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BDO Statsautoriseret revisionsaktieselskab
Roms Hule 4, 1. sal
DK-7100 Vejle
CVR no. 20 22 26 70

BINNÉ SCANDINAVIA A/S

LYSHOLT ALLÉ 6 ST., 7100 VEJLE

ANNUAL REPORT

1 DECEMBER 2021 - 31 DECEMBER 2022

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 15 June 2023

Flemming Adolfsen

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.

CVR NO. 42 89 19 08

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COMPANY DETAILS

Company	Binné Scandinavia A/S Lysholt Allé 6 st. 7100 Vejle	
	CVR No.:	42 89 19 08
	Established:	1 December 2021
	Municipality:	Vejle
	Financial Year:	1 December 2021 - 31 December 2022
Board of Directors	Thilo Binné, chairman Marcus Leitz Michael Binné Flemming Adolfsen	
Executive Board	Flemming Adolfsen	
Auditor	BDO Statsautoriseret revisionsaktieselskab Roms Hule 4, 1. sal 7100 Vejle	

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Binné Scandinavia A/S for the financial year 1 December 2021 - 31 December 2022.

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 2022 and of the results of the Company's operations for the financial year 1 December 2021 - 31 December 2022.

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, 15 June 2023

Executive Board

Flemming Adolfsen

Board of Directors

Thilo Binné Chairman	Marcus Leitz	Michael Binné

Flemming Adolfsen

THE INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Binné Scandinavia A/S

Conclusion
We have performed an extended review of the Financial Statements of Binné Scandinavia A/S for the financial year 1 December 2021 - 31 December 2022, 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 2022 and of the results of the Company's operations for the financial year 1 December 2021 - 31 December 2022 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.

Vejle, 15 June 2023

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Bent Skov
State Authorised Public Accountant
MNE no. mne31481

MANAGEMENT COMMENTARY

Principal activities
The principal activities comprise

Development in activities and financial and economic position
As a result of the current year's results, the company has lost more than half of its company capital, and the company is thus covered by Section 119 of the Danish Companies Act (Selskabslovens § 119). The company's management expects the company capital to be re-established via profits within the coming years

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 1 DECEMBER - 31 DECEMBER

	Note	2021/22 DKK
GROSS PROFIT		**691.184**
Staff costs	1	-2.859.082
OPERATING LOSS		**-2.167.898**
Income from investments in subsidiaries		-17.955
Other financial income	2	5.939
Other financial expenses	3	-406.084
LOSS BEFORE TAX		**-2.585.998**
Tax on profit/loss for the year		0
LOSS FOR THE YEAR		**-2.585.998**

PROPOSED DISTRIBUTION OF PROFIT

Retained earnings	-2.585.998
TOTAL	**-2.585.998**

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2022 DKK
Investments in subsidiaries		0
Rent deposit and other receivables		38.688
Financial non-current assets	4	**38.688**
NON-CURRENT ASSETS		**38.688**
Raw materials and consumables		1.502.484
Inventories		**1.502.484**
Trade receivables		913.424
Receivables from group enterprises		18.945
Prepayments		138.374
Receivables		**1.070.743**
Cash and cash equivalents		**1.952.216**
CURRENT ASSETS		**4.525.443**
ASSETS		**4.564.131**

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2022 DKK
Share capital		400.000
Retained earnings		-2.585.998
EQUITY		**-2.185.998**
Trade payables		2.049.100
Debt to Group companies		877.551
Other liabilities		3.823.478
Current liabilities		**6.750.129**
LIABILITIES		**6.750.129**
EQUITY AND LIABILITIES		**4.564.131**
Contingencies etc.	5	

EQUITY

	Share capital	Retained earnings	Total
Equity at 1 December 2021	400.000	0	400.000
Proposed profit allocation		-2.585.998	-2.585.998
Equity at 31 December 2022	**400.000**	**-2.585.998**	**-2.185.998**

NOTES

	2021/22 DKK	Note
Staff costs		**1**
Average number of employees	3	
Wages and salaries	2.549.283	
Pensions	287.304	
Social security costs	22.495	
	2.859.082	
Other financial income		**2**
Other interest income	5.939	
	5.939	
Other financial expenses		**3**
Other interest expenses	406.084	
	406.084	

Financial non-current assets **4**

	Investments in subsidiaries	Rent deposit and other receivables
Cost at 1 December 2021	0	38.688
Additions	17.955	0
Cost at 31 December 2022	**17.955**	**38.688**
Impairment losses for the year	17.955	0
Impairment losses and amortisation of goodwill at 31 December 2022	**17.955**	**0**
Carrying amount at 31 December 2022	**0**	**38.688**

Contingencies etc. **5**

Contingent liabilities
The company has a rental commitment, with a non-cacellable period of 6 month which amounts to DKK ('000) 28.

The company has entered into oprating leases with a remaining term of 15 months with a total remaining lease paymenf of DKK ('000) 85.

The Company has a deferred tax asset totalling DKK 104 thousand comprising primarily of deferred tax income. Management does not expect to utilize the deferred income within the coming years, thus the asset has not been capitalized in the balance sheet.

ACCOUNTING POLICIES

The Annual Report of Binné Scandinavia A/S for 2021/22 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.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

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.

Income from investments in subsidiaries
The proportional share of the results of subsidiaries, stated according to the Parent Company’s accounting policies and with full elimination of unrealised intercompany profits/losses and deduction of amortisation of added value and goodwill resulting from purchase price allocation at the date of acquisition, is recognised in the Parent Company’s Income Statement.

In connection with transfers, potential profits are recognised when the economic rights related to the sold subsidiaries are transferred, however, at the earliest when the profit has been realised or is regarded as realisable. Moreover, realised losses other than impairments are included where identified.

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.

ACCOUNTING POLICIES

BALANCE SHEET

Financial non-current assets

Investments in subsidiaries are measured in the Parent Company Balance Sheet under the equity method, which is regarded as a method of measuring/consolidation.

Investments in subsidiaries are measured in the Balance Sheet at the proportional share of the enterprises' carrying equity value, calculated in accordance with the Parent Company's accounting policies with deduction or addition of unrealised intercompany profits or losses and with addition or deduction of the residual value of positive or negative goodwill calculated according to the acquisition method. Negative goodwill is recognised in the Income Statement when the equity interest is acquired. Where the negative goodwill is related to acquired contingent liabilities, the negative goodwill will be recognised as income when the contingent liabilities have been settled or cease.

Net revaluation of investments in subsidiaries is transferred under equity to reserve for net revaluation under the equity value method to the extent that the carrying amount exceeds the acquisition value.

Subsidiaries with a negative carrying equity value are measured to DKK 0 and any amounts due from these enterprises are written down to the extent that it is deemed to be irrecoverable. If the carrying negative equity value exceeds receivables, the residual amount is recognised under provision for liabilities to the extent that the Company has a legal or actual liability to cover the subsidiaries deficit.

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

Impairment of fixed assets

The carrying amount of 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 merchandise as well as raw materials and consumables is calculated at acquisition price with addition of transportation and similar costs.

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.

ACCOUNTING POLICIES

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

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.