

Danitech A/S

Bredholm 4, 6100 Haderslev

CVR no. 25 25 03 03

Annual report 2024

Approved at the Company's annual general meeting on 7 April 2025

Chair of the meeting:

.....
Rasmus Haase Iversen

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Danitech A/S for the financial year 1 January - 31 December 2024.

The annual report is prepared in accordance with 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 financial position of the Group and the Company at 31 December 2024 and of the results of the Group's and the Company's operations and of the consolidated cash flows for the financial year 1 January - 31 December 2024.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Haderslev, 7 April 2025
Executive Board:

.....
Rasmus Haase Iversen

Board of Directors:

.....
Arne Iversen
Chairman


.....
Carlo Bondioli

.....
Mads Haase Iversen

.....
Rasmus Haase Iversen

Independent auditor's report

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Aabenraa, 7 April 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Lars Mortensen
State Authorised Public Accountant
mne32743

Independent auditor's report

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Aabenraa, 7 April 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Lars Mortensen
State Authorised Public Accountant
mne32743

Independent auditor's report

To the shareholders of Danitech A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Danitech A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with 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 financial position of the Group and the Parent Company at 31 December 2024, and of the results of the Group's and Parent Company's operations as well as the 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 the parent Company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

Management is responsible for the preparation of 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 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 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 financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 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 Parent Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- ▶ 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. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

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

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Independent auditor's report

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Aabenraa, 7 April 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Lars Mortensen
State Authorised Public Accountant
mne32743

Management's review

Company details

Name	Danitech A/S
Address, Postal code, City	Bredholm 4, 6100 Haderslev
CVR no.	25 25 03 03
Established	22 February 2000
Financial year	1 January - 31 December
Website	www.danitech.com
E-mail	infodk@danitech.com
Telephone	+45 76 34 23 00
Board of Directors	Arne Iversen, Chairman Carlo Bondioli Mads Haase Iversen Rasmus Haase Iversen
Executive Board	Rasmus Haase Iversen
Auditors	EY Godkendt Revisionspartnerselskab Skibbroen 16, 6200 Aabenraa, Denmark

Management's review

Financial highlights for the Group

DKK'000	2024	2023	2022	2021	2020
Key figures					
Gross profit	69,112	72,909	84,543	73,314	58,309
Operating profit/loss	20,736	23,114	25,419	21,125	11,256
Profit before interest and tax (EBIT)	25,295	29,132	32,512	27,037	16,451
Net financials	385	223	-575	-204	-119
Profit for the year	19,999	23,375	23,898	19,902	12,650
Total assets	207,927	203,867	202,963	184,721	176,747
Investments in property, plant and equipment	0	-11,318	-1,400	-924	-2,470
Equity	159,034	154,034	140,663	137,615	127,814
Financial ratios					
Return on assets	10.1%	11.4%	13.1%	11.7%	6.4%
Equity ratio	75.8%	75.1%	68.8%	72.6%	70.3%
Return on equity	12.6%	16.0%	18.7%	15.3%	10.6%
Average number of full-time employees	73	76	78	74	76

Financial ratios are calculated in accordance with the Danish Finance Society's recommendations on the calculation of financial ratios. For terms and definitions, please see the accounting policies.

Management's review

Business review

The parent company's activities consist of the development, production and integration of motion control systems, as well as the sale of stand-alone components and servicing of electrohydraulic and electromechanical equipment.

Danitech Group's activities consist of the development, production and integration of motion control systems, as well as the sale of stand-alone components and servicing of electrohydraulic and electromechanical equipment.

Financial review

The income statement for 2024 shows a profit of DKK 19,999 thousand against a profit of DKK -23,375 thousand last year, and the balance sheet at 31 December 2024 shows equity of DKK 159,034 thousand.

The result for the year is better than the outlook from last years annual report, due to the following factors.

2024 was the year when manufacturers of agricultural machinery and construction machinery were hit globally. The large build-up of global inventories by manufacturers, distributors and machine manufacturers resulted in a reduction in demand in the range of 30-40%. This meant that we were of course hit on that part of the sale, but our increased efforts in the environment and energy sector were rewarded so that we actually only lost 6%, which we are very happy with. Our increased investments in product development meant an increased workforce and thus also a reduction in profit, but we are satisfied with what we achieved and believe the development will bear fruit in 2025 and beyond. 2025 will be similar to 2024 quite a bit, however, we believe in increased sales in selected sectors, so we expect sales on a par with 2023.

Knowledge resources

The staff's thorough knowledge of product properties and product application and prices is of crucial importance to the Group's position in the market and to future earnings.

Financial risks and use of financial instruments

The Group is not exposed to any particular business or financial risks other than those which are normal within the line of business.

Impact on the external environment

Only the heating of the Company's premises and the transportation of goods, etc have an impact on the external environment.

Events after the balance sheet date

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

Outlook

For 2025, we expect a EBT on 25,000 - 27,000 Thousands.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Income statement

Note	DKK	Group		Parent company	
		2024	2023	2024	2023
	Gross profit	69,111,977	72,909,400	58,928,326	63,545,421
2	Staff costs	-39,852,998	-40,145,380	-33,263,934	-32,647,323
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-3,964,212	-3,631,863	-2,461,030	-2,045,427
	Profit before net financials	25,294,767	29,132,157	23,203,362	28,852,671
	Income from investments in group enterprises	0	0	1,123,486	-41,752
3	Financial income	1,546,810	1,707,559	1,630,466	1,703,115
	Write-down on investments	0	0	0	-1,500,000
	Financial expenses	-1,162,108	-1,484,223	-1,056,082	-1,130,580
	Profit before tax	25,679,469	29,355,493	24,901,232	27,883,454
4	Tax for the year	-5,680,287	-5,980,420	-5,261,908	-5,995,008
	Profit for the year	19,999,182	23,375,073	19,639,324	21,888,446
	Specification of the Group's results of operations:				
	Shareholders in Danitech A/S	19,639,323	23,388,446		
	Non-controlling interests	359,859	-13,373		
		19,999,182	23,375,073		

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

Note	DKK	Group		Parent company	
		2024	2023	2024	2023
	ASSETS				
	Fixed assets				
6	Property, plant and equipment				
	Land and buildings	58,773,143	46,062,107	58,773,143	46,062,107
	Fixtures and fittings, other plant and equipment	6,628,916	7,817,988	2,633,865	2,366,887
	Leasehold improvements	7,599	21,162	0	0
	Property, plant and equipment under construction	0	9,544,100	0	9,544,100
		<u>65,409,658</u>	<u>63,445,357</u>	<u>61,407,008</u>	<u>57,973,094</u>
	Investments				
	Investments in group enterprises	0	0	4,240,070	3,116,584
	Receivables from group enterprises	0	0	2,205,601	2,509,420
		<u>0</u>	<u>0</u>	<u>6,445,671</u>	<u>5,626,004</u>
	Total fixed assets	<u>65,409,658</u>	<u>63,445,357</u>	<u>67,852,679</u>	<u>63,599,098</u>
	Non-fixed assets				
	Inventories				
	Raw materials and consumables	6,591,764	8,946,442	0	0
	Finished goods and goods for resale	56,784,441	65,763,863	56,784,441	65,763,863
		<u>63,376,205</u>	<u>74,710,305</u>	<u>56,784,441</u>	<u>65,763,863</u>
	Receivables				
	Trade receivables	32,885,691	28,399,847	28,355,825	25,378,397
	Receivables from group enterprises	0	0	633,203	15,535
	Corporation tax receivable	547,713	987,730	547,713	987,730
	Other receivables	94,036	17,923	89,859	17,893
7	Prepayments	1,221,022	811,625	1,002,806	582,054
		<u>34,748,462</u>	<u>30,217,125</u>	<u>30,629,406</u>	<u>26,981,609</u>
	Securities and investments	0	163,725	0	163,725
	Cash	<u>44,392,527</u>	<u>35,331,122</u>	<u>42,956,376</u>	<u>35,331,122</u>
	Total non-fixed assets	<u>142,517,194</u>	<u>140,422,277</u>	<u>130,370,223</u>	<u>128,240,319</u>
	TOTAL ASSETS	<u>207,926,852</u>	<u>203,867,634</u>	<u>198,222,902</u>	<u>191,839,417</u>

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

Note	DKK	Group		Parent company	
		2024	2023	2024	2023
	EQUITY AND LIABILITIES				
	Equity				
8	Share capital	5,000,000	5,000,000	5,000,000	5,000,000
	Retained earnings	132,675,491	133,036,168	129,937,883	130,298,559
	Dividend proposed	20,000,000	15,000,000	20,000,000	15,000,000
	Shareholders in Danitech A/S' share of equity	157,675,491	153,036,168	154,937,883	150,298,559
	Non-controlling interests	1,358,121	998,262	0	0
	Total equity	159,033,612	154,034,430	154,937,883	150,298,559
	Provisions				
9	Deferred tax	4,016,950	3,302,950	3,744,121	3,053,121
	Total provisions	4,016,950	3,302,950	3,744,121	3,053,121
	Liabilities other than provisions				
10	Non-current liabilities other than provisions				
	Mortgage debt	20,740,323	22,248,133	20,740,323	22,248,133
	Lease liabilities	703,948	1,119,771	0	0
	Other payables	658,374	658,374	0	0
		22,102,645	24,026,278	20,740,323	22,248,133
	Current liabilities other than provisions				
10	Short-term part of long-term liabilities other than provisions	1,898,633	2,581,305	1,507,810	1,463,313
	Bank debt	864,241	2,519,519	70,447	59,272
	Lease liabilities	1,204,194	0	1,204,194	0
	Trade payables	15,589,854	13,925,897	13,977,777	12,244,184
	Payables to group enterprises	0	0	0	43,808
	Other payables	3,215,364	3,453,132	2,040,347	2,429,027
	Deferred income	1,359	24,123	0	0
		22,773,645	22,503,976	18,800,575	16,239,604
	Total liabilities other than provisions	44,876,290	46,530,254	39,540,898	38,487,737
	TOTAL EQUITY AND LIABILITIES	207,926,852	203,867,634	198,222,902	191,839,417

- 1 Accounting policies
- 5 Appropriation of profit
- 11 Contractual obligations and contingencies, etc.
- 12 Security and collateral
- 13 Related parties

Consolidated financial statements and parent company financial statements 1 January - 31 December

Statement of changes in equity

		Group				
Note	DKK	Share capital	Retained earnings	Dividend proposed	Total	Non-controlling interests
						Total equity
	Equity at 1 January 2023	5,000,000	124,651,724	10,000,000	139,651,724	1,011,635
	Transfer through appropriation of profit	0	8,388,446	15,000,000	23,388,446	-13,373
	Adjustment of investments through foreign exchange adjustments	0	-4,002	0	-4,002	0
	Dividend distributed	0	0	-10,000,000	-10,000,000	0
	Equity at 1 January 2024	5,000,000	133,036,168	15,000,000	153,036,168	998,262
	Transfer through appropriation of profit	0	-360,677	20,000,000	19,639,323	359,859
	Dividend distributed	0	0	-15,000,000	-15,000,000	0
	Equity at 31 December 2024	5,000,000	132,675,491	20,000,000	157,675,491	1,358,121

		Parent company			
Note	DKK	Share capital	Retained earnings	Dividend proposed	Total
	Equity at 1 January 2023	5,000,000	123,414,115	10,000,000	138,414,115
5	Transfer, see "Appropriation of profit"	0	6,888,446	15,000,000	21,888,446
	Adjustment of investments through foreign exchange adjustments	0	-4,002	0	-4,002
	Dividend distributed	0	0	-10,000,000	-10,000,000
	Equity at 1 January 2024	5,000,000	130,298,559	15,000,000	150,298,559
5	Transfer, see "Appropriation of profit"	0	-360,676	20,000,000	19,639,324
	Dividend distributed	0	0	-15,000,000	-15,000,000
	Equity at 31 December 2024	5,000,000	129,937,883	20,000,000	154,937,883

Consolidated financial statements and parent company financial statements 1 January - 31 December

Cash flow statement

Note	DKK	Group	
		2024	2023
	Profit for the year	19,999,182	23,375,073
14	Adjustments	9,934,451	8,763,066
	Cash generated from operations (operating activities)	29,933,633	32,138,139
15	Changes in working capital	7,766,170	1,844,051
	Cash generated from operations (operating activities)	37,699,803	33,982,190
	Interest received, etc.	1,510,585	1,682,174
	Interest paid, etc.	-1,125,882	-1,458,838
	Income taxes paid	-5,217,270	-7,837,132
	Cash flows from operating activities	32,867,236	26,368,394
	Additions of property, plant and equipment	-15,472,614	-11,318,499
	Disposals of property, plant and equipment	9,544,100	0
	Other cash flows from investing activities	180,072	0
	Cash flows to investing activities	-5,748,442	-11,318,499
	Dividends paid	-15,000,000	-10,000,000
	Proceeds of debt, finance leases	-1,204,194	0
	Repayments, long-term liabilities	-197,917	-2,567,267
	Change, debt to credit institutions	-1,655,278	-2,145,758
	Value revaluation securities	0	-25,364
	Cash flows from financing activities	-18,057,389	-14,738,389
	Net cash flow	9,061,405	311,506
	Cash and cash equivalents at 1 January	35,331,122	35,019,616
16	Cash and cash equivalents at 31 December	44,392,527	35,331,122

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Danitech A/S for 2024 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement is prepared for the parent company, as its cash flows are reflected in the consolidated cash flow statement.

Reporting currency

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

Consolidated financial statements

Control

The consolidated financial statements comprise the Parent Company and subsidiaries controlled by the Parent Company. Subsidiaries comprise Danitech Production A/S (Stake: 75,74 %).

Control means a parent company's power to direct a group entity's financial and operating policy decisions. Besides the above power, the parent company should also be able to yield a return from its investment.

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity's financial and operating decisions.

Preparation of consolidated financial statements

The consolidated financial statements are prepared as a consolidation of the parent company's and the individual group entities' financial statements, which are prepared according to the group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains if they do not reflect impairment.

In the consolidated financial statements, the accounting items of group entities are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of group entities which are not wholly-owned are included in the group's profit/loss and equity, respectively, but are disclosed separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognised directly in equity as a transaction between shareholders.

Investments in associates and joint ventures are recognised in the consolidated financial statements using the equity method.

The group's activities in joint operations are recognised on a line-by-line basis.

Non-controlling interests

On initial recognition, non-controlling interests are measured at the fair value of the non-controlling interests' equity interest.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The Company has chosen IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods, is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2010.

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

Gross profit

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

Other operating income

Other operating income comprise items secondary to the principal activities of the Company, including rental income from the temporary lease out of production facilities, compensation, government grants, refund of wages and salaries, gains on the disposal of intangible assets and property, plant and equipment, etc. Compensation and grants are recognised when there is reasonable assurance that the entity will comply with the conditions attaching to them and the grants will be received.

Raw materials and consumables

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

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

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

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Staff costs

Staff costs comprise wages and salaries, including holiday allowance and pensions, and other social security costs, etc., for the Company's employees.

Depreciation

The item comprises depreciation of property, plant and equipment.

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

Buildings	50 years
Fixtures and fittings, other plant and equipment	5 - 7 years
Leasehold improvements	5 years

Land is not depreciated.

Profit/loss from investments in group entities

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In group entities, the full elimination of internal profit and loss is carried out without regard to ownership shares.

Financial income and expenses

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

Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish group entities. Group entities are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge 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 the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, 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.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Property, plant and equipment

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

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

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to the ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of the future lease payments. In calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently accounted for in the same way as the Company's other assets.

The capitalised residual lease liability 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.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Investments in group entities

Equity investments in subsidiaries are measured according to the equity method. Equity investments in joint ventures are also measured according to the equity method in the consolidated financial statements.

On initial recognition, equity investments in group entities are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in group entities measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Gains and losses on disposal of group entities and associates are made up as the difference between the sales price and the carrying amount of net assets at the date of disposal including non-amortised goodwill and anticipated costs of disposal. Gains or losses are recognised in the income statement as financial income or financial expenses.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Other securities and investments

Securities and investments consisting of listed shares and bonds are measured at fair value (market price) at the balance sheet date. Investments not admitted to trading on an active market are measured at cost.

Impairment of fixed assets

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

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

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

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial 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 has been impaired, an impairment loss is recognised on an individual basis.

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

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

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Securities and investments

Securities and investments consisting in listed shares and bonds are measured at fair value (market price) at the balance sheet date. Investments not admitted to trading on an active market are measured at cost.

Cash

Cash comprise bank balances.

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in group entities and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

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

Other liabilities are measured at net realisable value.

Lease liabilities

Lease liabilities are measured at the net present value of the remaining lease payments including any guaranteed residual value based on the interest rate implicit in the lease.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Fair value

The fair value measurement is based on the principal market. If no principal market exists, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability less transaction and/or transport costs.

All assets and liabilities which are measured at fair value, or whose fair value is disclosed, are classified based on the fair value hierarchy, see below:

Level 1: Value in an active market for similar assets/liabilities

Level 2: Value based on recognised valuation methods on the basis of observable market information

Level 3: Value based on recognised valuation methods and reasonable estimates (non-observable market information).

If a reliable fair value cannot be stated according to the above levels, the asset or liability is measured at cost.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

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

Cash and cash equivalents comprise cash, short term bank loans and short term securities which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating profit/loss	Profit/loss before net financials +/- Other operating income and other operating expenses
Return on assets	$\frac{\text{Profit/loss from operating activities} \times 100}{\text{Average assets}}$
Equity ratio	$\frac{\text{Equity excl. non-controlling interests, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss for the year after tax excl. non-controlling interests} \times 100}{\text{Average equity excl. non-controlling interests}}$

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

	Group		Parent company	
	2024	2023	2024	2023
DKK				
2 Staff costs				
Wages/salaries	34,674,606	35,508,298	28,966,592	28,989,887
Pensions	3,300,231	3,073,371	2,752,730	2,470,755
Other social security costs	632,647	664,420	498,412	464,437
Other staff costs	1,245,514	899,291	1,046,200	722,244
	<u>39,852,998</u>	<u>40,145,380</u>	<u>33,263,934</u>	<u>32,647,323</u>
Average number of full-time employees	<u>73</u>	<u>76</u>	<u>59</u>	<u>59</u>

Group

Total remuneration to group Management : TDKK 2,611 (2023: TDKK 2,518)

Parent company

Total remuneration to group Management : TDKK 2,611 (2023: TDKK 2,518)

	Group		Parent company	
	2024	2023	2024	2023
DKK				
3 Financial income				
Interest receivable, group entities	0	0	109,348	104,018
Other financial income	1,546,810	1,707,559	1,521,118	1,599,097
	<u>1,546,810</u>	<u>1,707,559</u>	<u>1,630,466</u>	<u>1,703,115</u>
4 Tax for the year				
Estimated tax charge for the year	5,657,287	6,572,270	5,261,908	6,616,887
Deferred tax adjustments in the year	23,000	-591,850	0	-621,879
	<u>5,680,287</u>	<u>5,980,420</u>	<u>5,261,908</u>	<u>5,995,008</u>

	Parent company	
	2024	2023
DKK		
5 Appropriation of profit		
Recommended appropriation of profit		
Proposed dividend recognised under equity	20,000,000	15,000,000
Retained earnings/accumulated loss	-360,676	6,888,446
	<u>19,639,324</u>	<u>21,888,446</u>

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

6 Property, plant and equipment

	Group			
	Land and buildings	Fixtures and fittings, other plant and equipment	Leasehold improvements	Property, plant and equipment under construction
DKK				
Cost at 1 January 2024	61,951,222	26,286,538	447,799	9,544,100
Additions	4,447,820	1,480,694	0	0
Transferred	9,544,100	0	0	-9,544,100
Cost at 31 December 2024	75,943,142	27,767,232	447,799	0
Impairment losses and depreciation at 1 January 2024	15,889,115	18,468,550	426,637	0
Depreciation	1,280,884	2,669,766	13,563	0
Impairment losses and depreciation at 31 December 2024	17,169,999	21,138,316	440,200	0
Carrying amount at 31 December 2024	58,773,143	6,628,916	7,599	0
Property, plant and equipment include finance leases with a carrying amount totalling	0	3,218,176	0	0

Note 12 provides more details on security for loans, etc. as regards property, plant and equipment.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

6 Property, plant and equipment (continued)

DKK	Parent company			Total
	Land and buildings	Fixtures and fittings, other plant and equipment	Property, plant and equipment under construction	
Cost at 1 January 2024	61,951,222	15,015,022	9,544,100	86,510,344
Additions	4,447,820	1,447,124	0	5,894,944
Transferred	9,544,100	0	-9,544,100	0
Cost at 31 December 2024	75,943,142	16,462,146	0	92,405,288
Impairment losses and depreciation at 1 January 2024	15,889,115	12,648,135	0	28,537,250
Depreciation	1,280,884	1,180,146	0	2,461,030
Impairment losses and depreciation at 31 December 2024	17,169,999	13,828,281	0	30,998,280
Carrying amount at 31 December 2024	58,773,143	2,633,865	0	61,407,008

7 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years, including software licenses, insurance policies and other prepayments.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

		Parent company	
DKK		2024	2023
8 Share capital			
Analysis of the share capital:			
5,000 shares of DKK 1,000.00 nominal value each		5,000,000	5,000,000
		<u>5,000,000</u>	<u>5,000,000</u>
		Parent company	
DKK		2024	2023
		2024	2023
9 Deferred tax			
Deferred tax at 1 January	3,302,950	3,894,800	3,053,121
Deferred tax adjustments in the year in the income statement	<u>714,000</u>	<u>-591,850</u>	<u>691,000</u>
Deferred tax at 31 December	<u>4,016,950</u>	<u>3,302,950</u>	<u>3,744,121</u>

Group

Deferred tax is incumbent on goodwill, land and buildings, property, plant and equipment, inventories, current asset investments, borrowing costs, prepayments and lease liabilities.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

10 Non-current liabilities other than provisions

	Group			
	Total debt at 31/12 2024	Short-term portion	Long-term portion	Outstanding debt after 5 years
DKK				
Mortgage debt	22,248,133	1,507,810	20,740,323	14,236,419
Lease liabilities	1,094,771	390,823	703,948	0
Other payables	658,374	0	658,374	0
	<u>24,001,278</u>	<u>1,898,633</u>	<u>22,102,645</u>	<u>14,236,419</u>
	Parent company			
	Total debt at 31/12 2024	Short-term portion	Long-term portion	Outstanding debt after 5 years
DKK				
Mortgage debt	22,248,133	1,507,810	20,740,323	14,236,419
	<u>22,248,133</u>	<u>1,507,810</u>	<u>20,740,323</u>	<u>14,236,419</u>

11 Contractual obligations and contingencies, etc.

Other financial obligations

Other rent and lease liabilities:

	Group		Parent company	
	2024	2023	2024	2023
Rent and lease liabilities	<u>59,318</u>	<u>471,236</u>	<u>0</u>	<u>121,036</u>

Parent company

The Parent Company is jointly taxed with its Danish subsidiary. As management company, the Company has joint and several unlimited liability, together with the subsidiary, for all Danish income taxes and withholding taxes on dividend, interest and royalties within the group of jointly taxed entities. The jointly taxed entities' total known net liability in respect of income 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. could entail an increase in the entities' tax liability.

12 Security and collateral

Group

Land and buildings at a carrying amount of DKK 58,773 thousand at 31 December 2024 have been put up as security for debt to mortgage credit institutions, totalling DKK 26,000 thousand.

Parent company

Land and buildings at a carrying amount of DKK 58,773 thousand at 31 December 2024 have been put up as security for debt to mortgage credit institutions, totalling DKK 26,000 thousand.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

13 Related parties

Group

Related party transactions

DKK	2024	2023
Group		
Sales of goods to associates	318,000	2,392,000
Purchase of goods from associates	4,591,000	6,841,000
Parent Company		
Interest income from subsidiaries	109,348	104,018
Sale of goods to subsidiaries	1,131,000	1,230,000
Purchase of goods from subsidiaries	299,000	346,000
Dividend distributed to associates	15,000,000	10,000,000
Sales of goods to associates	318,000	2,318,000
Purchase of goods from associates	4,591,000	6,841,000
Receivables from subsidiaries	2,838,804	2,524,955
Payables to associates	16,532	16,675

14 Adjustments

Amortisation/depreciation and impairment losses	3,964,213	3,631,863
Gain/loss on the sale of assets	-16,346	0
Financial income	-1,510,585	-1,682,174
Financial expenses	1,125,882	1,458,838
Tax for the year	5,657,287	5,950,391
Deferred tax	714,000	-591,850
Other adjustments	0	-4,002
	<u>9,934,451</u>	<u>8,763,066</u>

15 Changes in working capital

Change in inventories	11,334,100	2,958,210
Change in receivables	-4,971,355	5,147,662
Change in trade and other payables	1,403,425	-6,261,821
	<u>7,766,170</u>	<u>1,844,051</u>

16 Cash and cash equivalents at year-end

Cash according to the balance sheet	44,392,527	35,331,122
	<u>44,392,527</u>	<u>35,331,122</u>

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Mads Haase Iversen

Board of directors

På vegne af: Danitech A/S

Serienummer: ddb2b335-baa1-4bb0-aab5-7fa7c2951761

IP: 89.184.xxx.xxx

2025-04-07 14:42:28 UTC



Arne Iversen

Chairman

På vegne af: Danitech A/S

Serienummer: 65ac870a-6679-4834-b0d7-047c5427e9c2

IP: 185.43.xxx.xxx

2025-04-07 19:54:36 UTC



Rasmus Haase Iversen

Chair of the meeting

På vegne af: Danitech A/S

Serienummer: 3421b9ae-2c9e-402f-8b8f-24ed099b210f

IP: 89.184.xxx.xxx

2025-04-09 06:13:25 UTC



Rasmus Haase Iversen

Board of directors

På vegne af: Danitech A/S

Serienummer: 3421b9ae-2c9e-402f-8b8f-24ed099b210f

IP: 89.184.xxx.xxx

2025-04-09 06:16:35 UTC



Rasmus Haase Iversen

Executive board

På vegne af: Danitech A/S

Serienummer: 3421b9ae-2c9e-402f-8b8f-24ed099b210f

IP: 89.184.xxx.xxx

2025-04-09 07:32:40 UTC



Lars Gosvig Mortensen

Statsaut. revisor

På vegne af: EY Godkendt Revisionspartnerselskab

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