



Stenhøj A/S

Barrit Langgade 188-190
7150 Barrit
CVR No. 16926191

Annual report 2021

The Annual General Meeting adopted the
annual report on 29.06.2022

Martin klitgaard

Chairman of the General Meeting

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Entity details

Entity

Stenhøj A/S

Barrit Langgade 188-190

7150 Barrit

Business Registration No.: 16926191

Registered office: Hedensted

Financial year: 01.01.2021 - 31.12.2021

Board of Directors

Martin Klitgaard

Cinzia Corghi

Giulio Corghi

Executive Board

Martin Klitgaard

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Egtved Allé 4

6000 Kolding

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Stenhøj A/S for the financial year 01.01.2021 - 31.12.2021.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Barrit, 29.06.2022

Executive Board

Martin Klitgaard

Board of Directors

Martin Klitgaard

Cinzia Corghi

Giulio Corghi

Independent auditor's report

To the shareholders of Stenhøj A/S

Opinion

We have audited the financial statements of Stenhøj A/S for the financial year 01.01.2021 - 31.12.2021, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity 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.

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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

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 do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, 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 conclude that the management commentary 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 the management commentary.

Kolding, 29.06.2022

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Bo Damgaard Hansen

State Authorised Public Accountant
Identification No (MNE) mne34543

Thomas Aamand Lund

State Authorised Public Accountant
Identification No (MNE) mne47764

Management commentary

Financial highlights

	2021 DKK'000	2020 DKK'000	2018/19 DKK'000	2017/18 DKK'000	2016/17 DKK'000
Key figures					
Gross profit/loss	9,247	3,855	25,396	25,087	19.860
Operating profit/loss	(12,064)	(13,249)	(22,312)	3,401	537
Net financials	(287)	(976)	(1,623)	(1,056)	(958)
Profit/loss for the year	(12,350)	(13,487)	(28,763)	(1815)	(351)
Total assets	59,064	45,108	104,771	73,931	66.314
Equity	13,918	11,268	(20,245)	8,519	6.704
Ratios					
Equity ratio (%)	23.56	24.98	(19.32)	11.52	10.10

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

The financial year 2018/2019 consists of 18 months, and can therefore not be compared to the other financial years.

Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Total assets}}$

Total assets

Primary activities

The Company's activities are manufacturing and trade of uplifting equipment for the automotive sector. The products are distributed through group companies within the Stenhøj Group as well as a network of distributors.

Development in activities and finances

During the pandemic the company has been challenged by several exogenous factors. This has caused many changes and adjustments to the factory setup and despite the loss of DKK 12.4 million for 2021, to a large extent caused by the significant increase in raw material and utility prices, the underlying setup for the factory has been strengthened. Some planned investments into the factory will further strengthen the current setup.

The main raw material is steel and especially the steel prices have caused a significant unfavorable impact to the result. But also delays in the supply chain has contributed to the unsatisfactory loss for the year.

Profit/loss for the year in relation to expected developments

Loss for the year amount to DKK 12.4 million which is considered unsatisfactory compared to an expectation of a minor profit for 2021. The result is negatively impacted by increasing steel prices.

Outlook

For the fiscal year 2022 a positive gross profit is expected in the level of DKK 0-3 million and a result before tax at DKK 0 million.

Environmental performance

The Company's activities are performed with respect to granted environmental approvals.

The use of materials injurious to the environment in the production process is very limited since these materials to the widest extent possible are substituted by more environmentally neutral materials.

Research and development activities

The Company is developing new products and developing designs on a continuous basis. The sales- and marketing activities also comprise an ongoing development of concepts within sales and service in order to enhance the customer experience. Apart from this no particular development activities are carried out throughout the Company.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2021

	Notes	2021 DKK	2020 DKK
Gross profit/loss		9,247,317	3,854,729
Distribution costs		(8,143,810)	(4,377,718)
Administrative expenses		(13,167,148)	(12,589,739)
Other operating expenses		0	(136,037)
Operating profit/loss		(12,063,641)	(13,248,765)
Other financial income		16,047	693
Other financial expenses	3	(302,601)	(976,631)
Profit/loss before tax		(12,350,195)	(14,224,703)
Tax on profit/loss for the year	4	0	737,787
Profit/loss for the year	5	(12,350,195)	(13,486,916)

Balance sheet at 31.12.2021

Assets

	Notes	2021 DKK	2020 DKK
Raw materials and consumables		15,541,715	14,823,025
Work in progress		15,644,572	9,574,468
Manufactured goods and goods for resale		9,427,963	10,152,803
Inventories		40,614,250	34,550,296
Trade receivables		366,765	218,215
Receivables from group enterprises		16,945,130	7,982,601
Other receivables		749,247	1,214,059
Prepayments	6	345,834	1,109,575
Receivables		18,406,976	10,524,450
Cash		43,227	32,964
Current assets		59,064,453	45,107,710
Assets		59,064,453	45,107,710

Equity and liabilities

	Notes	2021 DKK	2020 DKK
Contributed capital	7	6,000,000	6,000,000
Retained earnings		7,918,269	5,268,464
Equity		13,918,269	11,268,464
Other provisions	8	1,056,000	1,795,350
Provisions		1,056,000	1,795,350
Other payables		6,313,146	4,431,798
Non-current liabilities other than provisions	9	6,313,146	4,431,798
Trade payables		18,968,481	15,250,669
Payables to group enterprises		9,888,429	4,560,516
Other payables		8,920,128	7,800,913
Current liabilities other than provisions		37,777,038	27,612,098
Liabilities other than provisions		44,090,184	32,043,896
Equity and liabilities		59,064,453	45,107,710
Staff costs	1		
Unrecognised rental and lease commitments	10		
Contingent liabilities	11		
Assets charged and collateral	12		
Related parties with controlling interest	13		
Non-arm's length related party transactions	14		
Group relations	15		

Statement of changes in equity for 2021

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	6,000,000	5,268,464	11,268,464
Group contributions etc	0	15,000,000	15,000,000
Profit/loss for the year	0	(12,350,195)	(12,350,195)
Equity end of year	6,000,000	7,918,269	13,918,269

Notes

1 Staff costs

	2021 DKK	2020 DKK
Wages and salaries	30,106,593	30,509,518
Pension costs	2,730,788	3,142,873
Other social security costs	807,282	932,214
Other staff costs	7,078,480	3,321,452
	40,723,143	37,906,057
Average number of full-time employees	92	96

There has not been any cost to the board of directors in 2021.

2 Other operating income

Gross profit/loss in 2020 include other operating income items which include compensation received from the aid schemes established as a result of the outbreak and spread of COVID-19.

The company has received compensation for wages and fixed costs and the total amount applied for at 31.12.2020 is 6,334k DKK split in 6,038k DKK from compensation for wages and salaries and 296k DKK from fixed cost compensation.

3 Other financial expenses

	2021 DKK	2020 DKK
Financial expenses from group enterprises	298,474	928,020
Other interest expenses	4,127	48,611
	302,601	976,631

4 Tax on profit/loss for the year

	2021 DKK	2020 DKK
Adjustment concerning previous years	0	(737,787)
	0	(737,787)

5 Proposed distribution of profit and loss

	2021 DKK	2020 DKK
Retained earnings	(12,350,195)	(13,486,916)
	(12,350,195)	(13,486,916)

6 Prepayments

Prepayments consists off costs related to the following year such as rent and lease.

7 Share capital

	Number	Par value DKK	Nominal value DKK
Shares	6,000	100	6,000,000
	6,000		6,000,000

8 Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments.

9 Non-current liabilities other than provisions

	Due after more than 12 months 2021 DKK
Other payables	6,313,146
	6,313,146

10 Unrecognised rental and lease commitments

	2021 DKK	2020 DKK
Liabilities under rental or lease agreements until maturity in total	451,760	344,755
Liabilities under rental agreements or leases with group enterprises until expiry	10,302,000	10,302,000

11 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Stenhøj Holding A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

12 Assets charged and collateral

The Entity has guaranteed Stenhøj Holding A/S's debt with Nordea Bank by floating charge for a maximum of 50,000k DKK.

The floating charge covers receivable from sales, inventory, intangible, and tangible assets. The carrying amount is 40.981k DKK.

13 Related parties with controlling interest

Stenhøj Holding A/S, Barrit owns all stock in the Entity and thereby controlling interest.

14 Non-arm's length related party transactions

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report. No such transactions have been conducted in the financial year..

15 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Nexion S.p.A., Correggio, Italy

Copies of the consolidated financial statements of Nexion S.p.A. may be ordered at the following address:
Barrit Langgade 188 - 190, 7150 Barrit

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, production costs and other operating income.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Production costs

Production costs comprise expenses incurred to earn revenue for the financial year. Production costs comprise direct and indirect costs for raw materials and consumables, wages and salaries, rent and lease, and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment included in the production process. In addition, the item includes ordinary write-down of inventories.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Distribution costs

Distribution costs comprise costs incurred for sale and distribution of the Entity's products, including wages and salaries for sales staff, advertising costs, travelling and entertainment expenses, etc, and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment involved in the distribution process.

Administrative expenses

Administrative expenses comprise expenses incurred for the Entity's administrative functions, including wages and salaries for administrative staff and Management, stationery and office supplies, and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment used for administration of the Entity.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Other operating expenses

Other operating expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Inventories**

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

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation of and impairment losses relating to machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in cost.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Non-recourse guarantee commitments comprise commitments to remedy defects and deficiencies within the guarantee period.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Cash flow statement

With reference to the Danish Financial Statements Act § 86 section 4 a cash flow statement is not prepared for Stenhøj A/S since this is included in the consolidated cash flow statement for Nexion S.p.a.