



RSM

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Caphold Budweg Caliper ApS

Industrivej 10, 5260 Odense S

Company reg. no. 39 23 87 72

Annual report

2022

The annual report was submitted and approved by the general meeting on the 4 July 2023.

Charlotte Holm

Chairman of the meeting

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 %.

Contents

	<u>Page</u>
Reports	
Management's statement	1
Independent auditor's report	2
Management's review	
Company information	5
Management's review	6
Financial statements 1 January - 31 December 2022	
Income statement	7
Balance sheet	8
Statement of changes in equity	10
Notes	11
Accounting policies	13

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Caphold Budweg Caliper ApS for the financial year 2022.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

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

We recommend that the annual report be approved at the Annual General Meeting.

Odense S, 23 June 2023

Managing Director

Christer Mysling

Board of directors

Steven Brian Mesarick

Aaron Robert Watkins

Ralf Andreas Reger

Independent auditor's report

To the Shareholders of Caphold Budweg Caliper ApS

Opinion

We have audited the financial statements of Caphold Budweg Caliper ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for the Company. 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 financial position of the Company at 31 December 2022, and of the results of the Company's operations for the financial year 1 January - 31 December 2022 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 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.

Independent auditor's report

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, 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 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.

Independent auditor's report

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 Act. We did not identify any material misstatement of Management's Review.

Kolding, 23 June 2023

RSM Danmark

Statsautoriseret Revisionspartnerselskab
Company reg. no. 25 49 21 45

Konrad Jensen-Dahm

State Authorised Public Accountant
mne34321

Company information

The company	Caphold Budweg Caliper ApS Industrivej 10 5260 Odense S
	Company reg. no. 39 23 87 72 Established: 12 January 2018 Domicile: Odense Financial year: 1 January - 31 December
Board of directors	Steven Brian Mesarick Aaron Robert Watkins Ralf Andreas Reger
Managing Director	Christer Mysling
Auditors	RSM Danmark Statsautoriseret Revisionspartnerselskab Birkemose Allé 39, 1. sal 6000 Kolding
Subsidiary	Budweg Caliper A/S, Odense

Management's review

Description of key activities of the company

The company's purpose is trade and production, investment in capital shares in production companies, asset management and related business.

Events occurring after the end of the financial year

From the balance sheet date until today, no circumstances have arisen which would alter the assessment of the annual report.

Income statement 1 January - 31 December

DKK thousand.

<u>Note</u>	<u>2022</u> t.kr.	<u>2021</u> t.kr.
Other external expenses	-8	-13
Gross profit	-8	-13
Operating profit	-8	-13
Income from investments in group enterprises	4.564	19.487
Other financial income from group enterprises	7	9
Pre-tax net profit or loss	4.563	19.483
1 Tax on net profit or loss for the year	0	3
Net profit or loss for the year	4.563	19.486
Proposed distribution of net profit:		
Transferred to retained earnings	4.563	19.486
Total allocations and transfers	4.563	19.486

Balance sheet at 31 December

DKK thousand.

Assets		2022	2021
<u>Note</u>		<u>t.kr.</u>	<u>t.kr.</u>
Non-current assets			
2	Investments in group enterprises	167.361	177.910
	Total investments	<u>167.361</u>	<u>177.910</u>
	Total non-current assets	<u>167.361</u>	<u>177.910</u>
Current assets			
	Receivables from group enterprises	343	349
	Tax receivables from group enterprises	<u>0</u>	<u>3</u>
	Total receivables	<u>343</u>	<u>352</u>
	Total current assets	<u>343</u>	<u>352</u>
	Total assets	<u>167.704</u>	<u>178.262</u>

Balance sheet at 31 December

DKK thousand.

Equity and liabilities		
<u>Note</u>	<u>2022</u>	<u>2021</u>
	t.kr.	t.kr.
Equity		
Contributed capital	1.064	1.064
Retained earnings	166.634	177.186
Total equity	167.698	178.250
Liabilities other than provisions		
Trade payables	6	13
Payables to associates	0	-1
Total short term liabilities other than provisions	6	12
Total liabilities other than provisions	6	12
Total equity and liabilities	167.704	178.262

3 Contingencies

4 Related parties

Statement of changes in equity

DKK thousand.

	Contributed capital t.kr.	Retained earnings t.kr.	Total t.kr.
Equity opening balance	1.064	177.184	178.248
Retained earnings for the year	0	4.563	4.563
Distributed dividends from group enterprises	0	-14.350	-14.350
Other equity entries	0	-725	-725
Exchange rate adjustments	0	-38	-38
	1.064	166.634	167.698

Notes

DKK thousand.

	2022	2021
1. Tax on net profit or loss for the year		
Tax on net profit or loss for the year	0	-3
	0	-3
	31/12 2022	31/12 2021
2. Investments in group enterprises		
Cost opening balance	239.462	239.462
Cost end of period	239.462	239.462
Revaluations, opening balance opening balance	-43.795	-215
Net profit or loss for the year before amortisation of goodwill	9.148	24.071
Dividend	-14.350	-68.200
Change financial instruments	-725	725
Exchange rate at the balance sheet date	-38	-176
Revaluation end of period	-49.760	-43.795
Amortisation of goodwill, opening balance opening balance	-17.757	-13.173
Amortisation of goodwill for the year	-4.584	-4.584
Depreciation on goodwill end of period	-22.341	-17.757
Carrying amount, end of period	167.361	177.910
The item includes goodwill with an amount of	69.350	73.934

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

DKK in thousands	Equity interest	Equity	Results for the year	Carrying amount, Caphold Budweg Caliper ApS
Budweg Caliper A/S, Odense	100 %	98.012	9.148	98.012
		98.012	9.148	98.012

Notes

DKK thousand.

3. Contingencies

Joint taxation

The company is included in the national joint taxation with Topcap Budweg Caliper ApS, CVR no. 39 23 86 91, which is an administration company and is liable unlimitedly and jointly with the other jointly taxed companies for the total corporation tax. The joint taxed companies' known net liability in joint taxation appears in the annual accounts of the management company.

4. Related parties

Controlling interest

Topcap Budweg Caliper ApS
 BBB Industries, LLC

Majority shareholder
 Capital owner

Transactions

Transactions with the parent company take place on market terms.

Consolidated financial statements

Name and registered office of the parent company that prepares group accounting for the group's largest group: BBB Industries, 29627 Renaissance Blvd. Daphne, Alabama 36526, USA. The consolidated accounts can be requested from BBI Industries either per email or telephone.

Name and registered office of the parent company that prepares the group accounting for the group's smallest group: Topcap Budweg Caliper ApS, Industrivej 10, 5260 Odense S.

Accounting policies

The annual report for Caphold Budweg Caliper 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, write-downs 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 company 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 company 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.

Income statement

Gross loss

Gross loss includes external costs.

Other external expenses comprise expenses incurred for administration.

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, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Accounting policies

Results from investments in group enterprises

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the investment in the individual entities are recognised in the income statement as a proportional share of the entities' 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 company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

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).

Statement of financial position

Investments

Investments in group enterprises

Investments in group enterprises are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

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.

Consolidated goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Consolidated goodwill is amortised on a straight-line basis over the amortisation period, which represent 5-20 years. The depreciation period is determined on the basis of an assessment that these are strategically acquired enterprises with a strong market position and a long-term earnings profile.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises 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.

Accounting policies

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. write-down 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.

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.

Income tax and deferred tax

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".

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Accounting policies

Liabilities other than provisions

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