

# Nordtronic A/S

Flade Engvej 4, 9900 Frederikshavn


CVR no. 29 80 87 08

## Annual report 2020

Approved at the Company's annual general meeting on 22 March 2021

Chairman:

.....  
Jens Marcel M. Aertgeerts



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### Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Nordtronic A/S for the financial year 1 January - 31 December 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 of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.



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

Frederikshavn, 22 March 2021

Executive Board:

  
Morten Lemvig

Board of Directors:

  
Jens Mergel M. Aertgeerts  
Chairman  
Morten Lemvig  
Yannick Guido M. Lens  
Erhardt Sven Schirmer

## Independent auditor's report

### To the shareholders of Nordtronic A/S

#### Opinion

We have audited the financial statements of Nordtronic A/S for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including 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 financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January - 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

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.

#### 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 as to 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 the 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 note 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 the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

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

Aalborg, 22 March 2021  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28



Hans B. Vistisen  
State Authorised Public Accountant  
mne23254

## Management's review

### Company details

Name	Nordtronic A/S
Address, Postal code, City	Flade Engvej 4, 9900 Frederikshavn
CVR no.	29 80 87 08
Established	1 December 2006
Registered office	Frederikshavn Kommune
Financial year	1 January - 31 December
E-mail	info@nordtronic.dk
Telephone	+45 70 20 95 31
Telefax	+45 70 20 95 32
Board of Directors	Jens Marcel M. Aertgeerts, Chairman Morten Lemvig Yannick Guido M. Lens Erhardt Sven Schirmer
Executive Board	Morten Lemvig
Auditors	EY Godkendt Revisionspartnerselskab Vestre Havnepromenade 1A, 9000 Aalborg, Denmark

### Management commentary

#### Business review

The company's principal activities are to develop and distribute electrical products, primarily LED spots.

#### Financial review

The income statement for 2020 shows a profit of DKK 8,094 thousand against a profit of DKK 4,470 thousand last year, and the balance sheet at 31 December 2020 shows equity of DKK 28,897 thousand.

#### Events after the balance sheet date

The company expects a positive result for 2021, which will, among other things, be dependent on the spread of coronavirus and its impact on customers and suppliers, resulting in a possible lower market activity. No events, except from the possible effect of the corona situation, materially affecting the Company's financial position have occurred subsequent to the financial year-end.

## Financial statements 1 January - 31 December

### Income statement

Note	DKK	2020	2019
	<b>Gross profit</b>	17,423,983	11,668,274
2	Staff costs	-6,307,034	-5,267,854
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-347,822	-499,877
	<b>Profit before net financials</b>	10,769,127	5,900,543
	Financial income	146,630	103,752
	Financial expenses	-509,248	-219,661
	<b>Profit before tax</b>	10,406,509	5,784,634
3	Tax for the year	-2,312,097	-1,314,182
	<b>Profit for the year</b>	8,094,412	4,470,452
	<b>Recommended appropriation of profit</b>		
	Retained earnings	8,094,412	4,470,452
		8,094,412	4,470,452

## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK	<u>2020</u>	<u>2019</u>
	<b>ASSETS</b>		
	<b>Fixed assets</b>		
4	<b>Property, plant and equipment</b>		
	Fixtures and fittings, other plant and equipment	1,404,328	1,620,757
		<u>1,404,328</u>	<u>1,620,757</u>
	<b>Total fixed assets</b>	<u>1,404,328</u>	<u>1,620,757</u>
	<b>Non-fixed assets</b>		
	<b>Inventories</b>		
	Finished goods and goods for resale	15,938,547	15,270,207
	Prepayments for goods	94,464	541,157
		<u>16,033,011</u>	<u>15,811,364</u>
	<b>Receivables</b>		
	Trade receivables	13,749,383	10,856,197
	Deferred tax assets	143,874	141,615
	Corporation tax receivable	18,796	436,884
	Other receivables	68,507	3,874
	Prepayments	69,219	87,429
		<u>14,049,779</u>	<u>11,525,999</u>
	<b>Cash</b>	<u>8,615,358</u>	<u>2,973,190</u>
	<b>Total non-fixed assets</b>	<u>38,698,148</u>	<u>30,310,553</u>
	<b>TOTAL ASSETS</b>	<u><u>40,102,476</u></u>	<u><u>31,931,310</u></u>



## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK	2020	2019
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	Share capital	500,000	500,000
	Retained earnings	28,397,313	20,302,901
	<b>Total equity</b>	<u>28,897,313</u>	<u>20,802,901</u>
	<b>Provisions</b>		
	Other provisions	250,000	250,000
	<b>Total provisions</b>	<u>250,000</u>	<u>250,000</u>
	<b>Liabilities other than provisions</b>		
5	<b>Non-current liabilities other than provisions</b>		
	Other payables	464,649	157,444
		<u>464,649</u>	<u>157,444</u>
	<b>Current liabilities other than provisions</b>		
	Trade payables	3,128,591	5,979,591
	Payables to group entities	8,073	3,450,996
	Other payables	7,353,850	1,290,378
		<u>10,490,514</u>	<u>10,720,965</u>
	<b>Total liabilities other than provisions</b>	<u>10,955,163</u>	<u>10,878,409</u>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<u>40,102,476</u>	<u>31,931,310</u>

- 1 Accounting policies
- 6 Contractual obligations and contingencies, etc.
- 7 Related parties

## Financial statements 1 January - 31 December

### Statement of changes in equity

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2020	500,000	20,302,901	20,802,901
Transfer through appropriation of profit	0	8,094,412	8,094,412
<b>Equity at 31 December 2020</b>	<u>500,000</u>	<u>28,397,313</u>	<u>28,897,313</u>

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Nordtronic A/S for 2020 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Basis of recognition and measurement

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies and translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivables or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK).

### Income statement

#### Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale, is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

#### Gross profit

The items revenue, change of goods for resale, other operating income and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

#### External expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

#### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

#### Depreciation

The item comprises amortisation/depreciation of fixtures and fittings, other plant and equipment.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Fixtures and fittings, other plant and equipment      3-8 years

#### Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

#### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

#### Balance sheet

##### Property, plant and equipment

Items of fixtures and fittings, other plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of fixtures and fittings, other plant and equipment are recognised in the income statement as other operating income or other operating expenses.

##### Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

##### Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable is impaired.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

##### Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

##### Liabilities

Other liabilities are measured at net realisable value.

## Financial statements 1 January - 31 December

### Notes to the financial statements

DKK	<u>2020</u>	<u>2019</u>
<b>2 Staff costs</b>		
Wages/salaries	5,368,216	4,729,916
Pensions	637,373	316,118
Other social security costs	191,518	148,877
Other staff costs	109,927	72,943
	<u>6,307,034</u>	<u>5,267,854</u>
Average number of full-time employees	<u>13</u>	<u>12</u>
<b>3 Tax for the year</b>		
Estimated tax charge for the year	2,314,356	1,274,372
Deferred tax adjustments in the year	-2,259	15,751
Tax adjustments, prior years	0	24,059
	<u>2,312,097</u>	<u>1,314,182</u>
<b>4 Property, plant and equipment</b>		<b>Fixtures and fittings, other plant and equipment</b>
DKK		
Cost at 1 January 2020		3,326,948
Additions		1,021,605
Disposals		<u>-1,054,380</u>
Cost at 31 December 2020		3,294,173
Impairment losses and depreciation at 1 January 2020		1,706,191
Depreciation		347,822
Depreciation and impairment of disposals		<u>-164,168</u>
Impairment losses and depreciation at 31 December 2020		1,889,845
<b>Carrying amount at 31 December 2020</b>		<u>1,404,328</u>
<b>5 Non-current liabilities other than provisions</b>		
Of the long-term liabilities, DKK 0 falls due for payment after more than 5 years after the balance sheet date.		

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 6 Contractual obligations and contingencies, etc.

##### Other financial obligations

Rent and lease liabilities include a rent obligation totalling DKK 5,904 in interminable rent agreements with remaining contract terms of 5 years.

#### 7 Related parties

##### Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
SLV Holding GmbH	Daimlerstrasse 21, 52531 Übach-Palenberg, Germany	The consolidated financial statements of SLV Holding GmbH can be obtained by contacting the company.