

Titgemeyer Skandinavien A/S

Lunikvej 2, 2670 Greve

CVR no. 87 24 82 16

Annual report

for the year 1 January - 31 December 2022

Approved at the Company's annual general meeting on 10 May 2023

Chair of the meeting:

.....
Joachim Heinrich Wilhelm Sommer

The following is a translation of an original Danish document. The original Danish document is the governing document for all purposes, and in case of any discrepancy, the Danish wording will be applicable.

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Titgemeyer Skandinavien A/S for the financial year 1 January - 31 December 2022.

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 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.

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.

Greve, 10 May 2023
Executive Board:

.....
Steen Oluf Toft Borner

Board of Directors:

.....
Joachim Heinrich Wilhelm
Sommer
Chair

.....
Steen Oluf Toft Borner

.....
Dietrich Leifert

Independent auditor's report

To the shareholders of Titgemeyer Skandinavien A/S

Opinion

We have audited the financial statements of Titgemeyer Skandinavien A/S for the financial year 1 January - 31 December 2022, which comprise 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 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 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 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 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 the 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.

Independent auditor's report

- ▶ 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.

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 Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 10 May 2023
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Peter Jensen
State Authorised Public Accountant
mne33246

Management's review

Company details

Name	Titgemeyer Skandinavien A/S
Address, Postal code, City	Lunikvej 2, 2670 Greve
CVR no.	87 24 82 16
Registered office	2670 Greve
Financial year	1 January - 31 December
E-mail	info@titgemeyer.dk
Telephone	+ 45 43 60 09 66
Board of Directors	Joachim Heinrich Wilhelm Sommer, Chair Steen Oluf Toft Borner Dietrich Leifert
Executive Board	Steen Oluf Toft Borner
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark
Bankers	Danske Bank A/S Taastrup Hovedgade 54, 2630 Taastrup

Management commentary

Business review

The company's aim is to market components for the transportation industry in the Nordic countries.

Financial statements 1 January - 31 December

Income statement

Note	DKK	2022	2021
	Gross profit	7,688,471	7,046,315
2	Staff costs	-7,174,898	-6,553,330
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-38,462	-44,011
	Profit before net financials	475,111	448,974
3	Financial income	97,691	271,647
4	Financial expenses	-328,679	-235,022
	Profit before tax	244,123	485,599
5	Tax for the year	-219,442	207,758
	Profit for the year	24,681	693,357
	 Recommended appropriation of profit		
	Retained earnings	24,681	693,357
		24,681	693,357

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	<u>2022</u>	<u>2021</u>
	ASSETS		
	Fixed assets		
6	Property, plant and equipment		
	Fixtures and fittings, other plant and equipment	7,478	19,027
	Leasehold improvements	<u>182,102</u>	<u>209,015</u>
		189,580	228,042
	Investments		
	Other receivables	<u>335,286</u>	<u>327,141</u>
		335,286	327,141
	Total fixed assets	<u>524,866</u>	<u>555,183</u>
	Non-fixed assets		
	Inventories		
	Raw materials and consumables	<u>4,575,881</u>	<u>3,829,361</u>
		4,575,881	3,829,361
	Receivables		
	Trade receivables	2,122,062	1,874,101
	Receivables from group entities	220,383	0
	Deferred tax assets	337,316	556,758
	Prepayments	<u>280,974</u>	<u>196,971</u>
		2,960,735	2,627,830
	Cash	<u>1,194,336</u>	<u>1,457,678</u>
	Total non-fixed assets	<u>8,730,952</u>	<u>7,914,869</u>
	TOTAL ASSETS	<u>9,255,818</u>	<u>8,470,052</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	<u>2022</u>	<u>2021</u>
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	1,250,000	1,250,000
	Retained earnings	2,228,067	1,953,766
	Total equity	<u>3,478,067</u>	<u>3,203,766</u>
	Liabilities other than provisions		
7	Non-current liabilities other than provisions		
	Payables to group entities	2,052,258	2,056,131
	Other payables	0	456,284
		<u>2,052,258</u>	<u>2,512,415</u>
	Current liabilities other than provisions		
	Trade payables	345,207	542,532
	Payables to group entities	611,425	554,547
	Other payables	2,768,861	1,656,792
		<u>3,725,493</u>	<u>2,753,871</u>
	Total liabilities other than provisions	<u>5,777,751</u>	<u>5,266,286</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>9,255,818</u></u>	<u><u>8,470,052</u></u>

1 Accounting policies

8 Contractual obligations and contingencies, etc.

Financial statements 1 January - 31 December

Statement of changes in equity

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2022	1,250,000	1,953,766	3,203,766
Transfer through appropriation of profit	0	24,681	24,681
Adjustment of investments through foreign exchange adjustments	0	249,620	249,620
Equity at 31 December 2022	<u>1,250,000</u>	<u>2,228,067</u>	<u>3,478,067</u>

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Titgemeyer Skandinavien A/S for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

Effective from the financial year 2022, the Company has implemented amending act no. 1716 of 27 December 2018 to the Danish Financial Statements Act. The implementation of the amending act has not affected the Company's accounting policies on recognition and measurement of assets and liabilities but has solely entailed a requirement for further disclosures. The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Changes in accounting estimates

Management has changed its accounting estimate regarding assessment for write down for obsolescence of inventory. The change has positive impacted the pre tax profit by DKK 74,710.

Basis of recognition and measurement

Revenue are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation and impairment.

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

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate 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 and payables and other monetary items denominated in foreign currencies are translated at the exchange rate 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 most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Revenue from sale of goods is recognised when the risk and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the company.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross profit

The items revenue, cost of sales, other operating income and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

Raw materials and consumables, etc.

Raw materials and consumables include expenses relating to raw materials and consumables used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

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

Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Fixtures and fittings, other plant and equipment	5 years
Leasehold improvements	5-8 years

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the Company's core activities, including losses on the sale of fixed assets.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Investments

Fixed asset investments consist of deposits

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

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. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected 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 recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

DKK	2022	2021
2 Staff costs		
Wages/salaries	5,682,658	5,225,071
Pensions	688,615	691,104
Other social security costs	274,885	243,635
Other staff costs	528,740	393,520
	<u>7,174,898</u>	<u>6,553,330</u>
Average number of full-time employees	<u>10</u>	<u>9</u>
3 Financial income		
Other financial income	97,691	271,647
	<u>97,691</u>	<u>271,647</u>
4 Financial expenses		
Interest expenses, group entities	28,061	28,078
Other financial expenses	300,618	206,944
	<u>328,679</u>	<u>235,022</u>

Financial statements 1 January - 31 December

Notes to the financial statements

5 Tax for the year

Estimated tax charge for the year	0	-207,758
Deferred tax adjustments in the year	219,442	0
	<u>219,442</u>	<u>-207,758</u>

6 Property, plant and equipment

DKK	Fixtures and fittings, other plant and equipment	Leasehold improvements	Total
Cost at 1 January 2022	1,486,093	1,121,654	2,607,747
Cost at 31 December 2022	1,486,093	1,121,654	2,607,747
Impairment losses and depreciation at 1 January 2022	1,467,066	912,639	2,379,705
Depreciation	11,549	26,913	38,462
Impairment losses and depreciation at 31 December 2022	1,478,615	939,552	2,418,167
Carrying amount at 31 December 2022	<u>7,478</u>	<u>182,102</u>	<u>189,580</u>

7 Non-current liabilities other than provisions

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt. No debt is due after 5 years.

8 Contractual obligations and contingencies, etc.

Other contingent liabilities

Rent and lease liabilities include a rent obligation totalling DKK 353,600. in interminable rent agreements with remaining contract terms of 6 months. Furthermore, the Company has liabilities under operating leases for cars and IT equipment, totalling DKK 1.038.200, with remaining contract terms of 6-24 months.

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The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

Joachim Heinrich Wilhelm Sommer

Chairman

On behalf of: Titgemeyer Skandinavien A/S

Serial number: joachim.sommer@titgemeyer.com

IP: 217.7.xxx.xxx

2023-05-10 09:02:04 UTC

Steen Oluf Toft Borner

TITGEMEYER SKANDINAVIEN A/S CVR: 87248216

Executive Board

On behalf of: Titgemeyer Skandinavien A/S

Serial number: 0dc9ef2b-7481-4016-8cde-6a55c9dc5c3a

IP: 62.242.xxx.xxx

2023-05-10 10:07:32 UTC



Steen Oluf Toft Borner

TITGEMEYER SKANDINAVIEN A/S CVR: 87248216

Board of Directors

On behalf of: Titgemeyer Skandinavien A/S

Serial number: 0dc9ef2b-7481-4016-8cde-6a55c9dc5c3a

IP: 62.242.xxx.xxx

2023-05-10 10:10:14 UTC



Dietrich Leifert

Board of Directors

On behalf of: Titgemeyer Skandinavien A/S

Serial number: dietrich.leifert@titgemeyer.com

IP: 217.7.xxx.xxx

2023-05-10 10:10:56 UTC

Joachim Heinrich Wilhelm Sommer

Board of Directors

On behalf of: Titgemeyer Skandinavien A/S

Serial number: joachim.sommer@titgemeyer.com

IP: 217.7.xxx.xxx

2023-05-10 11:57:50 UTC

Peter Jensen

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: CVR:30700228-RID:60017354

IP: 176.21.xxx.xxx

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