



Midform Holding ApS

Fjordvej 116
6000 Kolding
CVR No. 28118996

Annual report 01.10.2022 - 30.09.2023

The Annual General Meeting adopted the annual
report on 29.12.2023

Claus Hansson
Chairman of the General Meeting

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Entity details

Entity

Midform Holding ApS

Fjordvej 116

6000 Kolding

Business Registration No.: 28118996

Registered office: Kolding

Financial year: 01.10.2022 - 30.09.2023

Board of Directors

Steven Scott McPartlin

Claus Hansson

Executive Board

Claus Hansson

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Egtved Allé 4

6000 Kolding

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Midform Holding ApS for the financial year 01.10.2022 - 30.09.2023.

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 30.09.2023 and of the results of its operations for the financial year 01.10.2022 - 30.09.2023.

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.

Kolding, 29.12.2023

Executive Board

Claus Hansson

Board of Directors

Steven Scott McPartlin

Claus Hansson

Independent auditor's extended review report

To the shareholders of Midform Holding ApS

Conclusion

We have performed an extended review of the financial statements of Midform Holding ApS for the financial year 01.10.2022 - 30.09.2023, 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.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.09.2023 and of the results of its operations for the financial year 01.10.2022 - 30.09.2023 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting 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 extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of Management and, if appropriate, of other entity

personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

Statement on the management commentary

Management is responsible for the management commentary.

Our conclusion 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 extended review 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 extended review 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 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.

Kolding, 29.12.2023

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Lars Bjerregaard Nielsen

State Authorised Public Accountant

Identification No (MNE) mne29393

Management commentary

Primary activities

The operating activities of the Midform Group comprises development, production and sale of high grade moulded plywood components and solutions to the contract furniture market as well as residential segments. Until February 2020 the Group also produced and sold advanced ergonomic height adjustable tables.

Events after the balance sheet date

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

Income statement for 2022/23

	Notes	2022/23 DKK	2021/22 DKK
Gross profit/loss		(387,163)	(451,605)
Staff costs	1	(1,509,718)	(1,220,207)
Depreciation, amortisation and impairment losses	2	0	(125,931)
Operating profit/loss		(1,896,881)	(1,797,743)
Income from investments in group enterprises		(2,584,364)	(1,422,946)
Other financial income	3	453,876	357,654
Financial expenses from group enterprises		(4,036,523)	(6,627,015)
Other financial expenses	4	(59,983)	(30,204)
Profit/loss before tax		(8,123,875)	(9,520,254)
Tax on profit/loss for the year	5	281,673	323,345
Profit/loss for the year		(7,842,202)	(9,196,909)
Proposed distribution of profit and loss			
Retained earnings		(7,842,202)	(9,196,909)
Proposed distribution of profit and loss		(7,842,202)	(9,196,909)

Balance sheet at 30.09.2023

Assets

	Notes	2022/23 DKK	2021/22 DKK
Completed development projects		0	0
Intangible assets	6	0	0
Other fixtures and fittings, tools and equipment		0	0
Property, plant and equipment	7	0	0
Investments in group enterprises		0	2,388,514
Other investments		36,354,932	34,360,713
Financial assets	8	36,354,932	36,749,227
Fixed assets		36,354,932	36,749,227
Trade receivables		607,476	270,958
Receivables from group enterprises		8,491,347	9,217,035
Deferred tax	9	747,789	418,941
Other receivables		1,954,910	1,778,355
Prepayments		43,006	38,781
Receivables		11,844,528	11,724,070
Cash		112,495	1,252,709
Current assets		11,957,023	12,976,779
Assets		48,311,955	49,726,006

Equity and liabilities

	Notes	2022/23 DKK	2021/22 DKK
Contributed capital		125,000	125,000
Retained earnings		39,485,960	47,328,162
Equity		39,610,960	47,453,162
Payables to group enterprises		6,230,897	0
Deferred income		2,011,500	2,011,500
Non-current liabilities other than provisions	10	8,242,397	2,011,500
Trade payables		111,622	84,936
Payables to owners and management		16,006	0
Other payables		330,970	176,408
Current liabilities other than provisions		458,598	261,344
Liabilities other than provisions		8,700,995	2,272,844
Equity and liabilities		48,311,955	49,726,006
Contingent liabilities	11		
Assets charged and collateral	12		

Statement of changes in equity for 2022/23

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	125,000	47,328,162	47,453,162
Profit/loss for the year	0	(7,842,202)	(7,842,202)
Equity end of year	125,000	39,485,960	39,610,960

Notes

1 Staff costs

	2022/23	2021/22
	DKK	DKK
Wages and salaries	1,182,984	915,738
Pension costs	315,000	289,275
Other social security costs	11,734	7,664
Other staff costs	0	7,530
	1,509,718	1,220,207
Average number of full-time employees	2	1

2 Depreciation, amortisation and impairment losses

	2022/23	2021/22
	DKK	DKK
Amortisation of intangible assets	0	4,169
Depreciation of property, plant and equipment	0	121,762
	0	125,931

3 Other financial income

	2022/23	2021/22
	DKK	DKK
Financial income from group enterprises	448,528	256,660
Other interest income	5,069	4,325
Exchange rate adjustments	279	96,669
	453,876	357,654

4 Other financial expenses

	2022/23	2021/22
	DKK	DKK
Other interest expenses	158	30,204
Exchange rate adjustments	59,825	0
	59,983	30,204

5 Tax on profit/loss for the year

	2022/23	2021/22
	DKK	DKK
Change in deferred tax	(328,848)	(323,345)
Refund in joint taxation arrangement	47,175	0
	(281,673)	(323,345)

6 Intangible assets

	Completed development projects DKK
Cost beginning of year	50,167
Cost end of year	50,167
Amortisation and impairment losses beginning of year	(50,167)
Amortisation and impairment losses end of year	(50,167)
Carrying amount end of year	0

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	1,825,708
Cost end of year	1,825,708
Depreciation and impairment losses beginning of year	(1,825,708)
Depreciation and impairment losses end of year	(1,825,708)
Carrying amount end of year	0

8 Financial assets

	Investments in group enterprises DKK	Other investments DKK
Cost beginning of year	18,036,775	34,360,713
Additions	0	1,994,219
Cost end of year	18,036,775	36,354,932
Impairment losses beginning of year	(15,648,261)	0
Share of profit/loss for the year	(2,575,541)	0
Investments with negative equity value depreciated over receivables	187,027	0
Impairment losses end of year	(18,036,775)	0
Carrying amount end of year	0	36,354,932

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
Midform A/S	Middelfart	A/S	100.00
TableAir Holding ApS	Kolding	ApS	100.00

9 Deferred tax

	2022/23	2021/22
	DKK	DKK
Intangible assets	704,968	361,847
Property, plant and equipment	42,821	57,094
Deferred tax	747,789	418,941

Changes during the year	2022/23	2021/22
	DKK	DKK
Beginning of year	418,941	95,596
Recognised in the income statement	328,848	323,345
End of year	747,789	418,941

10 Non-current liabilities other than provisions

	Due after more than 12 months
	2022/23
	DKK
Payables to group enterprises	6,230,897
Deferred income	2,011,500
	8,242,397

11 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where C. Hansson Holding ApS 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.

As part of the share sales transaction in 2019/20, the company has issued normal guarantees. None of them are expected to be realized.

12 Assets charged and collateral

Bank debt is secured by way of a pledge in equity holdings and dividend receivable in two subsidiaries. The carrying amount of equity holdings and dividends pledged amounts to DKK 0 in total.

The Company has issued a guarantee of payment concerning Midform A/S' bank and mortgage debt. The debt per 30.09.2023 is DKK 224.

Bank debt is secured by way of a company pledge with security in an all-moneys mortgage of DKK 15,500k comprising unsecured debt from sale of goods and services, inventories of raw materials, semi-manufactured goods and finished goods, fixtures and fittings etc. and operating equipment as well as goodwill, domain names and intellectual rights.

The carrying amount of other fixtures and fittings, etc. pledged is DKK 0.

The carrying amount of receivables from group enterprises is DKK 8.726k.

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 of 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.

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.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in the translation reserve in equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are recognised directly in the translation reserve in equity.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognised under other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging future transactions are recognised directly in equity. When the hedged transactions are realised, the accumulated changes are recognised as part of cost of the relevant financial statement items.

Income statement

Gross profit or loss

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

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

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.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

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 dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Financial expenses from group enterprises

Financial expenses from group enterprises comprise interest expenses etc. from payables to group enterprises.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and 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 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**Intellectual property rights etc.**

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 2-5 years.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are

measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

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. For self-constructed assets, cost comprises direct and indirect costs of materials, components, subsuppliers and labour costs. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

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
Other fixtures and fittings, tools and equipment	3-10 years

Estimated useful lives and residual values are reassessed annually.

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

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.

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 in equity.

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

Other investments

Other investments comprise unlisted equity investments measured at the lower of cost and net realisable value.

Receivables

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

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.

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.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

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.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.