

*Atlas Sikkerhedssko A/S
Saxovej 4
6000 Kolding*

CVR-no: 17 76 62 01

*ANNUAL REPORT
1. januar - 31. december 2019
(26. accounting year)*

Approved at the annual General Meeting of the Company on ___/___ 2020

Chairman of the meeting

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MANAGEMENT'S STATEMENT

Today the Board of Directors and the Executive Board have discussed and approved the Annual Report of Atlas Sikkerhedssko A/S for the period 1. januar - 31. december 2019.

In our opinion, the financial statements give a true and fair view of the Company's assets, equity, liabilities and financial position at 31. december 2019 and of its financial performance for the period 1. januar - 31. december 2019.

In our opinion the Management commentary includes a fair review of the matters described.

We recommend that the Annual Report be approved by the Annual General Meeting.

Kolding, den / 2020

Directors

Hendrik Schabsky

Border

Werner Schabsky
Formand

Carolin Schabsky

Hendrik Schabsky

To the shareholders in Atlas Sikkerhedssko A/S

Auditor's report on the financial statements

Conclusion

We have audited the Financial Statements of Atlas Sikkerhedssko A/S for the period 1. januar - 31. december 2019, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies. The Financial Statements are prepared under the Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31. december 2019, and of the results of the Company operations for the period 1. januar - 31. december 2019 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of financial statements in conformity with the Danish Financial Statements Act. Management is also responsible for the internal control that it deems necessary for 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 responsible for auditing 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.

INDEPENDENT AUDITOR'S REPORT

As part of an audit conducted in accordance with ISAs 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 company 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.

INDEPENDENT AUDITOR'S REPORT

Statement on the Management's review

Management is responsible for the 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 the Management's Review provides the information required under the Financial Statements Act.

Based on the work we have performed, we conclude that the Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Financial Statements Act. We did not identify any material misstatements in the Management's review.

Vojens, den / 2020

ND Revision Vojens
registreret revisionsanpartsselskab
CVR 31611962

Carsten Feidenhansl HD
Registreret revisor
MNE nr.: mne15253

COMPANY INFORMATION

The Company	Atlas Sikkerhedssko A/S Saxovej 4 6000 Kolding
	CVR-no.: 17 76 62 01 Founded: 1. april 1994 Financial year: 1. januar - 31. december
Board of directors	Werner Schabsky, formand Carolin Schabsky Hendrik Schabsky
Executive board	Hendrik Schabsky
Accountant	ND Revision Vojens registreret revisionsanpartsselskab Østergade 28 6500 Vojens
Main activity	The company's aim is, according til the articles of association to trade and imports af safetyshoes

Main activities of the Company

As in previous years, the main activities of the Company is according til the articles of association to trade and imports af safetyshoes.

Development in the activities and the financial situation of the Company

The income statement for the accounting period shows a result of DKK 12.369. The balance sheet shows equity of DKK 5.153.388.

Management considers the results of the year to be satisfactory.

Material events after the reporting date

No events have occurred after the reporting date that may materially affect the financial position of the company.

INCOME STATEMENT
1. JANUAR - 31. DECEMBER 2019

	2019	2018 kr. 1000
GROSS PROFIT	681.580	1.318
1 Staff costs	-637.133	-1.283
2 Amortisation, depreciation and impairment losses - intangible assets and property, plant and equipment.....	0	-41
	<hr/>	<hr/>
OPERATING PROFIT OR LOSS	44.447	-6
Other financial income	90	0
Other financial expenses.....	-41.878	-47
	<hr/>	<hr/>
PROFIT OR LOSS BEFORE TAX	2.659	-53
3 Tax on net profit for the year.....	9.710	-2
	<hr/>	<hr/>
PROFIT OR LOSS FOR THE YEAR	12.369	-55
	<hr/> <hr/>	<hr/> <hr/>
PROPOSED DISTRIBUTION OF NET PROFIT		
Retained earnings	12.369	-55
	<hr/>	<hr/>
SETTLEMENT OF DISTRIBUTION TOTAL	12.369	-55
	<hr/> <hr/>	<hr/> <hr/>

BALANCE SHEET AT 31. DECEMBER 2019
ASSETS

	2019	2018 kr. 1000
Deposits	106.050	106
Investments	106.050	106
NON-CURRENT ASSETS	106.050	106
Trade receivables	-30.146	-48
Corporate income tax.....	68.000	90
Other receivables	595.157	260
Deferred tax asset	9.710	0
Receivables	642.721	302
Cash	4.554.168	4.883
CURRENT ASSETS	5.196.889	5.185
ASSETS	5.302.939	5.291

BALANCE SHEET AT 31. DECEMBER 2019
EQUITY AND LIABILITIES

	2019	2018 kr. 1000
Contributed capital	1.000.000	1.000
Retained earnings	4.153.388	4.141
	5.153.388	5.141
EQUITY		
Trade creditors	2.545	118
Other accounts payable.....	111.206	11
Accruals	35.800	21
	149.551	150
Short-term payables		
PAYABLES	149.551	150
EQUITY AND LIABILITIES	5.302.939	5.291

NOTES

	2019	2018 kr. 1000
1 Staff costs		
Number of people employed	2	2
Wages and salaries.....	570.291	1.216
Pensions	57.240	55
Other social security costs	9.602	12
	<hr/>	<hr/>
Staff costs total	637.133	1.283
	<hr/> <hr/>	<hr/> <hr/>
2 Amortisation, depreciation and impairment losses - intangible assets and property, plant and equipment		
Other fixtures and fittings, tools and equipment	0	41
	<hr/>	<hr/>
Amortisation, depreciation and impairment losses - intangible assets and property, plant and equipment total	0	41
	<hr/> <hr/>	<hr/> <hr/>
3 Tax on net profit for the year		
Adjustment of deferred tax	-9.710	2
	<hr/>	<hr/>
Tax on net profit for the year total	-9.710	2
	<hr/> <hr/>	<hr/> <hr/>

GENERAL INFORMATION

The financial statements of Atlas Sikkerhedssko A/S for the financial year 2019 have been prepared in conformity with the provisions of the Financial Statements Act on class B enterprises.

The accounting policies applied in the financial statements are consistent with those of the previous year. The reporting currency is Danish kroner.

Recognition and measurement in general

The financial statements have been prepared under the historical cost convention.

Income is recognised in the income statement when earned. Value adjustments of financial assets and liabilities measured at fair value or amortised cost are also recognised in the income statement. Costs incurred to generate the earnings for the year are also recognised in the income statement, including amortisation, depreciation, impairment losses and provisions as well as reversals resulting from changed accounting estimates of amounts previously recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future financial benefits will flow to the Company and it is possible to obtain a reliable measurement of the individual assets.

Liabilities are recognised in the balance sheet when it is probable that future financial benefits will flow from the Company and it is possible to obtain a reliable measurement of the individual liabilities.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item.

Anticipated losses and risks arising before the presentation of the financial statements and confirming or disconfirming facts and circumstances known at the reporting date are taken into consideration at recognition and measurement.

The functional currency used is Danish kroner. All other currencies are considered foreign currencies.

Leases under which the Company assumes all material risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the asset and the present value of the lease payments calculated by applying the internal rate of return or an approximate value thereof as the discount rate. Assets held under finance leases are depreciated or impaired as per the same policies as determined for the other non-current assets of the Company.

Lease payments under operating leases are recognised in the income statement on a straight-line basis over the lease term. The remaining liability is stated under contingent liabilities.

Foreign currency translation

Foreign currency transactions are translated at the exchange rates ruling at the transaction dates. Gains and losses arising from movements between the exchange rates at the date of the individual transaction and the date of payment are recognised in the income statement as financial income or financial expenses.

ACCOUNTING POLICIES

Receivables, accounts payable and other monetary items denominated in a foreign currency, but not settled at the reporting date, are translated at the exchange rates ruling at the reporting date. Exchange rate differences between the exchange rates at the reporting date and the date of the individual transaction are recognised in the income statement as financial income or financial expenses.

INCOME STATEMENT

General information

Certain income and expenses have been aggregated in the item designated 'Gross profit' with reference to section 32 of the Financial Statements Act.

Gross profit

Gross profit is a combination of the items of 'Revenue', 'Change in inventories of finished goods, work in progress and goods for resale', 'Other operating income', 'Cost of raw materials and consumables' and 'Other external costs'.

Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end. Revenue is recognised exclusive of VAT and net of sales discounts.

Other operating income and expenses

Other operating income and expenses comprise items relating to activities secondary to the activities of the enterprise, including profit and loss from the disposal of property, plant and equipment.

Cost of raw materials and consumables

Cost of raw materials and consumables includes the cost of goods purchased less discounts and changes in inventories for the year.

Other external expenses

Other external expenses include costs for sales, advertising, administration, premises, bad debts, rental expenses under operating leases, etc.

Staff costs

Staff costs include wages, salaries and other pay-related costs, such as sickness benefits for enterprise employees less wage/salary reimbursement from the Government.

Financial income and expenses

Financial income and expenses are recognised in the income statement based on the amounts which relate to the financial year. Financial income and expenses include interest revenue and expenses, finance charges in respect of finance leases, realised and unrealised capital gains and losses on securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the tax prepayment scheme. Dividends from other equity investments are recognised as income in the financial year in which the dividends are declared.

ACCOUNTING POLICIES

Tax on net profit for the year

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

BALANCE SHEET**Property, plant and equipment**

Property, plant and equipment is measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the date of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of a composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual components differ.

Depreciation is calculated using the straight-line method over the following estimated useful lives of the individual assets and their residual values:

	<u>User time</u>	<u>Residual value</u>
Plant and machinery	3-5 år	0-20 %
Tools and equipment	3-5 år	0-20 %

Gains or losses arising from the disposal of property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amounts at the time of sale. Gains or losses are recognised in the income statement as other operating income or other operating expense.

Deposits

Deposits are measured at cost.

Receivables

Receivables are measured at amortised cost, which normally corresponds to the nominal value. The value is reduced by an allowance for expected impairment losses.

Impairment of accounts receivable past due is established on individual assessment of receivables.

Dividends

Corporate income tax and deferred tax

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

Deferred tax is measured using the balance-sheet liability method on temporary differences arising between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases. In cases where the tax base can be determined under alternative taxation rules, such as in relation to shares, deferred tax is measured on the basis of the intended use of the asset or settlement of the liability.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are measured at their anticipated net realisable value, either by elimination in tax on future earnings or by offsetting against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at their net realisable values.

Deferred tax is measured based on the tax rules and tax rates applicable when the deferred tax is expected to crystallise as current tax according to the legislation in force at the reporting date. Any change in deferred tax as a result of changes in the tax rates is recognised in the income statement.

Payables

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest method, so that the difference between proceeds and nominal value is recognised in the income statement over the life of the financial instrument(s).

Other payables, comprising trade payables and amounts owed to Group enterprises and associates and other accounts payable, are measured at amortised cost, which normally corresponds to the nominal value.