

Koki Denmark A/S

Helgeshøj Allé 22, 2630 Taastrup

CVR no. 20 24 77 03

Annual report 2022/23

Approved at the Company's annual general meeting on 8 June 2023

Chair of the meeting:


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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Koki Denmark A/S for the financial year 1 April 2022 - 31 March 2023.

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 of the Company at 31 March 2023 and of the results of the Company's operations for the financial year 1 April 2022 - 31 March 2023.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

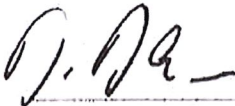
We recommend that the annual report be approved at the annual general meeting.

Taastrup,
Executive Board: 8th of June 2023



Claus Thorning Jensen

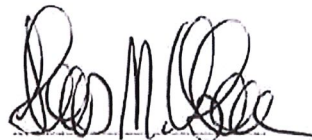
Board of Directors:



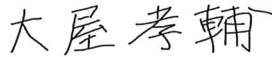
Bernd Michael Baudler
Chairman



Claus Thorning Jensen



Thomas Martin Kristensen



Kosuke Oya

Independent auditor's report

To the shareholder of Koki Denmark A/S

Opinion

We have audited the financial statements of Koki Denmark A/S for the financial year 1 April 2022 - 31 March 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including 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 financial position of the Company at 31 March 2023 and of the results of the Company's operations for the financial year 1 April 2022 - 31 March 2023 in accordance with the Danish Financial Statements Act.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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 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 as to 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 the 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.

Independent auditor's report

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 note 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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

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

Copenhagen, 8th of June 2023
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Peter Jensen
State Authorised Public Accountant
mne33246



Jacob Thøgersen
State Authorised Public Accountant
mne49102

Management's review

Company details

Name	Koki Denmark A/S
Address, Postal code, City	Helgeshøj Allé 22, 2630 Taastrup
CVR no.	20 24 77 03
Registered office	Høje-Taastrup
Financial year	1 April 2022 - 31 March 2023
Website	www.metabo.dk
E-mail	Metabo@metabo.dk

Board of Directors	Bernd Michael Baudler, Chairman Claus Thorning Jensen Thomas Martin Kristensen Kosuke Oya
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Executive Board	Claus Thorning Jensen
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Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark
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Bankers	Nordea Bank A/S
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Management's review

Business review

The Company's main activity is wholesale of electric tools imported from the Group in Germany.

Financial review

The income statement for 2022/23 shows a loss of DKK 6,227 thousand against a loss of DKK 614 thousand last year, and the balance sheet at 31 March 2023 shows equity of DKK -661 thousand.

Management considers the result for the year unsatisfying.

The company has lost its share capital in the current financial period. Management expects to re-establish the share capital through future earnings.

The company has received a letter of support from the parent company confirming that Metabowerke GmbH will provide support as necessary in order to enable the company to trade and meet its financial obligations as they fall due for a period at least twelve months from approval of the financial statements. Based on this, management has prepared the financial statements using the going concern principle.

Events after the balance sheet date

There is a planned merger between Hikoki Power Tools Denmark A/S (CVR 16597279) and Metabo Denmark A/S (CVR 20247703) with effective date 1 April 2023. The continuing company will be Metabo Denmark A/S, and as part of the expected merger, the company has changed its name to Koki Denmark A/S.

Financial statements 1 April 2022 - 31 March 2023

Income statement

Note	DKK'000	2022/23	2021/22
	Gross profit	3,801	9,753
3	Staff costs	-9,005	-10,321
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-26	-26
	Profit/loss before net financials	-5,230	-594
4	Financial income	8	0
5	Financial expenses	-5	-20
	Profit/loss before tax	-5,227	-614
6	Tax for the year	-1,000	0
	Profit/loss for the year	-6,227	-614
	Recommended appropriation of profit/loss	-6,227	-614
	Retained earnings/accumulated loss	-6,227	-614

Financial statements 1 April 2022 - 31 March 2023

Balance sheet

Note	DKK'000	2022/23	2021/22
	ASSETS		
	Fixed assets		
7	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	13	18
	Leasehold improvements	59	80
		<u>72</u>	<u>98</u>
8	Investments		
	Deposits, investments	303	303
		<u>303</u>	<u>303</u>
	Total fixed assets	<u>375</u>	<u>401</u>
	Non-fixed assets		
	Inventories		
	Finished goods and goods for resale	761	503
		<u>761</u>	<u>503</u>
	Receivables		
	Trade receivables	3,970	4,745
	Receivables from group entities	91	3,757
	Deferred tax assets	0	1,000
	Other receivables	13	35
	Prepayments	364	378
		<u>4,438</u>	<u>9,915</u>
	Cash	3	6
	Total non-fixed assets	<u>5,202</u>	<u>10,424</u>
	TOTAL ASSETS	<u>5,577</u>	<u>10,825</u>

Financial statements 1 April 2022 - 31 March 2023

Balance sheet

Note	DKK'000	2022/23	2021/22
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	502	502
	Retained earnings	-1,163	5,064
	Total equity	-661	5,566
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	425	273
	Payables to group entities	3,494	3
	Other payables	2,319	4,983
		6,238	5,259
	Total liabilities other than provisions	6,238	5,259
	TOTAL EQUITY AND LIABILITIES	5,577	10,825

- 1 Accounting policies
- 2 Events after the balance sheet date
- 9 Contractual obligations and contingencies, etc.
- 10 Related parties

Financial statements 1 April 2022 - 31 March 2023

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Total
Equity at 1 April 2022	502	5,064	5,566
Transfer through appropriation of loss	0	-6,227	-6,227
Equity at 31 March 2023	502	-1,163	-661

Management expect to re-establish the share capital through own earnings.

The Company's going concern is dependent of the parent company supports with the necessary financing and liquidity in order for the Company to realise the planned budgets for the financial year 2023/24 and onwards.

The Company has received a letter of support from the parent company, Metabowerke GmbH, which ensure to support with the necessary financial support to the Company in order to continue trading and fulfill financial obligations as they fall due for a period of at least 12 months from the approval of the financial statement.

Financial statements 1 April 2022 - 31 March 2023

Notes to the financial statements

1 Accounting policies

The annual report of Koki Denmark A/S for 2022/23 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of goods held for sale and finished goods is recognised in revenue at the time of delivery and when the risk passes to the buyer, provided that the income can be made up reliably and is expected to be received.

Revenue is measured net of all types of discounts/rebates granted. Also, revenue is stated net of VAT and other indirect taxes charged on behalf of third parties.

Gross profit

The items revenue, cost of sales, other operating income and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including re-invoicing of salaries and expenses related to group entities and gains or losses on the sale of fixed assets.

External expenses

External expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Financial statements 1 April 2022 - 31 March 2023

Notes to the financial statements

1 Accounting policies (continued)

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the Company's employees. The item is net of refunds made by public authorities.

Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

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

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, realised and unrealised capital gains and losses relating to exchange gains and losses.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Investments

Investments include deposits relating to leased premises. Investments are measured at cost.

Financial statements 1 April 2022 - 31 March 2023

Notes to the financial statements

1 Accounting policies (continued)

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost, which usually corresponds to the nominal value. An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired, in which case the carrying amount is reduced to the net realisable value.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Financial statements 1 April 2022 - 31 March 2023

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Other payables

Other payables are measured at net realisable value.

2 Events after the balance sheet date

There is a planned merger between Hikoki Power Tools Denmark A/S (CVR 16597279) and Metabo Denmark A/S (CVR 20247703) with effective date 1 April 2023. The continuing company will be Metabo Denmark A/S, and as part of the expected merger, the company has changed its name to Koki Denmark A/S.

	DKK'000	2022/23	2021/22
3	Staff costs		
	Wages/salaries	8,356	9,668
	Pensions	458	455
	Other social security costs	94	97
	Other staff costs	97	101
		<u>9,005</u>	<u>10,321</u>
	Average number of full-time employees	<u>12</u>	<u>13</u>
4	Financial income		
	Interest receivable, group entities	3	0
	Other interest income	5	0
		<u>8</u>	<u>0</u>
5	Financial expenses		
	Interest expenses, group entities	1	0
	Other interest expenses	4	13
	Other financial expenses	0	7
		<u>5</u>	<u>20</u>

Financial statements 1 April 2022 - 31 March 2023

Notes to the financial statements

6	Tax for the year			
	Deferred tax adjustments in the year		1,000	0
			1,000	0
7	Property, plant and equipment			
	DKK'000	Other fixtures and fittings, tools and equipment	Leasehold improvements	Total
	Cost at 1 April 2022	257	104	361
	Cost at 31 March 2023	257	104	361
	Impairment losses and depreciation at 1 April 2022	239	24	263
	Amortisation/depreciation in the year	5	21	26
	Impairment losses and depreciation at 31 March 2023	244	45	289
	Carrying amount at 31 March 2023	13	59	72
8	Investments			Deposits, investments
	DKK'000			
	Cost at 1 April 2022			303
	Cost at 31 March 2023			303
	Carrying amount at 31 March 2023			303
9	Contractual obligations and contingencies, etc.			
	Other contingent liabilities			
	The Company is jointly taxed with, Hikoki Power Tools A/S, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2017 onwards as well as withholding taxes on interest, royalties and dividends.			
	Other financial obligations			
	Other rent and lease liabilities:			
	DKK'000		2022/23	2021/22
	Rent and lease liabilities		4,351	3,379

Financial statements 1 April 2022 - 31 March 2023

Notes to the financial statements

10 Related parties

Koki Denmark A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Metabowerke GmbH	Germany	Participating interest

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Metabo GmbH	Germany	Metabo-Allee 1, D-72622 Nürtingen