Ottensten Holding ApS

Ejby Industrivej 68, 2600 Glostrup

CVR no. 18 93 95 33

Annual report for 2024

Adopted at the annual general meeting on 10 June 2025

Henrik Ottensten
Chairman

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Statement by management on the annual report

The executive board has today discussed and approved the annual report of Ottensten Holding ApS for the financial year 1 January - 31 December 2024.

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

In my opinion, the consolidated financial statements and parent financial statements give a true and fair view of the company and the group financial position at 31 December 2024 and of the results of the group and the company operations and consolidated cash flows for the financial year 1 January - 31 December 2024.

In my 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.

Copenhagen, 10 June 2025

Executive board

Henrik Ottensten

Independent auditor's report

To the shareholders of Ottensten Holding ApS

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Ottensten Holding ApS for the financial year 1 January - 31 December 2024, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for both the group and the parent company as well as consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the group and the parent company's financial position at 31 December 2024 and of the results of the group and the parent company's operations and consolidated cash flows for the financial year 1 January - 31 December 2024 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 consolidated financial statements and parent company ” section of our report. We are independent of the group 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the consolidated financial statements and the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company 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 the consolidated financial statements and the parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and parent company financial statements, management is responsible for assessing the group's and the parent 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 consolidated financial statements and parent company financial statements unless management either intends to liquidate the group or 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 consolidated financial statements and parent company financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and parent company 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 these consolidated financial statements and parent company 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 consolidated financial statements and parent company 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 group's and the parent 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 consolidated financial statements and parent company 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 group's and the parent 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 consolidated financial statements and parent company 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 group and the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the consolidated financial statements and parent company financial statements, including the disclosures, and whether the consolidated financial statements and parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Group Financial Statements and the Parent Company Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for pourposes of the group audit. We remain solely responsible for our audit opinion.

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 internal control that we identify during our audit.

Statement on management's review

Management is responsible for management's review.

Our opinion on the consolidated financial statements and parent company financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and parent company financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the consolidated financial statements and parent company financial statements or our knowledge obtained during the audit, 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 consolidated financial statements and parent company 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.

Copenhagen, 10 June 2025

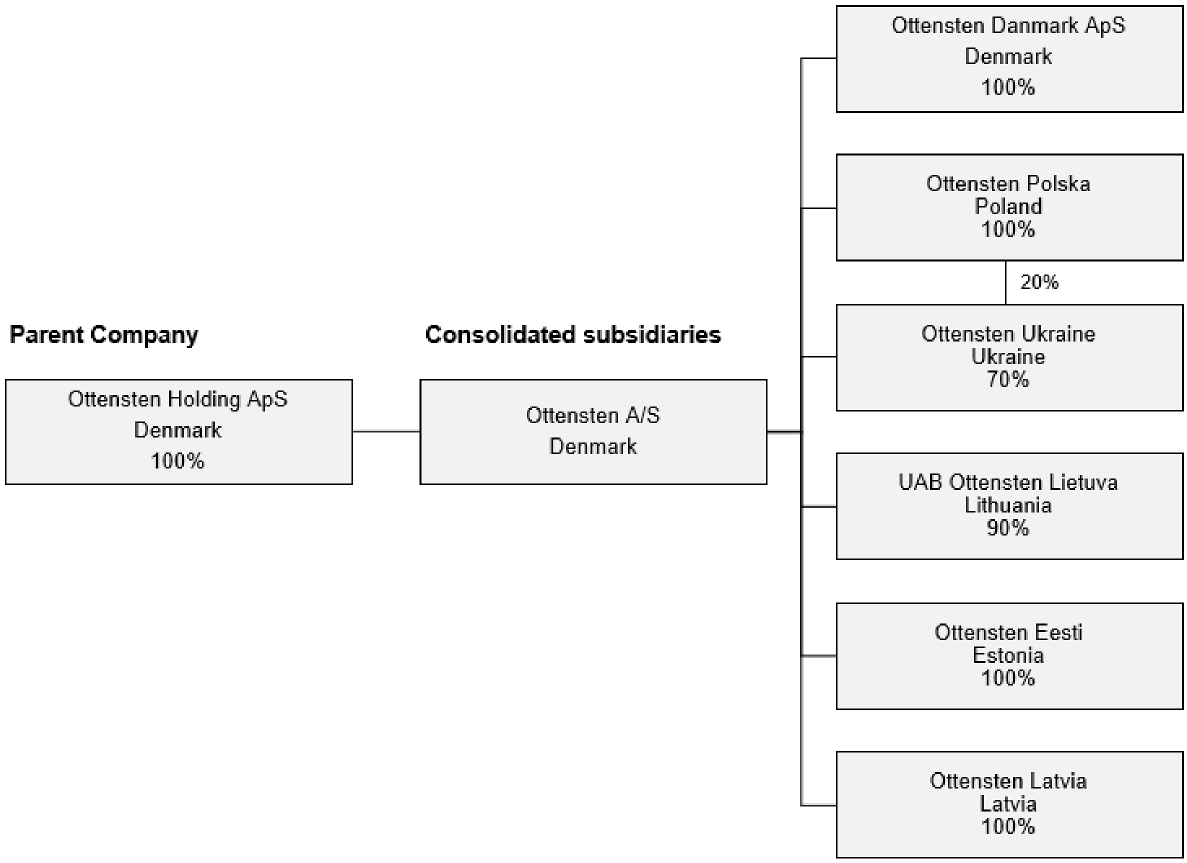
Baker Tilly Denmark
Godkendt Revisionspartnerselskab
CVR no. 35 25 76 91

Peter Aagesen
state authorised public accountant
mne41287

Company details

The company	Ottensten Holding ApS Ejby Industrivej 68 2600 Glostrup	
	CVR no.:	18 93 95 33
	Reporting period:	1 January - 31 December 2024
	Incorporated:	1 November 1995
	Domicile:	Glostrup
Executive board	Henrik Ottensten	
Auditors	Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby	

Group chart


Parent Company
Consolidated subsidiaries
Ottensten Holding ApS
Denmark
100%
Ottensten A/S
Denmark
Ottensten Danmark ApS
Denmark
100%
Ottensten Polska
Poland
100%
20%
Ottensten Ukraine
Ukraine
70%
UAB Ottensten Lietuva
Lithuania
90%
Ottensten Eesti
Estonia
100%
Ottensten Latvia
Latvia
100%

Financial highlights

Seen over a 5-year period, the development of the Company may be described by means of the following financial highlights:

	Group				
	2024	2023	2022	2021	2020
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Gross profit/loss	39.116	37.946	47.454	47.905	29.425
Profit/loss before amortisation/depreciation and impairment losses	11.894	13.328	21.206	24.485	9.398
Earnings before interest and taxes (EBIT)	9.416	10.555	19.824	23.327	8.004
Profit/loss for the year	8.011	8.761	16.151	19.333	5.485
Balance sheet					
Balance sheet total	100.172	98.191	92.051	88.229	67.873
Investment in property, plant and equipment	3.690	1.139	936	4.550	1.645
Equity	79.348	80.255	70.561	59.536	41.614
Cash flows from:					
- operating activities	5.712	17.449	8.327	10.980	12.653
- investing activities	-2.743	-790	-326	-4.095	-1.645
- financing activities	-9.323	-4.997	-4.824	-4.017	-6.190
The year's changes in cash and cash equivalents	-6.354	11.663	3.117	2.868	5.818
Financial ratios					
Solvency ratio	79,2%	81,7%	76,7%	67,5%	61,3%
Return on equity	10,0%	11,6%	24,8%	38,2%	16,5%
Average number of full-time employees	100	91	98	105	101

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see the summary of significant accounting policies.

Management's review

Business review

The Group's principal activities include sales of industrial fastening systems such as pneumatic nail guns, finish nailers, brad nailers and clamp guns as well as transportable and stationary piston compressors.

This includes sales of fastening systems for wood, concrete, steel, plaster, etc. A special act ivity is the sale of tools and fastening systems for manufacturing cages, marking-out of fur, etc., within fur farming and processing.

Our products are sold to wood processing industries, including the furniture industry, window industry and packaging industry and to the construction industry. Part of our product range is also sold through independent distributors, voluntary chains, and capital chains across the country.

Recognition and measurement uncertainties

The recognition and measurement of items in the annual report is not associated with any uncertainty.

Unusual matters

The group's financial position at 31 December 2024 and the results of its operations and cash flows for the financial year ended 31 December 2024 are not affected by any unusual matters.

Financial review

The group's income statement for the year ended 31 December 2024 shows a profit of DKK 8.011.322, and the balance sheet at 31 December 2024 shows equity of DKK 79.347.750.

The Group considers the results in Denmark less satisfactory, whereas results in the foreign subsidiaries have exceeded expectations. Overall, the results are in line with previously communicated expectations.

The socio-economic development and the developments in the Group's markets have had positive effects on the Group.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the the group's financial position.

Expected development of the company, including specific prerequisites and uncertainties

In 2024, the Group expects an increase in results.

The company's knowledge resources if of particular importance to its future earnings

The Group's continued ability to maintain its image in the market depends on the Group being able to maintain the knowledge and skills embedded in the organisation through continuing recruitment and retention of skilled and committed employees.

The Group also continues to develop the organisation so that it is well prepared for future growth.

Management's review

Impact on the external environment and measures taken to prevent, reduce or mitigate damage

The Group has no significant impact on the external environment.

Research and development activities in or for the company

The Group has no research and development activities.

Foreign branches

The Group has no foreign branches other than the Group’s main countries.

Income statement 1 January - 31 December

	Note	Group 2024 DKK	Group 2023 DKK	Parent company 2024 DKK	Parent company 2023 DKK
Gross profit		**39.115.517**	**37.945.559**	**-155.040**	**-139.023**
Staff costs	1	-27.221.113	-24.617.518	0	0
Profit/loss before amortisation/depreciation and impairment losses		**11.894.404**	**13.328.041**	**-155.040**	**-139.023**
Depreciation		-1.473.318	-1.381.466	0	0
Other operating costs		-1.005.261	-1.391.781	0	0
Profit/loss before net financials		**9.415.825**	**10.554.794**	**-155.040**	**-139.023**
Income from investments in subsidiares		0	0	7.608.559	8.165.795
Financial income	2	1.105.598	533.075	25.544	28.415
Financial costs	3	-309.097	-260.844	-4.979	-124.097
Profit/loss before tax		**10.212.326**	**10.827.025**	**7.474.084**	**7.931.090**
Tax on profit/loss for the year	4	-2.201.004	-2.066.043	0	0
Profit/loss for the year		**8.011.322**	**8.760.982**	**7.474.084**	**7.931.090**
Distribution of profit	5				

Balance sheet 31 December

	Note	Group 2024 DKK	Group 2023 DKK	Parent company 2024 DKK	Parent company 2023 DKK
Assets					
Land and buildings	6	12.657.458	13.108.521	0	0
Other fixtures and fittings, tools and equipment	6	5.343.880	3.366.006	0	0
Tangible assets		**18.001.338**	**16.474.527**	**0**	**0**
Investments in subsidiaries	7	0	0	79.949.544	76.758.083
Fixed asset investments		**0**	**0**	**79.949.544**	**76.758.083**
Total non-current assets		**18.001.338**	**16.474.527**	**79.949.544**	**76.758.083**
Finished goods and goods for resale		44.358.782	39.558.453	0	0
Stocks		**44.358.782**	**39.558.453**	**0**	**0**
Trade receivables		15.497.189	13.343.989	0	0
Other receivables		1.119.665	1.521.400	0	0
Deferred tax asset		391.905	486.664	0	0
Prepayments		1.701.848	1.350.156	0	0
Receivables		**18.710.607**	**16.702.209**	**0**	**0**
Cash at bank and in hand		**19.101.688**	**25.455.506**	**38.324**	**2.994.886**
Total current assets		**82.171.077**	**81.716.168**	**38.324**	**2.994.886**
Total assets		**100.172.415**	**98.190.695**	**79.987.868**	**79.752.969**

Balance sheet 31 December

	Note	Group 2024	Group 2023	Parent company 2024	Parent company 2023
		DKK	DKK	DKK	DKK
Equity and liabilities					
Share capital		1.597.063	1.597.263	1.597.063	1.597.063
Reserve for net revaluation under the equity method		0	0	70.949.544	67.758.515
Retained earnings		72.490.836	73.764.563	1.480.704	6.006.248
Proposed dividend for the year		3.000.000	0	3.000.000	0
Non-controlling interests		2.259.851	4.893.269	0	0
Equity		**79.347.750**	**80.255.095**	**77.027.311**	**75.361.826**
Other provisions		534.124	589.100	0	0
Total provisions		**534.124**	**589.100**	**0**	**0**
Subordinate loan capital		0	1.000.000	0	1.000.000
Lease obligations		27.087	83.347	0	0
Other payables		201.420	0	0	0
Total non-current liabilities	8	**228.507**	**1.083.347**	**0**	**1.000.000**
Short-term part of long-term debt	8	112.521	0	0	0
Banks		2.633	1.166.522	0	0
Prepayments received from customers		128.636	138.560	0	0
Trade payables		12.102.246	9.776.188	0	0
Payables to related parties		0	0	2.954.929	3.385.515
Payables to shareholders and management		5.628	0	5.628	5.628
Debt to credit institutions		712.617	251.601	0	0
Corporation tax		123.165	0	0	0
Other payables		6.846.635	4.906.752	0	0
Deferred income		27.953	23.530	0	0
Total current liabilities		**20.062.034**	**16.263.153**	**2.960.557**	**3.391.143**
Total liabilities		**20.290.541**	**17.346.500**	**2.960.557**	**4.391.143**
Total equity and liabilities		**100.172.415**	**98.190.695**	**79.987.868**	**79.752.969**
Contingent liabilities	9				
Related parties and ownership structure	10				

Statement of changes in equity

Group

	Share capital	Retained earnings	Proposed dividend for the year	Proposed extraordinary dividend	Non-controlling interests	Total
	DKK	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	1.597.063	73.765.000	0	0	4.893.269	80.255.332
Exchange adjustments	0	-1.356.745	0	0	-2.600	-1.359.345
Dividend paid	0	608.498	0	-5.000.000	-86.057	-4.477.559
Purchase of minority shares	0	0	0	0	-3.082.000	-3.082.000
Net profit/loss for the year	0	-525.917	3.000.000	5.000.000	537.239	8.011.322
Equity at 31 December	**1.597.063**	**72.490.836**	**3.000.000**	**0**	**2.259.851**	**79.347.750**

Statement of changes in equity

Parent company

	Share capital	Reserve for net re-valuation under the equity method	Retained earnings	Proposed dividend for the year	Proposed extraordinary dividend	Total
	DKK	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	1.597.063	67.758.083	6.006.681	0	0	75.361.827
Dividend paid	0	0	608.498	0	-5.000.000	-4.391.502
Exchange adjustment, foreign	0	-1.417.098	0	0	0	-1.417.098
Net profit/loss for the year	0	7.608.559	-8.134.475	3.000.000	5.000.000	7.474.084
Distributed dividends from investments in subsidaries	0	-3.000.000	3.000.000	0	0	0
Equity at 31 December	**1.597.063**	**70.949.544**	**1.480.704**	**3.000.000**	**0**	**77.027.311**

Cash flow statement 1 January - 31 December

	Note	Group 2024 DKK	Group 2023 DKK
Net profit/loss for the year		8.011.322	8.760.982
Adjustments		1.247.778	8.426.943
Change in working capital		-2.360.808	3.535.668
Cash flows from operating activities before financial income and expenses		**6.898.292**	**20.723.593**
Financial income		1.105.598	533.075
Financial expenses		-309.097	-260.844
Cash flows from ordinary activities		**7.694.793**	**20.995.824**
Corporation tax paid		-1.983.080	-3.546.510
Cash flows from operating activities		**5.711.713**	**17.449.314**
Purchase of property, plant and equipment		-2.902.622	-1.139.531
Sale of property, plant and equipment		159.784	350.000
Cash flows from investing activities		**-2.742.838**	**-789.531**
Repayment of non-current and current liabilitites		-1.224.149	-1.329.595
Repayment of other long-term debt		-1.000.000	0
Raising of loans from credit institutions		461.016	0
Purchase of minority shares		-3.082.000	0
Dividend paid		-4.477.559	-3.667.361
Cash flows from financing activities		**-9.322.692**	**-4.996.956**
Change in cash and cash equivalents		**-6.353.817**	**11.662.827**
Cash and cash equivalents		25.455.506	13.792.679
Cash and cash equivalents		**19.101.689**	**25.455.506**
Analysis of cash and cash equivalents:			
Cash at bank and in hand		19.101.689	25.455.506
Cash and cash equivalents		**19.101.689**	**25.455.506**

Notes

		Group		Parent company	
		2024	2023	2024	2023
		DKK	DKK	DKK	DKK
1	**Staff costs**				
	Wages and salaries	26.816.964	24.237.434	0	0
	Pensions	270.703	240.586	0	0
	Other social security costs	60.393	51.010	0	0
	Other staff costs	73.053	88.488	0	0
		27.221.113	**24.617.518**	**0**	**0**
	Number of fulltime employees on average	100	91	0	0

According to section 98 B(3) of the Danish Financial Statements Act, renumeration to the executive board has not been disclosed.

		Group 2024	Group 2023	Parent 2024	Parent 2023
2	**Financial income**				
	Other financial income	1.076.327	531.156	25.544	28.415
	Exchange gains	29.271	1.919	0	0
		1.105.598	**533.075**	**25.544**	**28.415**
3	**Financial costs**				
	Other financial costs	252.188	260.844	4.979	124.097
	Exchange loss	56.909	0	0	0
		309.097	**260.844**	**4.979**	**124.097**
4	**Tax on profit/loss for the year**				
	Current tax for the year	2.201.004	1.994.043	0	0
	Deferred tax for the year	0	72.000	0	0
		2.201.004	**2.066.043**	**0**	**0**

Notes

		Group		Parent company	
		2024	2023	2024	2023
		DKK	DKK	DKK	DKK
5	**Distribution of profit**				
	Proposed dividend for the year	3.000.000	0	3.000.000	0
	Extraordinary dividend for the year	5.000.000	0	5.000.000	0
	Reserve for net revaluation under the equity method	0	0	7.608.559	8.165.842
	Retained earnings	-525.917	7.929.775	-8.134.475	-234.752
		7.474.083	7.929.775	7.474.084	7.931.090
	Non-controlling interests	537.239	831.207	0	0
		8.011.322	**8.760.982**	**7.474.084**	**7.931.090**

Notes

6 Tangible assets

Group

	Land and buildings	Other fixtures and fittings, tools and equipment	Total
	DKK	DKK	DKK
Cost at 1 January	14.546.970	10.637.026	25.183.996
Exchange adjustment	216.575	55.671	272.246
Additions for the year	0	3.705.352	3.705.352
Disposals for the year	0	-2.778.431	-2.778.431
Transfers for the year	7.493	422.324	429.817
Cost at 31 December	14.771.038	12.041.942	26.812.980
Impairment losses and depreciation at 1 January	1.438.449	7.336.995	8.775.444
Exchange adjustment	35.752	40.093	75.845
Depreciation for the year	259.176	1.232.540	1.491.716
Reversal of impairment and depreciation of sold assets	0	-1.911.566	-1.911.566
Transfers for the year	380.203	0	380.203
Impairment losses and depreciation at 31 December	2.113.580	6.698.062	8.811.642
Carrying amount at 31 December	**12.657.458**	**5.343.880**	**18.001.338**

Notes

		Parent company	
		2024	2023
		DKK	DKK
7	**Investments in subsidiaries**		
	Cost at 1 January	9.000.000	9.000.000
	Additions for the year	0	0
	Cost at 31 December	9.000.000	9.000.000
	Revaluations at 1 January	67.758.083	60.876.568
	Exchange adjustment	-1.417.098	1.715.720
	Profit/loss for the year	8.178.559	8.165.795
	Change in intercompany profit on inventories	0	0
	Other equity movements, net	-3.000.000	-3.000.000
	Elimination of intercompany profits on investments	-570.000	0
	Revaluations at 31 December	70.949.544	67.758.083
	Carrying amount at 31 December	**79.949.544**	**76.758.083**

8 Long term debt

Group	Debt at 1 January	Debt at 31 December	Instalment next year	Debt outstanding after 5 years
	DKK	DKK	DKK	DKK
Subordinate loan capital	1.000.000	0	0	0
Lease obligations	83.347	27.087	0	0
Other payables	0	201.420	112.521	0
	1.083.347	**228.507**	**112.521**	**0**

Parent Company	Debt at 1 January	Debt at 31 December	Instalment next year	Debt outstanding after 5 years
	DKK	DKK	DKK	DKK
Subordinate loan capital	1.000.000	0	0	0
	1.000.000	**0**	**0**	**0**

Notes

9 Contingent liabilities

Contingent assets, Parent

The Parent Company has tax loss carry forwards totalling DKK 5,520 thousand. The nominal value is 22%, totalling DKK 1,214 thousand, which is not recognised in the balance sheet due to uncertainties surrounding the utilisation of the tax loss.

Contingent assets, Group

The Group has Danish tax loss carry forwards totalling DKK 28.327 thousand. The nominal value is 22%, totalling DKK 6.232 thousand, which is not recognised in the balance sheet due to uncertainties surrounding the utilisation of the tax loss.

Contingent liabilities, Parent

The Parent Company has issued an absolute guarantee for the subsidiary, Ottensten A/S' balances with its bankers.

The Parent Company is jointly taxed with the Danish subsidiary. As administration company, the Company has unlimited joint and several liability, together with the subsidiary, for payment of Danish corporation taxes and withholding taxes on dividends, interest and royalties within the joint taxation group. The jointly taxed entities' total known net liability in respect of corporation taxes and withholding taxes payable on dividend, interest and royalties amounted to DKK 0 thousand at 31 December 2024.

Any subsequent corrections of income subject to joint taxation and withholding taxes, etc., may entail that the entities' liability will increase. The Group as a whole is not liable to any third parties.

The subsidiary Ottensten A/S has granted a company charge for the Company's bank debt secured upon debtors, inventories and goodwill at a value of DKK 12,500 thousand with a carrying amount of DKK 0 thousand.

Furthermore, a charge has been provided in relation to Ottensten A/S' bank debt secured upon the subsidiaries Ottensten Polska Sp. z o.o. and UAB Ottensten Lietuva with total equity of DKK 50,200 thousand.

Contingent liabilities, Group

Notes

9 Contingent liabilities (Fortsat)

The Group has granted a company charge for the Groups's bank debt, DKK 0 thousand, secured upon debtors, inventories and goodwill at a value of DKK 12.500 thousand with a carrying amount of DKK 0 thousand.

Via the subsidiary Ottensten Polska Sp. z o.o., the Group has granted a company charge of PLN 2.800 thousand secured upon inventories at a total carrying amount of DKK 17.162 thousand.

Furthermore, a charge has been provided in relation to Ottensten A/S' bank debt secured upon the subsidiaries Ottensten Polska Sp. z o.o. and UAB Ottensten Lietuva with total equity of DKK 50,200 thousand.

Rent and lease commitment, Group

Rent and lease commitments comprise rent liabilities totalling DKK 149 thousand and lease liabilities totalling DKK 113 thousand.

10 Related parties and ownership structure

Ottensten Holding ApS' related parties comprise the following:

- Ottensten A/S
- Ottensten Danmark ApS
- Ottensten Polska Sp. z o.o.
- Ottensten Latvia SIA
- UAB Ottensten Lietuva
- Ottensten Eesti OÜ
- Ottensten Ukraine Ltd.

Accounting policies

The annual report of Ottensten Holding ApS for 2024 has been prepared in accordance with the provisions applying to medium-sized reporting class C entities under the Danish Financial Statements Act.

The accounting policies applied are consistent with those of last year.

The annual report for 2024 is presented in TDKK.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. 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 group's and the parent company's 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 group's and the parent company's 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.

Consolidated financial statements

The consolidated financial statements comprise the parent company Ottensten Holding ApS and subsidiaries in which the parent company, directly or indirectly, holds more than 50% of the voting rights or otherwise has a controlling interest. Entities in which the Group holds between 20% and 50% of the voting rights and over which it exercises significant influence, but which it does not control, are considered participating interests or associates, cf. the group chart.

The consolidated financial statements are prepared as a consolidation of the parent company's and subsidiaries' financial statements by aggregating uniform accounting items. On consolidation, intra-group income and expenses, holdings of shares, intra-group balances and dividends as well as realised and unrealised gains and losses on intra-group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' fair value of net assets and liabilities at the acquisition date.

Accounting policies

Entities acquired or formed during the year are recognised in the consolidated financial statements from the date at which control is obtained. Entities sold during the year are recognised in the consolidated income statement until the date of disposal. Comparative figures are not restated for acquisitions or disposals.

Investments in associates are measured in the balance sheet at the proportionate share of the net asset value of the associates based on the parent company’s accounting policies and proportionate elimination of unrealised intra-group gains and losses. The proportionate share of associates’ profit/loss, after elimination of the proportionate share of intra-group gains and losses, is recognised in the income statement.

Income statement

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Revenue is measured at fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. Revenue is net of all types of discounts granted.

Expenses for 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

Other operating income comprises 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.

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the company's activities, including losses on the sale of intangible assets and items of property, plant and equipment.

Other external costs

Other external costs 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.

Accounting policies

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment

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

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

The parent company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

The parent company acts as management company for all jointly taxed entities and, in its capacity as such, pays all income taxes to the Danish tax authorities.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

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

Intangible assets

Tangible assets

Items of land and buildings, plant and machinery and fixtures and fittings, tools and equipment 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. Land is not depreciated.

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.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Buildings	40 years

Accounting policies

Plant and machinery	3-10 years
Other fixtures and fittings, tools and equipment	3-10 years

The residual value is determined at the date of acquisition and reassessed annually. Where the residual value exceeds the carrying amount of asset, no further depreciation charges are recognised. In case of changes in the residual, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Investments in subsidiaries, associates and participating interests

Investments in subsidiaries, associates and participating interests are measured at the proportionate share of the net asset value of the entities, calculated on the basis of the group's accounting policies, plus or less unrealised intra-group gains or losses and plus or less any remaining value of positive or negative goodwill stated according to the purchase method. Negative goodwill is recognised in the income statement on acquisition. Where the negative goodwill relates to contingent liabilities having been taken over, the negative goodwill is not recognised until the contingent liabilities have been settled or no longer exist.

Investments in subsidiaries and associates are measured in the parent company financial statements using the equity method.

Stocks

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

The net realisable value of stocks is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Receivables

Receivables are measured at amortised cost.

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 is impaired, an impairment loss for that individual asset is recognised.

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

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, using the effective interest rate of individual receivables or portfolios of receivables as discount rate.

Accounting policies

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Equity

The year's changes in value adjustments of hedging instruments are recognised in the fair value reserve in the parent company financial statements. Changes in exchange rates from translating foreign subsidiaries, participating interests and associates are recognised in the net reserve according to the equity method.

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Provisions

Provisions comprise expected expenses relating to warranty commitments, losses on work in progress, restructuring, etc. Provisions are recognised when, as a result of a past event, the group has a legal or constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Income tax and deferred tax

As management company, Ottensten Holding ApS is liable for payment of the subsidiaries' corporate income taxes to the tax authorities.

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.

Joint taxation contributions payable and receivable are recognised in the balance sheet as 'Joint taxation contributions receivable' or 'Joint taxation contributions payable'.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

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.

Financial liabilities are measured at net residual value.

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.

Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under ‘Equity’.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates 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 latest financial statements is recognised in the income statement as financial income or financial expenses.

Foreign subsidiaries, associates and participating interests are considered separate entities. The income statements are translated at the average exchange rates for the month, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of such entities opening equity at closing rate and on translation of the income statements from the exchange rates at the transaction date to closing rate are taken directly to the fair value reserve under 'Equity' in the consolidated financial statements.

Foreign exchange adjustments of balances with separate entities which are considered part of the investment in the subsidiary are taken directly to the fair value reserve under 'Equity'. Correspondingly, foreign exchange gains and losses on loans and derivative financial instruments entered into to hedge net investments in such entities are taken directly to equity.

Cash flow statement

The cash flow statement shows the group's cash flows for the year, broken down under cash flows from operating, investing and financing activities, the year's changes in cash and cash equivalents and the group's cash and cash equivalents at the beginning and at the end of the year.

Accounting policies

The cash flow effect of additions and disposals of entities is shown separately under cash flows from investing activities. The cash flow statement includes cash flows from acquired entities from the time of acquisition, and cash flows from sold entities are included until the date of sale.

Cash flows from operating activities

Cash flows from operating activities are stated as the group's profit or loss for the year, adjusted for non-cash operating items, changes in working capital and paid income taxes. Dividend income from investments is recognised under ‘Interest income and dividend received’.

Cash flows from investing activities

Cash flows from investing activities comprise payments related to the acquisition and sale of entities and activities as well as intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the group's share capital and related costs, as well as the raising of loans, repayment of interest-bearing debt and payment of dividends to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Financial Highlights

Definitions of financial ratios.

Solvency ratio	$\frac{\text{Equity at year end x 100}}{\text{Total assets}}$
Return on equity	$\frac{\text{Net profit for the year x 100}}{\text{Average equity}}$