



Belmaflex A/S

Fyrrevænget 5
3520 Farum
CVR No. 25645316

Annual report 01.10.2020 - 30.09.2021

The Annual General Meeting adopted the
annual report on 03.02.2022

Jacob Mou
Conductor

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Entity details

Entity

Belmaflex A/S
Fyrrevænget 5
3520 Farum

Business Registration No.: 25645316
Registered office: Furesø
Financial year: 01.10.2020 - 30.09.2021

Board of Directors

Jacob Mou, Chairman
Martin Schousboe
Henrik Mou
Christian Mou

Executive Board

Christian Mou, Managing director

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Dokken 8
6701 Esbjerg

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Belmaflex A/S for the financial year 01.10.2020 - 30.09.2021.

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 30.09.2021 and of the results of its operations for the financial year 01.10.2020 - 30.09.2021.

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.

Farum, 03.02.2022

Executive Board

Christian Mou
Managing director

Board of Directors

Jacob Mou
Chairman

Martin Schousboe

Henrik Mou

Christian Mou

Independent auditor's report

To the shareholders of Belmaflex A/S

Opinion

We have audited the financial statements of Belmaflex A/S for the financial year 01.10.2020 - 30.09.2021, which comprise the income statement, balance sheet, statement of changes in equity 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 30.09.2021 and of the results of its operations for the financial year 01.10.2020 - 30.09.2021 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.

Esbjerg, 03.02.2022

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Mikael Grosbøl

State Authorised Public Accountant
Identification No (MNE) mne33707

Management commentary

Primary activities

The main activities consist of designing, processing, production and sales of plastic parts.

Development in activities and finances

The financial year 2020/21 turned out to be satisfying for Belmaflex A/S. Profit for the year 2020/21 is 7,916k DKK.

The operational outlook for 2021/22 will be dominated by stabilizing production and sales, securing new areas of revenue and a continued alignment of our services and product program towards market leaders within the customer base.

A financial projection of the current market conditions and price levels will allow Belmaflex to realize a positive net result for 2021/22 and a return to solid and sound profitability.

Income statement for 2020/21

	Notes	2020/21 DKK	2019/20 DKK
Gross profit/loss		1,121,625	940,458
Staff costs	1	(1,303,985)	(1,194,801)
Operating profit/loss		(182,360)	(254,343)
Income from investments in group enterprises		8,026,115	1,853,007
Other financial income	2	98,773	197,142
Other financial expenses	3	(57,573)	(351,945)
Profit/loss before tax		7,884,955	1,443,861
Tax on profit/loss for the year	4	31,000	90,000
Profit/loss for the year		7,915,955	1,533,861
Proposed distribution of profit and loss			
Ordinary dividend for the financial year		7,000,000	0
Retained earnings		915,955	1,533,861
Proposed distribution of profit and loss		7,915,955	1,533,861

Balance sheet at 30.09.2021

Assets

	Notes	2020/21 DKK	2019/20 DKK
Investments in group enterprises		25,394,060	17,825,777
Financial assets	5	25,394,060	17,825,777
Fixed assets		25,394,060	17,825,777
Trade receivables		398,253	197,359
Receivables from group enterprises		3,194,862	3,233,962
Other receivables		29,835	0
Joint taxation contribution receivable		31,000	114,000
Receivables		3,653,950	3,545,321
Cash		90,940	111,882
Current assets		3,744,890	3,657,203
Assets		29,138,950	21,482,980

Equity and liabilities

	Notes	2020/21 DKK	2019/20 DKK
Contributed capital		3,000,000	3,000,000
Reserve for net revaluation according to the equity method		6,082,386	5,514,103
Retained earnings		12,202,820	12,312,980
Proposed dividend		7,000,000	0
Equity		28,285,206	20,827,083
Other payables		101,391	101,391
Non-current liabilities other than provisions	6	101,391	101,391
Bank loans		9,729	12,443
Trade payables		460,772	0
Other payables		281,852	542,063
Current liabilities other than provisions		752,353	554,506
Liabilities other than provisions		853,744	655,897
Equity and liabilities		29,138,950	21,482,980
Unrecognised rental and lease commitments	7		
Contingent liabilities	8		
Group relations	9		

Statement of changes in equity for 2020/21

	Contributed capital DKK	Reserve for net revaluation according to the equity method DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	3,000,000	5,514,103	12,312,980	0	20,827,083
Exchange rate adjustments	0	(457,832)	0	0	(457,832)
Profit/loss for the year	0	1,026,115	(110,160)	7,000,000	7,915,955
Equity end of year	3,000,000	6,082,386	12,202,820	7,000,000	28,285,206

Notes

1 Staff costs

	2020/21	2019/20
	DKK	DKK
Wages and salaries	1,201,172	1,087,997
Pension costs	97,200	93,000
Other social security costs	5,613	13,804
	1,303,985	1,194,801
Average number of full-time employees	1	1

2 Other financial income

	2020/21	2019/20
	DKK	DKK
Financial income from group enterprises	58,860	0
Other interest income	0	8,195
Exchange rate adjustments	39,913	188,947
	98,773	197,142

3 Other financial expenses

	2020/21	2019/20
	DKK	DKK
Other interest expenses	2,942	1,135
Exchange rate adjustments	53,401	350,463
Other financial expenses	1,230	347
	57,573	351,945

4 Tax on profit/loss for the year

	2020/21 DKK	2019/20 DKK
Current tax	0	(114,000)
Adjustment concerning previous years	0	24,000
Refund in joint taxation arrangement	(31,000)	0
	(31,000)	(90,000)

5 Financial assets

	Investments in group enterprises DKK
Cost beginning of year	12,311,674
Cost end of year	12,311,674
Revaluations beginning of year	5,514,103
Exchange rate adjustments	(457,832)
Share of profit/loss for the year	7,995,110
Other adjustments	31,005
Revaluations end of year	13,082,386
Carrying amount end of year	25,394,060

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
Belmaflex Polska Sp. z o.o.	Poland	Sp. z o.o.	99

6 Non-current liabilities other than provisions

	Due after more than 12 months 2020/21 DKK
Other payables	101,391
	101,391

7 Unrecognised rental and lease commitments

	2020/21 DKK	2019/20 DKK
Liabilities under rental or lease agreements until maturity in total	24,482	41,288

8 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Mou Holding A/S serves as the

administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

9 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Mou Holding A/S, Lyngby-Taarbæk.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

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

Consolidated financial statements

Referring to section 110 in the Danish Financial Statements Act, no consolidated financial statements have been prepared.

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.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods, other operating income, cost of raw materials and consumables and external expenses.

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.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary writedowns of the relevant inventories.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies.

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 Mou Fusion ApS and all Danish group enterprises. 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**Investments in group enterprises**

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus or minus unrealised intra-group profits or losses. Refer to the above section on business combinations for more details about the accounting policies used on acquisitions of investments in group enterprises.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Receivables

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

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Cash

Cash comprises 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.

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.