

EMCO Controls A/S

Høgevej 6, 3400 Hillerød

Company reg. no. 80 21 95 12

Annual report

1 October 2019 - 30 September 2020

The annual report was submitted and approved by the general meeting on the 10 March 2021.

Henrik Lisberg
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

Today, the board of directors and the managing director have presented the annual report of EMCO Controls A/S for the financial year 1 October 2019 - 30 September 2020.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 30 September 2020 and of the company's results of activities in the financial year 1 October 2019 – 30 September 2020.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

Hillerød, 10 March 2021

Managing Director

Mads Rolighed Lisberg Nielsen
CEO

Board of directors

Henrik Lisberg Nielsen
Chairman

Jenny Strøe Nielsen

Mads Rolighed Lisberg Nielsen

Kim Saastamoinen-Jakobsen

Independent auditor's report

To the shareholder of EMCO Controls A/S

Opinion

We have audited the financial statements of EMCO Controls A/S for the financial year 1 October 2019 - 30 September 2020, which comprise accounting policies, income statement, statement of financial position, statement of changes in equity and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 30 September 2020 and of the results of the company's activities for the financial year 1 October 2019 - 30 September 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), 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.

Responsibilities of management and those charged with governance for the financial statements

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

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance 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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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.

Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment 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 the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and contents of the financial statements, including disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the 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 express no assurance opinion thereon.

Independent auditor's report

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 10 March 2021

Grant Thornton

State Authorised Public Accountants
Company reg. no. 34 20 99 36

Anders Flymer-Dindler

State Authorised Public Accountant
mne35423

Company information

The company

EMCO Controls A/S
Høgevej 6
3400 Hillerød

Web site www.emco.dk
E mail emco@emco.dk

Company reg. no. 80 21 95 12
Established: 4 January 1977
Domicile: Hillerød
Financial year: 1 October - 30 September

Board of directors

Henrik Lisberg Nielsen, Chairman
Jenny Strøe Nielsen
Mads Rolighed Lisberg Nielsen
Kim Saastamoinen-Jakobsen

Managing Director

Mads Rolighed Lisberg Nielsen, CEO

Auditors

Grant Thornton, Statsautoriseret Revisionspartnerselskab
Stockholmsgade 45
2100 København Ø

Management commentary

The principal activities of the company

EMCO Controls is a instrumentation Company with factory placed in Hillerød near Copenhagen.

Unusual circumstances

The financial year 2019/20 was one of the most challenging years in the more than 50 year history for EMCO Controls. The year started with the best first quarter ever, highest order intake and turnover for a first quarter ever. Then COVID-19 pandemic started in China and projects in the region was postponed, in March the corona then hit Denmark and the entire country was shut down and the way of working was changed overnight.

The focus was then changed, now it was all about keeping everything running. All of our customers had obviously the same challenges and several projects was postponed and new were not started. From April until August we used the compensation packages from the Danish government, but these were not free, we lost above a quarter million kroners on uncompensated wages by using these packages.

In May, June and July the order intake picked up, but the year ended slow again.

The slower parts of the year we used for optimization of internal procedures and work flows.

As a consequence of this, new business opportunities were pursued and have resulted in new partnerships which can be drivers for the continued growth.

Development in activities and financial matters

The income statement for 2019/20 shows a loss of DKK 684 thousand against a profit of DKK 1.511 last year and the balance sheet at 30 September 2020 shows an equity of DKK 5.365 thousand. The result for the year is considered unsatisfactory.

Expected developments

The Company has experienced a slower start to the financial year 2020/21 than last year, but Management exxpects that there is still enough activity to bring EMCO Controls the first part of the way back on track. Several significant projects is expected to get signed within the first 6 month.

Events occurring after the end of the financial year

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Accounting policies

The annual report for EMCO Controls A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies used in preparation of the financial statement are consistent with those of last year.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Accounting policies

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Development projects, patents, and licences

Development costs and internally generated rights are recognised in the income statement as costs in the acquisition year.

Patents and licenses are measured at cost less accrued amortisation. Patents are amortised on a straightline basis over the remaining patent period and licenses are amortised over the contract period, however, for a maximum of 10 years.

Profit and loss from the sale of development projects, patents, and licenses are measured as the difference between the sales price less sales costs and the carrying amount at the time of sale. Profit or loss are recognised in the income statement as other operating income or other operating expenses, respectively.

Property, plant, and equipment

Property is measured at cost plus revaluations and less accrued depreciation and writedown for impairment. Land is not subject to depreciation.

Property is revaluated on the basis of regular, independent fair-value assessments. Net revaluation at fair value adjustment is recognised directly in equity less deferred tax and tied up in a particular revaluation reserve. Net impairment loss at fair value adjustment is recognised in the income statement.

The depreciable amount is cost plus revaluations at fair value less expected residual value after the end of the useful life of the asset. The amortisation period is fixed at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

Reversal of previous revaluations and recognised deferred taxes concerning revaluations are recognised directly in company equity.

Other property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

Accounting policies

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Plant and machinery	3-15 years	0-20 %
Other fixtures and fittings, tools and equipment	3-5 years	0-20 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

As regards self-constructed assets, the cost comprises direct costs for materials, components, deliveries from sub-suppliers, payroll costs, and borrowing costs from specific and general borrowing concerning the construction of each individual asset.

Leases

At their initial recognition in the statement of financial position, leases concerning property, plant, and equipment where the company holds all essential risks and advantages associated with the proprietary right (finance lease) are measured either at fair value or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the discount rate used is the internal rate of return of the lease or, alternatively, the borrowing rate of the enterprise. Hereafter, assets held under a finance lease are treated in the same way as other similar property, plant, and equipment.

The capitalised residual lease commitment is recognised in the statement of financial position as a liability other than provisions, and the interest part of the lease is recognised in the income statement for the term of the contract.

Accounting policies

All other leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Inventories

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

Costs of manufactured goods and work in progress comprise the cost of raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance and depreciation of machinery, factory buildings, and equipment used in the production process, and costs for factory administration and factory management. Borrowing expenses are not recognised in cost.

The net realisable value for inventories is recognised as the market price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Accounting policies

Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured on the basis of the stage of completion on the reporting date and the total expected income from the individual work in progress. The stage of completion is calculated as the share of costs incurred in proportion to the estimated total costs of the individual work in progress.

When the selling price of the individual work in progress can not be determined reliably, the selling price is measured at the costs incurred or at net realisable value, if this is lower.

The individual work in progress is recognised in the statement of financial position under accounts receivables or liabilities. Net assets consist of the sum of the work in progress, where the selling price of the work performed exceeds invoicing on account. Net liabilities consist of the sum of the work in progress, where invoicing on account exceeds the selling price.

Costs in connection with sales work and the procurement of contracts are recognised in the income statement when incurred.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Income tax receivable" or "Income tax payable".

Accounting policies

According to the rules of joint taxation, EMCO Controls A/S is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

Also, capitalised residual leasing liabilities associated with financial leasing contracts are recognised in the financial liabilities.

Liabilities other than provisions relating to investment properties are measured at amortised cost.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 October - 30 September

DKK thousand.

<u>Note</u>	<u>2019/20</u>	<u>2018/19</u>
Gross profit	13.604	16.699
2 Staff costs	-12.688	-13.119
Depreciation and writedown relating to fixed assets	-1.348	-1.439
Operating profit	-432	2.141
3 Other financial income	51	93
Other financial costs	-396	-419
Pre-tax net profit or loss	-777	1.815
Tax on net profit or loss for the year	93	-304
Profit or loss from ordinary activities after tax	-684	1.511
Net profit or loss for the year	-684	1.511
Proposed appropriation of net profit:		
Dividend for the financial year	650	746
Transferred to retained earnings	0	765
Allocated from retained earnings	-1.334	0
Total allocations and transfers	-684	1.511

Statement of financial position at 30 September

DKK thousand.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Assets		
Non-current assets		
4 Completed development projects, including patents and similar rights arising from development projects	144	197
5 Concessions, patents, licenses, trademarks, and similar rights acquired	0	55
Total intangible assets	<u>144</u>	<u>252</u>
6 Plant and machinery	4.549	5.346
7 Other fixtures and fittings, tools and equipment	149	270
Total property, plant, and equipment	<u>4.698</u>	<u>5.616</u>
Total non-current assets	<u>4.842</u>	<u>5.868</u>
Current assets		
Raw materials and consumables	7.820	7.700
Total inventories	<u>7.820</u>	<u>7.700</u>
Trade receivables	6.391	10.783
Work in progress for the account of others	383	421
Amounts owed by group enterprises	0	585
Deferred tax assets	82	0
Other debtors	0	6
Accrued income and deferred expenses	104	111
Total receivables	<u>6.960</u>	<u>11.906</u>
Available funds	<u>977</u>	<u>0</u>
Total current assets	<u>15.757</u>	<u>19.606</u>
Total assets	<u>20.599</u>	<u>25.474</u>

Statement of financial position at 30 September

DKK thousand.

Equity and liabilities		
<u>Note</u>	<u>2020</u>	<u>2019</u>
Equity		
Contributed capital	900	900
Retained earnings	3.815	5.770
Proposed dividend for the financial year	650	746
Total equity	<u>5.365</u>	<u>7.416</u>
Provisions		
Provisions for deferred tax	<u>0</u>	<u>11</u>
Total provisions	<u>0</u>	<u>11</u>
Liabilities other than provisions		
Bank debts	3.000	3.000
Leasing liabilities	2.967	3.572
Income tax payable	0	306
Other payables	<u>1.146</u>	<u>112</u>
Total long term liabilities other than provisions	<u>7.113</u>	<u>6.990</u>
Short-term part of long-term liabilities	763	853
Bank debts	3.028	3.389
Prepayments received from customers	6	134
Trade creditors	2.759	5.142
Debt to group enterprises	0	243
Tax payables to group enterprises	306	273
Other payables	<u>1.259</u>	<u>1.023</u>
Total short term liabilities other than provisions	<u>8.121</u>	<u>11.057</u>
Total liabilities other than provisions	<u>15.234</u>	<u>18.047</u>
Total equity and liabilities	<u>20.599</u>	<u>25.474</u>
1 Special items		
8 Charges and security		
9 Contingencies		
10 Related parties		

Statement of changes in equity

DKK thousand.

	Contributed capital	Retained earnings	Proposed dividend for the financial year	Total
Equity 1 October 2019	900	5.770	746	7.416
Distributed dividend	0	0	-746	-746
Profit or loss for the year brought forward	0	-1.334	650	-684
Group contribution	0	-621	0	-621
	900	3.815	650	5.365

Notes

DKK thousand.

	<u>2019/20</u>	<u>2018/19</u>
1. Special items		
Special items include significant income and expenses of a special nature relative to the enterprise's ordinary operating activities, such as the cost of extensive structuring of processes and fundamental structural adjustments and any related gains on disposal and losses which, over time, have a significant impact. Special items also include other significant amounts of a nonrecurring nature.		
As mentioned in the management commentary, the company has received compensation packages from the Danish State due to the COVID-19 outbreak.		
Special items for the year are specified below, indicating where they are recognised in the income statement.		
Income:		
COVID-19 Compensation	1.098	0
	<u>1.098</u>	<u>0</u>
Special items are recognised in the following items in the financial statements:		
Gross margin (Other operating income)	1.098	0
Profit of special items, net	<u>1.098</u>	<u>0</u>
2. Staff costs		
Salaries and wages	10.935	11.359
Pension costs	1.396	1.427
Other costs for social security	89	94
Other staff costs	268	239
	<u>12.688</u>	<u>13.119</u>
Average number of employees	<u>26</u>	<u>28</u>
3. Other financial income		
Interest intercompany balances	0	22
Exchange differences	51	71
	<u>51</u>	<u>93</u>

Notes

DKK thousand.

	<u>2019/20</u>	<u>2018/19</u>
4. Completed development projects, including patents and similar rights arising from development projects		
Cost opening balance	1.199	1.174
Additions during the year	<u>208</u>	<u>25</u>
Cost end of period	<u>1.407</u>	<u>1.199</u>
Amortisation and writedown opening balance	-1.002	-763
Amortisation for the year	<u>-261</u>	<u>-239</u>
Amortisation and writedown end of period	<u>-1.263</u>	<u>-1.002</u>
Carrying amount, end of period	<u>144</u>	<u>197</u>
5. Concessions, patents, licenses, trademarks, and similar rights acquired		
Cost opening balance	<u>1.940</u>	<u>1.940</u>
Cost end of period	<u>1.940</u>	<u>1.940</u>
Amortisation and writedown opening balance	-1.885	-1.778
Amortisation for the year	<u>-55</u>	<u>-107</u>
Amortisation and writedown end of period	<u>-1.940</u>	<u>-1.885</u>
Carrying amount, end of period	<u>0</u>	<u>55</u>

Notes

DKK thousand.

	<u>30/9 2020</u>	<u>30/9 2019</u>
6. Plant and machinery		
Cost opening balance	14.658	10.158
Additions during the year	286	4.500
Disposals during the year	<u>-173</u>	<u>0</u>
Cost end of period	<u>14.771</u>	<u>14.658</u>
Depreciation and writedown opening balance	-9.312	-7.863
Depreciation for the year	<u>-910</u>	<u>-1.449</u>
Depreciation and writedown end of period	<u>-10.222</u>	<u>-9.312</u>
Carrying amount, end of period	<u>4.549</u>	<u>5.346</u>
7. Other fixtures and fittings, tools and equipment		
Cost opening balance	1.134	1.013
Additions during the year	<u>0</u>	<u>121</u>
Cost end of period	<u>1.134</u>	<u>1.134</u>
Amortisation and writedown opening balance	-863	-735
Depreciation for the year	<u>-122</u>	<u>-129</u>
Amortisation and writedown end of period	<u>-985</u>	<u>-864</u>
Carrying amount, end of period	<u>149</u>	<u>270</u>
8. Charges and security		
As security for the Company's debt to banks, the Company has provided a letter of indemnity for a total amount of DKK 3.500 thousand at 30 September 2020.		
9. Contingencies		
Contingent liabilities		DKK in thousands
Lease liabilities		<u>1.500</u>
Total contingent liabilities		<u>1.500</u>

Notes

DKK thousand.

9. Contingencies (continued)

Joint taxation

With Mads Lisberg Holding, company reg. no 34714347 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

10. Related parties

Controlling interest

Mads Lisberg Holding ApS

Majority shareholder

Transactions

The company has provided a tax exempt contribution of DKK 621 thousand to group companies at 30 September 2020.