

Solbjerg Stålvarefabrik ApS

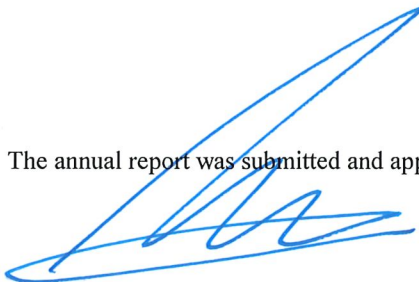
Silkeborgvej 136, 8700 Horsens

Company reg. no. 51 82 34 19

Annual report

1 January - 31 December 2022

The annual report was submitted and approved by the general meeting on the 20 February 2023.



Eduardo Jose Fernandez Urrestarazu
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

Today, the Executive board has approved the annual report of Solbjerg Stålvarefabrik ApS for the financial year 1 January - 31 December 2022.

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

I consider the accounting policies appropriate and, in my opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2022 and of the company's results of activities in the financial year 1 January – 31 December 2022.

At the general meeting held a decision will be made not to have the financial statements audited as from 2023 onwards. The Executive board consider the conditions for audit exemption to be met.

I am of the opinion that the management commentary gives a fair view of the development in the company's operations and financial matters and the results of the company's operations and financial position.

We recommend that the annual report be approved at the Annual General Meeting.

Horsens, 20 February 2023

Executive board

Eduardo Jose Fernandez Urrestarazu
CEO

Independent auditor's report

To the Shareholders of Solbjerg Stålvarefabrik ApS

Opinion

We have audited the financial statements of Solbjerg Stålvarefabrik ApS for the financial year 1 January – 31 December 2022, which comprise income statement, balance sheet 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 financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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 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 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 the financial statements.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and 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 note 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.

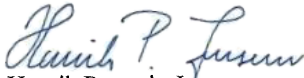
Independent auditor's report

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.

Aarhus, 20 February 2023

EY Godkendt Revisionspartnerselskab

Godkendt Revisionspartnerselskab
Company reg. no. 30 70 02 28



Henrik Pungvig Jensen
State Authorised Public Accountant
mne24825

Company information

The company

Solbjerg Stålvarefabrik ApS
Silkeborgvej 136
8700 Horsens

Company reg. no. 51 82 34 19
Established: 21 April 1975
Domicile: Horsens
Financial year: 1 January - 31 December

Managing Director

Eduardo Jose Fernandez Urrestarazu, CEO

Auditors

EY Godkendt Revisionspartnerselskab
Værkmestergade 25, Postboks 330, 8100 Aarhus C

Parent company

Bellotta Holding A.G.

Management's review

The principal activities of the company

Since 1975, Solbjerg Stålvarefabrik ApS has sold wearing parts to the agricultural industry.

Solbjerg Stålvarefabrik is known for its extremely high quality, which relates not only to the quality of the articles, but also relates to supply security, professional cooperation, development and customised articles as well as the wide product range.

Development in activities and financial matters

The income statement for 2022 shows a profit of DKK 1.160.565 against a loss of DKK -131.386 last year.

Management considers the result of the year as expected.

Events occurring after the end of the financial year

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2022</u>	<u>2021</u>
Gross profit	3.163.444	3.342.063
1 Staff costs	<u>-2.053.348</u>	<u>-3.864.019</u>
Profit before net financials	1.110.096	-521.956
Other financial income from group enterprises	389.524	415.743
Other financial costs	<u>-11.613</u>	<u>-59.873</u>
Pre-tax net profit or loss	1.488.007	-166.086
2 Tax on net profit or loss for the year	<u>-327.442</u>	<u>34.700</u>
Net profit or loss for the year	<u>1.160.565</u>	<u>-131.386</u>
Proposed appropriation of net profit:		
Transferred to retained earnings	1.160.565	0
Allocated from retained earnings	<u>0</u>	<u>-131.386</u>
Total allocations and transfers	<u>1.160.565</u>	<u>-131.386</u>

Balance sheet at 31 December

All amounts in DKK.

<u>Note</u>	<u>2022</u>	<u>2021</u>
Assets		
Non-current assets		
Other receivables	17.500	17.500
Total investments	17.500	17.500
Total non-current assets	17.500	17.500
Current assets		
Receivables from group enterprises	12.417.772	11.444.504
Deferred tax assets	0	70.900
Other receivables	0	55.658
Prepayments and accrued income	8.677	36.780
Total receivables	12.426.449	11.607.842
Cash	243.738	807.640
Total current assets	12.670.187	12.415.482
Total assets	12.687.687	12.432.982

Balance sheet at 31 December

All amounts in DKK.

<u>Note</u>	<u>2022</u>	<u>2021</u>
Equity and liabilities		
Equity		
Share capital	3.015.000	3.015.000
Retained earnings	8.949.555	7.788.990
Total equity	11.964.555	10.803.990
Liabilities other than provisions		
Trade payables	218.573	304.022
Payables to group enterprises	0	426.951
Income tax payable	256.542	0
Other payables	248.017	898.019
Total short term liabilities other than provisions	723.132	1.628.992
Total liabilities other than provisions	723.132	1.628.992
Total equity and liabilities	12.687.687	12.432.982

3 Charges and security

4 Contingencies

5 Related parties

Statement of changes in equity

All amounts in DKK.

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2022	3.015.000	7.788.990	10.803.990
Retained earnings for the year	<u>0</u>	<u>1.160.565</u>	<u>1.160.565</u>
	<u>3.015.000</u>	<u>8.949.555</u>	<u>11.964.555</u>

Notes

All amounts in DKK.

	<u>2022</u>	<u>2021</u>
1. Staff costs		
Salaries and wages	1.885.621	3.542.789
Pension costs	160.627	308.450
Other costs for social security	7.100	12.780
	<u>2.053.348</u>	<u>3.864.019</u>
Average number of full-time employees	<u>2</u>	<u>4</u>
2. Tax on net profit or loss for the year		
Tax charge for the year	256.542	0
Deferred tax adjustments in the year	70.900	-34.700
	<u>327.442</u>	<u>-34.700</u>

3. Charges and security

The Company has not provided any security or other collateral in assets at 31 December 2022.

4. Contingencies

Contingent liabilities

	31/12 2022
	DKK
Lease liabilities	24.000
Other contingent liabilities	42.500
Total contingent liabilities	<u>66.500</u>

5. Related parties

Consolidated financial statements

The company is included in the consolidated financial statements of Bellotta Holding A.G., Bohlstrasse 9a, 6301 Zug, Switzerland.

Accounting policies

The annual report for Solbjerg Stålvarefabrik 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.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

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. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Other external costs

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

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

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.

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.

Accounting policies

Statement of financial position

Investments

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Receivables

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

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.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Accounting policies

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

The company has chosen IAS 39 as a basis for interpretation contribution when recognition and measurement of financial liabilities.

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

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