
Kent Industri Danmark ApS

Bjergvangen 5 D, DK-3060 Espergærde

Annual Report for 1 April 2019 - 31 March 2020

CVR No 29 63 85 94

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
4 /6 2020

Reiner Echhardt
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 Kent Industri Danmark ApS for the financial year 1 April 2019 - 31 March 2020.

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 March 2020 of the Company and of the results of the Company operations for 2019/20.

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

Espergærde, 4 June 2020

Executive Board

Reiner Eckhardt

Board of Directors

Oliver Kaminski
Chairman

Kamil Balewski

Thomas Wladyslaw Matkowski

Independent Auditor's Report

To the Shareholder of Kent Industri Danmark ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 March 2020 and of the results of the Company's operations for the financial year 1 April 2019 - 31 March 2020 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Kent Industri Danmark ApS for the financial year 1 April 2019 - 31 March 2020, 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' 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 requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Financials Statements Act.

Based on the work we have performed, in our view, Management's Review 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 in Management's Review.

Independent Auditor's Report

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.

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.

Independent Auditor's Report

- 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.

Aalborg, 4 June 2020

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jan Bunk Harbo Larsen
State Authorised Public Accountant
mne30224

Rasmus Møllergaard Stenskrøg
State Authorised Public Accountant
mne34161

Company Information

The Company

Kent Industri Danmark ApS
Bjergvangen 5 D
DK-3060 Espergærde

CVR No: 29 63 85 94
Financial period: 1 April - 31 March
Incorporated: 4 July 2006
Municipality of reg. office: Helsingør

Board of Directors

Oliver Kaminski, Chairman
Kamil Balewski
Thomas Wladyslaw Matkowski

Executive Board

Reiner Eckhardt

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Skelagervej 1A
DK-9000 Aalborg

Management's Review

Key activities

The company's main activity is sale of high technology products for repair and maintenance in the transport, industry and marine sectors.

Development in the year

The income statement of the Company for 2019/20 shows a profit of DKK 1,095,896, and at 31 March 2020 the balance sheet of the Company shows equity of DKK 4,971,423.

For 2019/20 the implications of the COVID-19 outbreak and the measures taken by governments in most of the world including Denmark to mitigate the impacts of the outbreak have had a minor impact on the activity and result for March month 2019/20. However, overall the activity and net result for 2019/20 has not been significantly affected.

Targets and expectations for the year ahead

The Company's outlook for the future will be significantly negatively affected by the COVID-19 outbreak and the measures taken by governments in most of the world to mitigate the impacts of the outbreak.

Before the COVID-19 outbreak, Management expected an unchanged activity and net profit for the year compared to 2020/21. This was based on Management's assumption of flattening economic growth in Denmark, where the Company is selling its products. However, the COVID-19 outbreak hit the Danish market, and Management expects this to have a significantly negative impact on both activity and net profit for 2020/21. The scope of the impact is, however, unknown at this time as it is uncertain to what extent the Company will be able to recapture lost revenue later in the year.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 April - 31 March

	Note	2019/20 DKK	2018/19 DKK
Gross profit/loss		7.228.570	6.834.028
Staff expenses	1	-5.739.611	-5.287.276
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-39.481	-43.025
Profit/loss before financial income and expenses		1.449.478	1.503.727
Financial income		3.262	485
Financial expenses		-47.745	-42.112
Profit/loss before tax		1.404.995	1.462.100
Tax on profit/loss for the year	2	-309.099	-321.662
Net profit/loss for the year		1.095.896	1.140.438

Distribution of profit

Proposed distribution of profit

Retained earnings	1.095.896	1.140.438
	1.095.896	1.140.438

Balance Sheet 31 March

Assets

	Note	2020 DKK	2019 DKK
Goodwill		226.458	262.214
Intangible assets	3	226.458	262.214
Other fixtures and fittings, tools and equipment		0	3.725
Property, plant and equipment	4	0	3.725
Deposits		72.970	70.845
Fixed asset investments	5	72.970	70.845
Fixed assets		299.428	336.784
Trade receivables		1.044.889	1.391.733
Receivables from group enterprises		37.815	29.861
Other receivables		45.500	32.917
Prepayments		154.028	154.784
Receivables		1.282.232	1.609.295
Cash at bank and in hand		6.922.912	5.278.290
Currents assets		8.205.144	6.887.585
Assets		8.504.572	7.224.369

Balance Sheet 31 March

Liabilities and equity

	Note	2020 DKK	2019 DKK
Share capital		125.000	125.000
Retained earnings		4.846.423	3.750.528
Equity		4.971.423	3.875.528
Provision for deferred tax		25.699	24.644
Provisions		25.699	24.644
Other payables		349.036	0
Long-term debt	6	349.036	0
Prepayments received from customers		0	61.849
Trade payables		319.618	88.068
Payables to group enterprises		956.654	856.292
Payables to group enterprises relating to corporation tax		308.044	339.789
Other payables	6	1.574.098	1.978.199
Short-term debt		3.158.414	3.324.197
Debt		3.507.450	3.324.197
Liabilities and equity		8.504.572	7.224.369
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Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 April	125.000	3.750.527	3.875.527
Net profit/loss for the year	0	1.095.896	1.095.896
Equity at 31 March	125.000	4.846.423	4.971.423

Notes to the Financial Statements

	<u>2019/20</u>	<u>2018/19</u>
	DKK	DKK
1 Staff expenses		
Wages and salaries	5.431.243	4.995.692
Pensions	226.710	187.892
Other social security expenses	21.017	27.464
Other staff expenses	60.641	76.228
	<u>5.739.611</u>	<u>5.287.276</u>
Average number of employees	<u>9</u>	<u>9</u>
2 Tax on profit/loss for the year		
Current tax for the year	308.044	339.789
Deferred tax for the year	1.055	-18.127
	<u>309.099</u>	<u>321.662</u>

Notes to the Financial Statements

3 Intangible assets

	Goodwill DKK
Cost at 1 April	715.124
Cost at 31 March	715.124
Impairment losses and amortisation at 1 April	452.910
Amortisation for the year	35.756
Impairment losses and amortisation at 31 March	488.666
Carrying amount at 31 March	226.458

4 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost at 1 April	676.885
Cost at 31 March	676.885
Impairment losses and depreciation at 1 April	673.160
Depreciation for the year	3.725
Impairment losses and depreciation at 31 March	676.885
Carrying amount at 31 March	0

5 Fixed asset investments

	Deposits DKK
Cost at 1 April	70.845
Additions for the year	2.125
Cost at 31 March	72.970
Carrying amount at 31 March	72.970

Notes to the Financial Statements

6 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>2020</u> DKK	<u>2019</u> DKK
Other payables		
Between 1 and 5 years	349.036	0
Long-term part	349.036	0
Other short-term payables	1.574.098	1.978.199
	<u>1.923.134</u>	<u>1.978.199</u>

7 Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	462.870	502.042
Between 1 and 5 years	250.354	711.664
	<u>713.224</u>	<u>1.213.706</u>

Rental obligations, 6 mdr.	94.047	91.579
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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 Berner 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.

Notes to the Financial Statements

8 Related parties

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

Consolidated Financial Statements

The company is included in the Consolidated Annual Report for the parent company

<u>Name</u>	<u>Place of registered office</u>
Berner SE	Bernerstraße 6, 74653 Künzelau, Germany

Notes to the Financial Statements

9 Accounting Policies

The Annual Report of Kent Industri Danmark ApS for 2019/20 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 2019/20 are presented in DKK.

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.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

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.

Notes to the Financial Statements

9 Accounting Policies (continued)

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.

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.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

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 of 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, expenses for raw materials and consumables and other external expenses.

Notes to the Financial Statements

9 Accounting Policies (continued)

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.

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 Danish affiliated entities. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance Sheet

Intangible assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 20 years.

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.

Notes to the Financial Statements

9 Accounting Policies (continued)

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	6 years
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Depreciation period and residual value are reassessed annually.

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, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount. If so, the asset is written down to its lower recoverable amount.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Goodwill, head office buildings and other assets for which a separate value in use cannot be determined as the asset does not on an individual basis generate future cash flows are reviewed for impairment together with the group of assets to which they are attributable.

Fixed asset investments

Fixed asset investments consist of rental deposits which are recognised and measured at amortised cost.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

Prepayments

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

Notes to the Financial Statements

9 Accounting Policies (continued)

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

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.

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.