

AGRAMKOW Fluid Systems A/S


Augustenborg Landevej 19, 6400 Sønderborg

Company reg. no. 12 24 55 99

Annual report

2023

The annual report was submitted and approved by the general meeting on the 14 March 2024.

DocuSigned by:

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Jörg Günther Andreas Brunke
Chairman

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

The Board of Directors and the Executive Board have today discussed and approved the annual report of AGRAMKOW Fluid Systems A/S for the financial year 1 January – 31 December 2023.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 December 2023 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2023.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and its financial position.


We recommend the annual report to be approved at the annual general meeting

Darmstadt, Germany, 14 March 2024


Executive board

DocuSigned by:

Søren Erik Nielsen
Group CEO

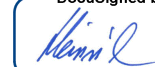
DocuSigned by:

Jacob Rosenhøj Jørgensen
Group CFO

Board of directors

DocuSigned by:

Jörg Günther Andreas Brunke
Chairman

DocuSigned by:

Kjeld Jørgen Kückelhahn

DocuSigned by:

Dietmar Claus Heinrich

Independent auditor's report

To the shareholders of AGRAMKOW Fluid Systems A/S

Opinion

We have audited the financial statements of AGRAMKOW Fluid Systems A/S for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations and cash flows for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

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

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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.

Independent auditor's report

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 the 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 the internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

Independent auditor's report

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 of the management commentary.

Kolding, 14 March 2024

Deloitte Statsautoriseret Revisionspartnerselskab

Company reg. no. 33 96 35 56

DocuSigned by:



Allan Trolle Pedersen

State Authorised Public Accountant
mne34339

Company information

The company

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Augustenborg Landevej 19
6400 Sønderborg

Phone +45 74 12 36 36

Web site www.agramkow.com

E mail agramkow@agramkow.com

Company reg. no. 12 24 55 99

Established: 1 January 1988

Domicile: Sønderborg

Financial year: 1 January 2023 - 31 December 2023

Board of directors

Jörg Günther Andreas Brunke, Chairman
Kjeld Jørgen Kückelhahn
Dietmar Claus Heinrich

Executive board

Søren Eriksen Nielsen, Group CEO
Jacob Rosenhøj Jørgensen, Group CFO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

General meeting

Ordinary general meeting will be held on 14 March 2024

Financial highlights

DKK in millions	2023	2022	2021	2020	2019
Income statement:					
Revenue	250,3	167,8	139,9	128,8	185,5
Gross profit	133,5	71,7	55,4	63,5	77,9
Profit from operating activities	41,3	4,9	-16,5	-10,3	4,9
Net financials	-4,7	-1,6	-1,2	-0,7	-2,5
Net profit or loss for the year	27,8	1,0	-12,1	-10,2	3,7
Statement of financial position:					
Non-current assets	138,9	154,2	157,0	162,0	174,0
Current assets	134,8	90,3	60,8	63,8	65,7
Total assets	273,7	244,5	217,8	225,8	239,7
Share capital	10,8	10,8	10,8	10,8	10,8
Equity	97,7	69,8	67,3	80,0	71,1
Provisions	13,8	11,0	10,5	11,5	10,8
Non-current liabilities other than provisions	1,6	3,5	5,9	13,7	10,3
Current liabilities other than provisions	160,6	160,2	134,1	120,6	147,5
Cash flows:					
Operating activities	2,1	20,5	-8,9	3,9	35,1
hereof before financial expenses, net and tax	7,3	22,3	-9,8	6,4	49,0
Investing activities	-2,2	-9,1	-13,0	-8,0	-8,4
hereof sales of intangible assets	-6,7	-8,8	-13,0	-8,9	-8,8
hereof investments in equipment	-0,3	-0,3	0,0	-0,6	-1,5
hereof investment in foreign subsidiaries	0,0	0,0	0,0	0,0	0,0
hereof dividend received from foreign subsidiaries	4,8	0,0	0,0	1,5	1,9
Financing activities	-2,5	2,8	17,8	1,5	-22,4
hereof financed by parent company and affiliates	0,0	5,5	20,6	4,5	-19,1
hereof adjustment IFRS 16 Leases	-2,5	-2,7	-2,8	-3,0	-3,3
Total cash flows	-2,6	14,2	-4,1	-2,6	4,3
Employees:					
Average number of full-time employees	107	97	97	99	100

Financial highlights

DKK in thousands.	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Key figures in %:					
Gross margin ratio	53,3	42,7	39,6	49,3	42,0
Profit margin (EBIT-margin)	16,5	2,9	-11,8	-8,0	2,6
Solvency ratio	35,7	28,5	30,9	35,4	29,7
Return on equity	33,2	1,5	-16,4	-13,5	5,3
Return on invested capital	15,9	-2,1	-7,4	-4,4	2,0
Current ratio	83,9	56,4	45,3	52,9	44,5

Financial ratios have been calculated in accordance with the recommendations of the Danish Financial Association.

The figures are adapted to the effect of change in accounting policies, including the interpretation of IFRS 16. See more in the accounting policies (2019).

The figures are adapted to the effect of change in accounting policies, including the interpretation of IFRS 9 and IFRS 15. The figures are not adapted to the effect of the interpretation of IFRS 16 (2018).

The key figures and ratios shown in the statement of financial highlights have been calculated as follows:

Gross margin ratio	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Profit margin (EBIT margin)	$\frac{\text{Operating profit or loss (EBIT)} \times 100}{\text{Revenue}}$
Solvency ratio	$\frac{\text{Equity, closing balance} \times 100}{\text{Total assets, closing balance}}$
Return on equity	$\frac{\text{Net profit or loss for the year} \times 100}{\text{Average equity}}$
Return on invested capital	$\frac{\text{Operating profit or loss} \times 100}{\text{Average invested capital}}$
Current ratio	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$

Management's review

Principal activities of the Company

AGRAMKOW Fluid Systems A/S (www.agramkow.com) develops, manufactures and markets high-tech processing equipment for the appliance industries and solutions for environmental projects under the Montreal and Kyoto protocols.

Equipment and solutions for the appliance manufacturers comprise, among other things, integrated vacuum, leak detection and fluid fill systems as well as test and data collection systems for refrigerator, freezer and air conditioning factories worldwide. Equipment for the appliance industries is developed and manufactured in Sønderborg (DK) and marketed globally through AGRAMKOW partners, wholly-owned subsidiaries and affiliates (Dürr and Schenck companies):

- AGRAMKOW Asia Pacific Pte. Ltd. (subsidiary), Singapore
- AGRAMKOW do Brasil Ltda (subsidiary), Brazil
- Dürr Limited (sales and service office), Great Britain
- Schenck RoTec GmbH (sales and service office), Germany
- Dürr Somac GmbH (sales office), Germany
- Schenck USA Corp. (sales and service office), United States
- Schenck RoTec India Ltd. (sales and service office), India
- Schenck Shanghai Machinery Corp. Ltd. (sales, service, R&D and production facilities), China
- Dürr México S.A. de C.V. (sales and service office), Mexico
- Carl Schenck Machines en Installaties B.V. (service office), Netherlands
- Schenck S.A.S. (sales office), France
- Dürr Group Services GmbH (group services), Germany

Development in activities and financial position

The Company has in 2023 generated a revenue of DKK 250,3 million against DKK 167,8 million in 2022.

The revenue has increased by 49,2 %. Continued supply chain issues in 2023 with shortage on several components combined with missing capacity have caused longer delivery times to customers. Despite of this, revenue has increased significantly.

Within the appliance industry AGRAMKOW has maintained its market share in a growing total market. And therefore, the order backlog has increased during 2023.

Management's review

Profit/loss for the year

AGRAMKOW reported a very satisfactory result for 2023 as it was nearly the double of expected from last year's report and a significant improvement compared to previously year.

Profit for the year came in at DKK 27,8 million as against DKK 1,0 million in 2022.

Equity closed at DKK 97,7 million before the distribution of dividends, which is equivalent to a solvency ratio of 36 %.

During the financial year, capitalized product development amounts to DKK 6,7 million against DKK 8,7 million in 2022. AGRAMKOW continuously invests heavily in product development, and several interesting products and concepts are in the pipeline for 2024.

Outlook

Based on the backlog and expected new orders the Management expect that the profit in 2024 will be DKK 20-30 million. The outlook is depended on how the development of the supply chain situation will impact the operational situation for AGRAMKOW. Also, the development within legislation for refrigerants and the general geo-political situation could impact 2024.

Accounting policies

Basis for preparation

The annual report of AGRAMKOW Fluid Systems A/S for 2023 has been prepared in accordance with the provisions applying of the Danish Financial Statements Act as regards medium-sized reporting class C.

The financial statements have been presented in accordance with the same accounting policies as applied last year.

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements are prepared. The financial statements of AGRAMKOW Fluid Systems A/S and its group entities are part of the consolidated financial statements of Dürr AG.

The pooling of interests method is applied to business combinations such as acquisition and disposal of investments, mergers, demergers, additions of assets and share conversions, etc. in which entities controlled by the Parent Company are involved, provided that the combination is considered completed at the time of common control establishment. Assets and liabilities are measured at carrying amounts and comparative figures are restated accordingly.

Reporting currency

The financial statements are presented in Danish kroner rounded to thousands. To ensure the greatest possible applicability of this document, IAS/IFRS British English terminology has been used. Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Foreign subsidiaries and affiliates

Foreign subsidiaries and affiliates are considered separate enterprises. Items in such enterprises' income statement are translated at the average exchange rates for the month, and their balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of the opening equity of such enterprises at the exchange rate at the balance sheet date and on translation of the income statement from the average exchange rates at the transaction date to closing.

Accounting policies

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised at cost in the balance sheet and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and payables, respectively.

Changes in the fair value of derivative financial instruments designated as and qualifying for hedging of future assets or liabilities are recognised in other receivables or other payables and in equity. If the hedged forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the hedged forecast transaction results in income or expenses, amounts previously deferred in equity are transferred to the income statement in the period in which the hedged item affects the profit/loss for the year.

For derivative financial instruments that do not qualify for hedge accounting, changes in fair value are recognised in the income statement on a regular basis.

Leases

Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to represent a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed lease payments.

The lease payments are discounted using the interest rate implicit in the lease.

Right-of-use lease assets are measured at cost comprising the amount of the initial measurement of the lease liability.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the income statement. Short-term lease are leases with lease term less than 12 months. Low-value assets comprise IT-equipment and small items of office furniture etc. less than DKK 32 thousand.

Income statement

Revenue

Revenue relating to certain of the company's construction contracts is recognized in the income statement depending on the type of contract, etc., because the control transition will take place at a different time (either over time or at a certain time) by using the interpretation of IFRS 15.

Accounting policies

The requirements for estimates and assessments of, for example, variable remuneration, identification of sales contracts' sub-components, etc. has affected the amount and / or time of recognition of revenue relating to major construction contracts.

Construction contracts with a high degree of individual adjustment are recognized in revenue as production is performed, whereby revenue corresponds to the sales value of the year's completed work (percentage of completion).

The degree of completion is calculated on the basis of consumed costs in relation to the latest cost estimate.

Revenue from the sale of goods is recognized in revenue, respectively, when the transfer of the most important benefits and risks to the buyer has taken place, the income can be calculated reliably and payment is expected to be received.

Revenues from the sale of services that include service contracts are recognized on a straight-line basis in the revenue as the services are provided.

Revenue is measured at fair value of the agreed consideration exclusive VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognized in revenue.

Raw materials and consumables, etc.

Raw materials and consumables include expenses relating to raw materials and consumables used in generating the year's revenue.

Other operating income

Other operating income comprises items of a secondary nature relative to the Company's core activities, including gains or losses on the sale of fixed assets.

Other external costs

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the Company's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment of intangible assets , property, plant, equipment and right-of use lease assets

The item comprises amortisation/depreciation and impairment of intangible assets and equipment.

Accounting policies

The cost net of the expected residual value for completed development projects, acquired IP rights and goodwill is amortised over the expected useful life. Acquired IP rights include patents, rights and licences.

The basis of depreciation is based on the residual value of the asset at the end of its useful life and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

The expected useful lives are as follows:

Completed development projects	3-5 years
Goodwill	20 years
Other fixtures and fittings, tools and equipment, etc.	3-6 years
Leasehold improvements	5 years
Right-of-use lease assets - Buildings	5 years
Right-of-use assets - Vehicles	3-4 years

It has by the management of the Company been decided to amortise the goodwill over a period of 20 years with the argument that there will overall be a continuously business potential on planning level and adequate growth throughout the next 20-25 years.

The Company is a worldwide known and registered brand name, which will be maintained and used going forward and the investment by the parent company is seen as a long-term investment with a big potential of growth.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Accounting policies

Profits/losses from investments in foreign subsidiaries

The item includes the Company's proportionate share of the profit/loss for the year in foreign subsidiaries after elimination of intra-group income or losses and net of amortization and impairment of goodwill and other excess values at the time of acquisition.

Tax on net profit or loss for the year

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish affiliates are taxed on a joint basis. The Danish income tax charged is allocated between profit-making and loss-making Danish jointly taxed companies in proportion to their taxable income (full allocation method).

Jointly taxed companies entitled to a tax refund are, as minimum, reimbursed by the administration company according to the current rates applicable to interest allowances, and jointly taxed companies having paid too little tax pay, as a maximum, a surcharge according to the current rates applicable to interest surcharges to the administration company.

Statement of financial position

Intangible assets

Cost 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 asset. 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 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 for 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 continuing basis.

Accounting policies

Patents and licences are measured at cost less accumulated amortization and impairment losses. Patents are amortised on a straight-line basis over the remaining term of the patent, and licenses are amortised over the term of the license.

Goodwill is measured at cost less accumulated amortization and impairment losses. Goodwill is amortised on a straight-line basis over the estimated useful life.

Gains and losses on the sale of intangible assets are recognized in the income statement under “Other operating income” or “Other operating expenses”, respectively. Gains and losses are calculated by reference to the difference between the selling price less selling expenses and the carrying amount at the time of sale.

Property, plant, equipment and right-of-use lease assets

Items of leasehold improvements, fixtures and fittings, tools and equipment, etc. are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use.

The basis of depreciation is cost less projected residual value after the end of the useful life.

Gains and losses are made as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of leasehold improvements, fixtures and fittings, tools and equipment, etc. are recognized in the income statement under “Other operating income” or “Other operating expenses”, respectively.

Right-of-use lease assets are recognised on the balance sheet at the net present value of discounted lease payments. Right-of-use lease assets are depreciated over the term of the lease term plus options for renewal. The capitalised value of the lease obligation is recognised as a lease liability on the balance sheet, and the interest element of the lease payment is recognised as an expense in the income statement under “Financial income and expenses”.

Depreciation is provided on a straight-line basis relying on the assessment of the assets’ useful lives

Depreciation rules are described under “Amortisation, depreciation and impairment of intangible assets , property, plant, equipment and right-of use lease assets”.

Accounting policies

Impairment loss relating to non-current assets

Intangible assets, leasehold improvements, fixtures and fittings, tools and equipment, etc. and investments in foreign subsidiaries are subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation. Impairment tests are conducted in respect of individual assets or groups of assets generating separate cash flows when there is indications of impairment. The assets are written down to the higher of the value in use and net realisable value (recoverable amount) of the asset or group of assets if this is lower than the carrying amount. As for group of assets, impairment losses are first recognised in respect of goodwill and thereafter proportionately in respect of the other assets.

Investments

Investments in foreign subsidiaries are measured under the equity method.

On initial recognition, investments in foreign subsidiaries are measured at cost and subsequently at the proportionate share of the enterprises' net asset values calculated in accordance with the Company's accounting policies less or plus any residual value of positive or negative goodwill determined in accordance with the acquisition method. Foreign subsidiaries with a negative net asset value are measured at DKK 0 (nil), and any amounts owed by such enterprises are written down by the parent company's share of the net asset value if the amount owed is deemed irrecoverable. If the negative net asset value exceeds the amounts owed, the remaining amount is recognised under provisions if the parent company has a legal or a constructive obligation to cover the enterprise's deficit. Net revaluations of investments in subsidiaries and associates are transferred to the net revaluation reserve according to the equity method as so far as the carrying amount exceeds the acquisition cost.

Enterprises acquired or formed during the year are recognised in the financial statements from the date of acquisition or formation. Enterprises disposed of are recognised up to the date of disposal.

Acquisitions of new subsidiaries and associates are accounted for using the purchase method, according to which the assets and liabilities acquired are measured at their fair values at the date of acquisition. Provision is made for costs related to adopted plans to restructure the acquired enterprise in connection with the acquisition. The tax effect of revaluations made is taken into account.

Inventories

Inventories are measured at cost in accordance with the weighted average method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to affect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

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

Accounting policies

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

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

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other costs directly attributable to the acquisition.

Receivables

Impairment of receivables is applied for expected credit-loss-model by using the interpretation of IFRS 9, after which the total lifetime expected loss is recognized immediately.

Receivables are measured at amortised cost.

The company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables and contract assets, the company applies a simplified approach in calculating ECLs.

Therefore, the company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Write-downs are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received.

Contract work in progress

Expected credit loss-model is applied for other work in progress for third parties (contract assets, including value of construction contracts) by using the interpretation of IFRS 9, after which the total expected loss is recognized immediately.

Ongoing service supplies and work in progress for third parties are measured at the market value of the work performed less advances received. The market value is calculated on the basis of the percentage of completion at the balance sheet date and the total expected income from the relevant contract. The percentage of completion is made up based on costs incurred relative to the expected, total expenses on each individual work in progress.

Accounting policies

Where the outcome of contract work in progress cannot be made up reliably, the market value is measured at the costs incurred as so far as they are expected to be paid by the purchaser.

Where the total expenses relating to the work in progress are expected to exceed the total market value, the expected loss is recognised as a loss-making agreement under 'Provisions' and is expensed in the income statement.

Work in progress for third parties

The value of each contract in progress less prepayments is classified as assets when the market value exceeds prepayments and as liabilities when prepayments exceed the market value.

Prepayments

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

Cash and cash equivalents

Impairment of cash and cash equivalents (financial assets) are measured at amortized cost by using the credit-loss-model under the interpretation of IFRS 9, after which the total expected loss is recognized immediately.

Cash and cash equivalents comprise cash and short-term marketable securities which are subject to an insignificant risk of changes in value.

Equity

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Reserve for net revaluation according to the equity method

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

Corporation tax and deferred tax

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

Accounting policies

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income.

Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Deferred tax assets, including the tax value of tax losses allowed for carry forward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Provisions

Provisions comprise expected expenses relating to guarantee commitments, losses on work in progress, restructurings, etc. Provisions are recognised when the company has a legal or constructive obligation as a result of a past event at the balance sheet date and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation concerned is expected to be settled far into the future.

Guarantee commitments comprise expected cost of repairs within the guarantee period and are recognised based on previous experience with work performed under guarantees.

Financial liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities, which usually comprise trade payables, amounts owed to parent company, foreign subsidiaries and affiliates are measured at amortised cost, which usually corresponds to nominal value.

The capitalized residual lease obligation is recognized as lease liability.

Accounting policies

Statement of cash flows

The cash flow statement shows the Company's cash flows from operating, investing and financing activities for the year, the year's changes 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 profit/loss for the year adjusted for non-cash operating items, changes in working capital and income taxes paid.

Cash flows from investment activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities, activities and intangible assets, property, plant and equipment and financial assets.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related costs as well as the raising of loans, repayment of interest-bearing debt, payment of dividends to shareholders and payment of lease liabilities.

Income statement 1 January - 31 December

DKK thousand.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Revenue	250.347	167.783
Change in inventories of finished goods and work in progress	1.274	4.683
Other operating income	7.758	2.395
Costs of raw materials and consumables	-108.047	-83.711
Other external costs	-17.842	-19.462
Gross profit	133.490	71.688
1 Staff costs	-72.033	-56.657
2 Depreciation, amortisation, and impairment	-20.155	-19.959
Operating profit	41.302	-4.928
Income from equity investments in group enterprises	1.657	7.604
3 Financial income and expenses	-4.677	-1.573
Pre-tax net profit or loss	38.282	1.103
4 Tax on net profit for the year	-10.443	-62
5 Net profit or loss for the year	27.839	1.041

Balance sheet at 31 December

DKK thousand.

Assets		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Non-current assets		
6 Completed development projects, including patents and similar rights arising from development projects	14.900	13.888
6 Goodwill	95.918	106.281
6 Development projects in progress and prepayments for intangible assets	10.891	12.141
Total intangible assets	<u>121.709</u>	<u>132.310</u>
7 Property	61	0
7 Other fixtures and fittings, tools and equipment	550	730
8 Right-of-use assets	3.761	5.528
Total property, plant, and equipment	<u>4.372</u>	<u>6.258</u>
9 Equity investments in group enterprises	12.792	15.626
Total investments	<u>12.792</u>	<u>15.626</u>
Total non-current assets	<u>138.873</u>	<u>154.194</u>
Current assets		
Raw materials and consumables	28.086	11.765
Work in progress	7.794	8.025
Manufactured goods and goods for resale	4.249	2.744
Total inventories	<u>40.129</u>	<u>22.534</u>
Trade receivables	17.232	15.359
10 Contract assets and liabilities	20.535	11.839
Receivables from group enterprises	37.369	18.362
Tax receivables from group enterprises	0	517
Other receivables	4.833	3.808
11 Prepayments and accrued income	191	715
Total receivables	<u>80.160</u>	<u>50.600</u>
Cash on hand and demand deposits	<u>14.536</u>	<u>17.184</u>
Total current assets	<u>134.825</u>	<u>90.318</u>
Total assets	<u>273.698</u>	<u>244.512</u>

Balance sheet at 31 December

DKK thousand.

Equity and liabilities			
<u>Note</u>		<u>2023</u>	<u>2022</u>
Equity			
12	Share capital	10.800	10.800
	Reserve for development costs	18.500	20.275
	Reserve for foreign currency translation	-324	-675
	Reserve for hedging transactions	344	678
	Retained earnings	68.393	38.779
	Total equity	97.713	69.857
Provisions			
13	Provisions for deferred tax	12.941	9.612
14	Other provisions	875	1.375
	Total provisions	13.816	10.987
Liabilities other than provisions			
15	Lease liabilities	1.546	3.472
	Total long term liabilities other than provisions	1.546	3.472
	Current portion of long term payables	2.502	2.483
	Prepayments received from customers	4.723	1.124
10	Prepayments received from customers for contract work in progress	17.207	11.467
	Trade payables	23.977	23.196
	Payables to group enterprises	89.891	114.419
	Tax payable to group enterprises	6.540	0
	Other payables	15.783	7.507
	Total short term liabilities other than provisions	160.623	160.196
	Total liabilities other than provisions	162.169	163.668
	Total equity and liabilities	273.698	244.512
16 Contingencies			
17 Financial risks			
18 Related parties			

Statement of changes in equity

DKK thousand.

	<u>Contributed capital</u>	<u>Reserve for development costs</u>	<u>Reserve for foreign currency translation</u>	<u>Reserve for hedging transactions</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2022	10.800	18.243	-1.124	-431	39.770	67.258
Transferred of profit for the year	0	2.032	0	0	-991	1.041
Exchange and other adjustments of foreign subsidiaries	0	0	449	0	0	449
Value adjustment of hedging instruments	0	0	0	1.422	0	1.422
Tax effect, hedging instruments	0	0	0	-313	0	-313
Equity 1 January 2023	10.800	20.275	-675	678	38.779	69.857
Transferred of profit for the year	0	-1.775	0	0	29.614	27.839
Exchange and other adjustments of foreign subsidiaries	0	0	351	0	0	351
Value adjustment of hedging instruments	0	0	0	-428	0	-428
Tax effect, hedging instruments	0	0	0	94	0	94
	10.800	18.500	-324	344	68.393	97.713

Statement of cash flows 1 January - 31 December

DKK thousand.

<u>Note</u>	<u>2023</u>	<u>2022</u>
19 Cash generated from operations (operating activities) before changes in working capital	56.206	13.236
20 Change in working capital	<u>-54.121</u>	<u>7.275</u>
Cash flows from operating activities	<u>2.085</u>	<u>20.511</u>
Acquisition of intangible assets	-6.718	-8.749
Acquisition of equipment	-314	-336
Dividends received from foreign subsidiaries	4.842	0
Adjustments of non-cash of non-current assets	<u>0</u>	<u>24</u>
Cash flows from investment activities	<u>-2.190</u>	<u>-9.061</u>
Change in amounts owed to parent company	0	5.498
Repayment on lease liabilities (IFRS 16)	-2.559	-2.720
Adjustments of non-cash of non-current assets	<u>16</u>	<u>0</u>
Cash flows from financing activities	<u>-2.543</u>	<u>2.778</u>
Change in cash and cash equivalents	<u>-2.648</u>	<u>14.228</u>
Cash and cash equivalents at 1 January 2023	<u>17.184</u>	<u>2.956</u>
Cash and cash equivalents at at 31. December	<u>14.536</u>	<u>17.184</u>
Cash and cash equivalents		
Cash at bank and in hand	<u>14.536</u>	<u>17.184</u>
Cash and cash equivalents at at 31. December	<u>14.536</u>	<u>17.184</u>

Notes

DKK thousand.

	<u>2023</u>	<u>2022</u>
1. Staff costs		
Salaries and wages	70.105	56.897
Pension costs	5.240	4.291
Other costs for social security	954	999
Other staff costs	<u>825</u>	<u>762</u>
	77.124	62.949
Transferred to development projects	<u>-5.091</u>	<u>-6.292</u>
	72.033	56.657
Executive board	5.379	5.190
Board of directors	<u>100</u>	<u>100</u>
	5.479	5.290
Average number of employees	<u>107</u>	<u>97</u>
2. Depreciation, amortisation, and impairment		
Development projects, see note 6	6.940	6.389
Goodwill, see note 6	10.363	10.363
Leasehold improvements, see note 7	10	1
Fixtures and fittings, tools and equipment, see note 7	423	610
Right-of use lease assets, see note 8	<u>2.419</u>	<u>2.596</u>
	20.155	19.959
3. Financial income and expenses		
Financing income	30	0
Financing income, parent company	1.182	0
Exchange adjustments	-1.208	-517
Financing expenses	-366	-114
Financing expenses, parent company	-4.233	-820
Financing expenses, lease liabilities	<u>-82</u>	<u>-122</u>
	-4.677	-1.573

Notes

DKK thousand.

	<u>2023</u>	<u>2022</u>
4. Tax on net profit for the year		
Tax former years	1.113	242
Estimated tax charge for the year	6.540	0
Changes in provisions for deferred tax	2.790	31
Refund of joint taxation	0	-211
	<u>10.443</u>	<u>62</u>
5. Proposed distribution of net profit		
Transferred to retained earnings	29.614	0
Disposed to reserve for development costs	-1.775	2.032
Allocated from retained earnings	0	-991
Total allocations and transfers	<u>27.839</u>	<u>1.041</u>

Notes

DKK thousand.

6. Intangible assets

	Completed Development projects	Development projects in progress	Goodwill	Total
Cost at 1. januar 2023	68.748	12.141	207.252	288.141
Additions for the year	40	6.678	0	6.718
Disposals for the year	-37.660	0	0	-37.660
Transfer for the year	7.928	-7.928	0	0
Cost at 31. December 2023	39.056	10.891	207.252	257.199
Amortisation at 1. januar 2023	54.861	0	100.971	155.832
Amortisation of the year	6.940	0	10.363	17.303
Årets nedskrivninger	-37.645	0	0	-37.645
Amortisation at 31. December 2023	24.156	0	111.334	135.490
Carrying amount at 31. December 2023	14.900	10.891	95.918	121.709
Amortised over	3-5 years		20 years	

Notes

DKK thousand.

7. Equipment

	Fixtures and fittings, tools, etc.	Leasehold improvements	Total
	<u> </u>	<u> </u>	<u> </u>
Cost at 1. januar 2023	8.897	1.298	10.195
Additions for the year	243	71	314
Disposals - phased-out assets	-5.026	0	-5.026
Cost at 31. December 2023	<u>4.114</u>	<u>1.369</u>	<u>5.483</u>
Amortisation at 1. januar 2023	8.167	1.298	9.465
Amortisation of the year	423	10	433
Disposals - phased-out assets	-5.026	0	-5.026
Amortisation at 31. December 2023	<u>3.564</u>	<u>1.308</u>	<u>4.872</u>
Carrying amount at 31. December 2023	<u>550</u>	<u>61</u>	<u>611</u>
Amortised over	3-6 years	5 years	

Notes

DKK thousand.

			<u>31/12 2023</u>	<u>31/12 2022</u>
	Right-of-Use: Buildings	Right-of-Use: Motor Vehicles		
8. Right-of-use assets				
Cost 1 January 2023	41.910	1.551	43.461	43.671
Additions during the year	0	652	652	0
Disposals during the year	0	-1.225	-1.225	-210
Cost at 31. December	<u>41.910</u>	<u>978</u>	<u>42.888</u>	<u>43.461</u>
Depreciation and writedown 1 January 2023	-36.662	-1.271	-37.933	-35.524
Amortisation and depreciation for the year	-2.099	-320	-2.419	-2.595
Reversal of depreciation, amortisation and impairment loss, assets disposed of	0	1.225	1.225	186
Depreciation and writedown at 31. December	<u>-38.761</u>	<u>-366</u>	<u>-39.127</u>	<u>-37.933</u>
Carrying amount, at 31. December	<u>3.149</u>	<u>612</u>	<u>3.761</u>	<u>5.528</u>
Amortised over	5 years	3-4 years		

Notes

DKK thousand.

	<u>31/12 2023</u>	<u>31/12 2022</u>
9. Equity investments in group enterprises		
Cost 1 January 2023	43.007	43.007
Cost at 31. December	<u>43.007</u>	<u>43.007</u>
Revaluations, opening balance 1 January 2023	-27.381	-35.434
Translation at the exchange rate at the balance sheet date	351	449
Paid dividend to parent company	-4.842	0
Profit for the year after tax	1.657	7.604
Revaluation at 31. December	<u>-30.215</u>	<u>-27.381</u>
Carrying amount, at 31. December	<u>12.792</u>	<u>15.626</u>

Subsidiaries:

- AGRAMKOW Asia Pacific Pte. Ltd., 2 Gambas Crescent, Nordcom Two, #08-16/17/18/19, Singapore. Wholly owned share capital SGD 500.000 (100%).
- AGRAMKOW do Brasil Ltda, Alameda Ezequiel Mantoanelli, 405, Indaiatuba - São Paulo, Brazil. Wholly owned share capital BRL 6.847.169 (100%).

Notes

DKK thousand.

	<u>31/12 2023</u>	<u>31/12 2022</u>
10. Contract assets and liabilities		
Selling price of the production for the period	78.309	65.498
Payments received on account	<u>-74.981</u>	<u>-65.126</u>
Contract assets and liabilities, net	<u>3.328</u>	<u>372</u>
The following is recognised:		
Contract work in progress (current assets)	20.535	11.839
Contract work in progress (prepayments received on account)	<u>-17.207</u>	<u>-11.467</u>
	<u>3.328</u>	<u>372</u>

11. Prepayments and accrued income

Prepayments include accrual of expenses relating to subsequent financial years, includes software subscriptions of DKK 191 thousand.

12. Share capital

The Company does not issue any share certificates.

The Company's share capital is DKK 10.800 thousand divided into shares of DKK 1 thousand each.

The share capital is in 2018 divided into nominally DKK 5.940 thousand in A-shares with serial numbers 1-5.000 and 9.861-10.800 (the "A-shares") and nominally DKK 4.860 thousand in B-shares with serial numbers 5.001-9.860 (the "B-shares").

Each A- and B-share amount of DKK 1 thousand entitle the shareholder to one vote.

There have been no changes in share capital during the last 5 years.

Notes

DKK thousand.

	<u>31/12 2023</u>	<u>31/12 2022</u>
13. Provisions for deferred tax		
Deferred tax 1 January 2023	9.612	8.811
Changes in provisions for deferred tax	2.790	31
Changes in tax effect for hedging instrument	-94	313
Adjustment to prior year	633	457
	<u>12.941</u>	<u>9.612</u>
The following items are subject to deferred tax:		
Intangible assets	5.675	5.727
Equipment	-318	-540
Current assets	7.707	4.643
Hedging instruments	-123	-218
	<u>12.941</u>	<u>9.612</u>

14. Other provisions

The Company provides 2 years warranty on certain products.

A provision of DKK 875 thousand (2022: DKK 1.375 thousand) has been recognised for expected warranty requirements based on previous experience regarding the level of repairs and return of items.

Notes

DKK thousand.

			<u>31/12 2023</u>	<u>31/12 2022</u>
	Right-of-Use: Buildings	Right-of-Use: Vehicles		
15. Lease liabilities				
Within 1 year	2.278	224	2.502	2.483
Between 1 and 2 years	1.155	188	1.343	2.317
Between 2 and 3 years	0	149	149	1.155
Over 3 years	0	54	54	0
	<u>3.433</u>	<u>615</u>	<u>4.048</u>	<u>5.955</u>
Share of amount due within 1 year	<u>-2.278</u>	<u>-224</u>	<u>-2.502</u>	<u>-2.483</u>
	<u>1.155</u>	<u>391</u>	<u>1.546</u>	<u>3.472</u>
Additions for the year:				
Buildings	0	0	0	0
Vehicles	0	652	652	0
	<u>0</u>	<u>652</u>	<u>652</u>	<u>0</u>
Payments for the year:				
Buildings	-2.238	0	-2.238	-2.198
Vehicles	0	-321	-321	-522
	<u>-2.238</u>	<u>-321</u>	<u>-2.559</u>	<u>-2.720</u>
Average interest expense on lease liabilities:				
Buildings	1,7%		1,7%	1,7%
Vehicles		1,1%	1,1%	0,9%

For 2023, the company has paid DKK 2.641 thousand in respect of leases, of which interest payments related to recognized lease liabilities are DKK 82 thousand and repayments DKK 2.559 thousand.

Notes

DKK thousand.

16. Contingencies

Contingent liabilities

	31/12 2023 DKK in thousands	31/12 2022 DKK in thousands
Low-value and short-term leases less than 12 months	363	250
Total contingent liabilities	363	250

Collateral

The bankers of the Company have issued performance and payment bonds of a total of DKK 5.703 thousand (2022: DKK 9.976 thousand).

Joint taxation

The Company is jointly taxed with its Danish affiliated companies. As management company, the Company has joint and several unlimited liabilities, together with the affiliated companies, for all Danish income taxes and withholding taxes on dividend, interest and royalties within the group of jointly taxed entities.

17. Financial risks

Exchange rate risks

The breakdown of the company's balance in foreign currency and related hedging transactions at 31 December 2023 comprises (DKK thousand):

Currency	Payment/maturity	Contractual value 2023	Contractual value 2022	Gains and losses 2023	Gains and losses 2022
EUR	0-12 months	69.699	71.140	-201	-237
GBP	0-12 months	1.381	2.560	-4	47
USD	0-12 months	56.860	51.122	1.449	1.992
Total		<u>127.940</u>	<u>124.822</u>	<u>1.244</u>	<u>1.802</u>

Of this, DKK -428 thousand is recognized as cash flow hedge directly on equity (2022: DKK 1.422 thousand).

Notes

DKK thousand.

18. Related parties

Controlling interest

- Parent Carl Schenck AG, Landwehrstr. 55, 64293 Darmstadt (Amtsgericht Darmstadt HRB 1732), Germany (www.schenck.net)
- Parent Dürr AG, 74321 Bietigheim-Bissingen (Amtsgericht Stuttgart 13677), Germany (www.durr.com)

Ultimate parent company's consolidated financial statements

Requisition of the ultimate company's financial statements are available on the following address:

- Dürr AG, 74321 Bietigheim-Bissingen, Germany (<http://www.durr.com/investor/financial-reports/annual-report/>)

Transactions

Transactions with subsidiaries and affiliates have been incorporated in the financial statements in accordance with transfer pricing.

The company has had the following transactions with related parties:

	<u>2023</u>	<u>2022</u>
Sale of goods and services to foreign subsidiaries	34.056	34.242
Sale of goods and services to affiliates	92.928	31.413
Cost reimbursement from affiliates	1.293	1.990
Expenses Management fee to parent company	1.059	2.715
Reimbursement of Trademark Fee from parent company	6.146	0
Financing expenses, parent company	4.232	820
Financing income, parent company	1.182	0
Purchase of services from foreign subsidiaries	210	347
Purchase of services from affiliates	3.554	1.503
Purchase of IT services from affiliates	3.736	2.947
Software development services from affiliates	242	0
Commission income from foreign subsidiaries	552	775
Commission expenses to foreign subsidiaries	1.521	1.182
Cost reimbursement to foreign subsidiaries	696	1.116
Cost reimbursement to affiliates	7.004	6.593
Amounts owed by foreign subsidiaries	2.119	867
Amounts owed by affiliates	35.250	16.358
Amounts owed to foreign subsidiaries	0	151
Amounts owed to affiliates	10.914	4.588
Amounts owed to parent company	85.517	109.680

Notes

DKK thousand.

Transactions (continued)**Information about remuneration to management**

Information about remuneration to management appears from note 2, "Staff costs".

Ownership/shareholders

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the voting rights or minimum 5% of the share capital:

- Carl Schenck AG, Landwehrstr. 55, 64293 Darmstadt (Amtsgericht Darmstadt HRB 1732), Germany (www.schenck.net)

	<u>2023</u>	<u>2022</u>
19. Cash generated from operations (operating activities) before changes in working capital		
Depreciation, amortisation, and impairment	20.155	19.959
Revenue and other operating income	259.379	174.861
Costs, financial income/-expenses and tax on profit for the year	-233.197	-181.424
Adjustment on paid tax	9.869	-160
	<u>56.206</u>	<u>13.236</u>
20. Change in working capital		
Changes in inventories	-17.595	-10.160
Changes in trade receivables and other receivables	-2.374	260
Changes in prepayments, trade and other payables	12.656	13.956
Changes in contract work in progress	-2.956	8.055
Changes in non-current liabilities	-500	-325
Changes in amount owed by foreign subsidiaries and affiliates	-18.490	-7.573
Changes in amounts owed to foreign subsidiaries and affiliates	-24.528	1.953
Other adjustments	-334	1.109
	<u>-54.121</u>	<u>7.275</u>