



*Revisionsfirmaet Bayer*

## **Modiform Nordic A/S**

Holkebjergvej 74, Højme  
5250 Odense SV

### **Financial Statements for 2020**

Approved at the shareholders meeting, 15/3/ 2021

Chair

*Benediktus van Hengden*



## Company information

### **The Company**

Modiform Nordic A/S  
c/o Rosgaard Plants A/S  
Holkebjergvej 74, Højme  
5250 Odense SV

CVR-nr.: 27 56 01 64  
Financial year: 1 January – 31 December  
Municipality of registration: Odense kommune

### **Bestyrelse Board of directors**

Peter Linthorst  
Benedictus van Heugten  
Jan van Brummelen  
Cees Groothuis  
John van der Maarel

### **Direktion Executive board**

Peter Linthorst  
Benedictus van Heugten

### **Auditor**

Revisionsfirmaet Bayer  
Statsautoriseret revisionsanpartsselskab  
Prøvestensvej 19  
3450 Allerød



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# Management's Statement on the Annual Report

The Board of Directors and the management have today presented the Annual Report of Modiform Nordic A/S for 2020.

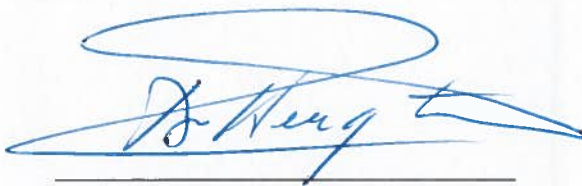
The Annual Report is prepared in accordance with the Danish Financial Statements Act

We consider the accounting policies applied appropriate, and in our opinion the Annual Report gives a true and fair view of the financial position of the Company per 31 December 2020 and the result of its operations during 2020.


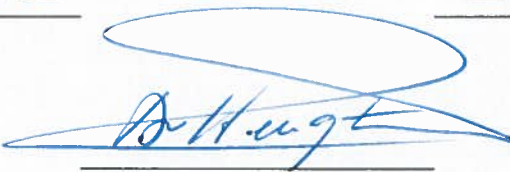
We recommend to the shareholders meeting adopting the Annual Report.

Odense, 5 March 2021

## Management

  
Peter Linthorst  
direktør  
Benedictus van Heugten  
direktør

## Board of directors

  
Peter Linthorst  
Cees Groothuis  
Benedictus van Heugten  
Jan van Brummelen  
John van der Maarel



## Management's review

The Annual Accounts for Modiform Nordic A/S for 2020 have been prepared and are presented in accordance with the regulations for class B entities in the Danish Financial Statements Act with specific additions from the regulations for class C entities.

### **Substantial activities of the company**

The company earns its revenue from marketing the products of the parent company and related products from other vendors in the Scandinavian market.

### **Development in 2020**

In the year 2020, the coronavirus is discovered in Europe, the whole world suddenly faces a pandemic. The parent company suffered the consequences of the pandemic particularly in March and April of 2020, the remaining months of 2020 were reasonably positive. Despite the uncertainties of Covid-19, the parent company was able to successfully continue operations in 2020.

The parent company is in the process of financing a piece of land in late 2020 and early 2021, with which the parent company can build a new distribution centre in 2025. This is why Modiform Nordic's outstanding receivables have increased enormously.

Modiform Nordic A/S experienced little financial impact from the pandemic.

Turnover in 2020 has increased significantly.

There is uncertainty at Modiform Nordic A/S about the outstanding receivables, it is essential that the receivables are settled in order to successfully continue operations in 2021.

### **Events after year end**

No events which we consider having substantial influence on the evaluation of the Financial Statements have occurred after the year end.

### **Expected development during the coming year**

The impact of the pandemic on Modiform Nordic has proved minimal. It is therefore expected that Modiform Nordic A/S will be able to further expand sales in 2021.

To achieve this, Modiform Nordic A/S hired a new employee in November 2020.

In 2021 Modiform Nordic A/S will set a target to reduce outstanding receivables in order to have more liquidity available.



# The independent auditor's report

To the shareholders of Modiform Nordic A/S

## Opinion

We have audited the Financial Statements of Modiform Nordic A/S for the financial year 1 January to 31 December 2020, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies, for the company. 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 company's financial position at 31 December 2020 and of the results of the company's operations for the financial year 1 January to 31 December 2020 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 are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Material uncertainty about going concern assumption.

Referring to the section *Uncertainty of the conditions for the operation during 2021* of Note 1 to the accounts and the description in the section *Development in 2020* of the management's review on page 5, it is vital for the continuing of the operation in 2021 and thereby for the going concern assumption of the Financial Statements, that payments reduce the debt of the parent company as soon as possible.

## 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 in its entirety is 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 of accounting information taken based on these Financial Statements.

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

# The independent auditor's report

fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

## Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that 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 Management's Review.

Allerød, 5 March 2021

## Revisionsfirmaet Bayer ApS

statsautoriseret revisionsvirksomhed

CVR nr. 15 20 25 80

Hans Christian Bayer

State Authorized Public Accountant (Denmark)

mne 2747









# Income statement

1 January – 31 December

	Note	2020 €	2019 €
<b>Gross profit</b>	2	129.577	59.923
Staff costs	3	- 69.546	- 63.823
<b>Profit before finance</b>		60.031	3.900
Financial income		115	17
Financial costs		0	- 35
<b>Profit before tax</b>		60.146	- 3.918
Income tax	4	- 13.732	854
<b>Net result</b>		<b>46.414</b>	<b>- 3.064</b>
Proposed distribution of profits:			
Proposed dividend		33.469	0
To be carried forward		12.945	- 3.064
		<b>46.414</b>	<b>- 3.064</b>



# Balance

31 December

## Assets

	Note	2020 €	2019 €
<b>Fixed assets</b>		<b>0</b>	<b>0</b>
Receivables from related entities	1	98.828	44.376
Deferred Tax asset		0	854
Other debtors	5	1.630	1.779
Prepaid expenses		642	2.755
<b>Debtors</b>		<b>101.100</b>	<b>49.764</b>
<b>Cash and cash equivalents</b>		<b>94.139</b>	<b>77.024</b>
<b>Current assets</b>		<b>195.239</b>	<b>126.788</b>
<b>Assets</b>		<b>195.239</b>	<b>126.788</b>



## Liabilities

	Note	2020 €	2019 €
Share capital		67.211	66.937
Retained profit		50.247	37.712
Proposed dividend		33.605	0
<b>Equity</b>		<b>151.063</b>	<b>104.649</b>
Trade creditors		10.626	9.954
Accrued company tax		12.874	0
Other creditors		20.676	12.185
<b>Liabilities</b>	6	<b>44.176</b>	<b>22.139</b>
<b>Total Equity and liabilities</b>		<b>195.239</b>	<b>126.788</b>



## Equity specification

The equity and changes therein are specified as follows:

	<u>Year start</u>	<u>Profit distribution</u>	<u>Year end</u>
Share capital	66.937	274	67.211
Retained profit	37.712	12.535	50.247
Proposed dividend	<u>0</u>	<u>33.605</u>	<u>33.605</u>
	<u>104.649</u>	<u>46.414</u>	<u>151.063</u>



# Notes

## Note 1 Basis of accounting

The Financial Statements for Modiform Nordic A/S for 2020 have been prepared and are presented in accordance with the regulations for class B entities in the Danish Financial Statements Act with specific additions from the regulations for class C entities.

### Recognition and measurement

The company overall uses the generally accepted accounting principles as described in the Financial Statements Act.

Specific items are measured and recognized in the income statement and the balance as described below.

### Foreign Currency Translation

Transactions in foreign currencies are translated to EUR at the rate of the transaction date. Balance items in foreign currency are translated at the rate of the balance date.

### Uncertainty about conditions for the operations during the coming year.

It is uncertain for Modiform Nordic A/S when the outstanding claims will be paid, this will be essential for the continuation of Modiform Nordic A/S's operations. The activities of Modiform BV have resulted in the claims of Modiform Nordic A/S increasing significantly and even continuing to increase in the coming months. Modiform Nordic A/S has only one customer and that is Modiform BV. Despite this, Modiform Nordic A/S is confident that it has enough resources to cope with these circumstances until such time that Modiform BV will have finances available to reduce the receivables.

## Note 2 Gross profit

In accordance with section 32 of the Financial Statements Act the management has decided not to disclose the revenue, cost of sales and other external expenses but only a total of these as Gross Profit.

Revenue from commissions is recognized in the income statement when deliveries of the goods in the underlying contract have been made and the risk of the goods transferred to the customer.

## Note 3 Staff costs

	2020 €	2019 €
Salaries	69.037	63.367
Pension contributions	0	0
Social security costs	509	456
	69.546	63.823
Number of full-time employees	1,1	1



# Notes

## Note 4 Income tax

	2020 €	2019 €
Tax of this year's income	- 12.878	0
Changes in deferred tax	- 854	854
	- 13.732	854

The tax for the year consists of the tax of the taxable income and the change in the deferred tax. The tax relating to the result for the year is included in the profit and loss account, whereas the tax relating to equity entries is recognized directly in the equity.

## Note 5 Other debtors

	2020 €	2019 €
VAT receivable	1.630	1.779

## Note 6 Liabilities

No part of the liabilities is due after one year.