

# **Saxe Hansen A/S**

Walgerholm 17, 3500 Værløse  
CVR no. 20 26 27 96

## **Annual report for 2024**

Årsrapporten er godkendt på den  
ordinære generalforsamling, d. 30.06.25

Ulrik Gert Nielsen  
Dirigent

|                                                                              |         |
|------------------------------------------------------------------------------|---------|
| Company information etc.                                                     | 3       |
| Statement by the Executive Board and Board of Directors on the annual report | 4       |
| Independent auditor's report                                                 | 5 - 8   |
| Management's review                                                          | 9 - 11  |
| Income statement                                                             | 12      |
| Balance sheet                                                                | 13 - 14 |
| Statement of changes in equity                                               | 15      |
| Notes                                                                        | 16 - 28 |

---

**The company**

---

Saxe Hansen A/S  
Walgerholm 17  
3500 Værløse  
CVR no.: 20 26 27 96  
Financial year: 01.01 - 31.12

---

**Executive Board**

---

Ulrik Gert Nielsen

---

**Board of Directors**

---

Ulrik Gert Nielsen  
Pernille Saxe Nielsen  
Søren Per Enevoldsen  
Flemming Juel Jensen  
Mikkel Enevoldsen

---

**Auditors**

---

Beierholm  
Godkendt Revisionspartnerselskab

---

**Parent company**

---

P. Saxe Nielsen Holding ApS, Furesø

## **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 Saxe Hansen A/S.

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

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.12.24 and of the results of the company's activities 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.

Værløse, June 30, 2025

### **Executive Board**

Ulrik Gert Nielsen

### **Board of Directors**

Ulrik Gert Nielsen

Pernille Saxe Nielsen

Søren Per Enevoldsen

Flemming Juel Jensen

Mikkel Enevoldsen

**To the shareholder of Saxe Hansen A/S****Opinion**

We have audited the financial statements of Saxe Hansen A/S 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. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion the financial statements give a true and fair view of the company's financial position at 31.12.24 and of the results of the company's operations 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 financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Management's responsibilities for the financial statements**

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

In preparing the financial statements, management is responsible for assessing the 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 about whether the financial statements as

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment 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.
- 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 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, it is our responsibility to read management's review and, in doing so, consider whether 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 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 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.

Soeborg, Copenhagen, June 30, 2025

**Beierholm**

Godkendt Revisionspartnerselskab  
CVR no. 32 89 54 68

Jan Lundqvist

State Authorised Public Accountant  
MNE-no. mne19740

**FINANCIAL HIGHLIGHTS****Key figures**

| Figures in DKK '000                          | 2024   | 2023   | 2022   | 2021   | 2020   |
|----------------------------------------------|--------|--------|--------|--------|--------|
| <i>Profit/loss</i>                           |        |        |        |        |        |
| Gross profit                                 | 51,248 | 42,073 | 35,430 | 29,623 | 25,029 |
| Index                                        | 205    | 168    | 142    | 118    | 100    |
| Total net financials                         | -1,364 | -1,386 | -791   | -251   | -295   |
| Index                                        | 462    | 470    | 268    | 85     | 100    |
| Profit for the year                          | 3,579  | 1,506  | 653    | 727    | 1,990  |
| Index                                        | 180    | 76     | 33     | 37     | 100    |
| <i>Balance</i>                               |        |        |        |        |        |
| Total assets                                 | 69,316 | 39,264 | 43,006 | 30,820 | 25,223 |
| Index                                        | 275    | 156    | 171    | 122    | 100    |
| Investments in property, plant and equipment | 932    | 1,385  | 1,504  | 1,103  | 632    |
| Index                                        | 147    | 219    | 238    | 175    | 100    |
| Equity                                       | 14,799 | 11,220 | 9,714  | 9,714  | 9,061  |
| Index                                        | 163    | 124    | 107    | 107    | 100    |
| <b>Ratios</b>                                |        |        |        |        |        |
|                                              | 2024   | 2023   | 2022   | 2021   | 2020   |
| <i>Profitability</i>                         |        |        |        |        |        |
| Return on equity                             | 28%    | 14%    | 7%     | 7%     | 20%    |
| <i>Equity ratio</i>                          |        |        |        |        |        |
| Solvency ratio                               | 21%    | 29%    | 23%    | 29%    | 43%    |
| <i>Liquidity and financing</i>               |        |        |        |        |        |
| Liquidity ratio                              | 126%   | 137%   | 128%   | 168%   | 198%   |

*Others*

|                               |    |    |    |    |    |
|-------------------------------|----|----|----|----|----|
| Number of employees (average) | 83 | 68 | 60 | 51 | 44 |
|-------------------------------|----|----|----|----|----|

*Ratios definitions*

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

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

|                  |                                                                       |
|------------------|-----------------------------------------------------------------------|
| Liquidity ratio: | $\frac{\text{Current assets} \times 100}{\text{Short-term payables}}$ |
|------------------|-----------------------------------------------------------------------|

**Primary activities**

The company provides advanced solutions in automation, injection molding and blow molding. The company also offers peripheral equipment like dryers and temperature control units, alongside comprehensive service, and equipment calibration, primarily within the plastics, medical, and food industries.

**Development in activities and financial affairs**

The income statement for the period 01.01.24 - 31.12.24 shows a profit of DKK 3,579,259 against DKK 1,505,699 for the period 01.01.23 - 31.12.23. The balance sheet shows equity of DKK 14,799,307.

The management considers the net profit for the year to be satisfactory.

**Subsequent events**

No important events have occurred after the end of the financial year.

## Income statement

| Note                                  |                                                                                                          |                                   |
|---------------------------------------|----------------------------------------------------------------------------------------------------------|-----------------------------------|
|                                       | 2024<br>DKK                                                                                              | 2023<br>DKK                       |
|                                       | <b>Gross profit</b>                                                                                      | <b>51,247,608      42,073,319</b> |
| 1                                     | Staff costs                                                                                              | -43,936,192      -37,596,367      |
|                                       | <b>Profit before depreciation, amortisation, write-downs and impairment losses</b>                       | <b>7,311,416      4,476,952</b>   |
|                                       | Depreciation, amortisation and impairments losses of intangible assets and property, plant and equipment | -1,376,547      -1,115,728        |
|                                       | <b>Operating profit</b>                                                                                  | <b>5,934,869      3,361,224</b>   |
| 2                                     | Financial income                                                                                         | 398,560      12,923               |
| 3                                     | Financial expenses                                                                                       | -1,762,626      -1,398,752        |
|                                       | <b>Profit before tax</b>                                                                                 | <b>4,570,803      1,975,395</b>   |
| 4                                     | Tax on profit for the year                                                                               | -991,544      -469,696            |
|                                       | <b>Profit for the year</b>                                                                               | <b>3,579,259      1,505,699</b>   |
| <b>Proposed appropriation account</b> |                                                                                                          |                                   |
|                                       | Retained earnings                                                                                        | 3,579,259      1,505,699          |
|                                       | <b>Total</b>                                                                                             | <b>3,579,259      1,505,699</b>   |

## Balance sheet

| ASSETS |                                                  |                   |                   |
|--------|--------------------------------------------------|-------------------|-------------------|
| Note   |                                                  | 31.12.24<br>DKK   | 31.12.23<br>DKK   |
|        | Completed development projects                   | 1,663,155         | 1,544,524         |
|        | Acquired rights                                  | 0                 | 19,119            |
| 5      | <b>Total intangible assets</b>                   | <b>1,663,155</b>  | <b>1,563,643</b>  |
|        | Leasehold improvements                           | 2,105,629         | 2,507,170         |
|        | Other fixtures and fittings, tools and equipment | 1,322,838         | 963,680           |
| 6      | <b>Total property, plant and equipment</b>       | <b>3,428,467</b>  | <b>3,470,850</b>  |
| 7      | Receivables from group enterprises               | 277,607           | 0                 |
| 7      | Deposits                                         | 792,000           | 0                 |
|        | <b>Total investments</b>                         | <b>1,069,607</b>  | <b>0</b>          |
|        | <b>Total non-current assets</b>                  | <b>6,161,229</b>  | <b>5,034,493</b>  |
|        | Raw materials and consumables                    | 6,765,391         | 7,649,026         |
|        | Manufactured goods and goods for resale          | 1,628,162         | 1,338,727         |
|        | <b>Total inventories</b>                         | <b>8,393,553</b>  | <b>8,987,753</b>  |
| 8      | Work in progress for third parties               | 24,734,434        | 8,478,839         |
|        | Trade receivables                                | 17,136,617        | 12,772,945        |
|        | Receivables from group enterprises               | 8,001,463         | 519,630           |
|        | Income tax receivable                            | 474,925           | 0                 |
|        | Other receivables                                | 2,566,004         | 2,203,165         |
|        | Prepayments                                      | 1,117,051         | 781,166           |
|        | <b>Total receivables</b>                         | <b>54,030,494</b> | <b>24,755,745</b> |
|        | <b>Cash</b>                                      | <b>730,566</b>    | <b>486,393</b>    |
|        | <b>Total current assets</b>                      | <b>63,154,613</b> | <b>34,229,891</b> |
|        | <b>Total assets</b>                              | <b>69,315,842</b> | <b>39,264,384</b> |

## Balance sheet

## EQUITY AND LIABILITIES

| Note |                                                              | 31.12.24<br>DKK   | 31.12.23<br>DKK   |
|------|--------------------------------------------------------------|-------------------|-------------------|
|      | Contributed capital                                          | 629,040           | 629,040           |
|      | Reserve for development costs                                | 1,277,261         | 1,204,728         |
|      | Retained earnings                                            | 12,893,006        | 9,386,280         |
|      | <b>Total equity</b>                                          | <b>14,799,307</b> | <b>11,220,048</b> |
|      | Provisions for deferred tax                                  | 2,388,390         | 921,921           |
|      | <b>Total provisions</b>                                      | <b>2,388,390</b>  | <b>921,921</b>    |
| 9    | Other payables                                               | 2,169,724         | 2,104,485         |
|      | <b>Total long-term payables</b>                              | <b>2,169,724</b>  | <b>2,104,485</b>  |
|      | Payables to other credit institutions                        | 16,945,752        | 9,546,807         |
| 8    | Prepayments received from work in progress for third parties | 11,090,453        | 5,135,440         |
|      | Trade payables                                               | 17,346,691        | 5,158,749         |
|      | Payables to group enterprises                                | 756,047           | 320,605           |
|      | Income taxes                                                 | 0                 | 298,298           |
|      | Other payables                                               | 3,819,478         | 4,558,031         |
|      | <b>Total short-term payables</b>                             | <b>49,958,421</b> | <b>25,017,930</b> |
|      | <b>Total payables</b>                                        | <b>52,128,145</b> | <b>27,122,415</b> |
|      | <b>Total equity and liabilities</b>                          | <b>69,315,842</b> | <b>39,264,384</b> |

10 Contingent liabilities

11 Charges and security

12 Related parties

## Statement of changes in equity

| Figures in DKK                                            | Contributed<br>capital | Reserve for<br>udviklings-<br>omkost-<br>ninger | Retained<br>earnings | Total equity |
|-----------------------------------------------------------|------------------------|-------------------------------------------------|----------------------|--------------|
| Statement of changes in equity for<br>01.01.24 - 31.12.24 |                        |                                                 |                      |              |
| Balance as at 01.01.24                                    | 629,040                | 1,204,728                                       | 9,386,280            | 11,220,048   |
| Transfers to/from other reserves                          | 0                      | 72,533                                          | -72,533              | 0            |
| Net profit/loss for the year                              | 0                      | 0                                               | 3,579,259            | 3,579,259    |
| Balance as at 31.12.24                                    | 629,040                | 1,277,261                                       | 12,893,006           | 14,799,307   |

|  | 2024 | 2023 |
|--|------|------|
|  | DKK  | DKK  |

### 1. Staff costs

|                             |            |            |
|-----------------------------|------------|------------|
| Wages and salaries          | 40,528,077 | 34,822,046 |
| Pensions                    | 2,865,664  | 2,295,031  |
| Other social security costs | 542,451    | 479,290    |

|       |            |            |
|-------|------------|------------|
| Total | 43,936,192 | 37,596,367 |
|-------|------------|------------|

|                                             |    |    |
|---------------------------------------------|----|----|
| Average number of employees during the year | 83 | 68 |
|---------------------------------------------|----|----|

### 2. Financial income

|                             |         |        |
|-----------------------------|---------|--------|
| Interest, group enterprises | 398,560 | 12,923 |
|-----------------------------|---------|--------|

|       |         |        |
|-------|---------|--------|
| Total | 398,560 | 12,923 |
|-------|---------|--------|

### 3. Financial expenses

|                                          |           |         |
|------------------------------------------|-----------|---------|
| Interest, group enterprises              | 62,861    | 260,917 |
| Other interest expenses                  | 1,181,361 | 393,494 |
| Foreign currency translation adjustments | 199,233   | 112,908 |
| Other financial expenses                 | 319,171   | 631,433 |

|       |           |           |
|-------|-----------|-----------|
| Total | 1,762,626 | 1,398,752 |
|-------|-----------|-----------|

### 4. Tax on profit for the year

|                                         |           |         |
|-----------------------------------------|-----------|---------|
| Current tax for the year                | -474,925  | 298,298 |
| Adjustment of deferred tax for the year | 1,466,469 | 171,398 |

|       |         |         |
|-------|---------|---------|
| Total | 991,544 | 469,696 |
|-------|---------|---------|

**5. Intangible assets**

| Figures in DKK                                    | Completed development projects | Acquired rights |
|---------------------------------------------------|--------------------------------|-----------------|
| Cost as at 01.01.24                               | 2,030,371                      | 888,612         |
| Additions during the year                         | 588,336                        | 0               |
| Cost as at 31.12.24                               | 2,618,707                      | 888,612         |
| Amortisation and impairment losses as at 01.01.24 | -485,848                       | -869,493        |
| Amortisation during the year                      | -469,704                       | -19,119         |
| Amortisation and impairment losses as at 31.12.24 | -955,552                       | -888,612        |
| Carrying amount as at 31.12.24                    | 1,663,155                      | 0               |

Completed development projects include the development of the company's ERP and CRM systems as a result of the company's growth. The development assets are depreciated over 5 years. Management has not identified any indication of impairment in relation to the carrying amount.

**6. Property, plant and equipment**

| Figures in DKK                                    | Leasehold improvements | Other fixtures and fittings, tools and equipment |
|---------------------------------------------------|------------------------|--------------------------------------------------|
| Cost as at 01.01.24                               | 3,212,322              | 2,425,475                                        |
| Additions during the year                         | 0                      | 931,790                                          |
| Cost as at 31.12.24                               | 3,212,322              | 3,357,265                                        |
| Depreciation and impairment losses as at 01.01.24 | -705,152               | -1,548,237                                       |
| Depreciation during the year                      | -401,541               | -486,190                                         |
| Depreciation and impairment losses as at 31.12.24 | -1,106,693             | -2,034,427                                       |
| Carrying amount as at 31.12.24                    | 2,105,629              | 1,322,838                                        |

**7. Non-current financial assets**

| Figures in DKK                 | Receivables<br>from group<br>enterprises | Deposits |
|--------------------------------|------------------------------------------|----------|
| Additions during the year      | 277,607                                  | 792,000  |
| Cost as at 31.12.24            | 277,607                                  | 792,000  |
| Carrying amount as at 31.12.24 | 277,607                                  | 792,000  |

**8. Work in progress for third parties**

|                                                                                   |             |            |
|-----------------------------------------------------------------------------------|-------------|------------|
| Work in progress for third parties                                                | 46,032,689  | 10,704,507 |
| On-account invoicing                                                              | -32,388,708 | -7,361,107 |
| Total work in progress for third parties                                          | 13,643,981  | 3,343,400  |
| Work in progress for third parties                                                | 24,734,434  | 8,478,839  |
| Prepayments received from work in progress for third parties, short-term payables | -11,090,453 | -5,135,440 |
| Total                                                                             | 13,643,981  | 3,343,399  |

**9. Long-term payables**

| Figures in DKK | Repayment<br>first year | Outstanding<br>debt after 5<br>years | Total<br>payables at<br>31.12.24 | Total<br>payables at<br>31.12.23 |
|----------------|-------------------------|--------------------------------------|----------------------------------|----------------------------------|
| Other payables | 0                       | 2,169,724                            | 2,169,724                        | 2,104,485                        |
| Total          | 0                       | 2,169,724                            | 2,169,724                        | 2,104,485                        |

## 10. Contingent liabilities

### *Lease commitments*

The company has concluded lease agreements with terms to maturity of 1-59 months and total lease payments of t.DKK 2.334.

The company has concluded lease agreements with group enterprises where the total lease payments are t.DKK 10.553.

### *Recourse guarantee commitments*

The company has provided a guarantee for group enterprises' debt to credit institutions. The group enterprises' debt to the credit institutions concerned amounts to t.DKK 247 at the balance sheet date.

### *Guarantee commitments*

The company has provided a payment guarantee of t.DKK 2.936.

### *Other contingent liabilities*

The company is part of the national joint taxation scheme with P. Saxe Nielsen Holding ApS, CVR no. 28104928, which acts as the administrative company and is jointly and severally liable, without limitation, together with the other jointly taxed companies, for the total corporate tax liability.

The company is also jointly and severally liable, without limitation, with the other jointly taxed companies for any obligations to withhold withholding tax on interest, royalties, and dividends.

Any subsequent adjustments to corporate taxes or withholding taxes, etc., may result in the company's liability amount being different.

## 11. Charges and security

As security for debt to credit institutions of t.DKK 16.946, a company charge has been provided comprising goodwill, intellectual property rights, other plant, fixtures and fittings, tools and equipment, inventories and trade receivables. The total carrying amount of the comprised assets is DKK 52.727.

## 12. Related parties

The company is included in the consolidated financial statements of the parent P. Saxe Nielsen Holding ApS, Furesø.

## 13. Accounting policies

### GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B 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.

### CURRENCY

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

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

**13. Accounting policies - continued -**

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.

**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 and raw materials and consumables 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 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 construction contracts involving the delivery of highly customised assets are recognised in the income statement as revenue according to the stage of completion. Accordingly, revenue corresponds to the selling price of work performed during the year (percentage of completion method).

**Other operating income****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.

### 13. Accounting policies - continued -

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.

#### 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.

#### 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,<br>years | Residual value,<br>per cent |
|---------------------------------------------------------|------------------------|-----------------------------|
| Completed development projects                          | 5 år                   | 0 %                         |
| Acquired rights                                         | 5 år                   | 0 %                         |
| Leasehold improvements                                  | 8 år                   | 0 %                         |
| Other plant, fixtures and fittings, tools and equipment | 5 år                   | 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 net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions

**13. Accounting policies** - continued -

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.

The company is jointly taxed with Danish consolidated enterprises.

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 enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

**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.

*Acquired rights*

Acquired rights are measured in the balance sheet at cost less accumulated amortisation and impairment losses.

**13. Accounting policies** - continued -

Acquired rights 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*

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 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 depreciation and impairment losses.

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

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.

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.

**13. Accounting policies** - continued -

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.

**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.

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

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 cost of manufactured finished goods and work in progress is determined as the value of direct material and labour costs. Interest on loans arranged to finance production is not included in the cost.

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

**13. Accounting policies - continued -**

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.

**Work in progress for third parties**

Work in progress for third parties is measured at the selling price of the work performed less on-account invoicing made for each piece of work in progress.

The selling price is measured according to the stage of completion at the balance sheet date and total expected income from each piece of work in progress. The degree of completion for each piece of work in progress is normally calculated as the ratio between the resources spent and the total budgeted resource consumption. For some work in progress where the resource consumption cannot be used as a basis, the ratio between completed subactivities and the combined subactivities for the individual piece of work in progress is used instead.

When the selling price of a piece of work in progress cannot be determined reliably, the selling price is measured at the lower of costs incurred and net realisable value.

The individual piece of work in progress is recognised under receivables or payables in the balance sheet depending on whether the net value of the selling price less prepayments received is positive or negative.

When it is likely that the total costs of the individual piece of work in progress will exceed total sales income, the total expected loss is recognised as a provision.

**Prepayments**

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

**13. Accounting policies** - continued -**Cash**

Cash includes deposits in bank account.

**Equity**

An amount equivalent to internally generated development costs in the balance sheet is recognised 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 assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates 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

**13. Accounting policies** - continued -

of the 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.