



Annual Report 2019



Business name	BENVIG HEAT TRANSFER spol. s r. o.
Business reg. No. (Tax ID)	14867125 (CZ14867125)
Legal form	Limited Liability Company
Date of incorporation	15 February 1991
Basic capital	CZK 5, 441 thousand
Registered office & seat	Benešov nad Ploučnicí, Děčínská 288
Commercial Register entry	15 February 1991, Commercial Register maintained by the Regional Court in Ústí nad Labem, Section C, File No. 209
Owner	PBS INDUSTRY, a. s., The Czech Republic (100 %)
Telephone, (Fax)	+420 412 590 511, (+420 412 586 340)
E-mail	info@benvig.cz
Web	www.benvig.cz



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for the Year Ended 31 December 2019	



OPENING WORD OF THE GENERAL DIRECTOR OF THE COMPANY

Dear ladies, dear gentlemen,

I would like, on my behalf, already for the fourth time throughout the nearly thirty-years history of our company, and at all for the first time since the company has borne the trade name BENVIG HEAT TRANSFER, to close the last year.

In the year 2019, our company achieved revenues in the amount of CZK 415 mio. What greatly was reflected in such revenues achieved was a huge supply of tube bundles for our long time and important partner, the Russian company GazpromNeft-Omsk, the value of which exceeded EUR 7.4 mio., and which was part of the previous contract in the total amount of over EUR 12 mio. In the past year, we however did not manage to sell and utilize all available capacities, and thus we did not achieve the planned level of revenues in the amount of CZK 612 mio. In addition, in the last months, some orders which had been originally planned for the end of the year 2019 were transferred to the year 2020.

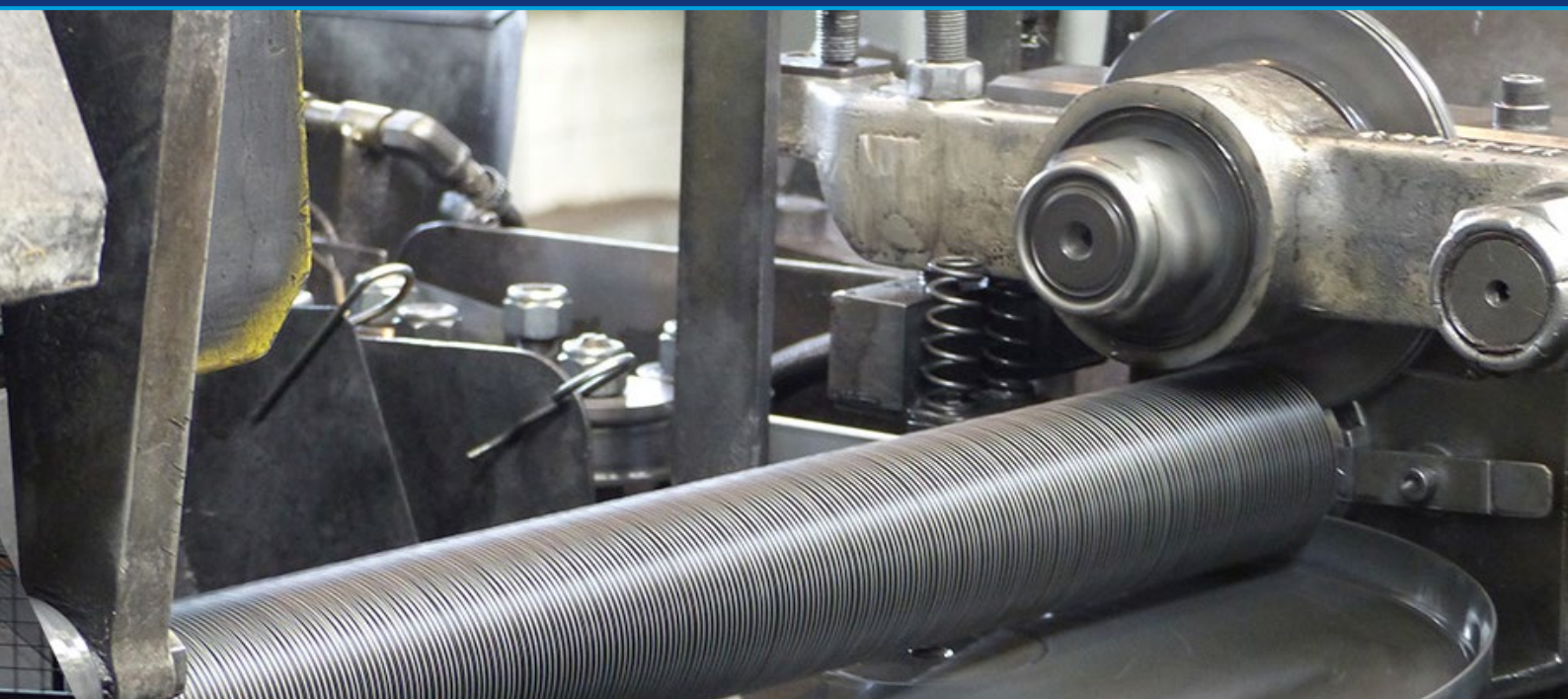
The economic performance result after tax for the year 2019 reached the amount of CZK 16 mio. Compared to the very successful year 2018, in which the economic performance result was CZK 32.5 mio., the year 2019 was negatively influenced by the creation of accounting adjustments and reserves. What most significantly was reflected in the result was the creation of an accounting adjustment in the amount of CZK 13 mio. for the receivable from the year 2018 for the retention money against the completion of the project of the upgrading of the refinery in Iraq. Our company has operated therein as a subcontractor, whereas the final installation is delayed particularly due to the local political situation. The completion of the installation is actually scheduled to the third quarter of the year 2020, while at the time being there is no indication about further postponement of the completion date of the project.

In the past year, our company continued in the process of addressing new customers from Western Europe, aimed at the goal that in the end, the company will become a firmly established entity on major world markets. Moreover, as a result of such process we look ahead to going up in the production potential and stabilization of the utilization of the manufacturing capacities, however in the first instance, to the diversification of the risks resulting from the historical orientation of our company solely to the Eastern markets. The results of such process will positively reflect in the performance of our company already in the year 2020, where, as of today, we have contracted orders in an amount of nearly CZK 200 mio. Both in the year 2018, and the year 2019, we managed to get new customers from the Western markets. We had concluded the contracts with customers, such as, for example, German company Steinmüller Babcock, or Siemens subsidiary, French Dresser Rand, from whom we expect to get other new orders in the future. Despite that, due to the decline of investment activities on the Eastern markets in the year 2019, we set the planned revenue target for the year 2020 to a level of CZK 325 mil. In the light of the actual business dealings we are about to achieve the planned amount of revenues.

In conclusion, I would like to thank the whole team of our company for the mutual collaboration and high work efforts. Likewise, I thank our customers and business partners for the cooperation in the past year.

Your sincerely

Ing. Pavel Klement
General Director



COMPANY'S MANAGEMENT REPORT



PROFILE OF THE COMPANY



BENVIG HEAT TRANSFER spol. s r. o. is a mechanical engineering company with a history dating back to the early nineties of the last century, and with its production and services rendered it is focused on **equipment and systems of heat transfer in the industry**. The company has its registered seat in Benešov nad Ploučnicí, a small town in the north of the Czech Republic, in the immediate vicinity of the border with the FRG.

For more than twenty years of its activity, BENVIG HEAT TRANSFER has established itself in a variety of countries of the European Union and Central and Eastern Europe as a noteworthy producer and supplier of heat exchange systems. The key products of the company are particularly air-cooled heat exchangers, tube heat exchangers and air condensers. Its supplies include also other mechanical engineering products which relate to heat transfer systems. Within its industry, the company also renders servicing activities, inspection and consultancy services.

BENVIG HEAT TRANSFER finds its major customers typically beyond the borders of the Czech Republic. The exclusive customers comprise industrial companies, petrochemical and energy generating plants. Other customers of the company include contractors of superior investments projects where BENVIG HEAT TRANSFER participates therein as a subcontractor.

The company is, despite the less gratifying eras of the global economy, able to achieve good performances. This is evidenced by the general **indicators of the economic activity throughout the years of 2015–2019**.

	2014	2015	2016	2017	2018	2019
Total Turnover *	388	457	516	380	392	415
Export *	354	377	477	241	342	370
EBITDA *	38	39	66	23	52	30
Total Assets *	505	507	302	304	272	309
Fixed Assets *	104	103	97	90	87	85
CAPEX *	4	8	5	2	7	7
Total employees	143	138	138	138	138	133

* in CZK Millions



HISTORY OF THE COMPANY

1991 Establishment of ENVIG spol. s r. o.

The history of BENVIG HEAT TRANSFER has its onset at the beginning of the year 1991, whereas at that time yet under the name of ENVIG spol. s r. o. The original specialization of the purely Czech company was an engineering activity covering thermal calculations and designs of heat exchangers.

1996 Moving the company into a new production site

Soon the company ENVIG started with assembling supplies of thermal equipment and its own production. For the sake of extending the production capacities, the company moved in 1996 into a large production site in Benešov nad Ploučnicí. In the same year, the company had a workforce of 60 employees.

1999 The onset of the cooperation with Bronswerk Heat Transfer B. V.

At the break of the century the company started cooperating with a similarly oriented Dutch company Bronswerk Heat Transfer B. V., and, in 2000 it made a capital merge with the latter company. In the same year the company's workforce reached 90 people. Over the period until 2007, the Dutch partner had been gradually assuming the whole share in the possession of the originally Czech company. In that year, the name of the Czech company changed for the last time, into Bronswerk Heat Transfer, spol. s r. o. In 2007, the company employed as many as over 140 employees.

2013 Completion of a vast construction of new manufacturing premises

In the 2013, the company completed a vast investment into the construction of new manufacturing premises and the reconstruction of the existing ones. Thanks to such investment, the production capacities have considerably extended, being essential for the further growth of the company.

2014 The establishment of the subsidiary in the Russian Federation

In the year 2014, Bronswerk Heat Transfer established, for the sake of a more flexible reaction to the requirements of the customers in the Russian market and better satisfaction of their needs, the subsidiary OOO Bronswerk Heat Transfer with the seat in Moscow.

2016 Strategic merger with PBS INDUSTRY, a. s.

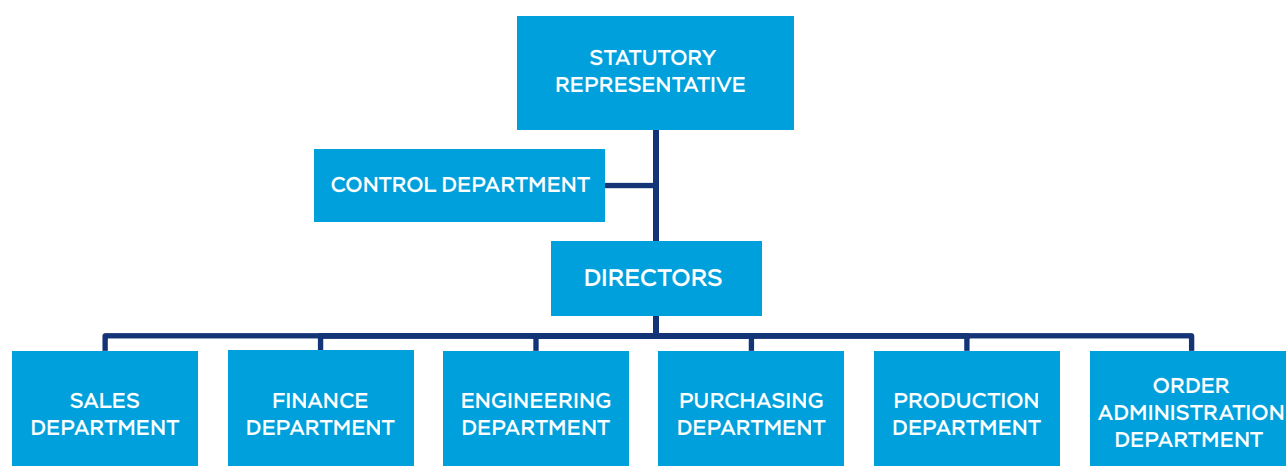
In the year 2016 BRONSWERK HEAT TRANSFER spol. s r. o. become a strategic part of the company PBS INDUSTRY, a. s. Such merger, thanks to long time experience of both mechanical engineering companies, brings a valuable synergy in supplies of power generation and heat generation plants worldwide. The company Bronswerk Heat Transfer is through its mother company PBS INDUSTRY, a. s. part of the portfolio of the investment fund JET I, investiční fond, a. s.

2019 Company name change to BENVIG HEAT TRANSFER spol. s r. o.

Due to PBS INDUSTRY, a. s. acquisition the company name was planned to change as the old one contained the previous Dutch owner's company name. Since 1. 1. 2019 the company continues its journey with a brand-new name BENVIG HEAT TRANSFER spol. s r. o.



MANAGEMENT & ORGANIZATIONAL STRUCTURE

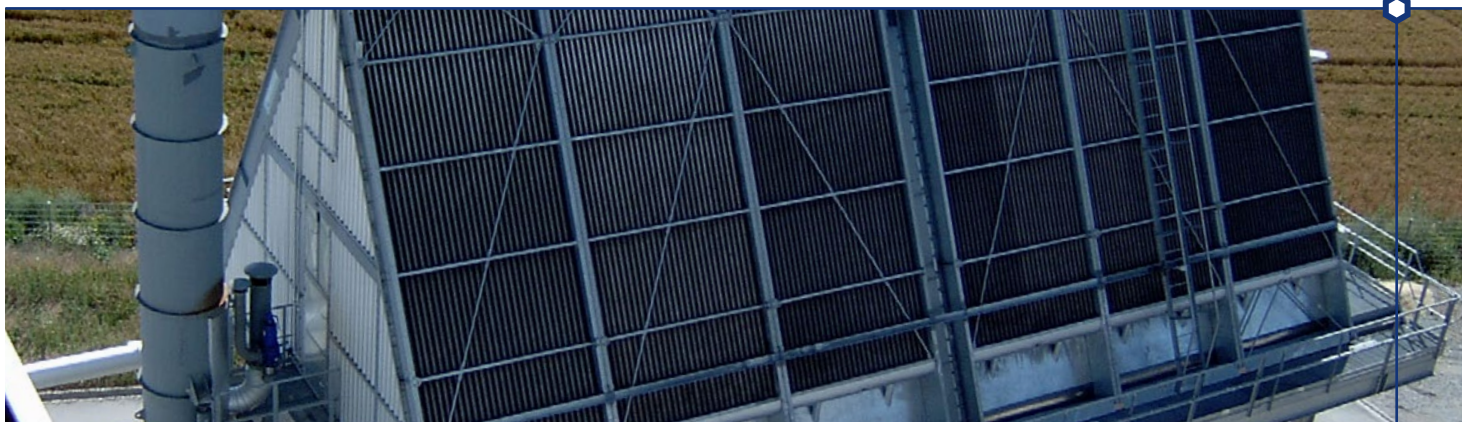


General Director	Ing. Pavel Klement
Technical Director	Ing. Martin Němec
Financial Director	Ing. Petr Hajný
Sales Director	Ing. Martin Kohout
Control Manager	Ing. Pavel Pečiva
Sales Manager	Ing. Tomáš Fogl
Service and maintenance Manager	Ing. Petr Přibil
Purchasing Manager	p. Radek Kužel
Production Manager	Ing. Jan Rutar
Project Manager	p. Miroslav Brzák

As of 31 December, 2019, BENVIG HEAT TRANSFER spol. s r. o. owned a 99% share in the basic capital of BENVIG HEAT TRANSFER LLC.



CUSTOM MANUFACTURE



BENVIG HEAT TRANSFER specializes to the process design, design documentation, construction, and supplies of the systems and different **equipment for heat exchange systems**.

The most **important** industries where the company supplies its equipment to, are, particularly, the following:

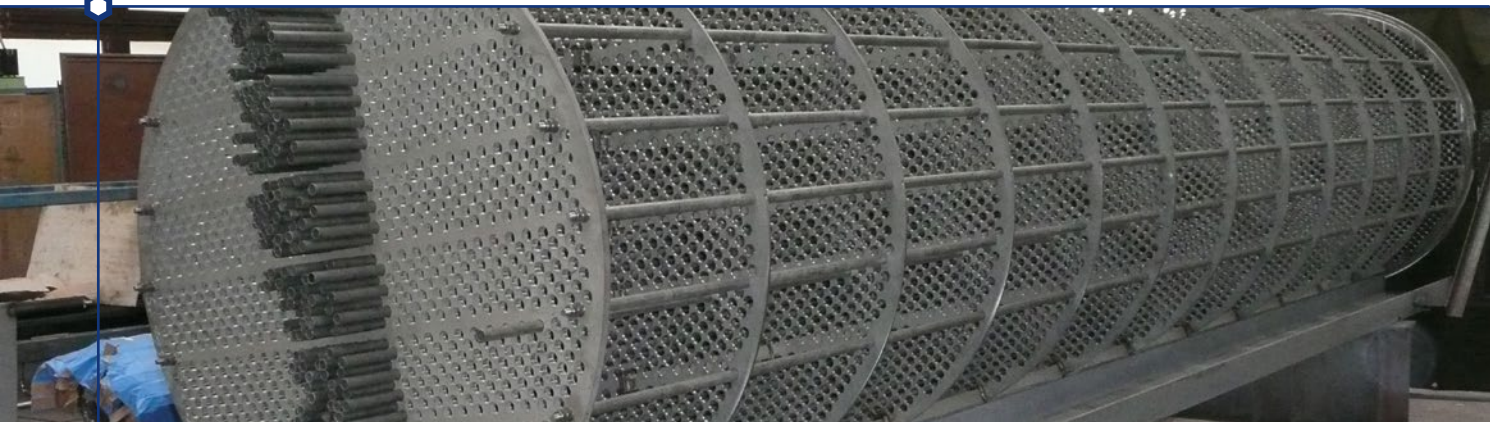
- **Petrochemical and chemical industries**
- **Power and heat generation industries**
- **Food industry**
- **Communal waste incineration plants**

Besides standard equipment, the company is able to offer turn-key **projects**:

- **Industrial cooling circuits**
- **Water cooled steam condensers**
- **Air cooled steam condensers**
- **Feeding water heating system**

As a necessary part of such equipment, the company supplies the complete process design, thermal, hydraulic and strength designs, electric instrumentation, the installation or engineering supervision, including commissioning and performance tests.

BENVIG HEAT TRANSFER endeavors to continually expand the production and contractor's program and services rendered. Thanks to the license agreements for the designing programs for the thermal-hydraulic design of exchangers and the flow of fluids, the company is able to prepare the design and to perform the supply of **different non-standard equipment according to the wish of the customer**. The vision of BENVIG HEAT TRANSFER is to offer, in addition to supplies of separate equipment, also complete packages of technological systems.



As a standard, BENVIG HEAT TRANSFER is active in the supplies of such **equipment and its accessories:**

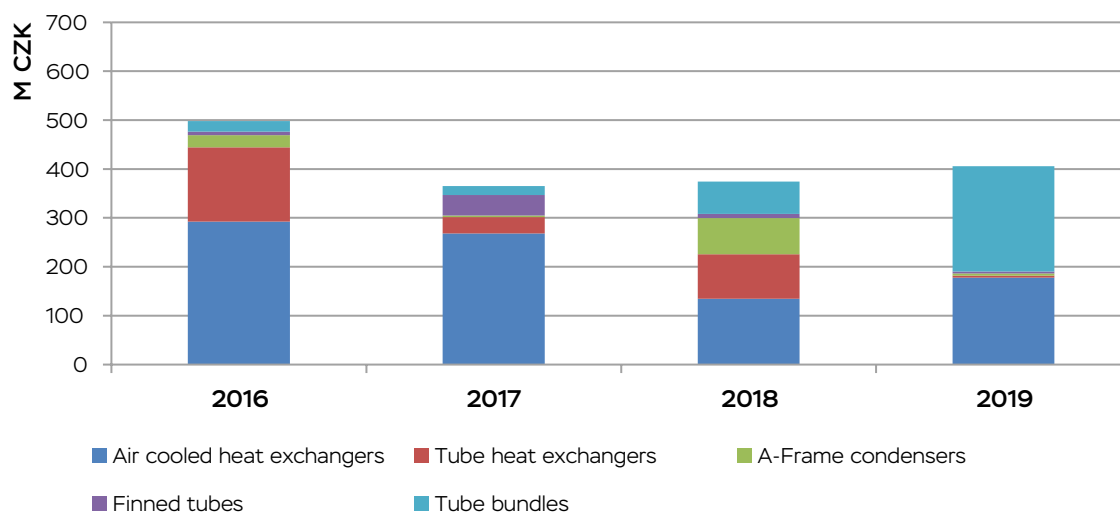
- **Air cooled heat exchangers**
 - Process coolers
 - Air cooled condensers
- **Tube heat exchangers**
 - Process exchangers
 - Water cooled condensers
- **Air heaters**
- **Finned tubes & Tube bundles**
- **Pressure vessels**
- **Steel structures**

In the framework of its activity the company provides also **service activities, installation services, inspection activities and consultancy services.** They include particularly the below activities:

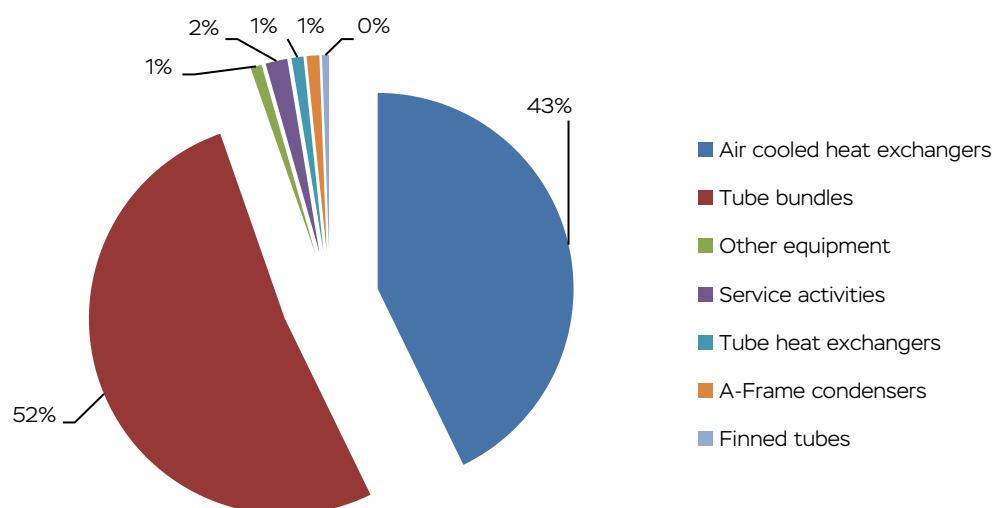
- **Inspections of exchangers, machines and their accessories, troubleshooting and detecting inconsistencies**
- **Proposals of modifications and optimizing the existing system**
- **Pressure tests**
- **Mechanical and chemical cleaning of exchangers**
- **Dismantling and assembling of exchangers and their accessories**
- **Replacement of parts and repairs**



The most significant supplies of equipment contributed within the years 2016–2019 to the revenues of the company in the below ratios:



In the year 2019, all the supplied units of equipment and services contributed to the total revenues of the company in the below ratio:





TECHNICAL AND MANUFACTURING POTENTIAL

The core processes of BENVIG HEAT TRANSFER are:

- **Engineering and designing activities**
- **Finning tubes**
- **Welding, heat treatment and machining of weldments**
- **Inspection and testing activities**
- **Surface treatments and painting**
- **Assembling, installation and servicing the products**



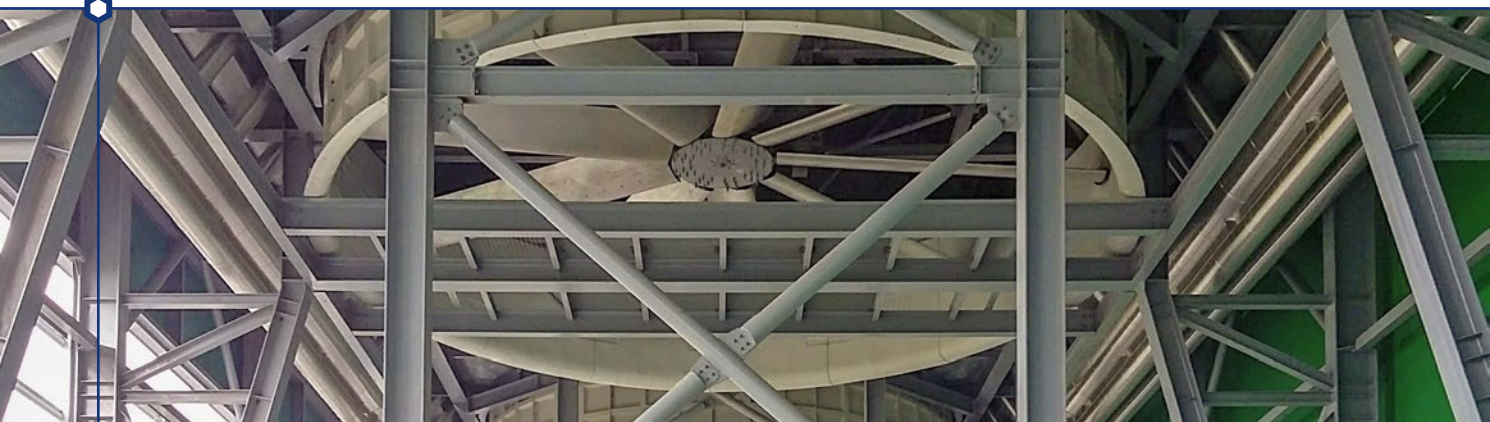
ENGINEERING

The process analysis, outline design, design, construction and technology of the individual items of equipment and technological nodes are provided by BENVIG HEAT TRANSFER with its core employees. In the Engineering Department, there were 21 specialists at the end of the year 2019.

The company has enough highly qualified employees for the process and design and the preparation of the production of the designed equipment. Thanks to the licenses for several design programs for the thermal-hydraulic design of exchangers and flow of fluids the employees are able to prepare also a design of non- standard equipment according to the wish of the customer. For their work, the outline designers and designers routinely use modern computer programs for heat transfer, flow of fluids and the creation of a 3D documentation.

All equipment units are designed and manufactured in accordance with the requirements of the customer, while respecting the prior agreed upon standards and specifications. The thermal, hydraulic and strength design are performed for each project as per the defined process parameters which make it possible to supply the equipment in an **optimized form in accordance with the requirements of the customer**.

The company did not implement any projects in the research and development field in 2019.



PRODUCTION CAPACITIES

BENVIG HEAT TRANSFER has enough capacities for providing all core processes and is able to supply its equipment even in non-standard materials, such as stainless steel, duplex steel, aluminium alloy, copper, brass, monel, inconel, incoloy, or titanium. The production itself is performed in the production site in the seat of the company in Benešov nad Ploučnicí near Děčín.

For the production of several types of finned tubes which are the basic part of air exchangers, the company uses **three finning machines**.

One of the core processes in the production of equipment is **welding** where the company, thanks to the efforts of its professional staff, achieves very good results. For welding, the company is equipped with welding facilities which include standard welding units, semi-automatic welding machines and **special equipment** for the orbital welding of tubes or automated submerged arc welding. The welding operations are performed by the company's own personnel with a top expertise at an international level and under the supervision of several welding technologists. For the next processing of weldments, the company uses its own annealing furnace and blasting machine. The machinery equipment of the production shops, including CNC machining centers, allow the company to make the further processing of mill materials and weldments.

For the final assembly and construction of technological units, the company has **production premises** with two crane tracks and four bridge cranes, each of a capacity of 30 tons. Thus, the company is able to manufacture equipment of a total weight of up to 60 tons. Upon demand of the customer the company has, thanks to the adequate size of the handling area, a location for making the check assembly of coolers or the **measurement** of noise and vibrations.



QUALITY ASSURANCE

For the quality assurance and the safety of the equipment, all the essential elements of the execution of orders are stipulated in the company's system documentation, subject to which the company repeatedly passes successfully the renewal and recertification audits.

The company successfully passes renewal and recertification audits of the Quality Control System in accordance with the standards ČSN EN **ISO 9001** "Quality Management System", ČSN EN **ISO 3834-2** (Stricter requirements for the quality on fusion welding of metal materials), and in addition, the company is the holder of the certification for the production of steel structures acc. to ČSN EN 1090-2.

For its qualified personnel, BENVIG HEAT TRANSFER is also the holder of the international certification for the production of pressure vessels in accordance with **ASME** CODE VIII Division I of the American Association of Mechanical Engineers. Thanks to this certification, the units of equipment produced are registered in the global registration system of the organization The National Board of Boiler & Pressure Vessel Inspectors, which is the evidence of the quality and safety of pressure vessels.

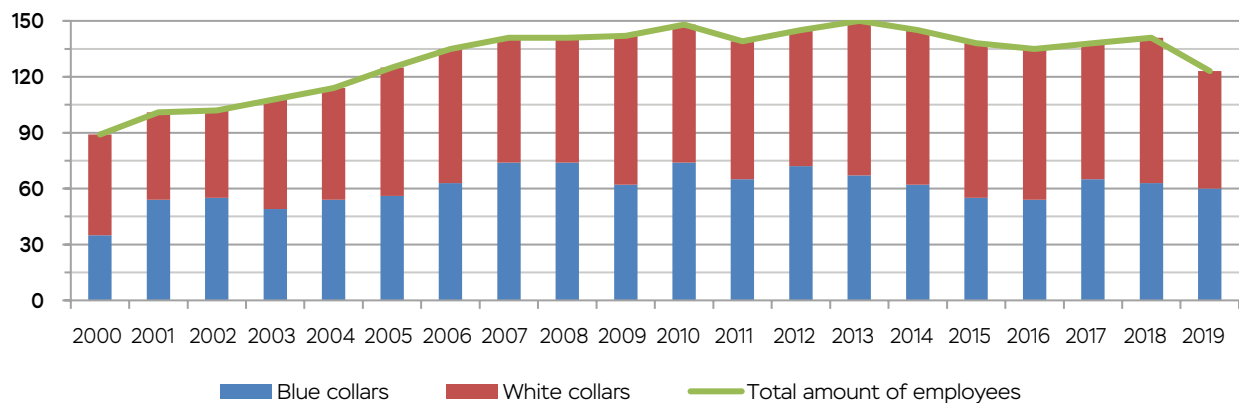
In addition, BENVIG HEAT TRANSFER is subject to periodical recertification processes for the eligibility for supplying equipment and using the same safely in the territory of the Russian Federation, Ukraine and Belarus in accordance with the standards **GOST R**, which are applicable in the Commonwealth of Independent States.

The company runs its activity in accordance with the applicable legislative relating to the protection of the environment. Accordingly, all production takes place in a way that the negative impacts upon the environment are minimized.



EMPLOYEES OF THE COMPANY

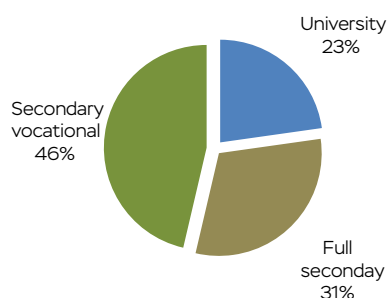
The number of employees of the company BENVIG HEAT TRANSFER has been kept at the stable level within recent years. At the end of 2019, the company had a workforce of 123 people.



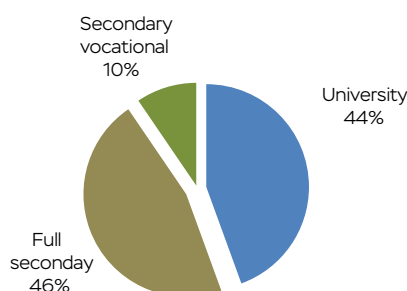


EDUCATION LEVEL STRUCTURE

TOTAL EMPLOYEES



TECHNICAL & ADMINISTRATIVE EMPLOYEES



University education's share in the education level structure of the white collar staff positions is 44%, and in the education level structure of all employees it is 23%.

BENVIG HEAT TRANSFER fosters **additional education and increasing the qualification of its employees**. In 2019, the company allocated **CZK 1 068 thousand** for professional education. Likewise, in the previous years, the company provides **free of charge education of foreign languages**.

In the year 2017 and 2019, the company, within the projects "Podpora odborného vzdělávání zaměstnanců II" ("") ID CZ.03.1.52/0.0/0.0/15_021/0000053 joined Operační program Lidské zdroje a zaměstnanost (**Operational Program of Human Resources and Employment**). In years 2017 to 2019, through such projects **CZK 197 thousand** were financed from the funds of the European Social Fund and the State Budget of the Czech Republic.



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EVROPSKÁ UNIE



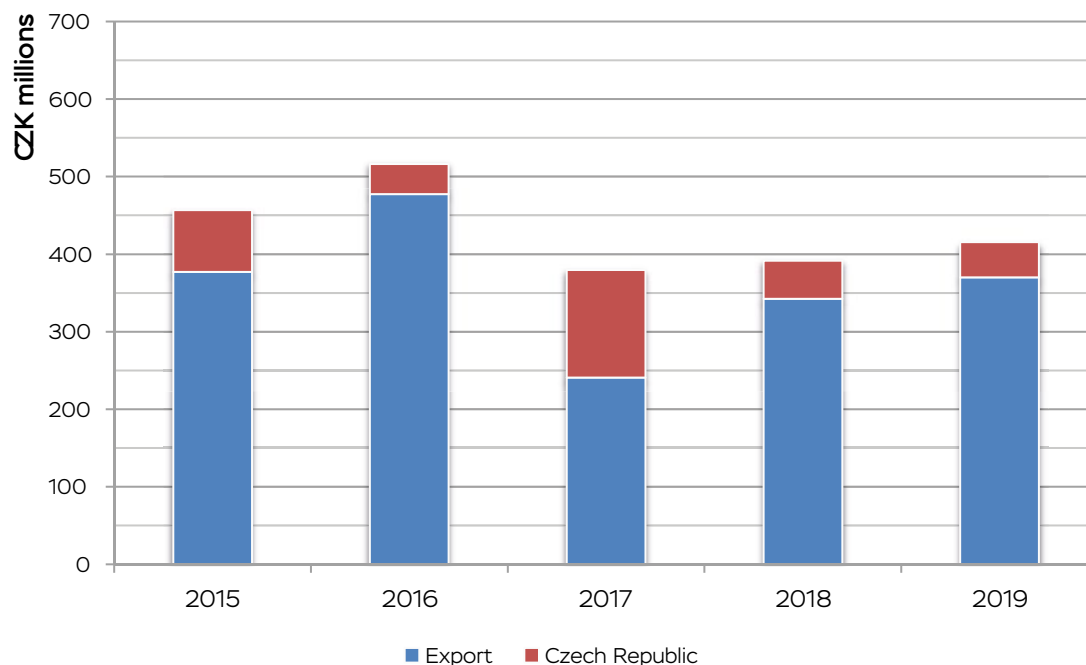
OPERAČNÍ PROGRAM
LIDSKÉ ZDROJE
A ZAMĚSTNANOST

PODPORUJEME
VAŠI BUDOUCNOST
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ECONOMIC INDICATORS

THE TREND OF THE REVENUES FOR THE SALES OF PRODUCTS AND SERVICES RENDERED



PROFIT & LOSS ACCOUNT

(SELECTED INDICATORS IN CZK THOUSANDS)

Results of operations	2019	2018	2017
Revenues from own products and services	415 440	391 560	379 577
Other revenues	9 999	37 523	20 768
Total revenues	425 439	429 083	400 346
Material and services	315 340	262 527	252 626
Change to WIP	-390	0	-350
Activation	-41 833	19 141	27 058
Personnel expenses	85 000	79 722	72 826
Depreciation and amortization	9 088	8 881	8 986
Repairs and maintenance	3 004	3 686	2 084
Taxes and fees	239	217	208
Other operating expenses	1 516	5 875	3 213
Interests	2 407	2 826	3 023
Finance expenses	5 687	12 135	8 980
Change in provisions and allowances	26 150	-6 520	10 467
Total costs	406 208	388 494	389 122
Profit or Loss before tax	19 231	40 589	11 224
Income tax			
Profit or Loss for the year	3 206	8 014	1 854
	16 025	32 575	9 370



ASSETS STRUCTURE

(SELECTED INDICATORS IN CZK THOUSANDS)

Assets	2019	2018	2017
Intangible assets	553	216	537
Land, constructions and machinery	84 671	86 968	88 998
Subsidiaries	0	0	0
Fixed assets	85 224	87 184	89 535
Inventory	76 711	24 235	46 851
Receivables	103 552	96 044	142 535
Financial assets	28 549	63 932	23 710
Current assets	208 812	184 211	213 096
Other assets	14 486	1 027	1 369
Total assets	308 522	272 422	304 000

Equity & Liabilities	2019	2018	2017
Basic capital	5 441	5 441	5 441
Retained earnings	107 024	91 000	58 425
Other funds	5 315	35 221	10 335
Equity	117 780	131 662	74 201
Long-term liabilities	386	0	0
Short-term liabilities	115 085	41 999	80 338
Bank loans and borrowing	64 097	90 848	143 796
Provisions	11 174	5 963	2 925
Liabilities	190 742	138 810	227 059
Other liabilities	0	1 950	2 740
Total equity & liabilities	308 522	272 422	304 000

There were no events in the period between the date of this report and the balance sheet date, i.e. 31 December 2019, which are not disclosed in the financial statements and which would have a significant effect on the Company's operation and/or results.

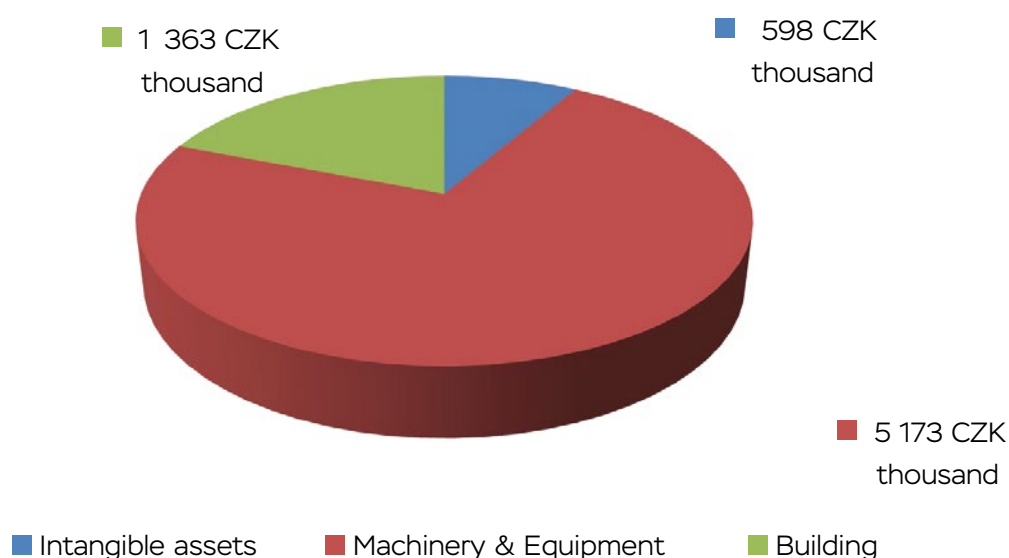


INVESTMENTS

Compared to the previous period when BENVIG HEAT TRANSFER vastly invested into the project of machinery equipment the total investment expenditures reached an amount of CZK 7,134 thousand in the year 2019.

The acquisition of investments in 2019 took place in the form of purchases of new fixed assets, especially machinery and equipment, and technical improvement of existing fixed assets. The most significant investment in 2019 was the first stage of modernization of the facade of the administrative building for CZK 1,4 million.

The structure of the completed investments in 2019 is shown in the below graph:

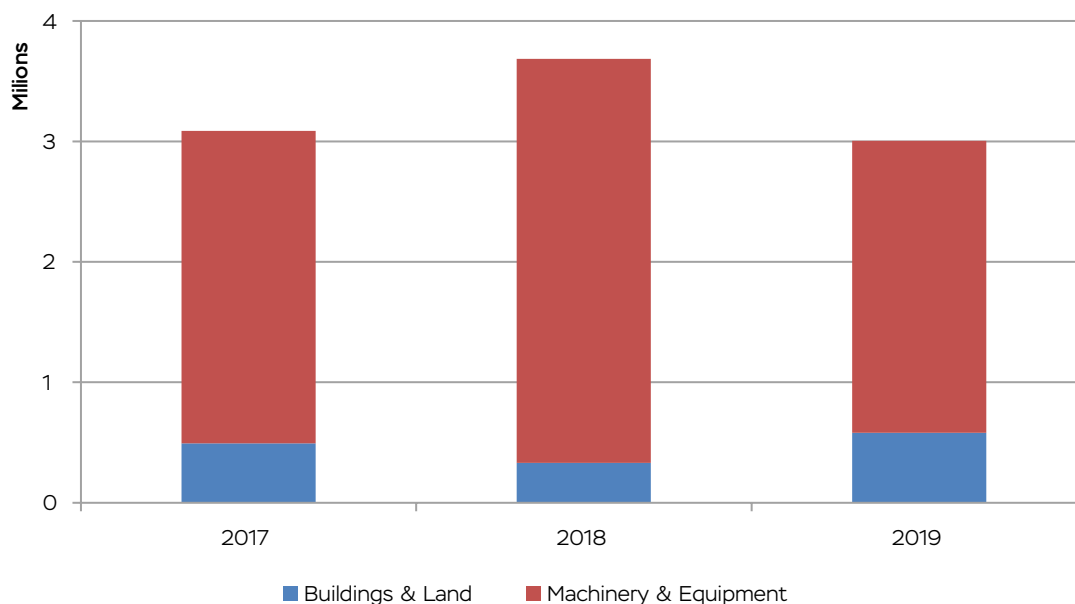




REPAIRS AND MAINTENANCE OF THE PROPERTY

The scheduling and performance of repairs and maintenance of the production equipment and buildings were made by the company with respect to the condition of its property, and in case of buildings, also to its financial potential. In 2019, for the repair and maintenance of the property, the company expended a total of **CZK 3,004 thousand**.

Structure of the costs for the repairs and maintenance of the property in the years 2017–2019 is shown in the below graph:



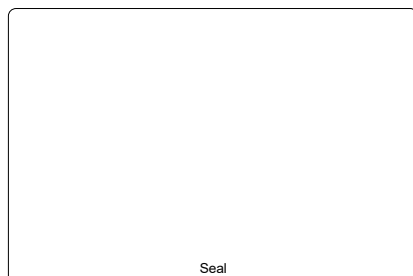


FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 DECEMBER 2019



BALANCE SHEET

as at **31.12.2019**

in thousands CZK

ID no.	1	4	8	6	7	1	2	5
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Business name

**BENVIG HEAT TRANSFER
spol. s r.o.**

Registered office

**Děčínská 288
Benešov nad Ploučnicí
407 22**

Ident.	ASSETS	line	Current accounting period			Previous account. period
			Gross	Adjustments	Net	Netto
	TOTAL ASSETS A+B+C+D.	001	466,237	-157,715	308,522	272,422
B.	Fixed assets B.I.+...+B.III.	003	200,315	-115,091	85,224	87,184
B.I.	Intangible assets B.I.1.+...+B.I.x	004	8,037	-7,484	553	216
B.I.2.	Valuable rights (patents, copyrights, trademarks and brands) B.I.2.1.+B.I.2.2.	006	8,037	-7,484	553	216
B.I.2.1.	Software acc. 013, (-)073, (-)091AÚ	007	8,037	-7,484	553	216
B.II.	Tangible fixed assets B.II.1.+...+B.II.x	014	191,379	-106,708	84,671	86,968
B.II.1.	Land and Buildings B.II.1.1.+B.II.1.2.	015	114,728	-45,559	69,169	71,830
B.II.1.1.	Land acc. 031, (-)092AÚ	016	661		661	661
B.II.1.2.	Buildings and structures acc. 021, (-)081, (-)092AÚ	017	114,067	-45,559	68,508	71,169
B.II.2.	Machinery, equipment, vehicles, fixtures and fittings acc. 022, (-)082, (-)092AÚ	018	87,703	-72,201	15,502	15,132
B.II.3.	Valuation differences to acquired assets (+/-) acc. 097, (-)098	019	-11,052	11,052	0	0
B.II.5.	Advances for tangible fixed assets and Tangible fixed assets under construction B.II.5.1.+B.II.5.2.	024	0		0	6
B.II.5.2.	Tangible fixed assets under construction acc. 042, (-)094	026	0		0	6
B.III.	Financial assets B.III.1.+...+B.III.x	027	899	-899	0	0
B.III.1.	Investments in subsidiaries acc. 043, 061, (-)096AÚ	028	899	-899	0	0
C.	CURRENT ASSETS C.I.+C.II.+C.III.+C.IV.	037	251,436	-42,624	208,812	184,211
C.I.	Inventories C.I.1.+...+C.I.x	038	83,195	-6,484	76,711	24,235
C.I.1.	Raw material acc. 111, 112, 119, (-)191	039	27,623	-5,629	21,994	11,758
C.I.2.	Work-in-progress and semi-finished products acc. 121, 122, (-)192, (-)193	040	54,664	-855	53,809	11,184
C.I.3.	Finished products and goods C.I.3.1.+C.I.3.2.	041	94		94	1,283
C.I.3.1.	Finished products acc. 123, (-)194	042	0		0	1,229
C.I.3.2.	Goods acc. 131, 132, 139, (-)196	043	94		94	54
C.I.5.	Prepayments on inventories acc. 151, 152, 153, (-)197, (-)198, (-)199	045	814		814	10
C.II.	Receivables C.II.1.+C.II.2.+C.II.3.	046	139,692	-36,140	103,552	96,044
C.II.1.	Long-term receivables C.II.1.1.+...+C.II.1.x	047	7,593		7,593	2,380
C.II.1.4.	Deferred tax receivable acc. 481	051	7,178		7,178	2,380
C.II.1.5.	Other receivables C.II.1.5.1.+...+C.II.1.5.4.	052	415		415	0
C.II.1.5.4.	Other receivables acc. 335, 371, 373, 374, 375, 376, 378, (-)391AÚ	056	415		415	0
C.II.2.	Short-term receivables C.II.2.1.+...+C.II.2.x	057	132,099	-36,140	95,959	93,664
C.II.2.1.	Trade receivables acc. 311AÚ, 313AÚ, 315AÚ, (-)391AÚ	058	116,552	-36,140	80,412	79,240
C.II.2.2.	Receivables from controlling entities acc. 351AÚ, (-)391AÚ	059	7,937		7,937	7,904
C.II.2.4.	Other Receivables C.II.2.4.1.+...+C.II.2.4.6.	061	7,610		7,610	6,520
C.II.2.4.3.	Government - tax receivables acc. 341, 342, 343, 345, (-)391AÚ	064	3,868		3,868	3,360
C.II.2.4.4.	Short-term advances acc. 314AÚ, (-)391AÚ	065	961		961	875
C.II.2.4.6.	Other receivables acc. 335, 371, 373, 374, 375, 376, 378, (-)391AÚ	067	2,781		2,781	2,285
C.IV.	Cash and bank accounts C.IV.1.+...+C.IV.x	075	28,549		28,549	63,932
C.IV.1.	Cash acc. 211, 213, 261	076	276		276	130
C.IV.2.	Bank accounts acc. 221, 261	077	28,273		28,273	63,802
D.	Prepayments and accrued income D.1.+...+D.x	078	14,486		14,486	1,027
D.1.	Prepaid expenses acc. 381	079	2,022		2,022	1,027
D.3.	Accrued income acc. 385	081	12,464		12,464	0

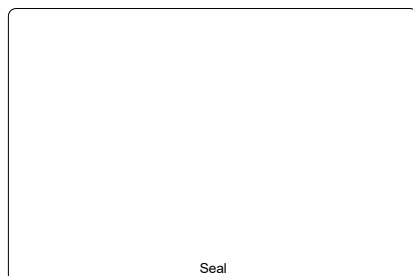


Ident.	LIABILITIES	line	Current accounting period	Previous account. period
			Net	Netto
	TOTAL LIABILITIES AND EQUITY A.+B.+C.+D.	001	308,522	272,422
A.	Equity A.I.+A.II.+A.III.+A.IV.+A.V.+A.VI.	002	117,780	131,662
A.I.	Subscribed capital A.I.1.+...+A.I.x.	003	5,441	5,441
A.I.1.	Subscribed capital acc. 411 nebo 491	004	5,441	5,441
A.II.	Share premium and capital reserves A.II.1.+...+A.II.x.	007	4,771	34,677
A.II.1.	Share premium acc. 412	008	460	460
A.II.2.	Capital reserves A.II.2.1.+...+A.II.2.5.	009	4,311	34,217
A.II.2.1.	Other capital reserves acc. 413	010	2,914	35,000
A.II.2.2.	Valuation differences from revaluation of assets and liabilities acc. (+/-) 414	011	1,397	-783
A.III.	Revenue reserves A.III.1.+...+A.III.x.	015	544	544
A.III.1.	Other reserve fund acc. 421, 422	016	544	544
A.IV.	Retained earnings A.IV.1.+...+A.IV.x.	018	90,999	58,425
A.IV.1.	Retained earnings and accumulated losses of previous years acc. 428, 429	019	90,999	58,425
A.V.	Profit / loss of current accounting period Aktiva - A.1.-A.II.-A.III.-A.IV.-B.-C.-D.-A.VI.	021	16,025	32,575
B.+C.	Liabilities B.+C.	023	190,742	138,810
B.	Provisions B.1.+...+B.x.	024	11,174	5,963
B.4.	Others provisions acc. 459	028	11,174	5,963
C.	Payables C.I.+C.II.+C.III.	029	179,568	132,847
C.I.	Long-term liabilities C.I.1.+...+C.I.x.	030	38,844	64,891
C.I.2.	Payables to banks acc. 461	034	38,458	64,891
C.I.9.	Other payables C.I.9.1.+...+C.I.9.3.	041	386	0
C.I.9.3.	Other payables acc. 372, 373, 377, 379, 474, 479	044	386	0
C.II.	SHORT-TERM LIABILITIES C.II.1.+...+C.II.x.	045	140,724	67,956
C.II.2.	Payables to banks acc. 221, 231, 232	049	25,639	25,957
C.II.3.	Short-term advances received acc. 324	050	38,664	5,221
C.II.4.	Trade payables acc. 321, 325	051	32,835	22,761
C.II.6.	Payables - controlling or controlled entity acc. 361	053	33,478	3,899
C.II.8.	Other payables C.II.8.1.+...+C.II.8.7.	055	10,108	10,118
C.II.8.3.	Payables to employees acc. 331, 333	058	3,806	3,781
C.II.8.4.	Payables to social security and health insurance acc. 336	059	2,251	2,264
C.II.8.5.	Government - tax payables and subsidies acc. 341, 342, 343, 345, 346, 347	060	3,099	625
C.II.8.6.	Estimated accrued items acc. 389	061	492	796
C.II.8.7.	Other payables acc. 372, 373, 377, 379	062	460	2,652
D.	Accruals and deferred income D.1.+...+D.x.	066	0	1,950
D.2.	Deferred income acc. 384	068	0	1,950

Date of compilat 31.3.2020	Signature of statutory body/natural person
Legal form limited liability company	Ing. Pavel Klement managing director
Entrepreneurial activity Installation, repairs, tests of equipment and gas containesrs Designing in construction	
Comment:	



PROFIT AND LOSS STATEMENT


as at... **31.12.2019**

From: **1.1.2019** To: **31.12.2019**

in thousands CZK

ID no. **1 4 8 6 7 1 2 5**

Business name

BENVIG HEAT TRANSFER
spol. s r.o.

Registered office

Děčínská 288
Benešov nad Ploučnicí
407 22

Ident.	PROFIT AND LOSS STATEMENT	line	Values in accounting period	
			Current accounting period	Previous account. period
I.	Sales of goods and services acc. 601, 602	001	415,440	391,560
A.	Consumption from production A.1.+...+A.x.	003	318,344	266,213
A.2.	Consumption of material and energy acc. 501, 502, 503	005	186,780	185,936
A.3.	Services acc. 511, 512, 513, 518	006	131,564	80,277
B.	Increase/decrease in finished goods and in work in progress acc. 581, 582, 583, 584	007	-41,833	19,141
C.	Own work capitalized acc. 585, 586, 587, 588	008	-390	0
D.	Staff costs D.1.+...+D.x.	009	85,000	79,722
D.1.	Wages and salaries acc. 521, 522, 523	010	61,845	57,593
D.2.	Social security and health insurance costs and other costs D.2.1.+D.2.2.	011	23,155	22,129
D.2.1.	Social security and health insurance costs acc. 524, 525, 526	012	20,777	19,685
D.2.2.	Other social costs acc. 527, 528	013	2,378	2,444
E.	Adjustment of values in operating activities E.1.+...+E.x.	014	29,928	-566
E.1.	Adjustment of values of Intangible and tangible assets E.1.1.+E.1.2.	015	9,088	8,881
E.1.1.	Adjustment of values of Intangible and tangible assets - permanent acc. 551, 557	016	9,088	8,881
E.2.	Adjustment of values of inventories acc. 559	018	90	-9,488
E.3.	Adjustment of values of receivables acc. 558, 559	019	20,750	41
III.	Other operating income III.1.+...+III.x.	020	3,199	20,448
III.1.	Proceeds on sale of fixed assets acc. 641	021	471	290
III.2.	Proceeds on sale of material acc. 642	022	1,284	570
III.3.	Other operating income acc. 644, 646, 647, 648, 697	023	1,444	19,588
F.	Other operating expenses F.1.+...+F.x.	024	6,965	9,134
F.2.	Material sold acc. 542	026	0	4
F.3.	Taxes and fees relating to operating activities acc. 531, 532, 538	027	239	217
F.4.	Provisions and adjustments relating to operating activities and complex deferred expenses acc. 552, 554, 555	028	5,210	3,038
F.5.	Other operating expenses acc. 543, 544, 545, 546, 547, 548, 549, 597	029	1,516	5,875
*	Profit/loss from operating activities Value added+III.+IV.+V.-C-D-E-F-G-H-I	030	20,625	38,364
VI.	Interest income and similar income VI.1.+...+VI.x.	039	315	180
VI.2.	Other interest income and similar income acc. 662, 665	041	315	180
I.	Adjustments relating to financial activities acc. 574, 579	042	100	-111
J.	Interest expense and similar expenses J.1.+...+J.x.	043	2,407	2,826
J.2.	Other interest expense and similar expenses acc. 562	045	2,407	2,826
VII.	Other financial revenues acc. 661, 663, 664, 666, 667, 668, 669, 698	046	6,485	16,895
K.	Other financial expenses acc. 561, 563, 564, 565, 566, 567, 568, 569, 598	047	5,687	12,135
*	Profit/loss from financial activities IV.+V.+VI.+VII.-G.-H.-I.-J.-K.	048	-1,394	2,225
**	Profit/loss before tax *	049	19,231	40,589
L.	Income tax L.1.+...+L.x.	050	3,206	8,014
L.1.	- Due acc. 591, 593, 595, 599	051	8,492	6,378

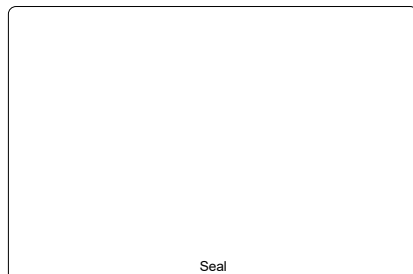


Ident.	PROFIT AND LOSS STATEMENT	line	Values in accounting period	
			Current accounting period	Previous account. period
L.2.	- Deferred acc. 592	052	-5,286	1,636
**	Profit/loss after tax ** - L.	053	16,025	32,575
***	Profit/loss for the period ** - M.	055	16,025	32,575
*	Netto turnover for the period I.+II.+III.+IV.+V.+VI.+VII.	056	425,439	429,083

Date of compilat 31.3.2020	Signature of statutory body/or natural person
Legal form limited liability company	Ing. Pavel Klement managing director
Entrepreneurial activity Installation, repairs, tests of equipment and gas containesrs Designing in construction	
Comment:	



CASH FLOW STATEMENTS

as at... **31.12.2019**From: **1.1.2019** To: **31.12.2019**

in thousands CZK

ID no. **1 4 8 6 7 1 2 5**

Business name

BENVIG HEAT TRANSFER**spol. s r.o.**

Registered office

Děčínská 288**Benešov nad Ploučnicí****407 22**

Ident.	CASH FLOW STATEMENTS	line	Values in accounting period	
			Current accounting period	Previous account. period
P.	Cash and cash equivalents at beginning of accounting period	001	63,932	23,710
Cash flow from ordinary activities				
Z.	Profit/loss before taxation	002	19,231	40,589
A.1.	Adjustments for non-cash transactions A.1.1.+...+A.1.6.	003	36,861	4,717
A.1.1.	Depreciation of fixed assets (except of net book value of fixed assets sold, depreciation of adjustment for assets acquisition (+/-)).	004	9,088	8,881
A.1.2.	Change in adjustments, provisions	005	26,152	-6,520
A.1.3.	Profit/loss on disposal of fixed assets	006	-471	-290
A.1.5.	Net interest expense (+) (except of capitalized interest) and interest income (-)	008	2,092	2,646
A*	Net cash flow from operating activities before tax and changes in working capital Z + A.1.	010	56,092	45,306
A.2.	Change in non-financial items of working capital A.2.1.+...+A.2.4.	011	-51,075	27,336
A.2.1.	Increase/decrease in trade and other receivables, including prepayments and accrued income (+/-)	012	-37,466	36,584
A.2.2.	Increase/decrease in trade payables, including accruals and deferred income (+/-)	013	38,957	-41,350
A.2.3.	Increase/decrease in inventories	014	-52,566	32,102
A**	Net cash flow from operating activities before taxes A* + A.2.	016	5,017	72,642
A.3.	Interest paid, excl. capitalized interests	017	-2,407	-2,826
A.4.	Interest received (+)	018	315	180
A.5.	Income tax on ordinary activities paid and additional assessments for past periods (including deposits and refunds) (-)	019	-5,250	-5,344
A***	Net cash flow from operating activities A** + A.3. + A.4. + A.5. + A.7.	022	-2,325	64,652
Cash flow from investment activities				
B.1.	Costs associated with acquisition of fixed assets	023	-7,128	-6,531
B.2.	Proceeds on sales of fixed assets	024	471	290
B.3.	Loans and credits to related persons	025	350	-242
B***	Net cash flow from investing activities B.1. + B.2. + B.3.	026	-6,307	-6,483
Cash flow from financial activities				
C.1.	Net effect of changes in long-term liabilities and short-term liabilities, belonging to the financial activities area, to cash and cash equivalents	027	-26,751	-52,947
C.2.	Net effect of changes in equity on cash and cash equivalents, share profits or possibly legal reserve including advances paid for this increase (+) C.2.1.-C.2.6.	028	0	35,000



Ident.	CASH FLOW STATEMENTS	line	Values in accounting period	
			Current accounting period	Previous account. period
C.2.3.	Other cash contributions from partners and shareholders (+)	031	0	35,000
C***	Net cash from financing activities C.1.+ C.2.	035	-26,751	-17,947
F.	Net increase/decrease in cash and cash equivalents A***+ B***+ C***	036	-35,383	40,222
R.	Cash and cash equivalents at end of period P+F	037	28,549	63,932

Date of compilat 31.3.2020	Signature of statutory body/or natural person
Legal form limited liability company	Ing. Pavel Klement managing director
Entrepreneurial activity Installation, repairs, tests of equipment and gas containers Designing in construction	
Comment:	



CHANGES IN SHAREHOLDERS EQUITY

Seal

as at **31.12.2019**From: **1.1.2019** To: **31.12.2019**

in thousands CZK

ID no. **1 4 8 6 7 1 2 5**

Business name

**BENVIG HEAT TRANSFER
spol. s r.o.**

Registered office

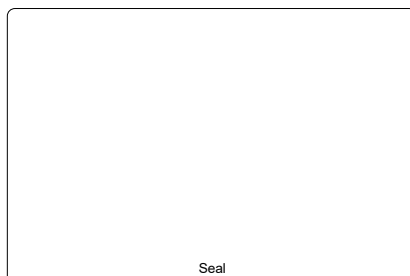
**Děčínská 288
Benešov nad Ploučnicí
407 22**

Ident.	CHANGES IN SHAREHOLDERS EQUITY	line	Values in accounting period	
			Current accounting period	Previous account. period
A. Subscribed capital in Companies register entered (411, 491)				
A.1.	Opening balance	001	5,441	5,441
A.4.	Closing balance	004	5,441	5,441
C. Subscribed capital (A. +/- B).with account (-)252				
C.1.	Opening balance A. +/- B.	009	5,441	5,441
C.6.	Closing balance A. +/- B. incl. (252)	014	5,441	5,441
D. Share premium (412)				
D.1.	Opening balance	015	460	460
D.4.	Closing balance	018	460	460
F. Differences from revaluation not included in profit/loss (414, 416, 417 and 418)				
F.1.	Opening balance	023	34,217	9,331
F.2.	Increase	024	2,180	35,000
F.3.	Decrease	025	32,086	10,114
F.4.	Closing balance	026	4,311	34,217
G. Legal reserves (421, 422)				
G.1.	Opening balance	027	544	544
G.4.	Closing balance	030	544	544
I. Credit from account periods (428 + credit 431)				
I.1.	Opening balance	035	58,425	49,055
I.2.	Increase	036	32,575	9,370
I.4.	Closing balance	038	91,000	58,425
L. Profit/loss for the period after tax				
L.1.	Opening balance	047	32,575	9,370
L.2.	Increase	048	16,024	32,575
L.3.	Decrease	049	32,575	9,370
L.4.	Closing balance	050	16,024	32,575
Equity in total (summation C to M)				
X.1.	Opening balance	055	131,662	74,201
X.2.	Increase	056	50,779	76,945
X.3.	Decrease	057	64,661	19,484
X.4.	Closing balance	058	117,780	131,662

Date of compilat: 31.3.2020	Signature of statutory body/natural person
Legal form: limited liability company	Ing. Pavel Klement managing director
Entrepreneurial activity: Installation, repairs, tests of equipment and gas containers Designing in construction	
Comment:	



BALANCE SHEET

as at **31.12.2019**

in thousands CZK

ID no. **1 4 8 6 7 1 2 5**

Business name

**BENVIG HEAT TRANSFER
spol. s r.o.**

Registered office

**Děčínská 288
Benešov nad Ploučnicí
407 22**

Ident.	ASSETS	line	Current accounting period			Previous account. period	
			Gross	Adjustments	Net	Netto	
	TOTAL ASSETS	A+B+C+D. 001	466,237	-157,715	308,522	272,422	
B.	Fixed assets	B.I.+...+B.III. 003	200,315	-115,091	85,224	87,184	
B.I.	Intangible assets	B.I.1.+...+B.I.x. 004	8,037	-7,484	553	216	
B.I.2.	Valuable rights (patents, copyrights, trademarks and brands)	B.I.2.1.+B.I.2.2. 006	8,037	-7,484	553	216	
B.I.2.1.	Software	acc. 013, (-)073, (-)091AÚ 007	8,037	-7,484	553	216	
B.II.	Tangible fixed assets	B.II.1.+...+B.II.x. 014	191,379	-106,708	84,671	86,968	
B.II.1.	Land and Buildings	B.II.1.1.+B.II.1.2. 015	114,728	-45,559	69,169	71,830	
B.II.1.1.	Land	acc. 031, (-)092AÚ 016	661		661	661	
B.II.1.2.	Buildings and structures	acc. 021, (-)081, (-)092AÚ 017	114,067	-45,559	68,508	71,169	
B.II.2.	Machinery, equipment, vehicles, fixtures and fittings	acc. 022, (-)082, (-)092AÚ 018	87,703	-72,201	15,502	15,132	
B.II.3.	Valuation differences to acquired assets (+/-)	acc. 097, (-)098 019	-11,052	11,052	0	0	
B.II.5.	Advances for tangible fixed assets and Tangible fixed assets under construction	B.II.5.1.+B.II.5.2. 024	0		0	6	
B.II.5.2.	Tangible fixed assets under construction	acc. 042, (-)094 026	0		0	6	
B.III.	Financial assets	B.III.1.+...+B.III.x. 027	899	-899	0	0	
B.III.1.	Investments in subsidiaries	acc. 043, 061, (-)096AÚ 028	899	-899	0	0	
C.	CURRENT ASSETS	C.I.+C.II.+C.III.+C.IV. 037	251,436	-42,624	208,812	184,211	
C.I.	Inventories	C.I.1.+...+C.I.x. 038	83,195	-6,484	76,711	24,235	
C.I.1.	Raw material	acc. 111, 112, 119, (-)191 039	27,623	-5,629	21,994	11,758	
C.I.2.	Work-in-progress and semi-finished products	acc. 121, 122, (-)192, (-)193 040	54,664	-855	53,809	11,184	
C.I.3.	Finished products and goods	C.I.3.1.+C.I.3.2. 041	94		94	1,283	
C.I.3.1.	Finished products	acc. 123, (-)194 042	0		0	1,229	
C.I.3.2.	Goods	acc. 131, 132, 139, (-)196 043	94		94	54	
C.I.5.	Prepayments on inventories	acc. 151, 152, 153, (-)197, (-)198, (-)199 045	814		814	10	
C.II.	Receivables	C.II.1.+C.II.2.+C.II.3. 046	139,692	-36,140	103,552	96,044	
C.II.1.	Long-term receivables	C.II.1.1.+...+C.II.1.x. 047	7,593		7,593	2,380	
C.II.1.4.	Deferred tax receivable	acc. 481 051	7,178		7,178	2,380	
C.II.1.5.	Other receivables	C.II.1.5.1.+...+C.II.1.5.4. 052	415		415	0	
C.II.1.5.4.	Other receivables	acc. 335, 371, 373, 374, 375, 376, 378, (-)391AÚ 056	415		415	0	
C.II.2.	Short-term receivables	C.II.2.1.+...+C.II.2.x. 057	132,099	-36,140	95,959	93,664	
C.II.2.1.	Trade receivables	acc. 311AÚ, 313AÚ, 315AÚ, (-)391AÚ 058	116,552	-36,140	80,412	79,240	
C.II.2.2.	Receivables from controlling entities	acc. 351AÚ, (-)391AÚ 059	7,937		7,937	7,904	
C.II.2.4.	Other Receivables	C.II.2.4.1.+...+C.II.2.4.6. 061	7,610		7,610	6,520	
C.II.2.4.3.	Government - tax receivables	acc. 341, 342, 343, 345, (-)391AÚ 064	3,868		3,868	3,360	
C.II.2.4.4.	Short-term advances	acc. 314AÚ, (-)391AÚ 065	961		961	875	
C.II.2.4.6.	Other receivables	acc. 335, 371, 373, 374, 375, 376, 378, (-)391AÚ 067	2,781		2,781	2,285	
C.IV.	Cash and bank accounts	C.IV.1.+...+C.IV.x. 075	28,549		28,549	63,932	
C.IV.1.	Cash	acc. 211, 213, 261 076	276		276	130	
C.IV.2.	Bank accounts	acc. 221, 261 077	28,273		28,273	63,802	
D.	Prepayments and accrued income	D.1.+...+D.x. 078	14,486		14,486	1,027	
D.1.	Prepaid expenses	acc. 381 079	2,022		2,022	1,027	
D.3.	Accrued income	acc. 385 081	12,464		12,464	0	



BENVIG HEAT TRANSFER spol. s r. o.

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