



Ropenhagen A/S

Hørskættens 14-16
2630 Taastrup
CVR No. 20039191

Annual report 2022

The Annual General Meeting adopted the
annual report on 10.03.2023

Dan Stampe-Terkildsen

Chairman of the General Meeting

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Entity details

Entity

Ropenhagen A/S

Hørskættens 14-16

2630 Taastrup

Business Registration No.: 20039191

Registered office: Høje-taastrup

Financial year: 01.01.2022 - 31.12.2022

Board of Directors

Dan Stampe-Terkildsen

Edwin Adrianus Wilhelmus Jacobus van Steen

Troels Peter Troelsen

Peter Birk Nielsen

Richard Marten Meer

Executive Board

Peter Birk Nielsen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Ropenhagen A/S for the financial year 01.01.2022 - 31.12.2022.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations and cash flows for the financial year 01.01.2022 - 31.12.2022.

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

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

Taastrup, 10.03.2023

Executive Board

Peter Birk Nielsen

Board of Directors

Dan Stampe-Terkildsen

Edwin Adrianus Wilhelmus Jacobus van Steen

Troels Peter Troelsen

Peter Birk Nielsen

Richard Marten Meer

Independent auditor's report

To the shareholders of Ropenhagen A/S

Opinion

We have audited the financial statements of Ropenhagen A/S for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations and cash flows for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 10.03.2023

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

René Carøe Andersen

State Authorised Public Accountant

Identification No (MNE) mne34499

Management commentary

Financial highlights

	2022 DKK'000	2021 DKK'000	2020 DKK'000	2019 DKK'000	2018 DKK'000
Key figures					
Gross profit/loss	49,819	41,423	30,539	39,273	41,546
Operating profit/loss	32,809	26,795	15,753	17,828	20,435
Net financials	639	75	(1,284)	376	(19)
Profit/loss for the year	26,083	20,914	11,242	14,149	15,907
Total assets	99,952	77,263	59,331	69,133	73,740
Investments in property, plant and equipment	129	1,576	331	20	401
Equity	44,620	36,537	27,623	17,482	28,098
Ratios					
Return on equity (%)	64.28	65.19	49.85	62.08	62.03
Equity ratio (%)	44.64	47.29	46.56	25.29	38.10

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

Return on equity (%):

Profit/loss for the year * 100

Average equity

Equity ratio (%):

Equity * 100

Total assets

Primary activities

The Company's main activity is sale and distribution of steel cables.

Development in activities and finances

The Company realised a profit after tax of DKK 26,083 k. The Company's balance sheet shows total assets of DKK 99,952 k. and equity of DKK 44,620 k.

Profit/loss for the year in relation to expected developments

The gross profit has increased in 2022, and profit before tax has been influenced by larger sales margins. Management considers the result as satisfying and in line with expectations for 2022.

Uncertainty relating to recognition and measurement

In Management's opinion, the Company's assets, equity and liabilities have been measured correctly.

Unusual circumstances affecting recognition and measurement

No unusual circumstances have occurred which would influence the measurement of the Company's assets, equity and liabilities.

Outlook

As foreseen in last outlook for 2022 growth was a result and based organically within our existing organization. We expect 2023 to be continuing focus for more growth both organically within our existing organization and through other opportunities which might occur.

Environmental performance

The Company has no manufacturing facilities in Denmark.

Research and development activities

The Company has no research and development activities.

Events after the balance sheet date

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

Income statement for 2022

	Notes	2022 DKK	2021 DKK
Gross profit/loss		49,819,165	41,422,929
Distribution costs		(1,260,772)	(738,050)
Administrative expenses		(15,749,084)	(13,889,727)
Operating profit/loss		32,809,309	26,795,152
Other financial income	4	890,688	306,884
Other financial expenses	5	(251,452)	(231,445)
Profit/loss before tax		33,448,545	26,870,591
Tax on profit/loss for the year	6	(7,365,586)	(5,956,941)
Profit/loss for the year	7	26,082,959	20,913,650

Balance sheet at 31.12.2022

Assets

	Notes	2022 DKK	2021 DKK
Plant and machinery		221,734	291,865
Other fixtures and fittings, tools and equipment		1,251,202	1,454,313
Property, plant and equipment	8	1,472,936	1,746,178
Deposits		1,119,282	1,076,722
Financial assets	9	1,119,282	1,076,722
Fixed assets		2,592,218	2,822,900
Manufactured goods and goods for resale		56,583,501	30,666,323
Prepayments for goods		800,925	7,013,875
Inventories		57,384,426	37,680,198
Trade receivables		29,573,048	25,772,984
Receivables from group enterprises		6,865,979	4,829,866
Other receivables		128,609	556,588
Receivables		36,567,636	31,159,438
Cash		3,407,927	5,600,268
Current assets		97,359,989	74,439,904
Assets		99,952,207	77,262,804

Equity and liabilities

	Notes	2022 DKK	2021 DKK
Contributed capital		3,000,000	3,000,000
Retained earnings		37,619,884	31,536,924
Proposed dividend		4,000,000	2,000,000
Equity		44,619,884	36,536,924
Deferred tax	10	30,000	20,000
Provisions		30,000	20,000
Bank loans		10,817,798	8,684,559
Trade payables		35,462,916	24,935,790
Tax payable		7,355,586	5,938,713
Other payables		1,666,023	1,146,818
Current liabilities other than provisions		55,302,323	40,705,880
Liabilities other than provisions		55,302,323	40,705,880
Equity and liabilities		99,952,207	77,262,804
Events after the balance sheet date	1		
Staff costs	2		
Amortisation, depreciation and impairment losses	3		
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Statement of changes in equity for 2022

	Contributed capital DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	3,000,000	31,536,925	2,000,000	36,536,925
Ordinary dividend paid	0	0	(2,000,000)	(2,000,000)
Extraordinary dividend paid	0	(16,000,000)	0	(16,000,000)
Profit/loss for the year	0	22,082,959	4,000,000	26,082,959
Equity end of year	3,000,000	37,619,884	4,000,000	44,619,884

Cash flow statement for 2022

	Notes	2022 DKK	2021 DKK
Operating profit/loss		32,809,309	26,795,152
Amortisation, depreciation and impairment losses		402,181	337,741
Working capital changes	11	(12,072,542)	(1,571,027)
Cash flow from ordinary operating activities		21,138,948	25,561,866
Financial income received		890,688	306,882
Financial expenses paid		(251,452)	(231,445)
Taxes refunded/(paid)		(5,938,712)	(5,417,366)
Cash flows from operating activities		15,839,472	20,219,937
Acquisition etc of property, plant and equipment		(128,939)	(1,576,191)
Cash flows from investing activities		(128,939)	(1,576,191)
Free cash flows generated from operations and investments before financing		15,710,533	18,643,746
Dividend paid		(18,000,000)	(12,000,000)
Change in short-term debt to banks		2,133,239	(2,153,182)
Change in receivable to group enterprises		(2,036,113)	0
Cash flows from financing activities		(17,902,874)	(14,153,182)
Increase/decrease in cash and cash equivalents		(2,192,341)	4,490,564
Cash and cash equivalents beginning of year		5,600,268	1,109,704
Cash and cash equivalents end of year		3,407,927	5,600,268
Cash and cash equivalents at year-end are composed of:			
Cash		3,407,927	5,600,268
Cash and cash equivalents end of year		3,407,927	5,600,268

Notes

1 Events after the balance sheet date

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

2 Staff costs

	2022 DKK	2021 DKK
Wages and salaries	9,345,125	8,282,884
Other social security costs	385,602	415,733
	9,730,727	8,698,617
Average number of full-time employees	11	11

	Remuneration of Management 2022 DKK	Remuneration of Management 2021 DKK
Total amount for management categories	3,387,905	3,011,260
	3,387,905	3,011,260

3 Depreciation, amortisation and impairment losses

	2022 DKK	2021 DKK
Depreciation of property, plant and equipment	402,181	337,741
	402,181	337,741

4 Other financial income

	2022 DKK	2021 DKK
Other interest income	10,090	51,356
Exchange rate adjustments	880,598	255,528
	890,688	306,884

5 Other financial expenses

	2022 DKK	2021 DKK
Other interest expenses	251,452	240,979
Exchange rate adjustments	0	(9,534)
	251,452	231,445

6 Tax on profit/loss for the year

	2022	2021
	DKK	DKK
Current tax	7,355,586	5,890,990
Change in deferred tax	10,000	48,000
Adjustment concerning previous years	0	17,951
	7,365,586	5,956,941

7 Proposed distribution of profit and loss

	2022	2021
	DKK	DKK
Ordinary dividend for the financial year	4,000,000	2,000,000
Extraordinary dividend distributed in the financial year	0	10,000,000
Retained earnings	22,082,959	8,913,650
	26,082,959	20,913,650

8 Property, plant and equipment

	Plant and machinery	Other fixtures and fittings, tools and equipment
	DKK	DKK
Cost beginning of year	2,545,127	3,381,973
Additions	95,627	33,312
Disposals	(330,958)	(629,390)
Cost end of year	2,309,796	2,785,895
Depreciation and impairment losses beginning of year	(2,253,262)	(1,927,660)
Depreciation for the year	(165,758)	(236,423)
Reversal regarding disposals	330,958	629,390
Depreciation and impairment losses end of year	(2,088,062)	(1,534,693)
Carrying amount end of year	221,734	1,251,202

9 Financial assets

	Deposits
	DKK
Cost beginning of year	1,076,721
Additions	42,561
Cost end of year	1,119,282
Carrying amount end of year	1,119,282

10 Deferred tax

	2022	2021
	DKK	DKK
Property, plant and equipment	30,000	20,000
Deferred tax	30,000	20,000

	2022	2021
	DKK	DKK
Changes during the year		
Beginning of year	20,000	(28,000)
Recognised in the income statement	10,000	48,000
End of year	30,000	20,000

11 Changes in working capital

	2022	2021
	DKK	DKK
Increase/decrease in inventories	(18,328,837)	(9,735,803)
Increase/decrease in receivables	(3,414,645)	2,335,377
Increase/decrease in trade payables etc	9,670,940	5,829,399
	(12,072,542)	(1,571,027)

12 Financial instruments

The company has signed currency futures contracts to hedge the currency risk on trade payables in USD. Currency futures contracts have been signed with Spar Nord Bank and have a maturity of 8-10 months.

13 Unrecognised rental and lease commitments

	2022	2021
	DKK	DKK
Liabilities under rental or lease agreements until maturity in total	1,607,147	1,376,304

14 Assets charged and collateral

Bank debt is secured by way of registered company charge of DKK 40,000k.

15 Related parties with controlling interest

Birk Nielsen ApS, Copenhagen owns all shares in the Entity, thus exercising control.

16 Non-arm's length related party transactions

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

17 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
Birk Nielsen ApS, Copenhagen

Accounting policies

Reporting class

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

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

Recognition and measurement

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

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

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

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

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

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value, which has been calculated as the discounted value of expected future net cash flows by using an approximate risk-free interest rate adjusted for any factors that a potential market participant would attribute value to when acquiring the instrument. Derivative financial instruments are recognised in other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging the fair value of a recognised asset or a recognised liability are recorded in the income statement together with changes in the value of the hedged asset or the hedged liability.

Income statement

Gross profit or loss

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

Revenue

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

Production costs

Production costs comprise cost of sales for the financial year, including ordinary writedown of inventories and other costs incurred to earn revenue for the financial year, including wages and salaries and amortisation, depreciation and impairment losses relating to and property, plant and equipment.

Distribution costs

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

Administrative expenses

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

Other financial income

Other financial income comprises interest income, net capital gains on payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, net capital losses on payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

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

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

Balance sheet

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Plant and machinery	3-5 years
Other fixtures and fittings, tools and equipment	3-5 years

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Inventories

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

Cost consists of purchase price plus delivery costs.

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

Receivables

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

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Deferred tax relating to retaxation of previously deducted losses in foreign subsidiaries is recognised on the basis of an actual assessment of the purpose of each subsidiary.

Operating leases

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

Other financial liabilities

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

Tax receivable or payable

Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, repayments of interest-bearing debt, payment of dividend and short-term bank loans.

Cash and cash equivalents comprise cash.