
ECS Eurocargo Services A/S

Tongavej 19, DK-8000 Aarhus C

Annual Report for 1 January - 31 December 2021

CVR No 25 39 99 35

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
22/2 2022

Guido Dori
Chairman of the General
Meeting



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of ECS Eurocargo Services A/S for the financial year 1 January - 31 December 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 31 December 2021 of the Company and of the results of the Company operations for 2021.

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

Aarhus C, 22 February 2022

Executive Board

Christian Bleeker
Executive Officer

Board of Directors

Guido Dori
Chairman

Yekta Tunc Firat

Bernd Torsten Günter Siewers

Independent Auditor's Report

To the Shareholder of ECS Eurocargo Services A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of ECS Eurocargo Services A/S for the financial year 1 January - 31 December 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.

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

Independent Auditor's Report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional 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.

Independent Auditor's Report

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, 22 February 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Ulrik Ræbild
State Authorised Public Accountant
mne33262

Claus Damhave
State Authorised Public Accountant
mne34166

Company Information

The Company

ECS Eurocargo Services A/S
Tongavej 19
DK-8000 Aarhus C

CVR No: 25 39 99 35
Financial period: 1 January - 31 December
Incorporated: 22 May 2000
Financial year: 22nd financial year
Municipality of reg. office: Aarhus

Board of Directors

Guido Dori, Chairman
Yekta Tunc Firat
Bernd Torsten Günter Siewers

Executive Board

Christian Bleeker

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Income Statement 1 January - 31 December

	Note	2021 DKK	2020 DKK
Gross profit/loss		9.230.043	8.456.923
Staff expenses	2	-9.135.344	-7.073.449
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-209.590	-210.021
Profit/loss before financial income and expenses		-114.891	1.173.453
Income from investments in subsidiaries		3.888.620	1.507.749
Financial income		14.832	12.816
Financial expenses	3	-28.276	-47.963
Profit/loss before tax		3.760.285	2.646.055
Tax on profit/loss for the year	4	23.534	-250.486
Net profit/loss for the year		3.783.819	2.395.569

Distribution of profit

Proposed distribution of profit

Extraordinary dividend paid	6.737.288	0
Reserve for net revaluation under the equity method	2.778.079	0
Retained earnings	-5.731.548	2.395.569
	3.783.819	2.395.569

Balance Sheet 31 December

Assets

	Note	2021 DKK	2020 DKK
Other fixtures and fittings, tools and equipment		690.946	911.588
Leasehold improvements		7.539	23.987
Property, plant and equipment	5	698.485	935.575
Investments in subsidiaries	6	10.923.027	7.039.688
Fixed asset investments		10.923.027	7.039.688
Fixed assets		11.621.512	7.975.263
Trade receivables		1.518.330	1.619.402
Receivables from group enterprises		0	142.081
Receivables from associates		0	61.101
Corporation tax receivable from group enterprises		30.751	0
Prepayments		98.388	137.168
Receivables		1.647.469	1.959.752
Cash at bank and in hand		2.412.912	187.996
Currents assets		4.060.381	2.147.748
Assets		15.681.893	10.123.011

Balance Sheet 31 December

Liabilities and equity

	Note	2021 DKK	2020 DKK
Share capital		500.000	500.000
Reserve for net revaluation under the equity method		2.731.702	0
Reserve for exchange rate adjustments		0	-41.096
Retained earnings		1.123.949	6.855.497
Equity		4.355.651	7.314.401
Provision for deferred tax		53.398	62.354
Provisions		53.398	62.354
Other payables		0	446.528
Long-term debt	7	0	446.528
Trade payables		299.205	377.252
Payables to group enterprises		8.310.410	0
Payables to associates		0	683
Corporation tax		16.173	249.656
Other payables	7	2.647.056	1.672.137
Short-term debt		11.272.844	2.299.728
Debt		11.272.844	2.746.256
Liabilities and equity		15.681.893	10.123.011
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Statement of Changes in Equity

	Share capital	Reserve for net revaluation under the equity method	Reserve for exchange rate adjustments	Retained earnings	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	500.000	0	-41.096	6.855.497	7.314.401
Extraordinary dividend paid	0	0	0	-6.737.288	-6.737.288
Exchange adjustments relating to foreign entities	0	-5.281	0	0	-5.281
Transfers, reserves	0	-41.096	41.096	0	0
Net profit/loss for the year	0	2.778.079	0	1.005.740	3.783.819
Equity at 31 December	500.000	2.731.702	0	1.123.949	4.355.651

Notes to the Financial Statements

1 Key activities

The company's activities consist of control and consulting, etc. concerning agri-products.

	<u>2021</u>	<u>2020</u>
	DKK	DKK
2 Staff expenses		
Wages and salaries	8.564.092	6.619.728
Pensions	417.650	338.996
Other social security expenses	153.602	114.725
	<u>9.135.344</u>	<u>7.073.449</u>
Average number of employees	<u>13</u>	<u>12</u>
3 Financial expenses		
Interest paid to group enterprises	7.499	45.461
Other financial expenses	17.285	2.502
Exchange loss	3.492	0
	<u>28.276</u>	<u>47.963</u>
4 Tax on profit/loss for the year		
Current tax for the year	-14.578	249.656
Deferred tax for the year	-8.956	26.160
Adjustment of tax concerning previous years	0	-25.330
	<u>-23.534</u>	<u>250.486</u>

Notes to the Financial Statements

5 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost at 1 January	2.114.431	185.993
Disposals for the year	<u>-30.000</u>	<u>0</u>
Cost at 31 December	<u>2.084.431</u>	<u>185.993</u>
Impairment losses and depreciation at 1 January	1.202.843	162.006
Depreciation for the year	193.142	16.448
Reversal of impairment and depreciation of sold assets	<u>-2.500</u>	<u>0</u>
Impairment losses and depreciation at 31 December	<u>1.393.485</u>	<u>178.454</u>
Carrying amount at 31 December	<u>690.946</u>	<u>7.539</u>
Depreciated over	<u>3-10 years</u>	<u>5 years</u>
	2021 DKK	2020 DKK

6 Investments in subsidiaries

Cost at 1 January	<u>8.191.325</u>	<u>8.191.325</u>
Cost at 31 December	<u>8.191.325</u>	<u>8.191.325</u>
Value adjustments at 1 January	-1.151.637	-2.493.984
Exchange adjustment	-5.281	-41.096
Net profit/loss for the year	3.888.620	1.507.749
Dividend to the Parent Company	<u>0</u>	<u>-124.306</u>
Value adjustments at 31 December	<u>2.731.702</u>	<u>-1.151.637</u>
Carrying amount at 31 December	<u>10.923.027</u>	<u>7.039.688</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
ECS GmbH	Hamburg, Tyskland	110.000 EUR	100%
ECS SP. Z.O.O	Warszawa, Polen	100.000 PLN	100%

Notes to the Financial Statements

7 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:

	<u>2021</u> DKK	<u>2020</u> DKK
Other payables		
Between 1 and 5 years	0	446.528
Long-term part	0	446.528
Other short-term payables	2.647.056	1.672.137
	<u>2.647.056</u>	<u>2.118.665</u>

8 Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	324.492	151.787
Between 1 and 5 years	560.435	419.438
	<u>884.927</u>	<u>571.225</u>

Notes to the Financial Statements

8 Contingent assets, liabilities and other financial obligations (continued)

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Torben Herman Christensen Holding A/S, which is the management company of the joint taxation purposes. Moreover, the 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.

The Company was jointly taxed with Torben Herman Christensen Holding A/S and its subsidiaries until 22 December 2021.

In addition, the company has no contingent liabilities as per. December 31, 2021.

9 Related parties

The Company is included in the Group Annual Report of the Parent Company of the smallest and largest group:

Name	Place of registered office
Cotecna Inspection SA	Avenue Peschier 41, 1206 Genève

Notes to the Financial Statements

10 Accounting Policies

The Annual Report of ECS Eurocargo Services A/S for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021 are presented in DKK.

Consolidated financial statements

With reference to section 110 of the Danish Financial Statements Act, no consolidated financial statements are prepared.

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.

Leases

All 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.

Notes to the Financial Statements

10 Accounting Policies (continued)

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.

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

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.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, expenses for raw materials and consumables and other external expenses.

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

10 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, including gains and losses on the sale of intangible assets and property, plant and equipment.

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 are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

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

The Company is jointly taxed with with the Group's other Danish companies. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance Sheet

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	3-10	years
Leasehold improvements	5	years

Depreciation period and residual value are reassessed annually.

Notes to the Financial Statements

10 Accounting Policies (continued)

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, the asset is written down to its lower recoverable amount.

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.

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.

Receivables

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

Prepayments

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

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes 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 within the same legal tax entity.

Notes to the Financial Statements

10 Accounting Policies (continued)

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. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

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