material outstanding environmental issues

GPV operates in compliance with all existing environmental rules and regulations and has set up task forces to handle the Company's environmental affairs.

Liquidity risk / capital resources

GPV Group is predominately financed by resources of the parent company Schouw & Co. as well as a number of committed and to a lesser extent uncommitted credit facilities.

The parent company's source of financing is primarily composed of a syndicated banking facility, which in December 2020 was refinanced with a total facility framework of DKK 3,275 million against the previous DKK 2,100 million. The facility is for a three-year period with the possibility of a one-year extension after year one and two. In connection with the refinancing of the banking facility, the previous banking consortium, consisting of Danske Bank, DNB and Nordea, was expanded with the international bank Hong Kong & Shanghai Banking Corporation (HSBC).

In addition, in April 2019, Schouw & Co. issued a Schuldschein issue totaling EUR 136 million, (DKK 1,012 million) with expiration in 2024 (80%) and 2026 (20%), and in April 2020, two committed bilateral facilities were established for a total of DKK 1,000 million in order to ensure maximum financial freedom of action for the Group during the COVID-19 crisis. The bilateral facilities expire in April 2021 but allow for a one-year extension.

GPV Group, like other major subsidiaries in the Schouw & Co. Group, co-guarantees the aforementioned facilities as well as a number of other smaller facilities totaling DKK 256 million established with the Schouw & Co. Group's global banker HSBC. In total, GPV Group is a co-guarantor for facilities of DKK 5,043 million of which DKK 1,148 million has been deducted as of 31 December 2020.

Debtor risk

The major part of GPV's production is delivered to customers that use GPV as a regular partner. Such customers are mostly world class in what they do, well-reputed and often large international companies.

Debtor creditworthiness is monitored on an ongoing basis, and we perform an in-depth credit assessment of new customers and ongoing assessment of existing customers. In recent years, no material debtor losses have been recorded.

Furthermore, debtor insurance regarding the existing and new customer portfolios is being reviewed on a current basis.

Consolidated financial statements

Income statement

Notes		2020 1/1 - 31/12 tDKK	2019 1/1 - 31/12 tDKK
3	Revenue	2.886.803	2.855.514
4,7	Cost of sales	-2.463.283	-2.414.675
	Gross profit/loss	**423.520**	**440.839**
6	Other operating income	6.335	6.545
4,7	Distribution costs	-111.330	-122.504
4,5,7	Administrative expenses	-169.328	-249.392
6	Other operation expenses	-1.680	-347
	Operating profit/loss	**147.517**	**75.141**
8	Financial income	38.969	46.834
9	Financial expenses	-70.377	-59.605
	Profit/loss before tax	**116.109**	**62.370**
10	Tax on profit/loss for the year	-17.707	-15.054
	Profit/loss for the year	**98.402**	**47.316**
	Attributable to:		
	Minority interests	35	-170
	Shareholders of GPV International A/S	98.367	47.486
		98.402	**47.316**

Statement of other comprehensive income

Notes			
	Profit/loss for the year	**98.402**	**47.316**
	Other comprehensive income		
	Exchange differences on translation of foreign operations	-47.584	65.279
	Remeasurement of the defined benefit obligation	-14.879	3.219
	Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods, net of tax	**-62.463**	**68.498**
	Total recognised other comprehensive income	**35.939**	**115.814**

Balance sheet

Notes		2020 Dec 31 tDKK	2019 Dec 31 tDKK
	Assets		
	Non current assets:		
	Goodwill	173.986	173.576
	Development projects in progress	5.884	0
	Other intangible assets	232.599	248.077
11	**Intangible assets**	**412.469**	**421.653**
	Land and buildings	184.557	211.408
	Plant and machinery	210.615	247.296
	Other fixtures, tools and equipment	13.126	18.968
	Assets under construction, etc.	55.818	47.783
12	**Property, plant and equipment**	**464.116**	**525.455**
13	Leased assets	98.097	124.463
10	Deferred tax	48.157	42.652
	Receivables	6.756	6.183
	Other non-current assets	**153.010**	**173.298**
	Total non-current assets	**1.029.595**	**1.120.406**
	Current assets:		
14	Inventories	675.520	733.497
15	Receivables	508.667	421.142
	Income tax	3.235	1.867
	Cash and cash equivalents	133.073	167.571
	Total current assets	**1.320.495**	**1.324.077**
	Total assets	**2.350.090**	**2.444.483**

Balance sheet

Notes		2020 Dec 31 tDKK	2019 Dec 31 tDKK
	Liabilities and equity		
16	Share capital	50.000	50.000
	Exchange adjustment reserve	15.148	62.732
	Retained earnings	861.737	783.249
	Proposed dividend	5.000	0
	Share of equity attributable to the parent company	**931.885**	**895.981**
	Minority interests	-184	-166
	Total equity	**931.701**	**895.815**
	Non-current liabilities		
17	Other liabilities	81.813	101.048
10	Deferred tax	39.847	42.841
20	Pension liabilities	106.282	90.819
17	Debt to ultimate parent company	349.722	351.076
	Provisions	16.633	15.781
	Non-current liabilities total	**594.297**	**601.565**
	Current liabilities		
17	Current portion of non-current debt	30.806	29.581
17	Debt to ultimate parent company	367.701	531.092
	Trade payables	247.844	261.323
	Prepayment received from customers	13.821	11.189
18	Others payables	143.730	93.760
	Income tax	20.190	20.158
	Current liabilities total	**824.092**	**947.103**
	Total liabilities	**1.418.389**	**1.548.668**
	Total liabilities and equity	**2.350.090**	**2.444.483**

19 Financial risks
21 Contingent liabilities
22 Changes in working capital
23 Related parties
24 Events after the balance sheet

Cash flow statement

Notes		2020 1/1 - 31/12 tDKK	2019 1/1 - 31/12 tDKK
	Profit before tax	116.109	62.370
	Adjustment for operating items of a non-cash nature, etc.	18.114	28.354
7	Depreciation and impairment losses	122.291	120.392
6	Other operating items, net	-12.136	8.689
8	Financial income	-38.969	-46.834
9	Financial expenses	70.377	59.605
	Cash flows from operating activities before changes in working capital	**275.786**	**232.576**
22	Cash flow changes in net working capital	25.194	48.918
	Cash flows from operating activities after changes in working capital	**300.980**	**281.494**
	Interest income received	768	221
	Interest expenses paid	-24.145	-25.247
	Cash flows from ordinary activities	**277.603**	**256.468**
	Income tax paid	-25.239	-25.253
	Cash flows from operating activities	**252.364**	**231.215**
	Investing activities:		
	Purchase of intangible assets	-6.475	-1.235
12	Purchase of property, plant and equipment	-28.131	-87.078
	Sale of property, plant and equipment	2.656	788
	Addition/disposal of other financial assets	-885	-35
	Cash flows from investing activities	**-32.835**	**-87.560**
	Financing activities:		
	Repayment of non-current liabilities	-33.846	-27.193
	Increase (repayment) of bank overdrafts	-28	-167.164
	Shareholders:		
	Further minority shareholders	0	4
	Change in payables to ultimate parent company	-213.527	55.376
	Cash flows from financing activities	**-247.401**	**-138.977**
	Cash flows for the year	-27.872	4.678
	Cash and cash equivalents at the beginning of the year	167.571	158.384
	Value adjustment of cash and cash equivalents	-6.626	4.509
	Cash and cash equivalents at the end of the year	**133.073**	**167.571**
	Cash and cash equivalents at the end of the year are composed of:		
	Cash	133.073	167.571
	Cash and cash equivalents at the end of the year	**133.073**	**167.571**

Equity statement

	Share capital	Hedge reserve	Exchange adjustment reserve	Retained earnings	Proposed dividend	Total	Non-controlling interests	Total equity
	tDKK	tDKK	tDKK	tDKK	tDKK	tDKK	tDKK	tDKK
Equity at Jan 1, 2020	**50.000**	**0**	**62.732**	**783.249**	**0**	**895.981**	**-166**	**895.815**
Other comprehensive income in 2020								
Exchange rate adjustment of foreign subsidiaries	0	0	-47.584	0	0	-47.584	-53	-47.637
Remeasurement of the defined benefit obligation	0	0	0	-14.879	0	-14.879	0	-14.879
Profit for the year	0	0	0	93.367	5.000	98.367	35	98.402
Total recognised comprehensive income	**0**	**0**	**-47.584**	**78.488**	**5.000**	**35.904**	**-18**	**35.886**
Transactions with the owners								
Capital increase	0	0	0	0	0	0	0	0
Dividend distributed	0	0	0	0	0	0	0	0
Addition/disposal of minority interests	0	0	0	0	0	0	0	0
Transactions with the owners for the period	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Equity at Dec 31, 2020	**50.000**	**0**	**15.148**	**861.737**	**5.000**	**931.885**	**-184**	**931.701**

Equity statement

	Share capital	Hedge reserve	Exchange adjustment reserve	Retained earnings	Proposed dividend	Total	Non-controlling interests	Total equity
	tDKK	tDKK	tDKK	tDKK	tDKK	tDKK	tDKK	tDKK
Equity at Jan 1, 2019	**50.000**	**0**	**-2.547**	**732.544**	**0**	**779.997**	**0**	**779.997**
Other comprehensive income in 2019								
Exchange rate adjustment of foreign subsidiaries	0	0	65.279	0	0	65.279	0	65.279
Remeasurement of the defined benefit obligation	0	0	0	3.219	0	3.219	0	3.219
Profit for the year	0	0	0	47.486	0	47.486	-170	47.316
Total recognised comprehensive income	**0**	**0**	**65.279**	**50.705**	**0**	**115.984**	**-170**	**115.814**
Transactions with the owners								
Capital increase	0	0	0	0	0	0	0	0
Dividend distributed	0	0	0	0	0	0	0	0
Addition/disposal of minority interests	0	0	0	0	0	0	4	4
Transactions with the owners for the period	**0**	**0**	**0**	**0**	**0**	**0**	**4**	**4**
Equity at Dec 31, 2019	**50.000**	**0**	**62.732**	**783.249**	**0**	**895.981**	**-166**	**895.815**

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1. Accounting policies

Basis of preparation

GPV International A/S (the Company) is a limited company incorporated and domiciled in Denmark. GPV is principally engaged within electronic manufacturing services, mechatronics and high precision mechanics. Information on the Group's ultimate parent is presented in note 16. Information on other related party relationships of the Group is provided in note 23.

The consolidated financial statements of GPV International A/S and its subsidiaries have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and Danish disclosure requirements.

The annual report also complies with the International Financial Reporting Standards (IFRS) as issued by the IASB and Danish disclosure requirements.

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments that are measured at fair value.

The consolidated financial statements are presented in Danish Kroner (DKK) and all values are rounded to the nearest thousand (tDKK) except when otherwise indicated.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries at 31 December 2020.

Subsidiaries are entities over which GPV has control. GPV has control over an entity, when the Group is exposed to or has rights to variable returns from its involvement in the entity, and has the ability to affect those returns through its power over the entity.

Only potential voting rights that are considered to be substantive at the balance sheet date are included in the control assessment.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Subsidiaries' financial statement items are fully recognised in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in the income statement and the balance sheet, respectively.

New and amended standards and interpretations

No new and amended standards and interpretations has been implemented in the annual report.

Foreign currency translation

The Group's consolidated financial statements are presented in Danish Kroner (DKK), which is also the Parent Company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

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

Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical exchange rates.

On consolidation, the assets and liabilities of foreign operations are translated into DKK at the rates of exchange prevailing at the reporting date and their statement of profit or loss are translated at monthly average exchange rates prevailing at the dates of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive relating to that particular foreign operation is recognised in the income statement.

Derivative financial instruments

The Group uses derivative financial instruments such as forward currency contracts to hedge its foreign currency risks (cash flow hedges). Such derivative financial instruments are initially recognised at cost value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are recognised as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the income statement, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the income statement as financial expenses. Amounts recognised as other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as other comprehensive income are transferred to the initial carrying amount of the non-financial asset or liability.

If the forecast transaction is no longer expected to occur, the cumulative gain or loss previously recognised in equity is transferred to profit or loss. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in other comprehensive income remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment affects profit or loss.

Shareholders' Equity

Reserve for net revaluation according to the equity method: Net revaluation of investments in subsidiaries and associates is recognised at cost in the reserve for net revaluation according to the equity method.

The reserve can be eliminated in case of losses, realisation of investments, or a change in accounting estimates.

The reserve cannot be recognised as a negative amount.

Dividend: Dividend proposed for the year is recognised as a liability in the financial statements at the time of adoption by the shareholders at the Annual General Meeting. The dividend proposed in respect of the financial year is stated as a separate item under equity.

The hedge transaction reserve contains the accumulated net change in the fair value of hedging transactions that meet the criteria for hedging future cash flows and for which the hedged transaction has yet to be realised. The exchange adjustment reserve in the consolidated financial statements comprises exchange differences arising on the translation of the financial statements of foreign enterprises from their functional currencies into Danish kroner including exchange differences on financial instruments considered to be a part of the net investment or as hedging of the net investment. On realisation, accumulated value adjustments are taken from equity to financial income and expenses in the income statement.

Income statement

Revenue

Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. The Group has concluded that it is the principal in all of its revenue arrangements.

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The normal credit term is 30 to 75 days upon delivery.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration.

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Revenue is measured excluding VAT and other taxes and duties charged on behalf of third parties. All discounts granted are deducted from revenue.

Production costs

Production costs comprise costs, including depreciation, wages and salaries, incurred in generating the revenue for the year. Production costs include direct and indirect costs for raw materials and consumables, wages and salaries, maintenance, depreciation and impairment of production plant as well as costs and expenses relating to the operation, administration and management of factories. Also included are inventory impairment.

Distribution costs

Distribution costs comprise expenses incurred in connection with the distribution of goods sold during the year and in connection with sales campaigns, etc. launched during the year under review, including cost of sales and logistics staff, advertising and exhibition costs, as well as depreciation/amortisation and impairment losses.

Administrative expenses

Administrative expenses comprise expenses incurred during the year for management and administration, including expenses for administrative staff, office premises and office expenses, and depreciation and impairment losses. Administrative expenses also comprise impairment on receivables.

Employee benefits

Equity-settled share options are measured at fair value at the grant date and their value is recognised in the income statement under staff costs over the vesting period. The balancing item is recognised directly in equity as a shareholder transaction.

On initial recognition of the share options, the number of options expected to vest is estimated. Subsequently, changes in the estimated number of vested options are adjusted to the effect that the total amount recognised is based on the actual number of vested options.

The fair value of options granted is estimated using a valuation model that takes into account the terms and conditions of the options granted.

Other operating income and expenses

Other operating income and expenses comprise items of a secondary nature relative to the companies' activities, including gains and losses on replacement of intangible assets and property, plant and equipment. Gains and losses on the disposal of intangible assets and property, plant and equipment are computed as the difference between the selling price and the carrying amount at the date of disposal.

Financial income

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

Financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Income tax and deferred tax

The tax for the year consists of current tax and changes in deferred tax for the year. The tax for the year is recognised in the income statement, other comprehensive income or equity.

Deferred tax is measured using the balance sheet liability method on 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 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. Deferred tax is measured at the tax rates (and in accordance with the tax rules) applicable in the respective countries at the date when the deferred tax is expected to be realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the temporary differences can be used. Adjustment is made for deferred tax concerning unrealised intercompany profits and losses eliminated. Changes in deferred tax due to changed tax rates are recognised in the income statement.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the GPV Group, and it is probable that the temporary difference will not reverse in the foreseeable future.

The company is jointly taxed with its owned Danish subsidiary. The current Danish income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Intangible assets

The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

A summary of the policies applied to the Group's intangible assets is, as follows:

Goodwill	Indefinite useful lives	No amortisation
Other intangibles	Finite useful live (5-20 years)	Amortised on a straight line basis

Property, plant and equipment

Land and buildings, plant and machinery as well as other fixtures, tools and equipment are measured at cost, net of accumulated depreciation and accumulated impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For self-manufactured assets, cost comprises direct and indirect costs of materials, components, sub suppliers and labour costs. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

Buildings	25 years
Plant and machinery	5-10 years
Other fixtures and fittings, tools and equipment	3-8 years

Land is not depreciated.

The cost of an asset is divided into separate components which are depreciated separately if their useful lives differ. The residual values and useful lives are reviewed at each financial year end and adjusted prospectively, if appropriate.

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

Lease assets and lease commitments

Leased assets and lease commitments are recognised in the balance sheet when the leased asset under a lease entered into regarding a specific identifiable asset is made available to the Group in the lease term, and when the Group obtains the right to almost all economic benefits from the use of the identified asset and the right to control the use of the identified asset.

On initial recognition, lease commitments are measured at the present value of the future lease payments discounted by an incremental borrowing rate. The following lease payments are recognised as part of the lease commitment:

- Fixed payments.
- Variable payments that change concurrently with changes to an index and an interest rate based on said index or interest rate.
- Payments overdue subject to a residual value guarantee.
- Exercise price of call options that it is highly probable that Management will exercise.
- Payments subject to an extension option that it is highly probable that the Group will exercise.
- Penalty related to a termination option unless it is highly probable that the Group will not exercise the option.

The lease commitment is measured at amortised cost according to the effective interest method. The lease commitment is recalculated when the underlying contractual cash flows change due to changes in an index or an interest rate if the Group's estimate of a residual value guarantee changes or if the Group changes its assessment of whether call options, extension options or termination options can reasonably be expected to be exercised.

On initial recognition, the leased asset is measured at cost, corresponding to the value of the lease commitment adjusted for prepaid lease payments plus directly related costs and estimated costs for demolition, repairs or the like and less discounts or other types of incentive payments received from the lessor.

Subsequently, the asset is measured at cost less accumulated depreciation and impairment losses. The leased asset is depreciated over the shorter of the lease term and the useful life of the leased asset. Depreciation charges are recognised on a straight-line basis in the income statement.

The leased asset is adjusted for changes to the lease commitment due to changes to the terms of the lease or changes to the cash flows of the lease concurrently with changes to an index or an interest rate.

Leased assets are depreciated on a straight-line basis over the expected lease term, which is:

Property	5-10 years
Equipment	5-8 years
Cars	3-6 years
Other asset	3-8 years

The Group presents the leased asset and the lease commitment separately in the balance sheet.

The Group has chosen not to recognise leased assets of a low value and short-term leases in the balance sheet. Instead, related lease payments are recognised on a straight-line basis in the income statement.

The related lease liability is disclosed in current and non-current other liabilities in the financial statement.

Impairment of non-current assets

Non-current assets with definite useful lives are tested for impairment when there is an indication that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Goodwill is tested for impairment annually as at 31 December and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at 31 December at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value. Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs, based on a normal operating activity.

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

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

Trade receivables

Receivables are recognised at the trade date, initially measured at fair value and subsequently at amortised cost using the effective interest method, less provision for impairment. Impairment of trade receivables is calculated using the simplified expected credit loss method, based on historical loses adjusted for forward looking information. Impairment on receivables, after initial recognition of the receivables, are recognised in the income statement under administrative expenses.

Employee obligations

Pension obligations and similar non-current liabilities

The Group has entered into pension schemes and similar arrangements with the Swiss part of the Group's employees.

Contributions to defined contribution plans where the Group makes fixed pension contributions to independent pension funds are recognised in the income statement in the period to which they relate, and any outstanding contributions are recognised as other payables in the balance sheet.

For defined benefit plans, an annual actuarial calculation (the projected unit credit method) is made of the value in use of future benefits earned by employees under the defined benefit plan. The value in use is determined on the basis of assumptions about the future development in variables such as salary levels, interest rates, inflation, retirement age and mortality. The value in use is determined only for benefits earned by employees from their employment with the Group. The actuarially calculated value in use less the fair value of any plan assets is recognised as pension obligations in the balance sheet.

Pension costs for the year are recognised in profit or loss based on actuarial estimates at the beginning of the year. Any difference between the calculated development in plan assets and pension obligations and realised amounts determined at year end constitutes actuarial gains or losses and is recognised in other comprehensive income.

If changes or reductions in benefits relating to services rendered by employees in previous years result in changes in the actuarially calculated value in use, the changes or reductions are recognised as past service costs. Past service costs are recognised as costs immediately at the earlier of the date of the change or reduction and the date when a related restructuring or termination benefit is recognised.

If a net pension plan constitutes an asset, the asset is recognised only in so far as it equals future refunds from the plan or will lead to reduced future contributions to the plan.

Long-term employee benefits are recognised based on an actuarial calculation. Actuarial gains and losses are recognised immediately in profit or loss. Other long-term employee benefits include jubilee benefits, etc.

Further details are disclosed in note 20.

Income tax payable or receivable

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

Cash

Cash comprises cash in hand and bank deposits.

Financial liabilities

Financial liabilities are initially recognised at fair value (typically the amount of the proceeds received), net of transaction costs incurred. In subsequent periods, the financial liabilities are measured at amortised cost; any difference between the cost (the proceeds) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Financial liabilities also include the outstanding obligation under finance leases, measured at amortised cost. Financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Other Provisions

These comprise the anticipated costs of warranty obligations. Provisions are recognized when, as a consequence of a past event, the company has a legal or constructive obligation and it is likely that the obligation will materialize.

Other liabilities

Other liabilities are measured at net realisable value.

Cash flow statement

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

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

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

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

Cash and cash equivalents comprise cash less short-term bank debt.

2. Significant accounting judgements, estimates and assumptions

The preparation of the Group’s consolidated financial statements requires Management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Management continuously reassesses these estimates and judgements based on a number of factors in the given circumstances. The following accounting estimates are considered significant for the financial reporting.

Trade receivables

Management applies estimates in the assessment of the likelihood that receivables at the balance sheet date will be received.

Debtor creditworthiness is monitored on an ongoing basis, and we perform an in-depth credit assessment of new customers and ongoing assessment of existing customers. In recent years, no material debtor losses have been recorded.

Furthermore, debtor insurance with regard to the existing and new customer portfolios is being reviewed on a current basis.

Inventories

The uncertainty attaching to estimating inventories is related to any impairment to net realisable value.

Pension obligations

Pension obligations are the net liabilities of defined benefit obligations and the dedicated assets adjusted for the effect of minimum funding and asset ceiling requirements. Plans with a funding surplus are presented as net assets on the balance sheet. The defined benefit obligations are measured at the present value of expected future payments to be made in respect of services provided by employees up to the balance sheet date. Plan assets are measured at fair value. The pension cost charged to the income statement consists of calculated amounts for vested benefits and interest in addition to settlement gains or losses, etc. Interest on plan assets is calculated with the same rates as used for discounting the obligations. Actuarial gains/losses are recognised in other comprehensive income.

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The primarily part of the net deferred tax assets are tax losses carried forward. These losses relate to the Parent Company and do not expire. The losses may not be used to offset taxable income elsewhere in the Group. The tax value of tax loss carry forwards has been recognised, as it has been considered sufficiently probably that the losses will be utilised within five years.

Further details on taxes are disclosed in note 10.

Notes

Note 3 - Revenue from contracts with customers

Disaggregated revenue information
Set out below is the disaggregation of the Group's revenue from contracts with customers:

	For the year ended 31 December 2020			
Segments	**Denmark**	**Rest of Europe**	**Rest of world**	**Total**
	tDKK	**tDKK**	**tDKK**	**tDKK**
Type of goods or service				
Sale of goods	352.220	1.900.425	634.158	2.886.803
Total revenue from contracts with customers	**352.220**	**1.900.425**	**634.158**	**2.886.803**

	For the year ended 31 December 2019			
Segments	**Denmark**	**Rest of Europe**	**Rest of world**	**Total**
	tDKK	**tDKK**	**tDKK**	**tDKK**
Type of goods or service				
Sale of goods	512.983	1.905.211	437.320	2.855.514
Total revenue from contracts with customers	**512.983**	**1.905.211**	**437.320**	**2.855.514**

Trade receivables are non-interest bearing and are generally on terms of 30 to 75 days.

Performance obligations
Information about the Group's performance obligations are summarised below:

Sale of goods:

The performance obligation is satisfied upon delivery and payment is generally due within 30 to 75 days from delivery. Some contracts provide customers with a right of return and volume rebates which give rise to variable consideration subject to constraint.

Notes

	2020 1/1 - 31/12 tDKK	2019 1/1 - 31/12 tDKK
Note 4 - Costs		
Cost of sales:		
Cost of goods sold	-1.823.603	-1.823.512
Inventory impairments	-34.377	-4.725
Reversed inventory impairments	21.276	1.259
Total cost of sales	**-1.836.704**	**-1.826.978**
Staff costs:		
Wages and salaries	-486.341	-494.102
Defined contribution pension plans	-13.714	-29.630
Defined benefit pension plans	-14.807	-10.596
Other social security costs	-43.656	-44.727
Share-based payment	-2.461	-2.353
Total staff costs	**-560.979**	**-581.408**
Staff costs are recognised as follows:		
Production	-409.686	-367.135
Distribution	-58.062	-66.100
Administration	-93.231	-148.173
Staff costs recognised in the income statement	**-560.979**	**-581.408**
Average number of employees	**3.611**	**3.621**

Determination of remuneration to the Board of Directors and the Executive Board

Staff costs to the Board of Directors and the Executive Board of tDKK 6,732 (2019 tDKK 6,761), includes share-based payment of tDKK 1,201 (2019 tDKK 1,291).

Share-based payments
Executive Management and senior managers in GPV are covered by the parent company Schouw & Co.'s share option program. The program entitles participants to acquire shares in Schouw & Co. at a price based on the officially quoted price at the time for granting (2020: DKK 483,56) plus a premium (2020 allocation: 2%) from the date of grant until the date of exercise.
The costs related to the program are calculated according to "Black & Scholes" and are expensed as staff costs linearly over the period of the option and settled to the parent company.

OUTSTANDING OPTIONS	Executive management	Others	Total	Average exercise price in DKK (1)	Fair value (DKK) per option (2)	Total fair value in DKK (2)	Exercisable from	Exercisable until
Granted in 2017	20.000	14.000	34.000	671,93	68,45	2.327	March 2020	March 2021
Granted in 2018	20.000	18.000	38.000	705,58	58,51	2.223	March 2021	March 2022
Granted in 2019	20.000	20.000	40.000	574,35	71,47	2.859	March 2022	March 2023
Total outstanding options at December 31st 2019	60.000	52.000	112.000					
Granted in 2020	20.000	32.000	52.000	523,42	44,10	2.293	March 2023	March 2024
Exercised (from 2017 grant)	0	0	0					
Total outstanding options at 31 December 2020	80.000	84.000	164.000					

(1) exercised after 4 years (at the latest possible date)

(2) at the date of grant

In 2020 no options are exercised.

Fair value assumptions:

	2020 grants	2019 grants	2018 grants	2017 grants
Expected volatility	22,21%	29,23%	21,10%	23,27%
Expected term	48 mo.	48 mo.	48 mo.	48 mo.
Expected dividend per share	13 DKK	13 DKK	12 DKK	10 DKK
Risk-free interest rate	-0,97%	-0,52%	-0,38%	-0,25%

The expected volatility is calculated as 12 months' historical volatility based on average prices. If the option holders have not exercised their share options within the specified period, the share options will lapse without any compensation to the holders. Exercise of the share options is contingent on the holder being in continuing employment during the above-mentioned periods. If the holder leaves the company before a share option vests, the holder may in some cases have a right to exercise the share option early during a four-week period following Schouw & Co.'s next stock announcement. In the event of early exercise the number of share options will be reduced proportionally.

Notes

	2020 1/1 - 31/12 tDKK	2019 1/1 - 31/12 tDKK
Note 5 - Fees to auditors appointed by the general meeting		
Audit fees	-2.020	-2.574
Fees for other services	-525	-756
Total fee	**-2.545**	**-3.330**
Note 6 - Other operation income and costs		
Gains on the disposal of property, plant and equipment and intangible assets	1.818	185
Other operating income	4.517	6.360
Total other operating income	**6.335**	**6.545**
Losses on the disposal of property, plant and equipment and intangible assets	-1.676	-211
Other operating costs	-4	-136
Total other operating costs	**-1.680**	**-347**
Note 7 - Depreciation, amortisation and impairment losses		
Depreciation is recognised in the income statement as follows:		
Cost of sales	-93.794	-85.418
Distribution costs	-13.716	-17.799
Administrative expenses	-14.781	-17.175
Total depreciation, amortisation and impairment losses	**-122.291**	**-120.392**
Note 8 - Financial income		
Interest income	38	19
Exchange rate adjustments	38.163	46.594
Other financial income	768	221
Total financial income	**38.969**	**46.834**
Note 9 - Financial expenses		
Interest expense	-3.040	-3.370
Interests to loans from ultimate parent	-20.818	-20.894
Exchange rate adjustments	-46.232	-34.358
Other financial expenses	-287	-983
Total financial expenses	**-70.377**	**-59.605**

Notes

	2020 1/1 - 31/12 tDKK	2019 1/1 - 31/12 tDKK
Note 10 - Tax on the profit for the year		
Tax for the year is composed as follows:		
Tax on the profit for the year	-17.707	-15.054
Tax on other comprehensive income	2.528	0
	-15.179	**-15.054**
Tax on the profit for the year has been calculated as follows:		
Current tax	-24.233	-24.740
Deferred tax	6.526	9.686
	-17.707	**-15.054**
Effective tax rate:		
Calculated 22.0% tax of the profit for the year	-25.589	-13.721
Adjustment on deferred tax assets	4.071	298
Non-deductible costs and non-taxable income	817	-1.631
Adjustment of prior-year tax charge	2.994	0
Recognised tax income	**-17.707**	**-15.054**
Effective tax rate	**15,3%**	**24,1%**
Deferred tax asset		
Intangible assets	-39.056	-45.079
Property, plant and equipment	11.917	6.085
Inventories	3.933	3.176
Receivables	-11.199	-12.540
Equity	2.500	31
Liabilities including provisions	26.688	32.910
Tax losses carried forward	13.527	15.228
	8.310	**-189**
Deferred tax not recognised	**48.291**	**0**
	56.601	**-189**
Deferred tax is recognised in the balance sheet as follows:		
Deferred tax (asset)	48.157	42.652
Deferred tax (liability)	-39.847	-42.841
Net deferred tax at 31 December	**8.310**	**-189**

The tax value of tax loss carry forwards that may be carried forward for an unlimited period has been recognised as it has been considered sufficiently probably according to the budgets, and the losses is expected to be utilised within three to five years.

Notes

Note 11 - Intangible assets

tDKK	Goodwill	Development projects in progress	Other intangible assets	Total
Cost at Jan 1, 2020	173.576	0	271.475	445.051
Foreign exchange adjustment	410	-3	585	992
Additions - by purchase	0	5.887	588	6.475
Cost at Dec 31, 2020	**173.986**	**5.884**	**272.648**	**452.518**
Amortisation and impairment at Jan 1, 2020	0	0	23.398	23.398
Foreign exchange adjustment	0	0	-126	-126
Amortisation	0	0	16.777	16.777
Amortisation and impairment at Dec 31, 2020	**0**	**0**	**40.049**	**40.049**
Carrying amount at Dec 31, 2020	**173.986**	**5.884**	**232.599**	**412.469**
Amortised over (years)			5-20	
Cost at Jan 1, 2019	168.331	0	262.145	430.476
Foreign exchange adjustment	5.245	0	8.095	13.340
Additions - by purchase	0	0	1.235	1.235
Cost at Dec 31, 2019	**173.576**	**0**	**271.475**	**445.051**
Amortisation and impairment at Jan 1, 2019	0	0	1.733	1.733
Foreign exchange adjustment	0	0	473	473
Impairment	0	0	146	146
Amortisation	0	0	21.046	21.046
Amortisation and impairment at Dec 31, 2019	**0**	**0**	**23.398**	**23.398**
Carrying amount at Dec 31, 2019	**173.576**	**0**	**248.077**	**421.653**
Amortised over (years)			5-20	

Notes

Note 12 - Property, plant and equipment

tDKK	Land and buildings	Plant and machinery	Other fixtures, tools and equipment	Assets under con-struction	Total
Cost at Jan 1, 2020	252.428	460.043	63.853	47.889	824.213
Foreign exchange adjustment	-21.239	-20.689	-2.996	-4.178	-49.102
Additions	221	25.712	2.204	13.675	41.812
Disposals	0	-6.391	-1.698	0	-8.089
Transferred/reclassified	40	929	493	-1.462	0
Cost at Dec 31, 2020	**231.450**	**459.604**	**61.856**	**55.924**	**808.834**
Depreciation at Jan 1, 2020	41.020	212.747	44.885	106	298.758
Foreign exchange adjustment	-3.346	-11.957	-2.346	0	-17.649
Impairment	0	2.273	522	0	2.795
Depreciation	9.219	52.734	6.418	0	68.371
Depreciation of disposed assets	0	-6.360	-1.197	0	-7.557
Transferred/reclassified	0	-448	448	0	0
Depreciation at Dec 31, 2020	**46.893**	**248.989**	**48.730**	**106**	**344.718**
Carrying amount at Dec 31, 2020	**184.557**	**210.615**	**13.126**	**55.818**	**464.116**
Depreciated over (years)	10-25	5-10	3-8		

tDKK	Land and buildings	Plant and machinery	Other fixtures, tools and equipment	Assets under con-struction	Total
Cost at Jan 1, 2019	199.780	391.621	53.273	41.208	685.882
Foreign exchange adjustment	20.369	24.219	3.060	5.595	53.243
Additions	29.040	45.050	8.090	4.898	87.078
Disposals	0	-1.420	-570	0	-1.990
Transferred/reclassified	3.239	573	0	-3.812	0
Cost at Dec 31, 2019	**252.428**	**460.043**	**63.853**	**47.889**	**824.213**
Depreciation at Jan 1, 2019	29.837	150.666	35.574	106	216.183
Foreign exchange adjustment	3.037	11.976	2.191	0	17.204
Impairment	0	0	173	0	173
Depreciation	8.490	51.002	7.169	0	66.661
Depreciation of disposed assets	0	-1.241	-222	0	-1.463
Transferred/reclassified	-344	344	0	0	0
Depreciation at December 31, 2019	**41.020**	**212.747**	**44.885**	**106**	**298.758**
Carrying amount at Dec 31, 2019	**211.408**	**247.296**	**18.968**	**47.783**	**525.455**
Depreciated over (years)	10-25	5-10	3-8		

Notes

Note 13 - Lease assets

tDKK	Property	Cars	Other assets	Total
Cost at Jan 1, 2020	148.502	6.371	1.936	156.809
Foreign exchange adjustment	-1.114	-153	-43	-1.310
Additions	6.331	2.892	1.385	10.608
Disposals	-2.233	-1.616	0	-3.849
Cost at Dec 31, 2020	**151.486**	**7.494**	**3.278**	**162.258**
Amortisation and impairment at Jan 1, 2020	29.336	2.233	777	32.346
Foreign exchange adjustment	-598	-58	-9	-665
Impairment	1.897	0	0	1.897
Amortisation	29.204	2.423	824	32.451
Amortisation and impairment of disposed assets	-570	-1.298	0	-1.868
Amortisation and impairment at Dec 31, 2020	**59.269**	**3.300**	**1.592**	**64.161**
Carrying amount at Dec 31, 2020	**92.217**	**4.194**	**1.686**	**98.097**

Lease agreement not recognised in the balance sheet	Service	Small value assets	Short term leases	Total
Due for payment within 1 year	2.870	309	97	3.276
Due for payment within >1-5 years	1.835	320	0	2.155
Due for payment after 5 years	13	14	0	27
Total commitments of service / small value / short term leases at Dec 31, 2020	**4.718**	**643**	**97**	**5.458**

Recognised in the profit and loss statement in 2020	Service	Small value assets	Short term leases	Total
Expensed in the year	**4.321**	**651**	**125**	**5.097**

There has not been any COVID-19 related rent concessions in 2020.

Notes

Note 13 - Lease assets

tDKK	Property	Cars	Other assets	Total
Cost at Jan 1, 2019	0	0	0	0
Effect at transition to IFRS 16	129.049	5.081	1.893	136.023
Cost at Jan 1, 2019 according to IFRS 16	**129.049**	**5.081**	**1.893**	**136.023**
Foreign exchange adjustment	2.425	7	4	2.436
Additions	17.028	1.694	39	18.761
Disposals	0	-411	0	-411
Cost at Dec 31, 2019	**148.502**	**6.371**	**1.936**	**156.809**
Amortisation and impairment at Jan 1, 2019	0	0	0	0
Foreign exchange adjustment	308	3	2	313
Impairment	0	0	0	0
Amortisation	29.028	2.563	775	32.366
Amortisation and impairment of disposed assets	0	-333	0	-333
Amortisation and impairment at Dec 31, 2019	**29.336**	**2.233**	**777**	**32.346**
Carrying amount at Dec 31, 2019	**119.166**	**4.138**	**1.159**	**124.463**

Notes

	2020 Dec 31 tDKK	2019 Dec 31 tDKK
Note 14 - Inventories		
Raw materials and consumables	441.320	512.702
Work in progress	148.626	136.649
Finished goods and goods for resale	85.574	84.146
Inventories total at the lower of cost and net realisable value	**675.520**	**733.497**
Cost of inventories for which impairment losses have been recognised	194.753	203.929
Accumulated impairment losses on inventories	-91.909	-82.236
Net sales value	**102.844**	**121.693**

During 2020, tDKK 32,737 (2019: tDKK 4,725) was recognised as an expense for inventories carried at net realisable value. This is recognised in cost of sales.

	2020 Dec 31 tDKK	2019 Dec 31 tDKK
Note 15 - Receivables		
Receivables from ultimate parent company	72.398	22.563
Trade receivables	400.207	374.552
Other receivables	26.901	15.830
Prepayment	9.161	8.197
Receivables in total	**508.667**	**421.142**

Trade receivables can be specified as follows:

		Due between (tDKK)			
2020	**Not due**	**1-30 days**	**31-90 days**	**>91 days**	**Total**
Trade receivables before allowance	317.258	61.736	20.220	6.964	406.178
Impairment losses on trade receivables	0	-239	-470	-5.262	-5.971
Trade receivables in total	**317.258**	**61.497**	**19.750**	**1.702**	**400.207**
Impairment percentage	0,0%	0,4%	2,3%	75,6%	1,5%

		Due between (tDKK)			
2019	**Not due**	**1-30 days**	**31-90 days**	**>91 days**	**Total**
Trade receivables before allowance	297.484	74.716	8.191	8.847	389.238
Impairment losses on trade receivables	-2.164	-44	-3.855	-8.623	-14.686
Trade receivables net	**295.320**	**74.672**	**4.336**	**224**	**374.552**
Impairment percentage	0,7%	0,1%	47,1%	97,5%	3,8%

Notes

	2020 Dec 31 tDKK	2019 Dec 31 tDKK
Note 16 - Equity and share capital		
The share capital consist of 2,500 shares of each DKK 20,000	50.000	50.000

The shares have not been divided into classes. In 2018 there was issued 2,000 new shares with the value of tDKK 40,000.

Proposed dividends for the year is tDKK 5,000 (2019: tDKK 0), equivalent to DKK 2,000 per share. Proposed dividends are showed in a separated column in the equity statement (page 18) until the Annual General Meeting approval.

The Company has registered the following shareholder to hold 100 % of the voting capital or of the nominal value of the Company:

Aktieselskabet Schouw & Co., Aarhus, Denmark

	2020 Dec 31 tDKK	2019 Dec 31 tDKK
Note 17 - Credit institutions and borrowings		
Non-current borrowings		
Non-current debt to the ultimate parent company	349.722	351.076
Other liabilities	81.813	101.048
Total credit institutions and borrowings	**431.535**	**452.124**
Current borrowings		
Bank loans	25	53
Lease liabilities	30.781	29.528
Debt to the ultimate parent company	367.701	531.092
Total current borrowings	**398.507**	**560.673**
Total borrowings	**830.042**	**1.012.797**
Nominal value	830.042	1.012.797
Maturity of non-current and current borrowings		
Less than one year	398.507	560.673
Between one and five years	426.128	445.103
More than five years	5.407	7.021
Total maturity of non-current and current borrowings	**830.042**	**1.012.797**

GPV International A/S' borrowings are mainly in DKK & EUR and with floating interest rates. The fair value of the floating rate loans approximates the carrying amount.

Notes

	2020 Dec 31 tDKK	2019 Dec 31 tDKK
Note 18 - Other short-term payables		
VAT and duties	18.563	10.431
Wages and salaries, personal income taxes, social security costs, etc.	53.373	32.501
Holiday pay obligation	9.742	13.200
Current provisions	4.346	4.423
Other costs payable	57.706	33.205
Total other short-term payables	**143.730**	**93.760**

Note 19 - Financial risks

Liquidity risk

GPV Group is predominately financed by resources of the parent company Schouw & Co.

Parent company's source of financing is primarily composed of a syndicated banking facility, which in December 2020 was refinanced with a total facility framework of DKK 3,275 million against the previous DKK 2,100 million. The facility is for a three-year period with the possibility of a one-year extension after year one and two. In connection with the refinancing of the banking facility, the previous banking consortium, consisting of Danske Bank, DNB and Nordea, was expanded with the international bank Hong Kong & Shanghai Banking Corporation (HSBC).

In addition, in April 2019, Schouw & Co. issued a Schuldschein issue totaling EUR 136 million, (DKK 1,012 million) with expiration in 2024 (80%) and 2026 (20%), and in April 2020, two committed bilateral facilities were established for a total of DKK 1,000 million in order to ensure maximum financial freedom of action for the Group during the COVID-19 crisis. The bilateral facilities expire in April 2021 but allow for a one-year extension.

Interest rate risk

In considerable extent, the interest-bearing assets and liabilities are exposed to interest risk. In the Parent Company all interest-bearing assets and liabilities is financed though the ultimate parent company Schouw & Co. A/S and at both fixed and floating rates.

Currency risk

GPV actively monitors and manages interest rate and foreign exchange risks with the purpose of minimizing overall risks. GPV Group does not engage in any speculation in financial instruments.

The primary exposure for GPV is related to unrealised deviations in the valuation of equity of our subsidiaries in especially Thailand (THB), Sri Lanka (CHF) and Switzerland (CHF).

A 5% depreciation of each currency to which the entities in the Group has significant exposure based on the entities functional currency would have a positive impact on profit (loss) for the year at approximately DKK 5,079 thousand (2019: DKK 5,139 thousand). These numbers are based on the balance sheet amounts in foreign currencies in the entities per December 31.

Notes

Note 19 - Financial risks

The Group's foreign exchange risks recognised in the balance sheet at December 31, 2020

Currency, tDKK	Securities and cash/ equivalents	Receivables	Debt	Net position before hedging	Net position after hedging
EUR/DKK	1	31.136	-366.565	-335.428	-335.428
USD/DKK	0	9.454	-20.137	-10.683	-10.683
NOK/DKK	0	0	-375	-375	-375
EUR/CHF	24.939	61.454	-39.298	47.095	47.095
EUR/CNY	16.595	2.034	-1.647	16.982	16.982
USD/CHF	13.961	93.058	-27.885	79.134	79.134
USD/CNY	14.037	4.422	-3.768	14.691	14.691
USD/EUR	0	125	-7.029	-6.904	-6.904
DKK/THB	2.345	5.365	-3.666	4.044	4.044
EUR/THB	18.026	50.093	-21.710	46.409	46.409
USD/THB	21.496	63.710	-46.945	38.261	38.261
USD/MXN	1.220	0	0	1.220	1.220
Other	2.518	4.520	-3.063	3.975	3.975
	115.138	**325.371**	**-542.088**	**-101.579**	**-101.579**

The group's foreign exchange risks recognised in the balance sheet at December 31, 2019

Currency, tDKK	Securities and cash/ equivalents	Receivables	Debt	Net position before hedging	Net position after hedging
EUR/DKK	0	19.789	-366.317	-346.528	-346.528
USD/DKK	0	18.590	-19.285	-695	-695
NOK/DKK	0	35.099	-680	34.419	34.419
EUR/CHF	22.471	33.861	-12.167	44.165	44.165
EUR/CNY	12.132	0	0	12.132	12.132
USD/CHF	22.691	49.882	-23.248	49.325	49.325
USD/CNY	13.883	0	0	13.883	13.883
DKK/THB	7.113	9.226	-4.566	11.773	11.773
EUR/THB	21.442	46.809	-20.476	47.775	47.775
USD/THB	18.695	62.809	-47.760	33.744	33.744
USD/MXN	5.029	4.048	-9.586	-509	-509
Other	2.730	2.405	-7.401	-2.266	-2.266
	126.186	**282.518**	**-511.487**	**-102.783**	**-102.783**

For trade receivables and payables as well as other receivables and payables the fair value approximates the carrying amount due to the short term nature of these balances.

Notes

Note 20 - Pensions and other post-employment benefit plans

The Groups Danish pension obligations are covered by insurance. For employees in GPV Switzerland SA the company has two defined benefit pension plans (funded). The defined benefit pension plans for Swiss employees require contributions to be made to separately administered funds. The obligation is calculated actuarially at present value at the balance sheet date.

These two plans are governed by the employment laws of Switzerland. The level of benefits provided depends on the member's and the employer's annual contributions and the annuity factor at retirement age. The funds have the legal form of a foundation and they are governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

Each year, the Board of Trustees reviews the level of funding in the Euroland pension plan as required by Euroland's employment legislation. Such a review includes the asset-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides its contribution based on the results of this annual review. Generally, it aims to have a portfolio mix of a combined 40% in equity and property and 60% in debt instruments. Euroland's employment legislation requires the Group to clear any plan deficit (based on a valuation performed in accordance with the regulations in Euroland) over a period of no more than five years after the period in which the deficit arises. The Board of Trustees aims to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed in accordance with the regulations in Euroland) will arise.

The pension plans are exposed to Switzerland's inflation, interest rate risks and changes in the life expectancy for pensioners. As the plan assets include significant investments in Swiss equities. 20% of the assets are invested in the 75 largest shares in the Swiss Performance Index (SPI), 30% are comprises in foreign sharestor and 30% are invested in real estate portfolio comprises directly held residential properties in Switzerland and commercial properties in Germany.

Participants are insured against the financial consequences of retirement, disability and death. The pension plans guarantee a minimum interest credit and fixed conversion rates at retirement. Contributions are paid by both the employee and the employer. The plans must be fully funded. In case of underfunding, recovery measures must be taken, such as additional financing from the employer or from the employer and employees, reduction of benefits or a combination of both. The pension plans include a risk-sharing element between GPV Switzerland SA and the plan participants.

The latest actuarial assessments of liabilities and assets have been made by Prevanto AG. The asset valuations are based on their composition and general expectations of economic development. The present value of the scheme's liabilities and the related pension costs relating to the current and previous financial years have been calculated using the Projected Unit Credit Method.

The principal assumptions used in determining pension and post-employment medical benefit obligations for the Group's plans are shown below:

Notes

Note 20 - Pensions and other post-employment benefit plans

	2020 Dec 31 tDKK	2019 Dec 31 tDKK
Principal assumptions		
Discount rate	0,15%	0,30%
Mortality table	BVG 2015 GT	BVG 2015 GT
Future salary increase	1%	1%
Reconciliation of defined benefit obligation		
Present value of defined benefit obligation at Jan 1, 2020	-363.741	-337.402
Addition due to business combination	0	0
Change in consolidation scope	0	0
Current service cost (employer)	-8.149	-7.929
Employees' contributions	-5.449	-5.875
Interest expense on defined benefit obligation	-1.088	-2.900
Past service cost, curtailments, settlements, plan amendments	4.801	0
Benefits paid (incl. benefits paid directly by employer)	12.675	26.200
Transfer payments in/out	0	0
Experience gains (losses) on defined benefit obligation	-4.333	392
Actuarial gains (losses) arising from change in demographic assumptions	0	0
Actuarial gains (losses) arising from change in financial assumptions	-15.168	-25.066
Currency gains (losses)	-911	-11.160
Present value of defined benefit obligation at Dec 31, 2020	**-381.363**	**-363.741**
Reconciliation of fair value of plan assets		
Fair value of plan assets at Jan 1, 2020	287.938	263.747
Addition due to business combination	0	0
Change in consolidation scope	0	0
Interest income on plan assets	861	2.254
Employees' contributions	5.449	5.875
Employer's contributions (expected for following year)	5.456	5.882
Curtailments, settlements, plan amendments	0	0
Benefits paid by fund	-12.675	-26.200
Transfer payments in/out	0	0
Administration cost (excluding asset management cost)	-241	-254
Return on plan assets excl. interest income	2.122	27.911
Currency gains (losses)	721	8.724
Fair value of plan assets at Dec 31, 2020	**289.631**	**287.938**
Defined benefit obligations for Swiss employees	91.732	75.803
Other defined benefit obligations	14.550	15.016
Total	**106.282**	**90.819**

Notes

Note 20 - Pensions and other post-employment benefit plans

	2020 Dec 31 tDKK	2019 Dec 31 tDKK
Costs are includeded in the following accounts		
Cost of sales	2.257	5.277
Distribution costs	633	1.415
Administrative expenses	695	1.491
Other operation expenses	0	0
	3.585	**8.184**

Aggregation of assets		
Cash and cash equivalents	26.203	26.461
Debt instruments - Fair value level 1	40.945	40.760
Equity instruments - Fair value level 1	126.354	125.434
Real estate located in Switzerland - Fair value level 3	83.419	81.843
Other	12.709	13.440
	289.630	**287.938**

A quantitative sensitivity analysis for significant assumptions as shown below:

Sensitivities		
Decrease of discount rate -0.5%		
Effect on defined benefit obligation	-30.956	-28.990
Effect on service cost	-15.216	-15.206
Increase of discount rate +0.5%		
Effect on defined benefit obligation	29.035	22.922
Effect on service cost	-12.723	-13.048
Decrease of salary increases -0.5%		
Effect on defined benefit obligation	3.417	2.570
Effect on service cost	-13.667	-13.729
Increase of salary increases +0.5%		
Effect on defined benefit obligation	-1.770	-2.694
Effect on service cost	-14.114	-14.210

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

The expected payments or contributions to the defined benefit plan during the next year amounts to tDKK 8,741. The average duration of the defined benefit plan obligation at the end of the reporting period is 17.2 years (2019, 17.6 years).

Notes

Note 21 - Collaterals and Contingent liabilities

Collaterals

GPV Group is predominately financed by resources of the parent company Schouw & Co. as well as a number of committed and to a lesser extent uncommitted credit facilities.

The parent company's source of financing is primarily composed of a syndicated banking facility, which in December 2020 was refinanced with a total facility framework of DKK 3,275 million against the previous DKK 2,100 million. The facility is for a three-year period with the possibility of a one-year extension after year one and two. In connection with the refinancing of the banking facility, the previous banking consortium, consisting of Danske Bank, DNB and Nordea, was expanded with the international bank Hong Kong & Shanghai Banking Corporation (HSBC).

In addition, in April 2019, Schouw & Co. issued a Schuldschein issue totaling EUR 136 million, (DKK 1,012 million) with expiration in 2024 (80%) and 2026 (20%), and in April 2020, two committed bilateral facilities were established for a total of DKK 1,000 million in order to ensure maximum financial freedom of action for the Group during the COVID-19 crisis. The bilateral facilities expire in April 2021 but allow for a one-year extension.

GPV Group, like other major subsidiaries in the Schouw & Co. Group, co-guarantees the aforementioned facilities as well as a number of other smaller facilities totaling DKK 256 million established with the Schouw & Co. Group's global banker HSBC. In total, GPV Group is a co-guarantor for facilities of DKK 5,043 million of which DKK 1,148 million has been deducted as of 31 December 2020.

Contingent liabilities

The Company is jointly taxed with the Danish consolidated companies of the Schouw & Co. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes etc. for the jointly taxed companies and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these companies. Schouw & Co. serves as the administration company in a Danish joint taxation agreement.

	2020 Dec 31 tDKK	2019 Dec 31 tDKK
Note 22 - Cash flow changes in net working capital		
Change in inventories	21.630	101.473
Change in receivables	-44.200	26.454
Change in trade payables and other payables	47.764	-79.009
Cash flow changes in net working capital in total	**25.194**	**48.918**

Notes

	2020 Dec 31 tDKK	2019 Dec 31 tDKK
Note 23 - Related parties		
Sales of goods and services to related companies	0	0
Purchase of goods and services from related parties	-34	-5
Management fee to ultimate parent company	-1.750	-1.700
Interest Income to ultimate parent company	38	19
Interest expenses to ultimate parent company	-20.818	-20.894
Receivables from ultimate parent company	72.398	22.563
Receivables from related companies	0	0
Payables to ultimate parent company	717.423	882.168
Payables to related companies	0	0

GPV International A/S is included in the consolidated financial statements of Aktieselskabet Schouw & Co., Aarhus, Denmark.

GPV International A/S' related parties with controlling influence comprise the company's shareholders, the Supervisory Board, the Managing Board, as well as relatives of these persons. Related parties also comprise companies in which the individuals have significant influence.

GPV Internation A/S trades on normal market conditions with companies in which the same individuals have controlling influence.

Note 24 - Events after the balance sheet

No material events have occured after the end of the financial year.

Note 25 - Standards issued but not yet effective

IASB has on the time of the publication of this annual report released several new accountings standards and other pronouncements that are not applicable to GPV Group in 2020:

IFRS17, including additions to IAS 1, IFRS 3, IAS 16, IAS 37, Interest Rate Benchmark Reform - phase 2 (IFRS9, IAS 39, IFRS 7, IFRS 4 and IFRS 16) and annual improvements to IFRSs 2018-2020 Cycle.

GPV Group will disclose these new accountings standards and pronouncements as they become applicable to the group according to EU's dates of application. Our assessment concludes that none of the above accountings standards and pronouncements will affect the recognition and measurement in GPV Group.

Parent financial statements

Income statement

Notes		2020 1/1 - 31/12 tDKK	2019 1/1 - 31/12 tDKK
3	Revenue	395.181	541.090
4,6	Cost of sales	-376.925	-500.874
	Gross profit/loss	**18.256**	**40.216**
5	Other operating income	72.709	51.048
4,6	Distribution costs	-16.739	-18.132
4,6	Administrative expenses	-58.438	-71.997
5	Other operation expenses	-10.848	-1.736
	Operating profit/loss	**4.940**	**-601**
13	Investments in group enterprises	111.588	51.779
7	Financial income	4.136	19.313
8	Financial expenses	-26.414	-22.682
	Profit/loss before tax	**94.250**	**47.809**
9	Tax on profit/loss for the year	4.117	-323
	Profit/loss for the year	**98.367**	**47.486**
	Attributable to:		
	Shareholders of GPV International A/S	98.367	47.486

Statement of other comprehensive income

Notes			
	Profit/loss for the year	**98.367**	**47.486**
	Other comprehensive income		
	Exchange differences on translation of foreign operations	-47.584	65.279
	Remeasurement of the defined benefit obligation	-14.879	3.219
	Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods, net of tax	**-62.463**	**68.498**
	Total recognised other comprehensive income	**35.904**	**115.984**
	Attributable to:		
	Shareholders of GPV International A/S	35.904	115.984

Balance sheet

Notes		2020 Dec 31 tDKK	2019 Dec 31 tDKK
	Assets		
	Goodwill	9.752	9.752
	Development projects in progress	4.202	0
	Other intangible assets	5.831	6.773
10	**Intangible assets**	**19.785**	**16.525**
	Land and buildings	2.658	3.078
	Plant and machinery	50.737	62.026
	Other fixtures, tools and equipment	3.132	4.540
	Assets under construction, etc.	285	339
11	**Property, plant and equipment**	**56.812**	**69.982**
	Non-current assets		
13	Investments in group enterprises	1.248.063	1.198.938
12	Leased assets	21.704	27.714
9	Deferred tax	28.945	25.406
15	Receivables from related parties	0	143.562
	Deposits	4.056	4.084
	Other non-current assets	**1.302.768**	**1.399.705**
	Total non-current assets	**1.379.365**	**1.486.212**
	Current assets		
14	Inventories	129.884	128.146
15	Receivables	166.948	148.869
	Income tax	1.583	1.854
	Cash and cash equivalents	4	36
	Total current assets	**298.419**	**278.905**
	Total assets	**1.677.784**	**1.765.118**

Balance sheet

Notes		2.020 Dec 31 tDKK	2019 Dec 31 tDKK
	Liabilities and equity		
16	Share capital	50.000	50.000
	Exchange adjustment reserve	3.770	3.770
	Reserve for net revaluation according to the equity method	496.019	446.894
	Retained earnings	377.096	395.317
	Proposed dividend	5.000	0
	Total equity	**931.885**	**895.981**
	Non-current liabilities		
	Other liabilities	25.676	25.459
17	Payables to ultimate parent company	349.722	351.076
	Total non-current liabilities	**375.398**	**376.535**
	Current liabilities		
17	Current portion of non-current debt	6.679	6.495
17	Payables to ultimate parent company	263.634	396.217
	Trade payables	65.769	66.407
	Prepayment received from customers	2.998	125
18	Others payables	31.421	23.359
	Total current liabilities	**370.501**	**492.602**
	Total liabilities	**745.899**	**869.137**
	Total liabilities and equity	**1.677.784**	**1.765.118**

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Cash flow statement

Notes		2020 1/1 - 31/12 tDKK	2019 1/1 - 31/12 tDKK
	Profit before tax	94.250	47.809
	Adjustment for operating items of a non-cash nature, etc.	8.184	3.283
6	Depreciation and impairment losses	24.550	23.001
	Other operating items, net	533	0
	Income from investments in group enterprises after tax	-111.588	-51.779
7	Financial income	-4.136	-19.313
8	Financial expenses	26.414	22.682
	Cash flows from operating activities before changes in working capital	**38.207**	**25.683**
21	Changes in working capital	40.918	-23.167
	Cash flows from operating activities	**79.125**	**2.516**
	Interest income received	3.049	5.969
	Interest expenses paid	-19.497	-21.323
	Cash flows from ordinary activities	**62.677**	**-12.838**
	Income tax paid	659	-328
	Cash flows from operating activities	**63.336**	**-13.166**
	Investing activities:		
10	Purchase of intangible assets	-4.202	0
11	Purchase of property, plant and equipment	-3.795	-11.011
	Sale of property, plant and equipment	578	1.311
	Additions/disposals of other financial assets	28	7.605
	Cash flows from investing activities	**-7.391**	**-2.095**
	Financing activities:		
	Repayment of non-current liabilities	-6.812	-2.556
	Increase (repayment) of interest bearing debt to group enterprises	83.694	77.907
	Shareholders:		
	Change in payables to ultimate parent company	-132.859	-60.114
	Cash flows from financing activities	**-55.977**	**15.237**
	Cash flows for the year	-32	-24
	Cash and cash equivalents at the beginning of the year	36	60
	Cash and cash equivalents at the end of the year	**4**	**36**
	Cash and cash equivalents at the end of the year are composed of:		
	Cash	4	36
	Cash and cash equivalents at the end of the year	**4**	**36**

Equity statement

	Share capital	Reserve for net revaluation according to the equity method	Exchange adjustment reserve	Retained earnings	Proposed dividend	Total equity
	tDKK	tDKK	tDKK	tDKK	tDKK	tDKK
Equity at Jan 1, 2020	**50.000**	**446.894**	**3.770**	**395.317**	**0**	**895.981**
Other comprehensive income in 2020						
Exchange rate adjustment of foreign subsidiaries	0	-47.584	0	0	0	-47.584
Value adjustment of hedging instruments recognised during the year	0	0	0	0	0	0
Remeasurement of the defined benefit obligation		-14.879	0	0	0	-14.879
Profit for the year	0	111.588	0	-18.221	5.000	98.367
Total recognised comprehensive income	**0**	**49.125**	**0**	**-18.221**	**5.000**	**35.904**
Transactions with the owners						
Capital increase	0	0	0	0	0	0
Dividend distributed	0	0	0	0	0	0
Addition/disposal of minority interests	0	0	0	0	0	0
Transactions with the owners for the period	**0**	**0**	**0**	**0**	**0**	**0**
	50.000	**496.019**	**3.770**	**377.096**	**5.000**	**931.885**

Equity statement

	Share capital	Reserve for net revaluation according to the equity method	Exchange adjustment reserve	Retained earnings	Proposed dividend	Total equity
	tDKK	tDKK	tDKK	tDKK	tDKK	tDKK
Equity at Jan 1, 2019	**50.000**	**326.617**	**3.770**	**399.610**	**0**	**779.997**
Other comprehensive income in 2019						
Exchange rate adjustment of foreign subsidiaries	0	65.279	0	0	0	65.279
Value adjustment of hedging instruments recognised during the year	0	0	0	0	0	0
Remeasurement of the defined benefit obligation	0	3.219	0	0	0	3.219
Profit for the year	0	51.779	0	-4.293	0	47.486
Total recognised comprehensive income	**0**	**120.277**	**0**	**-4.293**	**0**	**115.984**
Transactions with the owners						
Capital increase	0	0	0	0	0	0
Dividend distributed	0	0	0	0	0	0
Addition/disposal of minority interests	0	0	0	0	0	0
Transactions with the owners for the period	**0**	**0**	**0**	**0**	**0**	**0**
Equity at Dec 31, 2019	**50.000**	**446.894**	**3.770**	**395.317**	**0**	**895.981**

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Notes to the parent financial statements

1. Accounting policies

For general information about the Parent Company, GPV International A/S including description of its principal activities, reference is made to note 1 in the consolidated financial statements.

Basis of preparation

The separate financial statements of the Parent Company have been included in the Annual Report as required by the Danish Financial Statements Act.

The separate financial statements of the Parent Company for 2020 are presented in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and Danish disclosure requirements.

The financial statements of the Parent Company are presented in Danish Kroner (DKK) and all values are rounded to the nearest thousand (tDKK) except when otherwise indicated.

The separate financial statements have been prepared on a historical cost basis.

Financial statements of the Parent Company

The accounting policies of the Parent Company are consistent with those applied in the consolidated financial statements (refer to note 1 in the consolidated financial statements) with the following exceptions:

Investments in subsidiaries are measured under the equity method.

Investments in subsidiaries are measured at the proportionate share of the enterprises' net asset values calculated in accordance with the Group's accounting policies minus or plus unrealised intra-group profits and losses and plus or minus any residual value of positive or negative goodwill determined in accordance with the acquisition method.

Investments in subsidiaries with negative net asset values are measured at DKK 0 (nil), and any amounts owed by such enterprises are written down if the amount owed is irrecoverable. If the Parent Company has a legal or constructive obligation to cover a deficit that exceeds the amount owed, the remaining amount is recognised under provisions.

Net revaluation of investments in subsidiaries is recognised in the reserve for net revaluation in equity under the equity method to the extent that the carrying amount exceeds cost. Dividends from subsidiaries which are expected to be adopted before the approval of the annual report of GPV International A/S are not recognised in the reserve for net revaluation.

On acquisition of subsidiaries, the acquisition method is applied; see consolidated financial statements above.

Reserve for net revaluation according to the equity method

Net revaluation of investments in subsidiaries and associates is recognised at cost in the reserve for net revaluation according to the equity method. The reserve may be eliminated in case of losses, realisation of investments or a change in accounting estimates.

The reserve cannot be recognised at a negative amount.

2. Significant accounting estimates and judgements

In connection with the preparation of the parent company financial statements, Management has made accounting estimates and judgements that affect the assets and liabilities reported at the balance sheet date as well as the income and expenses reported for the financial period. Management continuously reassesses these estimates and judgements based on a number of other factors in the given circumstances.

Management assesses that, in respect of the financial reporting for the Parent Company, no accounting estimates or judgements are made when applying the Parent Company’s accounting policies which are significant to the financial reporting apart from those disclosed in note 2 to the consolidated financial statements.

Notes

Note 3 - Revenue from contracts with customers

Disaggregated revenue information
Set out below is the disaggregation of the Group's revenue from contracts with customers:

	For the year ended 31 December 2020			
Segments	**Denmark**	**Rest of Europe**	**Rest of world**	**Total**
	tDKK	**tDKK**	**tDKK**	**tDKK**
Type of goods or service				
Sale of goods	150.603	172.255	72.323	395.181
Total revenue from contracts with customers	**150.603**	**172.255**	**72.323**	**395.181**

	For the year ended 31 December 2019			
Segments	**Denmark**	**Rest of Europe**	**Rest of world**	**Total**
	tDKK	**tDKK**	**tDKK**	**tDKK**
Type of goods or service				
Sale of goods	208.211	245.922	86.957	541.090
Total revenue from contracts with customers	**208.211**	**245.922**	**86.957**	**541.090**

Trade receivables are non-interest bearing and are generally on terms of 30 to 75 days.

Performance obligations
Information about the Group's performance obligations are summarised below:

Sale of goods:

The performance obligation is satisfied upon delivery and payment is generally due within 30 to 75 days from delivery. Some contracts provide customers with a right of return and volume rebates which give rise to variable consideration subject to constraint.

Notes

	2020 1/1 - 31/12 tDKK	2019 1/1 - 31/12 tDKK
Note 4 - Costs		
Cost of sales:		
Cost of goods sold	-374.159	-505.607
Inventory impairments	-2.905	-2.388
Reversed inventory impairments	139	345
Total cost of sales	**-376.925**	**-507.650**
Staff costs:		
Wages and salaries	-101.521	-103.984
Remuneration to the Board of Directors	-729	-685
Defined contribution pension plans	-7.024	-7.276
Other social security costs	-1.779	-1.532
Share-based payment	-2.461	-2.353
Total staff costs	**-113.514**	**-115.830**
Staff costs are recognised as follows:		
Production	-68.966	-60.330
Distribution	-9.948	-9.260
Administration	-34.600	-46.240
Staff costs recognised in the income statement	**-113.514**	**-115.830**
Average number of employees	**221**	**225**

Determination of remuneration to the Board of Directors and the Executive Board

Reference is made to note 4 in the consolidated financial statements.

Notes

	2020 1/1 - 31/12 tDKK	2019 1/1 - 31/12 tDKK
Note 5 - Other operation income and costs		
Gains on the disposal of property, plant and equipment and intangible assets	136	0
Charged to group enterprises	72.573	51.048
Charges from group enterprises	-10.179	-1.609
Losses on the disposal of property, plant and equipment and intangible assets	-632	0
Other losses	-37	-127
Total other operating income, net	**61.861**	**49.312**

Note 6 - Depreciation, amortisation and impairment losses		
Depreciation is recognised in the income statement as follows:		
Cost of sales	-19.691	-19.101
Distribution costs	-1.160	-1.120
Administrative expenses	-3.699	-2.780
Total depreciation, amortisation and impairment losses	**-24.550**	**-23.001**

Note 7 - Financial income		
Interest income	1	0
Interests from group loans	3.048	5.969
Exchange rate adjustments	1.087	13.344
Total financial income	**4.136**	**19.313**

Note 8 - Financial expenses		
Interest expense	-744	-883
Interests from group loans	-18.755	-20.471
Exchange rate adjustments	-6.917	-1.358
Other financial expenses	2	30
Total financial expenses	**-26.414**	**-22.682**

Notes

	2020 1/1 - 31/12 tDKK	2019 1/1 - 31/12 tDKK
Note 9 - Tax on the profit for the year		
Tax for the year is composed as follows:		
Tax on the profit for the year	4.117	-323
	4.117	**-323**
Tax on the profit for the year has been calculated as follows:		
Current tax	578	-392
Deferred tax	3.539	69
	4.117	**-323**
Effective tax rate:		
Calculated 22.0% tax of the profit for the year	3.815	873
Non-deductible costs and non-taxable income	302	-1.196
Recognised tax income	**4.117**	**-323**
Effective tax rate	**-4,4%**	**0,7%**
Deferred tax asset		
Intangible assets	-1.283	-1.490
Property, plant and equipment	15.278	11.491
Inventories	2.963	2.354
Receivables	198	405
Liabilities other than provisions	611	721
Tax losses carried forward	11.178	11.925
	28.945	**25.406**
Deferred tax not recognised	**0**	**0**
	28.945	**25.406**
Deferred tax is recognised in the balance sheet as follows:		
Deferred tax (asset)	28.945	25.406
Deferred tax (liability)	0	0
Net deferred tax at 31 December	**28.945**	**25.406**

The tax value of tax loss carry forwards that may be carried forward for an unlimited period has been recognised as it has been considered sufficiently probably according to the budgets, and the losses is aspected to be utilised within three to five years.

Notes

Note 10 - Intangible assets

tDKK	Goodwill	Development projects in progress	Other intangible assets	Total
Cost at Jan 1, 2020	9.752	0	9.451	19.203
Additions - by purchase	0	4.202	0	4.202
Cost at Dec 31, 2020	**9.752**	**4.202**	**9.451**	**23.405**
Amortisation and impairment at Jan 1, 2020	0	0	2.678	2.678
Amortisation	0	0	942	942
Amortisation and impairment at Dec 31, 2020	**0**	**0**	**3.620**	**3.620**
Carrying amount at Dec 31, 2020	**9.752**	**4.202**	**5.831**	**19.785**
Amortised over (years)			10	

tDKK				
Cost at Jan 1, 2019	9.752	0	9.451	19.203
Cost at Dec 31, 2019	**9.752**	**0**	**9.451**	**19.203**
Amortisation and impairment at Jan 1, 2019	0	0	1.733	1.733
Amortisation	0	0	945	945
Amortisation and impairment at Dec 31, 2019	**0**	**0**	**2.678**	**2.678**
Carrying amount at Dec 31, 2019	**9.752**	**0**	**6.773**	**16.525**
Amortised over (years)			10	

Notes

Note 11 - Property, plant and equipment

tDKK	Land and buildings	Plant and machinery	Other fixtures, tools and equipment	Assets under con-struction	Total
Cost at Jan 1, 2020	9.053	144.700	23.661	339	177.753
Additions	166	4.054	318	-54	4.484
Disposals	0	-7.411	0	0	-7.411
Cost at Dec 31, 2020	**9.219**	**141.343**	**23.979**	**285**	**174.826**
Depreciation at Jan 1, 2020	5.975	82.674	19.121	0	107.770
Impairment	0	0	522	0	522
Depreciation	586	14.269	1.204	0	16.059
Depreciation of disposed assets	0	-6.337	0	0	-6.337
Depreciation at Dec 31, 2020	**6.561**	**90.606**	**20.847**	**0**	**118.014**
Carrying amount at Dec 31, 2020	**2.658**	**50.737**	**3.132**	**285**	**56.812**
Depreciated over (years)	10-25	5-10	3-8		

tDKK					
Cost at Jan 1, 2019	8.469	137.974	21.610	0	168.053
Additions	584	6.726	2.837	864	11.011
Disposals	0	0	-786	-525	-1.311
Cost at Dec 31, 2019	**9.053**	**144.700**	**23.661**	**339**	**177.753**
Depreciation at Jan 1, 2019	5.465	68.997	18.047	0	92.509
Depreciation	510	13.677	1.074	0	15.261
Depreciation at December 31,2019	**5.975**	**82.674**	**19.121**	**0**	**107.770**
Carrying amount at Dec 31, 2019	**3.078**	**62.026**	**4.540**	**339**	**69.983**
Depreciated over (years)	10-25	5-10	3-8		

Notes

Note 12 - Lease assets

tDKK	Property	Cars	Other assets	Total
Cost at Jan 1, 2020	32.276	2.216	0	34.492
Additions	0	1.160	0	1.160
Disposals	0	-676	0	-676
Cost at Dec 31, 2020	**32.276**	**2.700**	**0**	**34.976**
Amortisation and impairment at Jan 1, 2020	5.877	901	0	6.778
Amortisation	6.096	931	0	7.027
Amortisation and impairment of disposed assets	0	-533	0	-533
Amortisation and impairment at Dec 31, 2020	**11.973**	**1.299**	**0**	**13.272**
Carrying amount at Dec 31, 2020	**20.303**	**1.401**	**0**	**21.704**

Lease agreement not recognised in the balance sheet	Service	Small value assets	Short term leases	Total
Due for payment within 1 year	224	0	0	224
Due for payment within >1-5 years	534	0		534
Due for payment after 5 years	0	0		0
Total commitments of service / small value / short term leases at Dec 31, 2020	**758**	**0**	**0**	**758**

Recognised in the profit and loss statement in 2020	Service	Small value assets	Short term leases	Total
Expensed in the year	**203**	**0**	**0**	**203**

There has not been any COVID-19 realated rent concessions in 2020.

Notes

Note 12 - Lease assets

tDKK	Property	Cars	Other assets	Total
Cost at Jan 1, 2019	0	0	0	0
Effect at transition to IFRS 16	27.883	1.730	0	29.613
Cost at Jan 1, 2019 according to IFRS 16	**27.883**	**1.730**	**0**	**29.613**
Foreign exchange adjustment	4.393	503	0	4.896
Additions	0	0	0	0
Disposals	0	-17	0	-17
Cost at Dec 31, 2019	**32.276**	**2.216**	**0**	**34.492**
Amortisation and impairment at Jan 1, 2019	0	0	0	0
Amortisation	5.877	918	0	6.795
Amortisation and impairment of disposed assets	0	-17	0	-17
Amortisation and impairment at Dec 31, 2019	**5.877**	**901**	**0**	**6.778**
Carrying amount at Dec 31, 2019	**26.399**	**1.315**	**0**	**27.714**

Notes

	2020 Dec 31 tDKK	2019 Dec 31 tDKK
Note 13 - Investments in group enterprises		
Cost at January 1	746.218	760.142
Disposals	0	-13.924
Cost at December 31	**746.218**	**746.218**
Adjustments at January 1	452.720	326.617
Foreign exchange adjustments	-47.584	65.279
Remeasurement of the defined benefit	-14.879	3.219
Disposals for the year	0	5.826
Share of the profit/loss for the year	111.588	51.779
Adjustments at December 31	**501.845**	**452.720**
Carrying amount at December 31	**1.248.063**	**1.198.938**

GPV International A/S has in April 2019 performed a solvent liquidation of the danish subsidiary BHE A/S.

Name	**Registered Office**	**Ownership interest 2020**	**Ownership interest 2019**
Owned directly by parent company			
GPV Asia (Thailand) Co. Ltd.	Thailand, Bangkok	100%	100%
GPV Americas México S.A.P.I de CV	Mexico, Guadalajara	100%	100%
GPV DACH AG	Switzerland, Lachen	100%	100%
Owned indirectly by parent company			
GPV DACH (Asia) AG	Switzerland, Lachen	100%	100%
GPV Switzerland SA	Switzerland, Mendrisio	100%	100%
GPV Austria GmbH	Austria, Frankenmarkt	100%	100%
GPV Austria Cable GmbH	Austria, Frankenmarkt	100%	100%
GPV Slovakia s.r.o	Slovakia, Hlohovec-Sulekovo	100%	100%
GPV Asia (Hong Kong) Ltd.	China, Hong Kong	100%	100%
GPV Lanka (Private) Ltd.	Sri Lanka, Kochchikade	100%	100%
GPV Zhongshan Co. Ltd	China, Zhongshan	100%	100%
GPV Germany GmbH	Germany, Hildesheim	100%	100%
GPV Property Solution (private) Limited*)	Sri Lanka, Kochchikade	49%	49%

*) GPV International A/S has the majority in voting rights in GPV Property Solution (private) Limited.

Notes

	2020 Dec 31 tDKK	2019 Dec 31 tDKK
Note 14 - Inventories		
Raw materials and consumables	90.544	91.529
Work in progress	25.905	28.327
Finished goods and goods for resale	13.435	8.290
Inventories total at the lower of cost and net realisable value	**129.884**	**128.146**
Cost of inventories for which impairment losses have been recognised	17.581	12.246
Accumulated impairment losses on inventories	-13.466	-10.700
Net sales value	**4.115**	**1.546**

During 2020, tDKK 2,766 (2019: tDKK 2,043) was recognised as an expense for inventories carried at net realisable value. This is recognised in cost of sales.

	2020	2019
Note 15 - Receivables		
Receivables from group enterprises, non-current	0	143.562
Receivables from ultimate parent company	802	1.880
Receivables from group enterprises, current	87.913	28.012
Trade receivables	73.436	111.524
Other receivables	506	2.892
Prepayment	4.291	4.561
Receivables in total	**166.948**	**292.431**

Trade receivables can be specified as follows:

		Due between (tDKK)			
2020	**Not due**	**1-30 days**	**31-90 days**	**>91 days**	**Total**
Trade receivables before allowance	60.432	13.196	230	478	74.336
Impairment losses on trade receivables	0	-239	-183	-478	-900
Trade receivables in total	**60.432**	**12.957**	**47**	**0**	**73.436**
Impairment percentage	0,0%	1,8%	79,4%	100,0%	1,2%

		Due between (tDKK)			
2019	**Not due**	**1-30 days**	**31-90 days**	**>91 days**	**Total**
Trade receivables before allowance	86.458	25.873	483	551	113.365
Impairment losses on trade receivables	-1.000	-44	-246	-551	-1.841
Trade receivables in total	**85.458**	**25.829**	**237**	**0**	**111.524**
Impairment percentage	1,2%	0,2%	51,0%	100,0%	1,6%

Notes

	2020 Dec 31 tDKK	2019 Dec 31 tDKK
Note 16 - Equity and share capital		
The share capital consist of 2,500 shares of each DKK 20,000	50.000	50.000

The shares have not been divided into classes. In 2018 there was issued 2,000 new shares with the value of tDKK 40,000.

Proposed dividends for the year is tDKK 5,000 (2019: tDKK 0), equivalent to DKK 2,000 per share. Proposed dividends are showed in a separated column in the equity statement (page 52) until the Annual General Meeting approval.

The Company has registered the following shareholder to hold 100 % of the voting capital or of the nominal value of the Company:

Aktieselskabet Schouw & Co., Aarhus, Denmark

	2020 Dec 31 tDKK	2019 Dec 31 tDKK
Note 17 - Credit institutions and borrowings		
Non-current borrowings		
Payables to ultimate parent company	349.722	351.076
Total credit institutions and borrowings	**349.722**	**351.076**
Current borrowings		
Payables to the ultimate parent company	263.634	396.217
Total current borrowings	**263.634**	**396.217**
Total borrowings	**613.356**	**747.293**
Nominal value	613.356	747.293
Maturity of non-current and current		
Less than one year	263.634	396.217
Between one and five years	349.722	351.076
More than five years	0	0
Total maturity of non-current and current borrowings	**613.356**	**747.293**

GPV International A/S' borrowings are mainly in EUR & DKK. All borrowings are with floating interest rate.

Notes

	2020 Dec 31 tDKK	2019 Dec 31 tDKK
Note 18 - Other short-term payables		
VAT and duties	12	1.022
Wages and salaries, personal income taxes, social security costs, etc., payable	18.927	8.903
Holiday pay obligation	4.215	6.951
Other costs payable	8.267	6.483
Total other short-term payables	**31.421**	**23.359**

Note 19 - Financial risk

Liquidity risk

GPV Group is predominately financed by resources of the parent company Schouw & Co.

Parent company's source of financing is primarily composed of a syndicated banking facility, which in December 2020 was refinanced with a total facility framework of DKK 3,275 million against the previous DKK 2,100 million. The facility is for a three-year period with the possibility of a one-year extension after year one and two. In connection with the refinancing of the banking facility, the previous banking consortium, consisting of Danske Bank, DNB and Nordea, was expanded with the international bank Hong Kong & Shanghai Banking Corporation (HSBC).

In addition, in April 2019, Schouw & Co. issued a Schuldschein issue totaling EUR 136 million, (DKK 1,012 million) with expiration in 2024 (80%) and 2026 (20%), and in April 2020, two committed bilateral facilities were established for a total of DKK 1,000 million in order to ensure maximum financial freedom of action for the Group during the COVID-19 crisis. The bilateral facilities expire in April 2021 but allow for a one-year extension.

Interest rate risk

In considerable extent, the interest-bearing assets and liabilities are exposed to interest risk. In the parent company all interest-bearing assets and liabilities is financed though the ultimate parent company Schouw & Co. and at both fixed and floating rates.

Currency risk

GPV actively monitors and manages interest rate and foreign exchange risks with the purpose of minimizing overall risks. GPV does not engage in any speculation in financial instruments.

The primary exposure for GPV is related to unrealised deviations in the valuation of equity of our subsidiaries in especially Thailand.

Notes

Note 19 - Financial risk

The company's foreign exchange risks recognised in the balance sheet at 31 December, 2020

Currency, TDKK	Securities and cash/ equivalents	Receivables	Debt	Net position before hedging	Net position after hedging
EUR / DKK	1	31.136	-366.565	-335.428	-335.428
USD / DKK	0	9.454	-20.137	-10.683	-10.683
Other	1	45	-556	-510	-510
	2	**40.635**	**-387.258**	**-346.621**	**-346.621**

The company's foreign exchange risks recognised in the balance sheet at 31 December, 2019

Currency, TDKK	Securities and cash/ equivalents	Receivables	Debt	Net position before hedging	Net position after hedging
EUR / DKK	0	19.789	-366.317	-346.528	-346.528
USD /DKK	0	18.590	-19.285	-695	-695
NOK / DKK	0	35.099	-680	34.419	34.419
Other	0	46	-221	-175	-175
	0	**73.524**	**-386.503**	**-312.979**	**-312.979**

For trade receivables and payables as well as other receivables and payables the fair value approximates the carrying amount due to the short term nature of these balances.

Note 20 - Collaterals and Contingent liabilities

Reference is made to note 21 in the consolidated financial statement.

	2020 Dec 31 tDKK	2019 Dec 31 tDKK
Note 21 - Cash flow changes in net working capital		
Change in inventories	-4.504	1.596
Change in receivables	35.856	5.484
Change in trade payables and other payables	9.566	-30.247
Cash flow changes in net working capital in total	**40.918**	**-23.167**

Notes

	2020 Dec 31 tDKK	2019 Dec 31 tDKK
Note 22 - Related parties		
Sales of goods and services to group enterprises	3.976	5.721
Purchase of goods and service from group enterprises	-55.141	-119.148
Charges from group enterprises	-10.179	-1.609
Charged to group enterprises	72.573	51.048
Interest expenses to group enterprises	0	0
Interest income from group enterprises	3.036	5.965
Sales of goods and services to related companies	0	0
Purchase of goods and services from related parties	-34	-5
Management fee to ultimate parent company	-1.750	-1.700
Interest income from ultimate parent company	12	3
Interest expenses to ultimate parent company	-18.755	-20.471
Receivables from ultimate parent company	802	1.880
Receivables from related companies	0	0
Receivables from group enterprises	87.913	171.574
Payables to ultimate parent company	613.356	747.293
Payables to related companies	0	0
Payables to group enterprises	16.771	19.529

Reference is made to note 23 in the consolidated financial statement.

Note 23 - Events after the balance sheet

No material events have occured after the end of the financial year.

Note 24 - Standards issued but not yet effective

Reference is made to note 25 in the consolidated financial statement.