Teradyne Robotics A/S

Energivej 51, DK-5260 Odense S

Annual Report for 2024

CVR No. 29 13 80 60

The Annual Report was presented and adopted at the Annual General Meeting of the company on 19/3 2025

Ole Nørgaard
Chairman of the general meeting

Contents

	Page
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Management's Review	
Company information	5
Financial Highlights	6
Management's Review	7
Financial Statements	
Income Statement 1 January - 31 December	10
Balance sheet 31 December	11
Statement of changes in equity	15
Cash Flow Statement 1 January - 31 December	16
Notes to the Financial Statements	17

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Teradyne Robotics 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 and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2024 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2024.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Odense, 19 March 2025

Executive Board

Kim Ulletved Povlsen	Jean Pierre Hathout	Jette Bay Withers
Sonja Kristine Hopstaken Østergaard	Claus Larsen	

Board of Directors

Ryan Erik Driscoll Chairman	Amy Rose McAndrews	Samuel Aaron Ravelson
Ujjwal Kumar		

Independent Auditor's report

To the shareholders of Teradyne Robotics A/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2024 and of the results of the Group's and the Parent Company's operations as well as of the consolidated cash flows for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Teradyne Robotics 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 a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("the Financial Statements").

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 Group 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 Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover 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 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 under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of consolidated financial statements and parent company 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 Group´s and the Parent 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 Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's report

Auditor's responsibilities for the audit of the Financial Statements

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

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

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

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

- 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 forming 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.

Independent Auditor's report

Odense M, 19 March 2025

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Mikael Johansen
State Authorised Public Accountant
mne23318

Claus Damhave
State Authorised Public Accountant
mne34166

Company information

The Company	Teradyne Robotics A/S Energivej 51 DK-5260 Odense S Email: accounting@universal-robots.com CVR No: 29 13 80 60 Financial period: 1 January - 31 December Municipality of reg. office: Odense
Board of Directors	Ryan Erik Driscoll, chairman Amy Rose McAndrews Samuel Aaron Ravelson Ujjwal Kumar
Executive Board	Kim Ulletved Povlsen Jean Pierre Hathout Jette Bay Withers Sonja Kristine Hopstaken Østergaard Claus Larsen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Munkebjergvænget 1, 3. og 4. sal DK-5230 Odense M

Financial Highlights

Seen over a 5-year period, the development of the Group is described by the following financial highlights:

	Group				
	2024	2023	2022	2021	2020
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Revenue	2,517,512	2,570,459	2,812,943	2,343,207	1,731,589
Operating profit/loss	-187,440	-22,455	276,440	313,973	171,850
Profit/loss of primary operations	-193,247	-22,412	275,809	313,922	-28,727
Profit/loss of financial income and expenses	558	-9,499	1,529	6,207	-17,496
Net profit/loss for the year	-166,269	-27,290	269,566	250,298	130,240
Balance sheet					
Balance sheet total	2,529,548	2,385,643	1,736,301	1,584,310	1,184,208
Investment in property, plant and equipment	179,873	257,671	155,054	3,996	34,359
Equity	1,624,781	1,069,412	1,064,905	820,544	711,648
Number of employees	1,112	1,217	1,021	791	775
Ratios					
Profit margin	-7.7%	8.1%	9.8%	13.4%	-1.7%
Return on assets	-7.6%	11.2%	15.9%	19.8%	-2.4%
Solvency ratio	64.2%	58.0%	61.0%	52.0%	60.0%
Return on equity	-12.3%	-2.6%	28.6%	32.7%	36.6%

The figures for 2020-2023 have been changed with retrospective effect to reflect the merger between Universal Robots A/S and Mobile Industrial Robots A/S in 2024, which has been recognized according to the Pooling of interest-method.

Management's review

Key activities

As in prior years, the Group's main activity is the development, manufacturing and sale of flexible, easily programmable and collaborative robots as well as development, manufacturing and sale of autonomous mobile robots.

Development in the year

The Group reported a loss before tax for 2024 of DKK -193m, and equity amounts to DKK 1,62m on 31 December 2024. The result is not considered satisfactory and is seen as a consequence of the tough market conditions for collaborative and mobile robots. Furthermore, the macroeconomic situation throughout the year has proven challenging for many industries, considering the war in Ukraine, dispute in the middle east and the negative development of inflation and interest rates. As a result, revenue decreased by 2.1 % compared to last year.

During the year of 2024, Universal Robots and Mobile Industrial Robots moved together in a newly constructed building, which was the first steps of an overall plan to increase collaboration between the two Teradyne owned companies, and in the late 2024 this legal merger of the two companies was conducted.

The expectations for 2024 presented respectively in the last year's annual reports were revenue growth within the Group and a net profit for the Group in line with or slightly better than 2023. Both was unfortunately not possible to achieve as the global growth in robotics was lower than anticipated due to the macroeconomic circumstances, high inflation in the world and negative development in interest rates impacting heavily customers and partners cancelling or postponing investments.

The Group has distribution channels in approximately 50 countries around the world and has subsidiaries, branches, or group-related companies in these countries: USA, Mexico, Germany, Spain, Italy, France, Czech Republic, Sweden, United Kingdom, China, Singapore, India, Japan, Thailand, Taiwan and South Korea.

Expected development of the company, including specific prerequisites and uncertainties

The current macroeconomic environment after a couple of years with unusual high inflation resulting in high interest rates across the world, as well as war in Ukraine and dispute in the Middle east, makes it a difficult environment to operate in and predict. Despite this, the Group has an ambition and will continue to execute its strategy to deliver revenue growth in 2025, however Management remains mindful of the uncertain macroeconomic environment.

Teradyne Robotics has executed a cost saving restructure, which included targeted lay-offs that took place in the beginning of the new year. This was a necessary action in order to meet expectations of profitability and to start chasing synergies after having the two companies legally merged.

Revenue growth is expected to be driven by new products and channel transformation improvements, which together with a continued execution of the strategy and investments in innovation and R&D, will secure Teradyne Robotics' position as market leader. Management expects a net profit before tax for the Group in 2025 to be in the range of DKK 100m to 150m.

Uncertainties associated with the expected development of the company

The Group's most significant operating risks are related to the ability to maintain the present strong position in the market. The risk is mitigated through significant investments in innovation, user experience improvements and general R&D.

Currency risk

The Group has a natural currency exposure, primarily in EUR, USD and CNY (Renminbi), and the Group is therefore to some extent exposed to developments in exchange rates. It is the Group's foreign exchange policy not to hedge such exposures.

Management's review

Credit risk

The credit risk is controlled by performing ongoing credit ratings and credit insurance of customers and business partners.The Group has considerable focus on the credit risks in relation to the customers and management consider the current total credit risk to be low.

Prices on raw material

Changes in prices and delivery terms for purchase of raw materials and consumables for production is closely monitored ongoing and production demand is both forecasted and secured 6-12 months forward with vendors. The continued price developments and delivery issues, with respect to current macroeconomic situations around the world, and initiatives and regulations on import of goods can influence the production cost significantly.

Knowledge resources

The company is to a large extent a knowledge-based company. To retain and attract highly competent employees, there is a high focus on targeted competence development of all employees. The company's knowledge resources consist primarily of knowledge of employees and products. Knowledge resources among the employees play a major role in the continued development of the company's product range and the demand that comes from the company's customers.

Research and development

Teradyne Robotics A/S continues to invest many resources in the continuous development of the Company's products and markets. Consequently, the Company is dependent on being able to attract and retain the right human resources and skills.

External environment

The activities of the Group does not impact the external environment significantly; however, the Company strives and is proactively working on reducing the level of energy consumption and CO2 emission on a continuous basis, and has initiated several sustainability initiatives, aiming at becoming more sustainable over the coming years.

Subsequent events

No material events other than described above have occurred after the end of the financial year which could significantly affect the group´s financial position.

Corporate social responsibility statement cf. section 99 a of the Danish Financial Statements Act

CSR is an important focus point at Teradyne Robotics A/S, and corporate responsibility as a systematic basis for management decisions has always been and will continue to be an important and integral part of our strategies and daily work procedures.

We have visions, policies and guidelines addressing several aspects of the CSR area, including e.g. employee Code of Conduct, anti-corruption, responsible sourcing, compliance with competition laws, whistle-blower scheme, environment, occupational health and safety, community relations, climate and human rights.

As an integral part of management’s roles and responsibilities, our management team, and our Board of Directors ongoingly assess risks of relevant areas and decide on initiatives to be implemented.

The full statements according to the above Act can be found in a separate report at our homepage https://www.universal-robots.com/about-us/social-responsibility or via this deep link: https://a.storyblok.com/f/230581/x/ba22a5154b/csr-2024.pdf

Management's review

Data ethics policy cf. section 99 d of the Danish Financial Statements Act

Teradyne Robotics A/S ensures data ethics, which includes addressing and recommending concepts of right and wrong conduct, with transparency in and defensibility of actions and decisions in relation to data in general and personal data.

Teradyne Robotics A/S as a part of the Teradyne's Global Data Protection Program, ensures compliance with applicable data privacy laws, and gives individuals more overview over how their data is collected, used, and protected. Teradyne's Global Data Protection Program includes the Privacy Policy, Data Classification Policy, Data Retention Policy, Data Security Incident Response Policy, Information Security Policy, and other internal processes and guidelines in place which details how we handle, classify and store data globally. In accordance with applicable laws and regulations, including GDPR, the EU Whistleblower Directive and Danish Whistleblower Act, Teradyne Robotics has a few channels, including Whistleblower Hotline, for report data breach, illegal or unethical conduct, suspected violations, complaints, concerns, or misconduct, including violations of internal policies.

Income statement 1 January - 31 December

	Note	Group		Parent company	
		2024	2023	2024	2023
		TDKK	TDKK	TDKK	TDKK
Revenue	2	2,517,512	2,570,459	2,451,842	2,503,400
Production expenses	3	-1,654,110	-1,322,699	-1,647,586	-1,325,840
Gross profit		**863,402**	**1,247,760**	**804,256**	**1,177,560**
Distribution expenses	3	-681,411	-809,453	-649,926	-755,489
Administrative expenses	3	-369,431	-460,762	-369,617	-460,762
Operating profit/loss		**-187,440**	**-22,455**	**-215,287**	**-38,691**
Other operating income		0	43	0	2,865
Other operating expenses		-5,807	0	-5,807	-326
Profit/loss before financial income and expenses		**-193,247**	**-22,412**	**-221,094**	**-36,152**
Financial income	4	14,125	7,375	13,243	6,671
Financial expenses	5	-13,567	-16,874	-9,947	-16,587
Profit/loss before tax		**-192,689**	**-31,911**	**-217,798**	**-46,068**
Tax on profit/loss for the year	6	26,420	4,621	32,122	11,335
Net profit/loss for the year	7	**-166,269**	**-27,290**	**-185,676**	**-34,733**

Balance sheet 31 December

Assets

	Note	Group 2024	Group 2023	Parent company 2024	Parent company 2023
		TDKK	TDKK	TDKK	TDKK
Completed development projects		441,986	111,483	441,986	111,483
Acquired patents		9,263	7,494	9,263	7,494
Software		25,724	27,414	25,708	27,341
Goodwill		70	276	0	0
Development projects in progress		50,559	333,913	50,559	333,913
Intangible assets	8	**527,602**	**480,580**	**527,516**	**480,231**
Land and buildings		381,271	0	381,271	0
Other fixtures and fittings, tools and equipment		167,579	96,463	151,073	81,670
Leasehold improvements		33,202	20,319	32,047	17,988
Property, plant and equipment in progress		19,240	360,264	19,240	360,956
Property, plant and equipment	9	**601,292**	**477,046**	**583,631**	**460,614**
Investments in subsidiaries	10	0	0	9,730	7,137
Receivables from group enterprises	11	0	0	7,390	5,218
Deposits	11	12,972	12,578	6,861	6,771
Fixed asset investments		**12,972**	**12,578**	**23,981**	**19,126**
Fixed assets		**1,141,866**	**970,204**	**1,135,128**	**959,971**
Raw materials and consumables		334,388	315,269	333,550	315,269
Finished goods and goods for resale		115,298	118,701	106,338	101,958
Prepayments for goods		102,319	104,467	102,319	104,467
Inventories		**552,005**	**538,437**	**542,207**	**521,694**
Trade receivables		509,609	468,427	472,692	451,597
Receivables from group enterprises		0	7,730	44,713	70,104
Other receivables		21,613	32,774	18,346	29,297
Deferred tax asset	12	2,891	1,963	0	0
Corporation tax		7,903	11,997	7,782	11,987
Prepayments	13	20,041	17,901	17,601	15,402
Receivables		**562,057**	**540,792**	**561,134**	**578,387**

Balance sheet 31 December

Assets

	Note	Group		Parent company	
		2024	2023	2024	2023
		TDKK	TDKK	TDKK	TDKK
Cash at bank and in hand		**273,620**	**336,210**	**210,033**	**294,687**
Current assets		**1,387,682**	**1,415,439**	**1,313,374**	**1,394,768**
Assets		**2,529,548**	**2,385,643**	**2,448,502**	**2,354,739**

Balance sheet 31 December

Liabilities and equity

	Note	Group		Parent company	
		2024	2023	2024	2023
		TDKK	TDKK	TDKK	TDKK
Share capital	14	700	700	700	700
Reserve for development costs		0	0	384,186	347,409
Reserve for exchange rate conversion		-3,422	-3,622	-1,376	-663
Retained earnings		1,627,484	1,072,332	1,178,335	679,366
Equity attributable to shareholders of the Parent Company		**1,624,762**	**1,069,410**	**1,561,845**	**1,026,812**
Minority interests		19	2	0	0
Equity		**1,624,781**	**1,069,412**	**1,561,845**	**1,026,812**
Provision for deferred tax	12	0	16,459	0	16,459
Other provisions	15	28,728	46,915	28,728	46,915
Provisions		**28,728**	**63,374**	**28,728**	**63,374**
Other payables		9,586	9,319	9,586	9,319
Deferred income		83,128	78,849	78,905	77,549
Long-term debt	16	**92,714**	**88,168**	**88,491**	**86,868**
Prepayments received from customers		4,516	5,437	4,516	5,403
Trade payables		182,736	167,384	182,515	164,892
Payables to group enterprises		342,587	731,093	371,704	781,357
Corporation tax		5,530	4,614	0	4
Other payables	16	178,882	184,576	143,333	155,424
Deferred income	16,17	69,074	71,585	67,370	70,605
Short-term debt		**783,325**	**1,164,689**	**769,438**	**1,177,685**
Debt		**876,039**	**1,252,857**	**857,929**	**1,264,553**
Liabilities and equity		**2,529,548**	**2,385,643**	**2,448,502**	**2,354,739**

Balance sheet 31 December

Liabilities and equity

		Group		Parent company	
	Note	2024	2023	2024	2023
		TDKK	TDKK	TDKK	TDKK
Capital resources	1				
Contingent assets, liabilities and other financial obligations	20				
Related parties	21				
Fee to auditors appointed at the general meeting	22				
Accounting Policies	23				

Statement of changes in equity

Group

	Share capital	Reserve for exchange rate conversion	Retained earnings	Equity excl. minority interests	Minority interests	Total
	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	546	-2,828	889,700	887,418	2	887,420
Net effect from merger and acquisition under the uniting of interests method	154	-794	182,632	181,992	0	181,992
Adjusted equity at 1 January	700	-3,622	1,072,332	1,069,410	2	1,069,412
Exchange adjustments	0	200	0	200	0	200
Extraordinary dividend paid	0	0	-48,203	-48,203	0	-48,203
Other equity movements	0	0	769,624	769,624	17	769,641
Net profit/loss for the year	0	0	-166,269	-166,269	0	-166,269
Equity at 31 December	**700**	**-3,422**	**1,627,484**	**1,624,762**	**19**	**1,624,781**

Parent company

	Share capital	Reserve for development costs	Reserve for exchange rate conversion	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	546	215,709	-663	632,136	847,728
Net effect from merger and acquisition under the uniting of interests method	154	131,700	0	47,231	179,085
Adjusted equity at 1 January	700	347,409	-663	679,367	1,026,813
Exchange adjustments	0	0	-713	0	-713
Extraordinary dividend paid	0	0	0	-48,203	-48,203
Depreciation, amortisation and impairment for the year	0	-88,852	0	88,852	0
Other equity movements	0	0	0	769,624	769,624
Development costs for the year	0	125,629	0	-125,629	0
Net profit/loss for the year	0	0	0	-185,676	-185,676
Equity at 31 December	**700**	**384,186**	**-1,376**	**1,178,335**	**1,561,845**

The net effect from merger and acquisition under the uniting of interests method consists of the merger with Mobile Industrial Robots A/S (Odense, Denmark).
Other equity movements consists of a cash group contribution of MDKK 426 and a loan-to-equity-conversion of MDKK 344.

Cash flow statement 1 January - 31 December

	Note	Group 2024	Group 2023
		TDKK	TDKK
Result of the year		-166,269	-27,290
Adjustments	18	140,869	134,774
Change in working capital	19	-53,243	-55,667
Cash flow from operations before financial items		**-78,643**	**51,817**
Financial income		14,125	7,375
Financial expenses		-13,567	-16,874
Cash flows from ordinary activities		**-78,085**	**42,318**
Corporation tax paid		14,043	-15,552
Cash flows from operating activities		**-64,042**	**26,766**
Purchase of property, plant and equipment		-339,480	-483,959
Fixed asset investments made etc		-3,383	0
Sale of property, plant and equipment		683	277
Dividends received from subsidiaries		3,383	0
Change in Financial Assets		-394	-1,927
Cash flows from investing activities		**-339,191**	**-485,609**
Repayment of payables to group enterprises		-37,334	0
Raising of payables to group enterprises		0	585,934
Dividend distributed		-48,203	0
Group Contribution		426,180	34,711
Cash flows from financing activities		**340,643**	**620,645**
Change in cash and cash equivalents		**-62,590**	**161,802**
Cash and cash equivalents at 1 January		336,210	174,408
Cash and cash equivalents at 31 December		**273,620**	**336,210**
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		273,620	336,210
Cash and cash equivalents at 31 December		**273,620**	**336,210**

1. Capital resources

The Company has received a signed letter of financial support from its ultimate parent, Teradyne Inc., valid until March 31, 2026. Consequently, the Company presents the annual report on a going concern basis.

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
2. Revenue				
Geographical segments				
America	943,390	965,657	945,195	965,461
Asia	542,007	526,507	477,062	477,978
Europe	1,032,115	1,078,295	1,029,585	1,059,961
	2,517,512	**2,570,459**	**2,451,842**	**2,503,400**

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK

3. Staff

Wages and salaries	777,484	701,969	669,187	600,861
Pensions	46,058	45,298	40,950	40,075
Other social security expenses	42,784	30,799	13,607	12,928
Other staff expenses	0	237	0	0
	866,326	**778,303**	**723,744**	**653,864**
Wages and salaries etc. are recognised in the following items:				
Production expenses	434,947	390,153	434,947	390,153
Distribution expenses	346,529	298,600	203,947	174,161
Administrative expenses	84,850	89,550	84,850	89,550
	866,326	**778,303**	**723,744**	**653,864**
Including remuneration to the Executive Board:				
Executive board	16,135	13,450	16,135	13,450
	16,135	**13,450**	**16,135**	**13,450**
Average number of employees	**1,112**	**1,217**	**901**	**900**

Under Teradyne's stock compensation plans, Teradyne grants stock options, restricted stock units and performance-based restricted stock units, and employees are eligible to purchase Teradyne's common stock through its Employee Stock Purchase Plan ("ESPP"). Time-based restricted stock unit awards, granted to employees, vest in equal annual installments over four years. Restricted stock units are offered to the Executive board of Teradyne Robotics and other Management positions. In 2024, 97.029 stock units were granted to employees of Teradyne Robotics and 41,631 stock units were vested.

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK

4. Financial income

Interest received from group enterprises	150	171	150	171
Interest, bank	9,338	3,936	8,989	3,851
Other financial income	3,544	2,576	3,456	2,403
Exchange gains	1,093	692	648	246
	14,125	**7,375**	**13,243**	**6,671**

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK

5. Financial expenses

Interest paid to group enterprises	7,502	9,065	7,343	8,819
Interest, banks	10	4	10	0
Other financial expenses	6,010	4,563	2,555	4,536
Exchange loss	45	3,242	39	3,232
	13,567	**16,874**	**9,947**	**16,587**

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK

6. Income tax expense

Current tax for the year	6,932	33,168	302	25,654
Deferred tax for the year	-17,387	-38,012	-16,459	-37,306
Adjustment of tax concerning previous years	6,817	-21,123	6,817	-21,029
Adjustment of deferred tax concerning previous years	-22,782	21,346	-22,782	21,346
	-26,420	**-4,621**	**-32,122**	**-11,335**

Adjustment of deferred tax concerning previous years relates to joint taxation contribution

	Parent company	
	2024	2023
	TDKK	TDKK

7. Profit allocation

Extraordinary dividend paid	48,203	0
Retained earnings	-233,879	-34,733
	-185,676	**-34,733**

8. Intangible fixed assets

Group

	Completed develop-ment projects	Acquired patents	Software	Goodwill	Develop-ment projects in progress
	TDKK	TDKK	TDKK	TDKK	TDKK
Cost at 1 January	299,220	8,773	65,359	2,062	220,663
Net effect from merger and acquisition	164,610	3,761	10,297	0	83,394
Additions for the year	19,091	2,499	8,675	0	129,340
Transfers for the year	382,838	0	0	0	-382,838
Cost at 31 December	865,759	15,033	84,331	2,062	50,559
Impairment losses and amortisation at 1 January	243,333	5,008	41,898	1,786	0
Net effect from merger and acquisition	77,611	32	6,354	0	0
Amortisation for the year	102,829	730	10,355	206	0
Impairment losses and amortisation at 31 December	423,773	5,770	58,607	1,992	0
Carrying amount at 31 December	**441,986**	**9,263**	**25,724**	**70**	**50,559**

Development projects relating to the further development of the group's product portfolio. The majority of the projects in progress are expected to be finalized in the coming years and the projects are progressing as planned using the resources allocated by Management to the development. Prior to the launching of the projects the group has studied the market and assessed that there is a need for the products.

Parent company

	Completed development projects	Acquired patents	Software	Develop-ment projects in progress
	TDKK	TDKK	TDKK	TDKK
Cost at 1 January	299,220	8,773	65,228	220,663
Net effect from merger and acquisition	164,610	3,761	10,412	83,394
Additions for the year	19,091	2,499	8,675	129,340
Transfers for the year	382,838	0	0	-382,838
Cost at 31 December	865,759	15,033	84,315	50,559
Impairment losses and amortisation at 1 January	243,333	5,008	41,841	0
Net effect from merger and acquisition	77,611	32	6,411	0
Amortisation for the year	102,829	730	10,355	0
Impairment losses and amortisation at 31 December	423,773	5,770	58,607	0
Carrying amount at 31 December	**441,986**	**9,263**	**25,708**	**50,559**

Development projects relating to the further development of the company's product portfolio. The majority of the projects in progress are expected to be finalized in the coming years and the projects are progressing as planned using the resources allocated by Management to the development. Prior to the launching of the projects the company has studied the market and assessed that there is a need for the products.

9. Property, plant and equipment

Group

	Land and buildings	Other fixtures and fittings, tools and equipment	Leasehold improve-ments	Property, plant and equipment in progress
	TDKK	TDKK	TDKK	TDKK
Cost at 1 January	0	248,970	50,163	360,956
Exchange adjustment	0	557	-243	0
Net effect from merger and acquisition	0	22,257	11,208	0
Additions for the year	44,930	113,810	21,133	0
Disposals for the year	0	-6,033	-6,768	0
Transfers for the year	341,716	0	0	-341,716
Cost at 31 December	386,646	379,561	75,493	19,240
Impairment losses and depreciation at 1 January	0	166,052	35,200	0
Exchange adjustment	0	283	-270	0
Net effect from merger and acquisition	0	10,292	6,553	0
Depreciation for the year	5,375	37,627	4,848	0
Impairment and depreciation of sold assets for the year	0	0	0	0
Reversal of impairment and depreciation of sold assets	0	-2,272	-4,040	0
Impairment losses and depreciation at 31 December	5,375	211,982	42,291	0
Carrying amount at 31 December	**381,271**	**167,579**	**33,202**	**19,240**

Parent company

	Land and buildings	Other fixtures and fittings, tools and equipment	Leasehold improve-ments	Property, plant and equipment in progress
	TDKK	TDKK	TDKK	TDKK
Cost at 1 January	0	216,056	45,019	360,956
Net effect from merger and acquisition	0	16,158	10,005	0
Additions for the year	44,930	106,631	21,133	0
Disposals for the year	0	-6,033	-6,768	0
Transfers for the year	341,716	0	0	-341,716
Cost at 31 December	386,646	332,812	69,389	19,240
Impairment losses and depreciation at 1 January	0	147,736	31,682	0
Net effect from merger and acquisition	0	4,981	5,354	0
Depreciation for the year	5,375	31,629	4,346	0
Impairment and depreciation of sold assets for the year	0	-2,501	0	0
Reversal of impairment and depreciation of sold assets	0	-106	-4,040	0
Impairment losses and depreciation at 31 December	5,375	181,739	37,342	0
Carrying amount at 31 December	**381,271**	**151,073**	**32,047**	**19,240**

	Parent company	
	2024	2023
	TDKK	TDKK
10. Investments in subsidiaries		
Cost at 1 January	7,137	5,142
Net effect from merger and acquisition	0	667
Additions for the year	3,259	1,328
Disposals for the year	-666	0
Cost at 31 December	9,730	7,137
Carrying amount at 31 December	**9,730**	**7,137**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Owner-ship	Equity	Net profit/loss for the year
Universal Robots (Shanghai) Co. Ltd	Shanghai, China	100%	46,427	6,244
Universal Robots (India) Private Limited	Bangalore, India	99%	6,054	1,555
Universal Robots Spain S.L.	Barcelona, Spain	100%	8,066	248
Universal Robots (Germany) GmbH	München, Germany	100%	17,167	4,969
Universal Robots Mexico S.A. de C.V.	Mexico City, Mexico	100%	233	-1,007
Universal Robot (UK) Ltd.	London, United Kingdom	100%	2,146	400
UR Technology (Shanghai) Co, Ltd.	Shanghai, China	100%	4,571	400
MiR Robots (Shanghai) Co, Ltd.	Shanghai China	100%	1,486	480
			86,150	**13,289**

11. Other fixed asset investments

	Group	Parent company	
	Deposits	Receivables from group enterprises	Deposits
	TDKK	TDKK	TDKK
Cost at 1 January	10,350	7,390	4,542
Net effect from merger and acquisition	2,622	0	2,319
Cost at 31 December	12,972	7,390	6,861
Carrying amount at 31 December	**12,972**	**7,390**	**6,861**

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK

12. Deferred tax asset

Deferred tax asset at 1 January	-14,496	27,401	-16,459	28,659
Amounts recognised in the income statement for the year	17,387	-41,897	16,459	-45,118
Deferred tax asset at 31 December	**2,891**	**-14,496**	**0**	**-16,459**
Recognised in the balance sheet as follows:				
Assets	2,891	1,963	0	0
Provisions	0	-16,459	0	-16,459
	2,891	**-14,496**	**0**	**-16,459**

The recognized tax asset of DKK 2.891k relates to the tax effect of accrued income in a group subsidiary.

13. Prepayments

Prepayments consist of prepaid expenses concerning rent, exhibitions and materials.

14. Share capital

The share capital consists of 700,147 shares of a nominal value of DKK 1. No shares carry any special rights.

In 2024 a capital increase was made of 154,032 shares of each DKK 1 nominal value.

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK

15. Other provisions

The Company provides standard warranty of 12-15 months on products and is therefore obliged to repair or replace goods which are not satisfactory. The calculation of standard warranty is based on previous experience in respect of the level of repairs and returns, and the expected cost. In addition, a specific warranty provision was made end of year, to cover a specific known repair case. The following have been recognised for expected warranty claims.

Warranty provisions	28,728	46,915	28,728	46,915
	28,728	**46,915**	**28,728**	**46,915**

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK

16. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Other payables				
After 5 years	0	0	0	0
Between 1 and 5 years	9,586	9,319	9,586	9,319
Long-term part	9,586	9,319	9,586	9,319
Other short-term payables	178,882	184,576	143,333	155,424
	188,468	**193,895**	**152,919**	**164,743**
Deferred income				
After 5 years	0	0	0	0
Between 1 and 5 years	83,128	78,849	78,905	77,549
Long-term part	83,128	78,849	78,905	77,549
Other deferred income	69,074	71,585	67,370	70,605
	152,202	**150,434**	**146,275**	**148,154**

Long term other payables relate to frozen holiday allowance, which is interest bearing debt.

17. Deferred income

Deferred income relates to accrual of revenue from future services relating to the company's delivered products and additional warranty, grants, and payments received in respect of income in subsequent years.

18. Cash flow statement - Adjustments

	Group	
	2024	2023
	TDKK	TDKK
Financial income	-14,125	-7,375
Financial expenses	13,567	16,874
Depreciation, amortisation and impairment losses, including losses and gains on sales	167,847	129,896
Tax on profit/loss for the year	-26,420	-4,621
	140,869	**134,774**

19. Cash flow statement - Change in working capital

	Group	
	2024	2023
	TDKK	TDKK
Change in inventories	-13,594	-54,986
Change in receivables	-13,771	41,272
Change in trade payables, etc	-25,878	-41,953
	-53,243	**-55,667**

20. Contingent assets, liabilities and other financial obligations

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
Rental and lease obligations				
Rent and lease liabilities	174,890	128,051	73,926	63,523

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK

20. Contingent assets, liabilities and other financial obligations

Guarantee obligations

The company has issued guarantee commitments covering bankfacilities of group companies at a maximum of	0	0	4,964	3,040

Other contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Teradyne Holdings Denmark ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

21. Related parties and disclosure of consolidated financial statements

	Basis
Controlling interest	
Teradyne Inc.	Ultimate Parent

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(6) of the Danish Financial Statements Act.

There have been no transactions with the Board of Directors, the Executive Board, senior officers, significant shareholders, group enterprises or other related parties, except for intercompany transactions and normal management remuneration.

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

Name	Place of registered office
Teradyne Inc.	North Reading, MA, USA

The Group Annual Report of Teradyne Inc. may be obtained at the following address:

Corporate Headquarters
600 Riverpark Drive
North Reading, MA 01864
USA

22. Fee to auditors appointed at the general meeting

	Group	
	2024	2023
	TDKK	TDKK
PricewaterhouseCoopers		
Audit fee	710	800
Other assurance engagements	21	32
Tax advisory services	625	110
Non-audit services	50	38
	1,406	**980**
KPMG		
Audit fee	265	259
	265	**259**
Ernst & Young		
Non-audit services	99	88
	99	**88**
Krogh & Partners Ltd.		
Audit fee	71	68
	71	**68**
BDO		
Non-audit services	22	16
	22	**16**
Shanghai Harvest Capital capital certified Public Accountants Partnership		
Audit fee	20	0
	20	**0**

23. Accounting policies

The Annual Report of Teradyne Robotics A/S for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2024 are presented in TDKK.

Merger
On 6 December 2024 Universal Robots A/S merged with the group-related entity Mobile Industrial Robots A/S with Universal Robots A/S as the continuing entity. On the same date Universal Robots A/S legally changed its name to Teradyne Robotics A/S.

The merger has been accounted for using the pooling of interests-method, whereby comparative figures have been restated to reflect that the two entities had always been combined. The net effect from the merger has been recognized directly in equity with DKK 179m for the parent and DKK 182m for the group.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, Teradyne Robotics A/S, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Business combinations

Pooling of interests

Intragroup business combinations are accounted for under the pooling-of-interests method. Under this method, the two enterprises are combined at carrying amounts, and no differences are identified. Any consideration which exceeds the carrying amount of the acquired enterprise is recognised directly in equity. The pooling-of-interests method is applied as if the two enterprises had always been combined by restating comparative figures.

Minority interests

Minority interests form part of the Group's total equity. Upon distribution of net profit, net profit is broken down on the share attributable to minority interests and the share attributable to the shareholders of the Parent Company. Minority interests are recognised on the basis of a remeasurement of acquired assets and liabilities to fair value at the time of acquistition of subsidiaries.

Business acquisitions carried through before 1 July 2018

Minority interests are recognised at the carrying amounts of the acquired assets and liabilities at the time of acquisition of subsidiaries.

Business acquisitions carried through on or after 1 July 2018

Minority interests are initially measured at their proportionate share of the fair value of the acquired entity's identifiable net assets. In this way, only goodwill related to the Parent Company's share of the entity acquired is recognised.

On subsequent changes to minority interests where the Group retains control of the subsidiary, the consideration is recognised directly in equity.

Leases

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Group.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement; however, see the section on hedge accounting.

Income statements of foreign subsidiaries and associates that are separate legal entities are translated at transaction date rates or approximated average exchange rates. Balance sheet items are translated at the exchange rates at the balance sheet date. Exchange adjustments arising on the translation of the opening equity and exchange adjustments arising from the translation of the income statements at the exchange rates at the balance sheet date are recognised directly in equity.

Income statements of enterprises that are integrated entities are translated at transaction date rates or approximated average exchange rates; however, items derived from non-monetary balance sheet items are translated at the transaction date rates of the underlying assets or liabilities. Monetary balance sheet items are translated at the exchange rates at the balance sheet date, whereas non-monetary items are translated at transaction date rates. Exchange adjustments arising on the translation are recognised in financial income and expenses in the income statement.

Segment information on revenue

Information on geographical segments is based on the Group´s risks and returns and its internal financial reporting system.

Incentive schemes

The value of share-based payment, including share option and warrant plans that do not involve an outflow of cash and cash equivalents, offered to the Executive Board and a number of senior employees is not recognised in the income statement. The most significant conditions of the share option plans are disclosed in the notes.

Income statement

Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement when the sale is considered effected based on the following criteria:

• delivery has been made before year end;

• a binding sales agreement has been made;

• the sales price has been determined; and

• payment has been received or may with reasonable certainty be expected to be received.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Group. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

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

Production expenses

Production expenses comprise costs incurred to achieve revenue for the year. Cost comprises raw materials, consumables, direct labour costs and indirect production costs such as maintenance and depreciation, etc, as well as operation, administration and management of factories.

Production expenses also include amortisation of goodwill to the extent that goodwill relates to production activities.

Distribution expenses

Distribution expenses comprise costs in the form of salaries to sales and distribution staff, advertising and marketing expenses as well as operation of motor vehicles, depreciation, etc.

Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Group.

Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with . The tax effect of the joint taxation with the subsidiaries is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance sheet

Intangible fixed assets

Goodwill

Goodwill is amortised on a straight-line basis over the estimated useful life of 10 years, determined on the basis of Management's experience with the individual business areas.

Development projects

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount corresponding to the recognised development costs is allocated to the equity item 'Reserve for development costs'. The reserve comprises only development costs recognised in financial years beginning on or after 1 January 2016. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 5 year.

Other intangible fixed assets

Patents and licences are measured at cost less accumulated amortisation and less any accumulated impairment losses or at a lower value in use.

Patents are amortised over the remaining patent period or a shorter useful life. The amortisation period is 5 years. Software licences are amortised over the period of the agreements, which is 3 years.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans are not recognised in cost during construction and reconstruction periods.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	2-10 years
Leasehold improvements	2-10 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Goodwill, head office buildings and other assets for which a separate value in use cannot be determined as the asset does not on an individual basis generate future cash flows are reviewed for impairment together with the group of assets to which they are attributable.

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Other fixed asset investments

Other fixed asset investments consist of deposit.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

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

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Group has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

Deferred tax assets and liabilities are offset within the same legal tax entity.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial liabilities

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.

Cash Flow Statement

With reference to section 86(4) of the Danish Financial Statements Act, the Parent Company has not prepared a cash flow statement for the Company itself but has only prepared a cash flow statement for the Group.

The cash flow statement shows the Group's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise ”Cash at bank and in hand”.

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

Profit margin	Profit/loss of primary operations x 100 / Revenue
Return on assets	Profit/loss of primary operations x 100 / Total assets at year end
Solvency ratio	Equity at year end x 100 / Total assets at year end
Return on equity	Net profit for the year x 100 / Average equity