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EMCO NORDIC APS
C/O NJORD LAW FIRM, PILESTRÆDE 58, 1112 KØBENHAVN K
ANNUAL REPORT
1 JANUARY - 31 DECEMBER 2023

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 29 May 2024**

Jörg Harbecke

The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

CVR NO. 39 82 93 20

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COMPANY DETAILS

Company	Emco Nordic ApS c/o NJORD Law Firm, Pilestræde 58 1112 Copenhagen K
	CVR No.: 39 82 93 20
	Established: 3 September 2018
	Municipality: Copenhagen
	Financial Year: 1 January - 31 December
Executive Board	Jörg Harbecke Joachim Holzapfel
Auditor	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V

MANAGEMENT'S STATEMENT

Today the Executive Board have discussed and approved the Annual Report of Emco Nordic ApS for the financial year 1 January - 31 December 2023.

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 Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

The Executive Board remain of the opinion that the conditions for opting out of audit have been fulfilled.

We recommend the Annual Report be approved at the Annual General Meeting.

Germany, 5 April 2024

Executive Board

Jörg Harbecke

Joachim Holzapfel

AUDITOR'S REPORT ON COMPILATION OF FINANCIAL INFORMATION

To the Shareholder of Emco Nordic ApS

We have compiled these Financial Statements of Emco Nordic ApS for the financial year 1 January - 31 December 2023 based on the Company's accounting records and other information provided by Management.

These Financial Statements comprise income statement, balance sheet, statement of changes in equity, notes and accounting policies.

We performed this compilation engagement in accordance with the International Standard, Compilation Engagements.

We have applied our professional expertise to assist Management in the preparation and presentation of these Financial Statements in accordance with the Danish Financial Statements Act. We have complied with relevant statutory provisions of the Danish Audit Act and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), including principles of integrity, objectivity, professional behaviour, and due care.

These Financial Statements and the accuracy and completeness of the information used to compile these Financial Statements are Management's responsibility.

Since an engagement to compile financial information is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by Management to us to compile these Financial Statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these Financial Statements are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 5 April 2024

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Brian Olsen Halling
State Authorised Public Accountant
MNE no. mne32094

MANAGEMENT COMMENTARY

Principal activities

The principal activities comprise to flooring and wall lining.

Development in activities and financial and economic position

The company have a small profit in the year.

The company have lost more than 50 % of the share capital. The management expect that this will be reestablished in the next coming years.

The company have a branch in Sweden which is included in the financial statement for the danish entity.

The parent company will not claim their debt before the company have cash enough to pay.

Significant events after the end of the financial year

No events have occurred after the end of the financial year of material importance for the Company's financial position.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2023 DKK	2022 DKK
GROSS PROFIT		1.059.515	1.430.513
Staff costs.....	1	-714.878	-1.251.951
Depreciation, amortisation and impairment losses.....		-51.171	-55.162
Other operating expenses.....		-260.311	-286.079
OPERATING PROFIT		33.155	-162.679
Other financial income.....		230.681	489.561
Other financial expenses.....	2	-217.051	-171.000
PROFIT BEFORE TAX		46.785	155.882
Tax on profit/loss for the year.....	3	-20.822	276.249
PROFIT FOR THE YEAR		25.963	432.131
PROPOSED DISTRIBUTION OF PROFIT			
Retained earnings.....		25.963	432.131
TOTAL		25.963	432.131

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2023 DKK	2022 DKK
Other plant, machinery tools and equipment.....		110.272	162.448
Property, plant and equipment.....	4	110.272	162.448
NON-CURRENT ASSETS.....		110.272	162.448
Trade receivables.....		102.113	224.735
Receivables from group enterprises.....		176.563	541.089
Deferred tax assets.....		268.890	276.249
Other receivables.....		0	192.008
Prepayments.....		1.022	4.665
Receivables.....		548.588	1.238.746
Cash and cash equivalents.....		71.618	325.761
CURRENT ASSETS.....		620.206	1.564.507
ASSETS.....		730.478	1.726.955

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2023 DKK	2022 DKK
Share Capital.....		50.000	50.000
Retained earnings.....		-1.532.820	-1.556.430
EQUITY.....		-1.482.820	-1.506.430
Prepayments from customers.....		24.231	21.050
Debt to Group companies.....		1.898.602	2.810.952
Corporation tax payable.....		13.463	0
Other liabilities.....		277.002	401.383
Current liabilities.....		2.213.298	3.233.385
LIABILITIES.....		2.213.298	3.233.385
EQUITY AND LIABILITIES.....		730.478	1.726.955
 Contingencies etc.	 5		
Charges and securities	6		

EQUITY

	Share capital	Retained earnings	Total
Equity at 1 January 2023.....	50.000	-1.556.430	-1.506.430
Proposed profit allocation.....		25.963	25.963
Other legal bindings			
Foreign exchange adjustments.....		-2.353	-2.353
Equity at 31 December 2023.....	50.000	-1.532.820	-1.482.820

NOTES

	2023 DKK	2022 DKK	Note
Staff costs			1
Average number of full time employees	1	1	
Wages and salaries.....	553.533	953.713	
Social security costs.....	161.345	298.238	
	714.878	1.251.951	
Other financial expenses			2
Group enterprises.....	114.363	83.387	
Other interest expenses.....	102.688	87.613	
	217.051	171.000	
Tax on profit/loss for the year			3
Adjustment of tax in previous years.....	13.463	0	
Adjustment of deferred tax.....	7.359	-276.249	
	20.822	-276.249	
Property, plant and equipment			4
		Other plant, machinery tools and equipment	
Cost at 1 January 2023.....		268.736	
Cost at 31 December 2023.....		268.736	
Depreciation and impairment losses at 1 January 2023.....		106.288	
Exchange adjustment.....		1.005	
Depreciation for the year.....		51.171	
Depreciation and impairment losses at 31 December 2023.....		158.464	
Carrying amount at 31 December 2023.....		110.272	
Contingencies etc.			5
Contingent liabilities			
None.			
Charges and securities			6
None.			

ACCOUNTING POLICIES

The Annual Report of Emco Nordic ApS for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

INCOME STATEMENT

Net revenue

Net revenue from the sale of merchandise and finished goods 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.

Where products with a high degree of individual adjustment are delivered, 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 income 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.

Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other operating income

Other operating income includes items of a secondary nature in relation to the Group's and the Company's activities, including profit from sale of intangible and tangible fixed assets. In addition, profit from sale of intangible and tangible fixed assets as well as business interruption and conflict compensations are included. Compensations are recognised when the income is deemed to be realisable.

Other external expenses

Other external expenses include other production, sales, delivery and administrative costs, including costs of energy, marketing, premises, loss on bad debts, lease expenses, etc

Staff costs

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

Other operating expenses

Other operating expenses include items of a secondary nature in relation to the Group's and the Company's activities. Losses from sale of intangible and tangible fixed assets are also included.

Financial income and expenses

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

ACCOUNTING POLICIES

BALANCE SHEET

Tangible fixed assets

Other plant, 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:

	Useful life	Residual value
Other plant, fixtures and equipment.....	3-5 years	0 %

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

Impairment of fixed assets

The carrying amount of tangible assets, are assessed annually for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Write-off is performed to provide for losses when an objective indication has been assessed to have incurred that a receivable or a portfolio of receivables are impaired. If there is an objective indication that an individual receivable is impaired, the write-off is performed at individual level.

Receivables for which there are no objective indication of impairment at individual level are assessed at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' registered office and credit rating in accordance with the Company's policy for credit risk management. The objective indicators, which are applied for portfolios, are determined based on the historical loss experiences.

Accruals, assets

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

ACCOUNTING POLICIES

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.