

# **Jargar Strings ApS**

Transformervej 19  
2860 Søborg

CVR no. 10 53 32 95

## **Annual report for 2023**

Adopted at the annual general meeting  
on 8 May 2024

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Zdenka Infeld  
chairman

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## Company details

### **The company**

Jargar Strings ApS  
Transformervej 19  
2860 Søborg

CVR no.: 10 53 32 95

Reporting period: 1 January - 31 December 2023

Domicile: Gladsaxe

### **Board of directors**

Zdenka Infeld, chairman  
Franz Klanner

### **Managing director**

Zdenka Infeld

### **Auditors**

Statsautoriseret revisor Ole Tønnesen  
Roskildevej 12 A  
3400 Hillerød

## **Statement by management on the annual report**

The board of directors and the managing director have today discussed and approved the annual report of Jargar Strings ApS for the financial year 1 January - 31 December 2023.

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 company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023.

In our opinion, Management's review includes a fair review of the matters dealt with in the Management's review.

We recommend the adoption of the annual report at the annual general meeting.

Søborg, 2 May 2024

### **Managing director**

Zdenka Infeld

### **Board of directors**

Zdenka Infeld  
chairman

Franz Klanner

# **Independent auditor's report**

## ***To the shareholder of Jargar Strings ApS***

### **Opinion**

We have audited the financial statements of Jargar Strings ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet and notes, including summary of significant accounting policies. The financial statements are prepared under 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 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023 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 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 requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **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 the 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.

## **Independent auditor's report**

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report 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 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 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.
- 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.

## **Independent auditor's report**

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 Statements Act. We did not identify any material misstatement of management's review.

Hillerød, 2 May 2024

**Statsautoriseret revisor Ole Tønnesen**  
***CVR no. 32 82 10 30***

Ole Tønnesen  
State Authorized Public Accountant  
***mne10049***

## **Management's review**

### **Business review**

The activities of the company consists of production and sale of strings to musical instruments.

### **Financial review**

The company's income statement for the year ended 31 December 2023 shows a loss of DKK 490.851, and the balance sheet at 31 December 2023 shows equity of DKK 13.414.831.

### **Significant events occurring after the end of the financial year**

No events have occurred after the balance sheet date which could significantly affect the company's financial position.



## **Accounting policies**

The annual report of Jargar Strings ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied are consistent with those of last year.

### **Income statement**

#### **Gross profit**

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

#### **Revenue**

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

#### **Raw materials and consumables**

Costs of raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

#### **Other external expenses**

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

#### **Depreciation, amortisation and impairment of intangible assets and property, plant and equipment**

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment comprise the year's depreciation, amortisation and impairment of intangible assets and property, plant and equipment.

#### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses.

## Accounting policies

### Tax on profit/loss for the year

The tax of the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly in the equity.

The company is subject to the Danish rules on compulsory joint taxation.

The company acts as management company for all jointly taxed entities and, in its capacity as such, pays all income taxes to the Danish tax authorities.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

### Balance sheet

#### Tangible fixed assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

|  | Useful life |
|--|-------------|
| Technical plants and machinery                   | 10 years    |
| Other fixtures and fittings, tools and equipment | 5 years     |
| Improvement of rented premises                   | 10 years    |

Gains or losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses, respectively.

#### Other shares and securities

Other shares and securities listed at an official stock market are valued at the market value at the balance sheet date.

## **Accounting policies**

### **Stocks**

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

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

The net realisable value of stocks is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

### **Receivables**

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedowns takes place at the net realisation value.

### **Prepayments**

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

### **Income tax and deferred tax**

As management company, Jargar Strings ApS is liable for payment of the subsidiaries' corporate income taxes to the tax authorities.

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deffered tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

### **Liabilities**

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

## **Accounting policies**

### **Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, the value adjustments are taken directly to equity.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Fixed assets acquired in foreign currencies are translated at the exchange rate at the transaction date.

## Income statement 1 January - 31 December

|  | Note | 2023              | 2022              |
|--|------|-------------------|-------------------|
|  |      | DKK               | DKK               |
| <b>Gross profit</b>  |      | <b>10.197.016</b> | <b>9.263.396</b>  |
| Staff costs  | 1    | -10.525.263       | -9.062.466        |
| <b>Resultat før af- og nedskrivninger</b>  |      | <b>-328.247</b>   | <b>200.930</b>    |
| Depreciation, amortisation and impairment of intangible assets and property, plant and equipment |      | -361.910          | -297.283          |
| <b>Profit/loss before net financials</b>   |      | <b>-690.157</b>   | <b>-96.353</b>    |
| Financial income   |      | 82.748            | 226.649           |
| Financial costs  |      | -17.154           | -1.143.029        |
| <b>Profit/loss before tax</b>  |      | <b>-624.563</b>   | <b>-1.012.733</b> |
| Tax on profit/loss for the year  |      | 133.712           | 217.358           |
| <b>Profit/loss for the year</b>  |      | <b>-490.851</b>   | <b>-795.375</b>   |
| <br><b>Recommended appropriation of profit/loss</b>  |      |                   |                   |
| Retained earnings  |      | -490.851          | -795.375          |
|  |      | <b>-490.851</b>   | <b>-795.375</b>   |

## Balance sheet at 31 December 2023

|  | Note | 2023              | 2022              |
|--|------|-------------------|-------------------|
|  |      | DKK               | DKK               |
| <b>Assets</b>                                    |      |                   |                   |
| Prepayments for property, plant and equipment    |      | 0                 | 416.498           |
| Plant and machinery                              |      | 1.029.766         | 92.506            |
| Other fixtures and fittings, tools and equipment |      | 1.449.146         | 1.686.801         |
| <b>Tangible assets</b>                           |      | <b>2.478.912</b>  | <b>2.195.805</b>  |
| Other fixed asset investments                    |      | 0                 | 5.300.205         |
| Deposits   |      | 235.539           | 228.679           |
| <b>Fixed asset investments</b>                   |      | <b>235.539</b>    | <b>5.528.884</b>  |
| <b>Total non-current assets</b>                  |      | <b>2.714.451</b>  | <b>7.724.689</b>  |
| Raw materials and consumables                    |      | 1.836.246         | 1.846.587         |
| Finished goods and goods for resale              |      | 3.302.573         | 831.675           |
| <b>Stocks</b>                                    |      | <b>5.138.819</b>  | <b>2.678.262</b>  |
| Trade receivables                                |      | 1.365.225         | 776.328           |
| Receivables from related companies               |      | 384.326           | 0                 |
| Other receivables                                |      | 205.134           | 364.218           |
| Deferred tax asset                               |      | 380.243           | 247.440           |
| Corporation tax                                  |      | 48.512            | 222.440           |
| Prepayments                                      |      | 227.299           | 280.814           |
| <b>Receivables</b>                               |      | <b>2.610.739</b>  | <b>1.891.240</b>  |
| <b>Cash at bank and in hand</b>                  |      | <b>4.202.556</b>  | <b>2.628.189</b>  |
| <b>Total current assets</b>                      |      | <b>11.952.114</b> | <b>7.197.691</b>  |
| <b>Total assets</b>                              |      | <b>14.666.565</b> | <b>14.922.380</b> |

## Balance sheet at 31 December 2023

|                                     | Note | 2023              | 2022              |
|-------------------------------------|------|-------------------|-------------------|
|                                     |      | DKK               | DKK               |
| <b>Equity and liabilities</b>       |      |                   |                   |
| Share capital                       |      | 200.000           | 200.000           |
| Retained earnings                   |      | 13.214.831        | 13.705.682        |
| <b>Equity</b>                       |      | <b>13.414.831</b> | <b>13.905.682</b> |
| Prepayments received from customers |      | 0                 | 104.543           |
| Trade payables                      |      | 336.112           | 330.610           |
| Other payables                      |      | 915.622           | 581.545           |
| <b>Total current liabilities</b>    |      | <b>1.251.734</b>  | <b>1.016.698</b>  |
| <b>Total liabilities</b>            |      | <b>1.251.734</b>  | <b>1.016.698</b>  |
| <b>Total equity and liabilities</b> |      | <b>14.666.565</b> | <b>14.922.380</b> |
| Contingent liabilities              | 2    |                   |                   |

## Notes

|   | 2023              | 2022             |
|---|-------------------|------------------|
|   | DKK               | DKK              |
| <b>1 Staff costs</b>                    |                   |                  |
| Wages and salaries                      | 8.748.297         | 7.483.213        |
| Pensions                                | 1.125.293         | 987.740          |
| Other social security costs             | 74.643            | 67.969           |
| Other staff costs                       | 577.030           | 523.544          |
|   | <b>10.525.263</b> | <b>9.062.466</b> |
| <br>                                    |                   |                  |
| Number of fulltime employees on average | 22                | 20               |

## 2 Contingent liabilities

The company has rental commitments TDKK 565 as at the balance sheet date for the period 2024.

Jargar Strings ApS is as the administration company taxed jointly with the sister company ZI Real Estate & Facility Management ApS. The two companies are both liable for the payment of corporation tax for the joint taxable income. The consolidated corporation tax payable as at the end of the financial year is DKK 0.