DESITEK A/S

SUNEKÆR 8, 5471 SØNDERSØ

ANNUAL REPORT

1 JULY 2020 - 30 JUNE 2021

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 27 October 2021

Chairman - Thomas Dehn

The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

CVR NO. 12 57 35 45

CONTENTS

COMPANY DETAILS

Company	DESITEK A/S Sunekær 8 5471 Søndersø
	Website: www.desitek.dk/da E-mail: desitek@desitek.dk
	CVR No.: 12 57 35 45 Established: 1 November 1988 Registered Office: Nordfyns Kommune Financial Year: 1 July 2020 - 30 June 2021
Board of Directors	Thomas Dehn, chairman Helmut Pusch Thomas Michael Weißflog
Executive Board	Kim Holzendorff Hafjall Steen Jep Emming
Auditor	KPMG P/S Vesterballevej 27,2 7000 Fredericia

BOARD OF DIRECTORS STATEMENT AND MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of DESITEK A/S for the financial year 1 July 2020 - 30 June 2021.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 30 June 2021 and of the results of the Company's operations for the financial year 1 July 2020 - 30 June 2021.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Søndersø, 27 October 2021

Executive Board

Kim Holzendorff Hafjall

Steen Jep Emming

Board of Directors

Thomas Dehn
Chairman

Helmut Pusch

Thomas Michael Weißflog

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of DESITEK A/S

Opinion
We have audited the Financial Statements of DESITEK A/S for the financial year 1 July 2020 - 30 June 2021, which comprise income statement, Balance Sheet, statement of changes in equity, notes and 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 assets, liabilities and financial position of the Company at 30 June 2021 and of the results of the Company's operations for the financial year 1 July 2020 - 30 June 2021 in accordance with the Danish Financial Statements Act.

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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.

INDEPENDENT AUDITOR'S REPORT

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on Management Commentary
Management is responsible for Management Commentary.

Our opinion on the Financial Statements does not cover Management Commentary, 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 Commentary and, in doing so, consider whether Management Commentary 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 Commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that 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 Management Commentary.

Fredericia, 27 October 2021

KPMG P/S
CVR no. 25 57 81 98

Nikolaj Møller Hansen
State Authorised Public Accountant
MNE no. mne33220

MANAGEMENT COMMENTARY

Principal activities

The Company is a sales and engineering company, which has specialized in the area; electrical plants and installations. Due to a very narrow contact to its parent company DEHN SE + Co KG as well as to its other suppliers, the Company draws on the highest international expert knowledge.

Financial review

The company's income statement for the year ended 30 June 2021 shows a profit of DKK 2.276.121, and the balance sheet at 30 June 2021 shows equity of DKK 24.087.861.

Significant events after the end of the financial year

No events have occurred after the end of the financial year of material importance for the Company's financial position.

INCOME STATEMENT 1 JULY - 30 JUNE

	Note	2020/21 DKK	2019/20 DKK
GROSS PROFIT		**18.593.790**	**17.525.297**
Staff costs	1	-14.997.153	-13.643.858
Depreciation, amortisation and impairment losses		-656.677	-687.834
Other operating expenses		-23.333	0
OPERATING PROFIT		**2.916.627**	**3.193.605**
Other financial income	2	68.769	55.359
Other financial expenses	3	-62.470	-82.239
PROFIT BEFORE TAX		**2.922.926**	**3.166.725**
Tax on profit/loss for the year	4	-646.805	-698.663
PROFIT FOR THE YEAR		**2.276.121**	**2.468.062**

PROPOSED DISTRIBUTION OF PROFIT

Extraordinary dividend		2.000.000	500.000
Retained earnings		276.121	1.968.062
TOTAL		**2.276.121**	**2.468.062**

BALANCE SHEET AT 30 JUNE

ASSETS	Note	2021 DKK	2020 DKK
Land and buildings		5.881.287	6.045.455
Other plant, machinery tools and equipment		1.290.297	1.027.139
Property, plant and equipment	5	**7.171.584**	**7.072.594**
Other investments		10.500	10.500
Financial non-current assets	6	**10.500**	**10.500**
NON-CURRENT ASSETS		**7.182.084**	**7.083.094**
Raw materials and consumables		6.612.504	5.515.749
Inventories		**6.612.504**	**5.515.749**
Trade receivables		11.699.528	18.641.463
Receivables from group entities		1.902.898	0
Prepayments		423.279	169.445
Receivables		**14.025.705**	**18.810.908**
Cash and cash equivalents		**2.538.450**	**4.367.315**
CURRENT ASSETS		**23.176.659**	**28.693.972**
ASSETS		**30.358.743**	**35.777.066**

BALANCE SHEET AT 30 JUNE

EQUITY AND LIABILITIES	Note	2021 DKK	2020 DKK
Share capital		500.000	500.000
Retained earnings		23.587.861	23.311.741
EQUITY		**24.087.861**	**23.811.741**
Provision for deferred tax	7	868.941	824.298
PROVISIONS		**868.941**	**824.298**
Corporation tax		602.162	707.564
Non-current liabilities	8	**602.162**	**707.564**
Trade payables		2.408.057	4.928.992
Payables to group entities		0	1.055.442
Corporation tax payable		707.565	181.677
Other liabilities		1.684.157	4.267.352
Current liabilities		**4.799.779**	**10.433.463**
LIABILITIES		**5.401.941**	**11.141.027**
EQUITY AND LIABILITIES		**30.358.743**	**35.777.066**
Contingencies etc.	9		
Charges and securities	10		

EQUITY

	Share capital	Retained earnings	Proposed dividend	Total
Equity at 1 July 2020	500.000	23.311.740	0	23.811.740
Proposed profit allocation		276.121	2.000.000	2.276.121
Transactions with owners				
Extraordinary dividend paid			-2.000.000	-2.000.000
Equity at 30 June 2021	**500.000**	**23.587.861**	**0**	**24.087.861**

NOTES

	2020/21 DKK	2019/20 DKK	Note
Staff costs			1
Average number of employees	23	21	
Wages and salaries	12.163.575	11.170.743	
Pensions	2.467.421	2.114.907	
Social security costs	170.196	158.103	
Other staff costs	195.961	200.105	
	14.997.153	**13.643.858**	
Other financial income			2
Other interest income	68.769	55.359	
	68.769	**55.359**	
Other financial expenses			3
Other interest expenses	62.470	82.239	
	62.470	**82.239**	
Tax on profit/loss for the year			4
Calculated tax on taxable income of the year	602.162	707.564	
Adjustment of deferred tax	44.643	-8.901	
	646.805	**698.663**	

Property, plant and equipment	Land and buildings	Other plant, machinery tools and equipment	5
Cost at 1 July 2020	8.645.145	5.089.782	
Additions	0	824.629	
Disposals	0	-2.174.445	
Cost at 30 June 2021	**8.645.145**	**3.739.966**	
Depreciation and impairment losses at 1 July 2020	2.599.691	4.062.643	
Reversal of depreciation of assets disposed of	0	-2.105.492	
Depreciation for the year	164.167	492.518	
Depreciation and impairment losses at 30 June 2021	**2.763.858**	**2.449.669**	
Carrying amount at 30 June 2021	**5.881.287**	**1.290.297**	

NOTES

Note

Financial non-current assets 6

	Other investments
Cost at 1 July 2020	10.500
Cost at 30 June 2021	**10.500**
Carrying amount at 30 June 2021	**10.500**

Provision for deferred tax 7

The provision for deferred tax is related to differences between the carrying amount and tax value of receivables, tangible fixed assets and tax losses carry-forward.

	2021 DKK	2020 DKK
Deferred tax, beginning of year	824.298	833.199
Deferred tax of the year, income statement	44.643	-8.901
Provision for deferred tax 30 June 2021	**868.941**	**824.298**

Long-term liabilities 8

	30/6 2021 total liabilities	Repayment next year	Debt outstanding after 5 years	30/6 2020 total liabilities
Corporation tax	602.162	0	0	707.564
	602.162	**0**	**0**	**707.564**

Contingencies etc. 9

Contingent liabilities
Lease obligations

The company has entered into operating leases at the following amounts:

The remaining term of the leases is 11-48 months with an average monthly lease payment of DKK 37 thousand, totalling DKK 1.792 thousand.

Charges and securities 10

As collateral for the Companys debt to credit institutions, a mortgage deed of DKK 5.000 thousand have been pledged in land and buildings, with a net asset value of DKK 5.881 thousand. The public land assessment of land ans buildings at the annual regulations per 1 st October have been fixed since 2016 at DKK 6.800 thousand.

The company have a payment warranty of DKK 337 thousand.

ACCOUNTING POLICIES

The Annual Report of DESITEK A/S for 2020/21 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

INCOME STATEMENT

Net revenue
Net revenue from the sale of merchandise and finished goods is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received.

Gross Profit
In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Other operating income
Other operating income includes items of a secondary nature in relation to the Group's and the Company's activities. In addition, profit from sale of intangible and tangible fixed assets as well as business interruption and conflict compensations are included. Compensations are recognised when the income is deemed to be realisable.

Other operating expenses
Other operating expenses include items of a secondary nature in relation to the Group's and the Company's activities. Losses from sale of intangible and tangible fixed assets are also included.

Cost of sales
Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other external expenses
Other external expenses include other production, sales, delivery and administrative costs, including costs of energy, marketing, premises, loss on bad debts, lease expenses, etc

Staff costs
Staff costs comprise wages and salaries, including holiday pay and pensions, and other costs of social security etc., for the Company's employees. Repayments from public authorities are deducted from staff costs.

Financial income and expenses
Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

Tax
The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

ACCOUNTING POLICIES

BALANCE SHEET

Tangible fixed assets
Land and buildings, other plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Land and buildings	50 years	0 %
Other fixtures and fittings, tools, equipments	3-5 years	0 %

Profit or loss on sale of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the date of sale. Profit or loss is recognised in the Income Statement as other operating income or other operating expenses.

Fixed asset investments
Financial fixed assets include also other equity interests that are not expected to be disposed of. These are measured at cost because the equity interests are unlisted.

Impairment of fixed assets
The carrying amount of tangible assets together with fixed assets, which are not measured at fair value,, are assessed annually for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

Inventories
Inventories are measured at cost using the FIFO-principle. If the net realisable amount is lower than cost, the inventories are written down to the lower amount.

The cost of merchandise as well as raw materials and consumables is calculated at acquisition price with addition of transportation and similar costs.

The net realisable value of inventories is stated at the expected sales price less direct completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price of the inventories.

ACCOUNTING POLICIES

Receivables
Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impared. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.
Write-down are calculated, as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value og any collateral recieved.
The effective interes rate for the indidual receivable or portfolio is used as discount rate.

Prepayments
Prepayments comprise costs incurred concerning subsequent financial years.

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

Tax payable and deferred tax
Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities
Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.