

Kukko Nordic ApS

**C/O Rödl & Partner Danmark A/S
Store Kongensgade 40H, 2.
1264 K Copenhagen**

CVR no. 29 82 10 38

Annual report for 2021

Prepared without audit or review

Adopted at the annual general
meeting on 15 June 2022

Michael Kleinbongartz
chairman

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Statement by management on the annual report

The executive board has today discussed and approved the annual report of Kukko Nordic ApS for the financial year 1 January - 31 December 2021.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021.

In my opinion, management's review includes a fair review of the matters dealt with in the management's review.

The financial statements have not been audited. Management considers the criteria for not auditing the financial statements to be met.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 15 June 2022

Executive board

Michael Kleinbongartz

Auditor's report on compilation of the financial statements

To the shareholder of Kukko Nordic ApS

We have compiled the financial statements of Kukko Nordic ApS for the financial year 1 January - 31 December 2021 based on the company's bookkeeping records and other information made available by enterprise.

The financial statements comprises income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies,

We performed the engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist the enterprise in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We complied with the relevant provisions of the Danish Act on Approved Auditors and with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), including principles relating to integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile the financial statements are the enterprise's responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by enterprise for our compilation of the financial statements. Accordingly, we do not express an audit or a review conclusion on whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 15 June 2022

Rödl & Partner Danmark A/S

Godkendt Revisionsaktieselskab
CVR no. 39 18 86 78

Claus D. Bishaw-Witt
statsautoriseret revisor
MNE no. mne10028

Company details

The company

Kukko Nordic ApS
C/O Rödl & Partner Danmark A/S
Store Kongensgade 40H, 2.
1264 K Copenhagen

CVR no.: 29 82 10 38

Reporting period: 1 January - 31 December 2021

Domicile: Copenhagen

Executive board

Michael Kleinbongartz

Auditors

Rödl & Partner Danmark A/S
Godkendt Revisionsaktieselskab
Store Kongensgade 40H, 2.
1264 København K

General meeting

The annual general meeting is held on 15 June 2022.

Management's review

Business review

The purpose of the company is to trade in tools, safety equipment and related articles.

Financial review

The company's income statement for the year ended 31 December 2021 shows a profit of DKK 596.889, and the balance sheet at 31 December 2021 shows equity of DKK 1.145.898.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Accounting policies

The annual report of Kukko Nordic ApS for 2021 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 provisions as regards larger entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2021 is presented in DKK

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Accounting policies

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Expenses for raw materials and consumables

Costs of raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

Other external costs

Other external costs include expenses related 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 pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Financial income and expenses

Financial income and financial costs are related to interest and exchange rate differences.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Accounting policies

Balance sheet

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Assets costing less than DKK 30.700 are expensed in the year of acquisition.

Fixed asset investments

Rental deposit

Rental deposit is measured at cost.

Receivables

Receivables are measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Accounting policies

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Receivables and payables and other monetary items denominated in foreign currencies are 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 receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement 1 January - 31 December

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
Gross profit		1.246.134	828.226
Staff costs	1	<u>-689.518</u>	<u>-606.805</u>
Profit/loss before net financials		556.616	221.421
Financial income	2	4.537	0
Financial costs	3	<u>-16.573</u>	<u>-41.810</u>
Profit/loss before tax		544.580	179.611
Tax on profit/loss for the year	4	<u>52.309</u>	<u>0</u>
Profit/loss for the year		<u>596.889</u>	<u>179.611</u>
Retained earnings		<u>596.889</u>	<u>179.611</u>
		<u>596.889</u>	<u>179.611</u>

Balance sheet 31 December

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
Assets			
		<u>0</u>	<u>15.000</u>
Fixed asset investments		<u>0</u>	<u>15.000</u>
Total non-current assets		<u>0</u>	<u>15.000</u>
Trade receivables		600.423	467.401
Receivables from parent company		275.318	9.221
Deferred tax asset		<u>52.309</u>	<u>0</u>
Receivables		<u>928.050</u>	<u>476.622</u>
Cash at bank and in hand		<u>744.756</u>	<u>610.277</u>
Total current assets		<u>1.672.806</u>	<u>1.086.899</u>
Total assets		<u><u>1.672.806</u></u>	<u><u>1.101.899</u></u>

Balance sheet 31 December

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
Equity and liabilities			
Share capital		150.000	150.000
Retained earnings		995.898	399.009
Equity	5	<u>1.145.898</u>	<u>549.009</u>
Trade payables		120.202	142.566
Other payables		406.706	410.324
Total current liabilities		<u>526.908</u>	<u>552.890</u>
Total liabilities		<u>526.908</u>	<u>552.890</u>
Total equity and liabilities		<u><u>1.672.806</u></u>	<u><u>1.101.899</u></u>

Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2021	150.000	399.009	549.009
Net profit/loss for the year	0	596.889	596.889
Equity at 31 December 2021	<u>150.000</u>	<u>995.898</u>	<u>1.145.898</u>

Notes

	<u>2021</u> DKK	<u>2020</u> DKK
1 Staff costs		
Wages and salaries	681.573	595.866
Other social security costs	5.710	6.029
Other staff costs	<u>2.235</u>	<u>4.910</u>
	<u>689.518</u>	<u>606.805</u>
Average number of employees	<u>1</u>	<u>1</u>
2 Financial income		
Other financial income	<u>4.537</u>	<u>0</u>
	<u>4.537</u>	<u>0</u>
3 Financial costs		
Other financial costs	8.023	15.504
Exchange loss	<u>8.550</u>	<u>26.306</u>
	<u>16.573</u>	<u>41.810</u>
4 Tax on profit/loss for the year		
Current tax for the year	<u>-52.309</u>	<u>0</u>
	<u>-52.309</u>	<u>0</u>

Notes

5 Equity

The share capital consists of 150 shares of a nominal value of DKK 1.000. No shares carry any special rights.