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August Faller A/S

Hammerholmen 1
2650 Hvidovre

CVR no. 25460111

Annual Report 2021

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 10 May 2022



Daniel Karlheinz Keesman
Chairman of general meeting

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Management's Statement

The Board of Directors and the Executive Board have today considered and approved the annual report for the financial year 1 January 2021 - 31 December 2021 for August Faller A/S.

The Annual Report is presented in accordance with the Danish Financial Statements Act.


In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2021 and of the results of the Company's operations and cash flow for the financial year 1 January 2021 - 31 December 2021.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend that the annual report is adopted at the Annual General Meeting.

Hvidovre, 10 May 2022

Executive Board



Christian Haurum Holmskov

Board of Directors



Daniel Karlheinz Keesman
Chairman



Jörg Ewald Helmut Frischkorn



Jörg Galle

Independent Auditors' Report

To the shareholders of August Faller A/S

Opinion

We have audited the financial statements of August Faller A/S for the financial year 1 January 2021 - 31 December 2021, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity, cash flow statement and notes. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the Company's financial position at 31 December 2021 and of the result of the Company's operations as well as the cash flows for the financial year 1 January 2021 - 31 December 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 the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the Financial Statements

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

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

The auditor's responsibility for the audit of the Financial Statements

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

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

- * Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- * Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Independent Auditors' Report

- * Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- * Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- * Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

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

Helsingør, 10 May 2022

Kallermann Revision A/S - statsautoriseret revisionsfirma
CVR-no. 30195264



Rasmus Rolighed Asmussen
State Authorised Public Accountant
mne45874



Peter Kallermann
State Authorised Public Accountant
mne8285

Company details

Company	August Faller A/S Hammerholmen 1 2650 Hvidovre CVR no.: 25460111 Date of formation: 30 May 2000 Registered office: Hvidovre
Executive Board	Christian Haurum Holmskov
Board of Directors	Daniel Karlheinz Keesman Jörg Ewald Helmut Frischkorn Jörg Galle
Auditors	Kallermann Revision A/S - statsautoriseret revisionsfirma Stationspladsen 1 og 3 3000 Helsingør CVR-no.: 30195264
Financial institution	Danske Bank A/S

Management's Review

The Company's principal activities

The Company develops, produces and sells customer specific secondary packaging solutions including folding cartons. The primary target groups are pharmaceutical and healthcare companies.

Uncertainty relating to recognition and measurement

Completed development projects with DKK 3,568,000 in the balance sheet per. December 31, 2021. Recognition and measurement of the completed development projects is based on a number of assumptions and expectations for the future economic benefits from this. At the time of reporting, there is uncertainty associated with the calculation of the financial benefits from the completed development projects. However, management expects that the present value of the expected future economic benefits from the completed development projects will exceed the carrying amount per. December 31, 2021.

Development in activities and the financial position

The Company's income statement of the financial year 1 January 2021 - 31 December 2021 shows a result of 12.797 DKK'000 and the balance sheet at 31 December 2021 a total of 94.363 DKK'000 and an equity of 42.448 DKK'000.

Due to unexpected higher demand from customers the result for the financial year 2021 was higher than expected.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Outlook

The Company is operating at a high level in order to stay attractive for the defined customer segments.

The Management expects that COVID-19 will not affect the Company's activities significantly.

The profit in the next financial year is expected to be comparable with last year.

Risks

Currency risks

Currency risks related so supplier relationships are insignificant and not hedged because the Company believes that continuous hedging of such will not be optimal from an overall risk and lost consideration. It does not take speculative currency positions. There is no exchange risk on customer relationships, as the far majority of its production is sold in the domestic market.

Interest rate risk

Moderate changes in interest rates will not have any significant direct impact on earnings.

Environmental conditions

It remains a major effort to reduce the environmental impact and costs. We are, however, committed to continue to focus on reducing the consumption of electricity, water and heating in addition to cardboard and waste management.

Product quality

The efforts towards the improvement of product quality as well as the workflow related to quality assurance and control has led to a result that error and complaint levels are at the cutting edge of our industry.

Management's Review

Key Figures and Financial Ratios

The development in the Company's Key Figures and Financial Ratios can be described as follows:

Key Figures are presented in DKK'000.

	2021	2020	2019	2018	2017
Gross profit	62.670	55.342	49.034	47.467	41.136
Other operating income	0	0	21	1.831	0
Net financial income and expenses	-326	-176	42	-35	-247
Operating profit/loss	16.487	11.311	11.580	9.126	4.551
Profit/loss for the year	12.797	8.685	9.064	7.064	3.357
Assets	94.363	67.225	63.968	51.204	43.150
Investment in property, plant and equipment	17.294	9.412	5.389	2.289	2.955
Equity	42.448	29.651	28.408	29.344	22.280
Cash flows from (used in) operating activities	13.752	15.182	9.239	7.658	4.686
Cash flows from (used in) investing activities	-18.968	-9.359	-3.344	-351	-5.137
Cash flows from (used in) financing activities	4.543	-5.189	-6.697	-6.485	-6.564
Net interest-bearing debt	21.008	18.772	12.977	-5.073	2.173
Average number of full-time employees	78	79	73	74	67
Return on capital employed (%)	37	32	34	31	22
Equity ratio (%)	45	44	44	57	52
Return on equity (%)	35	30	35	35	21

For definitions of key ratios, see Accounting and Valuation Principles.

Key Figures and Financial Ratios are determined based on "Recommendations & Financial Ratios" issued by the Danish Society of Financial Analysts.

Ratios calculation formula:

Return on capital employed:

$EBITDA \times 100 / \text{Average invested capital}$

Average invested capital:

$\text{Fixed assets and net current assets}$

Equity Ratio:

$\text{Equity} \times 100 / \text{Total assets}$

Return on equity:

$\text{Profit/losses for the year} \times 100 / \text{Average equity}$

Accounting Policies

Reporting Class

The Annual Report of August Faller A/S for 2021 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

Consolidated Financial Statements

With reference to § 112 of the Danish Financial Statements Act, no Consolidated Financial Statement have been prepared because the Group enterprises are subsidiaries of a higher-ranking group.

Reporting currency

The Annual Report is presented in DKK'000.

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 recognized in the income statement as financial income or expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date or the rate at the balance sheet date are recognized in the income statement as financial income or financial expenses.

Long-term assets purchased in foreign currency are translated at the exchange rate at the transaction date.

Income statement

Gross profit/loss

With reference to the Danish Financial Statements Act section 32 revenue with deduction of raw materials and consumables used and other external expenses is condensed into one item called gross profit.

Revenue

Revenue from sales of commodities and end products, which comprise secondary packaging and folding cartons, is recognized in the income statement provided that delivery and transfer of risk to the buyer has taken place before year end and that the income can be reliably measured and is expected to be received. The time for transfer of the most significant advantages and risks is based on the standardized delivery terms based on incoterms(R) 2010. Revenue from sales of goods, where delivery on buyer's request is postponed, is recognized in the income, when the ownership of the goods passes to buyer.

Revenue is measured to fair value of the agreed fee ex. VAT and taxes charged on behalf of third parties. All discounts granted in connection with the sale are recognized in the revenue.

Raw materials and consumables used

Costs for raw materials and consumables comprise the cost of goods purchased less discounts, costs subcontractors and change in inventories for the year.

Other external expenses

Other external expenses comprise expenses for production costs, distribution, sale, marketing, bad debts, premises costs, operational costs etc.

Staff costs

Staff costs comprise salaries and wages including holiday pay and pensions as well as social security costs, etc for the Company's staff. Received compensations from the authorities have been deducted in staff costs.

Accounting Policies

Amortisation and impairment of tangible and intangible assets

Amortization and impairment of intangible assets, property, plant and equipment has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortized on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life
Completed development projects	5 years
Buildings	25 years
Plant and machinery	5-10 years
Other fixtures and fittings, tools and equipment	3-7 years

Profit or loss resulting from the sale of intangible or tangible assets is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the income statement under other operating income or expenses.

Other operating expenses

Other operating expenses include items relating to activities secondary to the main activity of the enterprises.

Financial income and expenses

Financial income and expenses comprise interest income and expense, leasing costs, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Income tax

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognized in the income statement by the portion attributable to the profit for the year and recognized directly in equity by the portion attributable to entries directly in equity. The tax expense relating to the profit/loss for the year is recognized in the income statement, and the tax expense relating to changes directly recognized in equity is recognized directly in equity.

Balance sheet

Intangible assets

Clearly defined and identifiable development projects where the technical rate of utilisation, sufficient resources and development potential in the Company are provable is recognised as intangible assets if the value in use can be determined reliably and it is sufficiently certain that future costs of administration will decrease.

Other development costs are recognised as costs in the Income Statement as they incur.

Development costs comprise cost and amortisation, that are directly or indirectly attributable to the development activities of the enterprise and meet the recognition criteria.

Capitalised development costs are measured at cost on initial recognition and subsequently at the lower of cost less accumulated amortisation and the recoverable amount.

Property, plant and equipment

Building sites and buildings, plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. The basis of depreciation is cost less estimated residual value after the end of useful life. No depreciations are made on building sites.

Cost comprises the acquisition price and costs directly attributable to the acquisition until the time when it is ready to be put into operation. Concerning self-constructed assets the cost comprises direct and indirectly expenses to materials, components, subcontractors, wages and borrowing costs from specific and general borrowing, which directly relate to the construction of the single asset.

Accounting Policies

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

In case of changes in the depreciation period or the residual value, the effect on the amortisation charges is recognized prospectively as a change in accounting estimates.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the sales price less disposal costs and the carrying amount at the date of disposal. Gains and losses are recognized in the income statement as other operating income and other operating costs, respectively.

Deposits

Deposits are measured at cost.

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.

Cost for produced finished products as well as work in progress are measured at cost for raw material, consumables, and direct and indirect production costs. In indirect production costs are included indirect materials and wages as well as maintenance of and depreciations on used machines, factory plants and equipment as well as costs in connection with factory administration and management concerning the products.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected sales price.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less provisions for bad debts.

Prepayments

Prepayments recognized in short-term assets, comprise costs concerning the following accounting year.

Cash and cash equivalents

Cash and cash equivalents include deposits in bank accounts and cash holdings.

Equity

Reserve for net revaluation of investments according to the equity method.

The reserve may be eliminated in case of losses, realisation of investments or a change in accounting estimates.

The reserve cannot be recognized at a negative amount.

Development cost reserve

Development cost reserve includes recognised development costs. The reserve is not available for the payment of dividends or losses. The reserve is deducted or dissolved by depreciation of the recognised costs or abandonment of the activity. Such reduction or dissolution is made by means of a transfer to distributable reserves.

Dividends

Proposed dividends are recognized as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Accounting Policies

Provisions

Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the balance-sheet liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the balance sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortised cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortised cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities, comprising trade payables and other accounts payable, are measured at amortised cost, which usually corresponds to the nominal value.

Lease commitments

Leases for non-current assets that transfer substantially all the risks and rewards incident to ownership to the Company (finance leases) are initially measured in the balance sheet at the lower of fair value and the net present value of the future lease payments. In calculating the net present value of future lease payments, the discount factor is the interest rate implicit in the lease or an alternative rate. Assets held under finance leases are subsequently treated as the Company's other non-current assets.

The capitalised residual lease obligation is recognized in the balance sheet as a liability and the interest implicit in the lease is recognized in the income statement over the lease term.

All other leases are defined as operating leases. Operating lease payments and other lease payments are recognized in the income statement over the lease term. The Company's total liabilities relating to operating leases and other leases are disclosed in the notes under contingent liabilities.

Accruals and deferred income entered as liabilities

Accruals and deferred income entered as liabilities consist of payments received regarding income in the subsequent financial years.

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the balance sheet but appear only in the notes.

Accounting Policies

Accounting policies cash flow statement

Explanation of entity's definition of cash and cash equivalents

The cash flow statement is presented using the indirect method and shows cash flows from operating, investing and financing activities as well as the Company's cash and cash equivalents at the beginning and the end of the financial year.

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

Cash flows from investing activities comprise payments in connection with acquisition and divestment of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related costs as well as the raising of loans, installments on interest-bearing debt and payment of dividend.

Cash and cash equivalents comprise cash and short-term bonds, which can be transferred into cash with only few risks of change in value.

Explanation of financial ratios

Key figures and financial ratios are determined based on "Recommendations & Financial Ratios" issued by the Danish Society of Financial Analysts.

Income Statement

	Note	2021 DKK'000	2020 DKK'000
Gross profit		62.670	55.342
Staff costs	1	-41.761	-40.497
Depreciation, amortisation and impairment losses		-4.422	-3.296
Other operating expenses		0	-238
Profit from ordinary operating activities		16.487	11.311
Other finance income from group enterprises		37	158
Financial income		13	45
Financial expenses		-376	-379
Profit from ordinary activities before tax		16.161	11.135
Tax	2	-3.364	-2.450
Profit	3	12.797	8.685

Balance Sheet as of 31 December

	Note	2021 DKK'000	2020 DKK'000
Assets			
Completed development projects	4	3.568	0
Intangible assets		3.568	0
Land and buildings	5	14.869	13.449
Plant and machinery	6	19.773	15.277
Fixtures, fittings, tools and equipment	7	1.258	1.433
Prepayments for property, plant and equipment	8	13.383	8.151
Property, plant and equipment		49.283	38.310
Receivables from group enterprises	9	0	744
Deposits	10	203	198
Investments		203	942
Fixed assets		53.054	39.252
Raw materials and consumables		6.954	6.951
Work in progress		1.893	1.797
Manufactured goods and goods for resale		1.707	1.424
Inventories		10.554	10.172
Trade receivables		18.371	14.253
Receivables from group enterprises		5.212	0
Other receivables		4.165	878
Tax receivables		908	218
Deferred income assets	11	1.246	929
Receivables		29.902	16.278
Cash and cash equivalents		853	1.523
Current assets		41.309	27.973
Assets		94.363	67.225

Balance Sheet as of 31 December

	Note	2021 DKK'000	2020 DKK'000
Liabilities and equity			
Contributed capital	12	4.000	4.000
Revaluation reserve		2.916	3.363
Reserve for development expenditure		2.783	0
Retained earnings		32.749	22.288
Equity		42.448	29.651
Provisions for deferred tax	13	3.454	2.282
Other provisions		0	484
Provisions		3.454	2.766
Mortgage debt		5.904	6.537
Lease commitments		17.677	8.050
Long-term liabilities other than provisions	14	23.581	14.587
Mortgage debt		633	623
Debt to banks		11	8
Trade payables		7.623	5.278
Payables to group enterprises		0	65
Other payables		12.857	11.640
Deferred income, liabilities		0	375
Lease commitments		3.756	2.232
Short-term liabilities other than provisions		24.880	20.221
Liabilities other than provisions within the business		48.461	34.808
Liabilities and equity		94.363	67.225
Contingent liabilities	15		
Collaterals and assets pledges as security	16		
Ownership	17		
Related parties	18		

Statement of changes in Equity

	Contributed capital DKK'000	Revaluation reserve DKK'000	Development expenditure DKK'000	Retained earnings DKK'000	Total DKK'000
Equity 1 January 2021	4.000	3.363	0	22.288	29.651
Profit (loss)	0	-447	2.783	10.461	12.797
Equity 31 December 2021	4.000	2.916	2.783	32.749	42.448

Cash Flow Statement

	2021 DKK'000	2020 DKK'000
Profit	12.797	8.685
Depreciation, amortisation expenses	4.422	3.534
Adjustments of financial liabilities	-484	484
Adjustments of tax expense	2.192	2.520
Adjustments for deferred tax	1.172	-70
Decrease (increase) in inventories	-382	-2.401
Decrease (increase) in receivables	-7.730	62
Decrease (increase) in trade payables	4.646	5.129
Cash flow from ordinary operating activities	16.633	17.943
Income taxes paid	-2.881	-2.761
Cash flows from operating activities	13.752	15.182
Purchase of intangible assets	-1.669	0
Purchase of property, plant and equipment	-17.294	-9.413
Sales of property, plant and equipment	0	60
Other components of cash flows from investing activities	-5	-6
Cash flows from investing activities	-18.968	-9.359
Adjustments of long-term liabilities	9.004	-3.400
Adjustments of receivables/debt to group enterprises	-4.461	5.653
Dividend paid	0	-7.442
Cash flows from financing activities	4.543	-5.189
Net increase (decrease) in cash and cash equivalents	-673	634
Cash and cash equivalents, beginning balance	1.515	881
Cash and cash equivalents, ending balance	842	1.515

Notes

	2021	2020
	DKK'000	DKK'000
1. Staff costs		
Wages and salaries	38.950	38.013
Post-employment benefit expense	2.630	2.423
Social security contributions	181	61
	41.761	40.497
Average number of employees	78	79
In accordance with the Danish Financial Statements Act section 98 b, subsection 3, item 2, information on remuneration of Management has been left out.		
2. Tax		
Tax expense on ordinary activities	2.192	2.520
Adjustments for deferred tax	1.172	-70
	3.364	2.450
3. Proposed distribution of results		
Extraordinary dividend	0	7.442
Reserve for net revaluation of investment assets	-447	-447
Reserve for development expenditure	2.783	0
Retained earnings	10.461	1.690
	12.797	8.685
4. Completed development projects		
Cost, 1 January 2021	0	0
Additions	1.669	0
Transfers during the year from prepayments	2.551	0
Cost, 31 December 2021	4.220	0
Depreciation	-652	0
Accumulated depreciation, 31 December 2021	-652	0
Completed development projects, 31 December 2021	3.568	0

The company has completed its main project regarding implementation of a new ERP system. Based on the expected economic benefits from this upgrade the company expect to obtain economic benefits from this investment for the coming 5 years that exceeds the activated costs.

Notes

	2021 DKK'000	2020 DKK'000
5. Land and buildings		
Cost, 1 January 2021	37.818	38.119
Additions	2.469	11
Disposal during the year	0	-312
Cost, 31 December 2021	40.287	37.818
Revaluations, 1 January 2021	6.806	6.806
Revaluations, 31 December 2021	6.806	6.806
Accumulated depreciation, 1 January 2021	-31.175	-30.139
Depreciation	-1.049	-1.109
Reversal of impairment losses and amortisation of disposed assets	0	73
Accumulated depreciation, 31 December 2021	-32.224	-31.175
Land and buildings, 31 December 2021	14.869	13.449
If the revaluation for land and buildings has not been made, the accounting value would have been recognized in the balance sheet with 11.131 DKK'000 at 31 December 2021.		
6. Plant and machinery		
Cost, 1 January 2021	54.947	54.102
Additions	1.252	994
Disposals	0	-149
Transfers during the year from prepayments	5.600	0
Cost, 31 December 2021	61.799	54.947
Accumulated depreciation, 1 January 2021	-39.670	-37.911
Depreciation	-2.356	-1.862
Reversal of depreciation on disposed plant and machinery	0	103
Accumulated depreciation, 31 December 2021	-42.026	-39.670
Plant and machinery, 31 December 2021	19.773	15.277

Accounting value of assets, which are not owned by the Company, amounts to 10.211 DKK'000 at 31 December 2021.

Notes

	2021 DKK'000	2020 DKK'000
7. Fixtures, fittings, tools and equipment		
Cost, 1 January 2021	2.155	2.542
Additions	190	256
Disposals	0	-643
Cost, 31 December 2021	2.345	2.155
Accumulated depreciation, 1 January 2021	-722	-1.028
Depreciation	-365	-325
Reversal of depreciation on disposals	0	631
Accumulated depreciation, 31 December 2021	-1.087	-722
Fixtures, fittings, tools and equipment, 31 December 2021	1.258	1.433
8. Prepayments for property, plant and equipment		
Cost, 1 January 2021	8.151	0
Addition during the year, including improvements	13.383	8.151
Transfers during the year to completed development projects	-2.551	0
Transfers during the year to plant and machinery	-5.600	0
Cost, 31 December 2021	13.383	8.151
Prepayments for property, plant and equipment, 31 December 2021	13.383	8.151
9. Receivables from group enterprises		
Cost, 1 January 2021	744	6.397
Additions	4.461	1.782
Disposals	0	-7.435
Transfers to current assets	-5.205	0
Cost, 31 December 2021	0	744
Receivables from group enterprises, 31 December 2021	0	744
10. Deposits		
Cost, 1 January 2021	198	192
Additions	5	6
Cost, 31 December 2021	203	198
Deposits, 31 December 2021	203	198
11. Explanation of deferred income assets		
Deferred income assets comprise prepayment of other operating expenses.		

Notes

	2021	2020
	DKK'000	DKK'000
12. Contributed capital		
The share capital is divided into shares of 10.000 DKK or multiples thereof.		
Balance at the beginning of the year	4.000	4.000
Balance at the end of the year	4.000	4.000

The share capital has remained unchanged for the last 5 years.

13. Disclosure of provisions for deferred tax

Deferred tax, 1. January 2021	2.282	2.352
Adjustments for deferred tax	1.172	-70
Deferred tax, 31 December 2021	3.454	2.282

Provisions concerning deferred tax comprise deferred tax relating to completed development projects, property, plant and equipment, inventories and net financial lease assets.

14. Long-term liabilities

	Due after 1 year DKK'000	Due within 1 year DKK'000	Due after 5 years DKK'000
Mortgage debt	5.904	633	3.355
Lease commitments	17.677	3.756	5.812
	23.581	4.389	9.167

15. Contingent liabilities

The Company has short-term lease commitments for vehicles for 180 DKK'000 and long-term lease commitments for 209 DKK'000, which are not recognized in the balance at 31 December 2021.

The Company has rent commitments for land and buildings for 209 DKK'000.

16. Collaterals and securities

As security for accounts with credit institutions is deposited owner's mortgage nom. 21.048 DKK'000 in matr. no. 43 CV, Avedøre Holme.

17. Ownership

The Company has registered the following shareholder to hold more than 5% of the voting share capital or of the nominal value of the share capital:

August Faller International GmbH
Freiburgerstrasse 25
DE-79183 Waldkirch

Notes

18. Related parties

The Company is included in the consolidated financial statements of:
August Faller GmbH & Co. KG

The Company's consolidated financial statements can be obtained by contacting the company.

The following related party has a controlling interest in August Faller A/S:

August Faller International GmbH
Freiburgerstrasse 25, DE-79183 Waldkirch
Main shareholder

The Company has had transactions with related parties in 2021 for:

Revenue, 731 DKK'000
Cost of sales, 3.853 DKK'000
Other operating expenses, 391 DKK'000
Interest income, 37 DKK'000
Purchase of fixtures, fittings, tools and equipment, 101 DKK'000
Receivables, 5205 DKK'000
Trade payables, -7 DKK'000