MOCON Europe A/S

Rønnedevej 18, 4100 Ringsted

CVR no. 70 60 38 10

Annual report
for the year 1 January - 31 December 2024

Approved at the Company's annual general meeting on 17 June 2025

Chair of the meeting:

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Camilla C. Collet

Contents

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 MOCON Europe A/S for the financial year 1 January - 31 December 2024.

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 2024 and of the results of the Company's operations for the financial year 1 January - 31 December 2024.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Copenhagen, 6 June 2025
Executive Board:

June 10, 2025
Phillip Vee Tan

Board of Directors:

Joel Frie
Chairman

Henrik Olsen
June 12, 2025.
Henrik Allan Olsen

June 10, 202
Phillip Vee Tan

Steen Helt Hansen

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KENNETH WEBER
CUSTOMER SERVICE MANAGER
Kenneth Weber

Independent auditor's report

To the shareholders of MOCON Europe A/S

Opinion

We have audited the financial statements of MOCON Europe A/S for the financial year 1 January - 31 December 2024, 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 2024 and of the results of the Company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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' 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.

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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

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

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

Statement on the Management'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.

Copenhagen, 6 June 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Kennet Hartmann	Lars Andersen
State Authorised Public Accountant	State Authorised Public Accountant
mne40036	mne50629

Management's review

Company details

Name	MOCON Europe A/S
Address, Postal code, City	Rønnedevej 18, 4100 Ringsted
CVR no.	70 60 38 10
Established	7 November 1983
Registered office	Ringsted
Financial year	1 January - 31 December
Board of Directors	Joel Frie, Chairman Henrik Allan Olsen Phillip Vee Tan Steen Helt Hansen Kenneth Weber
Executive Board	Phillip Vee Tan
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Financial highlights

DKK'000	2024	2023	2022	2021	2020
Key figures					
Gross profit	111,252	94,657	95,412	107,746	96,888
Operating profit/loss	50,009	22,622	23,581	43,189	28,390
Net financials	4,503	6,920	36,543	5,734	3,247
Profit for the year	42,942	24,248	56,011	40,555	26,567
Total assets	262,073	223,353	203,866	154,380	147,277
Investments in property, plant and equipment	237	1,209	1,647	1,488	1,012
Equity	246,643	203,694	179,419	123,408	120,103
Financial ratios					
Return on assets	20.6%	10.6%	13.2%	28.6%	19.9%
Equity ratio	94.1%	91.2%	88.0%	79.9%	81.5%
Return on equity	19.1%	12.7%	37.0%	33.3%	22.4%

For terms and definitions, please see the accounting policies.

Management's review

Business review

The main activity of MOCON Europe A/S is development, manufacturing and sale of quality assurance and quality control equipment mainly for the food and health care industry.

MOCON Europe A/S operates directly from sales&service points out of Denmark, China, United States, France, Germany, Italy and Spain. The activities on the remaining core markets are managed by distributors and through sales via Original Equipment Manufacturers (OEM). MOCON Europe A/S is part of the AMETEK Inc, a leading global manufacturer of electronic instruments and electromechanical devices with annualized sales of more than approximately $7 billion.

Financial review

The income statement for 2024 shows a profit of DKK 42,942 thousand against a profit of DKK 24,248 thousand last year, and the balance sheet at 31 December 2024 shows equity of DKK 246,643 thousand.

We have had a positive 2024 due to reduced operating expenses and improved working capital. Sales was in line with expectations and costs below expectations resulting in an operating profit of DKK 50,008 thousand above expectations. In 2024 the gross profit resulted in 111,252 thousand against 94,657 thousand in 2023.

Capital resources

The company is firmly based. The equity amounts to 246,643 thousand, equal to an equity ratio of 94.2%. The cash resources of the company at year end amounts to 15,203 thousand.

Knowledge resources

In order to secure continuous growth, MOCON Europe A/S must maintain the ability to attract and keep highly educated staff, primarily within management, technology development, production and marketing.

In order to secure a high and competitive quality, the Company applies outsourcing to a great extent. Thus MOCON Europe A/S has current access to the newest technology without binding own resources in plant and equipment.

Management's review

Financial risks and use of financial instruments

General risk

The growth potential of MOCON Europe A/s is dependent on a strong positioning on the focus markets in the EU, North America, and South East Asia.

Furthermore, it is essential for the Company to keep fully updated on the technological development within sensor technology and associated applications.

Financial risks

To some extent the group is exposed to fluctuations in foreign currency rate and MOCON Europe A/S not entering into hedges and other financial instruments.

Foreign Currency Risks

The Company is exposed to general foreign currency risks in respect of the current operation, however primarily related to USD. Sales as well as purchasing are carried out in EURO, USD and DKK.

Credit Risks

The Company is not exposed to material risk in respect of individual customers or collaborators. The Company's credit policy demands current credit rating of all major customers and collaborators.

Impact on the external environment

The direct environmental effects from the daily operation are limited to very small quantities, primarily dissolutions, which are disposed of in compliance with the Danish legislation. Optimisation of energy consumption and indoor climate is a current focus area. MOCON Europe is not obliged to submit an environmental report, but is constantly aware of the values of such.

Research and development activities

In the financial year, MOCON Europe A/S has invested 11,929 thousand in development costs compared to 13,766 thousand in 2023. The reduction is due to reduced management expenses.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred after the financial year end.

Outlook

We have had a strong start to 2025 due to the reduced expenses from organization changes in August 2023 and see strong earning. We therefore expect to deliver a 2025 profit of DKK 50,000 - 60,000 thousand.

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2024	2023
	Gross profit	111,252	94,657
13	Distribution costs	-12,157	-15,403
13	Administrative expenses	-49,086	-56,632
	Operating profit	50,009	22,622
	Income from investments in group enterprises	1,345	4,603
3	Financial income	3,507	3,252
4	Financial expenses	-349	-935
	Profit before tax	54,512	29,542
5	Tax for the year	-11,570	-5,294
	Profit for the year	42,942	24,248

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2024	2023
	ASSETS		
	Fixed assets		
7	**Intangible assets**		
	Software	361	714
		361	714
8	**Property, plant and equipment**		
	Fixtures and fittings, other plant and equipment	1,281	968
	Leasehold improvements	1,402	1,509
	Property, plant and equipment under construction	94	1,147
		2,777	3,624
9	**Investments**		
	Investments in group enterprises	17,593	16,241
	Other securities and investments	79,771	79,771
	Deposits	334	334
		97,698	96,346
	Total fixed assets	100,836	100,684
	Non-fixed assets		
	Inventories		
	Raw materials and consumables	17,934	25,607
	Work in progress	581	2,955
	Finished goods and goods for resale	2,785	3,684
		21,300	32,246
	Receivables		
	Trade receivables	8,935	11,719
	Receivables from group enterprises	112,173	45,202
12	Deferred tax assets	715	1,210
	Corporation tax receivable	524	3,713
	Other receivables	842	936
10	Prepayments	1,545	557
		124,734	63,337
	Cash	15,203	27,086
	Total non-fixed assets	161,237	122,669
	TOTAL ASSETS	262,073	223,353

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2024	2023
	EQUITY AND LIABILITIES		
	Equity		
11	Share capital	27,792	27,792
	Net revaluation reserve according to the equity method	13,880	12,528
	Retained earnings	204,971	163,374
	Total equity	246,643	203,694
	Provisions		
	Other provisions	168	180
	Total provisions	168	180
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	10,240	8,346
	Payables to group enterprises	364	3,120
	Other payables	4,658	8,013
		15,262	19,479
	Total liabilities other than provisions	15,262	19,479
	TOTAL EQUITY AND LIABILITIES	262,073	223,353

1 Accounting policies
2 Events after the balance sheet date
6 Appropriation of profit
14 Contractual obligations and contingencies, etc.
15 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

Note	DKK'000	Share capital	Net revaluation reserve according to the equity method	Retained earnings	Total
	Equity at 1 January 2023	27,792	7,897	143,729	179,418
6	Transfer, see "Appropriation of profit"	0	4,603	19,645	24,248
	Adjustment of investments through forreign exchange adjustments	0	28	0	28
	Equity at 1 January 2024	27,792	12,528	163,374	203,694
6	Transfer, see "Appropriation of profit"	0	1,345	41,597	42,942
	Adjustment of investments through forreign exchange adjustments	0	7	0	7
	Equity at 31 December 2024	27,792	13,880	204,971	246,643

The share capital consists of DKK 27,792,000 shares at a nominal value of DKK 27,792,000. No shares carry any special rights.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of MOCON Europe A/S for 2024 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

In accordance with section 112(2) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements. The Financial statements of MOCON Europe A/S has not prepared consolidated financial statemens of the MOCON Europe A/S and subsidiaries are included in the consolidated financial statements of Ametek Inc. USA.

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 parent company, as its cash flows are reflected in the consolidated cash flow statement for the Parent Company, Ametek Inc., USA.

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 recognised 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 recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

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

Income from the sale of goods for resale and finished goods, is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2010.

Income from the rendering of services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year (percentage-of-completion method).

Gross profit

The items revenue, production costs and other operating income have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Production costs

Production costs comprise costs incurred in generating the revenue for the year. Such costs include direct and indirect costs of raw materials, consumables and production staff, rent and leases, as well as depreciation on production plant.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Production costs also comprise research and development costs that do not qualify for capitalisation and amortisation of capitalised development costs.

Also, provision for losses on construction contracts is recognised.

Distribution costs

Distribution costs comprise costs related to the distribution of goods sold in the year and to sales campaigns, etc. carried out in the year, including costs related to sales staff, advertising, exhibitions and amortisation/depreciation. Sales and marketing costs are recognised in the income statement when the Company obtains control of the sales or marketing product.

Administrative expenses

Administrative expenses include expenses incurred in the year for company management and administration, including expenses relating to administrative staff, Management, office premises, recharge cost, royalty fee and expenses as well as amortisation/depreciation of assets used for administrative purposes.

Other operating income

Other operating income comprise items secondary to the principal activities of the Company, including rental income from the temporary lease out of production facilities, compensation, government grants, refund of wages and salaries, gains on the disposal of intangible assets and property, plant and equipment, etc. Compensation and grants are recognised when there is reasonable assurance that the entity will comply with the conditions attaching to them and the grants will be received.

Amortisation/depreciation

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

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

Software	5 years
Other plant, fixtures and fittings, tools and equipment	3-5 years

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

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

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

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Profit/loss from investments in group entities

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In group entities, the full elimination of internal profit and loss is carried out without regard to ownership shares.

Financial income and expenses

Financial income and expenses are recognised 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 recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised 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.

Balance sheet

Intangible assets

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

Gains and losses on the sale of intangible assets are recognised in the income statement under "Other operating income" or "Other operating expenses", respectively. Gains and losses are calculated as the difference between the selling price less selling expenses and the carrying amount at the time of sale.

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.

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 recognised 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.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to the ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of the future lease payments. In calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently accounted for in the same way as the Company's other assets.

The capitalised residual lease liability is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

Deposits

Deposits relates to rental leases and are measured at cost.

Investments in group entities

Equity investments in group entities are measured according to the equity method.

On initial recognition, equity investments in group entities are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in group entities measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Other securities and investments

Other securities and investments consisting of unlisted shares. Investments not admitted to trading on an active market are measured at cost.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments are 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 recognised impairment losses are reversed when the reason for recognition no longer exists.

Financial statements 1 January - 31 December

Notes to the financial statements

1 **Accounting policies (continued)**

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable 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.

The cost of raw materials and consumables comprises the cost of acquisition plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct labour and indirect production overheads.

Indirect production overheads include the indirect cost of material and labour as well as maintenance and depreciation of production machinery, buildings and equipment and expenses relating to plant administration and management. Borrowing costs are not recognised in the cost.

Receivables

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

Receivables are measured at amortised cost.

An impairment loss is recognised 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 recognised 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 realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

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

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject onlyto minor risks of changes in value.

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in group entities and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Financial statements 1 January - 31 December

Notes to the financial statements

1 **Accounting policies (continued)**

Provisions

Provisions comprise anticipated expenses relating to warranty commitments, onerous contracts, restructurings, etc. Provisions are recognised 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 realisable value or at fair value if the obligation is expected to be settled far into the future.

Income taxes

Current tax payables and receivables are recognised 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 recognised 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 crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; 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 recognised in the income statement.

Other payables

Other payables are measured at net realisable value.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Financial ratios

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

Operating profit/loss	Profit/loss before net financials +/- Other operating income and other operating expenses
Return on assets	$\dfrac{\text{Profit/loss from operating activites x 100}}{\text{Average assets}}$
Equity ratio	$\dfrac{\text{Equity, year-end x 100}}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\dfrac{\text{Profit/loss after tax x 100}}{\text{Average equity}}$

Financial statements 1 January - 31 December

Notes to the financial statements

2 Events after the balance sheet date

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

3 Financial income		
Interest receivable, group entities	2,633	460
Exchange adjustments	220	2,167
Other financial income	654	625
	3,507	3,252

4 Financial expenses		
Exchange adjustments	291	809
Other financial expenses	58	126
	349	935

5 Tax for the year		
Estimated tax charge for the year	11,076	5,787
Deferred tax adjustments in the year	494	-493
	11,570	5,294

6 Appropriation of profit

Recommended appropriation of profit		
Net revaluation reserve according to the equity method	1,345	4,603
Retained earnings	41,597	19,645
	42,942	24,248

7 Intangible assets

DKK'000	Software
Cost at 1 January 2024	14,951
Cost at 31 December 2024	14,951
Impairment losses and amortisation at 1 January 2024	14,237
Amortisation for the year	353
Impairment losses and amortisation at 31 December 2024	14,590
Carrying amount at 31 December 2024	361

Financial statements 1 January - 31 December

Notes to the financial statements

8 Property, plant and equipment

DKK'000	Fixtures and fittings, other plant and equipment	Leasehold improvements	Property, plant and equipment under construction	Total
Cost at 1 January 2024	8,813	7,559	1,147	17,519
Additions	132	0	105	237
Disposals	-1,578	-3,953	0	-5,531
Transferred	750	408	-1,158	0
Cost at 31 December 2024	8,117	4,014	94	12,225
Impairment losses and depreciation at 1 January 2024	7,845	6,050	0	13,895
Depreciation	569	515	0	1,084
Depreciation and impairment of disposals	-1,578	-3,953	0	-5,531
Impairment losses and depreciation at 31 December 2024	6,836	2,612	0	9,448
Carrying amount at 31 December 2024	1,281	1,402	94	2,777

9 Investments

DKK'000	Investments in group enterprises	Other securities and investments	Deposits	Total
Cost at 1 January 2024	3,711	79,771	334	83,816
Cost at 31 December 2024	3,711	79,771	334	83,816
Value adjustments at 1 January 2024	12,530	0	0	12,530
Foreign exchange adjustments	7	0	0	7
Profit/loss for the year	1,345	0	0	1,345
Value adjustments at 31 December 2024	13,882	0	0	13,882
Carrying amount at 31 December 2024	17,593	79,771	334	97,698

Group entities

Name	Interest	Equity DKK'000	Profit/loss DKK'000
Dansensor Espania S.L, Spain	100.00%	19,083	2,913

Other investments in limited partnerships or partnerships:

Ametek SAS, France
Ametek GmbH, Germany
Ametek Italy S.r.l., Italy

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Notes to the financial statements

10 Prepayments

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

11 Share capital

The Company's share capital has remained DKK 27,792 thousand in the past year.

	DKK'000	2024	2023
12	**Deferred tax**		
	Deferred tax at 1 January	-1,210	-716
	Current year adjustment	495	-494
	Deferred tax at 31 December	-715	-1,210

Tax assets consist of timing differences between carrying amount and taxable value for certain assets and liabilities and does not include taxable losses. It is managements assessment that the tax assets are utilized within 5 years.

		2024	2023
13	**Staff costs**		
	Wages/salaries	33,200	44,059
	Pensions	3,216	4,111
	Other social security costs	715	790
		37,131	48,960

Staff costs are recognised as follows in the financial statements:

DKK'000	2024	2023
Production costs	16,965	20,344
Distribution costs	12,157	15,403
Administrative expenses	8,009	13,213
	37,131	48,960
Average number of full-time employees	46	59

For 2024 the total remuneration to the Board of Directors is DKK 20 thousand. For 2023 the total remuneration to the Board of Directors and the Executive Board is DKK 2,354 thousand. Total remuneration in 2023 is diclosured combined for all Management categories with reference to section 98b(3), (i), of the Danish Financial Statements Act.

14 Contractual obligations and contingencies, etc.

Contingent liabilities

MOCON Europe A/S is jointly taxed with its sister company, which acts as management company. The company has joint and several unlimited liability, together with the group companies, for all Danish income taxes and withholding taxes on dividend, interest and royalties within the group of jointly taxed entities. Any subsequent corrections of income subject to joint taxation and withholding taxes, etc. could entail an increase in the entities' tax liability. The Group as a whole is not liable vis-à-vis any third parties.

Lease commitments: The Company has concluded lease agreements with terms to maturity of 5 years and a total of DKK 504 thousand.

Financial statements 1 January - 31 December

Notes to the financial statements

14 Contractual obligations and contingencies, etc. (continued)

Rent commitments: The Company has rent commitments in total of DKK 949 thousand.

Other commitments: The company has entered into purchase orderes with a total commitment of DKK 22,074 thousand over a 5 years period.

15 Related parties

MOCON Europe A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
MOCON Inc.	7500 Mendelssohn Ave North 55428 Minnesota,USA	Participating interest
AMETEK Inc.	AMETEK, Inc. Corporate Headquarters 1100 Cassatt Road Berwyn, PA 19312	Ultimative parant company with controlling interest

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Ametek Inc.	AMETEK, Inc.Corporate Headquarters1100 Cassatt Road Berwyn, PA 19312	https://www.ametek.com/

Related party transactions

MOCON Europe A/S was engaged in the below related party transactions:

DKK'000	2024	2023
Sales of goods to parent company	31,506	25,912
Sales of goods to subsidiaries	12,800	7,221
Sales of goods to affiliated group companies	57,621	55,836
Sales of services to other group companies	13,009	14,795
Sales of services to parent company	3	6
Receivables from subsidiaries	1,489	1,129
Receivables from affiliated group companies	7,284	7,251
Receivables from parent company	4,514	1,289
Receivables from other group entities	659	563
Payables to affiliated group companies	2,201	2,209
Payables to parent company	252	2,798
Payables to other group entities	364	123