



## Jupiter Bach A/S

Theilgaards Allé 4  
4600 Køge  
CVR No. 71078418

## Annual report 2020

The Annual General Meeting adopted the  
annual report on 27.05.2021

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**Martin Busk Andersen**

Chairman of the General Meeting

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# Entity details

## Entity

Jupiter Bach A/S  
Theilgaards Allé 4  
4600 Køge

CVR No.: 71078418  
Registered office: Køge  
Financial year: 01.01.2020 - 31.12.2020

## Board of Directors

Arne Handeland  
Thomas Bechmann  
Peter Liu Johansen  
Søren Friis Knudsen  
Frank Virenfeldt Nielsen

## Executive Board

Lars Steen Rasmussen, CEO  
Martin Busk Andersen, CFO

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
2300 Copenhagen S

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Jupiter Bach A/S for the financial year 01.01.2020 - 31.12.2020.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

We believe that 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.

Køge, 26.03.2021

## Executive Board

**Lars Steen Rasmussen**  
CEO

**Martin Busk Andersen**  
CFO

## Board of Directors

**Arne Handeland**

**Thomas Bechmann**

**Peter Liu Johansen**

**Søren Friis Knudsen**

**Frank Virefeldt Nielsen**

# Independent auditor's report

## To the shareholders of Jupiter Bach A/S

### Opinion

We have audited the financial statements of Jupiter Bach A/S for the financial year 01.01.2020 - 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 in accordance with 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 financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

### Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 commentary.

Copenhagen, 26.03.2021

### Deloitte

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

### Nikolaj Thomsen

State Authorised Public Accountant  
Identification No (MNE) mne33276

### Henrik Wolff Mikkelsen

State Authorised Public Accountant  
Identification No (MNE) mne33747

# Management commentary

## Financial highlights

	2020 DKK'000	2019 DKK'000	2018 DKK'000	2017 DKK'000	2016 DKK'000
<b>Key figures</b>					
Revenue	605,429	821,676	668,178	432,775	491,019
Gross profit/loss	19,114	74,699	56,312	52,232	46,889
Operating profit/loss	(15,083)	22,365	14,414	22,543	19,762
Net financials	(10,349)	(15,785)	(18,109)	(13,687)	16,721
Profit/loss for the year	12,229	13,806	(4,144)	5,653	31,456
Total assets	456,558	441,431	463,403	369,230	155,785
Investments in property, plant and equipment	1,070	1,257	10,878	271	1,023
Equity	94,708	92,487	76,641	87,157	100,851
Average number of employees	35	51	55	35	40
<b>Ratios</b>					
Gross margin (%)	3.16	9.09	8.43	12.07	9.55
Net margin (%)	2.02	1.68	(0.62)	1.31	6.41
Return on equity (%)	13.07	16.33	(5.06)	6.01	36.76
Equity ratio (%)	20.74	20.95	16.54	23.61	64.74

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

### Gross margin (%):

$\frac{\text{Gross profit/loss} * 100}{\text{Revenue}}$

### Net margin (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Revenue}}$

### Return on equity (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Average equity}}$

### Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Total assets}}$



### Primary activities

The Company's primary activities comprise sale and production of composite components for the wind turbine industry.

### Development in activities and finances

The Company's income statement for 2020 shows a profit of DKK 12,229 thousand and the balance sheet at 31 December 2020 shows equity of DKK 94,708 thousand. The revenue and profit for the year has declined against 2019 performance due to a lower level of activity. Management considers a profit after tax of DKK 12,229 thousand satisfactory.

### Outlook

The global market for wind turbines has generally increased for many years. A positive market development, but also an intensified level of competition is expected for 2021. Management expects the result for 2021 to be below 2020 performance.

### Particular risks

#### Price risks

Soaring commodity prices and increasing transportation rates may affect the results negatively. Some of the prices on raw materials are indirectly controlled by the oil prices. To the extent possible the commitments on sourcing prices are aligned with commitments on selling prices.

#### Currency and interest rate risks

The Company sells product predominantly settled in DKK, EUR, CNY or USD and its cost base is mainly settled in CNY, PLN, EUR, DKK and USD. The company has in general chosen not to hedge currency risks, however, some ad-hoc hedging could take place.

The majority of the Company's payables to credit institutions comprise floating-rate loans.

#### Quality risks

The company produces customized GRP parts (glass reinforced plastic) in manual processes according to customer specifications. The quality of the parts are managed and controlled via the company's global quality management quality system including ISO 9001 certification.

### Intellectual capital resources

The Company continues to strengthen its Management platform and thus its knowledge base is today well documented and spread to a wider group of employees. Strengthening of Management skills also continues to be a key focus point.

### Statutory report on corporate social responsibility

#### Business model

The Jupiter Bach's business model is as described under primary activities.

Sustainability is essential to Jupiter Bach and the company acknowledges its responsibilities and is committed to do their part for a better world. The company has assessed the UN Sustainability Goals and selected 5 of the goals as primary focus. The company releases a yearly sustainability/CSR report in the 2nd quarter of the year which is available at [www.jupiterbach.com](http://www.jupiterbach.com). Jupiter Bach has been a signatory of UN Global Compact since 2019.

Jupiter Bach follows the laws and regulations wherever they operate. In some countries, local laws, regulations or industry codes may be more stringent than Jupiter Bach policies. In others, Jupiter Bach policies may be more stringent. The company always follows the more stringent rules. The commitment is described in the company's Code of Conduct available at [www.jupiterbach.com](http://www.jupiterbach.com).

Jupiter Bach is certified towards Health & Safety and Environment and the policy is available at [www.jupiterbach.com](http://www.jupiterbach.com).

Below is a description of the activities within the areas of most importance to Jupiter Bach.

### **People - employee matters, human and labor rights**

The company has a strong uniform global Health and Safety Management system certified by Bureau Veritas. It was in 2020 upgraded from OHSAS18001 to ISO45001 and the certification audits have been successfully completed.

Internationally recognized human and labor rights are respected as well as the dignity of every individual. The company condemns child labor as well as force and compulsory labor. Discrimination, harassment and retaliation are not tolerated and a harassment policy was implemented in 2020. The company's demands and expectations related to human and labor rights are similar towards suppliers and business partners.

Via a thorough risk management process risks are identified, assessed, and mitigated. The most significant risks for work safety at production sites relate to ergonomics, chemicals and dust. At headquarter the most significant risk relates to stress. Mitigations are implemented via protective programs and improvement projects. For human and labor rights the risks are assessed to be low in Jupiter Bach and more related to the supply chain where improved risk mitigation was initiated in 2020 via strengthened Supplier Code of Conduct and audit process.

Health and safety of the employees is the company's number one priority, and a set of guiding principles was implemented in 2020. The company tracks the safety performance through KPI's related injuries, illness and chemicals. The progress is good e.g., did the frequency of lost time injuries globally decrease with 42% in 2020 compared to 2019.

The company is not aware of any breaches concerning human or labor rights in Jupiter Bach or the supply chain in 2020.

The company expects to further improve the defined KPI's as well as strengthen the process towards the supply chain.

### **Environment and climate**

The company has a strong uniform global Environmental Management system certified by Bureau Veritas towards ISO14001.

Environmental risks and aspects are identified, assessed and mitigated through a global process. The most significant local environmental risks are related to fire at production sites and the aspects relate to generation of waste and consumption of energy and water. The risk of fire is mitigated through comprehensive emergency preparedness processes and no fires or indications of such have been observed in 2020.

The environmental aspects are tracked via a set of KPI's on waste generation and consumption of energy and water. The KPI's show good progress for 2020.

Since 2018 the company has tracked its carbon emissions globally (scope 1 and 2) according to the Greenhouse Gas Protocol as a part of the climate risk management. The carbon inventory was in 2020 expanded with selected scope 3 emissions. The company purchases 100% renewable electricity globally from 1st of January 2020 and hereby reduced the carbon emissions from purchased energy with more than 99% compared to 2019.

The company expects to further improve their management of carbon emissions by 1) complete scope 3 carbon inventory 2) committing to Science Based Target initiative.

### **Anticorruption**

Jupiter Bach advocates anticorruption and condemns corruption in all its forms, including extortion and bribery. The company assesses the current risk of corruption and bribery to be low due to the nature of the business as well as strong processes.

It is the policy of Jupiter Bach to work against corruption in any form and not engage directly or indirectly in any form of bribery including facilitation payments. The company developed a gift and entertainment policy in 2020 which is under implementation. The policy defines only to receive or offer gifts, entertainment, or anything other of value, that are proportionate to the situation and within reasonable limits and never where it can unduly influence a business situation. All gifts received or offered must be registered and gifts received can never be personal.

Employees are trained in avoiding conflicts of interest and to make sure that personal interests do not unduly influence the professional judgement.

Jupiter Bach is not aware of any breaches concerning bribery and corruption in Jupiter Bach in 2020. The company will in the future continue to advocate anticorruption and will regularly assess the efforts in this regard. To ensure that the policy and requirements continue to be broadly understood in the organization, an e-learning program will be developed and implemented in 2021.

### **Statutory report on the underrepresented gender**

Jupiter Bach has a policy for gender equality at all levels in the organization including management, and is committed to provide equal opportunities for all. The policy is stated in the employee manual and, among other matters, it stipulates the possibilities for flexible career opportunities, working hours, etc.

By end of 2020 the Board of Directors (BoD) consisted of 5 males and no females. The target for gender balance in the BoD is a representation of females by min. 20% by the end of 2024. There was one replacement in the BoD during 2020 where the most qualified candidate was male.

The gender balance for leadership positions beside the BoD was 71% male and 29% female by the end of 2020. It is the target of Jupiter Bach to continue to strive for an equal gender balance at management positions. Females are encouraged to apply for management positions equally with males and it is the ambition always to have as minimum one female candidate for leadership positions.

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

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

# Income statement for 2020

	Notes	2020 DKK'000	2019 DKK '000
Revenue	1	605,429	821,676
Costs of raw materials and consumables		(573,230)	(719,766)
Other external expenses	2	(13,085)	(27,211)
<b>Gross profit/loss</b>		<b>19,114</b>	<b>74,699</b>
Staff costs	3	(29,139)	(45,367)
Depreciation, amortisation and impairment losses	4	(5,058)	(6,967)
<b>Operating profit/loss</b>		<b>(15,083)</b>	<b>22,365</b>
Income from investments in group enterprises		32,587	8,902
Other financial income	5	13,816	11,809
Other financial expenses	6	(24,165)	(27,594)
<b>Profit/loss before tax</b>		<b>7,155</b>	<b>15,482</b>
Tax on profit/loss for the year	7	5,827	(1,676)
Other taxes		(753)	0
<b>Profit/loss for the year</b>	8	<b>12,229</b>	<b>13,806</b>

# Balance sheet at 31.12.2020

## Assets

	Notes	2020 DKK'000	2019 DKK'000
Completed development projects	10	3,050	5,605
Acquired intangible assets		2,874	2,625
Development projects in progress	10	11,113	6,019
<b>Intangible assets</b>	9	<b>17,037</b>	<b>14,249</b>
Plant and machinery		795	610
Other fixtures and fittings, tools and equipment		215	265
Leasehold improvements		642	109
<b>Property, plant and equipment</b>	11	<b>1,652</b>	<b>984</b>
Investments in group enterprises		282,473	270,945
Receivables from group enterprises		72,863	64,417
Deposits		403	827
<b>Financial assets</b>	12	<b>355,739</b>	<b>336,189</b>
<b>Fixed assets</b>		<b>374,428</b>	<b>351,422</b>

Raw materials and consumables		0	93
Work in progress		553	276
Manufactured goods and goods for resale		436	0
<b>Inventories</b>		<b>989</b>	<b>369</b>
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Trade receivables		37,674	43,871
Receivables from group enterprises		6,308	14,317
Deferred tax	13	2,265	3,138
Other receivables		16,607	3,624
Joint taxation contribution receivable		8,057	1,368
Prepayments	14	4,688	3,961
<b>Receivables</b>		<b>75,599</b>	<b>70,279</b>
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<b>Cash</b>		<b>5,542</b>	<b>19,361</b>
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<b>Current assets</b>		<b>82,130</b>	<b>90,009</b>
<hr/>			
<b>Assets</b>		<b>456,558</b>	<b>441,431</b>
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**Equity and liabilities**

	<b>Notes</b>	<b>2020 DKK'000</b>	<b>2019 DKK'000</b>
Contributed capital		1,266	1,266
Reserve for net revaluation according to the equity method		62,891	48,025
Reserve for development expenditure		11,250	9,473
Retained earnings		19,301	33,723
<b>Equity</b>		<b>94,708</b>	<b>92,487</b>
Other provisions	15	6,000	0
<b>Provisions</b>		<b>6,000</b>	<b>0</b>
Bank loans		140,021	116,198
Payables to group enterprises		23,701	0
Other payables		2,394	1,147
<b>Non-current liabilities other than provisions</b>	16	<b>166,116</b>	<b>117,345</b>
Current portion of non-current liabilities other than provisions	16	10,000	27,500
Bank loans		15,621	55,287
Prepayments received from customers		1,280	0
Trade payables		3,440	4,946
Payables to group enterprises		149,189	126,691
Other payables		10,204	16,561
Deferred income	17	0	614
<b>Current liabilities other than provisions</b>		<b>189,734</b>	<b>231,599</b>
<b>Liabilities other than provisions</b>		<b>355,850</b>	<b>348,944</b>
<b>Equity and liabilities</b>		<b>456,558</b>	<b>441,431</b>
Unrecognised rental and lease commitments	18		
Contingent liabilities	19		
Assets charged and collateral	20		
Related parties with controlling interest	21		
Group relations	22		

# Statement of changes in equity for 2020

	Contributed capital DKK'000	Reserve for net revaluation according to the equity method DKK'000	Reserve for development expenditure DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	1,266	48,025	9,473	33,723	92,487
Exchange rate adjustments	0	(5,830)	0	0	(5,830)
Value adjustments	0	0	0	(5,356)	(5,356)
Tax of entries on equity	0	0	0	1,178	1,178
Dividends from group enterprises	0	(11,891)	0	11,891	0
Transfer to reserves	0	0	1,777	(1,777)	0
Profit/loss for the year	0	32,587	0	(20,358)	12,229
<b>Equity end of year</b>	<b>1,266</b>	<b>62,891</b>	<b>11,250</b>	<b>19,301</b>	<b>94,708</b>



# Notes

## 1 Revenue

	<b>2020</b>	<b>2019</b>
	<b>DKK'000</b>	<b>DKK'000</b>
Europe	447,614	360,937
America	157,644	447,399
Other	171	13,340
<b>Total revenue by geographical market</b>	<b>605,429</b>	<b>821,676</b>

It is management's assessment that Jupiter Bach A/S only has one product segment.

## 2 Fees to the auditor appointed by the Annual General Meeting

	<b>2020</b>	<b>2019</b>
	<b>DKK'000</b>	<b>DKK'000</b>
Statutory audit services	275	275
Tax services	807	1,334
Other services	209	189
	<b>1,291</b>	<b>1,798</b>

### 3 Staff costs

	<b>2020</b>	<b>2019</b>
	<b>DKK'000</b>	<b>DKK'000</b>
Wages and salaries	26,411	42,104
Pension costs	1,975	2,644
Other social security costs	207	350
Other staff costs	546	269
	<b>29,139</b>	<b>45,367</b>
Average number of full-time employees	35	51

	<b>Remuneration of management 2020</b>	<b>Remuneration of management 2019</b>
	<b>DKK'000</b>	<b>DKK'000</b>
Executive Board	5,185	5,168
Board of Directors	600	600
	<b>5,785</b>	<b>5,768</b>

#### Special incentive programmes

In 2016 and 2017, warrants were granted free of charge in VC VIII Jupiter Holding ApS (the Company's Parent) to members of the Executive Board, Board of Directors and other management employees as part of an incentive programme.

A total of 14,579 B warrants, which each give a pre-emption right to a share of nominal DKK 0.1, vested 1/60 share per month at a subscription price of 111.

Of these 14,579 B warrants, 2,332 B warrants were granted to registered Executive Directors or board members in the Company. The remaining were granted to management employees.

Exercise of B warrants is particularly contingent on the Group's majority shareholder obtaining a certain accumulated return on the investment. The return is calculated according to closely defined principles.

#### 4 Depreciation, amortisation and impairment losses

	2020 DKK'000	2019 DKK'000
Amortisation of intangible assets	4,656	5,596
Depreciation of property, plant and equipment	402	748
Profit/loss from sale of intangible assets and property, plant and equipment	0	623
	<b>5,058</b>	<b>6,967</b>

#### 5 Other financial income

	2020 DKK'000	2019 DKK'000
Financial income from group enterprises	2,262	2,489
Other interest income	11	125
Exchange rate adjustments	11,315	8,439
Other financial income	228	756
	<b>13,816</b>	<b>11,809</b>

#### 6 Other financial expenses

	2020 DKK'000	2019 DKK'000
Financial expenses from group enterprises	884	1,744
Other interest expenses	5,224	7,410
Exchange rate adjustments	13,147	9,225
Other financial expenses	4,910	9,215
	<b>24,165</b>	<b>27,594</b>

#### 7 Tax on profit/loss for the year

	2020 DKK'000	2019 DKK'000
Current tax	(6,879)	(50)
Change in deferred tax	873	1,677
Adjustment concerning previous years	179	49
	<b>(5,827)</b>	<b>1,676</b>

#### 8 Proposed distribution of profit and loss

	2020 DKK'000	2019 DKK'000
Retained earnings	12,229	13,806
	<b>12,229</b>	<b>13,806</b>

## 9 Intangible assets

	Completed development projects DKK'000	Acquired intangible assets DKK'000	Development projects in progress DKK'000
Cost beginning of year	15,298	4,795	6,019
Additions	1,684	666	5,094
<b>Cost end of year</b>	<b>16,982</b>	<b>5,461</b>	<b>11,113</b>
Amortisation and impairment losses beginning of year	(9,693)	(2,170)	0
Amortisation for the year	(4,239)	(417)	0
<b>Amortisation and impairment losses end of year</b>	<b>(13,932)</b>	<b>(2,587)</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>3,050</b>	<b>2,874</b>	<b>11,113</b>

## 10 Development projects

Development projects in progress and completed development projects consist of development of new products and technologies to improve production methods regarding nacelle covers, modular forms and new production lines. Completed development projects are depreciated over 3 years and all projects have sales amounts in pipeline in the 2021 budget. Management expects developments projects in progress to generate sales amount in the future. Therefore management has no indication that the carrying amounts of ongoing or completed projects should be written down.

## 11 Property, plant and equipment

	Plant and machinery DKK'000	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000
Cost beginning of year	765	466	1,082
Additions	353	94	623
<b>Cost end of year</b>	<b>1,118</b>	<b>560</b>	<b>1,705</b>
Depreciation and impairment losses beginning of year	(155)	(201)	(973)
Depreciation for the year	(168)	(144)	(90)
<b>Depreciation and impairment losses end of year</b>	<b>(323)</b>	<b>(345)</b>	<b>(1,063)</b>
<b>Carrying amount end of year</b>	<b>795</b>	<b>215</b>	<b>642</b>

**12 Financial assets**

	<b>Investments in group enterprises DKK'000</b>	<b>Receivables from group enterprises DKK'000</b>	<b>Deposits DKK'000</b>
Cost beginning of year	222,920	64,417	827
Additions	0	8,446	76
Disposals	(3,338)	0	(500)
<b>Cost end of year</b>	<b>219,582</b>	<b>72,863</b>	<b>403</b>
Revaluations beginning of year	48,025	0	0
Exchange rate adjustments	(5,830)	0	0
Amortisation of goodwill	(11,078)	0	0
Share of profit/loss for the year	43,913	0	0
Adjustment of intra-group profits	(248)	0	0
Dividend	(11,891)	0	0
<b>Revaluations end of year</b>	<b>62,891</b>	<b>0</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>282,473</b>	<b>72,863</b>	<b>403</b>

The carrying amount of goodwill is DKK 73,032 thousands.

<b>Investments in subsidiaries</b>	<b>Registered in</b>	<b>Equity interest %</b>
Jupiter Bach North America, Inc.	USA	100
Jupiter Bach Composites (Dezhou) Co., Ltd	China	100
Jupiter Bach Polska sp. z o.o.	Poland	100
JUPITER BACH ESPAÑA, S.L.U.	Spain	100
UAB Jupiter Bach Lietuva	Lithuania	100

### 13 Deferred tax

	2020 DKK'000	2019 DKK'000
Intangible assets	(346)	1,317
Property, plant and equipment	122	296
Provisions	2,695	1,669
Other deductible temporary differences	(206)	(144)
<b>Deferred tax</b>	<b>2,265</b>	<b>3,138</b>

<b>Changes during the year</b>	<b>2020 DKK'000</b>
Beginning of year	3,138
Recognised in the income statement	(873)
<b>End of year</b>	<b>2,265</b>

### 14 Prepayments

Prepayments comprise incurred costs relating to subsequent financial years.

### 15 Other provisions

A provision of DKK 6 mio has been recognized at 31 December 2020 in respect of business development and warranty provisions.

The provision are recognized based on specific estimates, and amounts may vary due to uncertainty.

### 16 Non-current liabilities other than provisions

	Due within 12 months 2020 DKK'000	Due within 12 months 2019 DKK'000	Due after more than 12 months 2020 DKK'000
Bank loans	10,000	27,500	140,021
Payables to group enterprises	0	0	23,701
Other payables	0	0	2,394
	<b>10,000</b>	<b>27,500</b>	<b>166,116</b>

### 17 Deferred income

Deferred income comprises income received for recognition in subsequent financial years.

**18 Unrecognised rental and lease commitments**

	<b>2020</b>	<b>2019</b>
	<b>DKK'000</b>	<b>DKK'000</b>
Liabilities under rental or lease agreements with associates until maturity	2,736	2,291

### **19 Contingent liabilities**

The Company has issued a letter of support promising to provide the necessary funds for its subsidiaries Jupiter Bach Polska sp. z o.o. and Bach Composite Espana S.L.U.

The Entity participates in a Danish joint taxation arrangement in which VC VIII Jupiter Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable from 13 May 2016 for income taxes etc and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The total known net liability of the jointly taxed entities under the joint taxation arrangement is evident from the administration company's financial statements.

### **20 Assets charged and collateral**

As security for the Group's total engagements with Nykredit, Jupiter Bach A/S has granted a company charge of nominal DKK 80,600 thousand. Total withdrawal on the banking arrangements amounts to DKK 165.642 thousand at 31.12.2020.

### **21 Related parties with controlling interest**

VC VIII Jupiter Holding ApS, Køge, Denmark owns the majority of the shares and thus controls the Entity.

### **22 Group relations**

Name and registered office of the Parent preparing consolidated financial statements for the smallest group: JBP Holding AS.



# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

The accounting policies applied to these financial statements are consistent with those applied last year.

## Consolidated financial statements

Referring to S 112(1) Danish Financial Statements Act, no consolidated financial statements have been prepared. Jupiter Holding ApS and its subsidiaries are included in the consolidated financial statements of VC VIII Jupiter Holding Norge AS.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Foreign currency translation

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 rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question are classified directly as equity.

## **Income statement**

### **Revenue**

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

### **Costs of raw materials and consumables**

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary writedowns of the relevant inventories.

### **Other external expenses**

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

### **Staff costs**

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

### **Depreciation, amortisation and impairment losses**

Amortisation, depreciation and impairment losses relating to intangible assets and material assets comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as material assets.

### **Income from investments in group enterprises**

Investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

### **Other financial income**

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies etc.

### **Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies, etc.

**Tax on profit/loss for the year**

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish Group entities. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

**Other taxes**

The item includes tax amounts calculated on another basis than income for the year, which are not refunded to the Entity.

**Balance sheet****Intellectual property rights etc**

Intellectual property rights etc comprise software licences, completed development projects and development projects in progress.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Completed development projects are amortised on a straight-line basis using their estimated useful lives of the assets. The amortisation period is 3 years. For development projects, protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. Development projects are written down to the lower of recoverable amount and carrying amount.

**Property, plant and equipment**

Material assets comprise other fixtures and fittings, tools and equipment and leasehold improvements and are measured at cost less accumulated depreciation and 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.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Plant and machinery	5 years
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	3-5 years

Estimated useful lives and residual values are reassessed annually.

Material assets are written down to the lower of recoverable amount and carrying amount.

### **Investments in group enterprises**

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus or minus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation is imminent, a provision is recognised that is measured at present value of the costs deemed necessary to incur to settle the obligation.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Goodwill is calculated as the difference between cost of the investments and fair value of the pro rata share of assets and liabilities acquired. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful lives are reassessed annually. The amortisation period used are 10 years.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount

### **Receivables**

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

**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.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation of and impairment losses relating to machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management. Finance 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.

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

**Deferred tax**

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

**Joint taxation contributions receivable or payable**

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

**Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

**Cash**

Cash comprises cash in hand and bank deposits.

**Other provisions**

Other provisions comprise anticipated costs of non-recourse guarantee commitments, loss on contract work in progress, decided and published restructuring, etc.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

**Other financial liabilities**

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

**Prepayments received from customers**

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

**Deferred income**

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

**Cash flow statement**

Pursuant to S 86(4) Danish Financial Statements Act, the Company has not prepared a cash flow statement as it is included in the group cash flow statement of JBP Holding AS.