

Positec Nordic ApS
Herstedvang 8, 2620 Albertslund

Annual report
2021

Company reg. no. 39 84 23 35

The annual report was submitted and approved by the general meeting on the 29 June 2022.

Frank Winterwerb
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS 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 statement

Today, the Executive Board has approved the annual report of Positec Nordic ApS for the financial year 2021.

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 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

The Executive Board consider the conditions for audit exemption of the 2021 financial statements to be met.

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.

Albertslund, 29 June 2022

Executive board

Per Anders Christiansson

Torsten Bollweg

Practitioner's compilation report

To the Shareholders of Positec Nordic ApS

We have compiled the financial statements of Positec Nordic ApS for the financial year 1 January - 31 December 2021 based on the company's bookkeeping and on information you have provided.

These financial statements comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting 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 requirements under the Danish Act on Approved Auditors and Audit Firms and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) including principles of integrity, objectivity, professional competence and due care.

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

Since 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 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.

Risskov, 29 June 2022

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: 1 January - 31 December
Executive board	Per Anders Christiansson Torsten Bollweg
Auditors	Martinsen Statsautoriseret Revisionspartnerselskab Voldbjergvej 16, 2. sal 8240 Risskov
Parent company	Positec Germany GmbH

Management´s review

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 3.314.734 against DKK 4.539.282 last year. Income or loss from ordinary activities after tax totals DKK 192.225 against DKK 418.512 last year. Management considers the net profit or loss for the year satisfactory.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2021</u>	<u>2020</u>
Gross profit	3.314.734	4.539.282
1 Staff costs	-3.060.661	-3.986.495
Profit before net financials	254.073	552.787
2 Other financial expenses	-936	-5.355
Pre-tax net profit or loss	253.137	547.432
3 Tax on net profit or loss for the year	-60.912	-128.920
Net profit or loss for the year	192.225	418.512
 Proposed appropriation of net profit:		
Transferred to retained earnings	192.225	418.512
Total allocations and transfers	192.225	418.512

Balance sheet at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2021</u>	<u>2020</u>
Current assets		
Receivables from subsidiaries	1.604.571	1.915.598
Receivable corporate tax	77.471	0
Other receivables	185.514	537.767
Total receivables	<u>1.867.556</u>	<u>2.453.365</u>
Total current assets	<u>1.867.556</u>	<u>2.453.365</u>
Total assets	<u>1.867.556</u>	<u>2.453.365</u>

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		<u>2021</u>	<u>2020</u>
<u>Note</u>			
Equity			
Contributed capital		372.135	372.135
Results brought forward		1.002.384	810.160
Total equity		<u>1.374.519</u>	<u>1.182.295</u>
Provisions			
Provisions for deferred tax		0	7.683
Total provisions		<u>0</u>	<u>7.683</u>
Liabilities other than provisions			
4 Other payables		0	290.931
Total long term liabilities other than provisions		<u>0</u>	<u>290.931</u>
Trade payables		60.919	51.824
Income tax payable		66	139.163
Other payables		432.052	781.469
Total short term liabilities other than provisions		<u>493.037</u>	<u>972.456</u>
Total liabilities other than provisions		<u>493.037</u>	<u>1.263.387</u>
Total equity and liabilities		<u>1.867.556</u>	<u>2.453.365</u>

5 Contingencies

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2020	372.135	391.647	763.782
Profit or loss for the year brought forward	0	418.513	418.513
Equity 1 January 2021	372.135	810.160	1.182.295
Profit or loss for the year brought forward	0	192.224	192.224
	372.135	1.002.384	1.374.519

Notes

All amounts in DKK.

	<u>2021</u>	<u>2020</u>
1. Staff costs		
Salaries and wages	2.682.370	3.491.713
Pension costs	337.156	450.789
Other costs for social security	41.135	43.993
	<u>3.060.661</u>	<u>3.986.495</u>
 Average number of employees	 <u>5</u>	 <u>6</u>
 2. Other financial expenses		
Other financial costs	936	5.355
	<u>936</u>	<u>5.355</u>
 3. Tax on net profit or loss for the year		
Tax of the results for the year	68.750	133.298
Adjustment for the year of deferred tax	-7.683	-10.243
Calculated addition	-155	5.865
	<u>60.912</u>	<u>128.920</u>
	 <u>31/12 2021</u>	 <u>31/12 2020</u>
 4. Other payables		
Total other payables	0	290.931
Share of amount due within 1 year	0	0
Total other payables	<u>0</u>	<u>290.931</u>
 Share of liabilities due after 5 years	 <u>0</u>	 <u>0</u>

Notes

All amounts in DKK.

5. Contingencies

Contingent liabilities

Lease liabilities

The company has entered into operational lease with an average annual lease payment of DKK 347.265. The leases have 3-18 months to maturity and total outstanding lease payments total DKK 276.367.

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 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, 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.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Accounting policies

Income statement

Gross profit

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

Other external costs comprise costs incurred for distribution, sales, advertising, cars, 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 are recognised in the income statement with the amounts concerning the financial year. Financial expenses comprise interest expenses, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

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 nominal value.

Accounting policies

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.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

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.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Liabilities concerning payables to suppliers and other payables are measured at amortised cost which usually corresponds to the nominal value.