Holger Christiansen A/S

Hedelundvej 13, 6705 Esbjerg Ø

CVR no. 88 02 16 14

Annual report 2020

Approved at the Company's annual general meeting on 11 May 2021

Chair of the meeting:

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Contents

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Holger Christiansen A/S for the financial year 1 January - 31 December 2020.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2020 and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2020.

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

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

Esbjerg, 11 May 2021
Executive Board:

	pki, BOSCH, DE, N, O, Norman.Binde Digitally signed by pki, BOSCH, DE, N, O, Norman.Binde Date: 2021.05.21 09:19:26 +02'00'	
Lars Almosetoft	Norman Binde	Poul Bech Hansen

Board of Directors:

pki, BOSCH, DE, E, C, Eckhard.Lichtenthaler Digitally signed by pki, BOSCH, DE, E, C, Eckhard.Lichtenthaler Date: 2021.05.13 16:29:01 +02'00'	pki, BOSCH, DE, G, U, Guenter.Weber4 Digitally signed by pki, BOSCH, DE, G, U, Guenter.Weber4 Date: 2021.05.19 13:02:19 +02'00'	pki, BOSCH, DE, M, A, Martina.Kirchner Digitally signed by pki, BOSCH, DE, M, A, Martina.Kirchner Date: 2021.05.21 08:45:37 +02'00'
Eckhard Rainer Volker Lichtenthaler Chair	Günter Rudolf Weber	Martina Johanna Kirchner
Vita Zerner	Johnny Højfeldt Hvidfeldt	

Independent auditor's report

To the shareholders of Holger Christiansen A/S

Opinion

We have audited the financial statements of Holger Christiansen A/S for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies. 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 financial position of the Company at 31 December 2020 and of the results of the Company's operations as well as the cash flows 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 (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 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 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.

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance 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 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 the 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 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 Company's internal control.

Independent auditor's 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 note 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 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.

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 Statement Act. We did not identify any material misstatement of the Management's review.

Esbjerg, 11 May 2021
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Alex Petersen	Dan Mose Andersen
State Authorised Public Accountant	State Authorised Public Accountant
mne28604	mne35406

Management's review

Company details

Name	Holger Christiansen A/S
Address, Postal code, City	Hedelundvej 13, 6705 Esbjerg Ø
CVR no.	88 02 16 14
Established	30 September 1979
Registered office	Esbjerg Ø
Financial year	1 January - 31 December
Website	www.hc-cargo.dk
E-mail	info.aarm@dk.bosch.com
Telephone	+45 76 14 33 00
Board of Directors	Eckhard Rainer Volker Lichtenthaler, Chair Günter Rudolf Weber Martina Johanna Kirchner Vita Zerner Johnny Højfeldt Hvidfeldt
Executive Board	Lars Almosetoft Norman Binde Poul Bech Hansen
Auditors	EY Godkendt Revisionspartnerselskab Bavnehøjvej 5, 6700 Esbjerg, Denmark

Management's review

Financial highlights

EURm	2020	2019	2018	2017	2016
Key figures					
Revenue	67	69	75	76	76
Operating profit/loss	-4	-4	2	4	6
Net financials	0	-1	0	1	2
Profit/loss before tax	1	-1	0	0	0
Profit/loss for the year	**1**	**0**	**1**	**5**	**6**
Total assets	41	54	63	65	64
Equity	**11**	**11**	**13**	**24**	**25**
Cash flows from operating activities	8	7	-4	2	10
Net cash flows from investing activities	5	0	-1	-2	-2
Amount relating to investments in property, plant and equipment	0	-1	-1	0	0
Cash flows from financing activities	-13	-7	-5	0	-6
Total cash flows	**0**	**0**	**-10**	**0**	**2**
Financial ratios					
Operating margin	1.8%	-1.2%	2.7%	5.3 %	7.9 %
Return on assets	-8.4%	-6.8%	3.1%	6.2%	9.4%
Equity ratio	26.8%	20.4%	20.6%	36.9%	39.1%
Average number of employees	**218**	**246**	**252**	**250**	**255**

For terms and definitions, please see the accounting policies.

Management's review

Business review

Holger Christiansen A/S is part of the worldwide Bosch Group.

The Company's principal activity consist in sale of auto electrical components.

Financial review

The income statement for 2020 shows a profit of EUR 721 thousand against a loss of EUR 391 thousand last year, and the balance sheet at 31 December 2020 shows equity of EUR 10,930 thousand.

The development in the company has not been as expected, primarily due to the impact of the COVID-19 pandemic.

Unusual matters having affected the financial statements

The financial position at 31 December 2020 of the Company and the results of the activities and cash flows of the Company for the financial year for 2020 were effected by the global COVID-19 pandemic.

In order to maintain the qualified and knowledgeable workforce, the Company received salary compensation based on the Danish COVID-19 govermental support grants. In addition the company received compensation to cover unavoidable fixed costs. The total COVID-19 govermental support grants amounts to 1,155 tEUR and is recognized under Other operating income.

Further, as part of a Bosch global restructoring the Company sold its shares in the two subsidiaries Holger Christiansen Production Slovakia s.r.o and SC Holger Christiansen Production Ukraine.

Financial risks and use of financial instruments

Market risks

The risk of the company accordring to the line of business is not considered as especially riskfilled but will compose a normal risk to the development of the company.

Foreign exchange risks

Activities abroad cause earnings, cash flows and equity to be affected by the exchange rate and interest rate developments for a number of currencies. It is the company's foreign exchange policy to hedge the exchange rate risk through currency forward transactions where it is necessary.

There are no speculative currency deposits.

Credit risk

The credit risk of the company primarily relates to financial assets. The highest credit risk, which is related to financial assets, corresponds to the amounts in the balance sheets.

The company does not have any material credit risks connected to specifick customers or business partners.

The politic of the company for undertaken credit risks entails that all large customers and business partners are credit evaluated.

Liquidity risks

Holger Christiansen A/S is solely financed via the final parent company, Robert Bosch GmbH, Germany and does not at all rely on external lenders. Holger Christiansen A/S does not invest in external companies and other bonds. The financial risk are low.

Research and development activities

The development projects at Holger Christiansen A/S consist in the continuous development of the ERP system, that was put into use in 2018.

Management's review

Recognition and measurement uncertainties

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

Statutory CSR report

Holger Christiansen A/S with associated subsidiaries is rooted in the countries where the individual companies are represented. As part of its business foundation, the company sees to it that it operates its business areas in a socially responsible manner, and complies with the legislation on human rights, environmental and climate issues, etc. and the fight against corruption and bribery.

The Bosch Group has committed itself to follow the following 8 of the UN's 17 goals for sustainability and development.

- Sustainable cities and communities
- Climate action
- Industry, innovation and infrastructure
- Decent jobs and economic growth
- Gender equality
- Quality education
- Responsible consumption and production
- Health and well-being

Every year, Bosch publishes a report on sustainability. The sustainability report for 2020 is available from https://www.bosch.com/company/sustainability/sustainability-reports-and-figures/.

The Bosch Group focuses on the environment and thus tries to limit the energy consumption associated with the operation, as well as focusing on environmentally sound recycling of the waste products that arise from the operation of the Bosch Group.

All of the above are part of emphasizing Bosch, including Holger Christiansen A/S' position as an ethically sustainable group in regards to the environment, customers, employees, suppliers and authorities.

Account of the gender composition of Management

The company and Bosch in general are engaged on increasing the number of female managers, and thus concrete target figures were set up for the number of the under-represented sex at the seats on the board of directors to ensure a correct management composition as to sex in general.

In 2020 there have been changes to the Board of Directors. The Board of Directors has been replaced, so that the distribution in the Board of Directors elected by the General Meeting is now 33.33 / 66.67 without employee representatives. If the two employee representatives are included, the distribution is 40/60. This fulfills the goal that at least 25% of the board members elected by the general meeting must be women in 2020, and there is therefore no longer an under-representation.

To meet the goal of more female managers at other management levels. In connection with recruitment and recruitment for management posts, the goal is to have both male and female candidates. There is a general focus on the company recruiting the best candidates for all positions in the company. At management's other management levels, there is a gender distribution of 30/70.

Events after the balance sheet date

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

Outlook

Management is of the opinion that the company is well prepared for the years to come. The company expects the revenue in the coming year to increase and be on a level with previous years, however the ordinary results to be improved.

Financial statements 1 January - 31 December

Income statement

Note	EUR'000	2020	2019
3	**Revenue**	66,716	68,601
	Other operating income	1,155	32
	Raw materials and consumables	-44,694	-46,316
	Other external expenses	-5,801	-6,405
	Gross profit	17,376	15,912
4	Staff costs	-14,635	-15,183
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-1,510	-1,549
	Profit/loss before net financials	1,231	-820
	Income from investments in group enterprises	0	327
	Financial income	642	234
5	Financial expenses	-947	-809
	Profit/loss before tax	926	-1,068
6	Tax for the year	-205	677
	Profit/loss for the year	721	-391

Financial statements 1 January - 31 December

Balance sheet

Note	EUR'000	2020	2019
	ASSETS		
	Fixed assets		
7	**Intangible assets**		
	Software	1,489	2,348
		1,489	2,348
8	**Property, plant and equipment**		
	Land and buildings	4,505	4,752
	Plant and machinery	1,331	1,571
		5,836	6,323
9	**Investments**		
	Investments in group enterprises	0	6,015
		0	6,015
	Total fixed assets	7,325	14,686
	Non-fixed assets		
	Inventories		
	Finished goods and goods for resale	20,590	27,175
	Prepayments for goods	4,950	2,909
		25,540	30,084
	Trade receivables	6,029	5,509
	Receivables from group enterprises	2,155	2,840
	Corporation tax receivable	56	386
10	Prepayments	36	94
		8,276	8,829
	Total non-fixed assets	33,816	38,913
	TOTAL ASSETS	41,141	53,599

Financial statements 1 January - 31 December

Balance sheet

Note	EUR'000	2020	2019
	EQUITY AND LIABILITIES		
	Equity		
11	Share capital	134	134
	Net revaluation reserve according to the equity method	0	351
	Retained earnings	10,075	10,616
	Dividend proposed	721	0
	Total equity	10,930	11,101
	Provisions		
12	Deferred tax	893	906
	Other provisions	0	116
	Total provisions	893	1,022
	Liabilities other than provisions		
	Non-current liabilities other than provisions		
	Other payables	0	509
		0	509
	Current liabilities other than provisions		
	Trade payables	5,636	5,501
	Payables to group enterprises	17,762	31,340
	Other payables	5,920	4,126
		29,318	40,967
		29,318	41,476
	TOTAL EQUITY AND LIABILITIES	41,141	53,599

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14 Related parties
15 Fee to the auditors appointed by the Company in general meeting
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Financial statements 1 January - 31 December

Statement of changes in equity

Note	EUR'000	Share capital	Net revaluation reserve according to the equity method	Retained earnings	Dividend proposed	Total
	Equity at 1 January 2020	134	351	10,616	0	11,101
	Disposals on corporate sale	0	-351	-564	0	-915
16	Transfer, see "Appropriation of profit/loss"	0	0	0	721	721
	Forreign exchange adjustments	0	0	23	0	23
	Equity at 31 December 2020	134	0	10,075	721	10,930

Financial statements 1 January - 31 December

Cash flow statement

Note	EUR'000	2020	2019
	Profit/loss for the year	721	-391
17	Adjustments	1,864	1,088
	Cash generated from operations (operating activities)	2,585	697
18	Changes in working capital	5,994	7,281
	Cash generated from operations (operating activities)	8,579	7,978
	Interest received, etc.	25	234
	Interest paid, etc.	-277	-814
	Income taxes paid	126	51
	Cash flows from operating activities	8,453	7,449
	Additions of intangible assets	0	893
	Additions of property, plant and equipment	-174	-1,114
	Disposals of property, plant and equipment	44	0
	Purchase of financial assets	0	2
	Disposals of subsidiaries	5,079	0
	Cash flows to investing activities	4,949	-219
	Dividends paid	0	-1,558
	Repayments, long-term liabilities	-509	0
	Net activities with group entreprises	-12,893	-5,672
	Cash flows from financing activities	-13,402	-7,230
	Net cash flow	0	0
	Cash and cash equivalents at 1 January	0	0
	Cash and cash equivalents at 31 December	0	0

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Holger Christiansen A/S for 2020 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

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

Reporting currency

The financial statements are reported in EUR, due to the Company's most significant stakeholders. Functional currency is DKK. Exchange rate adjustments arising on translation of the opening captial and reserves are recognised directly in capital and reserves.

Intra-group business combinations

The combination method is applied to business combinations such as acquisition and disposal of investments, mergers, demergers, contributions of assets and share conversions, etc. in which entities controlled by the parent company are involved. Differences between the agreed consideration and the carrying amount of the acquiree are recognised directly in equity.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate 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 and payables and other monetary items denominated in foreign currencies are translated at the exchange rate 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 most recent financial statements is recognised in the income statement as financial income or financial expenses.

Foreign group entities

Foreign subsidiaries and associates are considered separate entities. Items in such entities' income statements are translated at an average exchange rate for the month, and balance sheet items are translated at closing rates. Foreign exchange differences arising on translation of the opening equity of foreign subsidiaries to closing rates and on translation of the income statements from average exchange rates to closing rates are taken directly to equity.

Public grants

Public grants to cover expenses are recognised in the income statement when it is deemed likely that all grant criteria have been met. Grants which must be repaid under certain circumstances are recognised only where they are not expected to be repaid.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains 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.

Amortisation/depreciation

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

The cost net of the expected residual value for completed development projects and acquired IP rights is amortised over the expected useful life. Acquired IP rights include patents, rights and licences.

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:

Software	4 years
Buildings	10-33 years
Plant and machinery	8-11 years
Other fixtures and fittings, tools and equipment	3-12 years

Land is not depreciated.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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 entity is jointly taxed with other group entities. 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.

Balance sheet

Intangible assets

Other intangible assets include development projects and other acquired intangible rights, including software licences and development projects.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

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.

Leases

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".

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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.

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

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Receivables

Receivables are measured at amortised cost.

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.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio 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.

Prepayments

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

Provisions

Provisions comprise anticipated expenses relating to warranty commitments, onerous contracts, restructurings, etc. 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. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

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.

Financial statements 1 January - 31 December

Notes to the financial statements

1 **Accounting policies (continued)**

Liabilities

Other liabilities are measured at net realisable value.

Given the nature of the Group's cash pool arrangement, cash pool balances are not considered cash, but are recognised under "Liabilities from group entities".

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.

Segment information

The allocation of revenue to activities and geographical markets is disclosed where these activities and markets differ significantly in the organisation of sales of goods and services.

Financial ratios

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

Operating profit/loss	Profit/loss before financial items adjusted for other operating income and other operating expenses
Operating margin	$\frac{\text{Operating profit (EBIT) x 100}}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit/loss from operating activites x 100}}{\text{Average assets}}$
Equity ratio	$\frac{\text{Equity, year-end x 100}}{\text{Total equity and liabilities, year-end}}$

Financial statements 1 January - 31 December

Notes to the financial statements

2 Special items

In order to maintain the qualified and knowledgeable workforce, the Company received salary compensation based on the Danish COVID-19 govermental support grants. In addition the company received compensation to cover unavoidable fixed costs. The total COVID-19 govermental support grants amounts to 1,155 tEUR and is recognized under Other operating income.

EUR'000	2020	2019
3 Segment information		
Breakdown of revenue by geographical segment:		
Revenue, Denmark	5,698	5,488
Revenue, foreign	61,018	63,113
	66,716	68,601

In relation to the requirements of Danish Financial Statements Act on segment information for products, these are considered as one businesssegment.

	2020	2019
4 Staff costs		
Wages/salaries	13,277	13,679
Pensions	1,193	1,212
Other social security costs	165	292
	14,635	15,183
Average number of full-time employees	218	246
Remuneration to members of Management:		
Executive Board	428	347
	428	347
5 Financial expenses		
Interest expenses, group entities	255	288
Other financial expenses	692	521
	947	809
6 Tax for the year		
Estimated tax charge for the year	348	0
Deferred tax adjustments in the year	-17	229
Tax adjustments, prior years	-126	-906
	205	-677

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7 Intangible assets

EUR'000	Software
Cost at 1 January 2020	5,849
Forreign exchange adjustments	24
Cost at 31 December 2020	5,873
Impairment losses and amortisation at 1 January 2020	3,501
Foreign exchange adjustments	14
Amortisation for the year	869
Impairment losses and amortisation at 31 December 2020	4,384
Carrying amount at 31 December 2020	1,489

8 Property, plant and equipment

EUR'000	Land and buildings	Plant and machinery	Total
Cost at 1 January 2020	16,518	8,420	24,938
Foreign exchange adjustments	66	34	100
Additions	119	55	174
Disposals	-67	-902	-969
Cost at 31 December 2020	16,636	7,607	24,243
Impairment losses and depreciation at 1 January 2020	11,766	6,849	18,615
Foreign exchange adjustments	47	29	76
Depreciation	382	259	641
Depreciation and impairment of disposals	-64	-861	-925
Impairment losses and depreciation at 31 December 2020	12,131	6,276	18,407
Carrying amount at 31 December 2020	4,505	1,331	5,836
Depreciated over	30 years	2-8 years	

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9 Investments

EUR'000	Investments in group enterprises
Cost at 1 January 2020	5,664
Disposals	-5,664
Cost at 31 December 2020	0
Value adjustments at 1 January 2020	351
Reversal of prior year impairment losses	-351
Value adjustments at 31 December 2020	0
Carrying amount at 31 December 2020	0

10 Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums and subscriptions.

EURt	2020

11 Share capital

Analysis of the share capital:

9 A shares of EUR 13,000.00 nominal value each	117
1 B shares of EUR 7,000.00 nominal value each	7
10 C shares of EUR 1,000.00 nominal value each	10
	134

The Company's share capital has remained EUR 134 thousand over the past 5 years.

EUR'000	2020	2019

12 Deferred tax

Deferred tax at 1 January	906	1,122
Amounts recognised in the income statement for the year	17	229
Amounts recognised in equity for the year	0	-445
Prior year adjustments	-126	0
Other deferred tax	96	0
Deferred tax at 31 December	893	906

Deferred tax has been provided at 22% corresponding to the current tax rate, primarily related to different accounting and taxable depreciation on fixed assets.

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13 Contractual obligations and contingencies, etc.

Other contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Robert Bosch A/S, which is the management company of the joint taxation purposes. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Other financial obligations

Other lease liabilities:

EUR'000	2020	2019
Lease liabilities	182	292

14 Related parties

Holger Christiansen A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Robert Bosch Investments Nederland BV	Netherlands	Parent company

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Robert Bosch GmbH	Germany	www.bosch.com as well as www.cvr.dk

Related party transactions

Holger Christiansen A/S was engaged in the below related party transactions:

EUR'000	2020	2019
Sales of goods and services to group enterprises	41,476	43,514
Purchase of goods and services from group enterprises	26,463	29,573
Interest expenses to group enterprises	255	288
Receivables from group enterprises	2,155	2,840
Payables to groud enterprises	17,762	31,340
Sale of shares in subsidiaries	6,400	0

There have been no transactions with the Supervisory Board, the Executive Board, senior officers, significant shareholders, group enterprises or other related parties, except for intercompany transactions and normal management remuneration.

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14 Related parties (continued)

Ownership

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

Name	Domicile
Robert Bosch Investments Nederland BV	Holland

	EUR'000	2020	2019
15	**Fee to the auditors appointed by the Company in general meeting**		
	Total fees to EY	39	0
	Statutory audit	24	
	Assurance engagements	6	
	Other assistance	9	
		39	
16	**Appropriation of profit/loss**		
	Recommended appropriation of profit/loss		
	Proposed dividend recognised under equity	721	0
	Net revaluation reserve according to the equity method	0	325
	Retained earnings/accumulated loss	0	-716
		721	-391
17	**Adjustments**		
	Amortisation/depreciation and impairment losses	1,510	1,517
	Provisions	-116	0
	Income from investments in group entities	0	-327
	Financial income	-642	-234
	Financial expenses	947	809
	Tax for the year	205	-677
	Other adjustments	-40	0
		1,864	1,088
18	**Changes in working capital**		
	Change in inventories	4,544	-4,427
	Change in receivables	-479	13,180
	Change in trade and other payables	1,929	-1,436
	Other changes in working capital	0	-36
		5,994	7,281