



# RSM

**RSM Danmark**

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# Ser Hegn Øst ApS

Egegårdsvej 24 A, 2610 Rødovre

Company reg. no. 30 52 44 38

## Annual report

**1 January - 31 December 2021**

The annual report was submitted and approved by the general meeting on the 23 May 2022.

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**Gilles Rabot**

Chairman of the meeting

Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- 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 %.

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## **Management's statement**

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Today, the board of directors and the managing director have presented the annual report of Ser Hegn Øst ApS for the financial year 1 January - 31 December 2021.

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 2021 and of the company's results of activities in the financial year 1 January – 31 December 2021.

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 at the Annual General Meeting.

Rødovre, 23 May 2022

### **Managing Director**

Stephen Tinndahn

### **Board of directors**

Gilles Rabot

Axel Henrik Otterstedt

Dennis Wermuth Ostenfeldt

Marcus Theodorus Henricus  
Kleeven

## **Independent auditor's report**

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### **To the shareholders of Ser Hegn Øst ApS**

#### **Opinion**

We have audited the financial statements of Ser Hegn Øst ApS for the financial year 1 January - 31 December 2021, which comprise income statement, statement of financial position, notes and a summary of significant accounting policies. 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 2021 and of the results of the company's activities for the financial year 1 January - 31 December 2021 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 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 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.

## Independent auditor's report

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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's Review

Management is responsible for the Management's Review.

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

## **Independent auditor's report**

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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's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that Management's Review 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's Review.

Fredericia, 23 May 2022

### **RSM Danmark**

Statsautoriseret Revisionspartnerselskab  
Company reg. no. 25 49 21 45

### **Carsten Pedersen**

State Authorised Public Accountant  
mne27866

## Company information

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<b>The company</b>	Ser Hegn Øst ApS Egegårdsvej 24 A 2610 Rødovre
	Company reg. no. 30 52 44 38 Domicile: Financial year: 1 January - 31 December
<b>Board of directors</b>	Gilles Rabot Axel Henrik Otterstedt Dennis Wermuth Ostenfeldt Marcus Theodorus Henricus Kleeven
<b>Managing Director</b>	Stephen Tinndahn
<b>Auditors</b>	RSM Danmark Statsautoriseret Revisionspartnerselskab Prinsessegade 60 7000 Fredericia
<b>Parent company</b>	Heras Denmark ApS

## **Management's review**

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### **The principal activities of the company**

Like previous years, the principal activities are consisted of perimeter security, fences, gates and manufacture of wires.

### **Uncertainties about recognition or measurement**

There has been no significant uncertainty that has affected the recognition or measurement.

### **Unusual circumstances**

There has been no unusual circumstances, which have affected the recognition or measurement.

### **Development in activities and financial matters**

Financial result and position has turned out as expected.

### **Events occurring after the end of the financial year**

No event have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.



## Income statement 1 January - 31 December

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All amounts in DKK.

<u>Note</u>	<u>2021</u>	<u>2020</u>
<b>Gross profit</b>	<b>9.891.720</b>	<b>8.950.730</b>
1 Staff costs	-7.268.191	-5.906.173
Depreciation and impairment of property, land, and equipment	-670.305	-642.889
<b>Profit before net financials</b>	<b>1.953.224</b>	<b>2.401.668</b>
Other financial income	-3.386	53.429
Other financial costs	-43.788	-49.398
<b>Pre-tax net profit or loss</b>	<b>1.906.050</b>	<b>2.405.699</b>
Tax on net profit or loss for the year	-422.674	-529.791
<b>Net profit or loss for the year</b>	<b>1.483.376</b>	<b>1.875.908</b>
<b>Proposed appropriation of net profit:</b>		
Transferred to retained earnings	1.483.376	1.875.908
<b>Total allocations and transfers</b>	<b>1.483.376</b>	<b>1.875.908</b>

## Balance sheet at 31 December

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All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>2021</u>	<u>2020</u>
<b>Non-current assets</b>		
2 Other fixtures and fittings, tools and equipment	2.822.520	1.966.625
Total property, plant, and equipment	<u>2.822.520</u>	<u>1.966.625</u>
<b>Total non-current assets</b>	<b><u>2.822.520</u></b>	<b><u>1.966.625</u></b>
<b>Current assets</b>		
Inventories	4.823.926	4.124.206
Total inventories	<u>4.823.926</u>	<u>4.124.206</u>
Trade receivables	2.021.491	2.063.928
Receivables from group enterprises	5.898.817	2.966.100
Other receivables	424.615	254.815
Total receivables	<u>8.344.923</u>	<u>5.284.843</u>
Cash on hand and demand deposits	1.045.708	324.643
<b>Total current assets</b>	<b><u>14.214.557</u></b>	<b><u>9.733.692</u></b>
<b>Total assets</b>	<b><u>17.037.077</u></b>	<b><u>11.700.317</u></b>

## Balance sheet at 31 December

All amounts in DKK.

<u>Note</u>	<u>2021</u>	<u>2020</u>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Contributed capital	125.000	125.000
Retained earnings	6.429.981	4.946.605
<b>Total equity</b>	<b>6.554.981</b>	<b>5.071.605</b>
<b>Provisions</b>		
Provisions for deferred tax	182.077	223.977
<b>Total provisions</b>	<b>182.077</b>	<b>223.977</b>
<b>Liabilities other than provisions</b>		
3 Lease liabilities	1.412.140	840.535
Total long term liabilities other than provisions	1.412.140	840.535
Current portion of long term payables	600.000	500.000
Bank loans	10.165	5.403
Trade payables	1.111.296	1.860.592
Payables to subsidiaries	1.350.000	0
Joint taxation contribution	464.574	0
Other payables	5.351.844	3.198.205
Total short term liabilities other than provisions	8.887.879	5.564.200
<b>Total liabilities other than provisions</b>	<b>10.300.019</b>	<b>6.404.735</b>
<b>Total equity and liabilities</b>	<b>17.037.077</b>	<b>11.700.317</b>
<b>4 Charges and security</b>		
<b>5 Contingencies</b>		

## Notes

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All amounts in DKK.

	<u>2021</u>	<u>2020</u>
<b>1. Staff costs</b>		
Salaries and wages	6.803.729	5.520.934
Pension costs	420.399	344.097
Other costs for social security	<u>44.063</u>	<u>41.142</u>
	<b><u>7.268.191</u></b>	<b><u>5.906.173</u></b>
Average number of employees	<u>11</u>	<u>10</u>
<b>2. Other fixtures and fittings, tools and equipment</b>		
Leased assets are included with an carrying amount of DKK thousand 2.512 and DKK thousand 1.821 last year.		
<b>3. Lease liabilities</b>		
Total lease liabilities	2.012.140	1.340.535
Share of amount due within 1 year	<u>-600.000</u>	<u>-500.000</u>
	<b><u>1.412.140</u></b>	<b><u>840.535</u></b>
<b>4. Charges and security</b>		
None.		

## Notes

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All amounts in DKK.

### 5. Contingencies

#### Contingent liabilities

The company has an annual rent obligation of DKK thousand 574, and a residual obligation of DKK thousand 287.

#### Joint taxation

Heras Denmark ApS, company reg. no 41875070 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

## Accounting policies

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The annual report for Ser Hegn Øst 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.

### Income statement

#### Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

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 distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

## Accounting policies

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### Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

### 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 are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

### 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.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

## Statement of financial position

### Property, plant, and equipment

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

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

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

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

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.

## Accounting policies

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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.

### Leases

At their initial recognition in the statement of financial position, leases concerning property, plant, and equipment where the company holds all essential risks and advantages associated with the proprietary right (finance lease) are measured either at fair value or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the discount rate used is the internal rate of return of the lease or, alternatively, the borrowing rate of the enterprise. Hereafter, assets held under a finance lease are treated in the same way as other similar property, plant, and equipment.

The capitalised residual lease commitment is recognised in the statement of financial position as a liability other than provisions, and the interest part of the lease is recognised in the income statement for the term of the contract.

All other leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

### Inventories

Inventories are measured at cost. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

### Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value. It is written down to the net realizable value in order to meet expected losses.

### Cash on hand and demand deposits

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

### Equity

#### Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.



## Accounting policies

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Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Income tax receivable" or "Income tax payable".

According to the rules of joint taxation, Ser Hegn Øst ApS is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

### **Liabilities other than provisions**

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.