

Positec Nordic ApS
Herstedvang 8, 2620 Albertslund

Annual report
2018/19

Company reg. no. 39 84 23 35

The annual report was submitted and approved by the general meeting on the 17 September 2020.

Frank Winterwerb
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

Today, the executive board has presented the annual report of Positec Nordic ApS for the financial year 2018/19.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2019 and of the company's results of activities in the financial year 6 September 2018 - 31 December 2019.

The executive board consider the conditions for audit exemption of the 2018/19 financial statements to be met.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

Albertslund, 17 September 2020

Executive board

Per Anders Christiansson

Torsten Bollweg

Auditor's report on compilation of the financial statements

To the shareholders of Positec Nordic ApS

We have compiled the financial statements of Positec Nordic ApS for the financial year 6 September 2018 - 31 December 2019 based on the company's bookkeeping and on further information provided by you.

The financial statements comprise the accounting policies, income statement, statement of financial position and notes.

We performed this engagement in accordance with the international standard ISRS 4410 applying to compilation engagements.

We have applied our professional expertise to assist you in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements of the Danish Act on Approved Auditors and Audit Firms and with ethical requirements of the Danish Institute of State Authorised Public Accountants, including principles of integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us in order to compile the financial statements. Accordingly, we express neither an audit opinion nor a review opinion as to whether the financial statements have been compiled in accordance with the Danish Financial Statements Act.

Risskov, 17 September 2020

Martinsen

State Authorised Public Accountants
Company reg. no. 32 28 52 01

Kaj Kromann Laschewski
State Authorised Public Accountant
mne32783

Company information

The company

Positec Nordic ApS
Herstedvang 8
2620 Albertslund

Company reg. no. 39 84 23 35

Financial year: 6 September - 31 December
1st financial year

Executive board

Per Anders Christiansson
Torsten Bollweg

Auditors

Martinsen
Statsautoriseret Revisionspartnerselskab
Voldbjergvej 16, 2. sal
8240 Risskov

Parent company

Positec Germany GmbH

Management commentary

The principal activities of the company

The principal activities are sales of products including tools and garden tools.

Development in activities and financial matters

The gross profit for the year totals DKK 3.539.612. Income or loss from ordinary activities after tax totals DKK 391.647. Management considers the net profit or loss for the year satisfactory.

Accounting policies

The annual report for Positec Nordic 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 annual report is presented in DKK. The annual report comprises the first financial year and hence comparative figures are not available.

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, writedowns 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 profit

Gross profit comprises the revenue, costs of sales and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts.

Accounting policies

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises and operational leasing costs.

Staff costs

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

Financial expenses

Financial expenses comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial expenses are recognised in the income statement with the amounts concerning the financial year.

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.

Statement of financial position

Leases

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Income tax and deferred tax

Current tax receivables and tax liabilities are recognised in the statement of financial position with the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivables and tax liabilities are offset to the extent that a legal right of set-off exists and the items are expected to be settled net or simultaneously.

Deferred tax is tax on all temporary differences in the carrying amount and tax base of assets and liabilities measured on the basis of the planned application of the asset and disposal of the liability, respectively.

Accounting policies

Deferred tax assets, including the tax value of tax losses eligible for carryforward, are recognised at their expected realisable value, either by settlement against tax of future earnings or by setoff in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisation value.

Deferred tax is measured on the basis of the tax rules and tax rates of applicable legislation at the reporting date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities other than provisions

Liabilities other than provisions are measured at amortised cost which usually corresponds to the nominal value.

Income statement

All amounts in DKK.

<u>Note</u>	6/9 2018 - 31/12 2019
Gross profit	3.539.612
1 Staff costs	-3.029.976
Operating profit	509.636
2 Other financial costs	-2.351
Pre-tax net profit or loss	507.285
3 Tax on net profit or loss for the year	-115.638
Net profit or loss for the year	391.647
 Proposed appropriation of net profit:	
Transferred to retained earnings	391.647
Total allocations and transfers	391.647

Statement of financial position

All amounts in DKK.

Assets		
<u>Note</u>		<u>31/12 2019</u>
Current assets		
	Receivables from group enterprises	1.209.123
	Other receivables	<u>395.945</u>
	Total receivables	<u>1.605.068</u>
	Total current assets	<u>1.605.068</u>
	Total assets	<u>1.605.068</u>

Statement of financial position

All amounts in DKK.

<u>Note</u>	<u>31/12 2019</u>
Equity and liabilities	
Equity	
4 Contributed capital	372.135
5 Retained earnings	391.647
Total equity	<u>763.782</u>
Provisions	
Provisions for deferred tax	17.926
Total provisions	<u>17.926</u>
Liabilities other than provisions	
6 Other payables	103.650
Total long term liabilities other than provisions	<u>103.650</u>
Trade payables	231.468
Income tax payable	97.712
Other payables	390.530
Total short term liabilities other than provisions	<u>719.710</u>
Total liabilities other than provisions	<u>823.360</u>
Total equity and liabilities	<u>1.605.068</u>
7 Contingencies	

Notes

All amounts in DKK.

	6/9 2018 - 31/12 2019
	<u> </u>
1. Staff costs	
Salaries and wages	2.638.018
Pension costs	364.446
Other costs for social security	<u>27.512</u>
	<u>3.029.976</u>
Average number of employees	<u>3</u>
2. Other financial costs	
Other financial costs	<u>2.351</u>
	<u>2.351</u>
3. Tax on net profit or loss for the year	
Tax of the results for the year	94.226
Adjustment for the year of deferred tax	<u>21.412</u>
	<u>115.638</u>
	<u>31/12 2019</u>
4. Contributed capital	
Cash capital increase	<u>372.135</u>
	<u>372.135</u>
5. Retained earnings	
Profit or loss for the year brought forward	<u>391.647</u>
	<u>391.647</u>

Notes

All amounts in DKK.

	<u>31/12 2019</u>
6. Other payables	
Total other payables	103.650
Share of amount due within 1 year	<u>0</u>
Total other payables	<u>103.650</u>
Share of liabilities due after 5 years	<u>0</u>

7. Contingencies

Contingent liabilities

Lease liabilities

The company has entered into operational leases with an average annual lease payment of DKK 749.682. The leases have 35 months to maturity and total outstanding lease payments total DKK 1.244.883.