

Depenbrock Scandinavia ApS

Normansvej 1
8920 Randers NV

CVR no. 42 21 76 54

Annual report for 2021

Adopted at the annual general meeting on 17
June 2022

Kims Bringjord
chairman

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Statement by management on the annual report

The executive board has today discussed and approved the annual report of Depenbrock Scandinavia ApS for the financial year 1 March - 31 December 2021.

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 company's financial position at 31 December 2021 and of the results of the company's operations for the financial year 1 March - 31 December 2021.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Randers, 17 June 2022

Executive board

Kim Bringsjord
director

Erik Depenbrock
director

Christoph Wellendorf
director

Independent auditor's report***To the shareholder of Depenbrock Scandinavia ApS*****Opinion**

We have audited the financial statements of Depenbrock Scandinavia ApS for the financial year 1 March - 31 December 2021, 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 at 31 December 2021 and of the results of the company's operations for the financial year 1 March - 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' 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 the 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.

Independent auditor's report

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.
- 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.

Independent auditor's report

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 Financial Statements Act.

Based on the work we have performed, we conclude that 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 management's review.

Copenhagen, 17 June 2022

Rödl & Partner Danmark

Godkendt Revisionsaktieselskab

CVR no. 39 18 86 78

Gitte Henckel
Statsautoriseret Revisor
MNE no. mne32734

Company details

The company

Depenbrock Scandinavia ApS
Normansvej 1
8920 Randers NV

Telephone: 32830067

CVR no.: 42 21 76 54

Reporting period: 1 March - 31 December 2021

Incorporated: 1 March 2021

Financial year: 1st financial year

Domicile: Randers

Executive board

Kim Bringsjord, director
Erik Depenbrock, director
Christoph Wellendorf, director

Parent

Depenbrock Baustoffe GmbH
Blumenhorst 6
32351 Stemwede
Germany

Auditors

Rödl & Partner Danmark
Godkendt Revisionsaktieselskab
Store Kongensgade 40H, 2
1264 Copenhagen

General meeting

The annual general meeting is held at the company's address on 17 June 2022.

Management's review

Business review

The company's purpose is to carry out building and construction work in the areas of road construction, sewerage, pipeline construction, bridge construction, building engineering work, water engineering, building constructions and dike construction as well as other related business and design services.

Financial review

The company's income statement for the year ended 31 December 2021 shows a loss of DKK 5,963,509, and the balance sheet at 31 December 2021 shows equity of DKK 266,491.

Due to the realised loss, the company has lost its share capital. Management expects that the share capital will be reestablished through own operation.

The parent company has issued a letter of support, to ensure that Depenbrock Scandinavia ApS can continue its operations.

Significant events occurring after the end of the financial year

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

Accounting policies

The annual report of Depenbrock Scandanavia ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with application of provisions for higher reporting class C.

The annual report for 2021 is presented in DKK

As 2021 is the company's first reporting period, no comparatives have been presented.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Accounting policies

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Revenue is measured at fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. Revenue is net of all types of discounts granted.

Expenses for raw materials and consumables

Costs of raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

Other external costs

Other external costs include expenses related to distribution, sale, advertising, administration and premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation and depreciation and impairment of tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, realised and unrealised capital/exchange gains and losses on and foreign currency transactions, and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement.

Accounting policies

Balance sheet

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

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

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	6-8 years	0 %

Fixed asset

Fixed assets consists of deposits, measured at amortised cost.

Stocks

The cost of raw materials and consumables includes the cost of raw materials, consumables, direct cost of labour and production/production overheads related to work in progress

Receivables

Receivables are measured at amortised cost.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised. Any deferred net tax assets are measured at net realisable value.

Liabilities

Liabilities, which include trade payables, payables to group enterprises, prepayments of work in progress and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Accounting policies

Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

Income statement 1 March - 31 December

	<u>Note</u>	<u>2021</u> DKK
Gross profit		-2,004,620
Staff costs	1	<u>-3,924,863</u>
Profit/loss before amortisation/depreciation and impairment losses		-5,929,483
Depreciation, amortisation and impairment of tangible assets	2	<u>-19,261</u>
Profit/loss before net financials		-5,948,744
Financial costs	3	<u>-14,765</u>
Profit/loss before tax		-5,963,509
Tax on profit/loss for the year		<u>0</u>
Profit/loss for the year		<u><u>-5,963,509</u></u>
Retained earnings		<u>-5,963,509</u>
		<u><u>-5,963,509</u></u>

Balance sheet 31 December

	<u>Note</u>	<u>2021</u> DKK
Assets		
Plant and machinery		317,451
Other fixtures and fittings, tools and equipment		<u>20,012</u>
Tangible assets	4	<u>337,463</u>
Deposit		<u>132,750</u>
Fixed asset investments		<u>132,750</u>
Total non-current assets		<u>470,213</u>
Raw materials and consumables		<u>1,920,974</u>
Stocks		<u>1,920,974</u>
Trade receivables		68,750
Receivables from group enterprises		242,311
Other receivables		79,449
Prepayments		<u>219,950</u>
Receivables		<u>610,460</u>
Cash at bank and in hand		<u>2,873,921</u>
Total current assets		<u>5,405,355</u>
Total assets		<u><u>5,875,568</u></u>

Balance sheet 31 December

	<u>Note</u>	<u>2021</u> DKK
Equity and liabilities		
Share capital		4,000,000
Retained earnings		<u>-3,733,509</u>
Equity	5	<u>266,491</u>
Prepayments received from customers		3,045,000
Trade payables		1,025,001
Payables to group enterprises		784,260
Other payables		<u>754,816</u>
Total current liabilities		<u>5,609,077</u>
Total liabilities		<u>5,609,077</u>
Total equity and liabilities		<u><u>5,875,568</u></u>
Uncertainty about the continued operation (going concern)	6	
Rent and lease liabilities	7	
Related parties and ownership structure	8	

Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 March 2021	4,000,000	0	4,000,000
Net profit/loss for the year	0	-5,963,509	-5,963,509
Contribution from group	0	2,230,000	2,230,000
Equity at 31 December 2021	<u>4,000,000</u>	<u>-3,733,509</u>	<u>266,491</u>

Notes

	<u>2021</u>
	DKK
1 Staff costs	
Wages and salaries	3,668,538
Other social security costs	276,157
Other staff costs	-19,832
	<u>3,924,863</u>
Average number of employees	<u>4</u>
2 Depreciation, amortisation and impairment of tangible assets	
Depreciation tangible assets	<u>19,261</u>
	<u>19,261</u>
3 Financial costs	
Interest paid to Group enterprises	8,183
Exchange loss	<u>6,582</u>
	<u>14,765</u>

Notes**4 Tangible assets**

	Plant and machinery	Other fixtures and fittings, tools and equipment
Additions for the year	334,893	21,831
Cost at 31 December 2021	334,893	21,831
Depreciation for the year	17,442	1,819
Impairment losses and depreciation at 31 December 2021	17,442	1,819
Carrying amount at 31 December 2021	317,451	20,012

5 Equity

There have been a contribution from Parent company of 2,230,000 DKK.

6 Uncertainty about the continued operation (going concern)

The Parent company have issued a letter of support, to ensure that Depenbrock Scandinavia ApS can continue it's operations.

7 Rent and lease liabilities

	2021 DKK
Operating lease liabilities.	
Total future lease payments:	
Within 1 year	478,968
Between 1 and 5 years	1,175,301
	1,654,269

Notes

8 Related parties and ownership structure

Ownership structure

According to the company's register of shareholders, the following shareholder holds at least 5% of the votes or at least 5% of the share capital:

Depenbrock Baustoffe GmbH
Blumenhorst 6
32351 Stemwede
Germany