

SafeLine Denmark ApS

Vallensbækvej 20A, 2. th.
2605 Brøndby
Denmark

CVR no. 41 83 25 68

Annual report for the period 28 October 2020 – 31 December 2021

The annual report was presented and approved at
the Company's annual general meeting on

13 May 2022

Claus Helman Honner
Chairman of the annual general meeting

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of SafeLine Denmark ApS for the financial period 28 October 2020 – 31 December 2021.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial period 28 October 2020 – 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Brøndby, 13 May 2022
Executive Board:

Claus Helman Honner
CEO

Board of Directors:

Geert Tony Maurissen
Chairman

Carl Johan Engelbrekt
Lindh

Independent auditor's report

To the shareholder of SafeLine Denmark ApS

Opinion

We have audited the financial statements of SafeLine Denmark ApS for the financial period 28 October 2020 – 31 December 2021 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial period 28 October 2020 – 31 December 2021 in accordance with the Danish Financial Statements Act.

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.

Management's responsibility 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 that 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 audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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 company 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.

Independent auditor's report

- 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 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 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 conclusion thereon.

In connection with our audit 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 audit, 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 of the Management's review.

Copenhagen, 13 May 2022

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Klaus Rytz
State Authorised
Public Accountant
mne33205

SafeLine Denmark ApS
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Management's review

Company details

SafeLine Denmark ApS
Vallensbækvej 20A, 2. th.
2605 Brøndby
Denmark

CVR no.:	41 83 25 68
Established:	28 October 2020
Registered office:	Brøndby
Financial period:	28 October 2020 – 31 December 2021

Board of Directors

Geert Tony Maurissen, Chairman
Carl Johan Engelbrekt Lindh

Executive Board

Claus Helman Honner, CEO

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 København Ø
Danmark
CVR no. 25 57 81 98

Annual general meeting

The annual general meeting will be held on 13 May 2022.

Management's review

Operating review

Principal activities

The Company's primary activity is trading and servicing safety equipment for elevator business.

Development in activities and financial position

The Company's income statement for the period 28 October 2020 - 31 December 2021 shows a profit of DKK 327,432. Equity in the Company's balance sheet at 31 December 2021 stood at DKK 367,432.

Events after the balance sheet date

No events have occurred after the balance sheet date which could significantly affect the Company's financial position.

Financial statements 28 October – 31 December

Income statement

DKK	Note	28/10 2020- 31/12 2021
Gross profit		2,992,310
Staff costs	2	-2,502,957
Depreciation, amortisation and impairment losses		<u>-21,714</u>
Profit before financial income and expenses		467,639
Other financial income		39
Other financial expenses	3	<u>-48,609</u>
Profit before tax		419,069
Tax on profit for the year	4	<u>-91,637</u>
Profit for the period		<u>327,432</u>
Proposed profit appropriation		
Retained earnings		<u>327,432</u>
		<u>327,432</u>

Financial statements 28 October – 31 December

Balance sheet

DKK	Note	31/12 2021
ASSETS		
Fixed assets		
Property, plant and equipment	5	
Leasehold improvements		<u>73,519</u>
Investments		
Deposits		<u>95,532</u>
Total fixed assets		<u>169,051</u>
Current assets		
Inventories		
Finished goods and goods for resale		<u>1,240,901</u>
Receivables		
Trade receivables		2,054,081
Deferred tax asset		587
Prepayments		<u>17,078</u>
		<u>2,071,746</u>
Cash at bank and in hand		<u>974,836</u>
Total current assets		<u>4,287,483</u>
TOTAL ASSETS		<u><u>4,456,534</u></u>

Financial statements 28 October – 31 December

Balance sheet

DKK	Note	<u>31/12 2021</u>
EQUITY AND LIABILITIES		
Equity		
Contributed capital		40,000
Retained earnings		<u>327,432</u>
Total equity		<u>367,432</u>
Liabilities		
Current liabilities		
Trade payables		5,697
Payables to group entities		2,893,416
Corporation tax		92,224
Other payables		<u>1,097,765</u>
		<u>4,089,102</u>
Total liabilities		<u>4,089,102</u>
TOTAL EQUITY AND LIABILITIES		<u><u>4,456,534</u></u>
Contractual obligations, contingencies, etc.	6	
Related party disclosures	7	

Financial statements 28 October – 31 December

Statement of changes in equity

DKK	Contributed capital	Retained earnings	Total
Equity at 28 October 2020	0	0	0
Establishing capital	40,000	0	40,000
Transferred over the profit appropriation	0	327,432	327,432
Equity at 31 December 2021	40,000	327,432	367,432

Financial statements 28 October – 31 December

Notes

1 Accounting policies

The annual report of SafeLine Denmark ApS for 2020/21 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Income from the sale of goods, comprising the sale of safety equipment for elevators, is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received. The date of transfer of the most significant benefits and risks is determined using standard Incoterms ®2020.

Revenue from the sale of goods where installation is a condition for significant risks being considered to have been transferred to the buyer is recognised as revenue when installation has been completed.

Revenue from the sale of goods where delivery has been postponed at the buyer's request is recognised as revenue when ownership of the goods has been transferred to the buyer.

Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for goods for resale and changes to inventory of goods for resale.

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

Financial statements 28 October – 31 December

Notes

1 Accounting policies (continued)

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Property, plant and equipment

Leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use.

Where individual components of an item of leasehold improvements have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Leasehold improvements	5 years
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The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Gains and losses on the disposal of leasehold improvements are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

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Notes

1 Accounting policies (continued)

Impairment of fixed assets

The carrying amount of leasehold improvements is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Financial statements 28 October – 31 December

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1 Accounting policies (continued)

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities

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

Financial statements 28 October – 31 December

Notes

2 Staff costs

DKK	28/10 2020- 31/12 2021
Wages and salaries	2,440,110
Pensions	46,080
Other social security costs	16,767
	<u>2,502,957</u>
	<u>3</u>
Average number of full-time employees	

3 Other financial expenses

Interest expense to group entities	38,667
Other financial costs	7,983
Exchange losses	1,959
	<u>48,609</u>

4 Tax on profit/loss for the year

Current tax for the year	92,224
Deferred tax for the year	-587
	<u>91,637</u>

5 Property, plant and equipment

DKK	Leasehold improve- ments
Cost at 28 October 2020	0
Additions for the year	95,233
Cost at 31 December 2021	95,233
Depreciation for the year	-21,714
Depreciation and impairment losses at 31 December 2021	-21,714
Carrying amount at 31 December 2021	<u>73,519</u>

6 Contractual obligations, contingencies, etc.

Operating lease obligations

The Company has entered into operating leases with a remaining term of 12 months and an average monthly lease payments of DKK 16.5 thousand, totalling DKK 198 thousand.

Remaining operating lease obligations at the balance sheet date fall due at DKK 198 thousand within 1 years.

Financial statements 28 October – 31 December

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7 Related party disclosures

SafeLine Denmark ApS related parties comprise the following:

Control

SafeLine Sweden AB, Antennvägen 10, 135 48 Tyresö.

SafeLine Sweden AB holds the majority of the contributed capital in the Company.

SafeLine Denmark ApS is part of the consolidated financial statements of SafeLine Sweden AB, Antennvägen 10, 135 48 Tyresö, which is the smallest group, in which the Company is included as a subsidiary.

The consolidated financial statements of SafeLine Sweden AB can be obtained by contacting the Company at the address above.

Ownership

The following shareholders are registered in the Company's register of shareholders as holding a minimum of 5% of the votes or a minimum of 5% of the contributed capital:

SafeLine Sweden AB