# Nordjysk Døgngalvanisering A/S

**Banesvinget 3, 9530 Støvring**

**Company reg. no. 76 81 97 18**

# Annual report

# 2020

The annual report was submitted and approved by the general meeting on the 29 April 2021.

Hans Lohmann
Chairman of the meeting

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Notes to users of the English version of this document:
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

# Management's report

Today, the board of directors and the managing director have presented the annual report of Nordjysk Døgngalvanisering A/S for the financial year 2020.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the company's results of activities in the financial year 1 January – 31 December 2020.

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

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

Støvring, 17 March 2021

**Managing Director**

John Nielsen

**Board of directors**

| | | |
|---|---|---|
| Hans Lohmann<br>(Chairman) | John Nielsen | Birgitte Rasmussen |

# Independent auditor's report

**To the shareholder of Nordjysk Døgngalvanisering A/S**

**Opinion**

We have audited the financial statements of Nordjysk Døgngalvanisering A/S for the financial year 1 January - 31 December 2020, which comprise accounting policies, income statement, statement of financial position, statement of changes in equity and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the results of the company's activities for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

**Basis for opinion**

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

**Auditor's responsibilities for the audit of the financial statements**

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

## Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and contents of the financial statements, including disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a fair view.

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

**Statement on the management commentary**
Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

## Independent auditor's report

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

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

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

Herning, 17 March 2021

**Partner Revision**
State Authorised Public Accountants
Company reg. no. 15 80 77 76

Peter Vinderslev
State Authorised Public Accountant
mne32848

## Company information

| | | |
|---|---|---|
| **The company** | Nordjysk Døgngalvanisering A/S<br>Banesvinget 3<br>9530 Støvring | |
| | Phone | 98-373755 |
| | Company reg. no. | 76 81 97 18 |
| | Financial year: | 1 January - 31 December |
| **Board of directors** | Hans Lohmann, (Chairman)<br>John Nielsen<br>Birgitte Rasmussen | |
| **Managing Director** | John Nielsen | |
| **Auditors** | Partner Revision statsautoriseret revisionsaktieselskab<br>Industrivej Nord 15<br>7400 Herning | |
| **Parent company** | PcP Corporation A/S | |

# Management commentary

### The principal activities of the company

The principal activity of the company is galvanizing steel items.

### Development in activities and financial matters

The gross profit for the year totals DKK 10.173.332 against DKK 10.117.373 last year. Income or loss from ordinary activities after tax totals DKK 2.591.613 against DKK 2.680.822 last year. Management considers the net profit or loss for the year satisfactory.

### The expected development

In 2021 and in subsequent years, the company will, after having invested in a more environmentally friendly galvanizing furnace and kettle, contribute to a better environment.

The company expect a satisfactory net profit for 2021.

# Accounting policies

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

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

**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.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns 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.

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.

## Income statement

### Gross profit

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

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.

Costs of sales includes costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprise accounting items of secondary nature in proportion to the principal activities of the enterprise, including gains on disposal of intangible and tangible fixed 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 costs for social security etc. for staff members. Staff costs are less public 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.

# Accounting policies

### 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).

## The balance sheet

### Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment. Land is not subject to depreciation.

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

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

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

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

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

| | Useful life |
|---|---|
| Property | 20 years |
| Plant and machinery | 2-10 years |
| Other fixtures and fittings, tools and equipment | 3-5 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.

## Accounting policies

Profit or loss derived from the disposal of property, plant, 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.

**Leases**

The enterprise will be applying IAS 17 as its base of interpretation for recognition of classification and recognition of leases.

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

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

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

**Impairment loss relating to non-current assets**

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

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

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

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

**Inventories**

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

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

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.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired.If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

**Accrued income and deferred expenses**

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

**Available funds**

Available funds comprise cash at bank and in hand.

**Equity**

**Dividend**

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

**Income tax and deferred tax**

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

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

## 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, Nordjysk Døgngalvanisering A/S is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

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

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

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

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

**Liabilities other than provisions**

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

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

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

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.

| Note | | 2020 | 2019 |
|---|---|---|---|
| | **Gross profit** | **10.173.332** | **10.117.373** |
| 1 | Staff costs | -6.313.590 | -6.213.202 |
| | Depreciation and writedown relating to tangible fixed assets | -495.603 | -423.041 |
| | **Operating profit** | **3.364.139** | **3.481.130** |
| | Other financial income | 4.956 | 2.504 |
| 2 | Other financial costs | -46.514 | -46.617 |
| | **Pre-tax net profit or loss** | **3.322.581** | **3.437.017** |
| | Tax on ordinary results | -730.968 | -756.195 |
| | **Net profit or loss for the year** | **2.591.613** | **2.680.822** |
| | **Proposed appropriation of net profit:** | | |
| | Dividend for the financial year | 2.000.000 | 2.000.000 |
| | Transferred to retained earnings | 591.613 | 680.822 |
| | **Total allocations and transfers** | **2.591.613** | **2.680.822** |

## Statement of financial position at 31 December

All amounts in DKK.

| Note | Assets | 2020 | 2019 |
|---|---|---|---|
| | **Non-current assets** | | |
| 3 | Property | 606.228 | 684.915 |
| 4 | Plant and machinery | 1.719.821 | 79.580 |
| 5 | Other fixtures and fittings, tools and equipment | 993.297 | 1.131.658 |
| | Total property, plant, and equipment | 3.319.346 | 1.896.153 |
| | **Total non-current assets** | **3.319.346** | **1.896.153** |
| | **Current assets** | | |
| | Raw materials and consumables | 1.312.560 | 1.821.852 |
| | Total inventories | 1.312.560 | 1.821.852 |
| | Trade debtors | 604.208 | 1.032.745 |
| | Amounts owed by group enterprises | 6.294 | 103.172 |
| | Deferred tax assets | 0 | 11.397 |
| | Accrued income and deferred expenses | 23.775 | 2.200 |
| | Total receivables | 634.277 | 1.149.514 |
| | Available funds | 5.857.691 | 5.221.764 |
| | **Total current assets** | **7.804.528** | **8.193.130** |
| | **Total assets** | **11.123.874** | **10.089.283** |

## Statement of financial position at 31 December

All amounts in DKK.

### Equity and liabilities

| Note | | 2020 | 2019 |
|---|---|---|---|
| | **Equity** | | |
| 6 | Contributed capital | 500.000 | 500.000 |
| | Retained earnings | 5.068.191 | 4.476.578 |
| | Proposed dividend for the financial year | 2.000.000 | 2.000.000 |
| | **Total equity** | **7.568.191** | **6.976.578** |
| | **Provisions** | | |
| | Provisions for deferred tax | 72.848 | 0 |
| | **Total provisions** | **72.848** | **0** |
| | **Liabilities other than provisions** | | |
| 7 | Leasing liabilities | 668.162 | 900.710 |
| 8 | Other debts | 501.902 | 212.601 |
| | Total long term liabilities other than provisions | 1.170.064 | 1.113.311 |
| | Short-term part of long-term liabilities | 321.119 | 228.512 |
| | Trade creditors | 51.564 | 88.927 |
| | Corporate tax | 645.687 | 756.439 |
| | Other debts | 1.294.401 | 925.516 |
| | Total short term liabilities other than provisions | 2.312.771 | 1.999.394 |
| | **Total liabilities other than provisions** | **3.482.835** | **3.112.705** |
| | **Total equity and liabilities** | **11.123.874** | **10.089.283** |

**9 Charges and security**

**10 Contingencies**

**11 Related parties**

## Statement of changes in equity

All amounts in DKK.

| | Contributed capital | Retained earnings | Proposed dividend for the financial year | Total |
|---|---|---|---|---|
| Equity 1 January 2019 | 500.000 | 3.795.756 | 2.000.000 | 6.295.756 |
| Distributed dividend | 0 | 0 | -2.000.000 | -2.000.000 |
| Profit or loss for the year brought forward | 0 | 680.822 | 2.000.000 | 2.680.822 |
| Equity 1 January 2020 | 500.000 | 4.476.578 | 2.000.000 | 6.976.578 |
| Distributed dividend | 0 | 0 | -2.000.000 | -2.000.000 |
| Profit or loss for the year brought forward | 0 | 591.613 | 2.000.000 | 2.591.613 |
| | **500.000** | **5.068.191** | **2.000.000** | **7.568.191** |

## Notes

All amounts in DKK.

| | | 2020 | 2019 |
|---|---|---|---|
| **1.** | **Staff costs** | | |
| | Salaries and wages | 5.722.323 | 5.591.968 |
| | Pension costs | 444.064 | 426.075 |
| | Other staff costs | 147.203 | 195.159 |
| | | **6.313.590** | **6.213.202** |
| | Average number of employees | 13 | 13 |
| **2.** | **Other financial costs** | | |
| | Other financial costs | 46.514 | 46.617 |
| | | **46.514** | **46.617** |

| | | 31/12 2020 | 31/12 2019 |
|---|---|---|---|
| **3.** | **Property** | | |
| | Cost 1 January | 6.083.954 | 6.083.954 |
| | Additions during the year | 19.640 | 0 |
| | **Cost 31 December** | **6.103.594** | **6.083.954** |
| | Depreciation and writedown 1 January | -5.399.039 | -5.303.677 |
| | Depreciation for the year | -98.327 | -95.362 |
| | **Depreciation and writedown 31 December** | **-5.497.366** | **-5.399.039** |
| | **Carrying amount, 31 December** | **606.228** | **684.915** |

## Notes

All amounts in DKK.

| | | 31/12 2020 | 31/12 2019 |
|---|---|---|---|
| **4.** | **Plant and machinery** | | |
| | Cost 1 January | 3.701.092 | 3.669.240 |
| | Additions during the year | 1.749.156 | 58.410 |
| | Disposals during the year | -1.062.701 | -26.558 |
| | **Cost 31 December** | **4.387.547** | **3.701.092** |
| | Depreciation and writedown 1 January | -3.621.512 | -3.622.251 |
| | Depreciation for the year | -108.915 | -24.952 |
| | Depreciation and writedown, assets disposed of | 1.062.701 | 25.691 |
| | **Depreciation and writedown 31 December** | **-2.667.726** | **-3.621.512** |
| | **Carrying amount, 31 December** | **1.719.821** | **79.580** |

| | | 31/12 2020 | 31/12 2019 |
|---|---|---|---|
| **5.** | **Other fixtures and fittings, tools and equipment** | | |
| | Cost 1 January | 1.768.000 | 1.502.900 |
| | Additions during the year | 150.000 | 1.298.000 |
| | Disposals during the year | -150.000 | -1.032.900 |
| | **Cost 31 December** | **1.768.000** | **1.768.000** |
| | Depreciation and writedown 1 January | -636.342 | -1.366.514 |
| | Depreciation for the year | -288.361 | -302.728 |
| | Depreciation and writedown, assets disposed of | 150.000 | 1.032.900 |
| | **Depreciation and writedown 31 December** | **-774.703** | **-636.342** |
| | **Carrying amount, 31 December** | **993.297** | **1.131.658** |
| | Lease assets are recognised at a carrying amount of | 889.130 | 1.122.770 |

| | | 31/12 2020 | 31/12 2019 |
|---|---|---|---|
| **6.** | **Contributed capital** | | |
| | Contributed capital 1 January | 500.000 | 500.000 |
| | | **500.000** | **500.000** |

The share capital consists of shares, each with a nominal value of DKK 1.000 and multipla thereof. No shares hold particular rights.

## Notes

All amounts in DKK.

| | | 31/12 2020 | 31/12 2019 |
|---|---|---|---|
| **7.** | **Leasing liabilities** | | |
| | Leasing liabilities in total | 900.710 | 1.129.222 |
| | Share of amount due within 1 year | -232.548 | -228.512 |
| | | **668.162** | **900.710** |
| | Share of liabilities due after 5 years | 0 | 0 |
| **8.** | **Other debts** | | |
| | Other debts in total | 590.473 | 212.601 |
| | Share of amount due within 1 year | -88.571 | 0 |
| | **Other debts in total** | **501.902** | **212.601** |
| | Share of liabilities due after 5 years | 354.284 | 159.451 |

**9. Charges and security**

Owner's mortgage in property, nominal 8.000.000 DKK. is in retention.

The shares of the company are provided as guarantees for the bank debt of some group enterprises.

There has been given a negative pledge as security for the company and some group enterprises accounts with the bank.

Some of the group enterprises has provided guarantees for the bank debts of the company.

Other plants, operating assets, fixtures and furniture, all representing a book value of DKK 889.130 at 31 December 2020, have been financed by means of financial leasing. At 31 December 2020, the liabilities of this financial leasing amount to DKK 900.710.

PcP Corporation A/S has provided guarantees for the lease liabilities of the company.

## Notes

All amounts in DKK.

**10. Contingencies**

**Contingent liabilities**

The company has provided guarantees for the bank debt of some group enterprises.

**Joint taxation**

PcP Corporation A/S, company reg. no 35242147 being the administration company, the company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

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

**11. Related parties**

**Controlling interest**

| | |
|---|---|
| PcP Corporation A/S<br>Sverigesvej 2<br>7480 Vildbjerg | Majority shareholder |

**Transactions**

Transactions between group enterprises has been carried out on an arm`s length basis.

**Consolidated annual accounts**

The company is included in the consolidated annual accounts for PcP Corporation A/S,
reg. nr. 35 24 21 47.