

Egersund Wienerberger Production A/S

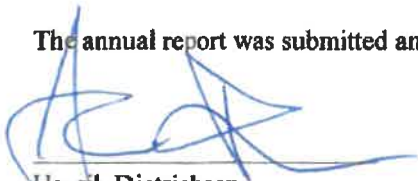
Rørmosevej 85, 3200 Helsingør

Company reg. no. 82 75 39 15

Annual report

2021

The annual report was submitted and approved by the general meeting on the 23 June 2022.



Henrik Dietrichsen
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 statement

Today, the Board of Directors and the Managing Director have approved the annual report of Egernsund Wienerberger Production A/S for the financial year 2021.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.

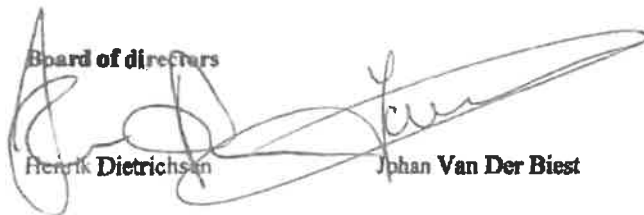
Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Helsingø, 23 June 2022

Managing Director

Andreas Christensen

Board of directors

Henrik Dietrichsen Jøhan Van Der Biest

Andreas Christensen

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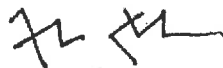
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Helsinge, 23 June 2022

Managing Director



Andreas Christensen

Board of directors


Henrik Dietrichsen
Johan Van Der Biest
Andreas Christensen

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Helsingør, 23 June 2022

Managing Director

Andreas Christensen

Board of directors

Henrik Dietrichsen

Johan Van Der Biest

Andreas Christensen

Independent auditor's report

To the Shareholder of Egersund Wienerberger Production A/S

Opinion

We have audited the financial statements of Egersund Wienerberger Production A/S for the financial year 1 January - 31 December 2021, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021, and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance 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.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

Independent auditor's report

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

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 23 June 2022

Deloitte

State Authorised Public Accountants
Company reg. no. 33 96 35 56



Flemming Larsen

State Authorised Public Accountant
mne27790

Company information

The company	Egernsund Wienerberger Production A/S Rørmosevej 85 3200 Helsingø
	Company reg. no. 82 75 39 15 Domicile: Gribskov Financial year: 1 January - 31 December
Board of directors	Henrik Dietrichsen Johan Van Der Biest Andreas Christensen
Managing Director	Andreas Christensen
Auditors	Deloitte Statsautoriseret Revisionspartnerselskab Wiedekampsgade 6 2300 København S
Parent company	Egernsund Wienerberger A/S
Subsidiary	Egernsund Tegl A.m.b.A., Sønderborg

Financial highlights

DKK in thousands.	2021	2020	2019	2018	2017
Income statement:					
Gross profit	70.844	52.172	50.906	45.866	36.725
Profit from operating activities	7.364	-5.618	24.750	20.351	11.431
Net financials	-742	-149	3.187	850	166
Net profit or loss for the year	5.216	-4.578	22.966	17.001	9.466
Statement of financial position:					
Balance sheet total	193.646	178.031	123.765	108.154	94.768
Investments in property, plant and equipment	29.921	4.381	1.527	2.808	1.462
Equity	138.934	133.718	94.615	71.512	58.398
Employees:					
Average number of full-time employees	106	99	39	39	38
Key figures in %:					
Acid test ratio	178,0	285,6	344,9	339,9	270,3
Solvency ratio	71,7	75,1	76,4	66,1	61,6
Return on equity	3,8	-4,0	27,6	26,2	17,7

Calculations of key figures and ratios follow the recommendations of the Danish Association of Finance Analysts.

The years before 2020 are not comparable with later years, because of completed merger.

Management's review

The principal activities of the company

Egernsund Wienerberger Production A/S is producing facing bricks and lintels on factories in Egernsund and Helligsø.

Egernsund Wienerberger A/S is parent company for Egernsund Wienerberger Production A/S. Egernsund Wienerberger Production A/S is selling all products to Egernsund Wienerberger A/S which again is selling and marketing the products on the market.

Development in activities and financial matters

The market situation in 2021 has in general been positive and is showing earning as expected. Gross profit is DKK 70,8 mio. An increase of DKK 18,7 mio. due to increased activity. Profit after tax amounts to DKK 5,2 mio. An improvement of DKK 9,7 mio. compared to last year. To some extent in 2021 the company was able to mitigate the impact of the rising energy prices.

Staff costs has increased from 2020 and is primarily driven by more employees.

Egernsund Wienerberger Production A/S is dependent on access to energy – gas and electricity. Energy prices are very volatile for the time being and the energy prices are dependent on international and local market developments. For further information Egernsund Wienerberger Production A/S refers to the Group Annual report.

Other financial expenses are increases compared to 2021 because of changes in the financial set-up for the company by the down payment of the mortgage debt.

During 2021 Egernsund Wienerberger Production A/S has invested in future growth and future production platform. End of 2021 an amount of DKK 30 mio. kr. has been invested.

Capital structure

The company's balance sheet shows total asset of DKK 193.646 t kr. and positive equity of DKK 138.934 t. kr.

Management's review

Business risk

Egersund Wienerberger Production A/S is following Covid-19 closely and the impact on production. We do everything to minimize impact, and we are following instructions from Danish health authorities, the government and WHO. Egersund Wienerberger Production A/S has not discovered any impact on sale and production.

The cost of energy for the firing of bricks represents a significant percentage of the Group's cost structure.

We are in a period where prices on raw materials are very volatile, both domestic and international. Egersund Wienerberger Production A/S is also exposed to energy supply risk and in particular with respect to the current conflict between Russia and Ukraine. To some extent the company aim to minimize the risk connected with rising energy prices in liberalized markets by concluding futures contracts or fixed-price agreements with national and international suppliers. Our production is very dependent of gas supplies and the ongoing war in Ukraine can, direct or indirect, have impact on our gas supplies whether Russia are stopping the gas supplies or EU decides to refuse buying gas from Russia. Even though we have bought danish biogas this is a European supply crisis and it can potentially have an impact for us.

Financial risk

The company's current and planned activities do not give rise to any special financial risks, and the company's liquidity resources are expected to be adequately secured.

Currency risk

The company has only minor trade with foreign countries, which is why no currency risks are expected.

Credit risk

The company is predominantly trading with its parent company Egersund Wienerberger A/S and there are therefore no significant credit risks.

Management's review

Environmental and climate

Egersund Wienerberger Production A/S affects the environment through emissions and energy consumption.

Climate change has become a central topic in business since the 2015 Paris Agreement. The building sector is particularly targeted since it accounts, alone, for more than one third of worldwide energy consumption and almost 40% of CO2 emissions.

The Wienerberger Group has been a long-time actor in CO2 reduction by been leading actions in its business and production plants for numerous years now. The company launched its 2023 ESG Program, setting high decarbonization and energy efficiency targets. In the Nordic region we are working from a target of decreasing our CO2-emissions by 30% in 2024 compared to 2020 and to be carbon-neutral in 2050. Already now we are ahead of our 2024 goal.

The company works continuously with energy improvements to reduce CO2 consumption, which is why emissions are continuously measured and controlled.

Switching to biogas

Producing bricks is an energy-intensive process and we are constantly looking into ways of reducing the amount of energy used to produce a brick. In 2021 we signed a five-year agreement with a Danish biogas producer Nature Energy to switch from natural gas into certified biogas. As of 2022 65% of the energy used at our Danish factories comes from certified biogas, providing savings in CO2-emissions of around 30%.

Dematerialization and product development

We are continuously doing product development to decrease the raw material in our facing bricks and thereby reducing CO2 emissions and energy consumption. Our LESS brick with 3 holes, which was successfully launched in 2020, was switched to biogas in 2021 and as a result CO2 emission in production was reduced. Further developments are ongoing with regards to dematerialization of our facing bricks.

The expected development

Management expects a positive development for the company in 2022. The internal optimization done in the past years have provided a good platform for future growth and development around future production platform and products. In 2021 investments has been done in Egersund Wienerberger Production A/S, primarily at Vesterled plant by adding flexible press capacity, reallocation of volumes internally from the closed facing brick plant in Helsingør among the remaining production plants and focus on dematerialization and CO2 reductions in general.

Events occurring after the end of the Financial year

Except for the above mentioned gas supply risk there have been no events of material significance to the company's financial position and result.

Accounting policies

The annual report for Egersund Wienerberger Production A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (medium sized enterprises).

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

No consolidated financial statements have been prepared pursuant to section 112 (1) of the Danish Financial Statements Act. The financial statements of Egersund Wienerberger Production A/S and its group enterprises are included in the consolidated financial statements for Wienerberger AG, Østreg.

Pursuant to section 86 (4) of the Danish Financial Statements Act, no statement of cash flows for the enterprise has been prepared, as the relevant information is included in the consolidated financial statements of Wienerberger AG, Østreg.

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concern matters existing on the balance sheet date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Accounting policies

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Derivatives

At their initial recognition, derivatives are recognised at cost in the statement of financial position. Hereafter, they measured at fair value. Positive and negative fair values of derivatives are recognised under other receivables and payables, respectively.

Changes in the fair value of derived financial instruments classified as and meeting the criteria for hedging the fair value of a recognised asset or a recognised liability are recognised in the income statement together with changes in the fair value of the hedged asset or the hedged liability.

Changes in the fair value of derived financial instruments classified as hedging of future cash flows are recognised in other receivables or other payables, and in equity.

For derived financial statements that are no longer recognised as hedging instruments, changes in fair value are recognised in the income statement on a current basis.

Income statement

Gross profit

The Company uses the regulations in the Danish Financial Statements Act §32, after which the company's revenue is not stated.

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.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

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 include costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Accounting policies

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 for distribution, sales, advertisement, administration, premises, loss on debtors, 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

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed 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.

Results from investments in subsidiaries

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the investment in the individual subsidiaries are recognised in the income statement as a proportional share of the subsidiaries' post-tax profit or loss.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

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

Accounting policies

The balance sheet

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.

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.

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.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Buildings	16-50 years
Plant and machinery	5-20 years

Accounting policies

Other fixtures and fittings, tools and equipment 3-10 years

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.

Property, plant, and equipment under construction

Property, plant, and equipment under construction are measured and recognised as the total costs incurred. When the work has been completed, the total value is transferred to the relevant item under property, plant, and equipment and is amortised from the date of entry into service.

Leases

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.

Financial fixed assets

Investments in subsidiaries

Investments in subsidiaries are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Investments in subsidiaries are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in subsidiaries 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.

Accounting policies

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 nominal value. To counter expected losses, writedown is performed to net realisable value. The enterprise will be applying IAS 39 as the basis of interpretation for the recognition of impairment of financial assets, meaning that a loss must be recognised if there are objective indications of accounts receivable being unable to comply with payment obligations.

Prepayments

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

Financial instruments and equity investments

Financial instruments and equity investments recognised under current assets consist of listed shares and bonds which are measured at fair value on the reporting date. Unlisted equity investments are measured at cost. Writedown takes place to the recoverable amount if this value is lower than the carrying amount.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

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.

Accounting policies

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

According to the rules of joint taxation, Egersund Wienerberger Production 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

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.

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 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2021</u>	<u>2020</u>
Gross profit	70.843.530	52.172.047
1 Staff costs	-53.229.983	-48.688.575
2 Depreciation, amortisation and writedown relating to tangible and intangible fixed assets	-10.249.327	-9.101.805
Profit before net financials	7.364.220	-5.618.333
Income from investments in subsidiaries	-32.058	33.060
Other financial income	20.031	48.482
3 Other financial expenses	-729.909	-230.203
Pre-tax net profit or loss	6.622.284	-5.766.994
4 Tax on ordinary results	-1.406.217	1.189.400
5 Net profit or loss for the year	5.216.067	-4.577.594

Balance sheet at 31 December

All amounts in DKK.

Assets			
<u>Note</u>	<u>2021</u>	<u>2020</u>	
Non-current assets			
6	Acquired concessions, patents, licenses, trademarks, and similar rights	79.158	0
	Total intangible assets	79.158	0
7	Property	39.031.175	42.634.302
8	Plant and machinery	24.957.963	28.207.995
9	Other fixtures and fittings, tools and equipment	996.373	1.053.370
10	Property, plant, and equipment under construction and prepayments for property, plant, and equipment	26.333.875	0
	Total property, plant, and equipment	91.319.386	71.895.667
11	Investments in subsidiaries	20.531.834	20.563.891
	Total investments	20.531.834	20.563.891
	Total non-current assets	111.930.378	92.459.558
Current assets			
	Raw materials and consumables	27.245.136	16.741.569
	Work in progress	1.970.208	1.672.403
	Total inventories	29.215.344	18.413.972
	Trade debtors	0	165.767
	Receivables from group	46.587.727	56.827.349
	Other debtors	4.990.686	45.753
	Receivables from owners and management	0	3.321.680
12	Prepayments	317.533	450.341
	Total receivables	51.895.946	60.810.890
	Other financial investments	434.967	434.967
	Total investments	434.967	434.967
	Cash and cash equivalents	169.279	5.911.197
	Total current assets	81.715.536	85.571.026
	Total assets	193.645.914	178.030.584

Balance sheet at 31 December

All amounts in DKK.

<u>Note</u>	<u>2021</u>	<u>2020</u>
Equity and liabilities		
Equity		
	1.602.000	1.602.000
Contributed capital		
Results brought forward	137.331.906	132.115.838
Total equity	138.933.906	133.717.838
Provisions		
13 Provisions for deferred tax	4.092.640	3.942.777
Total provisions	4.092.640	3.942.777
Liabilities other than provisions		
Mortgage debt	0	7.372.116
Other debts	4.703.351	3.033.491
Total long term liabilities other than provisions	4.703.351	10.405.607
Current portion of long term liabilities	0	1.379.884
Bank debts	0	656
Trade creditors	31.023.928	11.790.323
Payables to group companies	2.468.088	3.102.045
Income tax payable to group companies	1.256.354	344.115
Other debts	11.167.647	13.347.339
Total short term liabilities other than provisions	45.916.017	29.964.362
Total liabilities other than provisions	50.619.368	40.369.969
Total equity and liabilities	193.645.914	178.030.584
14 Contingencies		
15 Related parties		

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2021	1.602.000	132.115.839	133.717.839
Profit or loss for the year brought forward	<u>0</u>	<u>5.216.067</u>	<u>5.216.067</u>
	<u>1.602.000</u>	<u>137.331.906</u>	<u>138.933.906</u>

Notes

All amounts in DKK.

	<u>2021</u>	<u>2020</u>
1. Staff costs		
Salaries and wages	47.819.520	42.809.931
Pension costs	3.826.920	4.571.976
Other costs for social security	728.130	1.025.876
Other staff costs	855.413	280.792
	<u>53.229.983</u>	<u>48.688.575</u>
Average number of employees	<u>106</u>	<u>99</u>
With regard to the Danish Financial Statements Act § 98 B part 3, the remuneration of the Executive board is not stated.		
2. Depreciation, amortisation and writedown relating to tangible and intangible fixed assets		
Amortisation of concessions, patents and licences	50.000	0
Depreciation on buildings	3.264.828	3.823.469
Depreciation on production plants and machinery	6.465.504	4.892.890
Depreciation on plants, operating assets, fixtures and furniture	468.995	385.446
	<u>10.249.327</u>	<u>9.101.805</u>
3. Other financial expenses		
Financial costs, group enterprises	262.311	0
Other financial costs	467.598	230.203
	<u>729.909</u>	<u>230.203</u>
4. Tax on ordinary results		
Tax of the results for the year	1.256.354	344.115
Adjustment for the year of deferred tax	149.863	-1.533.515
	<u>1.406.217</u>	<u>-1.189.400</u>

Notes

All amounts in DKK.

	<u>2021</u>	<u>2020</u>
5. Proposed distribution of the results		
Allocated to results brought forward	5.216.067	0
Allocated from results brought forward	<u>0</u>	<u>-4.577.594</u>
Distribution in total	<u>5.216.067</u>	<u>-4.577.594</u>
	<u>31/12 2021</u>	<u>31/12 2020</u>
6. Acquired concessions, patents, licenses, trademarks, and similar rights		
Disposals during the year	-75.132	0
Transfers	<u>581.832</u>	<u>0</u>
Cost 31 December 2021	<u>506.700</u>	<u>0</u>
Writedown for the year	-50.000	0
Reversal of depreciation, amortisation and writedown, assets disposed of	75.132	0
Transfers	<u>-452.674</u>	<u>0</u>
Amortisation and writedown 31 December 2021	<u>-427.542</u>	<u>0</u>
Carrying amount, 31 December 2021	<u>79.158</u>	<u>0</u>

Notes

All amounts in DKK.

	<u>31/12 2021</u>	<u>31/12 2020</u>
7. Property		
Cost 1 January 2021	135.536.194	74.742.211
Additions concerning company transfer	0	60.793.983
Disposals during the year	-1.192.596	0
Transfers	-236.446	0
Cost 31 December 2021	<u>134.107.152</u>	<u>135.536.194</u>
Revaluation 1 January 2021	11.173.000	0
Revaluation of additions concerning company transfer	0	11.173.000
Revaluation 31 December 2021	<u>11.173.000</u>	<u>11.173.000</u>
Depreciation and writedown 1 January 2021	-104.074.892	-49.411.816
Depreciation on and writedown of additions concerning company transfer	0	-50.839.607
Depreciation for the year	-3.264.828	-3.823.469
Reversal of depreciation, amortisation and writedown, assets disposed of	1.192.596	0
Transfers	-101.853	0
Depreciation and writedown 31 December 2021	<u>-106.248.977</u>	<u>-104.074.892</u>
Carrying amount, 31 December 2021	<u>39.031.175</u>	<u>42.634.302</u>

Notes

All amounts in DKK.

	<u>31/12 2021</u>	<u>31/12 2020</u>
8. Plant and machinery		
Cost 1 January 2021	165.193.273	81.508.377
Additions concerning company transfer	0	96.093.039
Additions during the year	3.462.526	4.338.404
Disposals during the year	-13.551.472	-16.746.547
Transfers	9.634.321	0
Cost 31 December 2021	<u>164.738.648</u>	<u>165.193.273</u>
Revaluation 1 January 2021	10.261.000	511.000
Revaluation of additions concerning company transfer	0	9.750.000
Revaluation 31 December 2021	<u>10.261.000</u>	<u>10.261.000</u>
Depreciation and writedown 1 January 2021	-147.246.278	-66.549.210
Depreciation on and writedown of additions concerning company transfer	0	-92.518.715
Depreciation for the year	-6.465.504	-4.892.890
Reversal of depreciation, amortisation and writedown, assets disposed of	13.543.672	16.714.537
Transfers	-9.873.575	0
Depreciation and writedown 31 December 2021	<u>-150.041.685</u>	<u>-147.246.278</u>
Carrying amount, 31 December 2021	<u>24.957.963</u>	<u>28.207.995</u>

Notes

All amounts in DKK.

	<u>31/12 2021</u>	<u>31/12 2020</u>
9. Other fixtures and fittings, tools and equipment		
Cost 1 January 2021	4.595.836	500.322
Additions concerning company transfer	0	4.312.456
Additions during the year	125.000	42.700
Disposals during the year	-2.112.789	-259.642
Transfers	4.370.313	0
Cost 31 December 2021	<u>6.978.360</u>	<u>4.595.836</u>
Amortisation and writedown 1 January 2021	-3.542.466	-304.005
Depreciation on and writedown of additions concerning company transfer	0	-3.045.158
Depreciation for the year	-468.995	-385.446
Reversal of depreciation, amortisation and writedown, assets disposed of	2.112.789	192.143
Transfers	-4.083.315	0
Amortisation and writedown 31 December 2021	<u>-5.981.987</u>	<u>-3.542.466</u>
Carrying amount, 31 December 2021	<u>996.373</u>	<u>1.053.370</u>
10. Property, plant, and equipment under construction and prepayments for property, plant, and equipment		
Additions during the year	<u>26.333.875</u>	<u>0</u>
Cost 31 December 2021	<u>26.333.875</u>	<u>0</u>
Carrying amount, 31 December 2021	<u>26.333.875</u>	<u>0</u>

Notes

All amounts in DKK.

	<u>31/12 2021</u>	<u>31/12 2020</u>
11. Investments in subsidiaries		
Acquisition sum, opening balance 1 January 2021	21.148.359	13.352.267
Additions during the year	0	10.265.416
Disposals during the year	0	-2.469.324
Cost 31 December 2021	<u>21.148.359</u>	<u>21.148.359</u>
Revaluations, opening balance 1 January 2021	-584.468	1.399.989
Results for the year before goodwill amortisation	-32.057	33.060
Reversal of prior revaluations	0	-2.017.517
Revaluation 31 December 2021	<u>-616.525</u>	<u>-584.468</u>
Carrying amount, 31 December 2021	<u>20.531.834</u>	<u>20.563.891</u>
Subsidiaries:		
	Domicile	Equity interest
Egersund Tegl A.m.b.A.	Sønderborg	100 %
12. Prepayments		
Prepaid expenses	317.533	450.341
	<u>317.533</u>	<u>450.341</u>
13. Provisions for deferred tax		
Provisions for deferred tax 1 January 2021	3.942.777	3.081.953
Deferred tax of the results for the year	149.863	-1.533.515
Deferred tax recognised directly in equity	0	2.394.339
	<u>4.092.640</u>	<u>3.942.777</u>

Notes

All amounts in DKK.

14. Contingencies

Contingent liabilities

Lease liabilities

The company has entered into operational leases with an average annual lease payment of tDKK 86. The leases have 5-38 months to maturity and total outstanding lease payments total tDKK 2.256.

Warranty commitments and other contingent liabilities:

The company is liable for bank guarantee tDKK 1.895 for re-establishment of clay areas.

Joint taxation

With Egersund Wienerberger A/S, company reg. no 10 50 23 06 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.

15. Related parties

Controlling interest

Egersund Wienerberger A/S	intermediate majority shareholder
Wienerberger West European Holding GmbH	intermediate majority shareholder

Wienerberger West European Holding GmbH, Wienerbergerplatz 1, Vienna, Austria owns 85% of the share capital in Egersund Wienerberger A/S and Vesten Holding A/S, Vandmøllevej 1, Sønderborg owns 15%. Egersund Wienerberger A/S (immediate and ultimate parent company) is included in consolidated financial statements of Wienerberger AG, Wienerbergerplatz 1, Vienne, Austria.

Transactions

The company has chosen only to disclose transactions that are not carried out on arm's length basis in accordance with section 98c(7) of the Danish Financial Statement Act.

Notes

All amounts in DKK.

Consolidated financial statements

None of the company's parent companies present consolidated financial statements.

The consolidated financial statement can be obtained at:

https://www.wienerberger.com/content/dam/corp/corporate-website/downloads/investors-downloads/2021/2021-Wienerberger-Annual-and-Sustainability_Report_EN.pdf