BEIERHOLM
VI SKABER BALANCE

ECOstyle A/S

Hvidkærvej 17, 5250 Odense SV
CVR no. 18 92 90 07

Annual report
for the financial year 01.10.20 - 30.09.21

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 09.02.22

Martine Olijslagers-Kuip
Dirigent

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Company information etc.

The company

ECOstyle A/S
Hvidkærvej 17
5250 Odense SV

Tel.: 70227067

Registered office: Odense
CVR no.: 18 92 90 07
Financial year: 01.10 - 30.09

Executive Board

Lars Hegelund Bjørnsbo

Board of Directors

Martine Olijslagers-Kuip
Jehannes Wiebren Santema
Lars Hegelund Bjørnsbo

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 01.10.20 - 30.09.21 for ECOstyle 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 30.09.21 and of the results of the company's activities for the financial year 01.10.20 - 30.09.21.

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.

Odense, November 9, 2021

Executive Board

Lars Hegelund Bjørnsbo

Board of Directors

Martine Olijslagers-Kuip Chairman	Jehannes Wiebren Santema	Lars Hegelund Bjørnsbo

Independent auditor's report

To the Shareholder of ECOstyle A/S

Opinion

We have audited the financial statements of ECOstyle A/S for the financial year 01.10.20 - 30.09.21, 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 30.09.21 and of the results of the company's operations for the financial year 01.10.20 - 30.09.21 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.

Odense, November 9, 2021

Beierholm
Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Henrik Welinder
State Authorized Public Accountant
MNE-no. mne23366

Primary activities

The company's activities comprise of marketing and sale of pesticides, biocides and fertilisers of natural origin - mostly allowed to ecological areas.

Development in activities and financial affairs

The income statement for the period 01.10.20 - 30.09.21 shows a profit/loss of DKK 13,755,777 against DKK 6,837,407 for the period 01.10.19 - 30.09.20. The balance sheet shows equity of DKK 47,227,049.

The fiscal year 2020/2021 was extra ordinary good. Factors alike investments in innovations previous years, general trend towards green thinking, and Corona situation has all together had positive impact on turnover.

Subsequent events

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

Income statement

Note		2020/21 DKK	2019/20 DKK
	Gross profit	**34,944,598**	**23,178,364**
1	Staff costs	-16,053,357	-13,621,496
	Profit before depreciation, amortisation, write-downs and impairment losses	**18,891,241**	**9,556,868**
2	Depreciation and impairments losses of property, plant and equipment	-1,090,275	-952,266
	Operating profit	**17,800,966**	**8,604,602**
3	Financial income	52,552	447,591
4	Financial expenses	-234,460	-219,611
	Profit before tax	**17,619,058**	**8,832,582**
5	Tax on profit for the year	-3,863,281	-1,995,175
	Profit for the year	**13,755,777**	**6,837,407**

Proposed appropriation account

Retained earnings	13,755,777	6,837,407
Total	**13,755,777**	**6,837,407**

Balance sheet

ASSETS

Note		30.09.21 DKK	30.09.20 DKK
	Leasehold improvements	51,831	0
	Other fixtures and fittings, tools and equipment	1,923,350	1,361,788
6	**Total property, plant and equipment**	**1,975,181**	**1,361,788**
7	Deposits	354,823	348,102
	Total investments	**354,823**	**348,102**
	Total non-current assets	**2,330,004**	**1,709,890**
	Manufactured goods and goods for resale	19,820,928	33,057,469
	Prepayments for goods	11,074,221	0
	Total inventories	**30,895,149**	**33,057,469**
	Trade receivables	11,001,942	7,668,018
	Receivables from group enterprises	3,758,898	0
	Deferred tax asset	12,597	26,384
	Income tax receivable	0	169,194
	Other receivables	562	326,840
	Prepayments	15,800	0
	Total receivables	**14,789,799**	**8,190,436**
	Cash	**19,265,128**	**12,210,159**
	Total current assets	**64,950,076**	**53,458,064**
	Total assets	**67,280,080**	**55,167,954**

Balance sheet

EQUITY AND LIABILITIES

Note		30.09.21 DKK	30.09.20 DKK
	Share capital	500,000	500,000
	Retained earnings	46,727,049	32,971,272
	Total equity	**47,227,049**	**33,471,272**
8	Lease commitments	430,049	472,146
8	Income taxes	3,726,494	1,769,410
8	Other payables	0	857,074
	Total long-term payables	**4,156,543**	**3,098,630**
8	Short-term part of long-term payables	652,182	745,417
	Payables to other credit institutions	13,315	5,588
	Trade payables	1,832,129	12,018,439
	Income taxes	169,194	0
	Other payables	13,229,668	5,828,608
	Total short-term payables	**15,896,488**	**18,598,052**
	Total payables	**20,053,031**	**21,696,682**
	Total equity and liabilities	**67,280,080**	**55,167,954**

9 Contingent liabilities
10 Charges and security
11 Related parties

Statement of changes in equity

Figures in DKK	Share capital	Retained earnings	Total equity
Statement of changes in equity for 01.10.20 - 30.09.21			
Balance as at 01.10.20	500,000	32,971,272	33,471,272
Net profit/loss for the year	0	13,755,777	13,755,777
Balance as at 30.09.21	500,000	46,727,049	47,227,049

	2020/21 DKK	2019/20 DKK

1. Staff costs

	2020/21 DKK	2019/20 DKK
Wages and salaries	14,573,432	12,128,325
Pensions	460,846	336,353
Other social security costs	57,856	40,960
Other staff costs	961,223	1,115,858
Total	16,053,357	13,621,496
Average number of employees during the year	20	18

2. Depreciation and impairments losses of property, plant and equipment

	2020/21 DKK	2019/20 DKK
Depreciation of property, plant and equipment	1,090,275	952,266

3. Financial income

	2020/21 DKK	2019/20 DKK
Interest, group enterprises	44,288	279,485
Other interest income	183	0
Foreign exchange gains	8,081	168,106
Other financial income	8,264	168,106
Total	52,552	447,591

	2020/21 DKK	2019/20 DKK

4. Financial expenses

	2020/21 DKK	2019/20 DKK
Interest, group enterprises	38,499	0
Other interest expenses	71,171	115,615
Foreign exchange losses	112,186	69,216
Other financial expenses	12,604	34,780
Other financial expenses	195,961	219,611
Total	234,460	219,611

5. Tax on profit for the year

	2020/21 DKK	2019/20 DKK
Current tax for the year	3,849,494	1,994,410
Adjustment of deferred tax for the year	13,787	765
Total	3,863,281	1,995,175

6. Property, plant and equipment

Figures in DKK	Leasehold improvements	Other fixtures and fittings, tools and equipment
Cost as at 01.10.20	24,560	1,744,864
Additions during the year	60,320	1,546,632
Cost as at 30.09.21	84,880	3,291,496
Depreciation and impairment losses as at 01.10.20	-24,560	-472,966
Depreciation during the year	-8,489	-920,160
Depreciation of and impairment losses on disposed assets for the year	0	24,980
Depreciation and impairment losses as at 30.09.21	-33,049	-1,368,146
Carrying amount as at 30.09.21	51,831	1,923,350
Carrying amount of assets held under finance leases as at 30.09.21	0	1,082,232

7. Non-current financial assets

Figures in DKK	Deposits
Cost as at 01.10.20	354,823
Cost as at 30.09.21	354,823
Carrying amount as at 30.09.21	354,823

8. Long-term payables

Figures in DKK	Repayment first year	Total payables at 30.09.21	Total payables at 30.09.20
Lease commitments	652,182	1,082,231	1,217,563
Income taxes	0	3,726,494	1,769,410
Other payables	0	0	857,074
Total	652,182	4,808,725	3,844,047

9. Contingent liabilities

Lease commitments

The company has concluded lease agreements with terms to maturity of 6-22 months and average lease payments of DKK 152k, a total of DKK 3,310k.

Guarantee commitments

The company has provided a guarantee of DKK 14,892k to a bank for a group enterprise.

10. Charges and security

The company has not provided any security over assets.

11. Related parties

Controlling influence	Basis of influence
ECOstyle Holding B.V., Ecomunitypark 1, 8431 SM Oosterwolde, Holland	Ownership

12. 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.

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.

12. Accounting policies - continued -

LEASES

Leases relating to assets where the company has substantially all the risks and benefits incidental to the ownership of the asset (finance leases) are recognised in the balance sheet. On initial recognition, assets held under finance leases and related lease commitments are measured at the lower of the fair value of the leased asset and the present value of future lease payments. Subsequently, assets held under finance leases are treated like other similar assets.

Lease commitments relating to assets held under finance leases are recognised in the balance sheet as payables. Subsequent to initial recognition, lease commitments are measured at amortised cost according to which the interest element of the lease payment is recognised in the income statement over the lease term.

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

GRANTS

Grants are recognised when there is reasonable certainty that the grant conditions have been met and that the grant will be received.

Grants to cover expenses incurred are recognised on a proportionate basis in the income statement over the period in which the expenses eligible for grants are expensed. Grants are recognised under other operating income.

INCOME STATEMENT

Gross profit

Gross profit comprises revenue and raw materials and consumables 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.

12. Accounting policies - continued -

Costs of raw materials and consumables

Costs of raw materials and consumables comprise raw materials and consumables used for the year as well as any changes in inventories, including any inventory wastage.

Write-downs of inventories of raw materials and consumables are also recognised under raw materials and consumables to the extent that these do not exceed normal write-downs.

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, per cent
Leasehold improvements	5	0
Other plant, fixtures and fittings, tools and equipment	3-5	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 net financials

Interest income and interest expenses, the interest element of finance lease payments, for-

12. Accounting policies - continued -

eign 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.

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

12. Accounting policies - continued -

or groups of assets.

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 the FIFO-method. Inventories are written down to the lower of cost and net realisable value.

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.

12. Accounting policies - continued -

Cash

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

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.

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

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

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