

Bestair Denmark ApS

Toldboden 3
8800 Viborg

CVR No. 41202009

Annual report 2022

1 January 2022 - 31 December 2022

Adopted at the Annual General Meeting on 28
February 2023

Ivo Köpper
Chairman

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Company details

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Company

Bestair Denmark ApS
Toldboden 3
8800 Viborg

CVR No.: 41202009

Executive board

Ivo Köpper
Jaan Köpper

Board of Directors

Ivo Köpper
Jaan Köpper

Auditors

inforevision
statsautoriseret revisionsaktieselskab
Buddingevej 312
2860 Søborg
CVR No. 19263096

Simon Morthorst, state authorized public accountant

Management's Review

Primary activities

As in previous years, the company's primary activities is trade in climate solutions and related business.

Development in activities and finances

The result of the company's activities in the financial year showed a negative result. Bestair Denmark ApS started it's daily activities second half of the annual 2021 year. At the beginning of 2022 company was fully established and operational. Biggest challenges were the lack of supply of the products. After the Russia attack Ukraine, energy crises started. This increased even more the demand for the heat pumps and deficit of the products. Company's turnover and wellbeing was only depending on the supply. Company would have been able to do more turnover and become profitable as there were enough units to sell. This was the main reason why company's annual year ended with the negative result.

Outlook

The company expects a positive result for next financial year. Equity will be re-established by the parent company equity injection in Q1 2023.

Statement by Management

Statement by Management

The Board of Directors and The Executive Board have today considered and adopted the annual report for 1 January 2022 - 31 December 2022 for Bestair Denmark ApS.

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 the company's financial position at 31 December 2022 and of the results of its operations for the financial year 1 January 2022 - 31 December 2022.

We believe that the Management's review contains a fair review of the affairs and conditions referred to therein.

We recommend that the annual report be adopted at the Annual General Meeting.

Viborg, 27 February 2023

Executive board

Ivo Köpper
CEO

Jaan Köpper
Executive director

Board of Directors

Ivo Köpper
Chairman

Jaan Köpper
Board member

Auditor's report

Independent auditor's report

To the shareholder's in Bestair Denmark ApS

Opinion

We have audited the financial statements of Bestair Denmark ApS for the financial year 1 January 2022 - 31 December 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position as at 31 December 2022 and of the results of the company's operations for the financial year 1 January 2022 - 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the company in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 misstatement, 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, for disclosing, as applicable, matters related to going concern, and for 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.

Auditor's report, continued

- 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 content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events 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.

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.

Søborg, 27 February 2023

inforevision

Statsautoriseret revisionsaktieselskab

CVR No. 19263096

Simon Morthorst

state authorized public accountant

mne29383

Accounting policies

Information on reporting class

The annual report has been prepared in accordance with Danish financial statement legislation as well as generally accepted accounting principles.

The annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing Reporting class B.

Some provisions from reporting class C has been adopted.

The accounting policies have not been changed from last year.

Generally regarding recognition and measurement

The financial statements have been prepared based on historical cost.

The income is 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.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

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.

The functional currency is Danish Kroner. All other currencies are considered foreign currencies.

Foreign currency translation

During the year, transactions in foreign currencies have been translated applying the exchange rate at the transaction date. If currency positions are considered hedge of future cash flows, the value adjustments are recognised directly in equity.

Receivables and debt denominated in foreign currencies have been recognised at the exchange rate of the balance sheet date.

Realised and unrealised exchange gains and losses have been recognised in the income statement under other financial income and expenses.

Accounting policies, continued

Income statement

The income statement has been classified by nature.

Gross profit

Gross profit/loss includes "Revenue", "Cost of sales" and "External expenses".

Revenue

As income recognition criterion, the completed contract method is applied so that revenue comprises invoiced revenue for the year. Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer before the end of the financial year. Revenue is measured at fair value excl. VAT and less granted goods and customer discounts.

Cost of sales

Cost of sales comprise expenses incurred to earn revenue for the year including changes in goods for resale in the year.

External expenses

External expenses comprises Selling costs, Cost of premises and Administrative expenses.

Staff costs

Staff costs include wages and salaries including holiday pay and pensions and other social security costs etc. to the company's employees.

Financial income

Financial income is recognised with amounts concerning the the financial year. Financial income comprise realised and unrealised exchange gains.

Financial expenses

Financial expenses is recognised with amounts concerning the the financial year. Financial expenses comprise interest and realised and unrealised exchange losses.

Accounting policies, continued

Balance sheet

The balance sheet has been presented in account form.

Assets

Other receivables classified as fixed assets

Deposits recognised as fixed assets are measured at amortised cost, which usually corresponds to nominal amount.

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. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

Prepayments

Prepayments comprise costs incurred relating to subsequent financial years.

Equity and liabilities

Deferred tax and corporation tax

Deferred tax is measured using the balance sheet liability method. Provision has been made for deferred tax by 22% on all temporary differences between carrying amount and tax-based value of assets and liabilities. Deferred tax is also measured with respect of the planned use of the asset and the settlement of the liability.

The tax value of the tax losses to be carried forward are included in the calculation of deferred taxes if it is probable that the losses can be used. Deferred tax assets are measured at net realisable value.

Deferred tax assets which are not expected utilised within a few years have been disclosed in notes under contingent assets.

Corporation tax relating to the the financial year which has not been settled at the balance sheet date is classified as corporation tax in receivables or liabilities other than provisions.

Financial debts

Financial debts are recognised when raising the loan at the proceeds received net of transaction expenses incurred, which are directly related with the loan. In subsequent years, financial debts are measured at amortised cost equal to the capitalised value using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement over the loan period.

Short-term debts are measured at amortised cost, substantially corresponding to nominal value.

Income statement

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> DKK
Bruttofortjeneste		630.405	-402.822
Staff costs	2	-2.390.569	-967.792
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		-1.760.164	-1.370.614
Finance income		1.463	3
Finance expenses	3	-76.942	-13.546
Profit/loss before tax		-1.835.643	-1.384.157
Tax on profit/loss for the year	4	0	0
Profit/loss for the year		-1.835.643	-1.384.157

Proposed distribution of profit and loss

	<u>2022</u> DKK	<u>2021</u> DKK
Proposed distribution of profit and loss for the year :		
Transferred to retained earnings	-1.835.643	-1.384.157
Profit/loss for the year	-1.835.643	-1.384.157

Assets

	<u>Note</u>	<u>31/12-2022</u>	<u>31/12-2021</u>
		DKK	DKK
Deposits		7.200	9.200
Investments		7.200	9.200
Fixed assets		7.200	9.200
Trade receivables		1.986.072	219.733
Other receivables		19	0
Prepayments		141.322	242.949
Receivables		2.127.413	462.682
Cash at bank and in hand		3.287.372	370.555
Current assets		5.414.785	833.237
Total assets		5.421.985	842.437

Equity and liabilities

	<u>Note</u>	<u>31/12-2022</u>	<u>31/12-2021</u>
		DKK	DKK
Contributed capital		40.000	40.000
Retained earnings		-3.266.822	-1.431.179
Equity		-3.226.822	-1.391.179
Payables to group enterprises		3.781.874	0
Long-term liabilities other than provisions	5	3.781.874	0
Trade payables		91.899	54.410
Payables to group enterprises		284.003	1.917.339
Other payables		4.491.031	261.867
Short-term liabilities other than provisions		4.866.933	2.233.616
Liabilities other than provisions		8.648.807	2.233.616
Total equity and liabilities		5.421.985	842.437
Going concern	1		
Contingent assets	6		
Unrecognised contractual commitments	7		

Statement of changes in equity

	Contributed capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January 2021	40.000	-47.022	-7.022
Distributed profit/loss for the year		-1.384.157	-1.384.157
Equity at 1 January 2022	40.000	-1.431.179	-1.391.179
Distributed profit/loss for the year		-1.835.643	-1.835.643
Equity at 31 December 2022	40.000	-3.266.822	-3.226.822

Notes

1. Financial risks

The company's management expects a positive result for the coming financial year, and the company's shareholders have stated that they will provide the company with the necessary and sufficient cash for the company to meet its obligations when due and thus ensure the company to continue as a going concern.

On the basis of the above, the financial statements have been prepared on the assumption of the company continued operation.

2. Staff costs

	<u>2022</u>	<u>2021</u>
	DKK	DKK
Wages and salaries	2.364.640	964.384
Other social security costs	25.038	3.408
Other staff cost	891	0
Total	<u>2.390.569</u>	<u>967.792</u>
Average number of full-time employees	<u>3</u>	<u>2</u>

3. Finance expenses

	<u>2022</u>	<u>2021</u>
	DKK	DKK
Financial expenses to group enterprises	71.143	13.146
Other financial expenses	5.799	400
Total	<u>76.942</u>	<u>13.546</u>

4. Tax expense

	<u>Deferred tax</u>	<u>Tax on profit/loss for the year</u>
	DKK	DKK
Payables at 1 January 2022	0	
Tax on profit/loss for the year	<u>0</u>	<u>0</u>
Payables at 31 December 2022	<u>0</u>	
Tax on profit/loss for the year recognised in the income statement		<u>0</u>

Notes, continued

5. Long-term liabilities

	<u>31/12-2022</u>	<u>31/12-2021</u>
	DKK	DKK
Liabilities in total:		
Payables to group enterprises	3.781.874	0
Total	<u>3.781.874</u>	<u>0</u>

6. Contingent assets

	<u>2022</u>
	DKK
The Company has unrecognised deferred tax assets	<u>715.998</u>

7. Unrecognised contractual commitments

The company has entered into a rental contract. The lease can be terminated by each of the parties with 1 month prior written notice to end at the end of the month.

The Company has entered into operating lease for lease of cars. The leases are interminable until 31/12 2025. The total lease commitment represents approx. DKK 260.000.

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"By my signature I confirm all dates and content in this document."

Ivo Köpper

CEO

Serial number: ivo.kopper@bestair.eu

IP: 76.137.xxx.xxx

2023-02-28 17:58:02 UTC

Ivo Köpper

Ivo Köpper

Chairman

Serial number: ivo.kopper@bestair.eu

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Ivo Köpper

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Jaan Köpper

Board member

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Simon Morthorst

State authorized public accountant

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Ivo Köpper

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Ivo Köpper

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