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BDO Statsautoriseret revisionsaktieselskab
Havneholmen 29
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CVR no. 20 22 26 70

EMCO NORDIC APS
C/O NJORD LAW FIRM, PILESTRÆDE 58, 1112 KØBENHAVN K
ANNUAL REPORT
1 JANUARY - 31 DECEMBER 2020

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 5 May 2021**

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 Registered Office: Danmark 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 2020.

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 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020.

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

The board of executives 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 May 2021

Executive Board

Jörg Harbecke

Joachim Holzapfel

ENGAGEMENT TO COMPILE FINANCIAL INFORMATION

To the Shareholder of Emco Nordic ApS

We have compiled the Financial Statements of Emco Nordic ApS for the financial year 1 January - 31 December 2020 based on the Company's accounting records and other information provided by Management.

The Financial Statements comprise a summary of income statement, Balance Sheet, statement of changes in equity, notes and significant 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 the Financial Statements in accordance with the Danish Financial Statements Act. We have complied with relevant statutory provisions of the Danish Audit Act, the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark.

The Financial Statements and the accuracy and completeness of the information used to compile the 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 the Financial Statements. Accordingly, we do not express an audit opinion or a review conclusion on whether the Financial Statements are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 5 May 2021

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 loss 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.

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.

Future expectations

The continued impact of the restrictions from the ongoing Corona pandemic, may result in losses that will generally have an impact on the Company's net assets, financial position and results of operations in 2021. The specific impact on the net assets, financial position and results of operations in 2021 cannot be predicted with sufficient reliability at this time either.

The company has received a letter of support from the owners, which will ensure that the company can meet its obligations until 31. December 2021.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2020 DKK	2019 DKK
GROSS PROFIT		2.159.461	-389.569
Staff costs.....	1	-1.880.065	-1.329.784
Depreciation, amortisation and impairment losses.....		0	-5.795
Other operating expenses.....		-228.092	-226.005
OPERATING PROFIT		51.304	-1.951.153
Other financial income.....		3.003	1.443
Other financial expenses.....	2	-123.352	-60.410
LOSS BEFORE TAX		-69.045	-2.010.120
Tax on profit/loss for the year.....		0	0
LOSS FOR THE YEAR		-69.045	-2.010.120
PROPOSED DISTRIBUTION OF PROFIT			
Retained earnings.....		-69.045	-2.010.120
TOTAL		-69.045	-2.010.120

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2020 DKK	2019 DKK
Trade receivables.....		173.914	123.595
Receivables from group enterprises.....		1.778.466	76.504
Other receivables.....		131.136	85.178
Prepayments.....		27.512	11.861
Receivables.....		2.111.028	297.138
Cash and cash equivalents.....		85.711	187.165
CURRENT ASSETS.....		2.196.739	484.303
ASSETS.....		2.196.739	484.303

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2020 DKK	2019 DKK
Share capital.....		50.000	50.000
Retained earnings.....		-2.088.394	-2.010.120
EQUITY.....		-2.038.394	-1.960.120
Other non-current liabilities.....		87.924	31.644
Non-current liabilities.....	3	87.924	31.644
Prepayments from customers.....		1.041	0
Debt to Group companies.....		3.801.610	2.330.666
Other liabilities.....		344.558	82.113
Current liabilities.....		4.147.209	2.412.779
LIABILITIES.....		4.235.133	2.444.423
EQUITY AND LIABILITIES.....		2.196.739	484.303
 Contingencies etc.	 4		
Charges and securities	5		

EQUITY

	Share capital	Retained earnings	Total
Equity at 1 January 2020.....	50.000	-2.010.120	-1.960.120
Proposed profit allocation.....		-69.045	-69.045
Other legal bindings			
Foreign exchange adjustments.....		-9.229	-9.229
Equity at 31 December 2020.....	50.000	-2.088.394	-2.038.394

NOTES

				Note
Staff costs				1
Average number of employees		2	3	
Wages and salaries.....	1.655.164		1.228.766	
Pensions.....	2.272		2.651	
Social security costs.....	222.629		98.367	
	1.880.065		1.329.784	
 Other financial expenses				 2
Group enterprises.....	93.416		28.789	
Other interest expenses.....	29.936		31.621	
	123.352		60.410	
 Long-term liabilities				 3
	31/12 2020	Repayment	Debt	31/12 2019
	total liabilities	next year	outstanding	total liabilities
			after 5 years	
Other non-current liabilities.....	87.924	0	0	31.644
	87.924	0	0	31.644
 Contingencies etc.				 4
Contingent liabilities				
None.				
 Charges and securities				 5
None.				

ACCOUNTING POLICIES

The Annual Report of Emco Nordic ApS for 2020 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.

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 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.

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 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.

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.

BALANCE SHEET

ACCOUNTING POLICIES

Receivables

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

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.

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.