Meyra Danmark ApS

C/O TA Service A/S, Centervej syd 2, 4733 Tappernøje

Company reg. no. 32 81 41 15

Annual report

1 January - 31 December 2021

The annual report was submitted and approved by the general meeting on the 21 June 2022.

Bernd Fabian
Chairman of the meeting

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Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

Management's statement

Today, the executive board has presented the annual report of Meyra Danmark ApS for the financial year 1 January - 31 December 2021.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2021 and of the company's results of activities in the financial year 1 January – 31 December 2021.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

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

Tappernøje, 21 June 2022

Executive board

Bernd Fabian	Sven Patrick Hartung	Björn Håkan Karl Carlzon

Independent auditor's report

To the shareholders of Meyra Danmark ApS

Opinion

We have audited the financial statements of Meyra Danmark ApS for the financial year 1 January - 31 December 2021, which comprise income statement, statement of financial position, statement of changes in equity, notes and accounting policies. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2021 and of the results of the company's activities for the financial year 1 January - 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 and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

Please note the mentioned in note 1, in which management explains the expectations for a significant earnings in the subsidiary TA. Service A/S, which is a prerequisite for the value of the Equity investments in group enterprices, which as at 31 december 2021 is recognized in the balance sheet at TDKK 65,944.

Our conclusion is not modified as a result of this matter.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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 international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment 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 the 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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a fair view.

Independent auditor's report

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 the internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on and the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 21 June 2022

Redmark
Godkendt Revisionspartnerselskab
Company reg. no. 29 44 27 89

Anders Schelde-Mollerup Funder
State Authorised Public Accountant
mne30220

Company information

The company	Meyra Danmark ApS C/O TA Service A/S Centervej syd 2 4733 Tappernøje
	Company reg. no. 32 81 41 15 Financial year: 1 January - 31 December
Executive board	Bernd Fabian Sven Patrick Hartung Björn Håkan Karl Carlzon
Auditors	Redmark Godkendt Revisionspartnerselskab Dirch Passers Allé 76 2000 Frederiksberg
Parent company	Meyra Group Sp.z.o.o
Subsidiary	TA. Service A/S, Næstved

Management´s review

The principal activities of the company

For the first four months business have been like previous years, sales of mobility devices. This business has during summer been transferred to Alu Rehab ApS, who will support the market with Meyra products going forward.

Expected developments in activities an financial matters

The operation profit for the year is DKK 468.821 against DKK 1.933.853 last year. The results from ordinary activities after tax are DKK 798.542 against DKK -2.830.215 last year.

The direct cause of the above is due to two main reasons.

- •The business related to selling helping aids and wheelchairs from Meyra Group has been transferred to Alu Rehab ApS, another company in Meyra Group selling wheelchairs in Denmark, so most activities has ended in May.

- •After the acquisition of TA. Service A/S, a dividend payout of DKK 5,300,000 has been received.

As part of the purchase price for TA service A / S, an earn-out agreement has been entered. The management believes that this earn-out will not materialize.

Uncertainty concerning the measurement of investment

Due to significant negative results in the subsidiary TA. Service A/S impairment indicators are present regarding the valuation of the investment. Management has prepared an impairment test which support the current valuation. This test is based on managements expectations to the most likely future earnings. However, there are inherently significant uncertainties to the extend of which those expectations will be realised in future.

The year of 2021 has been a year of change for TA. Service A/S, highly affected by the Covid-19 pandemic and change from being an owner driven company, to a subsidiary in a global group. For the coming year it is expected that TA. Service A/S will be profitable again, as a result of improvement initiatives and investments in production management, quality, procurement and sales as well as getting some group synergies, and on this basis no write-down of the investment is considered necessary.

Capital Resources

The acquisition of TA Service A / S will in the future provide Meyra Danmark ApS with liquidity from the distribution of dividends from the subsidiary.

In the future, the Company will, if necessary, receive financial support from an affiliated company and has in this connection received a letter of comfort.

Management´s review

Events occurring after the end of the financial year

No events have occured subsequent to the blanace sheet date, which would have material impact on the finansial position of the company.

Income statement 1 January - 31 December

All amounts in DKK.

Note		2021	2020
	Gross profit	**228.393**	**984.105**
3	Staff costs	-697.214	-2.977.958
	Operating profit	**-468.821**	**-1.993.853**
	Income from equity investment in group entreprises	5.300.000	0
	Other financial income	0	150.839
4	Other financial costs	-4.032.637	-1.566.918
	Pre-tax net profit or loss	**798.542**	**-3.409.932**
	Tax on net profit or loss for the year	0	579.717
	Net profit or loss for the year	**798.542**	**-2.830.215**
	Proposed appropriation of net profit:		
	Transferred to retained earnings	798.542	0
	Allocated from retained earnings	0	-2.830.215
	Total allocations and transfers	**798.542**	**-2.830.215**

Balance sheet at 31 December

All amounts in DKK.

Assets

Note		2021	2020
	Non-current assets		
5	Equity investments in group enterprises	65.944.418	65.944.418
6	Other receivables	0	50.010
	Total investments	65.944.418	65.994.428
	Total non-current assets	**65.944.418**	**65.994.428**
	Current assets		
	Manufactured goods and goods for resale	0	141.684
	Total inventories	0	141.684
	Trade receivables	240.093	1.053.975
	Receivables from group entreprises	2.370.247	0
	Tax receivables from group enterprises	0	579.717
	Other debtors	249.830	0
	Prepayment	0	17.200
	Total receivables	2.860.170	1.650.892
	Cash on hand and demand deposits	65.825	515.919
	Total current assets	**2.925.995**	**2.308.495**
	Total assets	**68.870.413**	**68.302.923**

Balance sheet at 31 December

All amounts in DKK.

Note	Equity and liabilities	2021	2020
	Equity		
	Contributed capital	137.500	137.500
	Retained earnings	18.487.903	17.689.361
	Total equity	**18.625.403**	**17.826.861**
	Liabilities other than provisions		
7	Bank loans	47.272.571	47.083.252
8	Payables to group enterprises	432.399	658.994
9	Other payables	112.631	167.703
	Total long term liabilities other than provisions	47.817.601	47.909.949
	Current portion of long term payables	289.400	230.100
	Trade payables	26.847	212.369
	Payables to group enterprises	1.031.268	161.268
	Other payables	1.079.894	1.962.376
	Total short term liabilities other than provisions	2.427.409	2.566.113
	Total liabilities other than provisions	**50.245.010**	**50.476.062**
	Total equity and liabilities	**68.870.413**	**68.302.923**

1 Capital resources

2 Significant uncertainties concerning the measurement of investment

10 Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
Equity 1 January 2020	137.500	4.518	142.018
Profit or loss for the year brought forward	0	-2.830.215	-2.830.215
Cash capital contribution	0	20.515.058	20.515.058
Equity 1 January 2021	137.500	17.689.361	17.826.861
Results brought forward	0	798.542	798.542
	137.500	**18.487.903**	**18.625.403**

Notes

All amounts in DKK.

	2021	2020

1. Capital resources

The acquisition of TA Service A/S will in the future provide Meyra Danmarks ApS with liquidity from the distrubution of dividends from the subsidiary.

In the future, the company will, if necessary, receive financial support from afflicated company and has in this connection received a letter of comfort.

2. Significant uncertainties concerning the measurement of investment

Due to significant negative results in the subsidiary TA. Service A/S impairment indicators are present regarding the valuation of the investment. Management has prepared an impairment test which support the current valuation. This test is based on managements expectations to the most likely future earnings. However, there are inherently significant uncertainties to the extend of which those expectations will be realised in future.

3. Staff costs

Salaries and wages	596.511	2.701.466
Pension costs	97.011	248.751
Other costs for social security	3.692	27.741
	697.214	**2.977.958**
Average number of employees	1	4

4. Other financial costs

Financial costs, group enterprises	26.694	45.313
Other financial costs	4.005.943	1.521.605
	4.032.637	**1.566.918**

Notes

All amounts in DKK.

5. Equity investments in group enterprises

Acquisition sum, opening balance 1 January 2021	65.944.418	0
Additions during the year	0	65.944.418
Cost 31 December 2021	**65.944.418**	**65.944.418**
Carrying amount, 31 December 2021	**65.944.418**	**65.944.418**

Financial highlights for the enterprises according to the latest approved annual reports

	Equity interest	Equity	Results for the year	Carrying amount, Meyra Danmark ApS
TA. Service A/S, Næstved	100 %	13.081.320	-2.656.372	65.944.418
		13.081.320	**-2.656.372**	**65.944.418**

6. Other receivables

Cost 1 January 2021	50.010	50.010
Disposals during the year	-50.010	0
Cost 31 December 2021	**0**	**50.010**
Carrying amount, 31 December 2021	**0**	**50.010**
These are specified as follows		
Deposits	0	50.010
	0	**50.010**

7. Bank loans

Total bank loans	47.272.571	47.083.252
Share of amount due within 1 year	0	0
Total bank loans	**47.272.571**	**47.083.252**
Share of liabilities due after 5 years	47.272.571	47.083.252

Notes

All amounts in DKK.

		31/12 2021	31/12 2020
8.	**Payables to group enterprises**		
	Total payables to group enterprises	721.799	889.094
	Share of amount due within 1 year	-289.400	-230.100
		432.399	**658.994**
	Share of liabilities due after 5 years	0	0
9.	**Other payables**		
	Total other payables	112.631	167.703
	Share of amount due within 1 year	0	0
	Total other payables	**112.631**	**167.703**
	Share of liabilities due after 5 years	112.631	167.703

10. Contingencies

Contingent liabilities

Lease liabilities

None.

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.

The compay has an urecognised tax asset of DKK 1.322.000 .

Accounting policies

The annual report for Meyra Danmark 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.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

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.

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.

Accounting policies

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise.

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. Staff costs are less government reimbursements.

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, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from equity investments in

Dividend from equity investments in group entreprises is recognised in the financial year in which the dividend is declared.

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.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable by the Danish consolidated companies is paid to the tax authorities by the company.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

Accounting policies

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Investments

Equity investments in

Equity investments in in group enterprises are measured at cost including estimated pay-out regarding earn-out agreement. If the recoverable amount is lower than the cost, writedown for impairment is done to match this lower value.

Inventories

Inventories are measured at cost on the basis of weighted measured average prices. In cases when the net realisable value is lower than the cost, the latter is written down for impairment to this lower value.

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

The net realisable value for inventories is recognised as the market price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

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.

Accounting policies

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

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 and on hand.

Income tax and deferred tax

As administration company, Meyra Danmark ApS is liable to the tax authorities for the subsidiaries' corporate income taxes.

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.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as ”tax receivables from group enterprises” or “tax payable to group enterprises”.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

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

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables.

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