

Kriswell A/S
Knudstrupvej 10 C, 8870 Langa

Company reg. no. 15 38 69 40

Annual report
1 January - 31 December 2020

The annual report was submitted and approved by the general meeting on the 29 June 2021.

Mads Reinholdt Sørensen
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

Today, the board of directors and the managing director have presented the annual report of Kriswell A/S for the financial year 1 January - 31 December 2020.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the company's results of activities in the financial year 1 January – 31 December 2020.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

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

Langå, 29 June 2021

Managing Director

Ian Railton

Board of directors

Mark Steven Werner
chairman

Ian Railton

Bobby Stephen Dean

Independent auditor's report

To the shareholder of Kriswell A/S

Opinion

We have audited the financial statements of Kriswell A/S for the financial year 1 January - 31 December 2020, which comprise accounting policies, income statement, statement of financial position, statement of changes in equity and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the results of the company's activities 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 and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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.

Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment 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 the 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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

Independent auditor's report

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

DK-8960 Randers SØ, 29 June 2021

Kvist & Jensen

Kvist & Jensen State Authorized Public Accountants
Company reg. no. 36 71 77 85

Jonas Bødker-Iversen

State Authorised Public Accountant
mne35471

Company information

The company

Kriswell A/S
Knudstrupvej 10 C
8870 Långå

Company reg. no. 15 38 69 40

Financial year: 1 January - 31 December

Board of directors

Mark Steven Werner, 127 West Boundary Road, Mequon, WI 53092, USA, chairman
Ian Railton, Godeffroystrasse 16, 22587 Hamborg, Tyskland
Bobby Stephen Dean, 87 Lake Harding Drive Hamilton, GA 31811, USA

Managing Director

Ian Railton, Godeffroystrasse 16, 22587 Hamborg, Tyskland

Auditors

Kvist & Jensen Statsautoriseret Revisionspartnerselskab

Bankers

Sydbank

Management commentary

The principal activities of the company

The principal activities are handling and storing of outdoor barbecue grills, accessories and spare parts for a group company and production and sale of Dancook Products.

All products are sold to a group company.

Development in activities and financial matters

The gross profit for the year totals DKK 4.903.343 against DKK 3.739.965 last year. Income or loss from ordinary activities after tax totals DKK 579.284 against DKK -2.455.254 last year. Management considers the net profit or loss for the year satisfying.

Events occurring after the end of the financial year

There have not been any significant events after the status day.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Gross profit	4.903.343	3.739.965
1 Staff costs	-3.370.987	-4.471.926
Depreciation and impairment of property, land, and equipment	-670.610	-474.699
Operating profit	861.746	-1.206.660
Other financial income from group enterprises	3.105	0
Other financial income	0	100
Other financial costs	-285.567	-1.248.694
Pre-tax net profit or loss	579.284	-2.455.254
Tax on ordinary results	0	0
Net profit or loss for the year	579.284	-2.455.254
Proposed appropriation of net profit:		
Transferred to retained earnings	579.284	0
Allocated from retained earnings	0	-2.455.254
Total allocations and transfers	579.284	-2.455.254

Statement of financial position at 31 December

All amounts in DKK.

Assets			
<u>Note</u>		<u>2020</u>	<u>2019</u>
Non-current assets			
2	Other fixtures and fittings, tools and equipment	776.142	970.109
3	Leasehold improvements	1.611.282	1.101.558
	Total property, plant, and equipment	<u>2.387.424</u>	<u>2.071.667</u>
4	Deposits	1.212.500	1.662.500
	Total investments	<u>1.212.500</u>	<u>1.662.500</u>
	Total non-current assets	<u>3.599.924</u>	<u>3.734.167</u>
Current assets			
	Raw materials and consumables	97.359	252.922
	Work in progress	5.033.296	6.848.318
	Manufactured goods and trade goods	24.979	33.830
	Total inventories	<u>5.155.634</u>	<u>7.135.070</u>
	Trade debtors	0	48.457
	Amounts owed by group enterprises	13.671.471	36.522.257
	Other receivables	10	103.421
	Accrued income and deferred expenses	246.273	522.928
	Total receivables	<u>13.917.754</u>	<u>37.197.063</u>
	Cash on hand and demand deposits	<u>609.087</u>	<u>664.076</u>
	Total current assets	<u>19.682.475</u>	<u>44.996.209</u>
	Total assets	<u>23.282.399</u>	<u>48.730.376</u>

Statement of financial position at 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2020</u>	<u>2019</u>
Equity			
	Contributed capital	600.000	600.000
	Retained earnings	20.309.396	19.730.112
	Total equity	20.909.396	20.330.112
Liabilities other than provisions			
	Other payables	310.726	135.031
	Accruals and deferred income	300.000	700.000
5	Total long term liabilities other than provisions	610.726	835.031
5	Current portion of long term payables	657.600	600.000
	Trade creditors	180.014	673.818
	Debt to group enterprises	0	25.971.202
	Other payables	924.663	320.213
	Total short term liabilities other than provisions	1.762.277	27.565.233
	Total liabilities other than provisions	2.373.003	28.400.264
	Total equity and liabilities	23.282.399	48.730.376

6 Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
Equity 1 January 2020	600.000	19.730.112	20.330.112
Profit or loss for the year brought forward	0	579.284	579.284
	600.000	20.309.396	20.909.396

Notes

All amounts in DKK.

	2020	2019
1. Staff costs		
Salaries and wages	2.916.796	3.804.885
Pension costs	454.191	667.041
	3.370.987	4.471.926
Average number of employees	10	12
	31/12 2020	31/12 2019
2. Other fixtures and fittings, tools and equipment		
Cost 1 January 2020	3.704.848	3.612.036
Additions during the year	84.936	259.970
Disposals during the year	0	-167.158
Cost 31 December 2020	3.789.784	3.704.848
Amortisation and writedown 1 January 2020	-2.734.739	-2.615.710
Depreciation for the year	-278.903	-216.538
Depreciation, amortisation and writedown for the year, assets disposed of	0	97.509
Amortisation and writedown 31 December 2020	-3.013.642	-2.734.739
Carrying amount, 31 December 2020	776.142	970.109
3. Leasehold improvements		
Cost 1 January 2020	1.951.237	1.676.824
Additions during the year	901.431	274.413
Cost 31 December 2020	2.852.668	1.951.237
Depreciation and writedown 1 January 2020	-849.679	-591.518
Depreciation for the year	-391.707	-258.161
Depreciation and writedown 31 December 2020	-1.241.386	-849.679
Carrying amount, 31 December 2020	1.611.282	1.101.558

Notes

All amounts in DKK.

	<u>31/12 2020</u>	<u>31/12 2019</u>
4. Deposits		
Cost 1 January 2020	1.662.500	2.112.500
Disposals during the year	<u>-450.000</u>	<u>-450.000</u>
Cost 31 December 2020	<u>1.212.500</u>	<u>1.662.500</u>
 Carrying amount, 31 December 2020	 <u>1.212.500</u>	 <u>1.662.500</u>

5. Liabilities other than provision

	<u>Total payables 31 Dec 2020</u>	<u>Current portion of long term payables</u>	<u>Long term payables 31 Dec 2020</u>	<u>Outstanding payables after 5 years</u>
Other payables	368.326	57.600	310.726	0
Accruals and deferred income	<u>900.000</u>	<u>600.000</u>	<u>300.000</u>	<u>0</u>
	<u>1.268.326</u>	<u>657.600</u>	<u>610.726</u>	<u>0</u>

6. Contingencies

Contingent liabilities

The company has entered into a rental agreement with a yearly rent of DKK 1.363.050 with a remaining irrevocability period until 1th of April 2023.

The company has entered into a machine rental agreement with a yearly rent of DKK 600.000 with a remaining irrevocability period until 1th of April 2023.

Accounting policies

The annual report for Kriswell A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

Accounting policies

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

Accounting policies

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-10 years	0-20 %

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Leasehold improvements

Leasehold improvements are measured at cost less accrued depreciations. Depreciation is done on a straightline basis over the estimated useful life of the asset, which is set at 5 years.

Investments

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Inventories

Inventories are measured at cost on the basis of weighted measured average prices. In cases when the net realisable value is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

Costs of manufactured goods and work in progress comprise the cost of raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance and depreciation of machinery, factory buildings, and equipment used in the production process, and costs for factory administration and factory management. Borrowing expenses are not recognised in cost.

The net realisable value for inventories is recognised as the market price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Accounting policies

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Accruals and deferred income

Payments received concerning future income are recognised under accruals and deferred income.