
ALU REHAB ApS

Kløftehøj 8, DK-8680 Ry

Annual Report for 1 January - 31 December 2021

CVR No 13 86 86 70

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
24/3 2022

Jens Lüders
Chairman of the General
Meeting



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Company Information	
Company Information	5
Management's Review	6
Financial Statements	
Income Statement 1 January - 31 December	7
Balance Sheet 31 December	8
Statement of Changes in Equity	10
Notes to the Financial Statements	11

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of ALU REHAB ApS for the financial year 1 January - 31 December 2021.

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 at 31 December 2021 of the Company and of the results of the Company operations for 2021.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Ry, 24 March 2022

Executive Board

Björn Håkan Karl Carlzon
Executive Officer

Board of Directors

Jens Lüders
Chairman

Bernd Fabian

Björn Håkan Karl Carlzon

Independent Auditor's Report

To the Shareholder of ALU REHAB ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of ALU REHAB ApS for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Financials Statements Act.

Based on the work we have performed, in our view, 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 in Management's Review.

Independent Auditor's Report

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 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.

Independent Auditor's Report

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

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

Aarhus, 24 March 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Mads Meldgaard

statsautoriseret revisor

mne24826

Company Information

The Company

ALU REHAB ApS
Kløftehøj 8
DK-8680 Ry

CVR No: 13 86 86 70

Financial period: 1 January - 31 December

Municipality of reg. office: Skanderborg

Board of Directors

Jens Lüders, Chairman
Bernd Fabian
Björn Håkan Karl Carlzon

Executive Board

Björn Håkan Karl Carlzon

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Nobelparken
Jens Chr. Skous Vej 1
DK-8000 Aarhus C

Management's Review

Key activities

The company's main activity is to trade medical aids for disabled individuals.

The company mainly imports and sells manual and electric wheelchair and seating systems for people with reduced mobility in the European market.

Development in the year

The income statement of the Company for 2021 shows a loss of DKK 2,187,460, and at 31 December 2021 the balance sheet of the Company shows equity of DKK 1,479,044.

During the year, there was a change in the company's operating activities in relation to the Meyra Group. Previously, the company had large operations in Germany, but due to restructuring of the organisation as a group, the activities in Germany are now handled by another company within the Meyra Group. However, there is still a positive demand for Netti products.

Unusual events

The Covid-19 pandemic has affected the company's operating activities and, among other things, posed challenges in the supply chain.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 January - 31 December

	Note	2021 DKK	2020 DKK
Gross profit/loss		9.018.225	15.838.084
Staff expenses	1	-10.369.058	-19.413.652
Depreciation and impairment of property, plant and equipment	2	-40.290	-51.005
Other operating expenses		-1.647	0
Profit/loss before financial income and expenses		-1.392.770	-3.626.573
Financial income		7.158	70.692
Financial expenses	3	-801.848	-551.274
Profit/loss before tax		-2.187.460	-4.107.155
Tax on profit/loss for the year	4	0	-87.092
Net profit/loss for the year		-2.187.460	-4.194.247

Distribution of profit

Proposed distribution of profit

Retained earnings		-2.187.460	-4.194.247
		-2.187.460	-4.194.247

Balance Sheet 31 December

Assets

	Note	2021 DKK	2020 DKK
Other fixtures and fittings, tools and equipment		48.560	53.352
Property, plant and equipment	5	48.560	53.352
Fixed assets		48.560	53.352
Inventories		12.938.416	15.872.814
Trade receivables		5.602.949	5.848.088
Receivables from group enterprises		3.542.223	2.515.590
Other receivables		633.179	1.626.517
Corporation tax		44.000	79.000
Prepayments		143.794	507.741
Receivables		9.966.145	10.576.936
Cash at bank and in hand		454.747	4.942.713
Currents assets		23.359.308	31.392.463
Assets		23.407.868	31.445.815

Balance Sheet 31 December

Liabilities and equity

	Note	2021 DKK	2020 DKK
Share capital		250.000	250.000
Retained earnings		1.229.044	3.416.504
Equity		1.479.044	3.666.504
Payables to group enterprises		11.154.900	11.161.500
Long-term debt	6	11.154.900	11.161.500
Trade payables		2.163.747	1.420.566
Payables to group enterprises	6	4.391.165	5.600.761
Corporation tax		131.738	109.568
Other payables		4.087.274	9.486.916
Short-term debt		10.773.924	16.617.811
Debt		21.928.824	27.779.311
Liabilities and equity		23.407.868	31.445.815
Contingent assets, liabilities and other financial obligations	7		
Accounting Policies	8		

Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 January	250.000	3.416.504	3.666.504
Net profit/loss for the year	0	-2.187.460	-2.187.460
Equity at 31 December	250.000	1.229.044	1.479.044

Notes to the Financial Statements

	2021 <u>DKK</u>	2020 <u>DKK</u>
1 Staff expenses		
Wages and salaries	9.227.564	16.357.456
Pensions	592.285	548.067
Other social security expenses	454.424	2.336.619
Other staff expenses	94.785	171.510
	<u>10.369.058</u>	<u>19.413.652</u>
Average number of employees	<u>18</u>	<u>36</u>
2 Depreciation and impairment of property, plant and equipment		
Depreciation of property, plant and equipment	40.290	51.005
	<u>40.290</u>	<u>51.005</u>
3 Financial expenses		
Interest paid to group enterprises	367.799	467.103
Other financial expenses	30.961	84.171
Exchange loss	403.088	0
	<u>801.848</u>	<u>551.274</u>
4 Tax on profit/loss for the year		
Current tax for the year	0	0
Deferred tax for the year	0	467.817
Adjustment of tax concerning previous years	0	-462.347
Adjustment of deferred tax concerning previous years	0	81.622
	<u>0</u>	<u>87.092</u>

Notes to the Financial Statements

5 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost at 1 January	1.252.124
Additions for the year	37.145
Disposals for the year	<u>-193.405</u>
Cost at 31 December	<u>1.095.864</u>
Impairment losses and depreciation at 1 January	1.198.772
Depreciation for the year	40.290
Reversal of impairment and depreciation of sold assets	<u>-191.758</u>
Impairment losses and depreciation at 31 December	<u>1.047.304</u>
Carrying amount at 31 December	<u>48.560</u>
Depreciated over	<u>3-5 years</u>

6 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2021 DKK	2020 DKK
Payables to group enterprises		
Between 1 and 5 years	<u>11.154.900</u>	<u>11.161.500</u>
Long-term part	11.154.900	11.161.500
Other short-term debt to group enterprises	<u>4.391.165</u>	<u>5.600.761</u>
	<u>15.546.065</u>	<u>16.762.261</u>

Notes to the Financial Statements

	<u>2021</u> DKK	<u>2020</u> DKK
7 Contingent assets, liabilities and other financial obligations		
Charges and security		
The following assets have been placed as security with bankers:		
Virksomhedspant på TDKK 11.200 med pant i goodwill, andre anlæg, driftsmateriel og inventar, varebeholdninger samt tilgodehavender fra salg af tjenesteydelser med en regnskabsmæssig værdi på DKK	0	21.774.254
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	693.653	710.618
Between 1 and 5 years	<u>371.886</u>	<u>506.201</u>
	<u>1.065.539</u>	<u>1.216.819</u>
Rental obligation, notice period 6 and 12 months (6, 12 and 22 months)	679.162	905.534

Notes to the Financial Statements

8 Accounting Policies

The Annual Report of ALU REHAB ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Notes to the Financial Statements

8 Accounting Policies (continued)

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

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 consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, expenses for raw materials and consumables and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Notes to the Financial Statements

8 Accounting Policies (continued)

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the onaccount taxation scheme.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-5	years
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The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

Notes to the Financial Statements

8 Accounting Policies (continued)

If so, the asset is written down to its lower recoverable amount.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Notes to the Financial Statements

8 Accounting Policies (continued)

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.