

# Ivarsson A/S

Kometvej 36, DK-6230 Rødekro

CVR no. 78 61 18 12



## Annual report 2015

Approved at the annual general meeting of shareholders on 11 April 2016

Chairman:



André Hoste



Building a better  
working world



## Contents

<b>Statement by the Board of Directors and the Executive Board</b>	<b>2</b>
<b>Independent auditors' report</b>	<b>3</b>
<b>Management's review</b>	<b>4</b>
Company details	4
Financial highlights	5
Operating review	6
<b>Financial statements for the period 1 January - 31 December</b>	<b>8</b>
Income statement	8
Balance sheet	9
Statement of changes in equity	11
Notes	12

## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Ivarsson A/S for the financial year 1 January - 31 December 2015.

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

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January - 31 December 2015.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

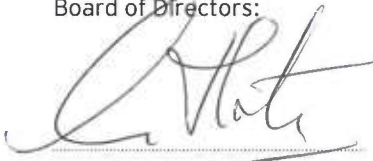
We recommend the adoption of the annual report at the annual general meeting.

Aabenraa, 11 April 2016  
Executive Board:



Thomas Skouenborg  
Bentsen

Board of Directors:



André Hoste  
Chairman



Johan Leo



Thomas Skouenborg  
Bentsen

## Independent auditors' report

To the shareholders of Ivarsson A/S

### Independent auditors' report on the financial statements

We have audited the financial statements of Ivarsson A/S for the financial year 1 January - 31 December 2015, which comprise an income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

### Management's responsibility 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. Further, Management is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' responsibility

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

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

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

Our audit has not resulted in any qualification.

### Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of its operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

### Statement on the Management's review

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

Aarhus, 11 April 2016  
ERNST & YOUNG  
Godkendt Revisionspartnerselskab  
CVR No. 30 70 02 28



Henrik Andersen  
state authorised public accountant



Jon Midtgaard  
state authorised public accountant



## Management's review

### Company details

Name	Ivarsson A/S
Address, Postal code, City	Kometvej 36, DK-6230 Rødekro
CVR No.	78 61 18 12
Established	26 June 1985
Registered office	Aabenraa
Financial year	1 January - 31 December
Website	<a href="http://www.ivarsson.dk">www.ivarsson.dk</a>
E-mail	<a href="mailto:ivarsson@ivarsson.dk">ivarsson@ivarsson.dk</a>
Board of Directors	André Hoste, Chairman Johan Leo Thomas Skouenborg Bentsen
Executive Board	Thomas Skouenborg Bentsen
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Værkmestergade 25, P O Box 330, 8100 Aarhus C, Denmark
Bankers	Handelsbanken

## Management's review

### Financial highlights

DKKt	2015	2014	2013	2012	2011
<b>Key figures</b>					
Gross margin	56,852	58,028	58,104	50,270	41,814
Operating profit	14,761	19,491	23,969	19,077	8,616
Net financials	-1,480	-2,097	-2,427	-2,455	-3,601
<b>Profit/loss for the year</b>	<b>10,546</b>	<b>14,318</b>	<b>17,500</b>	<b>12,369</b>	<b>1,840</b>
<b>Financial ratios in %</b>					
Total assets	85,674	77,990	73,216	62,370	64,784
Investment in property, plant and equipment	234	147	193	242	41
<b>Equity</b>	<b>36,409</b>	<b>-22,959</b>	<b>-41,579</b>	<b>-58,208</b>	<b>-70,178</b>
Return on assets	18.0 %	25.8 %	35.4 %	30.0 %	12.9 %
Solvency ratio	42.5 %	-29.4 %	-56.8 %	-93.3 %	-108.3 %
Return on equity	156.8 %	-44.4 %	-35.1 %	-19.3 %	-2.6 %
<b>Average number of employees</b>	<b>69</b>	<b>69</b>	<b>65</b>	<b>62</b>	<b>61</b>

Financial ratios are calculated in accordance with the Danish Finance Society's recommendations on the calculation of financial ratios "Recommendations and Financial Ratios 2015". For terms and definitions, please see the accounting policies.

## Management's review

### Operating review

#### The Company's business review

As in previous years, the principal activities comprised marketing and distribution of construction products, primarily in fibre cement within the main groups fire-proof building boards, roofing products, cladding systems, etc.

The products are sold in the Scandinavian countries.

#### Unusual matters having affected the financial statements

Due to the merger with Opticolor Holding A/S, effective from 1 January 2015, comparatives have been restated so as to include figures for both entities.

#### Financial review

The income statement for 2015 shows a profit of DKK 10,546,395 against a profit of DKK 14,318,157 last year, and the balance sheet at 31 December 2015 shows equity of DKK 36,408,862. Management considers the Company's financial performance in the year satisfactory.

#### Knowledge resources

In addition to the Company's primary activities, a related activity is to develop the highest possible competence within application and function of the Company's fibre cement products. In order to be able to utilise these competences, it is decisive that the Company is able to recruit and maintain employees with relevant backgrounds and a high level of education. It is our objective for the Company to have state-of-the-art knowledge of these product competence areas and to ensure the Company's rapid adaptability.

#### Special risks

##### *Financial risks*

The Company's purchases of raw materials, which are primarily based on fibre cement products, are expected to remain stable. Any price fluctuations can be recognised in the sales prices, and the Company's direct competitors will also experience the same changes.

##### *Currency risks*

It is Company policy to hedge commercial currency risks. No speculative currency transactions are made. The Company's activity is settled in DKK, EUR, NOK and SEK

#### Impact on the external environment

The environmental profile of the Company is very distinct. This applies at first to the Company's product and environmental issues, but also to a high degree of the environmental issues regarding transport, distribution and the use of the Company's products.

All the Company's market resources are also subject to detailed environmental assessments. The Company has heavy environmental requirements for all suppliers in all respects. The Company's activities are therefore not considered to be detrimental to the environment.

#### Foreign branches

In the financial year under review Ivarsson A/S had permanent establishments in Norway and Sweden.

##### *Sales branches:*

- Ivarsson Norge, NUF, Oslo
- Ivarsson Sverige, branch of Ivarsson A/S Danmark, Malmö



## **Management's review**

### **Operating review**

#### **Post balance sheet events**

No significant events have occurred subsequent to the financial year.

#### **Outlook**

Management expects that revenue and results of operations for 2016 will be at a higher level than obtained in 2015.



## Financial statements for the period 1 January - 31 December

### Income statement

Notes	DKK	2015	2014
	<b>Gross profit</b>	56,852,411	58,028,078
2	Staff costs	-40,850,232	-38,088,462
3	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-1,241,304	-448,813
	<b>Operating profit</b>	14,760,875	19,490,803
4	Financial income	54,863	39,979
5	Financial expenses	-1,535,046	-2,137,425
	<b>Profit before tax</b>	13,280,692	17,393,357
6	Tax for the year	-2,734,297	-3,075,200
	<b>Profit for the year</b>	10,546,395	14,318,157
	<b>Proposed profit appropriation</b>		
	Retained earnings	10,546,395	14,318,157
		10,546,395	14,318,157

## Financial statements for the period 1 January - 31 December

### Balance sheet

Notes	DKK	2015	2014
<b>ASSETS</b>			
<b>Non-current assets</b>			
7	<b>Intangible assets</b>		
	Acquired intangible assets	3,325,334	4,236,730
	Goodwill	0	0
		<u>3,325,334</u>	<u>4,236,730</u>
8	<b>Property, plant and equipment</b>		
	Plant and machinery	651,293	786,620
	Other fixtures and fittings, tools and equipment	347,611	308,068
	Leasehold improvements	0	0
		<u>998,904</u>	<u>1,094,688</u>
	<b>Investments</b>		
	Other receivables	59,635	38,038
		<u>59,635</u>	<u>38,038</u>
	<b>Total non-current assets</b>	<u>4,383,873</u>	<u>5,369,456</u>
<b>Current assets</b>			
	<b>Inventories</b>		
	Finished goods and goods for resale	14,981,047	10,843,581
		<u>14,981,047</u>	<u>10,843,581</u>
	<b>Receivables</b>		
	Trade receivables	36,505,865	36,916,064
	Receivables from group entities	5,330,513	16,772,132
11	Deferred tax assets	3,045,452	1,822,763
	Other receivables	31,683	157,641
9	Prepayments	1,116,547	700,460
		<u>46,030,060</u>	<u>56,369,060</u>
	<b>Cash</b>	<u>20,278,662</u>	<u>5,407,933</u>
	<b>Total current assets</b>	<u>81,289,769</u>	<u>72,620,574</u>
	<b>TOTAL ASSETS</b>	<u>85,673,642</u>	<u>77,990,030</u>

## Financial statements for the period 1 January - 31 December

### Balance sheet

Notes	DKK	2015	2014
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
10	Share capital	4,300,000	4,300,000
	Retained earnings	32,108,862	-27,258,967
	<b>Total equity</b>	<u>36,408,862</u>	<u>-22,958,967</u>
	<b>Provisions</b>		
	Other provisions	1,525,000	1,806,177
12	<b>Total provisions</b>	<u>1,525,000</u>	<u>1,806,177</u>
	<b>Liabilities other than provisions</b>		
	<b>Non-current liabilities other than provisions</b>		
	Payables to group entities	0	63,000,000
		<u>0</u>	<u>63,000,000</u>
	<b>Current liabilities other than provisions</b>		
	Trade payables	4,889,084	7,881,462
	Payables to group entities	27,513,784	12,368,252
	Income taxes payable	455,290	1,762,296
	Other payables	14,881,622	14,130,810
		<u>47,739,780</u>	<u>36,142,820</u>
	<b>Total liabilities other than provisions</b>	<u>47,739,780</u>	<u>99,142,820</u>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<u>85,673,642</u>	<u>77,990,030</u>

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

## Financial statements for the period 1 January - 31 December

### Statement of changes in equity

DKK	Share capital	Retained earnings	Total
Equity at 1 January 2014	4,300,000	-45,878,897	-41,578,897
Profit/loss for the year	0	14,318,157	14,318,157
Adjustment of hedging instruments at fair value	0	5,735,697	5,735,697
Tax on items recognised directly in equity	0	-1,433,924	-1,433,924
<b>Equity at 1 January 2015</b>	<b>4,300,000</b>	<b>-27,258,967</b>	<b>-22,958,967</b>
Contribution	0	52,000,000	52,000,000
Profit/loss for the year	0	10,546,395	10,546,395
Adjustment of hedging instruments at fair value	0	-4,206,362	-4,206,362
Tax on items recognised directly in equity	0	1,027,796	1,027,796
<b>Equity at 31 December 2015</b>	<b>4,300,000</b>	<b>32,108,862</b>	<b>36,408,862</b>

## Financial statements for the period 1 January - 31 December

### Notes

#### 1 Accounting policies

The annual report of Ivarsson A/S for 2015 has been presented in accordance with the provisions of the Danish Financial Statements Act as regards medium-sized reporting class C enterprises.

The accounting policies applied by the company are consistent with those of last year.

#### Omission to present a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The entity's cash flows are part of the consolidated cash flow statement for the parent company, Etex S.A. (please refer to note 15 for details).

#### Intra-group business combinations

Intra-group mergers are treated according to the pooling-of-interests method where the acquirer recognises the acquiree's assets and liabilities at the former carrying amounts. Comparatives are restated as if the two entities have always been combined.

Due to the merger with Opticolor Holding A/S, effective from 1 January 2015, comparatives have been restated to include figures for both entities.

#### Currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

#### Derivative financial instruments

On initial recognition, derivative financial instruments are recognised at cost in the balance sheet and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and payables, respectively.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognised asset or liability are recognised in the income statement together with changes in the fair value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments designated as and qualifying for hedging of future assets or liabilities are recognised in other receivables or other payables and in equity. If the hedged forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the hedged forecast transaction results in income or expenses, amounts previously deferred in equity are transferred to the income statement in the period in which the hedged item affects the profit/loss for the year.

For derivative financial instruments that do not qualify for hedge accounting, changes in fair value are recognised in the income statement on a regular basis.

## Financial statements for the period 1 January - 31 December

### Notes

#### 1 Accounting policies - continued

##### Leases

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

##### Income statement

###### Revenue

Income from the sale of goods for resale and finished goods, comprising sale of construction products, primarily in fibre cement within the main groups fire-proof building boards, roofing products, cladding systems, etc. is recognised in revenue when transfer of the most significant rewards and risks to the buyer has taken place and provided that the income can be reliably measured and payment is expected to be received.

Revenue is measured at fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

###### Gross profit

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue', 'Cost of sale', 'Other external expenses' and 'Other operating income' are consolidated into one item designated 'Gross profit'.

###### Other operating income

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

###### Other external expenses

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

###### Staff costs

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

###### Amortisation/depreciation and impairment of intangible assets and property, plant and equipment

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

The cost net of the expected residual value for completed development projects and acquired IP rights is amortised over the expected useful life. Acquired IP rights include patents, rights and licences.

Goodwill is amortised over the expected economic life, measured by reference to an assessment of, among other factors, the nature, earnings and market position of the acquired entity as well as the stability of the industry and the dependence on key staff.



## Financial statements for the period 1 January - 31 December

### Notes

#### 1 Accounting policies - continued

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

Acquired IP rights	5 years
Goodwill	5 years

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

Leasehold improvements	3 years
Plant and machinery	15 years
Other fixtures and fittings, tools and equipment	3-5 years

#### Financial income and expenses

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

#### Tax

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

#### Balance sheet

##### Intangible assets

Goodwill is measured at cost less accumulated amortisation and impairment losses.

Other intangible assets include development projects and other acquired intangible rights, including software licences, distribution rights and development projects.

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

Gains and losses on the sale of intangible assets are recognised in the income statement under 'Other operating income' or 'Other operating expenses', respectively. Gains and losses are calculated by reference to the difference between the selling price less selling expenses and the carrying amount at the time of sale.

##### Property, plant and equipment

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

## Financial statements for the period 1 January - 31 December

### Notes

#### 1 Accounting policies - continued

##### Impairment of fixed assets

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

##### Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

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

##### Receivables

Receivables are measured at amortised cost.

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

##### Prepayments

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

##### Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities which are subject to an insignificant risk of changes in value.

##### Equity

###### *Proposed dividends*

Dividends proposed for the financial year are presented as a separate item under 'Equity'.



## Financial statements for the period 1 January - 31 December

### Notes

#### 1 Accounting policies - continued

##### Provisions

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

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

Guarantee commitments comprise expected cost of repairs within the guarantee period and are recognised based on previous experience with work performed under guarantees.

##### Corporation tax

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

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

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

##### Liabilities

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

Other liabilities are measured at net realisable value.

##### Financial ratios

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015".

The financial ratios stated in the survey of financial highlights have been calculated as follows:

Return on assets	$\frac{\text{Profit/loss from operating activities}}{\text{Average assets} \times 100}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total equity and liabilities at year end}}$
Return on equity	$\frac{\text{Profit/loss for the year after tax} \times 100}{\text{Average equity}}$

## Financial statements for the period 1 January - 31 December

### Notes

DKK	2015	2014
<b>2 Staff costs</b>		
Wages/salaries	37,700,267	35,429,570
Pensions	2,520,365	2,253,339
Other staff costs	629,600	405,553
	<u>40,850,232</u>	<u>38,088,462</u>
Average number of full-time employees	<u>69</u>	<u>69</u>
By reference to section 98b(3), (ii), of the Danish Financial Statements Act, remuneration to management is not disclosed.		
DKK	2015	2014
<b>3 Amortisation/depreciation and impairment of intangible assets and property, plant and equipment</b>		
Amortisation of intangible assets	911,396	139,345
Depreciation of property, plant and equipment	329,908	309,468
	<u>1,241,304</u>	<u>448,813</u>
<b>4 Financial income</b>		
Interest receivable, group entities	52,829	31,708
Other interest income	2,034	8,271
	<u>54,863</u>	<u>39,979</u>
<b>5 Financial expenses</b>		
Interest expenses, group entities	1,486,326	2,098,592
Other interest expenses	48,720	38,833
	<u>1,535,046</u>	<u>2,137,425</u>
<b>6 Tax for the year</b>		
Estimated tax charge for the year	2,927,722	2,836,468
Deferred tax adjustments in the year	-193,425	238,732
	<u>2,734,297</u>	<u>3,075,200</u>

In addition, tax on equity is DKK -1,027,796 (2014: DKK 1,433,294)

## Financial statements for the period 1 January - 31 December

### Notes

#### 7 Intangible assets

DKK	Acquired intangible assets	Goodwill	Total
Cost at 1 January 2015	4,860,166	3,948,739	8,808,905
Cost at 31 December 2015	4,860,166	3,948,739	8,808,905
Impairment losses and amortisation at 1 January 2015	623,436	3,948,739	4,572,175
Amortisation/depreciation in the year	911,396	0	911,396
Impairment losses and amortisation at 31 December 2015	1,534,832	3,948,739	5,483,571
<b>Carrying amount at 31 December 2015</b>	<b>3,325,334</b>	<b>0</b>	<b>3,325,334</b>
Amortised over	5 years	5 years	

#### 8 Property, plant and equipment

DKK	Plant and machinery	Other fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 January 2015	2,169,068	2,252,136	34,487	4,455,691
Additions in the year	0	234,125	0	234,125
Cost at 31 December 2015	2,169,068	2,486,261	34,487	4,689,816
Impairment losses and depreciation at 1 January 2015	1,382,448	1,944,068	34,487	3,361,003
Amortisation/depreciation in the year	135,327	194,582	0	329,909
Impairment losses and depreciation at 31 December 2015	1,517,775	2,138,650	34,487	3,690,912
<b>Carrying amount at 31 December 2015</b>	<b>651,293</b>	<b>347,611</b>	<b>0</b>	<b>998,904</b>
Amortised over	15 years	3-5 years	3 years	

#### 9 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years, including rent of DKK 637 thousand, and other prepaid expenses.

## Financial statements for the period 1 January - 31 December

### Notes

DKK	<u>2015</u>	<u>2014</u>
<b>10 Share capital</b>		
The share capital consists of the following:		
86 shares of DKK 50,000.00 each	4,300,000	4,300,000
	<u>4,300,000</u>	<u>4,300,000</u>

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

DKK	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Opening balance	4,300,000	4,300,000	4,300,000	4,300,000	4,150,000
Capital increase	0	0	0	0	150,000
	<u>4,300,000</u>	<u>4,300,000</u>	<u>4,300,000</u>	<u>4,300,000</u>	<u>4,300,000</u>

### 11 Deferred tax

Deferred tax relates to:

DKK	<u>2015</u>	<u>2014</u>
Intangible assets	-124,961	-204,146
Property, plant and equipment	-67,288	-87,791
Receivables	0	-189,139
Equity	43,963	-1,010,584
Tax loss	3,193,738	3,321,144
Other taxable temporary differences	0	-6,721
	<u>3,045,452</u>	<u>1,822,763</u>

### 12 Provisions

Other provisions comprise provisions for warranty commitments. Warranty provisions relate to expected warranty expenses in accordance with usual guarantee commitments applicable to the sale of goods. The obligation is expected to be settled over the warranty period, which is one year.

## Financial statements for the period 1 January - 31 December

### Notes

#### 13 Collateral

The Company has provided a bank guarantee of DKK 1,000 thousand to the Norwegian authorities in connection with the Company's branch in Norway.

#### 14 Contractual obligations and contingencies, etc.

##### Other contingent liabilities

The Company is subject to claims related to magnesium-oxide boards sold in the Nordics in 2010-2013. Due to uncertainties related to root cause, extent, amount and insurance coverage it is uncertain if an obligation exists. Hence, no amount is recognised in the financial statements.

##### Other financial obligations

Other rent and lease liabilities:

DKK	2015	2014
Rent and lease liabilities	16,974,221	20,438,632

#### 15 Related parties

Ivarsson A/S' related parties comprise the following:

##### Parties exercising control

Related party	Domicile	Basis for control
Parent: Etermat SAS	Vernouillet, France	Participating interest
Ultimate parent: Etex S.A.	Brussels, Belgium	Participating interest

##### Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent's consolidated financial statements
Etex S.A.	Brussels, Belgium	<a href="http://www.etexgroup.com">www.etexgroup.com</a>

##### Related party transactions not carried through on normal market terms

There are no related party transactions that have not been carried through on normal market terms.

##### Ownership

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

Name	Domicile
Etermat SAS	Vernouillet, France