

Furuno Danmark A/S

Hammerholmen 44-48, DK-2650 Hvidovre

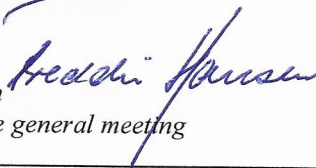
Annual Report for 2022

CVR-no.. 10 99 97 31

*The Annual Report was presented and adopted
at the Annual General Meeting of the company
on 23⁶ 2023*

Freddie Hansen

Chairman of the general meeting



Contents

	Page
Annual report	1
Auditor's report	2
Company informaion	4
Management review	5
Accounting policies	8
Fiancial highlights	13
Profit and loss account	15
Balance sheet	16
Statement of change in equity	18
Cash flow Statement	19
Notes	20

Management's Statement on the Annual Report

The Executive and Supervisory Boards have today presented the Annual Report of Furuno Danmark A/S for 2022.

The Annual Report was prepared in accordance with the Danish Financial Statements Act.

We consider the accounting policies applied appropriate, and in our opinion the Annual Report gives a true and fair view of the financial position and the results of operations and cash flows of the company and Group.

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

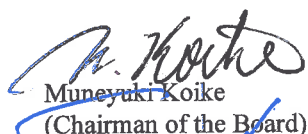
Hvidovre March 6, 2023

Executive Board



Freddie Hansen

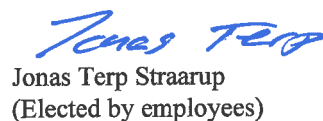
Supervisory Board



Muneyuki Koike
(Chairman of the Board)



Freddie Hansen



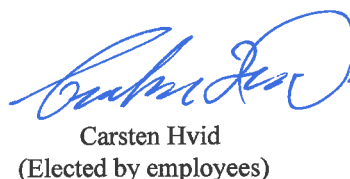
Jonas Terp Straarup
(Elected by employees)



for Shigenori Ametani
(Vice chairman)



for Kensuke Kubo



Carsten Hvid
(Elected by employees)

Independent Auditor's Report

To the Shareholder of Furuno Danmark A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022, and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Furuno Danmark A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of cash flows, statement of changes in equity and notes, including a summary of significant accounting policies ("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 Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on 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 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 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 skepticism throughout the audit. We also:

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

Copenhagen March 6, 2023

PricewaterhouseCoopers
 Statsautoriseret Revisionspartnerselskab
 CVR/VAT no. 33 77 12 31
 Allan Kamp Jensen
 State Authorised Public Accountant
 MNE 15126

Company information

The Company

Furuno Danmark A/S
Hammerholmen 44-48
2650 Hvidovre
Danmark

Telephone 36774500
E-mail : furuno@furuno.dk
Home page: www.furuno.dk

CVR-no: 10 99 97 31
Financial year: 1. januar – 31 december
Location: Hvidovre

Supervisory Board

Muneyuki Koike
Shigenori Ametani
Kensuke Kubo
Freddie Hansen
Jonas Terp Straarup
Carsten Hvid

Executive Board

Freddie Hansen

Auditors

PricewaterhouseCoopers
Strandvejen 44
Postboks 2709
2900 Hellerup

Management's Review

The company's essential activities

The company offers equipment, system solutions and services to shipping companies, shipyards and off-shore customers, where the requirements for specialization are increasing with turnkey infrastructure in communications, navigation systems, dynamic positioning systems, fish-finding systems, maritime training and meteorology.

Market overview

Market opportunities depend on developments in the freight market utility the company's focus on climate changes (weather radar), increased safety regulations at sea, environmental requirements for bird monitoring around wind-mill parks and airports, the offshore sector and the developments in the fishing industry regulated by EU quota policy and world fish prices, as well as the economic development of the Baltic and Eastern European countries.

Developments in 2022

Economic conditions

The gross profit for the year amounts to DKK 64.3573K against DKK 56,254K last financial year. The ordinary result - after deduction of a loss generated for the sale of the Company's Russian subsidiary, amounts to DKK 2,031K against DKK 3,306K last financial year (after tax).

The increased gross profit is largely related to deliveries of equipment for newly built fishing vessels in Denmark, Turkey and Spain. The Russian aggression in Ukraine followed by EU sanctions led to a cease of activities in Russia and a loss of business and profit from our Russian based Subsidiary, which were sold to the Russian management in Summer 2022. By diverged activities and sales the company manage to mitigate the lack of Russian business during 2022 to a minimum impact of the results.

The past year and follow-up on last year's expected development

The Company's consolidated sales in 2022 presented a deviation from the budget of 11% primarily due to the interruption of deliveries - caused by EU export restrictions - after 24 February 2022 to the Company's subsidiary in Russia.

Increased revenue in connection with sales to direct customers partially compensated for the reduced revenue and positively affected gross profit by 3.5% resulting in positive EBITDA 17% higher than budgeted.

However, income from subsidiaries, which in 2022 had been budgeted for a total of DKK 7.9 million, ended with a loss of DKK 8.4 million due to sales on 30 June 2022 of the company's subsidiary in Russia resulting in a marginal positive Profit Before Tax reaching DKK 354K vs. budgeted EBT of DKK 12.7 Mio.

Expectations for the future.

Management expects that the company's revenue and operations in the coming financial year - especially 1st to 3rd quarter - may be negatively affected in the order of 12-15 % for equipment and accessories/spare parts due to delivery problems from parent company and subcontractors. The Order backlog is substantial and mainly based on deliveries of package solutions for new buildings and major equipment upgrades, however, depends on the ability to deliver equipment/parts in time. Revenue for service in 2023 is expected to par with realized sales in 2022. According to the above, management expect to realize a positive result in 2023 from operating activities in the range of DKK 3 Mio.

Subsequent events

As a consequence of Russia's invasion of Ukraine, and the restrictions imposed on trade with Russia by the international community, territories under control of the company will be less active e.g. Baltic countries, since sales/service activities to Russian vessels entering ports in EU are sanctioned and there is a risk that it will have negative consequences for the results and earnings in 2023.

Management is following developments closely, but it is still too early to say what effect this will have on earnings in 2023.

Unusual conditions

The company's assets, liabilities and financial position at December 31, 2022 - as well as the result of the company's activities for 2022 - are not affected by any unusual circumstances.

The company did not experience any significant events in 2022 that do not appear in the annual report!

Capital Contingency Plan

Cash and deposit are solid and sufficient to cover the needs for the necessary working capital.

Special risks – operational risks and financial risks

Operational

The company is owned by the company's largest supplier FURUNO ELECTRIC COMPANY LTD., JAPAN. To complement the product portfolio for diversified business areas, the Company also has a large number of distribution agreements with e.g. MaxSea in France, McMurdo UK, Miwire Denmark, FLIR and David Clark, USA, 3M Sweden, J. Hatteland and Jotron in Norway, ENL in New Zealand, as well as Danimex and EMRI in Denmark

Market Risks

In 2023 COVID-19 is not expected to be threat to the company's actives although overseas production delays may have an impact on the company's delivery situation of equipment/parts produced overseas.

The market is generally considered to be unstable, especially within the shipping industry. Upon extraordinary earnings in Commercial shipping during 2022, a drop in revenues is expected for 2023 based on increasing inflation, less demand, high fuel prices and general worldwide unrest and tension.

Global economy and trade and restrictions on international trade shall be expected. Developments in the fisheries market are also assessed as unstable, affected by unresolved restrictions for Danish fishing vessels in English and Norwegian waters, as well as world market prices for fish and the catch quotas set by the EU.

The market situation in Eastern Europe is uncertain after Russia's entry into Ukraine. The international restrictions impact on the cross country-based trade with Russia, Balticum and Ukraine is a risk, if diverse business cannot be generated.

The offshore market (oil/gas/wind energy) will improve based on sharply increased oil prices and need for alternative energy sources.

Availability of components and equipment will be an important factor for all maritime vendors in 2023. Ability to deliver will be a competitive advantage in 2023 allowing prices to improve for vendors able to follow market demand.

In 2023, there is a risk that deferred deliveries of products, due to subcontractors' general lack of components, could negatively affect budgeted sales and earnings - especially in the first three quarters of the year. To ensure competitiveness, the company focus on added values in the distribution chain, e.g. Webshop initiatives for Dealers, improved delivery times/ex. stock deliveries of equipment, spare parts and professional handling of service both locally and globally.

Our budgets for 2023 have been carefully assessed for each geographical area, for which we - based on available information about the individual markets - have set our targets for sales and gross margins on a par with the realized results for 2022; but the prevailing uncertainty may to a relatively large extent affect the group's revenue and earnings in 2023.

Environmental conditions

Governmental and local community rules for waste control and sorting have been implemented and is part of company's participation in the global trend of sustainability as a contribution to improve the environment.

Currency risks / financial income / expenses

January 1st, 2023, our parent company implemented EUR as trading currency, mitigating the risk of currency fluctuation to DKK. However, the new EUR prices are depending on the development in the YEN to EUR exchange rate and constitutes a major risk to the company's sales and profit, since an increase in JPY against EUR/DKK may lead to price increases and have a negative impact on the company's competitiveness and earnings.

Volatile exchange rates in 2022 resulted in an exchange loss for the company for the year of approx. DKK -3.167K.

The company generally has no tradition of hedging currency risks.

Strategy and targets

Furuno Denmark strives to grow faster than its competitors in all areas.

Furuno Denmark will continue its overall objective of creating a profit for the company's shareholders, which meets the shareholders' requirements for return on their invested capital.

With a focus on specific product solutions for the individual markets as well as competencies to ensure professional services from design to final delivery and training of customers and authorized dealers, we expect a continued strengthening of our market position.

Certifications

Furuno Denmark and all subsidiaries are ISO-9001 certified. Furuno Denmark is also certified according to ISO-45001 and approved by classification societies such as DNV-GL, Lloyds, Rina, ABS, Nippon Kaiji Kyokai, Maritime Coast Guard, Bureau Veritas and others as well as by the Danish Maritime Authority.

Accounting policies

Basis of preparation

The Annual Report of Furuno Danmark A/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to mid-size enterprises of reporting class C.

The Financial Statement is prepared in DKK

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of Furuno Electric Co. Ltd, the Company has not prepared consolidated financial statements

Recognition and measurement

All revenues are recognised in the income statement as earned 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 at the time of sale or may with reasonable certainty be expected to be received.

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

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

Investments in subsidiaries

Investments in subsidiaries and associates are recognised and measured under the equity method

The items "Income from investments in affiliated companies" include the proportionate share of the profit.

The items "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated under the accounting policies of the Parent Company with deduction or addition of unrealised inter company profits or losses and with addition or deduction of any remaining value of positive or negative differences.

The total net revaluation of investments in subsidiaries and associates is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity.

Leases

Leases in respect of property, plant and equipment in terms of which the individual group enterprises assume substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the fair value of the leased asset, if measurable. Alternatively, the net present value, if lower, of future lease payments at the inception of the lease is applied. When computing the net present value, the interest rate implicit in the lease is applied as the discount rate or an approximated value. Assets acquired under finance leases are depreciated and written down for impairment like the other property, plant and equipment of the Company.

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 over the lease term.

Translation policies

Transactions in foreign currencies are translated during the year at the exchange rates at the dates of transaction. Gains and losses 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.

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.

Foreign subsidiaries of the Company that are separate legal entities, income statements are translated at average exchange rate and balance are translated at the exchange rates at the balance sheet date.

Exchange adjustments arising on the translation of the opening equity of independent foreign enterprises and exchange adjustments arising from the translation at average exchange rates of the income statements of independent foreign enterprises are recognised directly in equity

Corporation tax and deferred tax

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity entries is recognised directly in equity. Any share of the tax reported in the income statement arising from profit/loss on extraordinary activities for the year is attributed to such activities, whereas the remaining share is attributed to profit/loss on ordinary activities for the year.

Deferred tax is measured under the balance sheet liability method 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 or 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. 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 or settlement of the liability, respectively.

Adjustment is made for deferred tax concerning unrealised inter company gains and losses.

Deferred tax is measured on the basis of the tax rules and tax rates of the respective countries that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Income Statement

Turnover

The net turnover consist of sales of goods together with sales of service and service agreements in accordance with general accounting policy hereby that delivery and risk has taken place before end of financial year, the amount is trustworthy and is expected to be received. Net turnover is excluding VAT and discounts given to secure the sale.

Gross profit

Gross profit contains net sales less costs of goods sold as with reference to section 32 of the Danish Financial Statement Act.

Distribution- sale and advertising costs

Distribution costs contains cost related to sale distribution, marketing and advertising as well as car expenses, depreciations etc.

Administration costs

Administration costs contains costs for management, office expenses, depreciations etc.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments.

Balance Sheet

Intangible 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.

The amortisation period is measured by reference to an assessment of, among other factors as the nature of the market position of the business, the stability of the industry and earnings, the market position of the acquired entity and what is considered as normal in the business.

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.

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:

Land	Not depreciated
Buildings	24 - 30 years
Automobiles	4 years
Equipment, IT and software	3 - 10 years
Goodwill & other intangible assets	10 years

Impairment of fixed assets

The carrying amounts of both intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation. If so, the asset is written down to its lower recoverable amount. 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 should be assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

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

Inventories

Finished goods are assessed at acquisition costs including costs of transportation less write down for technical obsolescence.

Spare parts are assessed at acquisition costs including costs of transportation. Write down for technical obsolescence and slow moving items has been made.

Receivables

Receivables are realizable in the balance sheet at the lower of amortised cost and net realizable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience.

Prepayments

Prepayments comprise prepaid expenses concerning insurance premiums and subscriptions.

Equity

Dividend

Dividend expected to be distributed for the year is disclosed as a separate line in Equity.

Provisions

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

Other provisions include warranty obligations in respect of repair work within the warranty period of 1-2 years. Provisions are measured and recognised based on experience with guarantee work.

Other debt

Other debt is recognized to amortized cost price, which normally correspond to nominal value
Prepayments and deferred income

Prepayments include expenses incurred in respect of subsequent financial years, including fair value adjustments of derivative financial instruments with a positive fair value. Such expenses are typically prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred income

Deferred income includes payments received in respect of income in subsequent years as well as fair value adjustments of derivative financial instruments with a negative fair value

Prepayments and deferred income

Cash flow statement

The cash flow statement shows the Company'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 Company'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 non-cash operating items such as depreciation, amortization and impairment losses, provisions as well as changes in working capital, interest received and paid and corporation tax paid. 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 payment of dividend to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand" in current assets.

Accounting Policies

Financial ratios

The financial ratios have been calculated in accordance with the guidelines issued by the Danish Society of Financial Analysts.

The financial ratios have been calculated as follows:

$$\text{Return on net assets} = \frac{\text{Profit before financials} \times 100}{\text{Total assets}}$$

$$\text{Solvency ratio} = \frac{\text{Equity at year end} \times 100}{\text{Total assets}}$$

$$\text{Return on equity} = \frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$$

Financial Highlights

	Parent company				
	2022	2021	2020	2019	2018
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
Profit/loss:					
Operating profit/loss	64.357	56.254	49.647	54.592	58.989
Profit/loss before financial income and expenses	10.524	4.176	1.065	3.999	8.898
Net financials	-2.277	90	-1.494	784	-9
Net profit/loss for the year after tax	-1.566	17.819	6.642	9.410	11.108
Balance Sheet					
Balance sheet total	197.398	199.807	194.477	177.669	173.592
Equity	177.215	174.474	165.230	160.906	150.930
Ratios:					
Return on assets	5,3%	2,1%	0,5%	2,3%	5,1%
Solvency ratio	89,8%	87,3%	85,0%	90,6%	86,9%
Return on equity	-0,9%	10,5%	4,1%	6,0%	0,0%

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, see under accounting policies.

Income Statement 1 January - 31 December

	Note	2022 DKK	2021 DKK
Gross profit	1	64.357.263	56.254.310
Distribution expenses		38.799.091	36.061.984
Administration expenses		15.034.641	16.016.763
Operating profit/loss		10.523.531	4.175.563
Income from investment in subsidiaries after tax	3	-7.891.720	14.513.362
Financial income	4	4.547.708	2.898.965
Financial expenses	5	6.825.485	2.809.242
Profit/loss before tax		354.034	18.778.648
Tax on profit/loss for the year	6	1.919.685	959.399
Net profit /loss for the year	7	-1.565.651	17.819.249

Balance sheet 31 December

Assets

	Note	2022 DKK	2021 DKK
Goodwill		966.667	0
Intangible assets	8	966.667	0
Land and buildings		2.562.583	2.644.744
Cars		0	6.591
Other fixtures and fittings, tools and equipment		1.928.967	2.188.454
Property, plant and equipment	9	4.491.550	4.839.789
Investments in subsidiaries	10	35.056.399	51.131.020
Loan to group companies	11	25.005.918	19.691.368
Deposits	12	54.735	54.735
Fixed asset investments		60.117.052	70.877.123
Fixed assets		65.575.269	75.716.912
Finished goods and goods for resale	13	27.235.520	28.435.130
Trade receivables		21.348.259	20.122.109
Receivables from group enterprises		43.824.763	547.980
Other receivables	14	8.042.042	93.244
Corporation tax		53.960	268.104
Prepayments	15	519.275	917.352
Receivables		73.788.299	64.948.789
Cash at bank and in hand		30.798.430	30.706.565
Current assets		131.822.250	124.090.484
Assets		197.397.519	199.807.396

Balance sheet 31 December

Liabilities and equity

	Note	2022 DKK	2021 DKK
Share capital		15.000.000	15.000.000
Reserve for net revaluation under the equity method		22.662.977	38.735.659
Retained earnings		139.552.067	120.738.336
Equity		177.215.044	174.473.995
Provision for deferred tax	16	170.000	231.000
Other provisions	17	986.000	599.000
Provisions		1.156.000	830.000
Prepayments received from customers		334.529	3.840.756
Trade payables		5.419.416	3.654.365
Payables to group enterprises		4.730.749	7.618.683
Corporation tax payable to group enterprises		1.478.777	0
Other payables		6.455.505	8.980.600
Deferred income	18	607.500	408.997
Short-term debt		19.026.475	24.503.401
Debt		19.026.475	24.503.401
Liabilities and equity		197.397.519	199.807.396
Contingent assets, liabilities and other financial obligations	19		
Related parties and ownership	20		
Subsequent events	21		

Statement of changes in equity

Equity at 1 January 2022	Share capital	Reserve under the equity method	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK	DKK
	15.000.000	38.735.659	120.738.336	0	174.473.995
Dividend paid				0	0
Change in intercompany profit on inventories	0	301.000	(301.000)	0	0
Exchange adjustments relating to separate foreign legal entities	0	4.306.700	0	0	4.306.700
Dividend from Furuno Polska Z.o.o and Furuno Sweden Ab	0	0	-	0	0
Net profit/loss for the year	0	-3.897.565	2.331.914	0	-1.565.651
Subtractec for the year, Furuno Euris sold	0	-16.782.817	16.782.817	0	0
Proposed dividend for the year	0	0	0	0	0
Transferred to cover loss			0		0
Equity at 31 December	15.000.000	22.662.977	139.552.067	0	177.215.044

2021:

Equity at 1 January 2021	Share capital	Reserve under the equity method	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK	DKK
	15.000.000	28.457.210	112.773.219	9.000.000	165.230.429
Dividend paid				-9.000.000	-9.000.000
Change in intercompany profit on inventories	0	-113.000	113.000	0	0
Exchange adjustments relating to separate foreign legal entities	0	424.316	0	0	424.316
Dividend from Furuno Polska Z.o.o	0	-4.659.229	4.659.229	0	0
Net profit/loss for the year	0	14.626.362	3.192.888	0	17.819.250
Proposed dividend for the year	0	0	0	0	0
Transferred to cover loss			0		0
Equity at 31 December	0	38.735.659	120.738.336	0	174.473.995

Cash Flow Statement

	Note	2022	2021
		DKK	DKK
Net profit/loss for the year		-1.565.651	17.819.249
Adjustments	21	1.694.317	-8.787.835
Change in working capital	22	-11.534.813	9.371.524
Cash flows from operating activities before financial income and expenses		-11.406.148	18.402.938
Financial income		4.547.708	2.898.965
Financial expenses		-6.825.485	-2.809.242
Cash flows from ordinary activities		-13.683.924	18.492.661
Corporation tax paid/received		-287.762	-524.003
Exchange adjustment of investment in subsidiaries		6.659.595	424.316
Cash flows from operating activities		-7.312.091	18.392.974
Purchase of intangible assets		-1.000.000	0
Purchase of property, plant and equipment		-178.316	-231.874
Sale of subsidiary		16.784.756	0
Loan to daughter company and former daughter company		-5.314.550	11.749.469
Pengestrømme fra investeringsaktivitet		10.291.890	11.517.595
Cash flows from investing activities			
Repayment of payables to group enterprises		-2.887.934	-10.264.398
Dividend paid		0	-9.000.000
Cash flows from financing activities		-2.887.934	-19.264.398
Change in cash and cash equivalents		91.865	10.646.171
Cash and cash equivalents at 1 January		30.706.565	20.060.394
Cash and cash equivalents at December		30.798.430	30.706.565
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		30.798.430	30.706.565
Cash and cash equivalents at December		30.798.430	30.706.565

Note to the Annual Report

1 Special Items

In the Income Statement for 2022 an amount of DKK - 4,295K is recognized in the income form investment in subsidiaries. The amount relates to the loss from the sale of the company's subsidiary in Russia, forced by the war in Ukraine.

	2022	2021
	DKK	DKK
2 Staff		
Wages and salaries	38.561.420	38.725.068
Pensions	2.910.216	3.073.128
Other social security expenses	676.139	583.966
	42.147.775	42.382.162
Wages and salaries, pensions and other social security expenses are recognised in the following items:		
Distribution expenses	34.968.754	32.588.702
Administrative expenses	7.179.022	9.793.460
	42.147.775	42.382.162
Average number of employees	58	58

According to Danish Accounting Act § 98 B Sec 3, fee to BoD and Executive board is not shown.

3 Income from investments in subsidiaries

Share of profits of subsidiaries	3.747.265	14.626.362
Share of losses of subsidiaries	-7.644.829	0
Loss on sale of subsidiary	-4.295.156	0
Change in intercompany profit on inventories purchased within the Group	301.000	-113.000
	-7.891.720	14.513.362

Note to the Annual Report

	2022	2021
	DKK	DKK
4 Financial income		
Exchange adjustments	3.547.237	2.324.920
Interest group company	437.213	362.999
Other financial income	563.259	211.046
	4.547.708	2.898.965
5 Financial expenses		
Exchange adjustments	6.714.169	2.720.001
Other financial expenses	111.316	89.241
	6.825.485	2.809.242
6 Tax on profit/loss for the year		
Current tax for the year	1.980.777	578.222
Deferred tax for the year	-61.000	381.177
Tax related to previous years	-92	0
Total tax for the year	1.919.685	959.399
7 Distribution of profit		
Reserve for net revaluation under the equity method	-3.897.565	14.626.362
Retained earnings	2.331.914	3.192.888
	-1.565.651	17.819.250
8 Intangible assets		Goodwill
		DKK
Cost at 1 January		0
Additions for the year		1.000.000
Cost at 31 December		1.000.000
Impairment losses and amortisation at 1 January		0
Amortisation for the year		33.333
Impairment losses and amortisation at 31 December		33.333
Carrying amount at 31 December		966.667
Amortised over		5 years

Note to the Annual Report

	2022	2021
	DKK	DKK
Depreciation and impairment of goodwill is recognised in the following items:		
Distribution expenses	33.333	0
	33.333	0

9 Property, plant and equipment

	Land and buildings	Cars	Other fixtures and fittings, tools and equipment
	DKK	DKK	DKK
Cost at 1 January	25.304.404	172.545	8.904.264
Additions for the year	0	0	178.316
Disposals for the year	0	0	-92.048
Impairment	0	0	0
Cost at 31 December	25.304.404	172.545	8.990.532
Impairment losses and depreciation at 1 January	22.659.660	165.954	6.715.810
Impairment losses for the year	0	0	0
Depreciation for the year	82.161	6.591	437.802
Impairment and depreciation of sold assets for the year	0	0	0
Reversal of impairment and depreciation of sold assets	0	0	-92.048
Impairment losses and depreciation at 31 December	22.741.821	172.545	7.061.564
Carrying amount at 31 December	2.562.583	0	1.928.968
Depreciated over	24-30 years	4 year	3-10 years

According to the official property assessment at 1 January 2009, the value of the Danish land and buildings amounts to kDKK 18,000.

Note to the Annual Report

	2022	2021
	DKK	DKK
Depreciation and impairment of property, plant and equipment are recognised in the following items:		
Cost of sales	0	0
Distribution expenses	165.274	252.038
Administration expenses	361.280	368.900
	526.554	620.938

10 Investments in subsidiaries

Accounting value 1st of January	12.395.361	12.395.361
Subtracted for the year, Furuno Euris sold	-1.940	0
Cost at 31 December	12.393.421	12.395.361
Beginning of year	38.735.659	28.457.210
Dividend from Furuno Polska Z.o.o and Furuno Sweden Ab	0	-4.659.229
Exchange adjustment	4.306.701	424.316
Net profit/loss for the year	-3.897.565	14.626.362
Subtracted for the year, Furuno Euris sold	-16.782.817	
Change in intercompany profit on inventories	301.000	-113.000
Revaluations at 31 December	22.662.978	38.735.659
Carrying amount at 31 December	35.056.399	51.131.020

Investments in subsidiaries are specified as follows:

Name	Place of registered office
Furuno Sverige AB	Gruvgatan 23, Gothenburg
Furuno Polska Z.o.o	Ul. Wolnosci 20, Gdynia
EMRI A/S	Marielundvej 37A, Herlev

All subsidiaries are recognised and measured as separate entities.

Note to the Annual Report

	2022	2021
11 Loan to group companies		
Cost at 1st January	19.691.368	31.600.000
Additions during the year	5.314.550	0
Desposal during the year	0	-11.908.632
Costsprice at 31. December	<u>25.005.918</u>	<u>19.691.368</u>
12 Deposits		
Cost at 1st January	54.735	54.735
Additions during the year	0	0
Desposal during the year	0	0
Costsprice at 31. December	<u>54.735</u>	<u>54.735</u>
13 Inventories		
Finished goods and goods for resale	<u>27.235.520</u>	<u>28.435.130</u>
	<u>27.235.520</u>	<u>28.435.130</u>
14 Other receivables		
The following receivables fall due more than 1 year after year end	<u>6.809.781</u>	<u>0</u>
15 Prepayments		
Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions and interest		
16 Provision for deferred tax		
Deferred tax 1. January	231.000	-150.177
Amounts recognized in the income statement for the year	<u>-61.000</u>	<u>381.177</u>
Deferred tax 31. December	<u>170.000</u>	<u>231.000</u>
Intangible assets	310.140	322.520
Fixed assets	-140.140	-91.520
Trade receivables	<u>170.000</u>	<u>231.000</u>

Deferred tax has been provided at 22% corresponding to the current tax rate.

Note to the Annual Report

17 Other provisions

Furuno Danmark provides warranties of 1 to 2 years on some of its products and is therefore obliged to repair or replace goods which are not satisfactory. Based on previous experience in respect of the level of repairs and returns, other provisions of kDKK 986 (2021: kDKK 599) have been recognised for expected warranty claims for the company.

	2022	2021
	DKK	DKK
Warranty provisions	986.000	599.000
	986.000	599.000

18 Deferred income

Deferred income consist of prepaid service agreements etc

19 Contingent assets, liabilities and other financial obligations

Lease obligations under operating leases. Total future lease payments.

Within 1 year

Between 1 and 5 years

After 5 years

634.109	550.164
741.769	596.756
0	0
1.375.878	1.146.920

Contractual obligations

Morgage DKK 100.000 has been issued in favour of House owner association.

100.000	100.000
---------	---------

The Company is jointly taxed with EMRI A/S 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.

Note to the Annual Report

20 Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company:

Name	Place of registered office
Furuno Electric Co. Ltd.	Nishinomiya-shi, Japan

The Group Annual Report can be obtained at the following address:

9-52 Ashihara-cho
Nishinomiya-shi
662-8580 Hyogo-ken
Japan

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)(7) of the Danish Financial Statements Act.

21 Subsequent events

Furuno Denmark A/S has March 1st 2023 sold its subsidiary EMRI A/S to our parent company Furuno Electric Company Ltd. The negotiations have started after the balance sheet and therefore, Management considers the sale to be a non-adjusting event.

22 Cash flow statement - adjustments

	2022 DKK	2021 DKK
Financial income	-4.547.708	-2.898.965
Financial expenses	6.825.485	2.809.242
Depreciation, amortisation and impairment losses, including losses and gains on sales	559.887	620.938
Loss on sale of Subsidiary	-4.295.156	0
Income from investments in subsidiaries after tax	7.891.720	-14.513.362
Dividend from subsidiaries	0	4.659.229
Skat af årets resultat	1.919.685	959.399
Other adjustments	-6.659.596	-424.316
	1.694.317	-8.787.835

Note to the Annual Report

	2022	2021
	DKK	DKK
23 Cash flow statement - change in working capital		
Change in inventories	1.199.610	1.377.155
Change in receivables	-9.053.654	1.873.747
Change in other provisions	387.000	234.000
Change in trade payables, etc.	-4.067.769	5.886.622
	-11.534.813	9.371.524