

# Scanbalt International ApS

Kilen 5, 6330 Padborg

CVR no. 34 21 21 04

## Annual report 2020/21

Approved at the Company's annual general meeting on 10 November 2021

Chair of the meeting:



.....

## Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	5
Financial statements 1 August 2020 - 31 July 2021	7
Income statement	7
Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10

## Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Scanbalt International ApS for the financial year 1 August 2020 - 31 July 2021.

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

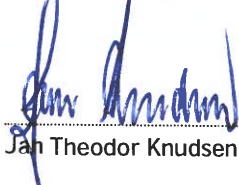
In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 July 2021 and of the results of the Company's operations for the financial year 1 August 2020 - 31 July 2021.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

It is proposed to the annual general meeting that the financial statements for 2021/22 should not be audited.

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

Padborg, 10 December 2021  
Executive Board:



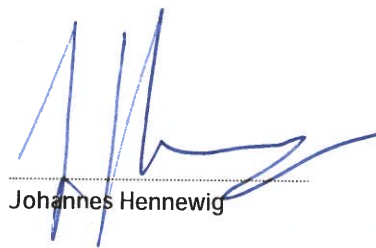
Jan Theodor Knudsen

Board of Directors:



Aloysius Schelte

Frank Albers



Johannes Hennewig

The general meeting has decided that the financial statements for the coming financial year will not be audited.

## Independent auditor's report

To the shareholders of Scanbalt International ApS

### Opinion

We have audited the financial statements of Scanbalt International ApS for the financial year 1 August 2020 - 31 July 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 July 2021 and of the results of the Company's operations for the financial year 1 August 2020 - 31 July 2021 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

### 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 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 in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of 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.

## Independent auditor's report

- ▶ 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 use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent 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 internal control that we identify during our audit.

### Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, 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 conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Aabenraa, 10 December 2021  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

  
Jon Midtgaard  
State Authorised Public Accountant  
mno28657

## Management's review

### Company details

Name	Scanbalt International ApS
Address, Postal code, City	Kilen 5, 6330 Padborg
CVR no.	34 21 21 04
Established	11 January 2012
Registered office	Aabenraa
Financial year	1 August 2020 - 31 July 2021

Board of Directors	Aloysius Schnelte Frank Albers Johannes Hennewig
--------------------	--

Executive Board	Jan Theodor Knudsen
-----------------	---------------------

Auditors	EY Godkendt Revisionspartnerselskab Skibbroen 16, 6200 Aabenraa, Denmark
----------	---

## Management's review

### Business review

The purpose of the company is to own equity in business-driven companies.

### Financial review

The income statement for 2020/21 shows a profit of DKK 119,042 against a profit of DKK 15,870 last year, and the balance sheet at 31 July 2021 shows equity of DKK 376,830.

### Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

## Financial statements 1 August 2020 - 31 July 2021

### Income statement

DKK	2020/21	2019/20
Other external expenses	<u>-11,534</u>	<u>-11,257</u>
Gross profit	-11,534	-11,257
Income from investments in associates	128,065	24,730
Financial expenses	<u>-33</u>	<u>-102</u>
Profit before tax	116,498	13,371
Tax for the year	2,544	2,499
Profit for the year	<u>119,042</u>	<u>15,870</u>
Recommended appropriation of profit		
Retained earnings	<u>119,042</u>	<u>15,870</u>
	<u>119,042</u>	<u>15,870</u>



## Financial statements 1 August 2020 - 31 July 2021

### Balance sheet

Note	DKK	<u>2020/21</u>	<u>2019/20</u>
	<b>ASSETS</b>		
	Fixed assets		
3	Investments		
	Investments in associates, net asset value	376,573	243,285
		<u>376,573</u>	<u>243,285</u>
	<b>Total fixed assets</b>	<u>376,573</u>	<u>243,285</u>
	<b>Non-fixed assets</b>		
	Receivables		
	Income taxes receivable	2,544	2,499
		<u>2,544</u>	<u>2,499</u>
	<b>Cash</b>	<u>6,713</u>	<u>15,781</u>
	<b>Total non-fixed assets</b>	<u>9,257</u>	<u>18,280</u>
	<b>TOTAL ASSETS</b>	<u><u>385,830</u></u>	<u><u>261,565</u></u>
	<b>EQUITY AND LIABILITIES</b>		
	Equity		
4	Share capital	100,000	100,000
	Translation reserve	5,223	0
	Retained earnings	271,607	152,565
	<b>Total equity</b>	<u>376,830</u>	<u>252,565</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Other payables	9,000	9,000
		<u>9,000</u>	<u>9,000</u>
		<u>9,000</u>	<u>9,000</u>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>385,830</u></u>	<u><u>261,565</u></u>
1	Accounting policies		
5	Collateral		

## Financial statements 1 August 2020 - 31 July 2021

### Statement of changes in equity

DKK	Share capital	Translation reserve	Retained earnings	Total
Equity at 1 August 2019	100,000	0	188,455	288,455
Transfer through appropriation of profit	0	0	15,870	15,870
Exchange adjustment	0	0	-51,760	-51,760
Equity at 1 August 2020	100,000	0	152,565	252,565
Transfer through appropriation of profit	0	0	119,042	119,042
Exchange adjustment	0	5,223	0	5,223
Equity at 31 July 2021	100,000	5,223	271,607	376,830

## Financial statements 1 August 2020 - 31 July 2021

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Scanbalt International ApS for 2020/21 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

Effective from the financial year 2020, the Company has implemented amending act no. 1716 of 27 December 2018 to the Danish Financial Statements Act. The implementation of the amending act has not affected the Company's accounting policies on recognition and measurement of assets and liabilities but has solely entailed a requirement for further disclosures. The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK).

#### Income statement

##### Other external expenses

Other external expenses include administration costs.

##### Profit from investments in subsidiaries and associates

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in associates are presented as separate line items in the income statement. Only proportionate elimination of intra-group gains/losses is made for equity investments in associates.

##### Financial expenses

Financial expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

##### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

## Financial statements 1 August 2020 - 31 July 2021

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Balance sheet

##### Investments in subsidiaries

On initial recognition, investments in associates are measured at cost and subsequently at the proportionate share of the entities' net asset values calculated in accordance with the parent company's accounting policies minus or plus any residual value of positive or negative goodwill calculated in accordance with the purchase method of accounting. Associates with a negative net asset value are measured at DKK 0 (nil), and any amounts owed by such entities are written down by the parent company's share of the net asset value if the amount owed is deemed irrecoverable. If the negative net asset value exceeds the amounts owed, the remaining amount is recognised under provisions if the parent company has a legal or a constructive obligation to cover the entity's deficit. Net revaluations of investments in associates are transferred to the net revaluation reserve according to the equity method where the carrying amount exceeds the acquisition cost.

On initial recognition, equity investments in associates are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in associates measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

##### Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

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

##### Equity

##### *Translation reserve*

The translation reserve comprises the share of foreign exchange differences arising on translation of financial statements of entities that have a functional currency other than DKK, foreign exchange adjustments of assets and liabilities considered part of the Company's net investments in such entities and foreign exchange adjustments regarding hedging transactions that hedge the Company's net investments in such entities. The reserve is dissolved on the sale of foreign entities or if the conditions for effective hedging no longer exist. When equity investments in subsidiaries and associates in the parent company financial statements are subject to the limitation requirement in the net revaluation reserve according to the equity method, foreign exchange adjustments will be included in this equity reserve instead.

##### *Proposed dividends*

## Financial statements 1 August 2020 - 31 July 2021

### Notes to the financial statements

#### 1 Accounting policies (continued)

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

#### Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

#### Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

## Financial statements 1 August 2020 - 31 July 2021

### Notes to the financial statements

	DKK	2020/21	2019/20
2	Tax for the year		
	Estimated tax charge for the year	-2,544	-2,499
		<u>-2,544</u>	<u>-2,499</u>

### 3 Investments

	DKK	Investments in associates, net asset value
	Cost at 1 August 2020	476,795
	Cost at 31 July 2021	476,795
	Value adjustments at 1 August 2020	-233,510
	Exchange adjustment	5,223
	Share of the profit/loss for the year	128,065
	Value adjustments at 31 July 2021	-100,222
	Carrying amount at 31 July 2021	<u>376,573</u>

Name	Domicile	Interest	Equity DKK	Profit/loss DKK
<b>Associates</b>				
OOO Krone ScanBalt	Kaliningrad	1.00%	25,342,148	8,630,450
OOO Krone ScanBalt	Moskva	1.00%	3,824,414	-17,794
LLC Krone ScanBalt	Ukraine	1.00%	5,666,229	3,387,477

The parent company Krone Scanbalt A/S holds remaining shares, why the investments are considered associates.

	DKK	2020/21	2019/20
4	Share capital		
	Analysis of the share capital:		
	1 shares of DKK 80,000.00 nominal value each	80,000	80,000
	1 shares of DKK 20,000.00 nominal value each	20,000	20,000
		<u>100,000</u>	<u>100,000</u>

The Company's share capital has remained DKK 100,000 over the past 5 years.

### 5 Collateral

The Company has not provided any security or other collateral in assets at 31 July 2021.