Densit ApS

Rørdalsvej 44
9220 Aalborg Øst
CVR No. 73162718

Annual report 2024

The Annual General Meeting adopted the annual report on 15.04.2025

Manoela Fry
Manoela Fry (Apr 23, 2025 09:58 GMT+2)

Manoela Pereira Fry
Chairman of the Annual General Meeting

Contents

Entity details

Entity

Densit ApS
Rørdalsvej 44
9220 Aalborg Øst

Business Registration No.: 73162718
Registered office: Aalborg
Financial year: 01.01.2024 - 31.12.2024

Board of Directors

Manoela Pereira Fry, Chairman
Monique Martins
Glenn Terence Ayres

Executive Board

Glenn Terence Ayres

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
City Tower, Værkmestergade 2
8000 Aarhus C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Densit ApS for the financial year 01.01.2024 - 31.12.2024.

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 Entity's financial position at 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024.

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.

Aalborg, 15.04.2025

Executive Board

G.Ayres
G.Ayres (Apr 23, 2025 09:51 GMT+1)
Glenn Terence Ayres

Board of Directors

Manoela Fry
Manoela Fry (Apr 23, 2025 09:58 GMT+2)
Manoela Pereira Fry
Chairman

Monique Martins
Monique Martins

G.Ayres
G.Ayres (Apr 23, 2025 09:51 GMT+1)
Glenn Terence Ayres

Independent auditor's report

To the shareholder of Densit ApS

Opinion

We have audited the financial statements of Densit ApS for the financial year 01.01.2024 - 31.12.2024, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. 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 Entity's financial position at 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Management's responsibilities for the 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 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 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 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 financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report 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 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 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 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 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 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 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 Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent 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 that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the 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 financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the 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 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.

Aarhus, 15.04.2025

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Henrik Vedel
State Authorised Public Accountant
Identification No (MNE) mne10052

Mikael Møller
State Authorised Public Accountant
Identification No (MNE) mne47835

Management commentary

Financial highlights

	2024 DKK'000	2023 DKK'000	2022 DKK'000	2021 DKK'000	2020 DKK'000
Key figures					
Gross profit/loss	55,048	35,756	133,795	58,441	51,370
Operating profit/loss	25,530	11,878	70,668	25,654	20,536
Net financials	(843)	940	121	(82)	(395)
Profit/loss for the year	18,792	8,985	56,262	19,488	15,290
Total assets	50,259	58,569	77,131	138,324	85,209
Investments in property, plant and equipment	11,086	7,143	2,789	1,683	3,002
Equity	38,180	39,388	60,403	28,141	33,653
Ratios					
Return on equity (%)	48.45	18.01	127.08	63.07	58.79
Equity ratio (%)	75.97	67.25	78.31	20.34	39.49

Financial highlights are defined and calculated in accordance with the latest 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
Total assets

Primary activities

Densit ApS manufactures cement-based special materials to be used for wear protection, industrial flooring, and within offshore wind segment for reinforcement of platforms and foundation for wind turbines. Moreover, the Company manufactures hardwearing components, especially for the cement and power station industry.

Development in activities and finances

In 2024 Densit ApS realised a profit for the year of DKK 18,792k.

Profit/loss for the year in relation to expected developments

Development for the financial year is considered satisfying. There has been an Increase in revenue compared to the previous year, due to new Offshore Wind projects coming in..

Uncertainty relating to recognition and measurement

There hasn't been any uncertainty regarding recognition and measurement.

Unusual circumstances affecting recognition and measurement

There has been no unusual circumstances with impact on recognition and measurement.

Outlook

Densit ApS expects a slight decrease in results in 2025, due to the timing of one of the wind projects won.
The Company expects the activities to be stable on the other markets in 2025. The profit for 2025 is estimated to be in the range of DKK 10-12 million.

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.

Income statement for 2024

	Notes	2024 DKK'000	2023 DKK'000
Gross profit/loss		**55,048**	**35,756**
Distribution costs		(22,109)	(14,293)
Administrative expenses		(7,409)	(9,585)
Operating profit/loss		**25,530**	**11,878**
Other financial income	3	687	1,144
Other financial expenses	4	(1,530)	(204)
Profit/loss before tax		**24,687**	**12,818**
Tax on profit/loss for the year	5	(5,895)	(3,833)
Profit/loss for the year	6	**18,792**	**8,985**

Balance sheet at 31.12.2024

Assets

	Notes	2024 DKK'000	2023 DKK'000
Plant and machinery		9,949	3,067
Other fixtures and fittings, tools and equipment		590	852
Leasehold improvements		0	0
Property, plant and equipment in progress		7,854	5,940
Property, plant and equipment	7	**18,393**	**9,859**
Deposits		484	270
Financial assets	8	**484**	**270**
Fixed assets		**18,877**	**10,129**
Raw materials and consumables		4,512	2,832
Manufactured goods and goods for resale		10,497	1,497
Inventories		**15,009**	**4,329**
Trade receivables		9,076	14,751
Receivables from group enterprises	9	4,135	19,748
Other receivables		0	2,887
Tax receivable		170	0
Prepayments	10	291	565
Receivables		**13,672**	**37,951**
Cash		**2,701**	**6,160**
Current assets		**31,382**	**48,440**
Assets		**50,259**	**58,569**

Equity and liabilities

	Notes	2024 DKK'000	2023 DKK'000
Contributed capital		4,000	4,000
Retained earnings		34,180	15,388
Proposed dividend		0	20,000
Equity		**38,180**	**39,388**
Deferred tax	11	918	291
Provisions		**918**	**291**
Prepayments received from customers		0	8,324
Trade payables		1,742	3,751
Payables to group enterprises	12	7,372	102
Tax payable		0	3,482
Other payables		2,047	3,231
Current liabilities other than provisions		**11,161**	**18,890**
Liabilities other than provisions		**11,161**	**18,890**
Equity and liabilities		**50,259**	**58,569**

Events after the balance sheet date	1
Staff costs	2
Unrecognised rental and lease commitments	13
Contingent liabilities	14
Assets charged and collateral	15
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Group relations	18

Statement of changes in equity for 2024

	Contributed capital DKK'000	Retained earnings DKK'000	Proposed dividend DKK'000	Total DKK'000
Equity beginning of year	4,000	15,388	20,000	39,388
Ordinary dividend paid	0	0	(20,000)	(20,000)
Profit/loss for the year	0	18,792	0	18,792
Equity end of year	**4,000**	**34,180**	**0**	**38,180**

Notes

1 Events after the balance sheet date

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

2 Staff costs

	2024 DKK'000	2023 DKK'000
Wages and salaries	19,935	20,218
Pension costs	1,634	1,574
Other social security costs	520	413
	22,089	**22,205**

Average number of full-time employees	25	27

3 Other financial income

	2024 DKK'000	2023 DKK'000
Financial income from group enterprises	491	1,113
Other financial income	196	31
	687	**1,144**

4 Other financial expenses

	2024 DKK'000	2023 DKK'000
Other financial expenses	1,530	204
	1,530	**204**

5 Tax on profit/loss for the year

	2024 DKK'000	2023 DKK'000
Current tax	4,803	2,285
Change in deferred tax	627	402
Adjustment concerning previous years	465	1,146
	5,895	**3,833**

6 Proposed distribution of profit and loss

	2024 DKK'000	2023 DKK'000
Ordinary dividend for the financial year	0	20,000
Retained earnings	18,792	(11,015)
	18,792	**8,985**

7 Property, plant and equipment

	Plant and machinery DKK'000	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000	Property, plant and equipment in progress DKK'000
Cost beginning of year	44,233	5,206	1,941	5,940
Transfers	9,151	21	0	(9,172)
Additions	0	0	0	11,086
Disposals	(4,276)	0	0	0
Cost end of year	**49,108**	**5,227**	**1,941**	**7,854**
Depreciation and impairment losses beginning of year	(41,166)	(4,354)	(1,941)	0
Depreciation for the year	(2,269)	(283)	0	0
Reversal regarding disposals	4,276	0	0	0
Depreciation and impairment losses end of year	**(39,159)**	**(4,637)**	**(1,941)**	**0**
Carrying amount end of year	**9,949**	**590**	**0**	**7,854**

8 Financial assets

	Deposits DKK'000
Cost beginning of year	270
Additions	214
Cost end of year	**484**
Carrying amount end of year	**484**

9 Receivables from group enterprises

The Company participates together with other Danish Group enterprises in a cash pool arrangement in which another company is liable as a sole contracting party towards the bank. Receivables and payables in relation to the cash pool arrangement are recognised as intercompany receivables and payables, respectively. At 31 December 2024, the item receivable to group enterprises includes an amount of DKK 3,781K.

10 Prepayments

Prepayment consist of prepaid costs.

11 Deferred tax

Changes during the year	2024 DKK'000	2023 DKK'000
Beginning of year	(291)	111
Recognised in the income statement	(627)	(402)
End of year	**(918)**	**(291)**

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

12 Payables to group enterprises

The Company participates together with other Danish Group enterprises in a cash pool arrangement in which another company is liable as a solecontracting party towards the bank. Receivables and payables in relation to the cash pool arrangement are recognised as intercompany receivables and payables, respectively. At 31 December 2024 the items payable to group enterprises includes an amount of DKK 7,259K.

13 Unrecognised rental and lease commitments

	2024 DKK'000	2023 DKK'000
Liabilities under rental or lease agreements until maturity in total	**9,835**	**3,157**

14 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where ITW Denmark ApS serves as the administration company. 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 for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

15 Assets charged and collateral

Densit ApS has through its bank issued performance guarantees which amounts to a total of DKK 14,426k

16 Related parties with controlling interest

ITW Denmark ApS, Priorsvej 36 Silkeborg, wholly owns the shares of the Entity and thus has control over the Entity.

Illinois Tool Works Inc., Chicago, USA, Ultimate Parent

17 Non-arm’s length related party transactions

Only related party transactions not conducted on an arm’s length basis are disclosed in the annual report. No such transactions have been conducted in the financial year.

18 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Illinois Tool Works Inc., 155 Harlem Avenue, Glenview, IL 60025, Chigago, USA

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 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.

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 and production costs.

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 from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Production costs
Production costs comprise expenses incurred to earn revenue for the financial year. Production costs comprise direct and indirect costs for raw materials and consumables, wages and salaries, rent and lease as well as amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment included in the production process. In addition, the item includes ordinary writedown of inventories.

Distribution costs
Distribution costs comprise costs incurred for sale and distribution of the Entity's products, including wages and salaries for sales staff, advertising costs, travelling and entertainment expenses, etc as well as amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment attached to the distribution process.

Administrative expenses
Administrative expenses comprise expenses incurred for the Entity's administrative functions, including wages and salaries for administrative staff and Management, stationery and office supplies as well as amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment used for administration of the Entity.

Other financial income
Other financial income comprises changes of exchange rates.

Other financial expenses
Other financial expenses comprise bank fees and changes of exchange rates.

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 Entity is jointly taxed with its Parent and the Parent's Danish subsidiaries. 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).

The Entity is jointly taxed with all 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

Property, plant and equipment
Plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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.

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

	Useful life
Plant and machinery	5-15 years
Other fixtures and fittings, tools and equipment	3-7 years
Leasehold improvements	5-10 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually. The estimated residual value of tangible assets compromise DKK 0

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

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 of 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.

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

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.

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. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

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. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

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

Prepayments received from customers
Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Cash flow statement
According to section 86(4) of the Danish Financial statements Act, the Company has omitted to prepare a cash flow statement as the Company is included in the cash flow statement of the Group.