BEIERHOLM
VI SKABER BALANCE

TinyMobileRobots ApS

Sofienlystvej 9, 8340 Malling

CVR no. 37 39 73 50

Annual report for 2024

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 24.06.25

Anders Fauerskov
Dirigent

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Group information etc.

The company

TinyMobileRobots ApS
Sofienlystvej 9
8340 Malling
Registered office: Malling
CVR no.: 37 39 73 50
Financial year: 01.01 - 31.12

Executive Board

Director Daniel Lindgaard Breum

Board of Directors

Anders Borne Fauerskov
Jens Peder Kvols Kristensen
Benjamin Junghans
Mehran Zaker
Matthew James Stevens

Auditors

Beierholm
Godkendt Revisionspartnerselskab

Statement by the Executive Board and Board of Directors on the annual report

We have on this day presented the annual report for the financial year 01.01.24 - 31.12.24 for TinyMobileRobots ApS.

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

In our opinion, the consolidated financial statements and financial statements give a true and fair view of the group's and the parent's assets, liabilities and financial position as at 31.12.24 and of the results of the group’s and parent’s activities and of the group's cash flows for the financial year 01.01.24 - 31.12.24.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Malling, June 1, 2025

Executive Board

Daniel Lindgaard Breum
Director

Board of Directors

Anders Borne Fauerskov Chairman	Jens Peder Kvols Kristensen	Benjamin Junghans
Mehran Zaker	Matthew James Stevens	

To the shareholder of TinyMobileRobots ApS

Opinion

We have audited the consolidated financial statements and financial statements of TinyMobileRobots ApS for the financial year 01.01.24 - 31.12.24, which comprise income statement, balance sheet, statement of changes in equity and notes to the financial statements, including material accounting policy information for the group as well as for the parent company as well as the consolidated cash flow statement. The consolidated financial statements and financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion the consolidated financial statements and financial statements give a true and fair view of the group's and the company's financial position at 31.12.24 and of the results of the group's and the company's operations and consolidated cash flows for the financial year 01.01.24 - 31.12.24 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the “Auditor’s responsibilities for the audit of the consolidated financial statements and financial statements” section of our report. We are independent of the group and the company 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.

Statement on the management’s review

Management is responsible for the management’s review.

Our opinion on the consolidated financial statements and 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 consolidated financial statements and financial statements, it is our responsibility to read management’s review and, in doing so, consider whether management’s review is materially inconsistent with the consolidated financial statements or parent company financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management’s review provides the information required by law and regulations.

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

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

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

In preparing the consolidated financial statements and financial statements, management is responsible for assessing the group's and 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 consolidated financial statements and financial statements unless management either intends to liquidate the group and the company or to cease operations, or has no realistic alternative but to do so.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the consolidated financial statements and financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the 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 consolidated financial statements and financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the consolidated financial statements and financial statements, including the disclosures, and whether the consolidated financial statements and financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for expressing an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

Aarhus, June 1, 2025

Beierholm

Godkendt Revisionspartnerselskab
CVR no. 32 89 54 68

Carsten Andersen

State Authorised Public Accountant
MNE-no. mne27703

GROUPS FINANCIAL HIGHLIGHTS

Key figures

Figures in DKK '000	2024	2023
Profit/loss		
Operating profit/loss	-15,410	-7,807
Total net financials	2,672	-3,981
Profit/loss for the year	-17,606	-15,043
Balance		
Total assets	157,575	112,921
Investments in property, plant and equipment	4,195	3,139
Equity	22,705	42,982

Ratios

	2024	2023
Profitability		
Return on equity	-54%	-59%
Equity ratio		
Solvency ratio	14%	38%

Ratios definitions

Return on equity: $\frac{\text{Profit/loss for the year x 100}}{\text{Average equity}}$

Solvency ratio: $\frac{\text{Equity, end of year x 100}}{\text{Total assets}}$

Primary activities

The Group is engaged in the development, production, sale, and support of robots designed for measuring, pre-marking, and striping infrastructural facilities and athletic fields.
The Group operates through its headquarters in Denmark, and has established foreign entities in the United States, Australia, Germany, and the United Kingdom, with sales and support operations covering these regions.

Development in activities and financial affairs

The income statement for the financial year 01.01.2024 – 31.12.2024 shows a net loss of DKK 17,606,466, compared to a net loss of DKK 15,042,984 in the previous financial year. As of 31.12.2024, equity amounts to DKK 22,705,259..

The financial result for the year was below expectations. This deviation is primarily due to increased investments in growth initiatives and market expansion activities, particularly related to our entry into new markets.

Throughout 2024, the Group experienced robust growth, marked by strong demand and increased sales across all major markets. We successfully established operations in new markets, including Australia and Germany.

Our commitment to product innovation and development remains central to our strategy. Anticipated product launches in 2025, along with updates across our existing product portfolio, underline our continued focus on delivering high-quality, innovative solutions to our customers.

In order to sustain our growth trajectory and position as markets leader, we have continued to invest heavily in both technological advancements and the development of our organizational infrastructure.

Outlook

We expect 2025 to be another year of significant growth in a range of 30 - 50 %, supported by the introduction of new products, expansion into new markets, and continued demand for automation solutions within the infrastructure and sports facility sectors. Management remains confident in the Group's ability to execute on its long-term strategic goals and deliver improved financial performance. Management expect a net profit of mDKK 5 to 10 in 2025.

Financial risks

A substantial part of the Group's revenue is denominated in USD, while reporting is done in DKK. Consequently, the Group is exposed to exchange rate fluctuations. Management continuously monitors currency exposure.

Research and development activities

The Group maintains a strong focus on R&D activities, aimed at enhancing existing technologies and developing new solutions to meet market demands. Development activities are primarily carried out in Denmark and are capitalized or expensed in accordance with applicable accounting standards.

Uncertainty concerning recognition and measurement

There have been no material uncertainties related to recognition or measurement in the preparation of the annual report.

Exceptional conditions

There have been no unusual events affecting the assets, liabilities, financial position, or results of operations for the Group as of 31 December 2024.

Subsequent events

No significant events have occurred after the end of the financial year that would materially affect the annual report.

Income statement

Note		Group 2024 DKK	Group 2023 DKK	Parent 2024 DKK	Parent 2023 DKK
	Gross profit	**41,368,141**	**29,426,657**	**48,018,998**	**36,571,503**
1	Staff costs	-48,883,315	-30,089,075	-17,501,537	-11,993,712
	Profit/loss before depreciation, amortisation, write-downs and impairment losses	**-7,515,174**	**-662,418**	**30,517,461**	**24,577,791**
	Depreciation, amortisation and impairments losses of intangible assets and property, plant and equipment	-7,537,033	-4,370,947	-6,660,552	-3,795,724
	Other operating expenses	-357,307	-2,773,207	0	-2,773,207
	Operating profit/loss	**-15,409,514**	**-7,806,572**	**23,856,909**	**18,008,860**
2	Financial income	7,012,661	397,190	3,700,183	1,369,754
3	Financial expenses	-4,340,895	-4,377,993	-4,224,636	-3,560,423
	Profit/loss before tax	**-12,737,748**	**-11,787,375**	**23,332,456**	**15,818,191**
	Tax on profit or loss for the year	-4,868,718	-3,255,609	-4,828,037	-3,250,800
	Profit/loss for the year	**-17,606,466**	**-15,042,984**	**18,504,419**	**12,567,391**

4 Proposed appropriation account

Balance sheet

ASSETS

Note		Group		Parent	
		31.12.24 DKK	31.12.23 DKK	31.12.24 DKK	31.12.23 DKK
	Completed development projects	37,625,566	26,912,239	37,625,566	26,912,239
5	**Total intangible assets**	**37,625,566**	**26,912,239**	**37,625,566**	**26,912,239**
	Leasehold improvements	1,711,952	1,299,133	1,582,176	1,202,386
	Other fixtures and fittings, tools and equipment	5,461,122	2,826,090	2,855,135	1,109,221
6	**Total property, plant and equipment**	**7,173,074**	**4,125,223**	**4,437,311**	**2,311,607**
7	Equity investments in group enterprises	0	0	199,620	199,621
8	Deposits	860,316	732,778	699,024	657,406
	Total investments	**860,316**	**732,778**	**898,644**	**857,027**
	Total non-current assets	**45,658,956**	**31,770,240**	**42,961,521**	**30,080,873**
	Raw materials and consumables	5,921,298	723,117	4,205,061	723,117
	Work in progress	3,975,618	6,594,527	3,975,618	6,594,527
	Manufactured goods and goods for resale	10,766,782	7,063,929	2,775,005	2,693,810
	Prepayments for goods	465,681	223,288	465,681	223,288
	Total inventories	**21,129,379**	**14,604,861**	**11,421,365**	**10,234,742**
	Trade receivables	75,762,638	31,617,238	7,233,245	7,215,816
	Receivables from group enterprises	0	0	110,961,856	63,244,709
	Income tax receivable	6,653,418	2,926,068	6,653,418	2,926,068
	Other receivables	382,711	497,888	191,352	403,462
9	Prepayments	1,085,737	2,922,979	720,841	312,341
10	**Total receivables**	**83,884,504**	**37,964,173**	**125,760,712**	**74,102,396**
	Cash	**6,902,198**	**28,581,497**	**2,745,280**	**28,581,497**
	Total current assets	**111,916,081**	**81,150,531**	**139,927,357**	**112,918,635**
	Total assets	**157,575,037**	**112,920,771**	**182,888,878**	**142,999,508**

Balance sheet

EQUITY AND LIABILITIES

Note		Group 31.12.24 DKK	Group 31.12.23 DKK	Parent 31.12.24 DKK	Parent 31.12.23 DKK
11	Contributed capital	266,786	265,892	266,786	265,892
	Share premium	87,606	49,842,964	87,606	49,842,964
	Reserve for development costs	29,347,941	20,991,547	29,347,941	20,991,547
	Retained earnings	-6,997,074	-28,118,332	68,913,995	8,923,006
	Total equity	**22,705,259**	**42,982,071**	**98,616,328**	**80,023,409**
12	Provisions for deferred tax	17,778,918	9,223,531	17,778,918	9,223,531
	Total provisions	**17,778,918**	**9,223,531**	**17,778,918**	**9,223,531**
13	Payables to other credit institutions	12,611,554	12,316,678	12,611,554	12,316,678
13	Other payables	1,005,397	984,863	1,005,397	984,863
13	Deferred income	50,811,487	11,068,584	6,265,815	5,789,293
	Total long-term payables	**64,428,438**	**24,370,125**	**19,882,766**	**19,090,834**
13	Short-term part of long-term payables	15,456,539	11,629,111	13,809,563	7,923,081
	Payables to other credit institutions	24,273,722	14,622,671	24,221,154	19,469,776
	Prepayments received from customers	0	27,869	0	27,869
	Trade payables	8,321,485	5,140,906	6,454,719	4,587,287
	Other payables	4,404,178	4,924,487	2,125,430	2,653,721
	Deferred income	206,498	0	0	0
	Total short-term payables	**52,662,422**	**36,345,044**	**46,610,866**	**34,661,734**
	Total payables	**117,090,860**	**60,715,169**	**66,493,632**	**53,752,568**
	Total equity and liabilities	**157,575,037**	**112,920,771**	**182,888,878**	**142,999,508**

14 Contingent liabilities
15 Charges and security

Statement of changes in equity

Figures in DKK	Contributed capital	Share premium	Reserve for development costs	Retained earnings	Total equity
Group:					
Statement of changes in equity for 01.01.24 - 31.12.24					
Balance as at 01.01.24	265,892	49,842,964	20,991,547	-28,118,332	42,982,071
Capital increase	894	87,606	0	0	88,500
Other changes in equity	0	0	0	-2,758,846	-2,758,846
Transfers to/from other reserves	0	-49,842,964	8,356,394	41,486,570	0
Net profit/loss for the year	0	0	0	-17,606,466	-17,606,466
Balance as at 31.12.24	266,786	87,606	29,347,941	-6,997,074	22,705,259
Parent:					
Statement of changes in equity for 01.01.24 - 31.12.24					
Balance as at 01.01.24	265,892	49,842,964	20,991,547	8,923,006	80,023,409
Capital increase	894	87,606	0	0	88,500
Transfers to/from other reserves	0	-49,842,964	8,356,394	41,486,570	0
Net profit/loss for the year	0	0	0	18,504,419	18,504,419
Balance as at 31.12.24	266,786	87,606	29,347,941	68,913,995	98,616,328

Consolidated cash flow statement

Note		Group 2024 DKK	Group 2023 DKK
	Profit/loss for the year	**-17,606,466**	**-15,042,984**
16	Adjustments	6,747,436	11,852,588
	Change in working capital:		
	Inventories	-6,524,518	651,154
	Receivables	-42,320,523	-20,884,652
	Trade payables	3,180,579	3,156,002
	Other payables relating to operating activities	40,695,318	10,972,135
	Cash flows from operating activities before net financials	**-15,828,174**	**-9,295,757**
	Interest income and similar income received	7,012,661	397,190
	Interest expenses and similar expenses paid	-4,340,895	-4,377,993
	Cash flows from operating activities	**-13,156,408**	**-13,276,560**
	Purchase of intangible assets	-16,970,956	-13,300,311
	Purchase of property, plant and equipment	-4,195,495	-3,139,185
	Sale of property, plant and equipment	55,266	0
	Cash flows from investing activities	**-21,111,185**	**-16,439,496**
	Raising of additional capital	88,500	49,949,768
	Arrangement of payables to credit institutions	9,651,051	8,908,475
	Repayment of payables to credit institutions	2,828,210	5,471,415
	Repayment of other long-term payables	20,534	-9,417,599
	Cash flows from financing activities	**12,588,295**	**54,912,059**
	Total cash flows for the year	**-21,679,298**	**25,196,003**
	Cash, beginning of year	28,581,496	3,385,493
	Cash, end of year	**6,902,198**	**28,581,496**
	Cash, end of year, comprises:		
	Cash	6,902,198	28,581,496
	Total	**6,902,198**	**28,581,496**

	Group		Parent	
	2024 DKK	2023 DKK	2024 DKK	2023 DKK

1. Staff costs

Wages and salaries	69,627,520	44,588,899	40,371,022	28,690,543
Pensions	1,442,147	108,000	1,442,147	108,000
Other social security costs	2,519,646	2,773,373	937,666	731,566
Other staff costs	967,562	2,205,969	424,262	2,050,769
Transferred to discontinuing operations	-25,673,560	-19,587,166	-25,673,560	-19,587,166
Total	48,883,315	30,089,075	17,501,537	11,993,712

Average number of employees during the year	107	79	72	51

With reference to section 98b(3) no. 2 of the Danish Financial Statements Act, remuneration for the management is not disclosed for 2024 and 2023, as information would otherwise lead to amounts being shown for a single member of management.

2. Financial income

Interest, group enterprises	0	0	3,308,404	972,564
Other interest income	7,012,661	397,190	391,779	397,190
Total	7,012,661	397,190	3,700,183	1,369,754

3. Financial expenses

Other interest expenses	4,340,895	4,377,993	4,224,636	3,560,423

	Group		Parent	
	2024 DKK	2023 DKK	2024 DKK	2023 DKK

4. Proposed appropriation account

Retained earnings	-17,606,466	-15,042,984	18,504,419	12,567,391

5. Intangible assets

Figures in DKK	Completed development projects
Group:	
Cost as at 01.01.24	35,401,983
Additions during the year	16,970,956
Cost as at 31.12.24	52,372,939
Amortisation and impairment losses as at 01.01.24	-8,926,277
Amortisation during the year	-5,821,096
Amortisation and impairment losses as at 31.12.24	-14,747,373
Carrying amount as at 31.12.24	37,625,566
Parent:	
Cost as at 01.01.24	35,401,983
Additions during the year	16,970,956
Cost as at 31.12.24	52,372,939
Amortisation and impairment losses as at 01.01.24	-8,926,277
Amortisation during the year	-5,821,096
Amortisation and impairment losses as at 31.12.24	-14,747,373
Carrying amount as at 31.12.24	37,625,566

Development projects relate to the development of products within the Company's core business. The projects are progressing according to plan through the use of the resources allocated by Management to the development.

6. Property, plant and equipment

Figures in DKK	Leasehold improvements	Other fixtures and fittings, tools and equipment
Group:		
Cost as at 01.01.24	1,638,028	4,808,935
Foreign currency translation adjustment of foreign enterprises	6,329	181,988
Additions during the year	717,098	3,478,397
Disposals during the year	0	-81,193
Cost as at 31.12.24	2,361,455	8,388,127
Depreciation and impairment losses as at 01.01.24	-338,898	-1,426,312
Foreign currency translation adjustment of foreign enterprises	-105	-60,000
Depreciation during the year	-310,500	-1,466,620
Reversal of depreciation of and impairment losses on disposed assets	0	25,927
Depreciation and impairment losses as at 31.12.24	-649,503	-2,927,005
Carrying amount as at 31.12.24	1,711,952	5,461,122
Parent:		
Cost as at 01.01.24	1,539,641	2,248,601
Additions during the year	666,203	1,913,197
Disposals during the year	0	-81,193
Cost as at 31.12.24	2,205,844	4,080,605
Depreciation and impairment losses as at 01.01.24	-337,258	-702,844
Depreciation during the year	-286,410	-548,553
Reversal of depreciation of and impairment losses on disposed assets	0	25,927
Depreciation and impairment losses as at 31.12.24	-623,668	-1,225,470
Carrying amount as at 31.12.24	1,582,176	2,855,135

7. Equity investments in group enterprises

Figures in DKK	Equity investments in group enterprises
Parent:	
Additions during the year	199,620
Cost as at 31.12.24	199,620
Carrying amount as at 31.12.24	199,620

Name and registered office:	Ownership interest
Subsidiaries:	
TinyMobileRobots US LLC, USA	100%
TinyMobileRobors DE GMBH, Germany	100%
TinyMobileRobots UK Limited, United Kingdom	100%
TinyMobileRobots AU PTY LTD, Australia	100%
TinyMobileRobots US Holding, Inc., USA	100%

8. Other non-current financial assets

Figures in DKK	Deposits
Group:	
Cost as at 01.01.24	732,778
Additions during the year	127,538
Cost as at 31.12.24	860,316
Carrying amount as at 31.12.24	860,316
Parent:	
Cost as at 01.01.24	657,406
Additions during the year	41,618
Cost as at 31.12.24	699,024
Carrying amount as at 31.12.24	699,024

	Group		Parent	
	31.12.24 DKK	31.12.23 DKK	31.12.24 DKK	31.12.23 DKK

9. Prepayments

Prepaid insurance premiums	1,085,737	256,532	720,841	109,210
Other prepayments	0	2,666,447	0	203,131
Total	1,085,737	2,922,979	720,841	312,341

10. Receivables

Receivables which fall due for payment more than 1 year after the end of the financial year	48,717,828	26,923,439	4,106,477	2,847,523

11. Share capital

The share capital consists of:

	Quantity	Total nominal value DKK
Share capital	266,786	266,786
Capital increase during the financial year	894	894

	Group		Parent	
	31.12.24 DKK	31.12.23 DKK	31.12.24 DKK	31.12.23 DKK

12. Deferred tax

	31.12.24 DKK	31.12.23 DKK	31.12.24 DKK	31.12.23 DKK
Deferred tax as at 01.01.24	9,223,531	3,046,663	9,223,531	3,046,663
Deferred tax recognised in the income statement	8,555,387	6,176,868	8,555,387	6,176,868
Deferred tax as at 31.12.24	17,778,918	9,223,531	17,778,918	9,223,531

13. Long-term payables

Figures in DKK	Repayment first year	Outstanding debt after 5 years	Total payables at 31.12.24	Total payables at 31.12.23
Group:				
Payables to credit institutions	7,280,000	0	19,891,554	17,063,344
Other payables	0	0	1,005,397	984,863
Deferred income	8,176,539	0	58,988,026	17,951,029
Total	15,456,539	0	79,884,977	35,999,236
Parent:				
Payables to credit institutions	7,280,000	0	19,891,554	17,063,344
Other payables	0	0	1,005,397	984,863
Deferred income	6,529,563	0	12,795,378	8,965,708
Total	13,809,563	0	33,692,329	27,013,915

14. Contingent liabilities

Group:

Lease commitments

The group has concluded lease agreements with terms to maturity of 4 months and total lease payments of DKK 27k.

The company has concluded rent agreements with teams to maturity of 3-26 months and total rent payments of DKK 3.231k.

Parent:

Lease commitments

The company has concluded lease agreements with terms to maturity of 4 months and total lease payments of DKK 27k.

The company has concluded rent agreements with teams to maturity of 3-18 months and total rent payments of DKK 1.063k.

Other contingent liabilities

The company is taxed jointly with the other companies in the group and has joint, several and unlimited liability for income taxes and any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. The total known tax liability for the jointly taxed companies is DKK 0k at the balance sheet date, of which DKK 0k is recognised in the balance sheet. The liability also includes any subsequent corrections to the calculated tax liability as a consequence of changes made to the jointly taxable income etc.

15. Charges and security

Parent:

As security for debt to credit institutions of DKK 44.133k, a company charge has been provided comprising goodwill, intellectual property rights, motor vehicles, other plant, fixtures and fittings, tools and equipment, inventories and agricultural stock, tradereceivables as well as fuels and other ancillary materials. The total carrying amount of the comprised assets is DKK 60.717k.

16. Adjustments for the cash flow statement

	Group 2024 DKK	Group 2023 DKK
Depreciation, amortisation and impairments losses of intangible assets and property, plant and equipment	7,537,033	4,370,947
Financial income	-7,012,661	-397,190
Financial expenses	4,340,895	4,377,993
Tax on profit or loss for the year	4,868,718	3,255,609
Other adjustments	-2,986,549	245,229
Total	6,747,436	11,852,588

17. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act for medium-sized groups and enterprises in reporting class C with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements comprise the parent and its subsidiaries in which the parent directly or indirectly holds more than 50% of the voting rights or by way of agreements exercises control.

All financial statements used for consolidation are prepared in accordance with the accounting policies of the group.

The consolidated financial statements consolidate the financial statements of the parent and its subsidiaries by adding together items of a uniform nature, eliminating intercompany income and expenditure, equity investments, intercompany balances and dividends as well as gains and losses resulting from transactions between the consolidated enterprises to the extent that the underlying assets and liabilities are not realised.

CURRENCY

The annual report is presented in Danish kroner (DKK).

17. Accounting policies - continued -

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets, inventories and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

On recognition of independent foreign entities, the income statements are translated at the exchange rates applicable at the transaction date or approximate average exchange rates. The balance sheet items are translated using the exchange rates applicable at the balance sheet date. Foreign currency translation adjustments arising from the translation of equity at the beginning of the year using the exchange rates applicable at the balance sheet date and from the translation of income statements from average exchange rates to the exchange rates applicable at the balance sheet date are recognised directly in equity under the foreign currency translation reserve.

Translation adjustments of intercompany balances with independent foreign entities, measured using the equity method and where the balance is considered to be part of the overall investment, are recognised directly in equity under the foreign currency translation reserve. On the divestment of foreign entities, accumulated exchange differences are recognised in the income statement.

LEASES

Lease payments relating to operating leases are recognised in the income statement on a straight-line basis over the lease term.

INCOME STATEMENT

Gross profit

Gross profit comprises revenue, change in inventories of finished goods and work in progress, other operating income, raw materials and consumables and cost of sales and other external expenses.

Revenue

Income from the sale of goods is recognised in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year and where the selling price can be

17. Accounting policies - continued -

determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Income from the sale of services is recognised in the income statement in line with completion of services, which means that revenue corresponds to the selling price of the work performed for the year stated on the basis of the stage of completion at the balance sheet date (percentage of completion method).

Change in inventories of finished goods and work in progress

Change in inventories of finished goods and work in progress comprises adjustments in inventories of finished goods and work in progress for the year, including write-downs of inventories of finished goods and work in progress to the extent that these do not exceed normal write-downs.

Other operating income

Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including rental income, negative goodwill and gains on the sale of intangible assets and property, plant and equipment.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise raw materials and consumables used for the year as well as any changes in inventories, including any inventory wastage.

Write-downs of inventories of raw materials and consumables are also recognised under raw materials and consumables to the extent that these do not exceed normal write-downs.

Cost of sales

Cost of sales comprises cost of sales for the year measured at cost plus any changes in inventories, including write-downs to the extent that these do not exceed normal write-downs.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

17. Accounting policies - continued -

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

Depreciation, amortisation and impairment losses

The depreciation and amortisation of intangible assets and property, plant and equipment aim at systematic depreciation and amortisation over the expected useful lives of the assets. Assets are depreciated and amortised according to the straight-line method based on the following expected useful lives and residual values:

	Useful lives, years	Residual value DKK
Completed development projects	5-10	0
Leasehold improvements	3-5	0
Other plant, fixtures and fittings, tools and equipment	3-5	0

The basis of depreciation and amortisation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation and amortisation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Intangible assets and property, plant and equipment are impaired in accordance with the accounting policies referred to in the ‘Impairment losses on fixed assets’ section.

Other operating expenses

Other operating expenses comprise costs of a secondary nature in relation to the enterprise’s activities, including costs relating to rental activities and losses on the sale of intangible assets and property, plant and equipment.

Other net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

17. Accounting policies - continued -

The company is jointly taxed with Danish and foreign consolidated enterprises. The parent is the administration company for the joint taxation and thus settles all income tax payments with the tax authorities.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that Danish enterprises with a tax loss receive joint taxation contributions from other Danish enterprises which have been able to use this loss to reduce their own taxable profit. Danish enterprises using tax losses of foreign enterprises settle the joint taxation contribution for the tax loss used with the administration company in which the retaxation balance is recognised as a deferred tax liability.

BALANCE SHEET

Intangible assets

Completed development projects

Development projects are recognised in the balance sheet where the project aims at developing a specific product or a specific process, intended to be produced or used, respectively, by the company in its production process. On initial recognition, development projects are measured at cost. Cost comprises the purchase price plus expenses resulting directly from the purchase, including wages and salaries directly attributable to the development projects until the asset is ready for use. Interest on loans arranged to finance development projects in the development period is not included in the cost. Other development projects and development costs are recognised in the income statement in the year in which they are incurred.

Development projects are subsequently measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Completed development projects are amortised using the straight-line method based on useful lives, which are stated in the ‘Depreciation, amortisation and impairment losses’ section.

Gains or losses on the disposal of intangible assets are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal.

Property, plant and equipment

Property, plant and equipment comprise leasehold improvements as well as other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated

17. Accounting policies - continued -

depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the ‘Depreciation, amortisation and impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

Equity investments in group entreprises

Equity investments in subsidiaries are measured at cost less any impairment losses in the balance sheet of the parent. Transaction costs directly attributable to the acquisition are recognised in the cost of equity investments in the balance sheet of the parent, while transaction costs are recognised in the income statement in the consolidated financial statements.

Gains or losses on disposal of equity investments are determined as the difference between the disposal consideration and the carrying amount of net assets at the time of sale, including non-amortised goodwill, as well as the expected costs of divestment or discontinuation. Gains and losses are recognised in the income statement under income from equity investments.

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation and amortisation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

If dividends are distributed on equity investments in subsidiaries exceeding the year earnings from the enterprise in question, this is considered an indication of impairment.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

17. Accounting policies - continued -

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

Inventories

Inventories are measured at cost calculated according to the FIFO-method. Inventories are written down to the lower of cost and net realisable value.

The cost of raw materials and consumables as well as goods for resale is determined as purchase prices plus expenses resulting directly from the purchase.

The net realisable value of inventories is determined as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and the expected development in the selling price.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Deposits recognised under assets comprise deposits paid to the lessor under leases entered into by the company.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

Other investments

Cash

Cash includes deposits in bank account.

17. Accounting policies - continued -

Equity

An amount equivalent to internally generated development costs in the balance sheet is recognised in the financial statements of the parent in equity under reserve for development costs. The reserve is measured less deferred tax and reduced by amortisation and impairment losses on the asset. If impairment losses on development costs are subsequently reversed, the reserve will be restored with a corresponding amount. The reserve is dissolved when the development costs are no longer recognized in the balance sheet, and the remaining amount will be transferred to retained earnings.

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax relating to retaxation of losses previously deducted in foreign subsidiaries (international joint taxation) is recognised based on a specific assessment of the purpose of the individual subsidiary.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities within the same tax jurisdiction or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates in the respective countries which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the

17. Accounting policies - continued -

loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

Short-term financial payables are measured at amortised cost, normally corresponding to the nominal value of such payables. Other short-term payables are measured at net realisable value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to the time and date of delivery of the agreed product or completion of the agreed service.

Deferred income

Deferred income under liabilities comprises payments received in respect of income in subsequent financial years.

CASH FLOW STATEMENT

The cash flow statement is prepared using the indirect method, showing cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities comprise the net profit or loss for the year, adjusted for non-cash operating items, income tax paid and changes in working capital.

Cash flows from investing activities comprise payments in connection with the acquisition and divestment of companies and financial assets as well as the purchase, development, improvement and sale of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the parent’s share capital and associated costs and financing from and dividends paid to shareholders as well as the arrangement and repayment of long-term payables.

Cash and cash equivalents at the beginning and end of the year comprise cash.

Referring to section 86(4) of the Danish Financial Statements Act a cash flow statement has not been prepared for the parent as the parent is included in the consolidated cash flow statement.