Deloitte.



S&K Group A/S

Piniehøj 16
2960 Rungsted Kyst
CVR No. 20288442

Annual report 01.10.2023 - 30.09.2024

The Annual General Meeting adopted the annual report on 07.03.2025

Mads Nicolai Søeborg Sørensen
Chairman of the General Meeting

Contents

Entity details	2
Statement by Management on the annual report	3
Independent auditor's report	4
Management commentary	7
Consolidated income statement for 2023/24	10
Consolidated balance sheet at 30.09.2024	11
Consolidated statement of changes in equity for 2023/24	13
Consolidated cash flow statement for 2023/24	14
Notes to consolidated financial statements	15
Parent income statement for 2023/24	20
Parent balance sheet at 30.09.2024	21
Parent statement of changes in equity for 2023/24	23
Notes to parent financial statements	24
Accounting policies	28

Entity details

Entity

S&K Group A/S
Piniehøj 16
2960 Rungsted Kyst

Business Registration No.: 20288442
Registered office: Hørsholm
Financial year: 01.10.2023 - 30.09.2024

Board of Directors

Ellen Margrethe Søeborg Sørensen
Mads Nicolai Søeborg Sørensen

Executive Board

Mads Nicolai Søeborg Sørensen

Bank

Danske Bank, Finanscenter Storkøbenhavn
Hovedvejen 107
2600 Glostrup

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of S&K Group A/S for the financial year 01.10.2023 - 30.09.2024.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 30.09.2024 and of the results of their operations and the consolidated cash flows for the financial year 01.10.2023 - 30.09.2024.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Rungsted Kyst, 07.03.2025

Executive Board

Mads Nicolai Søeborg Sørensen

Board of Directors

Ellen Margrethe Søeborg Sørensen

Mads Nicolai Søeborg Sørensen

Independent auditor's report

To the shareholders of S&K Group A/S

Qualified opinion

We have audited the consolidated financial statements and the parent financial statements of S&K Group A/S for the financial year 01.10.2023 - 30.09.2024, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, except for the possible effect of the matter specified in the "Basis for qualified opinion" section, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 30.09.2024 and of the results of their operations and the consolidated cash flows for the financial year 01.10.2023 - 30.09.2024 in accordance with the Danish Financial Statements Act.

Basis for qualified opinion

The receivable from Søeborg Invest A/S is recognised by DKK 20.4 million in the consolidated financial statements and the parent financial statements. As mentioned in the management commentary, the condition for recognition is the Søeborg Invest A/S Group’s ability to finish, market and sell the Group's dental products or technology.

At the time of presentation of this annual report the commercial usage of the technology are still under development. It is still expeceted that it will be possible to use the technology in different industries, just as Management is working on a possible sale of this technology. On this basis, Management expects that one or more agreements are entered into during the coming year or that a sale of the technology will be realized, ensuring that the Søeborg Invest A/S Group becomes self-financing from the continued operations and that the Group will be able to start repaying its debt to S&K Group A/S. At the present moment, Management is not able to present adequate documentation of this, and due to the insufficient documentation of the recognised value of the receivable, we give a qualified opinion as to the measurement of it.

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 financial statements" section of this auditor’s report. We are independent of the Group in accordance with the International Ethics Standards Board of 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial

statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent 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 consolidated financial statements and the parent 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 commentary

Management is responsible for the management commentary.

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

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Copenhagen, 07.03.2025

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Claus Jorch Andersen
State Authorised Public Accountant
Identification No (MNE) mne33712

Management commentary

Financial highlights

	2023/24 DKK'000	2022/23 DKK'000	2021/22 DKK'000	2020/21 DKK'000	2019/20 DKK'000
Key figures					
Gross profit/loss	61,052	67,717	68,191	62,380	56,342
Operating profit/loss	4,540	8,762	12,291	12,484	7,232
Net financials	(5,188)	(6,465)	(3,960)	(3,572)	(3,749)
Profit/loss for the year	(584)	1,696	6,301	6,930	2,642
Balance sheet total	168,641	172,986	176,038	150,573	138,292
Investments in property, plant and equipment	1,329	1,156	1,526	2,200	1,039
Equity	28,170	28,876	27,297	21,111	14,294
Ratios					
Return on equity (%)	(2.05)	6.04	26.03	39.15	20.28
Equity ratio (%)	16.70	16.69	15.51	14.02	10.34

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Return on equity (%):
Profit/loss for the year * 100
Average equity

Equity ratio (%):
Equity * 100
Balance sheet total

Primary activities

As in previous years, the Group's activities are production and sale of technical rubber, plastics, hydraulic equipment, and related activities.

Development in activities and finances

The Group's operating profit for 2023/24 amounts to DKK 4,540 thousand against DKK 8,762 thousand in 2022/23. Profit for the year after tax amounts to a loss of DKK 584 thousand.

Profit/loss for the year in relation to expected developments

The Group's operating profit amounts DKK 4,540 thousand in 2023/24 and is lower than expectations as indicated in the annual report for 2022/23.

The operating profit is negatively impacted by one-off costs of 682 thousand, which can be attributed to uncertainties related to receivables from certain customers. Management is working to recover all receivables in the current financial year but has chosen to make an accounting write-down in the financial year.

Uncertainty relating to recognition and measurement

At 30.09.2024, the Group has recognised a receivable from its sister group Søeborg Invest A/S of DKK 20,4 million.

The Søeborg Invest A/S Group, is reaching the final stages of developing a promising dental product. Furthermore, the patented technology, initially designed for the dental industry, has attracted considerable interest from various sectors throughout 2024.

In pursuit of strategic diversification and collaborative ventures, The Søeborg Invest A/S Group has initiated partnerships with a reputable coating manufacturer in Poland for the development of an innovative self-cleaning paint. Simultaneously, negotiations are actively underway for the outsourcing of this pioneering technology through a licensing agreement.

Additionally, The Søeborg Invest A/S Group's technology has demonstrated substantial value in PtX (Power-to-X) and green energy development. The focus throughout 2024 has been on meticulously identifying and selecting suitable partners to funnel the ongoing development of the technology. It is anticipated that, The Søeborg Invest A/S Group will finalize an agreement, facilitating the transfer of PtX-related rights to a collaborative partner. This strategic move aims to maximize the probability of creating a commercially viable solution based on The Søeborg Invest A/S Group's patented technology. Importantly, this agreement will result in the transfer of The Søeborg Invest A/S Group's operational and developmental costs to the collaborative partner, ensuring a mutually beneficial and sustainable partnership.

On this basis, Management expects that one or more agreements will be entered into during the coming year or that a sale of the technology will be realised, ensuring that the Søeborg Invest A/S Group becomes self-financing from its continued operations. Moreover, Management expects that the Group again will start reducing its balance with S&K Group A/S. Management assesses that the Søeborg Invest A/S Group will succeed in implementing its plans in the years to come.

Outlook

Management expects an operating profit in the Group in line with 2023/24.

Use of financial instruments

Due to its operations, investments and financing, the Group is exposed to changes in exchange rates and interest

rate levels. Within the Group, the Parent manages the financial risks centrally and coordinates cash management, such as funding and investment of excess liquidity. The Group operates with a low risk profile, thus limiting the occurrence of currency, interest rate and credit risks, and only occurring in connection with commercial circumstances. Due to the limited risks compared to the Group's total activities, the use of financial instruments has not been further accounted for.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Consolidated income statement for 2023/24

	Notes	2023/24 DKK	2022/23 DKK
Gross profit/loss		**61,052,031**	**67,717,096**
Staff costs	2	(55,471,276)	(58,031,051)
Depreciation, amortisation and impairment losses	3	(1,000,603)	(924,040)
Other operating expenses		(40,553)	0
Operating profit/loss		**4,539,599**	**8,762,005**
Other financial income	4	44,571	29,245
Other financial expenses	5	(5,233,020)	(6,494,605)
Profit/loss before tax		**(648,850)**	**2,296,645**
Tax on profit/loss for the year	6	64,523	(600,216)
Profit/loss for the year	7	**(584,327)**	**1,696,429**

Consolidated balance sheet at 30.09.2024

Assets

	Notes	2023/24 DKK	2022/23 DKK
Development projects in progress	9	54,000	0
Intangible assets	8	**54,000**	**0**
Land and buildings		43,905,139	43,735,999
Other fixtures and fittings, tools and equipment		11,573,448	11,551,674
Property, plant and equipment	10	**55,478,587**	**55,287,673**
Deposits		95,481	95,481
Other receivables		20,410,546	19,740,546
Financial assets	11	**20,506,027**	**19,836,027**
Fixed assets		**76,038,614**	**75,123,700**
Raw materials and consumables		10,970,986	12,873,323
Manufactured goods and goods for resale		52,627,482	52,932,632
Inventories		**63,598,468**	**65,805,955**
Trade receivables		27,547,356	30,679,657
Other receivables		181,502	212,206
Tax receivable		178,000	0
Prepayments	12	1,056,040	1,137,746
Receivables		**28,962,898**	**32,029,609**
Cash		**41,496**	**26,304**
Current assets		**92,602,862**	**97,861,868**
Assets		**168,641,476**	**172,985,568**

Equity and liabilities

	Notes	2023/24 DKK	2022/23 DKK
Contributed capital	13	1,000,000	1,000,000
Reserve for development costs		42,120	0
Retained earnings		26,998,884	27,753,831
Proposed extraordinary dividend		61,000	0
Proposed dividend for the financial year		67,500	122,000
Equity		**28,169,504**	**28,875,831**
Deferred tax	14	8,901,654	8,981,300
Provisions		**8,901,654**	**8,981,300**
Mortgage debt		37,255,557	40,034,063
Bank loans		1,850,000	1,850,000
Tax payable		0	1,950,223
Other payables		20,209,042	20,505,949
Non-current liabilities other than provisions	15	**59,314,599**	**64,340,235**
Current portion of non-current liabilities other than provisions	15	3,298,847	7,993,097
Bank loans		37,509,764	32,187,280
Trade payables		17,343,445	15,879,932
Tax payable		1,912,228	0
Other payables		12,191,435	14,727,893
Current liabilities other than provisions		**72,255,719**	**70,788,202**
Liabilities other than provisions		**131,570,318**	**135,128,437**
Equity and liabilities		**168,641,476**	**172,985,568**
Uncertainty relating to recognition and measurement	1		
Unrecognised rental and lease commitments	17		
Assets charged and collateral	18		
Subsidiaries	19		

Consolidated statement of changes in equity for 2023/24

	Contributed capital DKK	Reserve for development costs DKK	Retained earnings DKK	Proposed extraordinary dividend DKK	Proposed dividend for the financial year DKK
Equity beginning of year	1,000,000	0	27,753,831	0	122,000
Ordinary dividend paid	0	0	0	0	(122,000)
Transfer to reserves	0	42,120	(42,120)	0	0
Profit/loss for the year	0	0	(712,827)	61,000	67,500
Equity end of year	**1,000,000**	**42,120**	**26,998,884**	**61,000**	**67,500**

	Total DKK
Equity beginning of year	28,875,831
Ordinary dividend paid	(122,000)
Transfer to reserves	0
Profit/loss for the year	(584,327)
Equity end of year	**28,169,504**

Consolidated cash flow statement for 2023/24

	Notes	2023/24 DKK	2022/23 DKK
Operating profit/loss		4,539,599	8,762,005
Amortisation, depreciation and impairment losses		1,041,156	860,296
Working capital changes	16	4,083,034	(284,902)
Cash flow from ordinary operating activities		**9,663,789**	**9,337,399**
Financial expenses paid		(5,188,449)	(6,465,360)
Taxes refunded/(paid)		(231,806)	(1,719,914)
Cash flows from operating activities		**4,243,534**	**1,152,125**
Acquisition etc. of intangible assets		(54,000)	(95,481)
Acquisition etc. of property, plant and equipment		(1,328,670)	(1,155,558)
Sale of property, plant and equipment		96,600	132,000
Acquisition of fixed asset investments		(670,000)	(500,000)
Cash flows from investing activities		**(1,956,070)**	**(1,619,039)**
Free cash flows generated from operations and investments before financing		**2,287,464**	**(466,914)**
Loans raised		8,739,022	13,476,425
Repayments of loans etc.		(10,889,294)	(12,885,043)
Dividend paid		(122,000)	(117,800)
Cash flows from financing activities		**(2,272,272)**	**473,582**
Increase/decrease in cash and cash equivalents		**15,192**	**6,668**
Cash and cash equivalents beginning of year		26,304	19,636
Cash and cash equivalents end of year		**41,496**	**26,304**
Cash and cash equivalents at year-end are composed of:			
Cash		41,496	26,304
Cash and cash equivalents end of year		**41,496**	**26,304**

Notes to consolidated financial statements

1 Uncertainty relating to recognition and measurement

The uncertainty relating to measurement of the receivable is mentioned in the management commentary to which we refer.

2 Staff costs

	2023/24 DKK	2022/23 DKK
Wages and salaries	50,649,859	53,386,804
Pension costs	3,986,211	3,756,303
Other social security costs	835,206	887,944
	55,471,276	**58,031,051**

Average number of full-time employees	91	99

3 Depreciation, amortisation and impairment losses

	2023/24 DKK	2022/23 DKK
Depreciation on property, plant and equipment	1,000,603	924,040
	1,000,603	**924,040**

4 Other financial income

	2023/24 DKK	2022/23 DKK
Other interest income	44,566	0
Exchange rate adjustments	0	674
Other financial income	5	28,571
	44,571	**29,245**

5 Other financial expenses

	2023/24 DKK	2022/23 DKK
Other interest expenses	3,057,482	2,410,520
Other financial expenses	2,175,538	4,084,085
	5,233,020	**6,494,605**

6 Tax on profit/loss for the year

	2023/24 DKK	2022/23 DKK
Current tax	219,366	2,715,409
Change in deferred tax	(79,646)	(1,391,700)
Adjustment concerning previous years	15,124	3,678
Refund in joint taxation arrangement	(219,367)	(727,171)
	(64,523)	**600,216**

7 Proposed distribution of profit/loss

	2023/24 DKK	2022/23 DKK
Ordinary dividend for the financial year	67,500	122,000
Extraordinary dividend distributed in the financial year	61,000	0
Retained earnings	(712,827)	1,574,429
	(584,327)	**1,696,429**

8 Intangible assets

	Development projects in progress DKK
Additions	54,000
Cost end of year	**54,000**
Carrying amount end of year	**54,000**

9 Development projects

The development project partially concerns the development of an app, which is recognised based on external supplier invoices.

10 Property, plant and equipment

	Land and buildings DKK	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	54,916,138	34,933,954
Additions	329,795	998,875
Disposals	0	(719,499)
Cost end of year	**55,245,933**	**35,213,330**
Depreciation and impairment losses beginning of year	(11,180,139)	(23,382,280)
Depreciation for the year	(160,655)	(839,948)
Reversal regarding disposals	0	582,346
Depreciation and impairment losses end of year	**(11,340,794)**	**(23,639,882)**
Carrying amount end of year	**43,905,139**	**11,573,448**

11 Financial assets

	Deposits DKK	Other receivables DKK
Cost beginning of year	95,481	84,740,546
Additions	0	670,000
Cost end of year	**95,481**	**85,410,546**
Impairment losses beginning of year	0	(65,000,000)
Impairment losses end of year	**0**	**(65,000,000)**
Carrying amount end of year	**95,481**	**20,410,546**

12 Prepayments

The item comprises miscellaneous prepaid costs.

13 Contributed capital

	Number	Par value DKK	Nominal value DKK
Ordinary shares	1,000	1,000	1,000,000
	1,000		**1,000,000**

14 Deferred tax

Changes during the year	2023/24 DKK	2022/23 DKK
Beginning of year	8,981,300	10,373,000
Recognised in the income statement	(79,646)	(1,391,700)
End of year	**8,901,654**	**8,981,300**

Deferred tax relates to property, plant and equipment, inventories and other provisions.

15 Non-current liabilities other than provisions

	Due within 12 months 2023/24 DKK	Due within 12 months 2022/23 DKK	Due after more than 12 months 2023/24 DKK	Outstanding after 5 years 2023/24 DKK
Mortgage debt	3,298,847	3,793,097	37,255,557	16,906,383
Bank loans	0	4,200,000	1,850,000	0
Other payables	0	0	20,209,042	0
	3,298,847	**7,993,097**	**59,314,599**	**16,906,383**

16 Changes in working capital

	2023/24 DKK	2022/23 DKK
Increase/decrease in inventories	2,207,487	(827,160)
Increase/decrease in receivables	3,244,711	4,645,358
Increase/decrease in trade payables etc.	(1,369,164)	(4,103,100)
	4,083,034	**(284,902)**

17 Unrecognised rental and lease commitments

	2023/24 DKK	2022/23 DKK
Total liabilities under rental or lease agreements until maturity	3,980,386	5,624,751

18 Assets charged and collateral

Mortgage debt is secured by way of mortgage on properties with a book value of DKK 43,905 thousand as of 30.09.2024.

Bank loans are secured by way of a deposited mortgage deed registered to the mortgagor on plant of DKK 37,510 thousand nominal.

A company charge of consolidated DKK 37,000 thousand has been provided as security for the combined bank debt of the consolidated companies. The charge comprises trade receivables, inventories, other fixtures and fittings, tools and equipment and intangible assets.

19 Subsidiaries

	Registered in	Ownership %
Sørensen & Kofoed A/S	Herlev	100
B.S. Specialslanger A/S	Herlev	100
Linatex A/S	Herlev	100

Parent income statement for 2023/24

	Notes	2023/24 DKK	2022/23 DKK
Gross profit/loss		**2,265,466**	**5,771,891**
Staff costs	2	(6,519,566)	(6,413,341)
Depreciation, amortisation and impairment losses	3	(280,223)	(268,235)
Operating profit/loss		**(4,534,323)**	**(909,685)**
Income from investments in group enterprises		2,711,943	4,416,194
Other financial income from group enterprises		920,000	0
Other financial income	4	5	747
Other financial expenses	5	(577,035)	(2,567,320)
Profit/loss before tax		**(1,479,410)**	**939,936**
Tax on profit/loss for the year	6	895,083	756,493
Profit/loss for the year	7	**(584,327)**	**1,696,429**

Parent balance sheet at 30.09.2024

Assets

	Notes	2023/24 DKK	2022/23 DKK
Development projects in progress	9	54,000	0
Intangible assets	8	**54,000**	**0**
Other fixtures and fittings, tools and equipment		1,120,691	1,266,132
Property, plant and equipment	10	**1,120,691**	**1,266,132**
Investments in group enterprises		35,149,753	35,437,810
Other receivables		20,410,546	19,740,546
Financial assets	11	**55,560,299**	**55,178,356**
Fixed assets		**56,734,990**	**56,444,488**
Trade receivables		4,000	0
Receivables from group enterprises		8,229,635	9,103,070
Deferred tax	12	562,000	0
Tax receivable		178,000	0
Joint taxation contribution receivable		2,863,601	5,673,185
Prepayments	13	463,076	452,271
Receivables		**12,300,312**	**15,228,526**
Cash		**1,305**	**1,305**
Current assets		**12,301,617**	**15,229,831**
Assets		**69,036,607**	**71,674,319**

Equity and liabilities

	Notes	2023/24 DKK	2022/23 DKK
Contributed capital		1,000,000	1,000,000
Reserve for development costs		42,120	0
Retained earnings		26,998,884	27,753,831
Proposed extraordinary dividend		61,000	0
Proposed dividend for the financial year		67,500	122,000
Equity		**28,169,504**	**28,875,831**
Deferred tax	12	0	200,000
Provisions		**0**	**200,000**
Bank loans		1,850,000	1,850,000
Tax payable		0	1,950,223
Other payables	14	18,325,748	18,675,204
Non-current liabilities other than provisions	15	**20,175,748**	**22,475,427**
Current portion of non-current liabilities other than provisions	15	0	4,200,000
Bank loans		5,432,945	1,505,962
Trade payables		421,161	372,405
Payables to group enterprises		12,190,318	12,396,241
Tax payable		1,912,228	0
Other payables		734,703	1,648,453
Current liabilities other than provisions		**20,691,355**	**20,123,061**
Liabilities other than provisions		**40,867,103**	**42,598,488**
Equity and liabilities		**69,036,607**	**71,674,319**
Uncertainty relating to recognition and measurement	1		
Unrecognised rental and lease commitments	16		
Contingent liabilities	17		
Assets charged and collateral	18		

Parent statement of changes in equity for 2023/24

	Contributed capital DKK	Reserve for development costs DKK	Retained earnings DKK	Proposed extraordinary dividend DKK	Proposed dividend for the year DKK
Equity beginning of year	1,000,000	0	27,753,831	0	122,000
Ordinary dividend paid	0	0	0	0	(122,000)
Transfer to reserves	0	42,120	(42,120)	0	0
Profit/loss for the year	0	0	(712,827)	61,000	67,500
Equity end of year	**1,000,000**	**42,120**	**26,998,884**	**61,000**	**67,500**

	Total DKK
Equity beginning of year	28,875,831
Ordinary dividend paid	(122,000)
Transfer to reserves	0
Profit/loss for the year	(584,327)
Equity end of year	**28,169,504**

Notes to parent financial statements

1 Uncertainty relating to recognition and measurement

The uncertainty relating to measurement of the receivable is mentioned in the management commentary to which we refer.

2 Staff costs

	2023/24 DKK	2022/23 DKK
Wages and salaries	6,107,923	6,011,848
Pension costs	353,112	341,647
Other social security costs	58,531	59,846
	6,519,566	**6,413,341**
Average number of full-time employees	7	7

3 Depreciation, amortisation and impairment losses

	2023/24 DKK	2022/23 DKK
Depreciation on property, plant and equipment	280,223	268,235
	280,223	**268,235**

4 Other financial income

	2023/24 DKK	2022/23 DKK
Exchange rate adjustments	0	674
Other financial income	5	73
	5	**747**

5 Other financial expenses

	2023/24 DKK	2022/23 DKK
Other financial expenses	577,035	2,567,320
	577,035	**2,567,320**

6 Tax on profit/loss for the year

	2023/24 DKK	2022/23 DKK
Change in deferred tax	(762,000)	(33,000)
Adjustment concerning previous years	15,124	3,678
Refund in joint taxation arrangement	(148,207)	(727,171)
	(895,083)	**(756,493)**

7 Proposed distribution of profit and loss

	2023/24 DKK	2022/23 DKK
Ordinary dividend for the financial year	67,500	122,000
Extraordinary dividend distributed in the financial year	61,000	0
Retained earnings	(712,827)	1,574,429
	(584,327)	**1,696,429**

8 Intangible assets

	Development projects in progress DKK
Additions	54,000
Cost end of year	**54,000**
Carrying amount end of year	**54,000**

9 Development projects

The development project partially concerns the development of an app, which is recognised based on external supplier invoices.

10 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	2,869,815
Additions	134,782
Cost end of year	**3,004,597**
Depreciation and impairment losses beginning of year	(1,603,683)
Depreciation for the year	(280,223)
Depreciation and impairment losses end of year	**(1,883,906)**
Carrying amount end of year	**1,120,691**

11 Financial assets

	Investments in group enterprises DKK	Other receivables DKK
Cost beginning of year	57,696,250	84,740,546
Additions	0	670,000
Cost end of year	**57,696,250**	**85,410,546**
Impairment losses beginning of year	(22,258,440)	(65,000,000)
Share of profit/loss for the year	2,711,943	0
Dividend	(3,000,000)	0
Impairment losses end of year	**(22,546,497)**	**(65,000,000)**
Carrying amount end of year	**35,149,753**	**20,410,546**

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

12 Deferred tax

Changes during the year	2023/24 DKK	2022/23 DKK
Beginning of year	(200,000)	(233,000)
Recognised in the income statement	762,000	33,000
End of year	**562,000**	**(200,000)**

Deferred tax relates to plant and equipment and carryforward tax loss.

Deferred tax assets
The company expects to be able to utilise the carryforward tax loss within the coming years.

13 Prepayments

The item comprises miscellaneous prepaid costs.

14 Other payables

	2023/24 DKK	2022/23 DKK
Holiday pay obligation	73,296	122,752
Other costs payable	18,252,452	18,552,452
	18,325,748	**18,675,204**

15 Non-current liabilities other than provisions

	Due within 12 months 2022/23 DKK	Due after more than 12 months 2023/24 DKK
Bank loans	4,200,000	1,850,000
Other payables	0	18,325,748
	4,200,000	**20,175,748**

16 Unrecognised rental and lease commitments

	2023/24 DKK	2022/23 DKK
Total liabilities under rental or lease agreements until maturity	23,200	23,200

17 Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is, therefore, liable for income taxes etc. for the jointly taxed entities, and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities.

18 Assets charged and collateral

The Entity has jointly and severally guaranteed the combined bank debt of the consolidated companies which amounts to DKK 37,510 thousand at 30.09.2024.

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, other operating income, cost of sales, costs of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

The Parent's revenue includes management fees that are invoiced to subsidiaries and recognised in the income statement concurrently with the delivery of the services agreed upon.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including profit from the sale of intangible assets and property, plant and equipment, and salary refunds .

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory writedowns.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and normal writedowns of the relevant inventories.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise wages and salaries, and social security contributions, pension contributions, etc. for entity staff.

Depreciation and impairment losses

Depreciation and impairment losses relating to property, plant and equipment comprise depreciation and impairment losses for the financial year and gains and losses from the sale of property, plant and equipment.

Other operating expenses
Other operating expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities, including loss from the sale of intangible assets and property, plant and equipment.

Income from investments in group enterprises
Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income from group enterprises
Other financial income from group enterprises comprises interest income etc. on receivables from group enterprises.

Other financial income
Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses
Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year
Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Parent is jointly taxed with all of its Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Intellectual property rights etc.
Intellectual property rights etc. comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 3-5 years.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment
Land and buildings and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For self-constructed assets, cost comprises direct and indirect costs of materials, components, subsuppliers and labour costs.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Buildings	50 years
Other fixtures and fittings, tools and equipment	5-20 years
Cars	5 years
IT equipment	2-5 year

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises
Investments in group enterprises are recognised and measured in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to reserve for net revaluation according to the equity method in equity.

Goodwill is the difference between cost of investments and fair value of the pro rata share of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For one amount of goodwill, it has not

been possible to estimate useful life reliably, for which reason such useful life has been set at 10 years. For other amounts of goodwill, useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Receivables
Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Inventories
Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation on and impairment losses relating to machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in cost.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Deferred tax
Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Tax payable or receivable
Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Joint taxation contributions payable or receivable
Current joint taxation contributions payable or receivable are recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments
Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash
Cash comprises cash in hand and bank deposits.

Dividend
Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity.

Mortgage debt
At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

Other financial liabilities
Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, inception of finance leases, repayments of interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk.