



KS Gruppen A/S

Troensevej 20
9220 Aalborg Øst
CVR No. 33861419

Annual report 2021

The Annual General Meeting adopted the
annual report on 10.03.2022

Jens Uggerhøj
Conductor

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Entity details

Entity

KS Gruppen A/S
Troensevej 20
9220 Aalborg Øst

Business Registration No.: 33861419
Registered office: Aalborg
Financial year: 01.01.2021 - 31.12.2021

Board of Directors

Jens Uggerhøj, formand
Claus Svensk Jessen
Joachim Kaufmann

Executive Board

Claus Svensk Jessen, adm. dir.

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Østre Havnepromenade 26, 4th floor
9000 Aalborg

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of KS Gruppen A/S for the financial year 01.01.2021 - 31.12.2021.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations and cash flows for the financial year 01.01.2021 - 31.12.2021.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Aalborg, 10.03.2022

Executive Board

Claus Svensk Jessen
adm. dir.

Board of Directors

Jens Uggerhøj
formand

Claus Svensk Jessen

Joachim Kaufmann

Independent auditor's extended review report

To the shareholders of KS Gruppen A/S

Conclusion

We have performed an extended review of the financial statements of KS Gruppen A/S for the financial year 01.01.2021 - 31.12.2021, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations and cash flows for the financial year 01.01.2021 - 31.12.2021 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We are independent of the Entity 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity

personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

Statement on the management commentary

Management is responsible for the management commentary.

Our conclusion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the extended review or otherwise appears to be materially misstated.

Moreover, 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 conclude that the management commentary is in accordance with financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Aalborg, 10.03.2022

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Lars Birner Sørensen

State Authorised Public Accountant
Identification No (MNE) mne11671

Management commentary

Primary activities

The Company's primary activities consist of trade in and production of industrial wheels and castors, internal transport materials as well as related activities.

Income statement for 2021

	Notes	2021 DKK	2020 DKK
Gross profit/loss		13,072,319	11,135,836
Staff costs	1	(8,263,059)	(7,701,028)
Depreciation, amortisation and impairment losses		(106,261)	(97,053)
Operating profit/loss		4,702,999	3,337,755
Income from investments in group enterprises		1,372,501	414,000
Other financial income	2	223,625	286,533
Other financial expenses	3	(77,660)	(47,651)
Profit/loss before tax		6,221,465	3,990,637
Tax on profit/loss for the year	4	(1,075,917)	(791,436)
Profit/loss for the year		5,145,548	3,199,201
Proposed distribution of profit and loss			
Ordinary dividend for the financial year		5,000,000	1,500,000
Retained earnings		145,548	1,699,201
Proposed distribution of profit and loss		5,145,548	3,199,201

Balance sheet at 31.12.2021

Assets

	Notes	2021 DKK	2020 DKK
Plant and machinery		0	0
Other fixtures and fittings, tools and equipment		188,232	241,493
Property, plant and equipment	5	188,232	241,493
Investments in group enterprises		6,282,969	5,210,468
Deposits		133,000	133,000
Financial assets	6	6,415,969	5,343,468
Fixed assets		6,604,201	5,584,961
Manufactured goods and goods for resale		4,644,559	3,866,426
Inventories		4,644,559	3,866,426
Trade receivables		6,115,259	5,173,690
Receivables from group enterprises		7,459,725	9,037,401
Other receivables		36,784	116,464
Prepayments		282,687	183,253
Receivables		13,894,455	14,510,808
Cash		8,748,718	7,254,999
Current assets		27,287,732	25,632,233
Assets		33,891,933	31,217,194

Equity and liabilities

	Notes	2021 DKK	2020 DKK
Contributed capital		500,000	500,000
Retained earnings		23,235,327	23,089,779
Proposed dividend		5,000,000	1,500,000
Equity		28,735,327	25,089,779
Deferred tax		33,480	17,928
Provisions		33,480	17,928
Other payables		0	644,076
Non-current liabilities other than provisions		0	644,076
Bank loans		33,185	14,061
Prepayments received from customers		11,068	199,347
Trade payables		1,304,857	1,240,106
Income tax payable		1,060,365	801,508
Other payables	7	2,713,651	3,210,389
Current liabilities other than provisions		5,123,126	5,465,411
Liabilities other than provisions		5,123,126	6,109,487
Equity and liabilities		33,891,933	31,217,194
Unrecognised rental and lease commitments	9		
Contingent liabilities	10		
Assets charged and collateral	11		

Statement of changes in equity for 2021

	Contributed capital DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	500,000	23,089,779	1,500,000	25,089,779
Ordinary dividend paid	0	0	(1,500,000)	(1,500,000)
Profit/loss for the year	0	145,548	5,000,000	5,145,548
Equity end of year	500,000	23,235,327	5,000,000	28,735,327

Cash flow statement for 2021

	Notes	2021 DKK	2020 DKK
Operating profit/loss		4,702,999	3,337,755
Amortisation, depreciation and impairment losses		106,261	97,053
Working capital changes	8	(1,426,122)	(36,291)
Cash flow from ordinary operating activities		3,383,138	3,398,517
Financial income received		223,624	286,534
Financial expenses paid		(77,660)	(47,651)
Taxes refunded/(paid)		(801,508)	(866,435)
Cash flows from operating activities		2,727,594	2,770,965
Acquisition etc of property, plant and equipment		(52,999)	(155,532)
Dividends received		300,000	900,000
Cash flows from investing activities		247,001	744,468
Free cash flows generated from operations and investments before financing		2,974,595	3,515,433
Dividend paid		(1,500,000)	(1,000,000)
Cash flows from financing activities		(1,500,000)	(1,000,000)
Increase/decrease in cash and cash equivalents		1,474,595	2,515,433
Cash and cash equivalents beginning of year		7,240,938	4,725,505
Cash and cash equivalents end of year		8,715,533	7,240,938
Cash and cash equivalents at year-end are composed of:			
Cash		8,748,718	7,254,999
Short-term debt to banks		(33,185)	(14,061)
Cash and cash equivalents end of year		8,715,533	7,240,938

Notes

1 Staff costs

	2021	2020
	DKK	DKK
Wages and salaries	7,487,506	6,975,447
Pension costs	620,734	585,518
Other social security costs	154,819	140,063
	8,263,059	7,701,028
Average number of full-time employees	14	15

2 Other financial income

	2021	2020
	DKK	DKK
Financial income from group enterprises	186,108	201,929
Other interest income	37,517	37,604
Other financial income	0	47,000
	223,625	286,533

3 Other financial expenses

	2021	2020
	DKK	DKK
Other interest expenses	77,660	47,651
	77,660	47,651

4 Tax on profit/loss for the year

	2021	2020
	DKK	DKK
Current tax	1,060,365	801,508
Change in deferred tax	15,552	(10,072)
	1,075,917	791,436

5 Property, plant and equipment

	Plant and machinery DKK	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	591,953	3,485,776
Additions	0	52,999
Cost end of year	591,953	3,538,775
Depreciation and impairment losses beginning of year	(591,953)	(3,244,283)
Depreciation for the year	0	(106,260)
Depreciation and impairment losses end of year	(591,953)	(3,350,543)
Carrying amount end of year	0	188,232

6 Financial assets

	Investments in group enterprises DKK	Deposits DKK
Cost beginning of year	10,562,095	133,000
Cost end of year	10,562,095	133,000
Impairment losses beginning of year	(5,351,627)	0
Amortisation of goodwill	(655,668)	0
Share of profit/loss for the year	2,028,169	0
Dividend	(300,000)	0
Impairment losses end of year	(4,279,126)	0
Carrying amount end of year	6,282,969	133,000
Goodwill or negative goodwill recognised during the financial year	1,256,708	

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
Rota-Dan A/S	Aalborg	A/S	100

7 Other payables

	2021 DKK	2020 DKK
VAT and duties	1,831,806	2,049,590
Wages and salaries, personal income taxes, social security costs, etc payable	497,411	700,071
Holiday pay obligation	343,481	425,073
Other costs payable	40,953	35,655
	2,713,651	3,210,389

8 Changes in working capital

	2021	2020
	DKK	DKK
Increase/decrease in inventories	(778,133)	125,505
Increase/decrease in receivables	616,353	(709,130)
Increase/decrease in trade payables etc	(1,264,342)	547,334
	(1,426,122)	(36,291)

9 Unrecognised rental and lease commitments

	2021	2020
	DKK	DKK
Liabilities under rental or lease agreements until maturity in total	654,795	449,547
Of this, liabilities under rental or lease agreements with group enterprises	264,865	264,865

10 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Anders Svensk Jessen Holding I ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

11 Assets charged and collateral

The Company has no assets charged.

The Company has provided security for Troensevej 20 ApS's and Rota-Dan A/S's bank debt, however, there is no debt at 31 December 2021.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement

when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary writedowns of the relevant inventories.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation and impairment losses for the financial year, and gains and losses from the sale of property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Property, plant and equipment

Plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation of property, plant and equipment used in the development process are recognised in cost based on time spent on each asset.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Plant and machinery	5-10 years
Other fixtures and fittings, tools and equipment	3-5 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Goodwill is the positive difference between cost of investments and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For one amount of goodwill, it has not been possible to estimate useful life reliably, for which reason such useful life has been set at 10 years. For other amounts of goodwill, useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 10 years.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation of and impairment losses relating to machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in cost.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Deferred tax relating to retaxation of previously deducted losses in foreign subsidiaries is recognised on the basis of an actual assessment of the purpose of each subsidiary.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Tax receivable or payable

Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with activities and fixed asset investments as well as purchase and sale, etc. of property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, repayments of interest-bearing debt, purchase of treasury shares and payment of dividend

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank loans.