



## Preferred by Nature - Denmark ApS

Bakkedraget 1  
8362 Hørning  
CVR No. 37298425

## Annual report 2022

The Annual General Meeting adopted the  
annual report on 25.05.2023

---

**Peter Feilberg**  
Chairman of the General Meeting

# Contents

Entity details	2
Statement by Management	3
Independent auditor's extended review report	4
Management commentary	6
Income statement for 2022	7
Balance sheet at 31.12.2022	8
Statement of changes in equity for 2022	10
Notes	11
Accounting policies	13

# Entity details

## Entity

Preferred by Nature - Denmark ApS

Bakkedraget 1

8362 Hørning

Business Registration No.: 37298425

Date of foundation: 04.12.2015

Registered office: Hørning

Financial year: 01.01.2022 - 31.12.2022

## Board of Directors

Peter Feilberg

Justinas Janulaitis

Nicolai Andreas Clausen

## Executive Board

Sidse Weilgaard Hansen

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Preferred by Nature - Denmark ApS for the financial year 01.01.2022 - 31.12.2022.

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 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022.

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.

Hørning, 25.05.2023

## Executive Board

**Sidse Weilgaard Hansen**

## Board of Directors

**Peter Feilberg**

**Justinas Janulaitis**

**Nicolai Andreas Clausen**

# Independent auditor's extended review report

## To the shareholders of Preferred by Nature - Denmark ApS

### Conclusion

We have performed an extended review of the financial statements of Preferred by Nature - Denmark ApS for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity 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 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022 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.

København, 25.05.2023

#### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

#### **Susanne Arnfred Møller**

State Authorised Public Accountant  
Identification No (MNE) mne24625

# Management commentary

## Primary activities

The principal activities comprise certifications and related business.

## Development in activities and finances

The Company has achieved a profit for the year of DKK 273 ('000) with negative equity of DKK 90 ('000). During 2022 the management has reestablished the company's equity.

The company has a credit facility of DKK 8 million which has been given as a guarantee of the parent company.

## Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

# Income statement for 2022

	Notes	2022 DKK	2021 DKK
<b>Gross profit/loss</b>		<b>6,058,443</b>	<b>4,743,982</b>
Staff costs	1	(5,735,416)	(4,483,626)
Depreciation, amortisation and impairment losses		(29,975)	(21,678)
<b>Operating profit/loss</b>		<b>293,052</b>	<b>238,678</b>
Other financial income		(4,421)	(468)
Other financial expenses		(15,542)	(23,223)
<b>Profit/loss before tax</b>		<b>273,089</b>	<b>214,987</b>
Tax on profit/loss for the year	2	0	(3,817)
<b>Profit/loss for the year</b>		<b>273,089</b>	<b>211,170</b>
<b>Proposed distribution of profit and loss</b>			
Retained earnings		273,089	211,170
<b>Proposed distribution of profit and loss</b>		<b>273,089</b>	<b>211,170</b>



# Balance sheet at 31.12.2022

## Assets

	Notes	2022 DKK	2021 DKK
Other fixtures and fittings, tools and equipment		40,960	39,238
<b>Property, plant and equipment</b>	3	<b>40,960</b>	<b>39,238</b>
Deposits		44,000	88,801
<b>Financial assets</b>		<b>44,000</b>	<b>88,801</b>
<b>Fixed assets</b>		<b>84,960</b>	<b>128,039</b>
Trade receivables		1,877,707	949,081
Contract work in progress		359,880	97,591
Receivables from group enterprises		2,529,753	560,776
Deferred tax		10,000	10,000
Income tax receivable		18,000	0
Prepayments		18,223	6,323
<b>Receivables</b>		<b>4,813,563</b>	<b>1,623,771</b>
<b>Cash</b>		<b>646,529</b>	<b>687,202</b>
<b>Current assets</b>		<b>5,460,092</b>	<b>2,310,973</b>
<b>Assets</b>		<b>5,545,052</b>	<b>2,439,012</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2022 DKK</b>	<b>2021 DKK</b>
Contributed capital		50,000	50,000
Retained earnings		40,342	(232,747)
<b>Equity</b>		<b>90,342</b>	<b>(182,747)</b>
Bank loans		36,562	31,741
Prepayments received from customers		990	3,594
Trade payables		25,317	118,279
Payables to group enterprises		4,121,110	1,618,687
Other payables		1,157,898	735,737
Deferred income		112,833	113,721
<b>Current liabilities other than provisions</b>		<b>5,454,710</b>	<b>2,621,759</b>
<b>Liabilities other than provisions</b>		<b>5,454,710</b>	<b>2,621,759</b>
<b>Equity and liabilities</b>		<b>5,545,052</b>	<b>2,439,012</b>
Unrecognised rental and lease commitments	4		
Contingent liabilities	5		

# Statement of changes in equity for 2022

	<b>Contributed capital DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
Equity beginning of year	50,000	(232,747)	(182,747)
Profit/loss for the year	0	273,089	273,089
<b>Equity end of year</b>	<b>50,000</b>	<b>40,342</b>	<b>90,342</b>

# Notes

## 1 Staff costs

	2022 DKK	2021 DKK
Wages and salaries	5,351,935	4,299,524
Other social security costs	280,659	17,735
Other staff costs	102,822	166,367
	<b>5,735,416</b>	<b>4,483,626</b>
Number of employees at balance sheet date	10	8

## 2 Tax on profit/loss for the year

	2022 DKK	2021 DKK
Change in deferred tax	0	1,000
Adjustment concerning previous years	0	2,817
	<b>0</b>	<b>3,817</b>

## 3 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	62,348
Additions	31,697
<b>Cost end of year</b>	<b>94,045</b>
Depreciation and impairment losses beginning of year	(23,110)
Depreciation for the year	(29,975)
<b>Depreciation and impairment losses end of year</b>	<b>(53,085)</b>
<b>Carrying amount end of year</b>	<b>40,960</b>

## 4 Unrecognised rental and lease commitments

	2022 DKK	2021 DKK
Liabilities under rental or lease agreements until maturity in total	410,667	95,000

## **5 Contingent liabilities**

The parent company has a claim toward its subsidiary, NEPcon Certificering ApS of DKK 8,000,000.

# 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.

## 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.

## Income statement

### Gross profit or loss

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

### Revenue

Net revenue from sale of services is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

Delivering of services in connection with the issue of certificates, recognition in net revenue is made as and when the production progresses, the net revenue being equal to the sales value of the work performed for the year (the production method). This method is applied when the total costs and expenses regarding the contract and the degree of completion at the balance sheet date can be reliably assessed, and it is likely that the financial benefits will flow to the company.

### Other operating income

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

**Other external expenses**

Other external expenses include cost of sales, administration etc.

**Staff costs**

Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

**Depreciation, amortisation and impairment losses**

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

**Other financial income**

Other financial income including interest income on receivables from group enterprises, payables and transactions in foreign currencies and tax relief under the Danish Tax Prepayment Scheme etc.

**Other financial expenses**

Financial expenses include interest income and expenses and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

**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.

**Balance sheet****Property, plant and equipment**

Other plants, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	<b>Useful life</b>
Other fixtures and fittings, tools and equipment	3 years

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

**Receivables**

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

doubtful debts.

**Contract work in progress**

Work in progress on contract is measured at the sales value of the work performed. The sales value is measured on the basis of the degree of completion on the balance sheet date and the total anticipated revenue related to the specific piece of work in progress.

**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. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

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.

**Tax payable or receivable**

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

**Prepayments**

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

**Cash**

Cash comprises cash in hand and bank deposits.

**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.

**Deferred income**

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.