

# Ser Hegn Øst ApS

Egegårdsvej 24 A, 2610 Rødovre

Company reg. no. 30 52 44 38

## Annual report

**1 January - 31 December 2020**

The annual report was submitted and approved by the general meeting on the 9 February 2021.

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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 report**

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The board of directors and the managing director have today presented the annual report of Ser Hegn Øst ApS for the financial year 1 January to 31 December 2020.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2020 and of the company's results of its activities in the financial year 1 January to 31 December 2020.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

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

Rødovre, 9 February 2021

### **Managing Director**

Stephen Tinndahn

### **Board of directors**

Gilles Rabot

Axel Henrik Otterstedt

Henrik Hallenberg Rasmussen

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 annual accounts of Ser Hegn Øst ApS for the financial year 1 January to 31 December 2020, which comprise profit and loss account, balance sheet, notes and accounting policies. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2020 and of the results of the company's operations for the financial year 1 January to 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 and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

#### **The management's responsibilities for the annual accounts**

Management is responsible for the preparation of annual accounts that give a true and 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 annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the annual accounts**

Our objectives are to obtain reasonable assurance about whether the annual accounts 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 may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

## **Independent auditor's report**

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- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement 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 by management and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 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 annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

## **Independent auditor's report**

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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 the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Fredericia, 9 February 2021

### **BRANDT**

State Authorized Public Accounting Firm  
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 Henrik Hallenberg Rasmussen Marcus Theodorus Henricus Kleeven
<b>Managing Director</b>	Stephen Tinndahn
<b>Auditors</b>	BRANDT Statsautoriseret Revisionspartnerselskab Prinsessegade 60 7000 Fredericia
<b>Parent company</b>	Heras Denmark ApS

## **Management commentary**

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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.

### **Unusual matters**

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

### **Uncertainties as to recognition or measurement**

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

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

Financial result and position has turned out as expected.

### **Events subsequent to 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

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
<b>Gross profit</b>	<b>8.950.730</b>	<b>8.264.658</b>
1 Staff costs	-5.906.173	-4.703.151
Depreciation and impairment of property, land, and equipment	-642.889	-694.623
<b>Profit before net financials</b>	<b>2.401.668</b>	<b>2.866.884</b>
Other financial income	53.429	45.960
Other financial costs	-49.398	-61.240
<b>Pre-tax net profit or loss</b>	<b>2.405.699</b>	<b>2.851.604</b>
Tax on ordinary results	-529.791	-627.353
<b>Net profit or loss for the year</b>	<b>1.875.908</b>	<b>2.224.251</b>
<b>Proposed appropriation of net profit:</b>		
Dividend for the financial year	0	1.500.000
Transferred to retained earnings	1.875.908	724.251
<b>Total allocations and transfers</b>	<b>1.875.908</b>	<b>2.224.251</b>

## Statement of financial position at 31 December

All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>2020</u>	<u>2019</u>
<b>Non-current assets</b>		
Other fixtures and fittings, tools and equipment	1.966.625	2.849.814
Total property, plant, and equipment	1.966.625	2.849.814
<b>Total non-current assets</b>	<b>1.966.625</b>	<b>2.849.814</b>
<b>Current assets</b>		
Inventories	4.124.206	4.160.098
Total inventories	4.124.206	4.160.098
Trade receivables	2.063.928	2.316.534
Receivables from group enterprises	2.966.100	1.187.787
Other receivables	254.815	337.020
Total receivables	5.284.843	3.841.341
Cash on hand and demand deposits	324.643	0
<b>Total current assets</b>	<b>9.733.692</b>	<b>8.001.439</b>
<b>Total assets</b>	<b>11.700.317</b>	<b>10.851.253</b>

## Statement of financial position at 31 December

All amounts in DKK.

<b>Equity and liabilities</b>		<u>2020</u>	<u>2019</u>
Note			
<b>Equity</b>			
3	Contributed capital	125.000	125.000
4	Retained earnings	4.946.605	3.070.697
5	Proposed dividend for the financial year	0	1.500.000
	<b>Total equity</b>	<b><u>5.071.605</u></b>	<b><u>4.695.697</u></b>
<b>Provisions</b>			
	Provisions for deferred tax	<u>223.977</u>	<u>185.006</u>
	<b>Total provisions</b>	<b><u>223.977</u></b>	<b><u>185.006</u></b>
<b>Liabilities other than provisions</b>			
6	Lease liabilities	<u>840.535</u>	<u>1.273.126</u>
	Total long term liabilities other than provisions	<u>840.535</u>	<u>1.273.126</u>
	Current portion of long term payables	500.000	800.000
	Bank loans	5.403	136.888
	Trade payables	1.860.592	2.227.469
	Other payables	<u>3.198.205</u>	<u>1.533.067</u>
	Total short term liabilities other than provisions	<u>5.564.200</u>	<u>4.697.424</u>
	<b>Total liabilities other than provisions</b>	<b><u>6.404.735</u></b>	<b><u>5.970.550</u></b>
	<b>Total equity and liabilities</b>	<b><u>11.700.317</u></b>	<b><u>10.851.253</u></b>
<b>7</b>	<b>Charges and security</b>		
<b>8</b>	<b>Contingencies</b>		

## Notes

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All amounts in DKK.

	<u>2020</u>	<u>2019</u>
<b>1. Staff costs</b>		
Salaries and wages	5.520.934	4.237.598
Pension costs	344.097	414.738
Other costs for social security	<u>41.142</u>	<u>50.815</u>
	<b><u>5.906.173</u></b>	<b><u>4.703.151</u></b>
Average number of employees	<u>10</u>	<u>9</u>
<b>2. Other fixtures and fittings, tools and equipment</b>		
Leased assets are included with an carrying amount of DKK thousand 1.821 and DKK thousand 2.604 last year.		
<b>3. Contributed capital</b>		
Contributed capital opening balance	<u>125.000</u>	<u>125.000</u>
	<b><u>125.000</u></b>	<b><u>125.000</u></b>
<b>4. Retained earnings</b>		
Retained earnings opening balance	3.070.697	2.346.446
	<u>1.875.908</u>	<u>724.251</u>
	<b><u>4.946.605</u></b>	<b><u>3.070.697</u></b>
<b>5. Proposed dividend for the financial year</b>		
Dividend opening balance	1.500.000	1.500.000
	-1.500.000	-1.500.000
	<u>0</u>	<u>1.500.000</u>
	<b><u>0</u></b>	<b><u>1.500.000</u></b>

## Notes

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All amounts in DKK.

	<u>31/12 2020</u>	<u>31/12 2019</u>
<b>6. Lease liabilities</b>		
Total lease liabilities	1.340.535	2.073.126
Share of amount due within 1 year	<u>-500.000</u>	<u>-800.000</u>
	<b><u>840.535</u></b>	<b><u>1.273.126</u></b>
Share of liabilities due after 5 years	<u>0</u>	<u>0</u>

## 7. Charges and security

None.

## 8. Contingencies

### Contingent liabilities

The company has an annual rent obligation of DKK thousand 575, and a residual obligation of DKK thousand 287.

### Joint taxation

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

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

## **Accounting policies**

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The annual report for Ser Hegn Øst ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

### **Recognition and measurement in general**

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

## **Income statement**

### **Gross profit**

Gross profit comprises the revenue less direct costs and other external costs.

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.

Costs of sales includes costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

## Accounting policies

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### Staff costs

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

### Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed 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 of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

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

## The balance sheet

### 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.

### **Available funds**

Available funds comprise cash at bank and in hand.

### **Equity**

#### **Dividend**

Dividend expected to be distributed for the year is recognised as a separate item under 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.



## **Accounting policies**

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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.

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.