

Schrand ApS

c/o Dansk-Tysk Handelskammer, Kongens Nytorv 26, 3., 1050 København K

Annual report

2020/21

Company reg. no. 41 52 12 60

The annual report was submitted and approved by the general meeting on the 13 April 2022.

Timo Anton Schrand
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 EUR 146.940 means the amount of EUR 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Managing Director has approved the annual report of Schrand ApS for the financial year 2020/21.

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

I consider the chosen accounting policy to be appropriate, and in my 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 2 July 2020 - 31 December 2021.

Further, in my 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.

København K, 13 April 2022

Managing Director

Timo Anton Schrand

Independent auditor's report on extended review

To the Shareholder of Schrand ApS

Report on extended review of the Financial Statements

Opinion

We have performed an extended review of the financial statements of Schrand ApS for the financial year 2 July 2020 - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies,. The financial statements are prepared under the Danish Financial Statements Act.

Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2021 and of the results of the Company's operations for the financial year 2 July 2020 - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR - Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review 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 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, 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 extended review of the Financial Statements

Our responsibility is to express a opinion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our opinion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our opinion.

Independent auditor's report on extended review

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

Statement on the Management's Review

Management is responsible for the Management's Review.

Our opinion on the financial statements does not cover the Management's Review, and we do not express any form of assurance opinion thereon.

In connection with our extended review of the financial statements, our responsibility is to read the Management's Review and, in doing so, consider whether the Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 the Management's Review.

Other reporting obligations

We draw your attention to the fact that the company has granted a loan in violation of section 211 of the Danish Financial Statements Act to the company's management, the management can be held responsible for this, our conclusion is not modified because of this matter.

The company has violated the tax laws rules regarding withholding tax from dividend the management can be held responsible for this, our conclusion is not modified because of this matter.

Risskov, 13 April 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

Schrand ApS
c/o Dansk-Tysk Handelskammer
Kongens Nytorv 26, 3.
1050 København K

Company reg. no. 41 52 12 60
Domicile: Copenhagen
Financial year: 2 July - 31 December
1st financial year

Managing Director

Timo Anton Schrand

Auditors

Martinsen
Statsautoriseret Revisionspartnerselskab
Voldbjergvej 16, 2. sal
8240 Risskov

Parent company

Schrand Engineering & Investment GmbH
Johannes-Gutenberg-Str. 3, 49632 Essen, Tyskland

Management´s review

The principal activities of the company

The principal activity of the company is construction of the pipeline, power construction and service for transport of energy.

Development in activities and financial matters

The gross profit for the year totals EUR 418.183. Income or loss from ordinary activities after tax totals EUR 178.788. Management considers the net profit for the year satisfactory.

Income statement

All amounts in EUR.

<u>Note</u>	2/7 2020 - 31/12 2021
Gross profit	418.183
1 Staff costs	<u>-187.411</u>
Operating profit	230.772
Other financial income	2.178
2 Other financial expenses	<u>-371</u>
Pre-tax net profit or loss	232.579
3 Tax on net profit or loss for the year	<u>-53.791</u>
Net profit or loss for the year	178.788
Proposed appropriation of net profit:	
Dividend for the financial year	135.000
Transferred to retained earnings	<u>43.788</u>
Total allocations and transfers	178.788

Balance sheet

All amounts in EUR.

Assets		
<u>Note</u>		<u>31/12 2021</u>
Current assets		
	Trade debtors	35.705
	Other debtors	11.637
4	Receivables from owners and management	<u>132.178</u>
	Total receivables	<u>179.520</u>
	Cash and cash equivalents	<u>108.270</u>
	Total current assets	<u>287.790</u>
	Total assets	<u>287.790</u>

Balance sheet

All amounts in EUR.

Equity and liabilities	
<u>Note</u>	<u>31/12 2021</u>
Equity	
Contributed capital	5.354
Results brought forward	43.788
Proposed dividend for the financial year	135.000
Total equity	184.142
 Long term liabilities other than provisions	
Trade payables	5.201
Income tax payable	53.791
Other payables	44.656
Total short term liabilities other than provisions	103.648
 Total liabilities other than provisions	103.648
 Total equity and liabilities	287.790

Statement of changes in equity

All amounts in EUR.

	Contributed capital	Retained earnings	Proposed dividend for the financial year	Total
Equity 2 July 2020	0	0	0	0
Cash capital increase	5.354	0	0	5.354
Profit or loss for the year brought forward	0	43.788	135.000	178.788
	5.354	43.788	135.000	184.142

Notes

All amounts in EUR.

		2/7 2020 - 31/12 2021
1.	Staff costs	
	Salaries and wages	183.872
	Other costs for social security	1.591
	Other staff costs	1.948
		<u>187.411</u>
	Average number of employees	<u>5</u>
2.	Other financial expenses	
	Financial costs, group enterprises	88
	Other financial costs	283
		<u>371</u>
3.	Tax on net profit or loss for the year	
	Tax of the results for the year, parent company	51.524
	Calculated addition	2.267
		<u>53.791</u>
4.	Receivables from owners and management	
Category	Interest rate	Amounts repaid during the financial year
Executive board	10,05	0
		Total receivables at 31 December 2021
		132.178

Accounting policies

The annual report for Schrand 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 euro (EUR). 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 and other external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Accounting policies

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.

Other external expenses comprise expenses incurred for administration.

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 income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, realised and unrealised capital gains and losses relating to transactions in foreign currency, 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

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

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.

Accounting policies

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.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

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.