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KJÆRULFF

PERSONLIGT ENGAGEMENT

STATSAUTORISERET  
REVISIONSAKTIESELSKAB

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# Stepup Octo ApS

Kallupvej 54, 2640 Hedehusene

Company reg. no. 41 71 60 10

## Annual report

**1 January - 31 December 2023**

The annual report was submitted and approved by the general meeting on the 3 July 2024.

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Knud Bay Højland  
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

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Today, the Board of Directors and the Managing Director have approved the annual report of Stepup Octo ApS for the financial year 1 January - 31 December 2023.

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 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

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.

Hedehusene, 3 July 2024

### Managing Director

  
Knud Bay Højland  
Managing Director

### Board of directors

  
Knud Bay Højland  
Managing Director

  
Michael Charles McAnnally



## The independent practitioner's report

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### To the Shareholders of Stepup Octo ApS

#### Qualified opinion

We have performed an extended review of the financial statements of Stepup Octo ApS for the financial year 1 January - 31 December 2023, 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, except for the possible effect of the matter described in the "Basis for Qualified Opinion" section of our report, the financial statements give a true and fair view of the Company's financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

#### Basis for Qualified Opinion

The annual accounts for the last financial year are provided with an audit report with a qualification regarding insufficient proof of inventories per 31 December 2022. For the current financial year, we have also not been able to obtain sufficient proof of balances with affiliated companies per 31 December 2023. Our conclusion on the current period's financial statements has been modified as a result of the possible significant impact of the foregoing on the current period's figures and the comparability to the previous period's figures.

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.

#### Emphasis of Matter

The company is covered by the capital rules in Section §119 of the Danish Companies Act, as the company has lost its contributed capital. The company is financed by other companies of the group. Management expects that the necessary funding will be maintained. On this basis, the financial statements are presented on the assumption of going concern.

#### 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.



## **The independent practitioner's report**

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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.

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.



## The independent practitioner's report

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Copenhagen, 3 July 2024

### Christensen Kjærulff

Company reg. no. 15 91 56 41

Sven-Erik Vejlbj  
State Authorised Public Accountant  
mne25075



## Company information

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<b>The company</b>	Stepup Octo ApS Kallupvej 54 2640 Hedehusene  Company reg. no. 41 71 60 10 Financial year: 1 January 2023 - 31 December 2023 3rd financial year
<b>Board of directors</b>	Knud Bay Højland, Managing Director Michael Charles McAnnally
<b>Managing Director</b>	Knud Bay Højland, Managing Director
<b>Auditors</b>	Christensen Kjærulff Statsautoriseret Revisionsaktieselskab Østbanegade 123 2100 København Ø
<b>Parent company</b>	Sunshine Enterprise Group EU Limited
<b>Subsidiary</b>	MP House ApS, Hedehusene



## Management's review

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### **The principal activities of the company**

The principal activities of the company are the sale and leasing of scaffolding products, halls, grandstands, formwork panels and ladders, made of steel, aluminum, wood and other materials, as well as related business.

### **Development in activities and financial matters**

The revenue for the year totals 28.572.850 DKK against 23.315.924 DKK last year. Income or loss from ordinary activities after tax totals 414.653 DKK against -842.244 DKK last year.

### **Financial situation**

The company is covered by the capital rules in Section §119 of the Danish Companies Act, as the company has lost its contributed capital. The company is financed by other companies of the group. Management expects that the necessary funding will be maintained. On this basis, the financial statements are presented on the assumption of going concern.

### **Events occurring after the end of the financial year**

No events have occurred subsequent to the balance sheet date, which would materially impact the financial position of the company.





## Income statement 1 January - 31 December

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All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Revenue	28.572.854	23.315.924
Change in inventories of finished goods and work in progress	0	-368.256
Costs of raw materials and consumables	-19.766.617	-16.826.158
Other external expenses	-4.806.407	-4.874.711
<b>Gross profit</b>	<b>3.999.830</b>	<b>1.246.799</b>
2 Staff costs	-3.387.378	-1.986.741
Depreciation and impairment of property, land, and equipment	-120.499	-120.499
<b>Operating profit</b>	<b>491.953</b>	<b>-860.441</b>
Income from investments in subsidiaries	0	-1
Other financial income	296.203	32.523
3 Other financial expenses	-21	-14.325
<b>Results before tax and extraordinary items</b>	<b>788.135</b>	<b>-842.244</b>
Tax on net profit or loss for the year	0	0
<b>Net profit or loss for the year</b>	<b>788.135</b>	<b>-842.244</b>
<b>Proposed distribution of net profit:</b>		
Transferred to retained earnings	788.135	0
Allocated from retained earnings	0	-842.244
<b>Total allocations and transfers</b>	<b>788.135</b>	<b>-842.244</b>



## Balance sheet at 31 December

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All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
<b>Assets</b>		
<b>Non-current assets</b>		
4 Other fixtures, fittings, tools and equipment	361.496	481.995
Total property, plant, and equipment	<u>361.496</u>	<u>481.995</u>
<b>Total non-current assets</b>	<b><u>361.496</u></b>	<b><u>481.995</u></b>
<b>Current assets</b>		
Raw materials and consumables	13.369.181	13.534.991
Total inventories	<u>13.369.181</u>	<u>13.534.991</u>
Trade receivables	11.432.171	10.165.210
Receivables from group enterprises	11.176.827	3.653.433
Other receivables	114.695	42.100
Total receivables	<u>22.723.693</u>	<u>13.860.743</u>
Cash and cash equivalents	309.193	1.038.621
<b>Total current assets</b>	<b><u>36.402.067</u></b>	<b><u>28.434.355</u></b>
<b>Total assets</b>	<b><u>36.763.563</u></b>	<b><u>28.916.350</u></b>



## Balance sheet at 31 December

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All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Contributed capital	40.000	40.000
Retained earnings	-654.307	-1.442.442
<b>Total equity</b>	<b>-614.307</b>	<b>-1.402.442</b>
<b>Liabilities other than provisions</b>		
Trade payables	15.763.355	17.132.398
Payables to group enterprises	20.938.355	11.558.333
Other payables	676.160	1.628.061
Total short term liabilities other than provisions	37.377.870	30.318.792
<b>Total liabilities other than provisions</b>	<b>37.377.870</b>	<b>30.318.792</b>
<b>Total equity and liabilities</b>	<b>36.763.563</b>	<b>28.916.350</b>
<b>1 Financial situation</b>		
<b>6 Charges and security</b>		
<b>7 Contingencies</b>		



## Statement of changes in equity

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All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2022	40.000	-600.198	-560.198
Retained earnings for the year	0	-842.244	-842.244
Equity 1 January 2023	40.000	-1.442.442	-1.402.442
Retained earnings for the year	0	788.135	788.135
	<b>40.000</b>	<b>-654.307</b>	<b>-614.307</b>



## Notes

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All amounts in DKK.

### 1. Financial situation

The company is covered by the capital rules in Section §119 of the Danish Companies Act, as the company has lost its contributed capital. The company is financed by other companies of the group. Management expects that the necessary funding will be maintained. On this basis, the financial statements are presented on the assumption of going concern.

	<u>2023</u>	<u>2022</u>
<b>2. Staff costs</b>		
Salaries and wages	3.045.727	1.706.875
Pension costs	311.588	272.766
Other costs for social security	17.608	7.100
Other staff costs	12.455	0
	<u><b>3.387.378</b></u>	<u><b>1.986.741</b></u>
Average number of employees	<u>5</u>	<u>3</u>
<b>3. Other financial expenses</b>		
Other financial costs	<u>21</u>	<u>14.325</u>
	<u><b>21</b></u>	<u><b>14.325</b></u>
	<u>31/12 2023</u>	<u>31/12 2022</u>
<b>4. Other fixtures, fittings, tools and equipment</b>		
Cost 1 January 2023	602.494	0
Additions during the year	<u>0</u>	<u>602.494</u>
<b>Cost 31 December 2023</b>	<u><b>602.494</b></u>	<u><b>602.494</b></u>
Depreciation and write-down 1 January 2023	-120.499	0
Amortisation and depreciation for the year	<u>-120.499</u>	<u>-120.499</u>
<b>Depreciation and write-down 31 December 2023</b>	<u><b>-240.998</b></u>	<u><b>-120.499</b></u>
<b>Carrying amount, 31 December 2023</b>	<u><b>361.496</b></u>	<u><b>481.995</b></u>



## Notes

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All amounts in DKK.

	<u>31/12 2023</u>	<u>31/12 2022</u>
<b>5. Investment in group enterprise</b>		
Additions during the year	<u>0</u>	<u>1</u>
<b>Cost 31 December 2023</b>	<u><b>0</b></u>	<u><b>1</b></u>
Reversal of prior revaluations	<u>0</u>	<u>-1</u>
<b>Revaluation 31 December 2023</b>	<u><b>0</b></u>	<u><b>-1</b></u>
<b>Carrying amount, 31 December 2023</b>	<u><b>0</b></u>	<u><b>0</b></u>

### Financial highlights for the enterprise according to the latest approved annual report

	<b>Equity interest</b>	<b>Equity</b>	<b>Results for the year</b>	<b>Carrying amount, Stepup Octo ApS</b>
MP House ApS, Hedehusene	100 %	<u>-2.455.511</u>	<u>-1.866.208</u>	<u>0</u>
		<u><b>-2.455.511</b></u>	<u><b>-1.866.208</b></u>	<u><b>0</b></u>



## Notes

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All amounts in DKK.

### **6. Charges and security**

The company has no pledges or security interests at 31 December 2023.



## Notes

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All amounts in DKK.

### **7. Contingencies**

#### **Joint taxation**

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.





## Accounting policies

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The annual report for Stepup Octo 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.

### **General information on recognition and measurement**

#### **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.

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**

#### **Revenue**

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

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. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

#### **Cost of sales**

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

#### **Other external expenses**

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables etc.



## Accounting policies

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### **Staff costs**

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

### **Depreciation, amortisation, and writedown for impairment**

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of tangible assets, respectively.

### **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, financial expenses from, realised and unrealised capital gains and losses relating to, debt and transactions in foreign currency, and reimbursements under the advance tax scheme, etc.

### **Results from investment in group enterprise**

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the investment in the subsidiary is recognised in the income statement as a proportional share of the subsidiary' post-tax profit or loss.

### **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.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable by the Danish consolidated companies is paid to the tax authorities by the company.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

## Statement of financial position

### **Property, plant, and equipment**

Other property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.



## Accounting policies

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The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

### **Impairment loss relating to non-current assets**

The carrying amount of both intangible and tangible fixed assets as well as equity investment in group enterprise are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

### **Inventories**

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

The net realisable value for inventories is recognised as the estimated selling price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

### **Receivables**

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



## **Accounting policies**

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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.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank

### **Liabilities other than provisions**

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.