

AKASEL A/S

Svogerslev Hovedgade 48

4000 Roskilde

CVR No. 27370586

Annual Report 2022/23

20. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 28 September 2023

Karen Kaufmann
Chairman

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Management's Statement

Today, Management has considered and adopted the Annual Report of AKASEL A/S for the financial year 1 July 2022 - 30 June 2023.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 30 June 2023 and of the results of the Company's operations for the financial year 1 July 2022 - 30 June 2023.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Roskilde, 28 September 2023

Executive Board

Morten Damgaard
Manager

Supervisory Board

Karen Kaufmann
Chairman

Morten Damgaard
Member

Rene Høeg
Member

Janne Clement
Member

Knud Foldschack
Member

Independent Auditors' Report

To the shareholders of AKASEL A/S

Opinion

We have audited the financial statements of AKASEL A/S for the financial year 1 July 2022 - 30 June 2023, which comprise an income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 30 June 2023 and of the results of its operations for the financial year 1 July 2022 - 30 June 2023 in accordance with the Danish Financial Statements Act.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in the "Auditors' responsibility for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statement in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management considers necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The auditor's responsibility for the audit of the financial statements

Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

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

- * Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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

Independent Auditors' Report

Company's internal control.

- * Evaluate whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.
- * Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- * Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect the underlying transactions and events in a manner that gives a true and fair view.

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 which we identify during our audit.

Statement on 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 opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the financial statements 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 with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Hørsholm, 28 September 2023

Gilfelt Revision ApS

CVR-no. 28108303

Steen Gilfelt

Registered Public Accountant

mne2738

AKASEL A/S

Company details

Company	AKASEL A/S Svogerslev Hovedgade 48 4000 Roskilde
Telephone	57840409
E-mail	info@akasel.com
Website	www.akasel.com
CVR No.	27370586
Date of formation	1 August 2003
Registered office	Roskilde
Financial year	1 July 2022 - 30 June 2023

Supervisory Board	Karen Kaufmann Morten Damgaard, Manager Rene Høeg Janne Clement Knud Foldschack
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Executive Board	Morten Damgaard
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Parent Company

Auditors	Gilfelt Revision ApS Slotsmarken 18, 1. 2970 Hørsholm
E-mail	steen@gilfeltrevision.dk CVR-no.: 28108303

Bank	Danske Bank A/S
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Annual General Meeting	The Annual General Meeting is held on the 28 September 2023, at 11.00.
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Management's Review

The Company's principal activities

Sale of consumables for material testing and activities that are naturally associated with this.

Uncertainty in recognition or measurement

No uncertainties in recognition and measurement.

Unusual conditions

There are no unusual circumstances that have affected recognition or measurement.

The development in activities and economic conditions

There are no unusual circumstances that have affected recognition or measurement.

The company's income statement for the financial year 01-07-2022 - 30-06-2023 shows a result of DKK 67,873, and the company's balance sheet as of 30-06-2023 shows a balance sheet of DKK 10,163,303, and an equity of DKK 4,954,336.

Despite the negative development in earnings, the management considers the result to be satisfactory. The result must, among other things, seen in the light of the fact that the war between Russia and Ukraine has meant a not insignificant loss of turnover, at the same time that 2 of the company's main dealers have been acquired by a competing company, which has also led to a decrease in turnover in the relevant markets. Nevertheless, it has succeeded in maintaining the total turnover at an approximately unchanged level by making up for what was lost in other markets, which must be described as a success for the company's overall development strategy.

Events after the end of the financial year

After the end of the financial year, no events of significant importance to the company's financial position have occurred.

Expectations for the future

A positive development is expected in the company's activities in the coming year. The work to strengthen the dealer network and presence in the electronic media is being strengthened as planned.

Accounting Policies

Reporting Class

The annual report of AKASEL A/S for 2022/23 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Consolidated Financial Statements

With reference to § 110 of the Danish Financial Statements Act, no Consolidated Financial Statement have been prepared because the Group enterprises do not exceed the amount limits.

With reference to § 112 of the Danish Financial Statements Act, no Consolidated Financial Statement have been prepared because the Group enterprises are subsidiaries of a higher-ranking group.

Reporting currency

The annual report is presented in Danish kroner.

General information

Basis of recognition and measurement

The financial statement have been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will accrue to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income statement

Gross profit/loss

The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, work in progress and

Accounting Policies

goods for resale, other operating income, costs for raw materials and consumables and other external expenses.

Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT and all discounts granted are recognised in revenue.

Raw materials and consumables used

Costs for raw materials and consumables comprise the cost of goods purchased less discounts, costs subcontractors and change in inventories for the year.

Other external expenses

Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operating leasing expenses etc.

Staff costs

Staff costs include wages and salaries including compensated absence and pension to the Companies employees, as well as other social security contributions etc. The item is deducted from refunds from public authorities.

Other staff expenses are recognised in other external expenses.

Amortisation and impairment of tangible and intangible assets

Amortization and impairment of intangible assets, property, plant and equipment has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortized on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-10 years	0%
Leasehold improvements	5 years	0%

Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, financial expenses of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the advance-payment of tax scheme.

Dividends from other investments are recognised as income in the financial year in which the dividends are declared.

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

The Company and the Danish associates are taxed jointly. The Danish income tax is distributed between profit- and loss-making Danish enterprises in relation to their taxable income (full distribution).

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

Accounting Policies

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual component differ.

Deposits

Deposits are measured at cost.

Inventories

Inventories are measured at cost on the basis of the FIFO principle. Where the net realizable value is lower than cost, the inventories are written down to this lower value.

The net realizable value of inventories is calculated as the selling price less costs of completion and costs incurred to make the sale. The value is determined taking into account the negotiability of inventories, obsolescence and expected development in sales price.

Receivables

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Provisions

Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Accounting Policies

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallize as current tax.

Current tax liabilities

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

Other payables

Other payables are measured at amortized cost, which usually corresponds to the nominal value.

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Income Statement

	Note	2022/23 kr.	2021/22 kr.
Gross profit		10.957.319	11.932.774
Employee benefits expense	1	-10.677.708	-8.881.598
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-291.780	-372.285
Profit from ordinary operating activities		-12.169	2.678.891
Other finance income from group enterprises		-103.049	-87.614
Other finance income		5.839	0
Finance expences		-49.015	-60.174
Profit from ordinary activities before tax		-158.394	2.531.103
Tax expense on ordinary activities		48.730	-595.584
Other tax expenses		-1.440	-506
Profit		-111.104	1.935.013
Proposed distribution of results			
Proposed dividend recognised in equity		0	1.000.000
Retained earnings		-111.104	935.013
Distribution of profit		-111.104	1.935.013

Balance Sheet as of 30 June

	Note	2023 kr.	2022 kr.
Assets			
Fixtures, fittings, tools and equipment		839.737	1.024.515
Leasehold improvements		175.356	282.358
Property, plant and equipment		1.015.093	1.306.873
Deposits, investments		168.777	172.278
Investments		168.777	172.278
Fixed assets		1.183.870	1.479.151
Raw materials and consumables		2.915.863	3.139.497
Work in progress		640.632	575.014
Manufactured goods and goods for resale		288.562	323.798
Inventories		3.845.057	4.038.309
Short-term trade receivables		3.470.476	3.822.373
Short-term receivables from group enterprises		69.307	49.307
Current deferred tax		48.730	0
Other short-term receivables		99.323	308.366
Deferred income		140.944	104.721
Receivables		3.828.780	4.284.767
Cash and cash equivalents		1.354.326	668.868
Current assets		9.028.163	8.991.944
Assets		10.212.033	10.471.095

Balance Sheet as of 30 June

	Note	2023 kr.	2022 kr.
Liabilities and equity			
Contributed capital		400.000	400.000
Retained earnings		4.375.359	4.486.465
Proposed dividend recognised in equity		0	1.000.000
Equity		4.775.359	5.886.465
Provisions for deferred tax		61.280	59.840
Provisions		61.280	59.840
Debt to banks		23.882	90.140
Trade payables		965.034	957.527
Payables to group enterprises		3.271.706	2.233.073
Tax payables		0	595.584
Other payables		1.114.772	648.466
Short-term liabilities other than provisions		5.375.394	4.524.790
Liabilities other than provisions within the business		5.375.394	4.524.790
Liabilities and equity		10.212.033	10.471.095
Contingent liabilities	2		
Collaterals and assets pledged as security	3		
Liabilities under off-balance sheet leases	4		

AKASEL A/S**Statement of changes in Equity**

	Contributed capital	Retained earnings	Proposed dividend recognised in equity	Total
Equity 1 July 2022	400.000	4.486.463	1.000.000	5.886.463
Dividend paid			-1.000.000	-1.000.000
Profit (loss)		-111.104		-111.104
Equity 30 June 2023	400.000	4.375.359	0	4.775.359

The share capital has remained unchanged for the last 5 years.

Notes

	2022/23	2021/22
1. Employee benefits expense		
Wages and salaries	9.688.557	8.015.328
Post-employment benefit expense	635.208	621.118
Social security contributions	353.943	245.152
	10.677.708	8.881.598
<i>Hereof remuneration to management</i>		
Management	844.194	861.944
Board of directors	819.194	818.666
	1.663.388	1.680.610
Average number of employees	20	20

2. Contingent liabilities

No contingent liabilities exist at the balance sheet date.

3. Collaterals and securities

No securities or mortgages exist at the balance sheet date.

4. Liabilities under leases