SSG A/S

Knapholm 6, DK-2730 Herlev

Annual Report for 1 October 2020 - 30 September 2021

CVR No 19 44 08 34

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 21/12 2021

Allan Tharuman
Chairman of the General Meeting

Contents

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of SSG A/S for the financial year 1 October 2020 - 30 September 2021.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 30 September 2021 of the Company and of the results of the Company operations for 2020/21.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Herlev, 21 December 2021

Executive Board

Carsten Fensholt Group CEO	Pernille Damm Nielsen Group CFO

Board of Directors

Jeff Olsen Gravenhorst Chairman	Rune Lillie Gornitzka Deputy Chairman	Martin Bøge Mikkelsen
Sonny Hoffmann Nielsen		

Independent Auditor's Report

To the Shareholder of SSG A/S

Opinion
In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 September 2021 and of the results of the Company's operations for the financial year 1 October 2020 - 30 September 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of SSG A/S for the financial year 1 October 2020 - 30 September 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion
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' 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 on 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 Financials Statements Act.

Based on the work we have performed, in our view, Management's Review 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 in Management's Review.

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 misstate-

ment, 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 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 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.

Hellerup, 21 December 2021
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Jacob F. Christiansen
State Authorised Public Accountant
mne18628

Henrik Ødegaard
State Authorised Public Accountant
mne31489

Company Information

The Company	SSG A/S Knapholm 6 DK-2730 Herlev E-mail: mail@ssg.dk Website: www.ssg.dk CVR No: 19 44 08 34 Financial period: 1 October - 30 September Incorporated: 18 July 1996 Financial year: 25th financial year Municipality of reg. office: Herlev
Board of Directors	Jeff Olsen Gravenhorst, Chairman Rune Lillie Gornitzka Martin Bøge Mikkelsen Sonny Hoffmann Nielsen
Executive Board	Carsten Fensholt Pernille Damm Nielsen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Financial Highlights

Seen over a five-year period, the development of the Company is described by the following financial highlights:

	2020/21	2019/20	2018/19	2017/18	2016/17
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Revenue	430,474	385,595	390,800	370,684	349,745
Gross profit/loss	262,831	229,986	236,278	225,555	212,857
Earnings before interest, tax, depreciation and amortization (EBITDA)	53,537	35,855	43,965	44,665	46,113
Profit/loss before financial income and expenses	46,357	29,820	38,236	39,404	40,082
Net financials	3,260	417	130	-463	-208
Net profit/loss for the year	38,462	23,387	29,523	30,226	31,069
Balance sheet					
Balance sheet total	331,941	268,252	223,267	175,565	169,063
Equity	181,089	126,430	103,043	83,519	58,293
Ratios					
Gross margin	61.1%	59.6%	60.5%	60.8%	60.9%
Profit margin	10.8%	7.7%	9.8%	10.6%	11.5%
Return on assets	14.0%	11.1%	17.1%	22.4%	23.7%
Solvency ratio	54.6%	47.1%	46.2%	47.6%	34.5%

Management's Review

Principle activities

SSG is one of Scandinavia´s leading providers of damage control and complementary services. The Company´s business model has been tailor made to meet demands from insurance companies, including specialized repair work not offered by traditional craftsmen. Damage control, which is SSG´s core business and accounts for 70% percent of the Company's revenue for the financial year 2020/2021, primarily refers to services provided in acute situations to stop or limit damage following fire accidents, water leakage, moisture or storm related incidents but also in some cases project management for the reconstruction work., and in some markets the full process from damage stop to reconstruction. Complementary services, which account for 30 percent of the Company's revenue for the financial year 2020/2021, primarily refers to services provided in non acute situations which require specialized skillsets and tools. The offering within these complementary services covers a wide array of services but is mainly divided into two sub segments, industry services and property services.

SSG's two service segments, damage control and complementary services, require similar skillsets and equipment, which allows for efficient resource allocation between the two segments. As demand for damage control services varies over the year, labour and tools can easily be reallocated between the two segments to secure high utilization throughout the year. The two segments also complement each other well in the sense that, usually, damage control is required in acute situations, whereas complementary services can be performed in non acute situations. In periods of high demand for damage control services, the Company can build a pipeline of complementary services projects which can then be executed during periods of lower demand for damage control, thereby further improving the resource utilization over the year.

SSG was successfully acquired by Polaris Private Equity in December 2019. Polaris is a leading Nordic private equity company investing in mid-sized companies with the objective to invest in good companies with great potential and make them bigger and better in partnership with Management and the Board. In September 2021 SSG acquired a pest control company Kiltin A/S and Kirk Chemicals ApS which will add value to our existing customers that SSG Group can provide broader services within damage and pest control. SSG Group also acquired a moisture company Ovento AB on the 30 September 2021. Ovento AB is located in Stockholm with good customer relations, strong brand and solid performance. Ovento AB will support the growth ambition for the Swedish market and especially in the Stockholm area.

The Danish business is SSG's largest operation, holding a market leading position. As per 30/9 2021, SSG Denmark had 381 employees and 13 centers across Denmark, offering nationwide coverage. The Danish operations accounted for 46 percent of the Company's total revenue for the financial year 2020/2021.

In Norway, SSG operates a total of 24 wholly owned centers and four franchise centers with a total of 260 employees. SSG Norway handle the full process from damage stop to reconstruction for the Norwegian Insurance customers. The norwegian SSG operations account for 27 percent of the Company's total revenue in the financial year 2020/2021.

The Swedish operations are comprised of SSG Nordic, EBE Gruppen and Ovento AB, which primarily offers damage control services. Sweden has 291 employees working at its 15 centers. The Swedish operations account for 27 percent of the Company's total revenue in the financial year 2020/2021. In line with the strategic focus on damage control services.

It is SSG's ambition to be the most attractive 24/7 Damage Control Service partner in Scandinavia by being:

•The leading partner in quality, customer service and communication.
•Competitive on cost, and with the clear ambition to help insurance companies to reduce average damage cost ongoing.
•The leading partner in digitalization, automatization and transparent reporting.
•The leading partner in innovation and new services to continue to be able to reduce average damage cost.

Development in the year

SSG A/S (Denmark) continued to generate solid results in accordance with expectations. The ongoing progress of optimizing the business, digitalization and implementation of new innovative products also made a positive contribution. The Company has solid contracts with a number of the large Danish insurance companies and in 2020/2021 SSG A/S also entered into a new insurance customer contract during the year.

Capital structure and resources

The SSG share capital is not divided into share classes. Management regularly assesses whether SSG has a capital structure that corresponds to the Company's need for the financing of working capital.

Together with the Company's banks, the Group's owners, Board of Directors and Executive Board assess the combination of equity, loans from shareholders and external financing on a recurring basis.

Management maintains an ongoing dialogue with the Group's most important lenders and shareholders, who show a high level of confidence in the Group. Management assesses that the Group's current capital structure and resources are adequate and sufficient to carry through the activities planned for financial year 2021/22.

Financial targets

Management has an organic revenue target of three to five percent per year for Denmark. Revenue growth will be attributable to increased revenue from existing and new customers based on a new set of innovative services and continued dialogue with existing customers about transferring more basic damage administration/responsibility to SSG. In addition, focus will be on growing adjacent services and establishing "preventive" services in cooperation with insurance companies.

Management's Review

Employees

Employees constitute the most important asset of SSG, which makes it important to ensure the required technical and human skills. During the year, SSG has therefore held a number of technical courses on humidity, moisture and damage control as well as hygiene/environmentally related courses. At management level, training in finances and sale/services has been provided. Moreover, SSG invests in training in the management systems of the insurance companies, In4mo and ScalePoint, on an ongoing basis.

Reporting guidelines of DVCA

The SSG Group is partly owned by private equity and follows certain reporting guidelines issued by the Danish Venture Capital and Private Equity Association. You may find the guidelines here www.DVCA.dk.

Shareholder information

The Company's shares are owned by SSG Group A/S and ultimately by P- SSG A/S (84,98%) and Key employees, Board members and Co-investors (14.58%). Furthermore, the Group holds 0.44% of own shares.

Uncertainty relating to recognition and measurement

Accounting estimates have been made in connection with the recognition and measurement of work in progress, receivables and goodwill. SSG currently works to improve its methods for the recognition and measurement of such items and, in Management's assessment, the estimates made provide a true and fair view in the Annual Report.

Reporting on sustainability in accordance with section 99 a of the Danish Financial Statement Act

For the main operating model of SSG, please refer to section "Principal Activities"

SSG has during the year implemented UN and OECD standards and is now member of UN Global Compact. In addition we have set a strategy/plan around 5 Sustainable Development Goals (SDG's), Gender Equality, Decent work and Economic Growth, Sustainable Cities and Communities, Responsible Consumption and Production and Climate actions. A baseline has been documented for all areas and we have implemented a monthly reporting tracking system along the financial reporting system to ensure transparency and focus.

SSG does not consider its operating activities to contain any significant risks with respect to the climate and the environment since we are a service company and since our main impacts are consumption of fuels in our vehicles and handling and disposal of waste on behalf of our customers. The Policies in this area sets objectives around the Company's desire to contribute to a better environment and prevent any unnecessary pollution and a set of Company obligations like full compliance with all legal requirements, strive for use of sub contractors with CSR policies, correct handling and disposal of waste etc. The specific activities are an ongoing focus on developing methods to reduce especially the use of fuel, electricity, and chemicals. SSG management is satisfied with the progress made in this area during the financial year.

SSG does operate in an environment where there are certain risks with respect to employee health and safety, for instance in connection with removal of asbestos and moisture. The policies in this area establishes the rules for employees, for instance specific work instructions, required training levels, use of protective gear etc.

Other policies take care of social aspects like respect for the individual, smoking and consumption of Alcohol among other things.

The level of implementation is controlled via regular site audits conducted by SSG quality teams where methods and use of equipment is reviewed. A worker's council is established where employee representatives meet and discuss health and safety related subjects and decides on appropriate new initiatives. The Group has earmarked investment again in 2022 to improve the working environment.

One of the main measures of a heathy and safe work environment is sick leave, here SSG has achieved its objective of maximum 3% absence.

In 2021 we have operationalized the five identified SDG's with clear targets of 50% females, 100% reduction in work injuries/incidents per year, 20% reduction in transport, advanced waste recycling systems with 95% recycling and 50% electrical cars/vans in 2025. In addition, we have in 2021 started implementing CO2 reporting per project to support our Customers CSR targets. Our short term ambition are to reduce our CO2 emission with 2700 – 3000 tons per year, and be the frontrunner in our industry with new ideas and targets.

SSG comply with all relevant legislation concerning the areas of human rights and anti-corruption. SSG only has activities in markets where human rights and anti-corruption are defined and enforced by the authorities, which is why the Company see no need to further have risk mitigating policies of its own.

Management's Review

Reporting on gender diversity in accordance with section 99 b of the Danish Financial Statement Act

The Company has an objective of at least one female board member in year 2025. The Company's executive management have hired one female member in 2020 but no female in the board as no female board member has been elected.

The Company has an objective of 25% female representation by 2025 in leadership positions. The 24,7 % of females have increased during last financial year and the Company is satisfied with the progress made here towards the 2025 goal.

The main activities behind the goal of increased female representation is centered around internal and external recruiting as well as making sure that all female internal talents get the needed attention and support in their leadership development to compete for leadership positions.

Dividend policy

The payment of dividend is to take place with due consideration of the required consolidation of equity as a basis for the Group's continuing expansion.

Subsequent events

No other events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Other Management positions held by members of the Board of Directors and the Executive Board

Board of Directors

Name	**Jeff Olsen Gravenhorst (chairman)**	**Rune Lillie Gornitzka**	**Martin Bøge Mikkelsen**
Position	Board member	Partner - Polaris Equity	Board member
Chairman of the Board of Directors in:	SSG A/S, SSG Group A/S, SSG HoldCo A/S, SSG BidCo A/S, Moment A/S, Rambøll Gruppen A/S, Moment Group ApS, State of Green, My Homes A/S	P-SSG 2019 A/S	IoT Denmark A/S, IoT Solution A/S, Parent ApS, Lyras DK ApS, Lyras A/S
Deputy chairman of the Board of Directors in:		SSG A/S, SSG Group A/S, SSG HoldCo A/S, SSG BidCo A/S, Kiltin A/S	
Member of the Board of Directors in:	Gravenhorst Invest A/S, Galileo Global Education	P-DMM Holding 2019 A/S, P-DMM 2014 A/S, DMM Holding 1 A/S, DMM Holding 2 A/S, Det Danske Madhus A/S, North Risk A/S, North Risk Holding A/S, P-North Risk Holding A/S, G&O Investment A/S, G&O Holding 2021 A/S, G&O BidCo A/S, Heco International A/S. Gertsen & Olufsen A/S, Heco China A/S, Atlas Incinerators ApS, Pres-Vac Engineering A/S	SSG A/S, SSG Group A/S, SSG HoldCo A/S, SSG BidCo A/S, InterMail A/S, ETU Forsikring A/S, Secure Capital A/S, Secure Spectrum Fondsmæglerselskab A/S and Alternative Equity Partners A/S
Member of the Executive Board in:	Gravenhorst Invest Holding ApS, Gravenhorst Invest A/S	Stella Invest ApS	MBMikkelsen Holding ApS, Mitco Invest ApS

Name	**Sonny Hoffmann Nielsen**
Position	Board member
Chairman of the Board of Directors in:	WeCon A/S, Dane TopCo ApS, Serwiz A/S
Deputy chairman of the Board of Directors in:	
Member of the Board of Directors in:	SSG A/S, SSG Group A/S, SSG HoldCo A/S, SSG BidCo A/S
Member of the Executive Board in:	SH Service ApS

Other Management positions held by members of the Board of Directors and the Executive Board

Executive Board

Name:	**Carsten Fensholt**	**Pernille Damm Nielsen**
Position	Group CEO	Group CFO
Chairman of the Board of Directors in:	SSG Norge AS, SSG Nordic Holding AB, SSG Nordic AB, EBE Gruppen AB, EBE Torkteknik AB, EBE Skadeservice AB, SSG Grustaget AB, Ovento AB	
Member of the Board of Directors in:		SSG Norge AS, SSG Nordic Holding AB, SSG Nordic AB, EBE Gruppen AB, EBE Torkteknik AB, EBE Skadeservice AB, SSG Grustaget AB, Ovento AB
Member of the Executive Board in:	SSG A/S, SSG Group A/S, SSG HoldCo A/S, SSG BidCo A/S, Kiltin A/S, Kirk Chemicals ApS	SSG A/S, SSG Group A/S, SSG HoldCo A/S, SSG BidCo A/S, Kiltin A/S, Kirk Chemicals ApS

Income Statement 1 October - 30 September

	Note	2020/21	2019/20
		TDKK	TDKK
Revenue	1	**430,474**	**385,595**
Other operating income		873	3,203
Expenses for raw materials and consumables		-112,432	-100,226
Other external expenses		-56,084	-58,586
Gross profit/loss		**262,831**	**229,986**
Staff expenses	2	-207,775	-194,131
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	3	-7,180	-6,035
Other operating expenses		-1,519	0
Profit/loss before financial income and expenses		**46,357**	**29,820**
Income from investments in subsidiaries		1,087	0
Financial income	4	4,577	4,290
Financial expenses	5	-2,404	-3,873
Profit/loss before tax		**49,617**	**30,237**
Tax on profit/loss for the year	6	-11,155	-6,850
Net profit/loss for the year		**38,462**	**23,387**

Proposed distribution of profit

Reserve for net revaluation under the equity method		1,087	0
Retained earnings		37,375	23,387
		38,462	**23,387**

Balance Sheet 30 September

Assets

	Note	2020/21	2019/20
		TDKK	TDKK
Goodwill		0	65
Intangible assets	7	**0**	**65**
Other fixtures and fittings, tools and equipment		18,846	15,522
Leasehold improvements		2,568	2,661
Property, plant and equipment	8	**21,414**	**18,183**
Investments in subsidiaries	9	60,719	0
Fixed asset investments		**60,719**	**0**
Fixed assets		**82,133**	**18,248**
Inventories		**9,163**	**8,638**
Trade receivables		26,976	44,876
Contract work in progress	10	47,991	35,421
Receivables from group enterprises		157,568	133,734
Other receivables		6,760	5,731
Prepayments	11	1,270	1,450
Receivables		**240,565**	**221,212**
Cash at bank and in hand		**80**	**20,154**
Currents assets		**249,808**	**250,004**
Assets		**331,941**	**268,252**

Balance Sheet 30 September

Liabilities and equity

	Note	2020/21	2019/20
		TDKK	TDKK
Share capital		4,446	2,826
Reserve for net revaluation under the equity method		1,087	0
Retained earnings		175,556	123,604
Equity		**181,089**	**126,430**
Provision for deferred tax	13	9,805	8,934
Other provisions	14	2,872	3,464
Provisions		**12,677**	**12,398**
Lease obligations		447	884
Long-term debt	15	**447**	**884**
Credit institutions		13,376	24,766
Lease obligations	15	206	355
Trade payables		29,526	20,111
Payables to group enterprises		10,378	1,424
Corporation tax		13,968	11,870
Other payables		70,274	70,014
Short-term debt		**137,728**	**128,540**
Debt		**138,175**	**129,424**
Liabilities and equity		**331,941**	**268,252**
Distribution of profit	12		
Contingent assets, liabilities and other financial obligations	16		
Related parties	17		
Accounting Policies	18		

Statement of Changes in Equity

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 1 October	2,826	0	123,604	126,430
Cash capital increase	1,620	0	14,577	16,197
Net profit/loss for the year	0	1,087	37,375	38,462
Equity at 30 September	**4,446**	**1,087**	**175,556**	**181,089**

Notes to the Financial Statements

		2020/21	2019/20
		TDKK	TDKK
1	**Revenue**		
	Geographical segments		
	Denmark	430,474	385,595
		430,474	**385,595**
2	**Staff expenses**		
	Wages and salaries	175,982	163,031
	Pensions	22,316	22,299
	Other social security expenses	3,145	2,557
	Other staff expenses	6,332	6,244
		207,775	**194,131**
	Including remuneration to the Executive Board and Board of Directors of:		
	*Executive Board	0	6,359
	Board of Directors	475	1,175
		475	**7,534**
	Average number of employees	**361**	**346**

* Remuneration to Executive Board is transferred to another group company in 2020/21.

		2020/21	2019/20
3	**Depreciation, amortisation and impairment of intangible assets and property, plant and equipment**		
	Amortisation of intangible assets	65	175
	Depreciation of property, plant and equipment	7,118	5,842
	Gain and loss on disposal	-3	18
		7,180	**6,035**

Notes to the Financial Statements

		2020/21	2019/20
		TDKK	TDKK
4	**Financial income**		
	Interest received from group enterprises	4,127	4,184
	Other financial income	450	106
		4,577	**4,290**
5	**Financial expenses**		
	Interest paid to group enterprises	87	0
	Other financial expenses	2,317	3,873
		2,404	**3,873**
6	**Tax on profit/loss for the year**		
	Current tax for the year	10,485	3,682
	Deferred tax for the year	670	3,168
		11,155	**6,850**

7 Intangible assets

	Goodwill
	TDKK
Cost at 1 October	4,312
Cost at 30 September	4,312
Impairment losses and amortisation at 1 October	4,247
Amortisation for the year	65
Impairment losses and amortisation at 30 September	4,312
Carrying amount at 30 September	**0**

8 Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Leasehold improvements
	TDKK	TDKK
Cost at 1 October	80,315	18,162
Additions for the year	10,582	448
Disposals for the year	-1,206	0
Cost at 30 September	89,691	18,610
Impairment losses and depreciation at 1 October	64,793	15,501
Depreciation for the year	6,578	541
Impairment and depreciation of sold assets for the year	-526	0
Impairment losses and depreciation at 30 September	70,845	16,042
Carrying amount at 30 September	**18,846**	**2,568**
Including assets under finance leases amounting to	660	0

Notes to the Financial Statements

		2020/21	2019/20
		TDKK	TDKK
9	**Investments in subsidiaries**		
	Cost at 1 October	0	0
	Additions for the year	59,632	0
	Cost at 30 September	59,632	0
	Value adjustments at 1 October	0	0
	Net profit/loss for the year	1,631	0
	Amortisation of intangible assets	-544	0
	Value adjustments at 30 September	1,087	0
	Carrying amount at 30 September	**60,719**	**0**
	Positive differences arising on initial measurement of subsidiaries at net asset value	56,589	0
	Remaining positive difference included in the above carrying amount at 30 September	56,045	0

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
Kiltin A/S	Denmark	600	100%
Kirk Chemicals ApS	Denmark	200	100%

		2020/21	2019/20
		TDKK	TDKK
10	**Contract work in progress**		
	Selling price of work in progress	138,314	155,125
	Payments received on account	-90,323	-119,704
		47,991	**35,421**

11 Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Notes to the Financial Statements

		2020/21	2019/20
		TDKK	TDKK

12 Distribution of profit

Reserve for net revaluation under the equity method	1,087	0
Retained earnings	37,375	23,387
	38,462	**23,387**

13 Provision for deferred tax

Provision for deferred tax at 1 October	8,934	5,766
Amounts recognised in the income statement for the year	670	3,168
Reclassified as corporation tax	201	0
Provision for deferred tax at 30 September	**9,805**	**8,934**

14 Other provisions

The Company has a re-establishment commitment of the leased premises.

Lease re-establishment	2,872	3,464
	2,872	**3,464**
After 5 years	2,872	3,464
	2,872	**3,464**

15 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Lease obligations

Between 1 and 5 years	447	884
Long-term part	447	884
Within 1 year	206	355
	653	**1,239**

Notes to the Financial Statements

	2020/21	2019/20
	TDKK	TDKK

16 Contingent assets, liabilities and other financial obligations

Charges and security

The following assets have been placed as security with mortgage credit institutes:

As security for debt to credit institutions, a floating charge of nominally TDKK 81,000 has been registrered in the Company's trade receivables, inventories, leasehold improvements, other fixtures and fittings, tools and equipment, goodwill, domain name and rights. At 30 September 2021, the carrying amount is TDKK 57,553 and the net debt amounts to TDKK 13,376 in the Company.

The Company has provided work guarantees amounting to TDKK 6,654 and payments guarantees amounting TDKK 870.

Rental and lease obligations

	2020/21	2019/20
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	16,992	19,697
Between 1 and 5 years	42,992	48,209
After 5 years	253	7,032
	60,237	**74,938**

Other contingent liabilities

SSG A/S is involved in commercial claims and disputes which are subject to uncertainty.

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company’s liability.

Notes to the Financial Statements

17 Related parties

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company, P-SSG 2019 A/S and SSG BidCo A/S

Name	Place of registered office
P-SSG 2019 A/S, CVR no 40 93 39 56	Copenhagen
SSG BidCo A/S, CVR no 38 62 09 08	Herlev

Notes to the Financial Statements

18 Accounting Policies

The Annual Report of SSG A/S for 2020/21 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C .

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2020/21 are presented in TDKK.

With reference to section 96 of the Danish Financial Statement Act, fee to auditors appointed at the general meeting is not presented in the Annual Report of SSG A/S. Fee paid to auditors appointed at the general meeting are disclosed as part notes in the Parent Company, P - SSG 2019 A/S.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of SSG BidCo A/S, CVR no 38 62 09 08, the Company has not prepared consolidated financial statements.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of SSG BidCo A/S, CVR no 38 62 09 08, the Company has not prepared a cash flow statement.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Notes to the Financial Statements

18 Accounting Policies (continued)

Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Revenue

Information on business segments and geographical segments based on the Companys risks and returns and its internal financial reporting system. Geographical segments are regarded as the primary segments.

Income Statement

Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement when the sale is considered effected based on the following criteria:

- delivery has been made before year end;

Notes to the Financial Statements

18 Accounting Policies (continued)

- a binding sales agreement has been made;
- the sales price has been determined; and
- payment has been received or may with reasonable certainty be expected to be received.

The consideration for the services rendered is determined using different models. Revenue for the different models is as follows:

- If the consideration is based on the time and costs spent, revenue is recognised proportionally to the rendered services by which recognised revenue corresponds to the sales value of the work performed in the year (the production method).

- If the consideration is based on a fixed price contract, revenue is recognised proportionally to the rendered services by which recognised revenue corresponds to the sales value of the work performed in the year (the production method).

Thereby it is ensured that revenue is not regonised until the total profits and costs as well as the stage of completion at the balance sheet date can be measured realibly and it is probable that the economic benefits including payments will be received by the Company.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc. Included in the financial statement line item are also write downs of receivables recognised under current assets.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Notes to the Financial Statements

18 Accounting Policies (continued)

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company.

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities as well as extra payments and repayment under the onaccount taxation scheme.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with Danish group companies. The tax effect of the joint taxation is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses). The jointly taxed enterprises have adopted the on-account taxation scheme.

Balance Sheet

Intangible assets

Goodwill

Acquired goodwill is measured at cost net of accumulated amortisation. Goodwill is amortised on a straight-line basis over the estimated useful life of 5-10 years which in some cases can be up to 20 years for strategically acquired companies with a strong market position and a long term earnings profile, if the extended amortisation period is assessed to better reflect the use of the respective resources.

Goodwill is impaired to the recoverable amount if this is lower than carrying amount.

Notes to the Financial Statements

18 Accounting Policies (continued)

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	10-20 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount. If so, the asset is written down to its lower recoverable amount.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Goodwill, head office buildings and other assets for which a separate value in use cannot be determined as the asset does not on an individual basis generate future cash flows are reviewed for impairment together with the group of assets to which they are attributable.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item"Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with

Notes to the Financial Statements

18 Accounting Policies (continued)

addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises. Goodwill is amortised on a straight-line basis over the estimated useful life of 5-10 years which in some cases can be up to 20 years for strategically acquired companies with a strong market position and a long term earnings profile, if the extended amortisation period is assessed to better reflect the use of the respective resources.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to “Reserve for net revaluation under the equity method“ under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Inventories

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

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of inventories equals landed cost.

Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

Contract work in progress

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as

18 Accounting Policies (continued)

incurred.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

Deferred tax assets and liabilities are offset within the same legal tax entity.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Notes to the Financial Statements

18 Accounting Policies (continued)

Financial debts

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.

Notes to the Financial Statements

18 Accounting Policies (continued)

Financial Highlights

Explanation of financial ratios

Gross margin	$\frac{\text{Gross profit x 100}}{\text{Revenue}}$
Profit margin	$\frac{\text{Profit before financials x 100}}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit before financials x 100}}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end x 100}}{\text{Total assets at year end}}$