

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2021

WOODGROUP APS

Høffdingsvej 34

2500 Valby

CENTRAL BUSINESS REGISTRATION no. 36 54 45 11

Adopted at the Company's
Annual General Meeting,
on 11/4 2022



Paul Dolan
Chairman

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Company

Woodgroup ApS
Høffdingsvej 34
2500 Valby

Central Business Registration no. 36 54 45 11

Registered in: København

Board of Executives

Paul Tiernan Dolan

Federico Carlo Francesco Tonetti

Carnel Geddes

Company auditors

inforevision
statsautoriseret revisionsaktieselskab
Buddingevej 312
2860 Søborg
Central business registration no. 19263096

Vibeke Düring Reyes Jensen, State Authorized Public Accountant
Lasse Sværke, State Authorized Public Accountant

DKK in thousands.	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2017/18</u>	<u>2017/18</u>
<u>Profit and loss account:</u>					
Gross profit/loss	6.186	706	332	646	547
Operating profit/loss	6.146	706	332	646	547
Net financials	833	-1.441	-172	4	-413
Results for the year	5.665	-1.007	155	506	110
<u>Balance sheet:</u>					
Balance sheet sum	45.687	38.117	28.235	8.293	3.682
Equity	10.402	-135	872	717	210
<u>Employees:</u>					
Average number of full time employees	1	1	0	0	0

The financial highlights for 2018 only comprise the period 1 July 2018 - 31 December 2018.

The principal activities of the company

Like previous years, the principal activities comprise trading wood and related activities.

Development in activities and financial matters

The gross profit for the year is DKK 6.186k against DKK 706k last year. The results from ordinary activities after tax are DKK 5.665 against DKK 155k last year. The management consider the results satisfactory.

Per 31 December 2021 the Company's equity is positive by DKK 10.402k after a capital injection by DKK 4.872 during 2021.

Events subsequent to 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 Board of Executives have today discussed and approved the annual report for the financial year 1 January - 31 December 2021 of Woodgroup ApS.

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

In our opinion the financial statements give a true and fair view of the Company's financial position at 31 December 2021 and of the result of the Company's operations for the financial year 1 January - 31 December 2021.

In our opinion the management's review includes a fair review about the matters the review deals with.

We recommend that the Annual Report be approved at the annual general meeting.

Valby, 11th April 2022

Board of Executives



Paul Tiernan Dolan
CEO



Carnel Geddes
Executive



Federico Carlo Francesco Tonetti
Executive

To the shareholders of Woodgroup ApS

Opinion

We have audited the Financial Statements of Woodgroup ApS for the financial year 1 January to 31 December 2021, which comprise the accounting policies applied, the income statement, the balance sheet, statement of changes in equity and notes. The Financial Statements are prepared under the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the Company's financial position at 31. december 2021, and of the results of the Company's operations for the financial year 1 January to 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report 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 these Financial Statements.

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

- * Identify and assess the risks of material misstatement of the Financial Statements and 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.
- * 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 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 Management's Review.

Our opinion on the Financial Statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not identify any material misstatement of Management's Review.

Søborg, 11th April 2022

inforevision

statsautoriseret revisionsaktieselskab
(CVR-nr. 19263096)



Vibeke Düring Reyes Jensen
State Authorized Public Accountant
mne11673



Lasse Sværke
State Authorized Public Accountant
mne34318

The annual report has been prepared in accordance with Danish financial statements legislation as well as generally accepted accounting principles.

The annual report has been prepared in accordance with the reporting requirements of the Danish Financial Statements Act of class B enterprises. Furthermore, the Company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year.

RECOGNITION AND MEASUREMENT

The financial statements have been prepared based on historical cost.

The income is recognised in the income statement as earned. Further to this, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Furthermore, all costs incurred to earn the profit or loss for year have been recognised in the income statement, including amortisation, depreciation, write-down and provisions as well as reversals as a consequence of changed accounting estimates of amounts previously recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow into the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each financial statement item.

RECOGNITION AND MEASUREMENT, continued

Certain financial assets and liabilities are measured at amortised cost, by which a constant redemption yield is recognised over the term. Amortised cost is calculated as original cost less instalments and addition/deduction of the accumulated amortisation of the difference between cost and the nominal amount. Thereby, capital and exchange losses or gains are allocated over the term.

On recognition and measurement, anticipated losses and risks that appear before presentation of the annual report and which confirm or invalidate affairs or conditions existing at the balance sheet date are considered.

The functional currency is Danish kroner, DKK. All other currencies are considered foreign currencies.

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.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

Fixed assets and other non-monetary assets acquired in foreign currency and which are not considered to be investment assets purchased in foreign currencies are measured at the exchange rate on the transaction date.

INCOME STATEMENT

The income statement has been classified by nature.

Gross profit/loss

The gross profit comprises the net turnover, changes in inventories of finished goods, other operating income, raw materials and consumables used and other external costs.

The net turnover is recognised in the profit and loss account when the following conditions are satisfied; risk and ownership is transferred to the buyer, effective control over the goods sold is transferred to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transactions will float to the company and the cost incurred in respect to the transaction can be measured reliably. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

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

Other operating income comprise accounting items of secondary nature in proportion to the principal activities of the enterprise, including gains on disposal of intangible and tangible fixed assets.

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

Staff costs

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

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Tax on profit or loss for the year income taxes

Tax on profit or loss for the year represents 22% of the book profit or loss adjusted for non-taxable and non-deductible items.

Tax on profit or loss for the year consists of the anticipated tax portion of the taxable income for the year adjusted for the changes for the year in deferred tax. Changes in deferred taxes due to adjustments of tax rates is recognised in the income statement.

The Company is jointly taxed with other Danish group enterprises with the Woodbois International ApS as management company. The tax effect of the joint taxation is allocated among the group enterprises in ratio to their taxable income according to the rules on full allocation with a refund for tax losses of the Danish Corporation Tax Act.

Corporation tax relating to the financial year which has not been settled at the balance sheet date is to be classified as corporation tax in receivables or liabilities other than provisions.

Joint tax contributions between the jointly taxed companies which have not been settled at the balance sheet date are classified as joint tax contributions in receivables or liabilities.

The Company is subject to the Danish Tax Prepayment Scheme. Interest reimbursement and interest surcharge have been recognised in financial income and expenses.

BALANCE SHEET

The balance sheet has been presented in account form.

ASSETS**Inventories**

Inventories are measured at cost on basis of the FIFO method. In case the net realisable value of the inventories is lower than the cost, writedown takes place to this lower value.

The cost for trade goods, raw materials, and consumables comprises the acquisition cost plus expenses resulting directly from the purchase.

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

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by write-down for bad debt according to an individual assessment.

Prepayments

Prepayments comprise costs incurred relating to subsequent financial years.

EQUITY AND LIABILITIES**Equity**

Management's proposed dividends for the financial year is disclosed as a separate item in equity.

Expenses related to capital increases is recognised directly in equity.

Provision for deferred tax

Deferred tax is measured according to the liability method. Provision has been made for deferred tax by 22 % on all temporary differences between carrying amount and tax-based value of assets and liabilities.

Deferred tax is also measures with respect of the planned use of the asset and the settlement of the liability. The tax value of the tax losses to be carried forward are included in the calculation of deferred taxes if it is probable that the losses can be used.

The tax-based values of tax losses carried forward are included in the statement of deferred tax if it is probable that the losses can be utilised.

Deferred tax assets which are not expected utilised within a few years have been disclosed in notes under contingent assets.

Financial liabilities

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

INCOME STATEMENT
1 JANUARY - 31 DECEMBER 2021

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<u>Note</u>	<u>2021</u>	<u>2020</u>
GROSS PROFIT/LOSS	6.185.667	706.177
1 Staff costs	<u>-39.334</u>	<u>-271.839</u>
OPERATING PROFIT/LOSS	6.146.333	434.338
2 Other financial income	1.281.658	0
3 Other financial expenses	<u>-448.545</u>	<u>-1.441.111</u>
PROFIT/LOSS BEFORE TAX	6.979.446	-1.006.773
4 Tax on profit/loss for the year	<u>-1.314.034</u>	<u>0</u>
PROFIT/LOSS FOR THE YEAR	<u><u>5.665.412</u></u>	<u><u>-1.006.773</u></u>
Distribution of profit/loss:		
Proposed dividends for the financial year	0	0
Retained earnings	<u>5.665.412</u>	<u>-1.006.773</u>
TOTAL	<u><u>5.665.412</u></u>	<u><u>-1.006.773</u></u>

<u>Note</u>	<u>31/12 2021</u>	<u>31/12 2020</u>
Manufactured goods and trade goods	25.951.879	14.723.446
Prepayments for goods	<u>5.110.412</u>	<u>4.719.327</u>
INVENTORIES	<u>31.062.291</u>	<u>19.442.773</u>
Trade receivables	3.501.441	5.061.520
Receivables from group enterprises	6.144.274	5.677.003
Other receivables	<u>182.719</u>	<u>134.008</u>
RECEIVABLES	<u>9.828.434</u>	<u>10.872.531</u>
CASH	<u>4.796.405</u>	<u>7.801.468</u>
CURRENT ASSETS	<u>45.687.130</u>	<u>38.116.772</u>
TOTAL ASSETS	<u><u>45.687.130</u></u>	<u><u>38.116.772</u></u>

<u>Note</u>	<u>31/12 2021</u>	<u>31/12 2020</u>
Share capital	200.000	100.000
Retained earnings	10.201.701	-235.261
Proposed dividends for the financial year	<u>0</u>	<u>0</u>
EQUITY	<u>10.401.701</u>	<u>-135.261</u>
Other payables	<u>0</u>	<u>18.865</u>
LONG-TERM LIABILITIES OTHER THAN PROVISIONS	<u>0</u>	<u>18.865</u>
Bank debts	19.978.211	20.024.221
Prepayments received from customers	3.852.742	518.520
Trade payables	741.103	4.881.864
Payables to group enterprises	9.207.205	12.556.487
4 Joint tax contribution payables	1.314.034	0
Other payables	<u>192.134</u>	<u>252.076</u>
SHORT-TERM LIABILITIES OTHER THAN PROVISIONS	<u>35.285.429</u>	<u>38.233.168</u>
LIABILITIES OTHER THAN PROVISIONS	<u>35.285.429</u>	<u>38.252.033</u>
TOTAL EQUITY AND LIABILITIES	<u><u>45.687.130</u></u>	<u><u>38.116.772</u></u>

6 Mortgage and securities

7 Contingencies

STATEMENT OF CHANGES IN EQUITY

	Share capital	Retained earnings	Proposed dividends	TOTAL
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Equity at 1/1 2020	100.000	771.512	0	871.512
Dividends paid	0	0	0	0
Transferred from distribution of profit/loss	0	-1.006.773	0	-1.006.773
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Equity at 1/1 2021	100.000	-235.261	0	-135.261
Increase of capital	100.000	4.771.550	0	4.871.550
Dividends paid	0	0	0	0
Transferred from distribution of profit/loss	0	5.665.412	0	5.665.412
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Equity at 31/12 2021	<u>200.000</u>	<u>10.201.701</u>	<u>0</u>	<u>10.401.701</u>

1 Staff costs	2021	2020
Wages and salaries	43.998	239.110
Other social security costs	-4.664	32.729
TOTAL	39.334	271.839

The average number of full-time employees has represented 1 in this financial year against 1 in the previous financial year.

2 Other financial income	2021	2020
Interest income, group enterprises	63.980	0
Other financial income	1.217.678	0
TOTAL	1.281.658	0

3 Other financial expenses	2021	2020
Interest expenses to group enterprises	0	334.469
Other financial expenses	448.545	1.106.642
TOTAL	448.545	1.441.111

4 Corporation tax and deferred tax

	<u>Income taxes</u>	<u>Deferred tax</u>	<u>Acc. to the inc. statement</u>	<u>2020</u>
Payable at 1/1 2021	0	0	0	0
Paid re. previous years	0	0	0	0
Tax for the year	<u>1.314.034</u>	<u>0</u>	<u>1.314.034</u>	<u>0</u>
 PAYABLE AT 31/12 2021	 <u><u>1.314.034</u></u>	 <u><u>0</u></u>		
 TAX ON PROFIT/LOSS FOR THE YEAR			 <u><u>1.314.034</u></u>	 <u><u>0</u></u>

5 Long-term liabilities other than provisions

	<u>31/12 2021</u>	<u>31/12 2020</u>
<u>Total debt:</u>		
Other payables	<u>0</u>	<u>18.865</u>
 TOTAL	 <u><u>0</u></u>	 <u><u>18.865</u></u>
 <u>Installments next financial year:</u>		
Other payables	<u>0</u>	<u>0</u>
 TOTAL	 <u><u>0</u></u>	 <u><u>0</u></u>
 <u>Debt outstanding after 5 years:</u>		
Other payables	<u>0</u>	<u>0</u>
 TOTAL	 <u><u>0</u></u>	 <u><u>0</u></u>

6 Mortgage and securities

For bank debts, t.DKK 19.979, the company has provided security in company assets representing a nominal value of t.DKK 10.500. This security comprises the below assets, stating the book values:

Inventories	DKK 31.062.292
Receivable from sales and services	DKK 3.501.442

7 Contingencies

Joint taxation

Woodbois International ApS, company reg. no. 26 99 53 45, being the administration company, the company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The total known net liabilities of jointly taxed companies to Skattestyrelsen are stated in the annual report of the administration company.