Aabo-Ideal A/S

Industrivej 7, Vester Aaby, 5600 Faaborg, Denmark

CVR no. 77 11 79 11

Annual report 2020/21

Approved at the Company's annual general meeting on 28. February 2022

Chairman:

Christian Cordsen Nielsen

Contents

Statement by Management

The Board of Directors and the Executive Board have today discussed and approved the annual report of Aabo-Ideal A/S for the financial year 1. October 2020 - 30. September 2021.

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

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 30. September 2021 and of the results of their operations and consolidated cash flows for the financial year 1. October 2020 - 30. September 2021.

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

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

Vester Aaby, 28. February 2022

Executive board:

Gynter Graul Lorenzen CEO	Lars Hjortebjerg CFO

Board of Directors:

Christian Cordsen Nielsen chairman	Dan Højgaard Jensen	Gunnar Rygaard Lassen
Claus Aabo Andersen		

Independent auditor's report

To the shareholders of Aabo-Ideal A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Aabo-Ideal A/S for the financial year 1. October 2020 - 30. September 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement.

The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 30. September 2021 and of the results of the Group's and the Parent Company's operations as well as consolidated cash flows for the financial year 1. October 2020 - 30. September 2021 in accordance with the Danish Financial Statements Act.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Independent auditor's report

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

Independent auditor's report

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

Odense, 28. February 2022

EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Søren Smedegaard Hvid
State Authorised Public Accountant
mne-nr.: mne31450

Management's review

Company details

Name	Aabo-Ideal A/S
Address, Postal code, City	Industrivej 7, Vester Aaby, 5600 Faaborg, Denmark
CVR no.	77 11 79 11
Established	28. december 1984
Registered office	Faaborg
Financial year	1. oktober 2020 - 30. september 2021
Homepage	www.aabo-ideal.com
Telephone	62 61 61 25
Board of Directors	Christian Cordsen Nielsen, chairman Dan Højgaard Jensen Gunnar Rygaard Lassen Claus Aabo Andersen
Executive Board	Gynter Graul Lorenzen, CEO Lars Hjortebjerg, CFO
Auditors	EY Godkendt Revisionspartnerselskab Cortex Park Vest 3, 5230 Odense M

Management's review

Financial highlights for the Group

DKK	2020/21	2019/20	2018/19	2017/18	2016/17
Key figures					
Gross profit/loss	77.596.262	52.918.224	66.331.728	65.831.868	49.616.715
EBITDA	9.201.715	-10.472.577	-3.856.170	7.970.448	7.492.491
Operating profit/loss	6.027.499	-14.130.496	-7.064.125	4.957.992	4.957.992
Profit/loss from net financials	-2.163.956	-373.197	109.845	617.343	-1.089.454
Profit/loss for the year	3.210.500	-11.226.175	-5.258.567	5.368.225	3.237.176
Balance sheet total	144.380.043	97.027.692	130.777.798	117.780.967	87.514.167
Amount relating to investments in property, plant and equipment	1.047.396	5.652.415	7.122.827	2.713.155	2.023.361
Equity	16.346.727	20.032.512	43.590.664	48.870.557	26.701.607
Financial ratios					
Return of investment	5,0%	-12,4%	-5,7%	7,0%	5,5%
Solvency ratio	11,3%	20,6%	33,3%	41,5%	41,9%
Return on equity	17,7%	-35,3%	-11,4%	14,2%	9,2%
Average number of full-time employees	127	119	140	122	80

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines.
For terms and definitions, please see the accounting policies.

Comparative figures for 2016/17 relate only to Aabo-Ideal A/S (formerly Ideal Engineering A/S) as E. Aabo Andersen A/S is part of the group from 6 March 2018.

Management's review

Main activity

The Business foundation for Aabo-Ideal A/S is to produce and sell equipment and accessories for surface treatment.

Development in activities and financial condition

The consolidated result for Aabo-Ideal A/S amounts to DKK 3,2 million. The result represents an improvement of DKK 14,4 million vs. previous year and this positive development is considered satisfactory.

The result improvement is mainly generated through improvement in project execution and overall project profitability. The result is, to some extent, influenced negatively by the Covid-19 pandemic, but as the travel restrictions and the overall reopening of the business world speeded up during 2021, the business of Aabo-Ideal also accelerated.

The strengthening of the organizational competences in the technical organization has continued during the year and the company is prepared for future growth.

In June 2021, Aabo-Ideal A/S acquired Greiff Industrimiljö AB, a Swedish surface treatment company located in Motala, Sweden. Greiff has very strong competences within the wet paint area, and through this acquisition, the Aabo-Ideal Group is now a full-scale surface treatment supplier covering all major technologies in the market. The acquisition of Greiff is an important cornerstone in the Aabo-Ideal growth strategy.

Knowledge resources

It is important for the company to attract and retain highly qualified staff. Investments in education and training is made on a continuing basis. During 2022 we will roll out a competence analyses for all staff in the Aabo-Ideal Group and education plans will be initiated to cover competence gaps and secure continuous development of the Aabo-Ideal employees.

Special risks

The main currencies of the company are USD, EUR and DKK. It is the policy of the company not to expose itself to any risk in connection with currency dispositions. No currency transactions are made on a speculative background.

The trade receivables from sale of goods are evaluated individually, and the necessary reservations are made to cover potential risks.

The main operational risk is linked to the ability to maintain and develop existing customers and to attract new customers.

Influence on the external environment

In line with the green agenda, several environmental improvements have been completed during the last year, both internally in the company and in the construction of the products. Furthermore, the company focuses on energy optimization in our complete solutions to the market.

Management's review

Research & Development

The research & development is mainly related to development of equipment for the surface treatment industry. During the coming years we will continue to develop our products with focus on energy optimization and streamline our production to maintain and strengthen our competitive capabilities.

Events after termination of the financial year.

No event has occurred, which in our opinion will change the evaluation of the Annual report and the company´s financial position.

Expectations to the future

As an order producing company, Aabo-Ideal A/S will often be exposed to significant fluctuations in the demands from the company´s customers. Both local and global factors, including the escalation in the conflict between Russia and Ukraine and the current Covid-19 Pandemic, may have an impact on the market development and conditions.

By broadening both the geographical and technological span off business, we expect to improve the company's capability to absorb fluctuations in demands and further improve and stabilize our business model.

Based on the budget for the financial year 2021/2022 and our strategic targets for the following years, combined with a growing and strong pipeline and order book of the company, management feels convinced that the company will continue the growth in both activity and profitability.

Consolidated financial statements and parent company financial statements 1. October 2020 - 30. September 2021

Income statement

Note	DKK	Group 2020/21	Group 2019/20	Parent 2020/21	Parent 2019/20
	Gross profit/loss	77.596.262	52.918.224	72.274.131	50.745.464
3	Staff costs	-68.394.546	-63.390.801	-62.005.053	-60.625.187
	Depreciation, amortisation and impairment losses	-3.154.666	-3.273.784	-2.779.664	-3.119.270
	Other operating expenses	-19.550	-384.135	-3.631.739	-3.855.467
	Profit/loss before net financials	6.027.499	-14.130.496	3.857.675	-16.854.460
	Shares of profit/loss after tax in subsidiaries	0	0	1.574.933	1.958.146
4	Financial income	170.947	735.859	141.002	595.365
5	Financial expenses	-2.334.904	-1.109.055	-1.834.605	-942.997
	Profit/loss before tax	3.863.543	-14.503.692	3.739.005	-15.243.946
6	Tax of the year	-653.043	3.277.517	-446.159	3.816.336
	Profit/loss for the year	3.210.500	-11.226.175	3.292.846	-11.427.610

Breakdown of the consolidated profit/loss:

	2020/21	2019/20
Shareholders in Aabo-Ideal A/S	3.292.846	-11.427.610
Non-controlling interests	-82.347	201.437
	3.210.500	-11.226.175

Consolidated financial statements and parent company financial statements 1. October 2020 - 30. September 2021

Balance sheet

Note	DKK	Group 2020/21	Group 2019/20	Parent 2020/21	Parent 2019/20
	ASSETS				
	Non-current assets				
7	**Intangible assets**				
	Goodwill	10.269.798	0	0	0
	Completed development projects	334.988	89.968	334.988	89.968
	Acquired intangible assets	60.247	274.664	60.247	274.664
	Development projects in progress	1.348.967	565.019	1.348.967	565.019
		12.014.000	929.651	1.744.202	929.651
8	**Property, plant and equipment**				
	Land and buildings	20.728.970	21.164.891	20.728.970	21.164.891
	Plant and machinery	6.366.113	7.296.006	6.197.251	7.296.006
	Fixtures and fittings, tools and equipment	1.632.490	1.424.371	1.015.543	1.007.733
		28.727.573	29.885.268	27.941.764	29.468.630
	Financial assets				
9	Equity investments in subsidiary	0	0	24.244.811	7.580.574
	Deposit	69.856	18.000	69.856	18.000
		69.856	18.000	24.314.667	7.598.574
	Total non-current assets	40.811.429	30.832.919	54.000.633	37.996.855
	Current assets				
	Inventories				
	Raw materials and consumables	9.002.315	4.456.273	5.467.503	4.453.080
	Work in progress	8.236.719	9.119.676	7.194.392	4.496.452
	Finished goods and goods for resale	7.555.943	7.169.384	7.459.785	7.168.904
		24.794.976	20.745.333	20.121.680	16.118.436
	Receivables				
	Trade receivables	13.185.970	15.277.493	10.847.835	14.389.084
10	Construction contracts	19.697.223	8.744.437	16.671.320	6.950.850
	Receivables from group entities	7.051.997	7.374.427	7.230.113	7.437.173
13	Defered tax assets	2.972.383	3.312.980	2.972.383	3.312.980
	Corporation tax receivable	158.949	219.512	31.158	0
	Other receivables	6.081.240	1.944.602	4.885.241	1.928.221
11	Prepayments	1.428.389	1.482.735	1.243.234	1.437.239
		50.576.151	38.356.186	43.881.284	35.455.547
	Cash	28.197.486	7.093.254	10.520.343	2.266.336
	Total current assets	103.568.613	66.194.773	74.523.307	53.840.319
	TOTAL ASSETS	144.380.043	97.027.692	128.523.940	91.837.174

Consolidated financial statements and parent company financial statements 1. October 2020 - 30. September 2021

Balance sheet

		Group		Parent	
Note	DKK	2020/21	2019/20	2020/21	2019/20
	EQUITY AND LIABILITIES				
	Equity				
12	Share capital	610.000	610.000	610.000	610.000
	Net revaluation reserve according to the equity method	0	0	3.880.627	1.894.253
	Reserve for development costs	0	0	1.313.494	510.890
	Hedging reserve	-336.248	0	-336.248	0
	Translation reserve	152.571	-258.870	0	0
	Retained earnings	8.349.940	12.057.094	3.308.390	9.393.081
	Proposed dividend	7.000.000	7.000.000	7.000.000	7.000.000
	Aabo-Ideal A/S' shareholders' share of equity	15.776.263	19.408.224	15.776.263	19.408.224
	Non-controlling interests	570.464	624.288	0	0
	Total equity	16.346.727	20.032.512	15.776.263	19.408.224
	Provisions				
13	Deferred tax	182.825	0	0	0
	Total provisions	182.825	0	0	0
	Liabilities				
14	**Non-current liabilities**				
	Mortage debt	4.709.040	5.467.636	4.709.040	5.467.636
	Debt to credit institutions	4.000.000	151.154	4.000.000	0
	Other debt	11.840.861	0	11.840.861	0
	Lease commitments	3.253.396	3.977.156	3.253.396	3.977.156
		23.803.297	9.595.946	23.803.297	9.444.792
	Current liabilities				
14	Current protion of non-current liabilities other than provisions	6.482.952	1.467.012	6.482.952	1.467.012
	Debt to credit institutions	21.435.831	12.235.319	21.360.527	12.235.319
10	Construction contracts	18.224.692	19.712.873	13.193.767	15.273.856
	Trade payables	30.485.077	12.547.356	24.685.442	12.271.639
	Payables to subsidiaries	0	0	1.735.617	1.779.272
	Corporation tax	126.570	461.707	0	15.046
15	Other payables	27.292.072	20.974.967	21.486.075	19.942.015
		104.047.194	67.399.234	88.944.380	62.984.158
	Total liabilities	127.850.491	76.995.180	112.747.677	72.428.950
	TOTAL EQUITY AND LIABILITIES	144.380.043	97.027.692	128.523.940	91.837.174

1 Accounting policies
2 Special items
16 Derivative financial instruments
17 Contractual obligations and contingencies, etc.
18 Collateral
19 Related parties

Consolidated financial statements and parent company financial statements
1. October 2020 - 30. September 2021

Statement of changes in equity

	Group							
DKK	Share capital	Hedging reserve	Translation reserve	Retained earnings	Proposed dividend	Total	Non-controlling interests	Total
Equity at 1. October 2019	610.000	0	0	30.484.703	11.000.000	42.094.703	1.495.961	43.590.664
Transferred; see distribution of profit/loss	0	0	0	-18.427.609	7.000.000	-11.427.609	201.437	-11.226.172
Value adjustment, foreign subsidiary	0	0	-258.870	0	0	-258.870	688	-258.182
Distributed dividend	0	0	0	0	-11.000.000	-11.000.000	-1.073.798	-12.073.798
Equity at 1. October 2020	610.000	0	-258.870	12.057.094	7.000.000	19.408.224	624.288	20.032.512
Transferred; see distribution of profit/loss	0	0	0	-3.707.154	7.000.000	3.292.846	-82.347	3.210.500
Value adjustment of hedging instruments, year end	0	-431.087	0	0	0	-431.087	0	-431.087
Value adjustment, foreign subsidiary	0	0	411.441	0	0	411.441	28.523	439.964
Tax on equity transactions	0	94.839	0	0	0	94.839	0	94.839
Distributed dividend	0	0	0	0	-7.000.000	-7.000.000	0	-7.000.000
Equity at 30. September 2021	610.000	-336.248	152.571	8.349.940	7.000.000	15.776.263	570.464	16.346.727

Consolidated financial statements and parent company financial statements
1. October 2020 - 30. September 2021

Statement of changes in equity

	Parent						
DKK	Share capital	Net revaluation reserve according to the equity method	Reserve for development costs	Hedging reserve	Retained earnings	Proposed dividend	Total
Equity at 1. October 2019	610.000	4.490.168	207.110	0	25.787.425	11.000.000	42.094.703
							0
Transferred; see distribution of profit/loss	0	-2.337.045	303.780	0	-16.394.345	7.000.000	-11.427.610
Value adjustment foreign subsidiary	0	-258.870	0	0	0	0	-258.870
Distributed dividend	0	0	0	0	0	-11.000.000	-11.000.000
Equity at 1. October 2020	610.000	1.894.253	510.890	0	9.393.081	7.000.000	19.408.224
Transferred; see distribution of profit/loss	0	1.574.933	802.604	0	-6.084.691	7.000.000	3.292.846
Value adjustment foreign subsidiary	0	411.441	0	0	0	0	411.441
Value adjustment of hedging instruments, year end	0	0	0	-431.087	0	0	-431.087
Tax on equity transactions	0	0	0	94.839	0	0	94.839
Distributed dividend	0	0	0	0	0	-7.000.000	-7.000.000
Equity at 30. September 2021	610.000	3.880.627	1.313.494	-336.248	3.308.390	7.000.000	15.776.263

Consolidated financial statements and parent company financial statements 1. October 2020 - 30. September 2021

Cash flow statement

Note	DKK	Group 2020/21	Group 2019/20
	Profit/loss before net financials	6.027.499	-14.130.496
	Depreciation and amortisation	3.154.666	3.273.784
	Other adjustments of non-cash operating items	1.008.636	-433.831
	Cash generated from operations before changes in working capital	10.190.801	-11.290.544
21	Changes in working capital	1.207.855	4.772.032
	Cash generated from operations	11.398.655	-6.518.512
	Interest received	170.947	735.859
	Interest paid	-2.334.904	-1.109.055
	Corporation tax paid	-492.181	-279.527
	Cash flows from operating activities	8.742.518	-7.171.235
	Disposal of intangible assets	105.034	65.548
	Acquisition of intagible assets	-1.326.521	-594.714
	Acquisition of proberty, plant and equipment	-1.047.396	-5.652.415
	Disposal of proberty, plant and equipment	195.000	185.000
23	Acquisition of group enterty	-6.936.350	0
	Disposal of deposit	0	605.500
	Acquisition of deposit	-51.856	0
	Cash flows from investing activities	-9.062.089	-5.391.081
	Loan financing:		
	Changes in non-current liabilities	19.223.291	2.226.422
	Shareholders:		
	Distributed dividend	-7.000.000	-12.073.798
	Cash flows from financing activities	12.223.291	-9.847.376
	Cash flows for the year	11.903.720	-22.409.692
	Cash and cash equivalents, beginning of year	-5.142.065	17.267.627
22	**Cash and cash equivalents, year end**	6.761.655	-5.142.065

The cash flow statement cannot be directly derived from the other components of the consolidated financial statements.

Consolidated financial statements and parent company financial statements 1. October 2020 - 30. September 2021

Notes

1 Accounting policies

The annual report of Aabo-Ideal A/S for 2020/21 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to middle reporting class C entities.

Effective from the financial year 2020/21, the Company has implemented amending act no. 1716 of 27 December 2018 to the Danish Financial Statements Act. The implementation of the amending act has not affected the Company's accounting policies on recognition and measurement of assets and liabilities but has solely entailed a requirement for further disclosures. The accounting policies used in the preparation of the financial statements are consistent with those of last year except that a reclassification af comparative figures for equity has been made.

Reporting currency

The financial statements are presented in Danish kroner (DKK)

Consolidated financial statements

Preparation of consolidated financial statements

The consolidated financial statements are prepared as a consolidation of the Parent Company's and the individual subsidiaries' financial statements, which are prepared according to the Group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends as well as realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the Group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains unless they do not reflect impairment.

In the consolidated financial statements, the accounting items of subsidiaries are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries which are not wholly-owned are included in the group's profit/loss and equity, respectively, but are disclosed separately.

Acquisitions and disposals of non-controlling interests that are still controlled are recognised directly in equity as a transaction between shareholders.

Non-controlling interests

On initial recognition, non-controlling interests are measured at the fair value of the non-controlling interests' equity interest.

Goodwill relating to the non-controlling interests' share of the acquiree is thus recognised.

Intra-group business combinations

The merger method is applied to business combinations such as acquisition and disposal of equity investments, mergers, demergers, additions of assets and share conversions, etc., in which entities controlled by the Parent Company are involved. The companies' asstes and liabilies are aggregated into carrying amounts and comparative figures are restated.

Consolidated financial statements and parent company financial statements 1. October 2020 - 30. September 2021

Notes

1 Accounting policies (continued)

Foreign 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 the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, 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 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.

Foreign subsidiaries

Foreign subsidiaries are considered separate entities. The income statements are translated at the average exchange rates for the month, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of the opening equity of foreign entities at the exchange rates at the balance sheet date and on translation of the income statements from average exchange rates to the exchange rates at the balance sheet date are recognised directly in equity.

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised in the balance sheet at cost and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are presented as separate items in the balance sheet.

Fair value adjustments of derivative financial instruments designated and qualifying as hedging of the fair value of a recognised asset or liability are recognised in the income statement together with fair value adjustments of the hedged asset or liability.

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of future lease payments. In calculating the present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently accounted for as the Company's other assets.

The capitalised residual lease commitment is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

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 rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Consolidated financial statements and parent company financial statements 1. October 2020 - 30. September 2021

Notes

1 Accounting policies (continued)

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods, is recognised in revenue when the most significant rewards and risks have been transferred to the buyer, the income can be measured reliably and payment is expected to be received.

Income from construction contracts involving a high degree of customisation is recognised as revenue by reference to the stage of completion. Accordingly, revenue corresponds to the market value of the contract work performed during the year (percentage-of-completion method). This method is used where the total income and expenses and the degree of completion of the contract can be measured reliably.
Where income from a construction contract cannot be estimated reliably, contract revenue corresponding to the expenses incurred is recognised only in so far as it is probable that such expenses will be recoverable from the counterparty.

Revenue is measured at the 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 margin

The items revenue, cost of sales, change in inventories of finished goods and work in progress, other operating income and external expenses have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

Other operating income and operating expenses

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

Raw materials and consumables, etc.

Raw materials and consumables include expenses relating to raw materials and consumables used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company'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 pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Consolidated financial statements and parent company financial statements 1. October 2020 - 30. September 2021

Notes

1 Accounting policies (continued)

Amortisation/depreciation

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

Intangible assets

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

Completed development projects	3-6 years
Acquired intangible assets	3-6 years

Tangible assets

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 of the assets are as follows:

Buildings	10-50 years
Plant and machinery	3-10 years
Fixtures and fittings, other plant an equipment	3-10 years

Land is not depreciated.

The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further amortisation charges are recognised. In case of changes in the residual value, the effect on the amortisation charges is recognised prospectively as a change in accounting estimates.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities, financial expenses relating to finance leases and exchange gains and losses.

Profit from investments in subsidiaries

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

The proportionate share of the individual subsidiaries' profit/loss after tax after full elimination of internal gains/losses are recognised in the parent company's income statement.

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.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Consolidated financial statements and parent company financial statements 1. October 2020 - 30. September 2021

Notes

1 Accounting policies (continued)

Balance sheet

Intangible assets

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.

Development costs comprise expenses, salaries and amortisation directly or indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are identifiable and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.
On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually 3 years and cannot exceed 6 years.

Patents and licences are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight line basis over the remaining term of the patent, and licences are amortised over the term of the licence, but not exceeding 6 years.

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.
Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Investments in subsidiaries

Equity investments in subsidiaries and associates are measured according to the equity method.

On initial recognition, equity investments in subsidiaries are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.
Dividend received is deduced from the carrying amount.

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Consolidated financial statements and parent company financial statements 1. October 2020 - 30. September 2021

Notes

1 Accounting policies (continued)

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis. Impairment tests are conducted on individual assets or groups of assets when there is indication of impairment. Write-down is made to the lower of the carrying amount and the recoverable amount.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

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.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct labour and indirect production overheads.

Indirect production overheads include the indirect cost of material and labour as well as maintenance and depreciation of production machinery, buildings and equipment and expenses relating to plant administration and management.

The net realisable value of inventories is determined as the selling price less costs of completion and costs incurred to effect the sale, taking into account marketability, obsolescence and developments in the expected selling price.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

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

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Consolidated financial statements and parent company financial statements 1. October 2020 - 30. September 2021

Notes

1 Accounting policies (continued)

Construction contracts

Service supplies and contract work in progress for third parties are measured at the market value of the work performed less progress billings. The market value is calculated based on the stage of completion at the balance sheet date and the total expected income from the relevant contract. The stage of completion is calculated based on the expenses incurred relative to the expected total expenses relating to the relevant contract.

Where the outcome of contract work in progress cannot be estimated reliably, the market value is measured at the expenses incurred in so far as they are expected to be paid by the purchaser.

Where the total expenses relating to the work in progress are expected to exceed the total market value, the expected loss is recognised as a loss-making agreement under "Provisions" and is expensed in the income statement.

The value of work in progress less progress billings is classified as assets when the selling price exceeds progress billings and as liabilities when progress billings exceed the market value.

Prepayments

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

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividends or cover losses. The reserve will be reduced or dissolved if the recognised development costs are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Translation reserve

The translation reserve comprises the share of foreign exchange differences arising on translation of financial statements of entities that have a functional currency other than DKK, foreign exchange adjustments of assets and liabilities considered part of the Company's net investments in such entities and foreign exchange adjustments regarding hedging transactions that hedge the Company's net investments in such entities. The reserve is dissolved on the sale of foreign entities or if the conditions for effective hedging no longer exist. When equity investments in group entities and associates and participating interests in the parent company financial statements are subject to the limitation requirement in the net revaluation reserve according to the equity method, foreign exchange adjustments will be included in this equity reserve instead.

Consolidated financial statements and parent company financial statements 1. October 2020 - 30. September 2021

Notes

1 Accounting policies (continued)

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Provisions

Provisions are recognised when the Company has a legal or constructive obligation at the balance sheet date as a result of a past event 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 is expected to be settled far into the future.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities, exept temporary differences, which arise at the date of acquisition without affecting either profit/loss for the year or taxable income.

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. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. 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 transactions costs paid. On subsequent recognition, 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 lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Lease liabilities

Lease liabilities are measured at the net present value of the remaining lease payments including any guaranteed residual value based on the interest rate implicit in the lease.

Consolidated financial statements and parent company financial statements 1. October 2020 - 30. September 2021

Notes

1 Accounting policies (continued)

Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Cash and cash equivalents comprise cash, short term bank loans and short term securities which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Financial ratios

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines.

The financial ratios stated under "Financial highlights" have been calculated as follows:

Return of investment	$\dfrac{\text{Profit/loss from operating activities x 100}}{\text{Average assets}}$
Solvency ratio	$\dfrac{\text{Equity excl. Non-controlling interests, year end x 100}}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\dfrac{\text{Profit/loss for the year excl. Non-controlling interests x 100}}{\text{Average equity excl. Non-controlling interests}}$
EBITDA	Profit/loss before Depreciation/amortisation, net financials and tax

2 Special items

In 2019/20, Aabo-Ideal A/S used the opportunity to receive compensation for fixed costs during the COVID-19 pandemic. 0,3 million DKK has been recognized as income from compensation, which is recognized under gross profit.

Consolidated financial statements and parent company financial statements 1. October 2020 - 30. September 2021

Notes

		Group		Parent	
	DKK	2020/21	2019/20	2020/21	2019/20
3	**Staff costs**				
	Wages/salaries	58.311.936	54.295.937	53.334.293	52.225.722
	Pensions	6.955.732	6.391.525	6.624.544	6.391.525
	Other social security costs	3.126.879	2.703.338	2.046.216	2.007.940
		68.394.546	63.390.801	62.005.053	60.625.187
	Remuneration to members of management			4.250.859	2.981.827
	Remuneration to Board of Directors			225.000	225.000
	Average number of full-time employees	127	119	106	112
4	**Financial income**				
	Interest receivable, group entities	130.198	179.199	132.300	194.682
	Other financial income	40.749	556.660	8.702	400.683
		170.947	735.859	141.002	595.365
5	**Financial expenses**				
	Interest expense, group entities	0	0	24.180	31.653
	Other financial expenses	2.334.904	1.109.055	1.810.425	911.344
		2.334.904	1.109.055	1.834.605	942.997
6	**Tax of the year**				
	Estimated tax charge for the year	206.884	538.819	0	0
	Deferred tax adjustments in the year	435.436	-3.758.500	435.436	-3.758.500
	Tax adjustments, prior years	10.723	-57.836	10.723	-57.836
		653.043	-3.277.517	446.159	-3.816.336

Consolidated financial statements and parent company financial statements 1. October 2020 - 30. September 2021

Notes

7 Intangible assets

	Group				
DKK	Goodwill	Completed development projects	Acquired intangible assets	Development projects in progress	Total
Cost at 1. October 2020	0	1.720.914	1.622.311	565.019	3.908.244
Additions	10.443.862	417.989	0	908.532	11.770.383
Disposals	0	0	0	-124.584	-124.584
Cost at 30. September 2021	10.443.862	2.138.903	1.622.311	1.348.967	15.554.043
Amortisation at 1. oktober 2020	0	1.630.946	1.347.647	0	2.978.593
Amortisation for the year	174.064	172.969	214.417	0	561.450
Reversal of accumulated amortisation of assets disposed	0	0	0	0	0
Amortisation at 30. September 2021	174.064	1.803.915	1.562.064	0	3.540.043
Carrying amount at 30. September 2021	10.269.798	334.988	60.247	1.348.967	12.014.000

	Parent			
DKK	Completed development projects	Acquired intangible assets	Development projects in progress	Total
Cost at 1. October 2020	1.720.914	1.622.311	565.019	3.908.244
Additions	417.989	0	908.532	1.326.521
Disposals	0	0	-124.584	-124.584
Cost at 30. September 2021	2.138.903	1.622.311	1.348.967	5.110.181
Amortisation at 1. oktober 2020	1.630.946	1.347.647	0	2.978.593
Amortisation for the year	172.969	214.417	0	387.386
Reversal of accumulated amortisation of assets disposed	0	0	0	0
Amortisation at 30. September 2021	1.803.915	1.562.064	0	3.365.979
Carrying amount at 30. September 2021	334.988	60.247	1.348.967	1.744.202

Consolidated financial statements and parent company financial statements 1. October 2020 - 30. September 2021

Notes

8 Property, plant and equipment

	Group			
DKK	Land and buildings	Plant and machinery	Fixtures and fittings, other plant and equipment	Total
Cost at 1. October 2020	29.508.825	20.167.403	5.486.450	55.162.678
Additions on acquisition of group entity	0	156.308	343.388	499.696
Additions	140.705	501.762	404.929	1.047.396
Disposals	0	-501.587	0	-501.587
Cost at 30. September 2021	29.649.530	20.323.886	6.234.767	56.208.183
Impairment losses and depreciation at 1. October 2020	8.343.934	12.871.397	4.062.079	25.277.410
Depreciation	576.626	1.476.393	540.198	2.593.216
Reversal of accumulated depreciation and impairment of assets disposed	0	-390.017	0	-390.017
Impairment losses and depreciation at 30. September 2021	8.920.560	13.957.773	4.602.277	27.480.609
Carrying amount at 30. September 2021	20.728.970	6.366.113	1.632.490	28.727.573
The residual value for land and buildings amount to DKK 7 million				
Plant and machinery include assets held under finance leases with a carrying amount totalling		4.198.962		4.198.962

Consolidated financial statements and parent company financial statements 1. October 2020 - 30. September 2021

Notes

8 Property, plant and equipment (continued)

	Parent			
DKK	Land and buildings	Plant and machinery	Fixtures and fittings, other plant and equipment	Total
Cost at 1. October 2020	29.508.825	20.167.403	4.501.566	54.177.794
Additions	140.705	475.247	361.030	976.982
Disposals	0	-501.587	0	-501.587
Cost at 30. September 2021	29.649.530	20.141.063	4.862.596	54.653.189
Impairment losses and depreciation at 1. October 2020	8.343.934	12.871.397	3.493.833	24.709.164
Depreciation	576.626	1.462.432	353.220	2.392.278
Reversal of accumulated depreciation and impairment of assets disposed	0	-390.017	0	-390.017
Impairment losses and depreciation at 30. September 2021	8.920.560	13.943.812	3.847.053	26.711.425
Carrying amount at 30. September 2021	20.728.970	6.197.251	1.015.543	27.941.764

The residual value for land and buildings amount to DKK 7 million

Plant and machinery include assets held under finance leases with a carrying amount totalling		4.198.962		4.198.962

Consolidated financial statements and parent company financial statements
1. October 2020 - 30. September 2021

Notes

DKK	Parent 2020/21
9 Equity investments in subsidiaries	
Cost at 1. October 2020	5.686.321
Additions	14.677.863
Cost at 30. September 2021	20.364.184
Value adjustments at 1. October 2020	1.894.253
Foreign exchange adjustments	411.441
Amortisation of goodwill	-174.064
Profit/loss for the year	1.748.997
Value adjustments at 30. September 2021	3.880.627
Carrying amount at 30. September 2021	24.244.811

Name and domicile	Interest	Profit/loss DKK	Equity DKK
E-Coat Technology S.E. (Czech Republic)	80%	-431.850	2.801.171
Ideal-Line s.r.o (Czech Republic)	100%	511.133	5.918.301
Ideal Line Polska (Poland)	90%	40.233	102.295
Greiff Industrimijö AB (Sweden)	100%	1.547.137	5.723.710

	Group		Parent	
DKK	2020/21	2019/20	2020/21	2019/20
10 Construction contracts				
Selling price of work performed	186.908.403	124.908.792	183.882.500	123.115.205
Progress billings	-185.435.872	-135.877.228	-180.404.947	-131.438.211
	1.472.531	-10.968.436	3.477.553	-8.323.006
recognised as follows:				
Construction contracts (assets)	19.697.223	8.744.437	16.671.320	6.950.850
Construction contracts (liabilities)	-18.224.692	-19.712.873	-13.193.767	-15.273.856
	1.472.531	-10.968.436	3.477.553	-8.323.006
11 Prepayments				
Prepayed expenses	1.428.389	1.482.735	1.243.234	1.437.239
	1.428.389	1.482.735	1.243.234	1.437.239

Prepayments consist of insurance premiums, rent, leasing payments and other prepayed expenses.

Consolidated financial statements and parent company financial statements 1. October 2020 - 30. September 2021

Notes

12 Share capital

	Parent	
	2020/21	2019/20
Analysis of the share capital		
61 shares of DKK 10.000 nominal value each	610.000	610.000

A capital increase of DKK 10 thousand has been carried out in connection with the merger of the companies E. Andersen A/S and Aabo-Ideal A/S (formerly Ideal Engineering A/S) as of 1 October 2018. Beyond this, there have been no changes to the share capital in the last 5 years.

13 Deferred tax

The deferred tax assets primarily relates to tangible asstes, construction contracts and tax loss carryforwards.

	Group		Parent	
DKK	2020/21	2019/20	2020/21	2019/20
Defered tax at 1 October	-3.312.980	445.520	-3.312.980	445.520
Additions on acquisition of group entity	182.825	0	0	0
Deferred tax adjustment from equity transactions	-94.839	0	-94.839	0
Deferred tax adjustment from profit/loss transactions	435.436	-3.758.500	435.436	-3.758.500
	-2.789.558	-3.312.980	-2.972.383	-3.312.980
Deferred tax is recognised in the balance sheet as follows:				
Deferred tax assets	-2.972.383	-3.312.980	-2.972.383	-3.312.980
Deferred tax liabilities	182.825	0	0	0
	-2.789.558	-3.312.980	-2.972.383	-3.312.980

Deffered tax assets are recognised at the expected value of their utilization over a period of 3 years.

Consolidated financial statements and parent company financial statements 1. October 2020 - 30. September 2021

Notes

14 Non-current liabilities other than provisions

	Group			
DKK	Total debt at 30/9 2021	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Mortgage debt	5.468.234	759.194	4.709.040	2.443.476
Debt to credit institutions	5.000.000	1.000.000	4.000.000	0
Other debt	15.840.861	4.000.000	11.840.861	0
Lease liabilities	3.977.154	723.758	3.253.396	0
	30.286.249	6.482.952	23.803.297	2.443.476

	Parent			
DKK	Total debt at 30/9 2021	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Mortgage debt	5.468.234	759.194	4.709.040	2.443.476
Debt to credit institutions	5.000.000	1.000.000	4.000.000	0
Other debt	15.840.861	4.000.000	11.840.861	0
Lease liabilities	3.977.154	723.758	3.253.396	0
	30.286.249	6.482.952	23.803.297	2.443.476

Other debts include 3 loans totaling DKK 5 million which, by agreement, is subordinated to other debt obligations.

15 Other payables

	Group		Parent	
	2020/21	2019/20	2020/21	2019/20
Other accrued expenses	27.292.072	20.974.967	21.486.075	19.942.015
	27.292.072	20.974.967	21.486.075	19.942.015

Other debts consist of VAT and taxes due, staff-related debts, liabilities relating to final projects and other costs due.

16 Derivative financial instruments

The Company has entered into forward exchange contracts to hedge progress billings for construction contracts in US dollars totalling DKK 12.670 thousand. Relative to the forward price at the balance sheet date, the value of the contracts is negative by approx. DKK 721 thousand, of which DKK 431 thousand regarding are recognised in the hedging reserve.

Consolidated financial statements and parent company financial statements 1. October 2020 - 30. September 2021

Notes

17 Contractual obligations and contingencies, etc.

Other contingent liabilities

The Group's entities have entered into operating leases with an average monthly lease payment of DKK 12,3 thousand per contract and a remaining term of 6 - 36 months. The remaining nominal lease commitment totals DKK 1.047 thousand.

The Group has entered into a rental agreement which amounts to DKK 18 thousand.

Payment guarantees provided amounts to DKK 10.960 thousand.
As part of general terms of trade, the company has guarantee obligations on delivered goods.
Management is not aware that other cases that could affect the company's financial position are pending.

The Company is jointly taxed with the Parent Company Aabo Ideal-Line Group ApS, CVR no. 39 36 89 94. The Company has unlimited joint and several liability, together with the Parent Company, for payment of Danish corporation taxes and withholding taxes on dividends, interest and royalties within the joint taxation group. The jointly taxed entities' total known net liability in respect of corporation taxes and withholding taxes payable on dividend, interest and royalties amounted to DKK 0 thousand at 30 September 2021. Any subsequent corrections of income subject to joint taxation and withholding taxes, etc., may entail that the entities' liability will increase. The Group as a whole is not liable to any third parties.

18 Collateral

Mortgage deed has been registrated in property for nominal DKK 12.570 thousand and DKK 1.761 thousand.

As a security for Aabo-Ideal A/S' banking agreements, borrowings pursuant to these agreements are collateralized by all the assets of the company, except of shares in subsidiaries and property, however not exceeding DKK 20.0 million and mortgage deed of DKK 8.000 thousand in property . As of 30 September 2021 total drawings under the said agreements amounted to DKK 16,4 million.

19 Related parties

Related party transactions

Transactions with related parties in the group have been at a low level in 2020/21 and consist mainly of internal trade and management fee. The transactions have been carried out under normal market conditions.

Information about consolidated financial statements

Parent	Domicile
Aabo Ideal-line Group ApS	Industrivej 7,Vester Åby, 5600 Faaborg

Ownership

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

Name	Domicile
Aabo Ideal-line Group ApS	Industrivej 7,Vester Åby, 5600 Faaborg

Consolidated financial statements and parent company financial statements 1. October 2020 - 30. September 2021

Notes

	DKK	Parent 2020/21	Parent 2019/20
20	**Distribution of profit/loss**		
	Proposed distribution of profit/loss:		
	Dividend proposed for the year	7.000.000	7.000.000
	Transferred to equity reserves	-3.707.154	-18.427.610
		3.292.846	-11.427.610

		Group 2020/21	Group 2019/20
21	**Changes in working capital**		
	Changes in inventories	496.807	6.172.418
	Changes in receivables	-5.206.755	22.536.707
	Changes in trade and other payables	6.348.890	-23.937.093
	Fair value adjustments of hedging instruments recognised in equity	-431.087	0
		1.207.855	4.772.032
22	**Cash and cash equivalents**		
	Cash at 1. October	7.093.254	17.267.628
	Bank debt, short term	-12.235.319	0
	Cash at 1. October	-5.142.065	17.267.628
	Cash and cash equivalents at 30 September comprise:		
	Cash	28.197.486	7.093.254
	Bank debt, short term	-21.435.831	-12.235.319
	Cash at 30. September	6.761.656	-5.142.065
23	**Acquisition of group entity**		
	Plant and equipment	499.696	0
	Inventories	4.546.450	0
	Receivables	7.691.370	0
	Cash	7.741.512	0
	Deferred tax	-184.941	0
	Trade payables	-2.858.753	0
	Other payables	-13.201.335	0
		4.234.000	0
	Goodwill	10.443.862	0
	Cost	14.677.862	0
	Amount relating to cash	-7.741.512	0
	Cash costs	6.936.350	0

PENNEO

Underskrifterne i dette dokument er juridisk bindende. Dokumentet er underskrevet via Penneo™ sikker digital underskrift. Underskrivernes identiteter er blevet registereret, og informationerne er listet herunder.

"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."

Lars Hjortebjerg
Client Signer
På vegne af: Aabo-ideal A/S
Serienummer: PID:9208-2002-2-157746020324
IP: 82.134.xxx.xxx
2022-02-28 18:57:59 UTC
NEM ID

Claus Aabo Andersen
Client Signer
På vegne af: Aabo-ideal A/S
Serienummer: PID:9208-2002-2-259291150652
IP: 87.61.xxx.xxx
2022-02-28 19:12:20 UTC
NEM ID

Gunnar Rygaard Lassen
Client Signer
På vegne af: Aabo-ideal A/S
Serienummer: PID:9208-2002-2-495749893114
IP: 85.27.xxx.xxx
2022-02-28 19:53:41 UTC
NEM ID

Dan Højgaard Jensen
Client Signer
På vegne af: Aabo-ideal A/S
Serienummer: PID:9208-2002-2-352671393635
IP: 80.62.xxx.xxx
2022-03-01 04:41:41 UTC
NEM ID

Gynter Graul Lorenzen
Client Signer
På vegne af: Aabo-ideal A/S
Serienummer: CVR:77117911-RID:78634930
IP: 81.27.xxx.xxx
2022-03-01 08:11:03 UTC
NEM ID

Christian Bruno Cordsen Nielsen
Client Signer
På vegne af: Aabo-ideal A/S
Serienummer: PID:9208-2002-2-146946426837
IP: 185.5.xxx.xxx
2022-03-01 08:23:48 UTC
NEM ID

Søren Smedegaard Hvid
EY Signer
På vegne af: EY Godkendt Revisionspartnerselskab
Serienummer: CVR:30700228-RID:1256831000710
IP: 145.62.xxx.xxx
2022-03-01 10:34:21 UTC
NEM ID

Penneo dokumentnøgle: DOYKX-BC04S-YE46Q-WVO88-K1LC2-F2YOY