CHRISTENSEN
KJÆRULFF
PERSONLIGT ENGAGEMENT

STATSAUTORISERET
REVISIONSAKTIESELSKAB

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Hollingsworth Pack ApS

Øster Søgade 22 1. sal, 1357 København K

Company reg. no. 28 89 76 77

Annual report

1 January - 31 December 2019

The annual report was submitted and approved by the general meeting on the 20 August 2020.

Joe Scott Hollingsworth
Chairman of the meeting

Contents

Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

Management's report

Today, the executive board has presented the annual report of Hollingsworth Pack ApS for the financial year 1 January - 31 December 2019.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2019 and of the company's results of activities in the financial year 1 January – 31 December 2019.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

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

København K, 19 August 2020

Executive board

Joe Scott Hollingsworth

Neal Scott Hollingsworth

Independent auditor's report

To the shareholder of Hollingsworth Pack ApS

Opinion

We have audited the financial statements of Hollingsworth Pack ApS for the financial year 1 January - 31 December 2019, which comprise accounting policies, income statement, statement of financial position and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2019 and of the results of the company's activities for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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 international standards on auditing, 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 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 the 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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on and the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 19 August 2020

Christensen Kjærulff

Company reg. no. 15 91 56 41

Peter Lund
State Authorised Public Accountant
mne19771

Company information

The company	Hollingsworth Pack ApS Øster Søgade 22 1. sal 1357 København K	
	Phone	40 70 03 01
	Web site	www.holl-pack.com
	Company reg. no.	28 89 76 77
	Established:	1 July 2005
	Domicile:	Copenhagen
	Financial year:	1 January - 31 December
Executive board	Joe Scott Hollingsworth Neal Scott Hollingsworth	
Auditors	Christensen Kjærulff Statsautoriseret Revisionsaktieselskab Store Kongensgade 68 1264 København K	
Bankers	Bank Nordik, Amager Landevej 56, 2770 Kastrup	
Parent company	Hollingsworth-Pack Corporation	
Associated enterprise	KBHBase ApS, København	

The principal activities of the company

Like previous years, the principal activities are consulting in construction and related activities.

Development in activities and financial matters

The gross loss for the year totals DKK -865.000 against DKK 3.255.000 last year. Income or loss from ordinary activities after tax totals DKK -930.000 against DKK 2.586.000 last year. Management considers the net profit or loss for the year unsatisfactory.

Events occurring after the end of the financial year

The company faces challenges and financial risks due to the Corona / COVID-19 crisis.

The Corona virus / COVID-19 has or may have a significant impact on the company, among other things because of the recommendations and orders given by the political team. Given the major uncertainty the Corona virus / COVID-19 has created and the uncertainty about the duration of the situation, it is currently not possible to make a reasonable assessment of the financial consequences of the Corona crisis. On the same basis, it is not possible to express a sufficiently secure expectation of the company's revenue and profit before tax.

For the moment, however, management believes that the company has the necessary liquidity and credit facilities to continue its operations.

Income statement 1 January - 31 December

All amounts in DKK.

Note		2019	2018
	Gross loss	**-864.681**	**3.255.433**
	Depreciation and impairment of equipment	-1.059	-1.587
	Operating profit	**-865.740**	**3.253.846**
	Income from equity investment in associate	-45.599	0
	Other financial income	17.891	81.575
1	Other financial costs	-36.715	-17.233
	Pre-tax net profit or loss	**-930.163**	**3.318.188**
2	Tax on net profit or loss for the year	233	-732.460
	Net profit or loss for the year	**-929.930**	**2.585.728**
	Proposed appropriation of net profit:		
	Extraordinary dividend adopted during the financial year	0	2.350.000
	Transferred to retained earnings	0	235.728
	Allocated from retained earnings	-929.930	0
	Total allocations and transfers	**-929.930**	**2.585.728**

Statement of financial position at 31 December

All amounts in DKK.

Note	Assets	2019	2018
	Non-current assets		
3	Other fixtures and fittings, tools and equipment	0	1.059
	Total property, plant, and equipment	0	1.059
4	Equity investments in associate	0	0
	Receivables from associates	51.401	97.000
	Deposits	3.278	3.278
	Total investments	54.679	100.278
	Total non-current assets	**54.679**	**101.337**
	Current assets		
	Trade receivables	1.078.871	3.215.263
	Receivables from associates	9.546	0
	Income tax receivables	166.000	44.410
	Other receivables	140.470	127.147
	Prepayments and accrued income	499	1.648
	Total receivables	1.395.386	3.388.468
	Cash on hand and demand deposits	1.251.135	858.408
	Total current assets	**2.646.521**	**4.246.876**
	Total assets	**2.701.200**	**4.348.213**

Statement of financial position at 31 December

All amounts in DKK.

Note	Equity and liabilities	2019	2018
	Equity		
5	Contributed capital	125.000	125.000
6	Retained earnings	1.573.164	2.503.094
	Total equity	**1.698.164**	**2.628.094**
	Provisions		
	Provisions for deferred tax	0	233
	Total provisions	**0**	**233**
	Liabilities other than provisions		
	Trade payables	570.444	516.268
	Payables to group enterprises	498	0
	Other payables	145.547	796.795
	Accruals and deferred income	286.547	406.823
	Total short term liabilities other than provisions	1.003.036	1.719.886
	Total liabilities other than provisions	**1.003.036**	**1.719.886**
	Total equity and liabilities	**2.701.200**	**4.348.213**

Notes

All amounts in DKK.

		2019	2018
1.	**Other financial costs**		
	Other financial costs	36.715	17.233
		36.715	**17.233**

2.	**Tax on net profit or loss for the year**		
	Tax on net profit or loss for the year	0	755.634
	Adjustment of deferred tax for the year	-233	-23.220
	Adjustment of tax for previous years	0	90
	Calculated addition	0	-44
		-233	**732.460**

3.	**Other fixtures and fittings, tools and equipment**		
	Cost 1 January	70.080	70.080
	Cost 31 December	**70.080**	**70.080**
	Depreciation and writedown 1 January	-69.021	-67.434
	Amortisation and depreciation for the year	-1.059	-1.587
	Depreciation and writedown 31 December	**-70.080**	**-69.021**
	Carrying amount, 31 December	**0**	**1.059**

All amounts in DKK.

	31/12 2019	31/12 2018
4. Equity investments in associate		
Cost 1 January	51.802	51.802
Cost 31 December	**51.802**	**51.802**
Revaluation, opening balance 1 January	-51.802	-51.802
Net profit or loss for the year before amortisation of goodwill	-45.599	11.747
Correction of negative equity	0	-11.747
31 December	**-97.401**	**-51.802**
Offset against receiveables	45.599	0
Set off against debtors and provisions for liabilities	**45.599**	**0**
Carrying amount, 31 December	**0**	**0**

Financial highlights for the enterprise according to the latest approved annual report

	Equity interest	Equity DKK	Results for the year DKK	Carrying amount, Hollingsworth Pack ApS DKK
KBHBase ApS, København	25 %	-350.281	-182.396	0
		-350.281	**-182.396**	**0**

5. Contributed capital		
Contributed capital 1 January	125.000	125.000
	125.000	**125.000**

6. Retained earnings		
Retained earnings 1 January	2.503.094	2.267.366
Retained earnings for the year	-929.930	235.728
Extraordinary dividend adopted during the financial year	0	2.350.000
Distributed extraordinary dividend adopted during the financial year	0	-2.350.000
	1.573.164	**2.503.094**

Accounting policies

The annual report for Hollingsworth Pack ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of transaction. Exchange rate differences arising between the rate at the date of transaction and the rate at the date of payment are recognised in the income statement as an item under net financials.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Translation adjustment of balances with foreign group enterprises considered part of the total investment in group enterprises are recognised directly in equity. Likewise, foreign exchange gains and losses on loans and derivatives for the currency hedging of independent foreign group enterprises are recognised directly in equity.

Income statement

Gross loss

Gross loss comprises the revenue, work performed for own account and capitalised, and external costs.

Revenue comprises the value of services provided during the year, including outlay for customers less VAT and price concessions directly associated with the sale.

Revenue is recognised in the income statement on the completion of sales. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- A binding sales agreement exists
- The sales price has been determined
- Payment has been received, or is anticipated with a reasonable degree of certainty.

This ensures that recognition does not take place until the total income and costs and stage of completion at the reporting date can be reliably validated and it seems probable that the economic benefits, including payments, will flow to the enterprise.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs incurred for administration and premises.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities. Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

Results from equity investment in associate

After full elimination of intercompany profit or loss less amortised of consolidated goodwill, the equity investment in the associate is recognised in the income statement as a proportional share of the associates' post-tax profit or loss.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately when the useful lives of each individual components differ.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-5 years	0-20 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible assets as well as equity investments in subsidiaries and associates are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation, respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow derived from the use of the asset or group of assets.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Investments

Equity in associate

Equity in associate recognised in the statement of financial position as a proportional share of the enterprise's equity value. This is calculated on the basis of the accounting policies of the parent less/plus unrealised intercompany profits and losses, and less/plus residual value of positive or negative goodwill measured by applying the purchase method.

Associate with negative equity are recognised at no value and, to the extent they are considered irrevocable, amounts owed by these companies are made subject to impairment by the parent's share of the equity. If the negative equity exceeds the receivables, the residual amount is recognised under liability provisions to the extent that the parent has a legal or actual liability to cover the negative equity of these subsidiaries.

To the extent the equity exceeds the cost, the net revaluation of equity investment in associate is transferred to the reserve under equity for net revaluation according to the equity method. The reserve is adjusted by other equity movements in associate.

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

Profit or loss in connection with the disposal of associate are measured as the difference between the sales amount and the carrying amount of net assets at the time of sale, inclusive of remaining consolidated goodwill and expected costs of sale or liquidation. Profit and loss are recognised in the income statement under net financials.

For the acquisition of new group enterprises, the purchase method is applied, by which the acquirees' assets and liabilities are measured at fair value at the time of acquisition. Provisions for payment of costs for pre-determined restructuring activities in the acquirees in relation to the acquisition are recognised. The tax effect of revaluations is taken into consideration.

Positive differences (goodwill) between cost and fair value of identifiable acquired assets and liabilities, inclusive of liability provisions for restructuring, are recognised under equity investment in associate and is amortised over their estimated useful economic life. The useful life is determined on the basis of management's experience in the individual business areas. The amortisation period is maximum 20 years, being the longer for strategical acquirees with a strong market position and a longterm earnings potential. The carrying amount of goodwill is subject to impairment tests on a continuing basis and written down in the income statement in those cases when the carrying amount exceeds the expected future net income from the enterprise or the activity to which the goodwill is attached.

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Income tax and deferred tax

Current tax receivables and tax liabilities are recognised in the statement of financial position with the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivables and tax liabilities are offset to the extent that a legal right of set-off exists and the items are expected to be settled net or simultaneously.

Deferred tax is tax on all temporary differences in the carrying amount and tax base of assets and liabilities measured on the basis of the planned application of the asset and disposal of the liability, respectively.

Deferred tax assets, including the tax value of tax losses eligible for carryforward, are recognised at their expected realisable value, either by settlement against tax of future earnings or by setoff in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisation value.

Deferred tax is measured on the basis of the tax rules and tax rates of applicable legislation at the reporting date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities other than provisions

Other liabilities other than provisions are measured at amortised cost which usually corresponds to the nominal value.

Accruals and deferred income

Payments received concerning future income are recognised under accruals and deferred income.

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2020-08-20 09:39:56Z
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Direktør
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2020-08-24 05:02:03Z
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Peter Lund
Statsautoriseret revisor
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2020-08-24 06:57:00Z
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Dirigent
Serienummer: PID:9208-2002-2-971208438761
IP: 77.241.xxx.xxx
2020-08-25 07:45:59Z
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