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Junkbusters Group ApS

Raffinaderivej 20, 2300 København S

Company reg. no. 32 07 39 13

Annual report

1 January - 31 December 2020

The annual report was submitted and approved by the general meeting on the

Jesper Rasmussen
Chairman of the meeting

Contents

Notes to users of the English version of this document:

- 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 %.

Management's report

Today, the board of directors and the managing director have presented the annual report of Junkbusters Group ApS for the financial year 1 January - 31 December 2020.

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 consolidated financial statements and the financial statements provide a fair presentation of the assets, equity and liabilities, and the financial position, consolidated and for the company, respectively, at 31 December 2020, and of the result of the activities, consolidated and of the company, respectively, during the financial year 1 January – 31 December 2020.

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 by the general meeting.

København S, 25 May 2021

Managing Director

Steffen Herbst Rasmussen

Board of directors

Jesper Rasmussen | Jesper Genter Lohmann | Charlotte Smidt

Independent auditor's report

To the shareholders of Junkbusters Group ApS

Opinion

We have audited the consolidated financial statements and the financial statements of Junkbusters Group ApS for the financial year 1 January to 31 December 2020, which comprise income statement, statement of financial position, statement of changes in equity, notes and accounting policies, consolidated and of the company, respectively. The consolidated financial statements and the financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the financial statements present a fair view of the assets, equity and liabilities, and financial position, consolidated and of the company, respectively, at 31 December 2020 and of the results of the company's activities, consolidated and of the company, respectively, 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 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 consolidated financial statements and the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), 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.

Responsibilities of management and those charged with governance for the consolidated financial statements and the financial statements

Management is responsible for the preparation of consolidated financial statements and 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 consolidated financial statements and financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the financial statements, management is responsible for assessing the group's and 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 group or the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated annual accounts and the financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and 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 consolidated financial statements and financial statements.

Independent auditor's report

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 consolidated financial statements and 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 group’s and 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 consolidated financial statements and 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 group’s and 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 consolidated financial statements and 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 group and the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and contents of the consolidated financial statements and the financial statements, including disclosures in notes, and whether the consolidated financial statements and the financial statements reflect the underlying transactions and events in a manner that presents a fair view.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or the business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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 commentary

Management is responsible for the management commentary.

Independent auditor's report

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

In connection with our audit of the consolidated financial statements and the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the consolidated financial statements or 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 commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management commentary is consistent with the consolidated financial statements and 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 commentary.

Hillerød, 25 May 2021

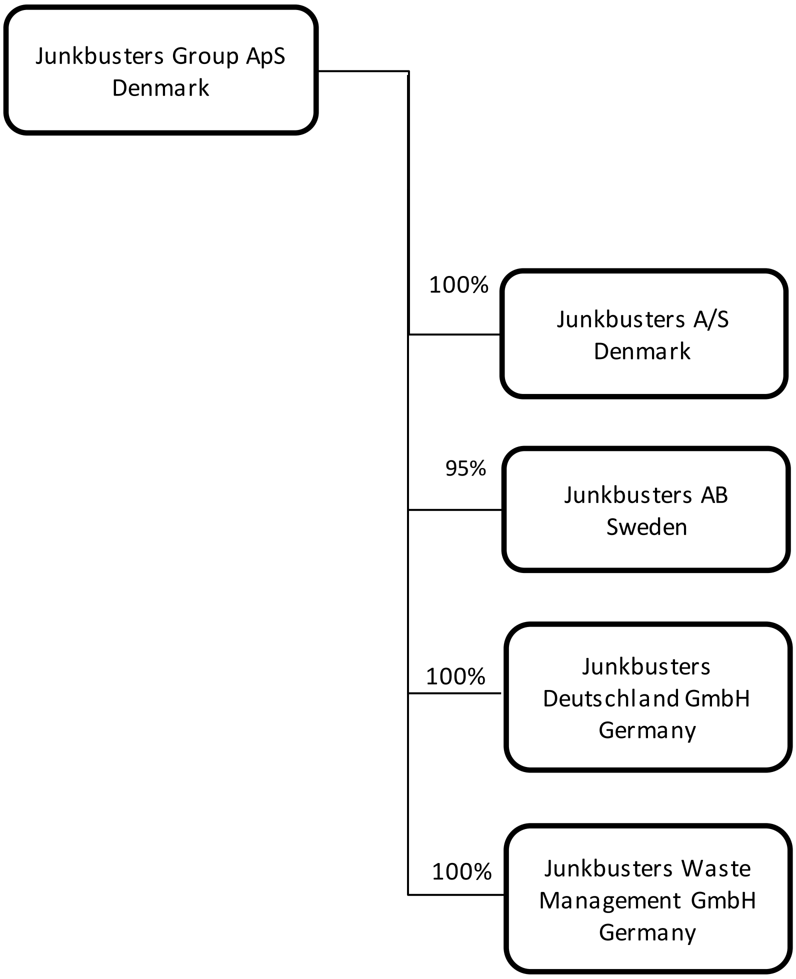
Grant Thornton
State Authorised Public Accountants
Company reg. no. 34 20 99 36

Claus Koskelin
State Authorised Public Accountant
mne30140

Company information

The company	Junkbusters Group ApS Raffinaderivej 20 2300 København S	
	Company reg. no.	32 07 39 13
	Domicile:	Copenhagen
	Financial year:	1 January - 31 December
Board of directors	Jesper Rasmussen Jesper Genter Lohmann Charlotte Smidt	
Managing Director	Steffen Herbst Rasmussen	
Auditors	Grant Thornton, Statsautoriseret Revisionspartnerselskab Nordstensvej 11 3400 Hillerød	
Subsidiaries	Junkbusters A/S, København Junkbusters AB, Stockholm Junkbusters Deutschland GmbH, Hamburg Junkbusters Waste Management GmbH, Hamburg	

Group chart


Junkbusters Group ApS
Denmark
100%
Junkbusters A/S
Denmark
95%
Junkbusters AB
Sweden
100%
Junkbusters
Deutschland GmbH
Germany
100%
Junkbusters Waste
Management GmbH
Germany

Management commentary

The principal activities of the Group

Junkbusters is a waste and logistic company working with local partners through our own developed software, which has simple and innovative solutions for construction-waste and bulky waste in the bigger cities. Additionally the Group also has activities in the waste trading business, where Junkbusters acts as an international broker of waste.

Uncertainties about recognition or measurement

There have been no significant uncertainties or unusual conditions that have affected the recognition or measurement.

Development in activities and financial matters

For 2020 the Group had a revenue of t.DKK 94.586 which is an increase of 19 % compared to 2019. The EBITDA of 2020 amounted to t.DKK -7.878. The results and economic development are material impacted by the following:

• Covid-19 has had a negative impact on both the revenue and EBITDA on all markets. In Denmark covid-19 started out to have a positive impact on revenue as many private customers used the services of Junkbusters during the first close-down period, but as the general activity level on our major customers was decreased, Junkbusters also experienced a similar decrease in the activity level. For the Swedish and the German markets, the impact of covid-19 has been even more dramatically. Junkbusters has tried to adjust the costs to the covid-19 activity level.

• The result is also materially impacted by the continuously major investment in an expansion in Germany, through the German subsidiary.

Based on the above, the result for 2020 are considered satisfactory, but is below the expectations.

The Group have 2020 initiated/enhanced a range of activities and projects, which should ensure a material growth in both revenue and earnings in 2021 and the following years. The initiated activities/projects relate to:

- Out-sourcing strategy in Denmark
- Increased corporation with Service Partners with focus on optimization of purchase prices
- Utilization of improved purchase bargain power with suppliers
- Introduction of the full product range on all markets

Management commentary

Junkbusters have in 2020 invested further in the upgrade and development of the Groups internal IT-system MONA. The development and upgrading are performed by the Groups own IT-department in Denmark and Ukraine. MONA 2.0 has in 2020 been implemented in Denmark and has already resulted in a major technological knowledge boost of Junkbusters and have improved Junkbusters Danmarks opportunities in relation the interaction with customers and key suppliers. Additionally, all internal work-flows have been streamlined with time-saving effect in some of the administrative processes. The launch of MONA 2.0 has furthermore enabled opening of new business opportunities, which will have a major positive effect on the future results for the Junkbusters Group. In April 2021 MONA 2.0 was implemented in Junkbusters Deutschland and is also expected to be implemented in Junkbusters Sweden before the summer vacation.

The equity of the Junkbusters Group has been lost due to the result of the year. This is in accordance with the budget and the equity is expected to be restored by the positive results, that according to the plan is expected during 2022 and the following years. During 2020 the company has made a capital increase of kDKK 1.000 from existing shareholders, which historically always has supported the Group if funding was required to ensure the expansion plans. Additionally, the Group has ensured increased financing from banks and Vækstfonden, to ensure the continuation of the expansion plan prepared for the Group.

Events occurring after the end of the financial year

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

The current covid-19 situation has become a “natural” part of our strategy and we are monitoring the situation closely on all markets and is actively adjusting costs and organizations to the current situation. We are experiencing a growing optimism and increased activity level in Denmark due to the long time awaited re-opening of the market, but is still awaiting a reopening of the Swedish and German markets.

Junkbusters does at present not expect to be material affected by covid-19.

Income statement 1 January - 31 December

Amounts concerning 2020: DKK.

Amounts concerning 2019: DKK thousand.

		Group		Parent	
Note		2020	2019	2020	2019
	Revenue	94.585.859	79.378	1.873.595	861
	Other operating income	19.123	0	0	0
	Costs of raw materials and consumables	-65.954.715	-53.529	0	0
	Other external costs	-12.438.736	-12.775	-1.270.114	-1.952
	Gross profit	**16.211.531**	**13.074**	**603.481**	**-1.091**
1	Staff costs	-24.089.859	-22.161	-2.117.548	-1.683
	Depreciation, amortisation, and impairment	-1.668.036	-981	-1.342.994	-1.122
	Operating profit	**-9.546.364**	**-10.068**	**-2.857.061**	**-3.896**
	Income from equity investments in group enterprises	0	0	-6.790.159	-6.339
	Other financial income	23.839	21	21.460	12
2	Other financial costs	-714.152	-111	-814.269	-168
	Pre-tax net profit or loss	**-10.236.677**	**-10.158**	**-10.440.029**	**-10.391**
	Tax on net profit or loss for the year	739.961	783	943.313	993
	Net profit or loss for the year	**-9.496.716**	**-9.375**	**-9.496.716**	**-9.398**
	Break-down of the consolidated profit or loss:				
	Shareholders in Junkbusters Group ApS	-9.507.783	-9.398		
	Non-controlling interests	11.067	23		
		-9.496.716	**-9.375**		
	Proposed appropriation of net profit:				
	Allocated from retained earnings			-9.496.716	-9.398
	Total allocations and transfers			**-9.496.716**	**-9.398**

Statement of financial position at 31 December

Amounts concerning 2020: DKK.

Amounts concerning 2019: DKK thousand.

Note	Assets	Group 2020	Group 2019	Parent 2020	Parent 2019
	Non-current assets				
3	Completed development projects, including patents and similar rights arising from development projects	4.089.778	2.082	4.089.778	2.082
4	Concessions, patents, licenses, trademarks, and similar rights acquired	14.910	0	0	0
	Total intangible assets	4.104.688	2.082	4.089.778	2.082
5	Other fixtures and fittings, tools and equipment	552.027	891	8.547	13
	Total property, plant, and equipment	552.027	891	8.547	13
6	Equity investments in group enterprises	0	0	5.729.909	4.118
7	Other receivables	5.561	5	0	0
	Total investments	5.561	5	5.729.909	4.118
	Total non-current assets	**4.662.276**	**2.978**	**9.828.234**	**6.213**
	Current assets				
	Manufactured goods and goods for resale	1.241.691	1.406	0	0
	Total inventories	1.241.691	1.406	0	0
	Trade debtors	10.368.832	9.793	192.075	432
	Amounts owed by group enterprises	0	0	598.853	937
	Deferred tax assets	46.745	0	0	0
	Receivable corporate tax	736.124	476	736.124	476
	Tax receivables from group enterprises	0	0	207.112	168
	Other debtors	951.690	1.068	580.992	503
	Accrued income and deferred expenses	337.838	395	22.455	37
	Total receivables	12.441.229	11.732	2.337.611	2.553
	Available funds	2.504.123	2.138	237.473	604
	Total current assets	**16.187.043**	**15.276**	**2.575.084**	**3.157**
	Total assets	**20.849.319**	**18.254**	**12.403.318**	**9.370**

Statement of financial position at 31 December

Amounts concerning 2020: DKK.

Amounts concerning 2019: DKK thousand.

Equity and liabilities

Note		Group 2020	Group 2019	Parent 2020	Parent 2019
	Equity				
	Contributed capital	298.160	295	298.160	295
	Reserve for development costs	3.190.027	1.624	3.190.027	1.624
	Retained earnings	-7.768.987	2.367	-7.768.987	2.367
	Equity before non-controlling interest.	-4.280.800	4.286	-4.280.800	4.286
	Minority interests	51.590	57	0	0
	Total equity	**-4.229.210**	**4.343**	**-4.280.800**	**4.286**
	Provisions				
	Provisions for deferred tax	0	20	0	0
	Total provisions	**0**	**20**	**0**	**0**
	Liabilities other than provisions				
	Other bank debts (Vækstfonden)	5.499.971	0	0	0
	Debt to group enterprises	0	0	0	3.805
	Other debts	651.674	241	123.068	90
8	Total long term liabilities other than provisions	6.151.645	241	123.068	3.895
	Bank debts	4.604.592	2.334	0	0
	Trade creditors	7.698.934	7.800	0	0
	Debt to group enterprises	0	0	16.017.987	698
	Corporate tax	100.490	48	0	0
	Other debts	6.522.868	3.468	543.063	491
	Total short term liabilities other than provisions	18.926.884	13.650	16.561.050	1.189
	Total liabilities other than provisions	**25.078.529**	**13.891**	**16.684.118**	**5.084**
	Total equity and liabilities	**20.849.319**	**18.254**	**12.403.318**	**9.370**

Statement of financial position at 31 December

Amounts concerning 2020: DKK.

Amounts concerning 2019: DKK thousand.

		Group		Parent	
Note	**Equity and liabilities**	2020	2019	2020	2019
9	**Charges and security**				
10	**Contingencies**				

Consolidated statement of changes in equity

All amounts in DKK.

	Contributed capital not paid	Reserve for development costs	Retained earnings	Total
Equity 1 January 2019	259.860	0	2.276.203	2.536.063
Cash capital increase	35.348	0	11.136.372	11.171.720
Profit or loss for the year brought forward	0	0	-9.397.931	-9.397.931
Exchange rate regulations	0	0	-23.997	-23.997
Transfered to reserve	0	1.623.671	-1.623.671	0
Equity 1 2020	295.208	1.623.671	2.366.976	4.285.855
Cash capital increase	2.952	0	981.843	984.795
Profit or loss for the year brought forward	0	0	-9.496.716	-9.496.716
Exchange rate regulations	0	0	-54.734	-54.734
Transfered to reserve	0	1.566.356	-1.566.356	0
	298.160	**3.190.027**	**-7.768.987**	**-4.280.800**

Statement of changes in equity of the parent

All amounts in DKK.

	Contributed capital	Reserve for development costs	Retained earnings	Total
Equity 1 January 2019	259.860	0	2.276.203	2.536.063
Cash capital increase	35.348	0	11.136.512	11.171.860
Provisions of the results for the year	0	0	-9.397.931	-9.397.931
Exchange rate regulations	0	0	-24.137	-24.137
Transferred to reserve	0	1.623.671	-1.623.671	0
Equity 1 January 2020	295.208	1.623.671	2.366.976	4.285.855
Cash capital increase	2.952	0	981.843	984.795
Provisions of the results for the year	0	0	-9.496.716	-9.496.716
Exchange rate regulations	0	0	-54.734	-54.734
Transferred to reserve	0	1.566.356	-1.566.356	0
	298.160	**3.190.027**	**-7.768.987**	**-4.280.800**

Notes

Amounts concerning 2020: DKK.
Amounts concerning 2019: DKK thousand.

		Group 2020	Group 2019	Parent 2020	Parent 2019
1.	**Staff costs**				
	Salaries and wages	20.701.746	18.906	2.104.675	1.675
	Pension costs	886.537	801	0	0
	Other costs for social security	2.501.576	2.454	12.873	8
		24.089.859	**22.161**	**2.117.548**	**1.683**
	Average number of employees	50	44	2	2
2.	**Other financial costs**				
	Financial costs, group enterprises	0	0	669.088	159
	Other financial costs	714.152	111	145.181	9
		714.152	**111**	**814.269**	**168**

		Group 31/12 2020	Group 31/12 2019	Parent 31/12 2020	Parent 31/12 2019
3.	**Completed development projects, including patents and similar rights arising from development projects**				
	Cost 1 January 2020	3.356.302	1.191	3.356.302	1.191
	Additions during the year	3.346.017	2.165	3.346.017	2.165
	Cost 31 December 2020	**6.702.319**	**3.356**	**6.702.319**	**3.356**
	Amortisation and writedown 1 January 2020	-1.274.675	-719	-1.274.675	-719
	Amortisation for the year	-1.337.866	-555	-1.337.866	-555
	Amortisation and writedown 31 December 2020	**-2.612.541**	**-1.274**	**-2.612.541**	**-1.274**
	Carrying amount, 31 December 2020	**4.089.778**	**2.082**	**4.089.778**	**2.082**

Development project relate to the development of an unique software version of the wastesystem for customers and servicepartners. The project is already in use and is expected to be fully completed in 2021. The project is progressing as planned by the use of resourcess which management has allocated to the development project.

Notes

Amounts concerning 2020: DKK.

Amounts concerning 2019: DKK thousand.

		Group		Parent	
		31/12 2020	31/12 2019	31/12 2020	31/12 2019
4.	**Concessions, patents, licenses, trademarks, and similar rights acquired**				
	Cost 1 January 2020	565.007	0	565.000	0
	Translation by use of the exchange rate valid on balance sheet date 31 December 2020	-34	0	0	0
	Additions during the year	21.382	565	0	565
	Cost 31 December 2020	**586.355**	**565**	**565.000**	**565**
	Amortisation and writedown 1 January 2020	-565.000	0	-565.000	0
	Amortisation for the year	-6.445	0	0	0
	Writedown for the year	0	-565	0	-565
	Amortisation and writedown 31 December 2020	**-571.445**	**-565**	**-565.000**	**-565**
	Carrying amount, 31 December 2020	**14.910**	**0**	**0**	**0**

Notes

Amounts concerning 2020: DKK.
Amounts concerning 2019: DKK thousand.

		Group		Parent	
		31/12 2020	31/12 2019	31/12 2020	31/12 2019
5.	**Other fixtures and fittings, tools and equipment**				
	Cost 1 January 2020	1.681.829	1.262	15.384	0
	Translation by use of the exchange rate valid on balance sheet date 31 December 2020	15.057	0	0	0
	Additions during the year	25.000	452	0	15
	Disposals during the year	-147.838	-32	0	0
	Cost 31 December 2020	**1.574.048**	**1.682**	**15.384**	**15**
	Depreciation and writedown 1 January 2020	-790.514	-466	-1.709	0
	Translation by use of the exchange rate valid on balance sheet date 31 December 2020	-7.567	0	0	0
	Depreciation for the year	-328.006	-357	-5.128	-2
	Reversal of depreciation, amortisation and writedown, assets disposed of	104.066	32	0	0
	Depreciation and writedown 31 December 2020	**-1.022.021**	**-791**	**-6.837**	**-2**
	Carrying amount, 31 December 2020	**552.027**	**891**	**8.547**	**13**

Notes

Amounts concerning 2020: DKK.
Amounts concerning 2019: DKK thousand.

		Parent	
		31/12 2020	31/12 2019
6.	**Equity investments in group enterprises**		
	Acquisition sum, opening balance 1 January 2020	12.883.114	6.575
	Additions during the year	8.412.522	7.473
	Disposals during the year	0	-1.164
	Cost 31 December 2020	**21.295.636**	**12.884**
	Revaluations, opening balance 1 January 2020	-8.766.314	-2.986
	Translation by use of the exchange rate valid on balance sheet date	-54.734	-22
	Results for the year before goodwill amortisation	-6.790.159	-6.339
	Reversals for the year concerning disposals	0	1.283
	Dividend	-571.826	-702
	Revaluation 31 December 2020	**-16.183.033**	**-8.766**
	Offsetting against debtors	617.306	0
	Set off against debtors and provisions for liabilities	**617.306**	**0**
	Carrying amount, 31 December 2020	**5.729.909**	**4.118**

Financial highlights for the enterprises according to the latest approved annual reports

	Equity interest	**Equity**	**Results for the year**	**Carrying amount, Junkbusters Group ApS**
Junkbusters A/S, København	100 %	2.822.785	447.729	2.822.785
Junkbusters AB, Stockholm	95 %	1.031.802	232.986	980.212
Junkbusters Deutschland GmbH, Hamburg	100 %	1.926.913	-6.463.201	1.926.913
Junkbusters Waste Management GmbH, Hamburg	100 %	-617.306	-996.022	-617.306
		5.164.194	**-6.778.508**	**5.112.604**

Notes

Amounts concerning 2020: DKK.

Amounts concerning 2019: DKK thousand.

		Group		Parent	
		31/12 2020	31/12 2019	31/12 2020	31/12 2019
7.	**Other receivables**				
	Cost 1 January 2020	5.366	5	0	0
	Translation by use of the exchange rate valid on balance sheet date	195	0	0	0
	Cost 31 December 2020	**5.561**	**5**	**0**	**0**
	Carrying amount, 31 December 2020	**5.561**	**5**	**0**	**0**
	Der specificeres således:				
	Other debtors	5.561	5	0	0
		5.561	**5**	**0**	**0**

		Total payables 31 Dec 2020	Current portion of long term payables	Long term payables 31 Dec 2020	Outstanding payables after 5 years
8.	**Liabilities other than provision**				
	Group				
	Other bank debts (Vækstfonden)	5.499.971	0	5.499.971	554.218
	Other debts	651.674	0	651.674	651.674
		6.151.645	**0**	**6.151.645**	**1.205.892**
	Parent				
	Other debts	123.068	0	123.068	123.068
		123.068	**0**	**123.068**	**123.068**

Notes

Amounts concerning 2020: DKK.
Amounts concerning 2019: DKK thousand.

9. Charges and security

For bank debts, t.DKK 4.605, the group has provided security in company assets representing a nominal value of t.DKK 5.500. This security comprises inventories, receivable from sales and services and other plants, operation assets and fixtures and furniture, stating the book values of t.DKK 5.284.

For other bank debts, t.DKK 5.500, the group has provided security in company assets representing a nominal value of t.DKK 8.500. This security comprises inventories, receivable from sales and services and other plants, operation assets and fixtures and furniture, stating the book values of t.DKK 5.284.

10. Contingencies

Contingent liabilities

The groups remaining leasing liability amount to t.DKK 4.100 on 31. december 2020.

Recourse guarantee commitments:

The company has guaranteed the bank loans of the group enterprises. On 31 December 2020, the total bank loans of the group enterprises totalled t.DKK 10.105.

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay 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.

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.

Accounting policies

The annual report for Junkbusters Group 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 group 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 group 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.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

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.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Accounting policies

Group enterprises abroad are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.

The consolidated financial statements

The consolidated income statements comprise the parent company Junkbusters Group ApS and those group enterprises of which Junkbusters Group ApS directly or indirectly owns more than 50 % of the voting rights or in other ways exercise control.

Consolidation policies

The consolidated financial statements have been prepared as a summary of the parent company's and the group enterprises' financial statements by adding together uniform accounting records calculated in accordance with the group's accounting policies.

Investments in group enterprises are eliminated by the proportionate share of the group enterprises' market value of net assets and liabilities at the acquisition date.

In the consolidated financial statements, the accounting records of the group enterprises are recognised by 100%. The minority interests' share of the profit for the year and of the equity in the group enterprises, which are not 100% owned, is included in the group's profit and equity, but presented separately.

Non-controlling interests

Non-controlling interests constitute a share of the group's total equity. By distribution of net profit, profit or loss for the year is distributed on the share attributable to the non-controlling interests and the share attributable to the parent's shareholders respectively.

Income statement

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.

Accounting policies

Cost of sales

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise.

Other external costs

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

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, amortisation, and writedown for the year and profit and loss on the disposal of intangible and tangible assets.

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, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from equity investments in group enterprises

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the equity investment in the individual group enterprises are recognised in the income statement of the parent as a proportional share of the group enterprises' post-tax profit or loss.

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 parent and the Danish group enterprises are subject to Danish rules on compulsory joint taxation of Danish group enterprises. The parent acts as an administration company in relation to the joint taxation. This means that the total Danish income tax payable by the Danish group companies is paid to the tax authorities by the company.

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).

Accounting policies

Statement of financial position

Intangible assets

Development projects, patents, and licences

Development costs comprise amortisation directly attributable to development activities.

Clearly defined and identifiable development projects are recognised as intangible assets provided that they are proven to be technically practicable, that sufficient resources and a potential market or development opportunity exist, and insofar as the intention is to produce, market or utilise the project. It is, however, a condition that the cost can be reliably calculated and that a sufficiently high degree of certainty indicates that future earnings will cover the costs of production, sales, and administration. Other development costs are recognised in the income statement concurrently with their realisation.

Development costs recognised in the statement of financial position are measured at cost less accrued amortisations and writedowns for impairment.

After completion of the development work, capitalised development costs are amortised on a straight-line basis over the estimated useful economic life. The amortisation period is usually 3 years.

Property, plant, and equipment

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

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

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

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-5 years	0-20 %

Accounting policies

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.

Profit or loss derived from the disposal of 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 under depreciation.

Leases

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 group's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in group enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Investments

Equity investments in group enterprises

Equity investments in group enterprises are recognised and measured by applying the equity method. The equity method is used as a measurement method.

Equity investments in group enterprises are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Accounting policies

Equity investments in group enterprises with a negative equity value are measured at DKK 0, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover an negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises are transferred to the reserve under equity for net revaluation according to the equity method. Dividends from group enterprises expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in group enterprises.

Inventories

Inventories are measured at cost according to the FIFO method. 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.

Costs of manufactured goods comprise the cost of raw materials and consumables. Borrowing expenses are not recognised in cost.

The net realisable value for inventories is recognised as the market price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired.If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

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

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Accounting policies

Cash on hand and demand deposits

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

Equity

Reserve for development costs

The reserve for development costs comprises recognised development costs less related deferred tax liabilities.

The reserve cannot be used as dividends or for covering losses.

The reserve is reduced or dissolved if the recognised development costs are amortised or abandoned. This is done by direct transfer to the distributable reserves of the equity.

Income tax and deferred tax

As administration company, Junkbusters Group ApS is liable to the tax authorities for the subsidiaries' corporate income taxes.

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.

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

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.

Accounting policies

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

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

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