



BOSCH

Robert Bosch A/S

Telegrafvej 1, 2750 Ballerup

CVR no. 55 11 28 19

Annual report 2023

Approved at the Company's annual general meeting on 28 June 2024

Chair of the meeting:

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Thore Henjum Pedersen

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Robert Bosch A/S for the financial year 1 January - 31 December 2023.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and of the matters discussed in the Management's review.

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

Ballerup, 28 June 2024
Executive Board:

Thore Henjum Pedersen

Board of Directors:

Karl Frederik Nilner
Chair

Marianne Christa Jørgensen

Thore Henjum Pedersen

Independent auditor's report

To the shareholders of Robert Bosch A/S

Opinion

We have audited the financial statements of Robert Bosch A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including 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 financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Management's responsibilities for the financial statements

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional skepticism 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 Company's internal control.

Independent auditor's report

- ▶ 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Esbjerg, 28 June 2023
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Karen Jørgensen
State Authorised Public Accountant
mne40029

Management's review

Company details

Name	Robert Bosch A/S
Address, Postal code, City	Telegrafvej 1, 2750 Ballerup
CVR no.	55 11 28 19
Established	29 August 1947
Registered office	Ballerup
Financial year	1 January - 31 December
Website	www.bosch.dk
E-mail	post@dk.bosch.com
Telephone	+45 44 89 89 89
Telefax	+45 44 89 86 68
Board of Directors	Karl Frederik Nilner, Chair Marianne Christa Jørgensen Thore Henjum Pedersen
Executive Board	Thore Henjum Pedersen
Auditors	EY Godkendt Revisionspartnerselskab Bavnehøjvej 5, 6700 Esbjerg, Denmark

Management's review

Financial highlights

DKKm	2023	2022	2021	2020	2019
Key figures					
Revenue	1,023	987	967	885	815
Result of primary operations	-86	-112	-110	-90	-88
Profit before interest and tax (EBIT)	37	19	-3	19	16
Net financials	-5	-4	0	-2	-1
Profit/loss for the year	22	1	-2	13	11
Financial ratios					
Total assets	288	316	284	238	225
Investments in property, plant and equipment	36	14	25	21	4
Equity	84	62	61	63	61
Financial ratios					
Gross margin	19,3%	17,2%	15.6%	16.8%	17.8%
EBITDA-margin	4,2%	2,8%	0.6%	2.7%	2.6%
Equity ratio	29,1%	19,4%	21.4%	26.5%	27.1%
Return on equity	30,8%	1,2%	-3.2%	21.0%	17.9%
Average number of full-time employees	208	198	193	187	189

For terms and definitions, please see the accounting policies.

	2023
Top Management: Board of directors	
Total number of members	3
Underrepresented gender in pct.	33,3%
Other managerial positions	
Total number of members	11
Underrepresented gender in pct.	45,5%

Management's review

Business review

Robert Bosch A/S is a subsidiary of Robert Bosch GmbH, the world's largest supplier to the automobile industry which is the core segment of the group. The group also operates within the segments Automotive Aftermarket, Power Tools and Home Comfort which are marketed and sold in Denmark by Robert Bosch A/S.

Recognition and measurement uncertainties

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

Unusual matters having affected the financial statement

The financial position on 31 December 2023 of the Company and the results of the activities of the Company for the financial year for 2023 have not been affected by any unusual events. Revenue was not affected in 2023 by the war in Ukraine. We had normal balance with working from home and in office.

We don't have negative effects on our assets and inventory because of Ukraine, and we also didn't experience significant increase in bad customer debt.

Financial review

The income statement for 2023 shows a gain of DKK 22,380 thousand against a gain of DKK 758 thousand last year, and the balance sheet on 31 December 2023 shows equity of DKK 83,892 thousand.

Due to changes in plans for new administration building DKK 43,510 thousand has been scrapped. The loss has been compensated from group. Refer to note 3 on special items. The new building expected to be completed in the third quarter of 2026.

Profit on ordinary activities amounted to DKK 37,221 thousand compared to DKK 19,477 thousand in 2022.

The development in revenue increased as expected and announced in the 2022 annual report. i.e., DKK 1,150 million. The expected profit before tax was DKK 40 million the result for 2023 did not meet the expectations due to Turnover mix effect of DKK -5,6 million and net financial effect of DKK -2 million. The company was selected by the tax authorities to be included in Transfer Pricing turnus of audits as one of the big 500 companies in Denmark. We have closed the Transfer Pricing audit for the years 2017-2020, and additionally 2021 and 2022 has been closed in the beginning of 2024.

Knowledge resources

In developing new products and opening new areas of business, it is essential for our future market position that Bosch has first-class specialists on board and that we encourage them to use their potential to the full. We do that by building on the motivation and competence of our managers and associates. We systematically offer associates further training and keep them at the company long term. We are encouraging diversity, demographic complexity, and young talents.

In 2023 Robert Bosch A/S had 0 apprentices and 6 trainees and students on an average.

Impact on the external environment

The Bosch group is aware that their actions must be in harmony with economic and ecological needs and also reflect our responsibility for the community as a whole – especially with a view to future generations. Paying attention to human health and safety, economical use of resources, and keeping the environment clean are therefore key corporate principles at the Bosch group. The products of the Bosch group combine energy efficiency and resource conservation with cost savings for the benefit of our customers and the environment.

Management's review

Statutory CSR report

In the Bosch Principles of Social Responsibility, management and associate representatives profess to respect human rights, equal opportunities, and fair working conditions, and to uphold global standards in occupational health and safety. Bosch ensures the latter with a health and safety management system that is based on the internationally recognized OHSAS 18001 standard, which has been rolled out at all locations. Around 126 locations have been certified by an independent certification organization.

Robert Bosch A/S does not have its own independent policies for Corporate Social Responsibility and consequently, does not prepare an independent statement on the topic. The statement issued by the Parent Company, Robert Bosch GmbH, constitutes Robert Bosch A/S' statutory reporting cf. §99a.

For a statement regarding Corporate Social Responsibility at group level and actions and results during 2023, we refer to the policies laid down by our owner Robert Bosch GmbH, and could be find following:

https://assets.bosch.com/media/global/sustainability/reporting_and_data/2023/bosch-sustainability-report-2023.pdf

The Bosch Group has joined the UN Global Compact.

Account of the gender composition of Management, cf. §99b

We consider our diverse workforce the key factor to financial success as unique ideas arise irrespective of where people with different competences and experience work together. Diversity and equal opportunities also have a positive effect on the work environment and bring people outside and inside our Company closer together. Besides giving men and women equal opportunities for executive positions, it is, in our opinion, also important that employees from a mix of generations, nationalities and working cultures work together and appreciate what each member of the team offers.

The first level of management includes members of the Board of Directors, and the second level of management level includes persons with exclusive management team, who refer directly to the Board of Directors. The third level includes all other team leaders or managers that refer directly or indirectly to the exclusive management team.

The Board of Directors consists of three members, whereas one woman, corresponding to 33%, and two men hold the seats, thus providing a balanced gender representation.

The Bosch Group's target at other executive levels is to have at least 20% women in executive positions.

Diversity is one of the 9 values at Bosch.

As we operate in an industry with an overweight of men, we are constantly working on increasing the representation of women among our employees. This means that for all open positions we try to include both genders among the final candidates interviewed. In respect of our graduate program under which we employ candidates that we consider potential leaders, we always aim for a 50/50 representation in the assessment center where the final candidate is selected.

Every year, we moreover perform appraisal interviews with all our employees and offer executive development training in our Global Talent Pool Program.

The gender distribution in the exclusive management team (11 members in total) of Robert Bosch A/S in 2023 was 45,5% women (5 members) and 54,5% men (6 members). They are the Executive Board and department heads with employee responsibility and report directly to the Executive board of directors. The gender distribution is counted by headcount. This also providing a balanced gender representation.

Our efforts to reach a better gender representation at management level have resulted in an increased number of female executives, and we have already now exceeded our target of 20% female executives in Bosch Global. We have set a local target for 2024 on 35% women for all management levels.

In 2023 we have continued our effort; we had again an awareness week with focus on Diversity, training in Biased thinking and still making sure to include both genders in application shortlists.

Management's review

Data ethics

Robert Bosch A/S observes the corporate policies that apply within the Bosch Group. These policies include data ethics, data protection and information security.

The Bosch Group company values require us to act prudently and responsibly for the benefit of society and to respect and observe the law in all our business transactions. Consequently, the protection of privacy throughout the course of processing personal data as well as the security of all business data are important concerns to Bosch.

The Bosch Code of Business Conduct requires us to ensure that privacy is safeguarded, personal data is protected, and all business information is kept secure. Technically and organizationally, and especially about protection against unauthorized access and loss, we apply an appropriate standard that reflects the state of the art and takes account of the associated risks. When developing Bosch products and new business models, we ensure that the legal requirements governing data protection and information security are considered at an early stage. The primary contact for questions regarding how to handle data properly is the data security officer.

The Bosch IoT (Internet of Things) Principles enshrine our commitment to high ethical standards where our customers' data is concerned. Data sovereignty is a key tool for fulfilling this obligation while offering cutting-edge, data-driven solutions that are competitive in a connected world.

The internal directives of the Bosch Group align us closely with the principles of the ISO/IEC 27001 international standard regarding Information Security Management Systems. Our work with information security and privacy is deeply rooted throughout all organizational levels of the Bosch Group, from the central group DPO (Data Protection Officer - C/ISP) function, to the regional Data Protection and Information Security Officers and local Data Protection & Information Security Partners. Finally, our adherence to a Plan-Do-Check-Act cycle ensures continuous focus on and improvement of information security as well as regular, internal audits of business units.

Events after the balance sheet date

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

Outlook

The company's expectations for the future are not currently affected negatively by consequences of the war in Ukraine. We don't have customers or assets that are in either Russia or Ukraine. We continue the focus on safety and health for our people. A new concept for Smart Working has been implemented in the Bosch Group.

In 2021 we started to build a new location on the existing premises. It's expected to be finished in 2026.

The turnover in January to April 2024 is -16,0 % to prior year (2023 was +5,7 % to prior year). We currently expect a turnover of DKK 937 million for the year 2024, which is a decrease of -8,3%, and a profit before tax around DKK 25 million. We have not experienced significant delivery problems in 2024.

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2023	2022
4	Revenue	1,022,958	987,009
5	Other operating income	166,748	131,214
	Raw materials and consumables	-786,226	-786,873
	Other external expenses	-162,597	-161,185
	Gross profit	240,883	170,165
6	Staff costs	-154,300	-142,607
	Amortization/depreciation and impairment of intangible assets and property, plant and equipment	-5,852	-8,081
	Other operating expenses	-43,510	0
	Profit/loss before net financials	37,221	19,477
	Financial income	1,081	1,228
7	Financial expenses	-5,890	-5,113
	Profit/loss before tax	32,412	15,592
8	Tax for the year	-10,032	-14,834
	Profit/loss for the year	22,380	758

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2023	2022
	ASSETS		
	Fixed assets		
9	Intangible assets		
	Goodwill	2,447	3,310
		<u>2,447</u>	<u>3,310</u>
10	Property, plant and equipment		
	Land and buildings	4,373	5,973
	Fixtures and fittings, other plant and equipment	3,535	4,675
	Property, plant and equipment under construction	49,793	58,300
		<u>57,701</u>	<u>68,948</u>
	Total fixed assets	<u>60,148</u>	<u>72,258</u>
	Non-fixed assets		
	Inventories		
	Raw materials and consumables	7,644	5,542
		<u>7,644</u>	<u>5,542</u>
	Receivables		
	Trade receivables	159,174	197,166
	Receivables from group enterprises	54,797	36,105
12/15	Deferred tax assets	2,815	2,422
	Other receivables	2,048	1,726
13	Prepayments	1,659	1,132
		<u>220,493</u>	<u>238,551</u>
	Total non-fixed assets	<u>228,137</u>	<u>244,093</u>
	TOTAL ASSETS	<u>288,285</u>	<u>316,351</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2023	2022
	EQUITY AND LIABILITIES		
	Equity		
14	Share capital	50,000	50,000
	Retained earnings	11,512	11,512
	Dividend proposed for the year	22,380	0
	Total equity	83,892	61,512
	Provisions		
16	Other provisions	15,450	15,037
	Total provisions	15,450	15,037
	Current liabilities other than provisions		
	Trade payables	40,705	24,191
	Payables to group enterprises	96,992	153,710
	Corporation tax payable	9,412	11,105
	Other payables	41,834	50,797
		188,943	239,803
	Total liabilities other than provisions	188,943	239,803
	TOTAL EQUITY AND LIABILITIES	288,285	316,351

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- 2 Events after the balance sheet date
- 3 Special items
- 11 Work in progress for third parties
- 17 Contractual obligations and contingencies, etc.
- 18 Collateral
- 19 Related parties
- 20 Fee to the auditors appointed by the Company in general meeting
- 21 Appropriation of profit/loss

Financial statements 1 January - 31 December

Statement of changes in equity

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Dividend proposed for the year	Total
Equity on 1 January 2023	50,000	11,512	0	61,512
Transfer, see "Appropriation of profit/loss" (note 21)	0	0	22,380	22,380
Equity on 31 December 2023	50,000	11,512	22,380	83,892

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Robert Bosch A/S for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

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

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement is prepared for the company, as its cash flows are included in the consolidated financial statements of Robert Bosch GmbH.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Foreign currency translation

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

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

Public grants

Public grants to cover expenses are recognized in the income statement when it is deemed likely that all grant criteria have been met. Grants which must be repaid under certain circumstances are recognized only where they are not expected to be repaid.

Income statement

Revenue

The Company has chosen IAS 11 / IAS 18 as interpretation for revenue recognition.

Information on business segments and geographical segments based on the Company's risks and returns and its internal financial reporting system. Business segments are regarded as the primary segments.

Revenue from the sale of goods is recognized when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably, and it is probable that the economic benefits relating to the sale will flow to the Company.

Income from construction contracts involving a high degree of customization is recognized as revenue by reference to the stage of completion. Accordingly, revenue corresponds to the market value of the contract work performed during the year (percentage-of-completion method). This method is used where the total income and expenses and the degree of completion of the contract can be measured reliably.

Revenue is measured at the consideration received and is recognized exclusive of VAT and net of discounts relating to sales.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Other operating income and operating expenses

Other operating income and operating expenses comprise items of a secondary nature relative to the Company's core activities, including gains and losses on the sale and scrapping of fixed assets.

Raw materials and consumables, etc.

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

Other external expenses

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

Staff costs

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

Amortization/depreciation

The item comprises amortization/depreciation of intangible assets and property, plant and equipment.

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

Fixtures and fittings, other plant and equipment	3-12 years
Buildings	3-33 years

Financial income and expenses

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

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognized in the income statement, whereas the portion that relates to transactions taken to equity is recognized in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Intangible assets

Goodwill acquired is measured at cost less accumulated amortization. Goodwill is amortized on a straight-line basis over its useful life, which is assessed at 5 years, which measured by reference to the Management's experience in the individual business segments.

Property, plant and equipment

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

The cost of self-constructed assets includes the cost of direct materials and labor, etc. directly used in the production process and a portion of the relating production overheads.

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

Leases

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

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

Impairment of fixed assets

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

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

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

Previously recognized impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Inventories

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

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Receivables

Receivables are measured at amortized cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognized if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognized on an individual basis.

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

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

Given the nature of the Group's cash pool arrangement, cash pool balances are not considered cash, but are recognized under "Receivables from group enterprises" when a positive balance.

Work in progress for third parties

Contract work in progress for third parties are measured at the market value of the work performed less progress billings. The market value is calculated based on the stage of completion at the balance sheet date and the total expected income from the relevant contract. The stage of completion is calculated based on the expenses incurred relative to the expected total expenses relating to the relevant contract.

Where the outcome of contract work in progress cannot be estimated reliably, the market value is measured at the lower of expenses incurred and the net realizable value.

Where the total expenses relating to the work in progress are expected to exceed the total market value, the expected loss is recognized as a loss-making agreement under "Provisions" and is expensed in the income statement.

The value of work in progress less progress billings is classified as assets when the selling price exceeds progress billings and as liabilities when progress billings exceed the market value.

Prepayments

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

Equity

Proposed dividends

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

Provisions

Provisions comprise anticipated expenses relating to warranty commitments, onerous contracts, restructurings, etc. Provisions are recognized when the Company has a legal or constructive obligation at the balance sheet date as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realizable value or at fair value if the obligation is expected to be settled far into the future.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

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

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

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

Liabilities

The Company has chosen IAS 39 as interpretation for recognition and measurement of liabilities.

Liabilities are measured at net realizable value.

Given the nature of the Group's cash pool arrangement, cash pool balances are not considered cash, but are recognized under "Payables to group enterprises" when a negative balance.

Segment information

The allocation of revenue to activities and geographical markets is disclosed where these activities and markets differ significantly in the organization of sales of goods and services.

Special items

Special items include items which, by their size or nature, differ from the fluctuations that would normally be expected of the company.

Financial ratios

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

Gross margin	$\frac{\text{Gross profit/loss} \times 100}{\text{Revenue}}$
Operating profit/loss	Profit/loss before financial items adjusted for other operating income and other operating expenses.
EBITDA-margin	$\frac{\text{Earnings before interest, taxes and amortization (EBITDA)} \times 100}{\text{Revenue}}$
Equity ratio	$\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$

Financial statements 1 January - 31 December

Notes to the financial statements

2 Events after the balance sheet date

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date as the ongoing TP-audit are included in the result of 2023.

3 Special items

DKK'000	2023	2022
Income		
Compensation for scrapping of building under construction	43,510	0
	43,510	0
Expenses		
Scrapping of building under construction	43,510	0
	43,510	0
Special items are recognized in the below items of the financial statements.		
Other operating income	43,150	0
Other operating expenses	-43,150	0
Net profit on special items	<u>0</u>	<u>0</u>

4 Segment information

Breakdown of revenue by business segment:

Automotive technology	364,554	330,233
Consumables	350,228	355,514
Energy and building technology	308,176	301,256
	<u>1,022,958</u>	<u>987,009</u>

Breakdown of revenue by geographical segment:

Revenue, Denmark	980,645	957,985
Revenue, exports	42,313	29,024
	<u>1,022,958</u>	<u>987,009</u>

5 Other operating income

Services to other entities, including management fees to group companies	123,200	130,985
Compensation for scrapping of building under construction	43,510	0
Gain on disposal of fixed assets	38	229
	<u>166,748</u>	<u>131,214</u>

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Notes to the financial statements

DKK'000

6 Staff costs	2023	2022
Wages/salaries	139,926	127,647
Pensions	12,633	11,700
Other social security costs	1,741	3,260
	<u>154,300</u>	<u>142,607</u>
Average number of full-time employees	208	198

Remuneration to the Executive Board and Board of Directors has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act since only the Executive Board has received remuneration.

	2023	2022
7 Financial expenses		
Interest expenses, group entities	3,091	705
Other interest expenses	72	4
Exchange losses	2,703	2,649
Other financial expenses	24	54
Interest expenses tax authority, prior years (Transfer Pricing Audit 2017-2022)	0	1,700
	<u>5,890</u>	<u>5,113</u>
8 Tax for the year		
Estimated tax charge for the year	7,691	4,605
Tax adjustments Transfer Pricing for the year	950	0
Deferred tax adjustments in the year	-393	-571
Tax adjustments, prior years (Transfer Pricing Audit 2017-2022)	<u>1,782</u>	<u>10,800</u>
	<u>10,032</u>	<u>14,834</u>

9 Intangible assets

DKK'000	Goodwill
Cost at 1 January 2023	10,372
Additions	<u>1,000</u>
Cost at 31 December 2023	<u>11,372</u>
Impairment losses and amortization at 1 January 2023	7,062
Amortization for the year	<u>1,863</u>
Impairment losses and amortization at 31 December 2023	<u>8,925</u>
Carrying amount at 31 December 2023	<u>2,447</u>

Financial statements 1 January - 31 December

Notes to the financial statements

10 Property, plant and equipment

DKK'000	Land and buildings	Fixtures and fittings, other plant and equipment	Property, plant and equipment under construction	Total
Cost at 1 January 2023	29,504	17,877	58,300	105,681
Additions	0	1,263	35,003	36,267
Disposals	0	-500	-43,510	-44,010
Cost at 31 December 2023	29,504	18,640	49,793	97,937
Impairment losses and depreciation at 1 January 2023	23,531	13,202	0	36,733
Depreciation	1,600	2,388	0	3,988
Reversal of accumulated depreciation and impairment of assets disposed	0	-485	0	-485
Impairment losses and depreciation at 31 December 2023	25,131	15,105	0	40,236
Carrying amount at 31 December 2023	4,373	3,535	49,793	57,701

11 Work in progress for third parties

DKK'000	2023	2022
Selling price of work performed	42,737	31,857
Progress billings	-42,737	-31,857
	0	0
recognized as follows		
Work in progress for third parties (assets)	0	0
Work in progress for third parties (liabilities)	0	0
	0	0

12 Deferred tax assets

As of December 31, 2023, the Company has recognized deferred tax assets totaling to DKK 2,815 thousand. Deferred tax asset relates to temporary differences in intangible assets, fixed assets, receivables, inventories and other provisions. Management deems it likely that future taxable profit will be available, and will be utilized in connection to depreciation of fixed assets and payments of warranties etc..

13 Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions, etc.

14 Share capital

The share capital consists of 100 shares of a nominal value of DKK 500,000 thousand. No shares carry any special rights.

Financial statements 1 January - 31 December

Notes to the financial statements

15 Deferred tax

DKK'000	2023	2022
Deferred tax at 1 January	-2,422	-1,857
Amounts recognized in the income statement for the year	-393	-565
Deferred tax at 31 December	-2,815	-2,422
Deferred tax relates to:		
Intangible assets	-392	-340
Property, plant and equipment	-830	-496
Inventories	-539	-390
Receivables	-127	-147
Provisions	-927	-1,049
	-2,815	-2,422

16 Other provisions

The provisions are expected to be payable in:

DKK'000	2023	2022
0-1 year	9,638	9,370
1-5 year	4,636	4,496
> 5 year	1,176	1,198
	15,450	15,064

Other provisions consist of warranty obligations of DKK 13,727 thousand (2022: DKK 13,330 thousand) and provision for redundancy payment and anniversary bonus of DKK 1,723 thousand (2022: DKK 1,707 thousand).

17 Contractual obligations and contingencies, etc.

Other contingent liabilities

As management company, the Company is jointly taxed with other Danish group entities and is jointly and severally with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends.

Other financial obligations

The Company has liabilities under operating leases for cars and office equipment, totaling to DKK 23,380 thousand (2022: DKK 16,032 thousand), of which DKK 7,791 thousand (2022: DKK 7,779 thousand) is due within a year. The Company has liabilities under operating lease for office space totaling to DKK 844 thousand (2022: DKK 786 thousand), of which DKK 580 thousand (2022: DKK 571 thousand) is due within a year.

Furthermore, the Company has established work- and deliverable guarantees amounting to DKK 3,113 thousand towards clients.

18 Collateral

The Company has not provided any security or other collateral in assets on 31 December 2023.

Financial statements 1 January - 31 December

Notes to the financial statements

19 Related parties

Robert Bosch A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Robert Bosch Investment Nederland B.V.	The Netherlands	Kruisbroeksestraat 1 5281 RV Boxtel Netherlands

Information about consolidated financial statements

Parent	Domicile
Robert Bosch GmbH	Postfach 10 60 50 70049 Stuttgart Germany www.bosch.com

Requisitioning of the parent company's consolidated financial statements

The Group's consolidated financial statements can be requested at the website:

https://assets.bosch.com/media/global/bosch_group/our_figures/pdf/bosch-annual-report-2023.pdf

Related party transactions

Robert Bosch A/S was engaged in the below related party transactions:

DKK'000	2023	2022
Sales of goods to group entities	92	189
Sales of service to group entities	122,053	119,598
Purchase of goods from group entities	-743,945	-728,247
Purchase of service from group entities	-38,798	-35,767
Interest expense to group entities	-3,091	-705
Receivables from group entities	54,797	36,105
Payables to group entities	-26,484	-77,241
Cashpool balance	-70,508	-76,469

20 Fee to the auditors appointed by the Company in general meeting

Total fees to EY	2023	2022
Statutory audit	315	262
Assurance engagements	0	0
Tax assistance	0	0
Other assistance	25	47
	340	309

DKK'000	2023	2022
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21 Recommended appropriation of profit/loss

Retained earnings/accumulated loss	0	758
Proposed dividend	22,380	0
	22,380	758

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"By my signature I confirm all dates and content in this document."

Pedersen, Thore Henjum

CEO

On behalf of: Robert Bosch A/S

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IP: 194.39.xxx.xxx

2024-07-01 09:15:02 UTC



Pedersen, Thore Henjum

Member of the Board of Directors

On behalf of: Robert Bosch A/S

Serial number: no_bankid:9578-5993-4-3564433

IP: 194.39.xxx.xxx

2024-07-01 09:16:48 UTC



Karl Frederik Nilner

Chair of the Board of Directors

On behalf of: Robert Bosch A/S

Serial number: c5a430ca-3cfa-4315-a5ea-96240922b317

IP: 104.28.xxx.xxx

2024-07-01 10:45:50 UTC



Marianne Christa Jørgensen

Member of the Board of Directors

On behalf of: Robert Bosch A/S

Serial number: c43aceac-385e-4109-9776-210d2b99a842

IP: 194.39.xxx.xxx

2024-07-01 10:52:42 UTC



Karen Jørgensen

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: 2bdf0a54-6191-4965-852e-c04dc31ae4bc

IP: 147.161.xxx.xxx

2024-07-01 10:57:26 UTC



Pedersen, Thore Henjum

Chairman

On behalf of: Robert Bosch A/S

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