

**AHERN DENMARK A/S**  
**FRIIS HANSENS VEJ 2, 7100 VEJLE**  
**ANNUAL REPORT**  
**15 FEBRUARY - 31 DECEMBER 2021**

**The Annual Report has been presented and  
adopted at the Company's Annual General  
Meeting on 21 April 2022**

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**Henrik Bank Skibsted**

*The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.*

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**COMPANY DETAILS**

<b>Company</b>	Ahern Denmark A/S Friis Hansens Vej 2 7100 Vejle
	CVR No.: 42 13 07 45
	Established: 15 February 2021
	Municipality: Vejle
	Financial Year: 15 February - 31 December
<b>Board of Directors</b>	Don Francis Ahern, chairman Henrik Bank Skibsted Matthew Colin Elvin
<b>Executive Board</b>	Henrik Bank Skibsted
<b>Auditor</b>	BDO Statsautoriseret revisionsaktieselskab Kystvejen 29 8000 Aarhus C

## MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Ahern Denmark A/S for the financial year 15 February - 31 December 2021.

The Annual Report is presented 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 year 15 February - 31 December 2021.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Vejle, 8 April 2022

Executive Board

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Henrik Bank Skibsted

Board of Directors

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Don Francis Ahern  
Chairman

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Henrik Bank Skibsted

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Matthew Colin Elvin

## THE INDEPENDENT AUDITOR'S REPORT

### *To the Shareholders of Ahern Denmark A/S*

#### **Conclusion**

We have performed an extended review of the Financial Statements of Ahern Denmark A/S for the financial year 15 February - 31 December 2021, which comprise income statement, Balance Sheet, statement of changes in equity and notes, including 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 15 February - 31 December 2021 in accordance with the Danish Financial Statements Act.

#### **Basis for Conclusion**

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 (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements 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 conclusion.

#### **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 conclusion on the Financial Statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the Financial Statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

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 Commentary**

Management is responsible for the Management Commentary.

Our conclusion on the Financial Statements does not cover the Management Commentary, and we do not express any form of assurance conclusion thereon.

## THE INDEPENDENT AUDITOR'S REPORT

In connection with our extended review of the Financial Statements, our responsibility is to read the Management Commentary and, in doing so, consider whether the Management Commentary 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 Commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management Commentary 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 Commentary.

Aarhus, 8 April 2022

BDO Statsautoriseret revisionsaktieselskab  
CVR no. 20 22 26 70

Thomas Nørgaard Christensen  
State Authorised Public Accountant  
MNE no. mne40048

## MANAGEMENT COMMENTARY

### ***Principal activities***

The principal activities comprise sales of machines.

### ***Significant events after the end of the financial year***

No events have occurred after the end of the financial year of material importance for the Company's financial position.

**INCOME STATEMENT 15 FEBRUARY - 31 DECEMBER**

	<b>Note</b>	<b>2021 DKK</b>
<b>GROSS PROFIT</b> .....		<b>312,279</b>
Staff costs.....	1	-3,665,965
Depreciation, amortisation and impairment losses.....		-92,351
<b>OPERATING LOSS</b> .....		<b>-3,446,037</b>
Other financial income.....		209,813
Other financial expenses.....		-4,985
<b>LOSS BEFORE TAX</b> .....		<b>-3,241,209</b>
Tax on profit/loss for the year.....	2	650,142
<b>LOSS FOR THE YEAR</b> .....		<b>-2,591,067</b>
<b>PROPOSED DISTRIBUTION OF PROFIT</b>		
Retained earnings.....		-2,591,067
<b>TOTAL</b> .....		<b>-2,591,067</b>



## BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2021 DKK
Goodwill.....		334,822
<b>Intangible assets.....</b>	<b>3</b>	<b>334,822</b>
Other plant, machinery tools and equipment.....		212,731
Leasehold improvements.....		95,910
<b>Property, plant and equipment.....</b>	<b>4</b>	<b>308,641</b>
Rent deposit and other receivables.....		741,000
<b>Financial non-current assets.....</b>	<b>5</b>	<b>741,000</b>
<b>NON-CURRENT ASSETS.....</b>		<b>1,384,463</b>
Finished goods and goods for resale.....		3,668,782
<b>Inventories.....</b>		<b>3,668,782</b>
Trade receivables.....		3,609,358
Deferred tax assets.....	6	650,142
Other receivables.....		34,729
Prepayments.....		56,867
<b>Receivables.....</b>		<b>4,351,096</b>
<b>Cash and cash equivalents.....</b>		<b>389,009</b>
<b>CURRENT ASSETS.....</b>		<b>8,408,887</b>
<b>ASSETS.....</b>		<b>9,793,350</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital.....		400,000
Retained earnings.....		4,397,693
<b>EQUITY.....</b>		<b>4,797,693</b>
Trade payables.....		3,432,946
Debt to Group companies.....		405,750
Other liabilities.....		1,138,218
Deferred income.....		18,743
<b>Current liabilities.....</b>		<b>4,995,657</b>
<b>LIABILITIES.....</b>		<b>4,995,657</b>
<b>EQUITY AND LIABILITIES.....</b>		<b>9,793,350</b>
Contingencies etc.	7	

# EQUITY

	Share capital	Retained earnings	Total
Equity at 15 February 2021.....	400,000	0	400,000
Proposed profit allocation.....		-2,591,067	-2,591,067
<b>Transfers</b>			
Group contribution.....		6,988,760	6,988,760
<b>Equity at 31 December 2021.....</b>	<b>400,000</b>	<b>4,397,693</b>	<b>4,797,693</b>

## NOTES

		Note
<b>Staff costs</b>		<b>1</b>
Average number of employees	8	
Wages and salaries.....	2,974,552	
Pensions.....	275,052	
Social security costs.....	26,659	
Other staff costs.....	389,702	
	<b>3,665,965</b>	
<b>Tax on profit/loss for the year</b>		<b>2</b>
Adjustment of deferred tax.....	-650,142	
	<b>-650,142</b>	
<b>Intangible assets</b>		<b>3</b>
	Goodwill	
Additions.....	375,000	
Cost at 31 December 2021.....	<b>375,000</b>	
Amortisation for the year.....	40,178	
Amortisation at 31 December 2021.....	<b>40,178</b>	
Carrying amount at 31 December 2021.....	<b>334,822</b>	
<b>Property, plant and equipment</b>		<b>4</b>
	Other plant, machinery tools and equipment	Leasehold improvements
Additions.....	247,979	112,835
Cost at 31 December 2021.....	<b>247,979</b>	<b>112,835</b>
Depreciation for the year.....	35,248	16,925
Depreciation and impairment losses at 31 December 2021...	<b>35,248</b>	<b>16,925</b>
Carrying amount at 31 December 2021.....	<b>212,731</b>	<b>95,910</b>
<b>Financial non-current assets</b>		<b>5</b>
		Rent deposit and other receivables
Additions.....		741,000
Cost at 31 December 2021.....		<b>741,000</b>
Carrying amount at 31 December 2021.....		<b>741,000</b>

## NOTES

### Note

#### Deferred tax assets

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The provision for deferred tax is related to differences between the carrying amount and tax value of intangible and tangible fixed assets, as well as tax loss carry forwards. The deferred tax assets are expected used within the future years.

Deferred tax of the year, income statement.....	650,142
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<b>Deferred tax assets 31 December 2021 .....</b>	<b>650,142</b>
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**NOTES****Note****Contingencies etc.****7****Contingent liabilities**

The Company has entered into non-terminable rent agreements with a total amount of DKK 594k. The Company has a remaining leasing liability up to DKK 3,555k with remaining leasing periods ranging from 12 - 43 months.

## ACCOUNTING POLICIES

The Annual Report of Ahern Denmark A/S for 2021 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared with the following accounting principles.

### INCOME STATEMENT

#### ***Net revenue***

Net revenue from the sale of merchandise and finished goods is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received.

#### ***Cost of sales***

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

#### ***Other external expenses***

Other external expenses include other production, sales, delivery and administrative costs, including costs of energy, marketing, premises, loss on bad debts, lease expenses, etc

#### ***Staff costs***

Staff costs comprise wages and salaries, including holiday pay and pensions, and other costs of social security etc., for the Company's employees. Repayments from public authorities are deducted from staff costs.

#### ***Financial income and expenses***

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

#### ***Tax***

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

### BALANCE SHEET

#### ***Intangible fixed assets***

Acquired goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over the expected useful life which is estimated to 5 years. The period of amortisation is determined based on an assessment of the acquired Company's position in the market and earnings profile, and the industry-specific conditions.

#### ***Tangible fixed assets***

Other plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

## ACCOUNTING POLICIES

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	<i>Useful life</i>	<i>Residual value</i>
Other plant, fixtures and equipment.....	3-5 years	0%
Leasehold improvements.....	3-5 years	0%

Profit or loss on sale of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the date of sale. Profit or loss is recognised in the Income Statement as other operating income or other operating expenses.

### ***Fixed asset investments***

Deposits include rental deposits which are recognised and measured at cost. Deposits are not depreciated.

### ***Impairment of fixed assets***

The carrying amount of intangible fixed and tangible assets together with fixed assets, which are not measured at fair value, are assessed annually for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

### ***Inventories***

Inventories are measured at cost using the FIFO-principle. If the net realisable amount is lower than cost, the inventories are written down to the lower amount.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct payroll cost and other direct production cost.

The net realisable value of inventories is stated at the expected sales price less direct completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price of the inventories.

### ***Receivables***

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

### ***Accruals, assets***

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

### ***Cash and cash equivalents***

Cash and cash equivalents include cash at bank.

## ACCOUNTING POLICIES

### ***Tax payable and deferred tax***

Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff 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 under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

### ***Liabilities***

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.

### ***Accruals, liabilities***

Accruals recognised as liabilities include payments received regarding income in subsequent years.

### ***Foreign currency translation***

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the Income Statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies that are not settled on the Balance Sheet date are translated at the exchange rate on the Balance Sheet date. The difference between the exchange rate on the Balance Sheet date and the exchange rate at the date when the receivables or payables come into existence recognised in the Income Statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.