Baker Tilly Denmark Godkendt
Revisionspartnerselskab
CVR-nr. 35 25 76 91

Copenhagen
Poul Bundgaards Vej 1, 1.
2500 Valby

Odense
Hjallesevej 126
5230 Odense M

Stow Nordics A/S

Kokbjergvej 14, st., 6000 Kolding

CVR no. 41 47 94 77

Annual report for the period 1 July 2020 to 31 December 2021

Adopted at the annual general meeting on 17 March 2023

Gustaf Reinhold Sandahl
chairman

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Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Stow Nordics A/S for the financial year 1 July 2020 - 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 July 2020 - 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.

Kolding, 17 March 2023

Executive board

Gustaf Reinhold Sandahl Director	Philip Mylle director

Supervisory board

Jos De Vuyst chairman	Detlef Ganz	Tom Gysens
Philip Mylle		

Independent auditor's report on extended review

To the shareholder of Stow Nordics A/S

Opinion

We have performed extended review of the financial statements of Stow Nordics A/S for the financial year 1 July 2020 - 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.

Based on the performed work it is our opinion, that 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 July 2020 - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our extended review in accordance with the Danish Business Authority's standard on auditor's report for small enterprises and FSR - danish auditors' standard on extended review of financial statements 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' 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 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 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 responsibility for the extended review of the financial statements

Our responsibility is to express a conclusion on the accompanying financial statements. This requires us to perform procedures in order to obtain limited assurance for our conclusion on these financial statements, and in addition perform specifically required supplementary procedures in order to obtain additional assurance for our conclusion.

Independent auditor's report on extended review

An extended review of financial statements includes procedures primarily consisting of making inquiries of management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating 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 these financial statements.

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 extended review 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 extended review, 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.

Odense, 17 March 2023

Baker Tilly Denmark
Godkendt Revisionspartnerselskab
CVR no. 35 25 76 91

Christoffer Pedersen
statsautoriseret revisor
MNE no. mne36180

Company details

The company	Stow Nordics A/S Kokbjergvej 14, st. 6000 Kolding	
	CVR no.:	41 47 94 77
	Reporting period: Incorporated:	1 July 2020 - 31 December 2021 1 July 2020
	Domicile:	Kolding
Supervisory board	Jos De Vuyst, chairman Detlef Ganz Tom Gysens Philip Mylle	
Executive board	Gustaf Reinhold Sandahl, director Philip Mylle, director	
Auditors	Baker Tilly Denmark Godkendt Revisionspartnerselskab Hjallesevej 126 5230 Odense M	

Management's review

Business review

The company's core activity is the development and manufacturing of top-quality racking systems for the storage of palletised or small goods and longer items, as well as mezzanine structures.

Financial review

The company's income statement for the year ended 31 December 2021 shows a profit of DKK 539.155, and the balance sheet at 31 December 2021 shows equity of DKK 939.155.

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.

Income statement 1 July - 31 December

	Note	2020/21
		DKK
Gross profit		**8.964.908**
Staff costs	1	-7.843.622
Profit/loss before amortisation/depreciation and impairment losses		**1.121.286**
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-296.682
Profit/loss before net financials		**824.604**
Financial income	2	101.126
Financial costs	3	-225.742
Profit/loss before tax		**699.988**
Tax on profit/loss for the year	4	-160.833
Profit/loss for the year		**539.155**
Retained earnings		539.155
		539.155

Balance sheet 31 December

	Note	2021
		DKK
Assets		
Other fixtures and fittings, tools and equipment	5	99.878
Right-of-use assets	5	866.366
Tangible assets		**966.244**
Total non-current assets		**966.244**
Trade receivables		25.403.028
Contract work in progress		4.425.072
Group receivables		2.869.998
Receivables		**32.698.098**
Total current assets		**32.698.098**
Total assets		**33.664.342**

Balance sheet 31 December

	Note	2021
		DKK
Equity and liabilities		
Share capital		400.000
Retained earnings		539.155
Equity		**939.155**
Provision for deferred tax		10.224
Total provisions		**10.224**
Lease obligations		473.527
Total non-current liabilities	6	**473.527**
Short-term part of long-term debt	6	378.566
Prepayments received from customers		6.641.824
Trade payables		1.469.143
Prepayments received recognised in debt		1.530.435
Group payables		16.395.596
Corporation tax		150.609
Other payables		5.675.263
Total current liabilities		**32.241.436**
Total liabilities		**32.714.963**
Total equity and liabilities		**33.664.342**

Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 July	400.000	0	400.000
Net profit/loss for the year	0	539.155	539.155
Equity at 31 December	**400.000**	**539.155**	**939.155**

Notes

		2020/21
		DKK
1	**Staff costs**	
	Wages and salaries	6.154.331
	Pensions	1.587.669
	Other staff costs	101.622
		7.843.622
	Average number of employees	6
2	**Financial income**	
	Interest received from subsidiaries	913
	Exchange adjustments	100.213
		101.126
3	**Financial costs**	
	Financial expenses, group entities	99.425
	Other financial costs	62.818
	Exchange adjustments costs	63.499
		225.742
4	**Tax on profit/loss for the year**	
	Current tax for the year	150.609
	Deferred tax for the year	10.224
		160.833

Notes

5 Tangible assets

	Other fixtures and fittings, tools and equipment	Right-of-use assets	Total
	DKK	DKK	DKK
Additions for the year	104.148	1.158.778	1.262.926
Cost at 31 December	104.148	1.158.778	1.262.926
Depreciation for the year	4.270	292.412	296.682
Impairment losses and depreciation at 31 December	4.270	292.412	296.682
Carrying amount at 31 December	**99.878**	**866.366**	**966.244**

6 Long term debt

	Debt at 1 July	Debt at 31 December	Instalment next year	Debt outstanding after 5 years
	DKK	DKK	DKK	DKK
Lease obligations	0	852.093	378.566	0
	0	**852.093**	**378.566**	**0**

Accounting policies

The annual report of Stow Nordics A/S for 2020/21 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

Furthermore, the company has decided to use IFRS 16 on Leases as an interpreation and following this lease agreements wih a duration of more than 1 year are recognized as right-of-use assets.

The annual report for 2020/21 is presented in DKK

As 2020/21 is the company's first reporting period, no comparatives have been presented.

Basis of recognition and measurement

Income is recognized based on the appropriate standards. 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, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Accounting policies

Revenue

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Revenue is recognised in accordance with the progress of the project and adapted to the magnitude of the project. Revenue from the installation of significant projects is satisfied over time, as such recognised using the percentage of completion method. Revenue on other projects is recognized at a point in time, usually the delivery date.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

Raw materials and consumables

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

Other operating income

The item Other operating income includes items of a secondary nature relative to the company’s activities, including gains on the sale of intangible assets and items of property, plant and equipment, operating losses, indemnities relating to operating losses and conflicts as well as payroll refunds. Indemnities are recognised when it is more probable than not that the company is going to be indemnified.

Other external expenses

Other external expenses include expenses related 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 pensions, as well as other social security contributions, etc. made to the entity's employees.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of property, plant and equipment.

Accounting policies

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, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities 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 as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Tangible assets

Items of fittings, tools and equipment right-of-use assets 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. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Interest expenses on loans obtained specifically for the purpose of financing the manufacturing of items of property, plant and equipment are included in cost over the manufacturing period. All indirect, attributable borrowing costs are recognised in the income statement.

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	3-4 years	0 %
Right-of-use assets	3-4 years	0 %

Assets costing less than DKK 30.700 are expensed in the year of acquisition.

The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

Accounting policies

Right-of-use assets, Leases

Leases for items of property, plant and equipment are recognized in the balance sheet as assets. On initial recognition, assets are measured at estimated cost, corresponding to the lower of fair value of the leased asset and the present value of the future lease payments. In calculating the net present value of the future lease payments, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under leases are subsequently depreciated as the company's other non-current assets.

The capitalised residual lease commitment is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

Receivables

Receivables are measured at amortised cost.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured by reference to the stage of completion at the balance sheet date and the expected aggregate income from the individual work in progress. The stage of completion is determined as the share of the expenses incurred relative to the expected total expenses for the individual work in progress.

Where the selling price of work in progress cannot be estimated reliably, the selling price is measured at the lower of costs incurred and net realisable value.

The individual work in progress is recognised in the balance sheet under receivables or payables. Net assets comprise the sum of work in progress where the selling price of the work performed exceeds invoicing on account. Net liabilities comprise the sum of work in progress where invoicing on account exceeds the selling price.

Selling costs and costs incurred in securing contracts are recognised in the income statement as incurred.

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 is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Accounting policies

Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the net proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.