

---

# ***Viridus Manufacturing A/S***

Langdyssen 6, Lisbjerg, DK-8200 Aarhus N

## **Annual Report for 1 July 2021 - 30 June 2022**

---

CVR No 40 27 37 19

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
17/11 2022

Brian Christensen  
Chairman of the General  
Meeting



**pwc**

# Contents

	<u>Page</u>
<b>Management's Statement and Auditor's Report</b>	
Management's Statement	1
Independent Auditor's Report	2
<b>Company Information</b>	
Company Information	5
Management's Review	6
<b>Financial Statements</b>	
Income Statement 1 July - 30 June	7
Balance Sheet 30 June	8
Statement of Changes in Equity	10
Notes to the Financial Statements	11

# Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Viridus Manufacturing A/S for the financial year 1 July 2021 - 30 June 2022.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 30 June 2022 of the Company and of the results of the Company operations for 2021/22.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Aarhus N, 17 November 2022

## Executive Board

Jesper Lundqvist  
Executive Officer

## Board of Directors

Brian Christensen

Juan Wang

Liping Wu

# Independent Auditor's Report

To the Shareholders of Viridus Manufacturing A/S

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 June 2022 and of the results of the Company's operations for the financial year 1 July 2021 - 30 June 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Viridus Manufacturing A/S for the financial year 1 July 2021 - 30 June 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

## 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.

## 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.

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 Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

## 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 misstate-

# Independent Auditor's Report

ment, 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.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism 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

# Independent Auditor's Report

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.

Esbjerg, 17 November 2022

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Palle H. Jensen

State Authorised Public Accountant

mne32115

## Company Information

### **The Company**

Viridus Manufacturing A/S  
Langdyssen 6  
Lisbjerg  
DK-8200 Aarhus N

CVR No: 40 27 37 19  
Financial period: 1 July - 30 June  
Incorporated: 14 February 2019  
Financial year: 3rd financial year  
Municipality of reg. office: Aarhus

### **Board of Directors**

Brian Christensen  
Juan Wang  
Liping Wu

### **Executive Board**

Jesper Lundqvist

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Esbjerg Brygge 28  
DK-6700 Esbjerg

# Management's Review

## Key activities

The company's purpose is the development, production and sale of various products and related business.

## Development in the year

The income statement of the Company for 2021/22 shows a profit of DKK 1,075,345, and at 30 June 2022 the balance sheet of the Company shows equity of DKK 7,518,953.

## Unusual events

The financial position at 30 June 2022 of the Company and the results of the activities of the Company for the financial year for 2021/22 have not been affected by any unusual events.

## Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.



## Income Statement 1 July - 30 June

	Note	2021/22 DKK	2020/21 DKK
<b>Gross profit/loss</b>		<b>8.621.586</b>	<b>4.453.070</b>
Staff expenses	1	-6.370.301	-3.684.245
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	2	-858.385	-499.049
<b>Profit/loss before financial income and expenses</b>		<b>1.392.900</b>	<b>269.776</b>
Financial expenses	3	-30.181	-5.163
<b>Profit/loss before tax</b>		<b>1.362.719</b>	<b>264.613</b>
Tax on profit/loss for the year	4	-287.374	-55.474
<b>Net profit/loss for the year</b>		<b>1.075.345</b>	<b>209.139</b>

## Distribution of profit

### Proposed distribution of profit

Retained earnings	1.075.345	209.139
	<b>1.075.345</b>	<b>209.139</b>

# Balance Sheet 30 June

## Assets

	Note	2022 DKK	2021 DKK
Goodwill		15.305	21.427
<b>Intangible assets</b>	5	<b>15.305</b>	<b>21.427</b>
Other fixtures and fittings, tools and equipment		1.998.262	1.220.493
Leasehold improvements		124.945	87.176
Prepayments for property, plant and equipment		115.000	182.400
<b>Property, plant and equipment</b>	6	<b>2.238.207</b>	<b>1.490.069</b>
<b>Fixed assets</b>		<b>2.253.512</b>	<b>1.511.496</b>
<b>Inventories</b>	7	<b>14.437.471</b>	<b>9.016.298</b>
Trade receivables		4.813	0
Other receivables		91.036	0
Receivable from shareholders and Management		0	2.450.660
Prepayments		86.903	15.994
<b>Receivables</b>		<b>182.752</b>	<b>2.466.654</b>
<b>Cash at bank and in hand</b>		<b>701.357</b>	<b>10.266</b>
<b>Currents assets</b>		<b>15.321.580</b>	<b>11.493.218</b>
<b>Assets</b>		<b>17.575.092</b>	<b>13.004.714</b>

# Balance Sheet 30 June

## Liabilities and equity

	Note	2022 DKK	2021 DKK
Share capital		4.000.000	4.000.000
Retained earnings		3.518.953	2.443.608
<b>Equity</b>		<b>7.518.953</b>	<b>6.443.608</b>
Provision for deferred tax	8	34.900	24.000
Other provisions		366.254	108.247
<b>Provisions</b>		<b>401.154</b>	<b>132.247</b>
Credit institutions		229.245	133.403
Trade payables		191.237	180.716
Payables to group enterprises		3.317.910	3.222.595
Payables to owners and Management		2.619.441	503.545
Corporation tax		283.448	6.974
Other payables		3.013.704	2.381.626
<b>Short-term debt</b>		<b>9.654.985</b>	<b>6.428.859</b>
<b>Debt</b>		<b>9.654.985</b>	<b>6.428.859</b>
<b>Liabilities and equity</b>		<b>17.575.092</b>	<b>13.004.714</b>
Contingent assets, liabilities and other financial obligations	9		
Accounting Policies	10		

## Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 July	4.000.000	2.443.608	6.443.608
Net profit/loss for the year	0	1.075.345	1.075.345
<b>Equity at 30 June</b>	<b>4.000.000</b>	<b>3.518.953</b>	<b>7.518.953</b>

# Notes to the Financial Statements

	<u>2021/22</u>	<u>2020/21</u>
	DKK	DKK
<b>1 Staff expenses</b>		
Wages and salaries	5.469.192	3.242.848
Pensions	510.685	255.514
Other social security expenses	176.752	28.400
Other staff expenses	213.672	157.483
	<u><b>6.370.301</b></u>	<u><b>3.684.245</b></u>
<b>Average number of employees</b>	<u><b>15</b></u>	<u><b>8</b></u>
<b>2 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment</b>		
Amortisation of intangible assets	6.122	6.122
Depreciation of property, plant and equipment	852.263	492.927
	<u><b>858.385</b></u>	<u><b>499.049</b></u>
<b>3 Financial expenses</b>		
Interest paid to associates	13.876	0
Other financial expenses	16.305	5.163
	<u><b>30.181</b></u>	<u><b>5.163</b></u>
<b>4 Tax on profit/loss for the year</b>		
Current tax for the year	276.474	6.974
Deferred tax for the year	10.900	48.500
	<u><b>287.374</b></u>	<u><b>55.474</b></u>

# Notes to the Financial Statements

## 5 Intangible assets

	Goodwill DKK
Cost at 1 July	30.610
Cost at 30 June	30.610
Impairment losses and amortisation at 1 July	9.183
Amortisation for the year	6.122
Impairment losses and amortisation at 30 June	15.305
<b>Carrying amount at 30 June</b>	<b>15.305</b>

## 6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK	Prepayments for property, plant and equipment DKK
Cost at 1 July	1.698.825	149.022	182.400
Additions for the year	1.175.485	67.573	115.000
Transfers for the year	182.400	0	-182.400
Cost at 30 June	3.056.710	216.595	115.000
Impairment losses and depreciation at 1 July	478.332	61.846	0
Depreciation for the year	580.116	29.804	0
Impairment losses and depreciation at 30 June	1.058.448	91.650	0
<b>Carrying amount at 30 June</b>	<b>1.998.262</b>	<b>124.945</b>	<b>115.000</b>

## 7 Inventories

	2022 DKK	2021 DKK
Raw materials and consumables	13.314.941	5.810.645
Finished goods	1.122.530	3.205.653
	<b>14.437.471</b>	<b>9.016.298</b>

## Notes to the Financial Statements

	<u>2022</u> DKK	<u>2021</u> DKK
<b>8 Provision for deferred tax</b>		
Property, plant and equipment	<u>34.900</u>	<u>24.000</u>
	<b><u>34.900</u></b>	<b><u>24.000</u></b>

### 9 Contingent assets, liabilities and other financial obligations

#### Rental and lease obligations

Rental commitments, non-cancellable 7 months	0	95.851
--	---	--------

# Notes to the Financial Statements

## 10 Accounting Policies

The Annual Report of Viridus Manufacturing A/S for 2021/22 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021/22 are presented in DKK.

### Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

### Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.



# Notes to the Financial Statements

## 10 Accounting Policies (continued)

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

### Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

## Income Statement

### Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

### Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

### Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, expenses for raw materials and consumables and other external expenses.

# Notes to the Financial Statements

## 10 Accounting Policies (continued)

### Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

## Balance Sheet

### Intangible assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 5 years.

### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	5 years
Leasehold improvements	5 years

# Notes to the Financial Statements

## 10 Accounting Policies (continued)

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

### Impairment of fixed assets

The carrying amounts of intangible assets and plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

### Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour.

### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

### Provisions

Other provisions include warranty obligations in respect of repair work within the warranty period of 1-5. Provisions are measured and recognised based on experience with guarantee work.

# Notes to the Financial Statements

## 10 Accounting Policies (continued)

### Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off 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 will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

### Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### Financial debts

Loans, such as mortgage loans and loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.