

Sortimo A/S

Greve Main 24, 2670 Greve
CVR no. 16 82 19 77

Annual report for 2022

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 05.05.23

Wolfgang Zimmer
Dirigent

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The company

Sortimo A/S
Greve Main 24
2670 Greve
Danmark
Registered office: Greve
CVR no.: 16 82 19 77
Financial year: 01.01 - 31.12

Executive Board

Mikael Bondo Meyer

Board of Directors

Wolfgang Zimmer, chairman
Peter Siegle
Thomas Georg Unger

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

Statement by the Executive Board and Board of Directors on the annual report

We have on this day presented the annual report for the financial year 01.01.22 - 31.12.22 for Sortimo A/S.

The annual report is presented in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.12.22 and of the results of the company's activities for the financial year 01.01.22 - 31.12.22.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Greve, March 2, 2023

Executive Board

Mikael Bondo Meyer

Board of Directors

Wolfgang Zimmer
Chairman

Peter Siegle

Thomas Georg Unger

To the Shareholder of Sortimo A/S**Opinion**

We have audited the financial statements of Sortimo A/S for the financial year 01.01.22 - 31.12.22, which comprise the income statement, balance sheet, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

In our opinion the financial statements give a true and fair view of the company's assets, liabilities and financial position at 31.12.22 and of the results of the company's operations for the financial year 01.01.22 - 31.12.22 in accordance with the the Danish Financial Statements Act (Årsregnskabsloven).

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 "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 regarding the 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 Acts. We did not identify any material misstatement of management's review.

Management's responsibility for the financial statements

The Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore the Management is responsible for the 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 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 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.

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 skepticism 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.

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.

Næstved, March 2, 2023

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Jørgen Stegmann
State Authorized Public Accountant
MNE-no. mne11738

Rickard Halfdan Patel
State Authorized Public Accountant
MNE-no. mne33780

Primary activities

The company's main activity consists in sale of interior solutions for vans.

Development in activities and financial affairs

The income statement for the period 01.01.22 - 31.12.22 shows a profit/loss of DKK 726,356 against DKK 4,397,133 for the period 01.01.21 - 31.12.21. The balance sheet shows equity of DKK 27,077,736.

The management considers the net profit for the year to be satisfactory.

Subsequent events

No important events have occurred after the end of the financial year.

Income statement

| Note | 2022 DKK | 2021 DKK |
|--|-------------------|-------------------|
| Gross profit | 18,027,305 | 21,110,634 |
| 1 Staff costs | -13,044,941 | -14,246,440 |
| Profit before depreciation, amortisation, write-downs and impairment losses | 4,982,364 | 6,864,194 |
| Depreciation and impairments losses of property, plant and equipment | -397,441 | -355,068 |
| Other operating expenses | 0 | -25,933 |
| Operating profit | 4,584,923 | 6,483,193 |
| Income from equity investments in group enterprises | -2,525,708 | -724,276 |
| 2 Financial income | 75,383 | 242,660 |
| Financial expenses | -484,205 | -143,221 |
| Profit before tax | 1,650,393 | 5,858,356 |
| Tax on profit for the year | -924,037 | -1,461,223 |
| Profit for the year | 726,356 | 4,397,133 |
| Proposed appropriation account | | |
| Proposed dividend for the financial year | 0 | 12,000,000 |
| Retained earnings | 726,356 | -7,602,867 |
| Total | 726,356 | 4,397,133 |

| | 31.12.22 | 31.12.21 |
|--|-------------------|-------------------|
| Note | DKK | DKK |
| ASSETS | | |
| Leasehold improvements | 13,827 | 66,602 |
| Other fixtures and fittings, tools and equipment | 814,048 | 1,113,209 |
| Total property, plant and equipment | 827,875 | 1,179,811 |
| Equity investments in group enterprises | 151,430 | 151,430 |
| Deposits | 692,686 | 692,686 |
| Total investments | 844,116 | 844,116 |
| Total non-current assets | 1,671,991 | 2,023,927 |
| Manufactured goods and goods for resale | 7,113,081 | 6,040,590 |
| Total inventories | 7,113,081 | 6,040,590 |
| Trade receivables | 9,717,878 | 8,939,773 |
| Receivables from group enterprises | 10,635,620 | 6,316,317 |
| Income tax receivable | 189,690 | 0 |
| Other receivables | 3,160 | 15,134,021 |
| Prepayments | 176,358 | 112,108 |
| Total receivables | 20,722,706 | 30,502,219 |
| Cash | 2,502,680 | 3,405,383 |
| Total current assets | 30,338,467 | 39,948,192 |
| Total assets | 32,010,458 | 41,972,119 |

| EQUITY AND LIABILITIES | | 31.12.22 | 31.12.21 |
|-------------------------------|--|-------------------|-------------------|
| | | DKK | DKK |
| Note | | | |
| | Share capital | 550,000 | 550,000 |
| | Retained earnings | 26,527,736 | 25,801,380 |
| | Proposed dividend for the financial year | 0 | 12,000,000 |
| | Total equity | 27,077,736 | 38,351,380 |
| | Provisions for deferred tax | 39,688 | 41,961 |
| | Total provisions | 39,688 | 41,961 |
| | Payables to other credit institutions | 30,101 | 31,803 |
| | Prepayments received from customers | 44,252 | 0 |
| | Trade payables | 804,308 | 990,374 |
| | Payables to group enterprises | 1,849,419 | 0 |
| | Income taxes | 0 | 4,414 |
| | Other payables | 2,164,954 | 2,552,187 |
| | Total short-term payables | 4,893,034 | 3,578,778 |
| | Total payables | 4,893,034 | 3,578,778 |
| | Total equity and liabilities | 32,010,458 | 41,972,119 |

3 Contingent liabilities

4 Charges and security

5 Related parties

Statement of changes in equity

| Figures in DKK | Share capital | Retained earnings | Proposed dividend for the financial year | Total equity |
|---|------------------|----------------------|---|--------------|
| Statement of changes in equity for 01.01.21 - 31.12.21 | | | | |
| Balance as at 01.01.21 | 550,000 | 33,404,247 | 0 | 33,954,247 |
| Net profit/loss for the year | 0 | -7,602,867 | 12,000,000 | 4,397,133 |
| Balance as at 31.12.21 | 550,000 | 25,801,380 | 12,000,000 | 38,351,380 |
| Statement of changes in equity for 01.01.22 - 31.12.22 | | | | |
| Balance as at 01.01.22 | 550,000 | 25,801,380 | 12,000,000 | 38,351,380 |
| Dividend paid | 0 | 0 | -12,000,000 | -12,000,000 |
| Net profit/loss for the year | 0 | 726,356 | 0 | 726,356 |
| Balance as at 31.12.22 | 550,000 | 26,527,736 | 0 | 27,077,736 |

| | 2022 | 2021 |
|---|-------------------|-------------------|
| | DKK | DKK |
| 1. Staff costs | | |
| Wages and salaries | 11,607,096 | 12,517,855 |
| Pensions | 715,234 | 709,859 |
| Other social security costs | 337,183 | 368,871 |
| Other staff costs | 385,428 | 649,855 |
| Total | 13,044,941 | 14,246,440 |
| Average number of employees during the year | 24 | 25 |

2. Financial income

| | | |
|--|---------------|----------------|
| Interest, group enterprises | 71,486 | 0 |
| Foreign currency translation adjustments | 3,897 | 242,660 |
| Total | 75,383 | 242,660 |

3. Contingent liabilities*Lease commitments*

The company has concluded rent and lease agreements with terms to maturity of 6-34 months and monthly lease payments of DKK 3-106k, a total of DKK 1.066k. This includes lease agreements concluded with group enterprises, but the agreements are also specified separately below.

The company has concluded lease agreements with group enterprises with terms to maturity of 12 months and average lease payments of DKK 9k, a total of DKK 110k.

3. Contingent liabilities - continued -

Recourse guarantee commitments

The company has provided a guarantee for a subsidiary's debt to credit institutions. The guarantee is maximised at NOK 150k. The subsidiary's debt to the credit institution concerned amounts to NOK 754 at the balance sheet date.

Guarantee commitments

On behalf of its Norwegian subsidiary, Sortimo AS, Oslo, the company has provided a payment guarantee of DKK 460 to the subsidiary's lessor via its bank connection.

Other contingent liabilities

The company has provided a statement of support covering adequate funds to ensure the operations and liabilities of its Norwegian subsidiary, Sortimo AS, Oslo, for at least 12 months.

In addition, the company has provided a statement of support covering the maintenance of the share capital of its Swedish subsidiary, Sortimo AB, Göteborg, to the extent necessary.

4. Charges and security

As security for debt to credit institutions of DKK 30k, a company charge of DKK 10.000k has been provided comprising intellectual property rights, other plant, fixtures and fittings, tools and equipment, inventories and trade receivables. The total carrying amount of the company's comprised assets is DKK 17.659k.

5. Related parties

The company is included in the consolidated financial statements of the parent Sortimo International GmbH, Zusmarshausen, Germany.

6. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

In accordance with section 112 of the Danish Financial Statements Act, the company has not prepared consolidated financial statements. The company is a subsidiary of Sortimo International GmbH, Zusmarshausen, Germany, business registration number HRB 10424, which prepares consolidated financial statements.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets, inventories and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

6. Accounting policies - continued -**LEASES**

Lease payments relating to operating and finance leases are recognised in the income statement on a straight-line basis over the lease term.

INCOME STATEMENT**Gross profit**

Gross profit comprises revenue, other operating income and cost of sales and other external expenses.

Revenue

Income from the sale of goods is recognised in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year and where the selling price can be determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Other operating income

Other operating income comprises income of a secondary nature in relation to the enterprise's activities.

Cost of sales

Cost of sales comprises cost of sales for the year measured at cost plus any changes in inventories, including write-downs to the extent that these do not exceed normal write-downs.

6. Accounting policies - continued -

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

Depreciation and impairment losses

The depreciation of property, plant and equipment aim at systematic depreciation over the expected useful lives of the assets. Assets are depreciated according to the straight-line method based on the following expected useful lives and residual values:

| | Useful lives, years | Residual value DKK |
|---|---------------------------|--------------------------|
| Acquired rights | 3 | 0 |
| Leasehold improvements | 3-5 | 0 |
| Other plant, fixtures and fittings, tools and equipment | 3-10 | 0 |

The basis of depreciation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

Other operating expenses

Other operating expenses comprise costs of a secondary nature in relation to the enterprise's activities.

6. Accounting policies - continued -

Income from equity investments in group enterprises

Dividends from equity investments measured at cost are recognised as income in the financial year in which the dividend is declared.

Income from equity investments in equity investments in subsidiaries also comprises gains and losses on the sale of equity investments and impairment of cost value.

Other net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

BALANCE SHEET

Property, plant and equipment

Property, plant and equipment comprise leasehold improvements as well as other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation and impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

6. Accounting policies - continued -

Equity investments in group enterprises

Equity investments in subsidiaries are measured in the balance sheet at cost less any impairment losses. Transaction costs directly attributable to the acquisition are recognised in the cost of equity investments.

Gains or losses on disposal of equity investments are determined as the difference between the disposal consideration and the carrying amount of net assets at the time of sale, including non-amortised goodwill, as well as the expected costs of divestment or discontinuation. Gains and losses are recognised in the income statement under income from equity investments.

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

If dividends are distributed on equity investments in subsidiaries exceeding the year earnings from the enterprise in question, this is considered an indication of impairment.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

Inventories

Inventories are measured at cost calculated according to weighted average prices. Inventories are written down to the lower of cost and net realisable value.

6. Accounting policies - continued -

The cost of raw materials and consumables as well as goods for resale is determined as purchase prices plus expenses resulting directly from the purchase.

The net realisable value of inventories is determined as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and the expected development in the selling price.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Deposits recognised under assets comprise deposits paid to the lessor under leases entered into by the company.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

Cash

Cash includes deposits in bank accounts as well as operating cash.

Equity

The proposed dividend for the financial year is recognised as a separate item in equity.

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

6. Accounting policies - continued -

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to the time and date of delivery of the agreed product or completion of the agreed service.