



dnp denmark a/s

Skruegangen 2
2690 Karlslunde
CVR No. 12759444

**Annual report 01.04.2022 -
31.03.2023**

The Annual General Meeting adopted the annual
report on 08.08.2023

Niels Hermansen
Chairman of the General Meeting

Contents

Entity details	2
Statement by Management on the annual report	3
Independent auditor's report	4
Management commentary	7
Consolidated income statement for 2022/23	11
Consolidated balance sheet at 31.03.2023	12
Consolidated statement of changes in equity for 2022/23	15
Consolidated cash flow statement for 2022/23	16
Notes to consolidated financial statements	17
Parent income statement for 2022/23	21
Parent balance sheet at 31.03.2023	22
Parent statement of changes in equity for 2022/23	25
Notes to parent financial statements	26
Accounting policies	30

Entity details

Entity

dnp denmark a/s
Skruegangen 2
2690 Karlslunde

Business Registration No.: 12759444
Registered office: Greve
Financial year: 01.04.2022 - 31.03.2023
Phone number: +45 46165100

Board of Directors

Malene Sølvsten Millard
Hajime Miyashita
Tomohiro Seyama
Niels Hermansen
Kim Bent Olsen
Keisuke Yamada
Osamu Nakamura

Executive Board

Hajime Miyashita

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of dnp denmark a/s for the financial year 01.04.2022 - 31.03.2023.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.03.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.04.2022 - 31.03.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Karlslunde, 08.08.2023

Executive Board

Hajime Miyashita

Board of Directors

Malene Sølvsten Millard

Hajime Miyashita

Tomohiro Seyama

Niels Hermansen

Kim Bent Olsen

Keisuke Yamada

Osamu Nakamura

Independent auditor's report

To the shareholders of dnp denmark a/s

Opinion

We have audited the consolidated financial statements and the parent financial statements of dnp denmark a/s for the financial year 01.04.2022 - 31.03.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.03.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.04.2022 - 31.03.2023 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 consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and 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 consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the 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 consolidated financial statements and the parent financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the 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 consolidated financial statements and the parent financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Statement on the management commentary

Management is responsible for the management commentary.

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

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent 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 consolidated financial statements and the parent 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.

Copenhagen, 08.08.2023

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Jens Jørgensen Baes

State Authorised Public Accountant
Identification No (MNE) mne14956

Frederik Juhl Hestbæk

State Authorised Public Accountant
Identification No (MNE) mne47807

Management commentary

Financial highlights

	2022/23	2021/22	2020/21	2019/20	2018/19
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Gross profit/loss	14,082	25,593	16,591	17,024	24,216
Operating profit/loss	(43,210)	(20,734)	(23,432)	(19,603)	(5,577)
Net financials	(832)	(153)	(1,625)	(726)	(25)
Profit/loss for the year	(45,221)	(20,887)	(25,057)	(19,215)	(4,238)
Balance sheet total	164,505	196,073	236,463	298,095	273,147
Investments in property, plant and equipment	18,647	3,598	1,606	5,357	1,314
Equity	121,654	166,925	187,821	213,018	232,089
Ratios					
Return on equity (%)	(31.34)	(11.78)	(12.50)	(8.63)	(1.81)
Equity ratio (%)	73.95	85.13	79.43	71.46	84.97

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Return on equity (%):

Profit/loss for the year * 100

Average equity

Equity ratio (%):

Equity * 100

Balance sheet total

Primary activities

The Company's primary activities consist of production and sale of optical screens, display solutions and marketing and sale of components for the solar cell industry and other market segments. More than 85% of the Company's sales are exported.

Development in activities and finances

Performance for the year

Gross profit for the year amounts to DKK 14.1 million compared to DKK 25.6 million last year. Loss from ordinary activities after tax amounts to DKK 45.2 million compared to DKK 20.9 million last year.

The revenue realised is lower than last year and lower than expected. The decrease in revenue is almost equally related to the solar business, screens, and solution sales. The market has not fully recovered after Covid-19 and competition from new technologies has increased.

After the merger of Visiosign A/S into dnp denmark in 2021 the next step was to move Visiosign to the dnp denmark location which took place in the summer 2022 in order to further improve the cooperation across the different departments.

Earnings are significantly lower mainly due to delay in shipment of a new product line to a new business segment completely different from current screens and solution business. The shipment was expected to start in second half of 2022, but has been delayed until summer 2023, but new staff has been hired and trained and production was started based on expected shipment in second half of 2022.

Management considers the performance unsatisfactory.

New products

During the year, dnp denmark continue to improve and upgrade the Visiosign Cloud platform including new features.

Investments

The Company invested in tangible assets during the financial year. Investments in property, plant, and equipment mainly due to a new business segment.

Capital resources

dnp denmark as is well-consolidated. The equity ratio is 73,95% (2021/22: 85,13%), corresponding to equity at 31.03.2023 of DKK 121,654 million (2021/22: DKK 166,925 million). At year-end, the Company's financial resources amount to DKK 51,384 million (2021/22: DKK 107,697 million), consisting solely of cash.

Particular risk

The Company must be at the cutting edge of the technological development for digital signage. Financial exposure due to the Company's solvency and capital resources, the Company is only exposed to changes in the level of interest rates to a very limited extent.

Currency risks

The Company is exposed to currency risks in respect of current operations. The Company invoices in EUR, JPY and USD, whereas parts of its purchases are invoiced in JPY and USD. Depending on Management's expectations for the movements in foreign exchange rates, forward exchange contracts are concluded to hedge expected net income/expenses.

Credit risks

The Company is not exposed to any significant risks relating to one single customer or partner, as the Company has credit insured its receivables considerably.

Profit/loss for the year in relation to expected developments

Earning is significantly lower than expected due to the market's lack of adjustment after COVID-19 and the postponed start-up of the newly established business segment.

Uncertainty relating to recognition and measurement

The annual report does not include material assumptions or uncertainties other than the branch usual.

Unusual circumstances affecting recognition and measurement

Management has in the financial year assessed the valuation of goodwill amounting to DKK 10,200 thousand, based upon assumptions made as of acquisition. Due to change of business case and restructuring in general the original assumptions on the valuation are no longer applicable. As a result a goodwill write off amounting to DKK 10,200 thousand has been made. The write off has affected the loss of the year negatively by DKK 10,200 thousand and equity accordingly.

Outlook

The outlook for the coming year is still uncertain in general due to the geopolitical situation and the start of the new production for a completely new business segment.

Shipment of the new product line is expected to start early in the summer 2023 with production running in three shift and during the second half of 2023, it is expected to ramp up the production to run 24/7 to support the demand for this new product line. Management expects with the new business that revenue will be significantly higher, and earnings will increase, but a loss is still expected due to running in the new production.

Sales of special foils to the European solar industry with a relatively lower margin will continue in the coming year.

It is expected that the competition from new technologies for screens and solution will continue, thus maintaining a pressure on the contribution margin. The Company will focus on expanding Solutions sales and explore new markets, and products which do not contribute with positive earnings will be phased out.

The enhanced focus on efficiency and internal processes will continue to keep costs down.

A precondition is, however, that the US dollar exchange rate will not be subject to significant changes compared to the level of late March 2023.

Environmental performance

The Company's production conditions are environmentally approved. This approval sets limits for the impact on the external environment, and the observance of the approval helps to ensure that production takes place without significant pollution on the surroundings. In 2022/23, the Company complied with the terms of the environmental approval.

Research and development activities

In the financial year, expenses incurred for development activities in connection with the improvement of the Visiosign Cloud with new features.

Events after the balance sheet date

No events have occurred after the balance sheet date which affect the annual report.

Consolidated income statement for 2022/23

	Notes	2022/23 DKK	2021/22 DKK
Gross profit/loss		14,081,727	25,593,010
Distribution costs		(17,426,893)	(11,398,058)
Administrative expenses		(39,864,468)	(34,929,241)
Operating profit/loss		(43,209,634)	(20,734,289)
Other financial income		485,632	869,759
Other financial expenses	4	(1,318,049)	(1,022,947)
Profit/loss before tax		(44,042,051)	(20,887,477)
Tax on profit/loss for the year	5	(1,178,472)	0
Profit/loss for the year	6	(45,220,523)	(20,887,477)

Consolidated balance sheet at 31.03.2023

Assets

	Notes	2022/23 DKK	2021/22 DKK
Completed development projects	8	3,143,136	3,338,682
Acquired rights		1,933,871	1,412,410
Goodwill		0	10,200,000
Intangible assets	7	5,077,007	14,951,092
Land and buildings		31,261,901	20,098,423
Plant and machinery		7,582,300	266,820
Other fixtures and fittings, tools and equipment		2,139,190	2,428,703
Property, plant and equipment in progress		0	2,964,128
Property, plant and equipment	9	40,983,391	25,758,074
Other receivables		0	28,620
Financial assets	10	0	28,620
Fixed assets		46,060,398	40,737,786
Raw materials and consumables		33,179,153	21,791,259
Work in progress		647,733	126,662
Manufactured goods and goods for resale		18,826,343	4,790,712
Inventories		52,653,229	26,708,633

Trade receivables		9,411,317	13,037,309
Receivables from group enterprises		351,811	0
Other receivables		2,629,703	4,537,214
Tax receivable		198,677	580,000
Prepayments	11	1,815,328	2,774,270
Receivables		14,406,836	20,928,793
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Cash		51,384,373	107,697,888
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Current assets		118,444,438	155,335,314
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Assets		164,504,836	196,073,100
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Equity and liabilities

	Notes	2022/23 DKK	2021/22 DKK
Contributed capital	12	135,000,000	135,000,000
Reserve for development costs		2,451,646	3,338,682
Retained earnings		(15,797,600)	28,586,692
Equity		121,654,046	166,925,374
Other provisions	13	291,604	281,690
Provisions		291,604	281,690
Prepayments received from customers		1,269,297	5,669,821
Trade payables		3,638,931	1,515,638
Payables to group enterprises		28,658,271	10,454,814
Other payables	14	4,416,714	5,458,887
Deferred income	15	4,575,973	5,766,876
Current liabilities other than provisions		42,559,186	28,866,036
Liabilities other than provisions		42,559,186	28,866,036
Equity and liabilities		164,504,836	196,073,100
Unusual circumstances	1		
Staff costs	2		
Amortisation, depreciation and impairment losses	3		
Unrecognised rental and lease commitments	17		
Transactions with related parties	18		
Group relations	19		
Subsidiaries	20		

Consolidated statement of changes in equity for 2022/23

	Contributed capital DKK	Reserve for development costs DKK	Retained earnings DKK	Total DKK
Equity beginning of year	135,000,000	3,338,682	28,586,692	166,925,374
Exchange rate adjustments	0	0	(50,805)	(50,805)
Transfer to reserves	0	(887,036)	887,036	0
Profit/loss for the year	0	0	(45,220,523)	(45,220,523)
Equity end of year	135,000,000	2,451,646	(15,797,600)	121,654,046

Consolidated cash flow statement for 2022/23

	Notes	2022/23 DKK	2021/22 DKK
Operating profit/loss		(43,209,634)	(20,734,289)
Amortisation, depreciation and impairment losses		14,632,377	5,194,643
Other provisions		9,914	(37,412)
Working capital changes	16	(6,110,812)	(26,311,015)
Cash flow from ordinary operating activities		(34,678,155)	(41,888,073)
Financial income received		485,631	869,759
Financial expenses paid		(1,318,048)	(1,022,947)
Taxes refunded/(paid)		(797,149)	(13,000)
Cash flows from operating activities		(36,307,721)	(42,054,261)
Acquisition etc. of intangible assets		(1,973,973)	(2,072,459)
Acquisition etc. of property, plant and equipment		(18,646,731)	(3,508,833)
Sale of property, plant and equipment		614,910	104,999
Cash flows from investing activities		(20,005,794)	(5,476,293)
Free cash flows generated from operations and investments before financing		(56,313,515)	(47,530,554)
Increase/decrease in cash and cash equivalents		(56,313,515)	(47,530,554)
Cash and cash equivalents beginning of year		107,697,888	155,228,442
Cash and cash equivalents end of year		51,384,373	107,697,888
Cash and cash equivalents at year-end are composed of:			
Cash		51,384,373	107,697,888
Cash and cash equivalents end of year		51,384,373	107,697,888

Notes to consolidated financial statements

1 Unusual circumstances

Management has in the financial year assessed the valuation of goodwill amounting to DKK 10,200 thousand, based upon assumptions made as of acquisition. Due to change of business case and restructuring in general the original assumptions on the valuation are no longer applicable. As a result a goodwill write of amounting to DKK 10,200 thousand has been made. The write of has affected the loss of the year negatively by DKK 10,200 thousand and equity accordingly.

2 Staff costs

	2022/23 DKK	2021/22 DKK
Wages and salaries	34,609,443	29,800,665
Pension costs	2,849,415	2,635,112
Other social security costs	1,053,776	944,017
Other staff costs	2,488,446	1,451,168
	41,001,080	34,830,962
Average number of full-time employees	66	55

The Board of Directors did not receive any remuneration in the financial year.

Pursuant to section 98b(3) of the Danish Financial Statements Act, remuneration to the Executive Board has not been disclosed in the financial statements.

3 Depreciation, amortisation and impairment losses

	2022/23 DKK	2021/22 DKK
Amortisation of intangible assets	1,648,059	2,050,100
Impairment losses on intangible assets	10,200,000	461,131
Depreciation on property, plant and equipment	2,784,317	2,683,412
Profit/loss from sale of intangible assets and property, plant and equipment	(556,237)	24,264
	14,076,139	5,218,907

4 Other financial expenses

	2022/23 DKK	2021/22 DKK
Other interest expenses	465,026	0
Exchange rate adjustments	689,429	11,651
Other financial expenses	163,594	1,011,296
	1,318,049	1,022,947

5 Tax on profit/loss for the year

	2022/23 DKK	2021/22 DKK
Adjustment concerning previous years	1,178,472	0
	1,178,472	0

6 Proposed distribution of profit/loss

	2022/23 DKK	2021/22 DKK
Retained earnings	(45,220,523)	(20,887,477)
	(45,220,523)	(20,887,477)

7 Intangible assets

	Completed development projects DKK	Acquired rights DKK	Goodwill DKK
Cost beginning of year	13,585,536	14,140,040	13,264,476
Additions	382,464	1,591,509	0
Disposals	(4,796,034)	(1,935,000)	(13,264,476)
Cost end of year	9,171,966	13,796,549	0
Amortisation and impairment losses beginning of year	(10,246,854)	(12,727,630)	(3,064,476)
Impairment losses for the year	0	0	(10,200,000)
Amortisation for the year	(863,010)	(785,049)	0
Reversal regarding disposals	5,081,034	1,650,001	13,264,476
Amortisation and impairment losses end of year	(6,028,830)	(11,862,678)	0
Carrying amount end of year	3,143,136	1,933,871	0

8 Development projects

Developments projects comprise development of software and IT solutions developed for a specific client base. The Company expects to utilise the completed development projects over a time period of 5 years.

9 Property, plant and equipment

	Land and buildings DKK	Plant and machinery DKK	Other fixtures and fittings, tools and equipment DKK	Property, plant and equipment in progress DKK
Cost beginning of year	86,982,060	58,725,547	13,152,979	2,964,128
Transfers	2,964,128	0	0	(2,964,128)
Additions	9,277,773	7,614,226	1,754,732	0
Disposals	(1,985,014)	(18,662,819)	(4,002,378)	0
Cost end of year	97,238,947	47,676,954	10,905,333	0
Depreciation and impairment losses beginning of year	(66,883,637)	(58,458,727)	(10,724,276)	0
Depreciation for the year	(1,078,419)	(300,936)	(1,404,962)	0
Reversal regarding disposals	1,985,010	18,665,009	3,363,095	0
Depreciation and impairment losses end of year	(65,977,046)	(40,094,654)	(8,766,143)	0
Carrying amount end of year	31,261,901	7,582,300	2,139,190	0

10 Financial assets

	Other receivables DKK
Cost beginning of year	28,620
Disposals	(28,620)
Cost end of year	0
Carrying amount end of year	0

11 Prepayments

Prepayments consist of prepaid expenses regarding 2023/24

12 Contributed capital

	Number	Par value DKK	Nominal value DKK
Dai Nippon Printing Co. Ltd., Tokyo	135,000	1000	135,000,000
	135,000		135,000,000

13 Other provisions

Other provisions comprise provision for complaints.

14 Other payables

	2022/23 DKK	2021/22 DKK
VAT and duties	434,307	433,958
Wages and salaries, personal income taxes, social security costs, etc. payable	72,740	158,655
Holiday pay obligation	1,915,430	2,506,527
Other costs payable	1,994,237	2,359,747
	4,416,714	5,458,887

15 Deferred income

Deferred income comprise deferred hosting income from annual contracts for 2023/24.

16 Changes in working capital

	2022/23 DKK	2021/22 DKK
Increase/decrease in inventories	(25,944,596)	130,945
Increase/decrease in receivables	6,140,634	(6,982,035)
Increase/decrease in trade payables etc.	13,693,150	(19,459,925)
	(6,110,812)	(26,311,015)

17 Unrecognised rental and lease commitments

	2022/23 DKK	2021/22 DKK
Total liabilities under rental or lease agreements until maturity	277,083	726,833

18 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

19 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group: dnp denmark a/s is included in the consolidated financial statements of Dai Nippon Printing Co. Ltd., Tokyo.

20 Subsidiaries

	Registered in	Corporate form	Ownership %
Visiosign Sverige AB	Sweden	AB	100

Parent income statement for 2022/23

	Notes	2022/23 DKK	2021/22 DKK
Gross profit/loss		13,418,687	25,182,783
Distribution costs		(17,426,893)	(11,398,058)
Administrative expenses		(38,887,808)	(33,868,163)
Operating profit/loss		(42,896,014)	(20,083,438)
Income from investments in group enterprises		(261,234)	(714,884)
Other financial income	4	484,374	869,553
Other financial expenses	5	(1,369,177)	(958,708)
Profit/loss before tax		(44,042,051)	(20,887,477)
Tax on profit/loss for the year	6	(1,178,472)	0
Profit/loss for the year	7	(45,220,523)	(20,887,477)

Parent balance sheet at 31.03.2023

Assets

	Notes	2022/23 DKK	2021/22 DKK
Completed development projects	9	3,143,136	3,338,682
Acquired rights		1,933,871	1,412,410
Goodwill		0	10,200,000
Intangible assets	8	5,077,007	14,951,092
Land and buildings		31,261,901	20,098,423
Plant and machinery		7,582,299	266,819
Other fixtures and fittings, tools and equipment		2,137,216	2,423,327
Property, plant and equipment in progress		0	2,964,128
Property, plant and equipment	10	40,981,416	25,752,697
Investments in group enterprises		0	105,103
Other receivables		0	28,620
Financial assets	11	0	133,723
Fixed assets		46,058,423	40,837,512

Raw materials and consumables		33,179,153	21,791,259
Work in progress		647,733	126,662
Manufactured goods and goods for resale		18,826,343	4,790,712
Inventories		52,653,229	26,708,633
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Trade receivables		9,231,680	12,492,919
Receivables from group enterprises		419,706	0
Other receivables		2,629,638	4,537,192
Tax receivable		198,677	580,000
Prepayments	12	1,815,329	2,774,270
Receivables		14,295,030	20,384,381
<hr/>			
Cash		51,056,568	107,426,699
<hr/>			
Current assets		118,004,827	154,519,713
<hr/>			
Assets		164,063,250	195,357,225
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Equity and liabilities

	Notes	2022/23 DKK	2021/22 DKK
Contributed capital		135,000,000	135,000,000
Reserve for development costs		2,451,646	3,338,682
Retained earnings		(15,797,600)	28,586,692
Equity		121,654,046	166,925,374
Other provisions	13	498,540	281,690
Provisions		498,540	281,690
Prepayments received from customers		1,269,297	5,669,821
Trade payables		3,572,306	1,483,281
Payables to group enterprises		28,668,852	10,392,361
Other payables	14	3,824,236	4,837,822
Deferred income	15	4,575,973	5,766,876
Current liabilities other than provisions		41,910,664	28,150,161
Liabilities other than provisions		41,910,664	28,150,161
Equity and liabilities		164,063,250	195,357,225
Unusual circumstances	1		
Staff costs	2		
Amortisation, depreciation and impairment losses	3		
Unrecognised rental and lease commitments	16		
Contingent liabilities	17		
Related parties with controlling interest	18		
Transactions with related parties	19		

Parent statement of changes in equity for 2022/23

	Contributed capital DKK	Reserve for development costs DKK	Retained earnings DKK	Total DKK
Equity beginning of year	135,000,000	3,338,682	28,586,692	166,925,374
Exchange rate adjustments	0	0	(50,805)	(50,805)
Transfer to reserves	0	(887,036)	887,036	0
Profit/loss for the year	0	0	(45,220,523)	(45,220,523)
Equity end of year	135,000,000	2,451,646	(15,797,600)	121,654,046

Notes to parent financial statements

1 Unusual circumstances

Management has in the financial year assessed the valuation of goodwill amounting to DKK 10,200 thousand, based upon assumptions made as of acquisition. Due to change of business case and restructuring in general the original assumptions on the valuation are no longer applicable. As a result a goodwill write of amounting to DKK 10,200 thousand has been made. The write of has affected the loss of the year negatively by DKK 10,200 thousand and equity accordingly.

2 Staff costs

	2022/23 DKK	2021/22 DKK
Wages and salaries	34,032,925	29,191,874
Pension costs	2,849,415	2,635,112
Other social security costs	771,368	629,624
Other staff costs	2,407,465	1,346,487
	40,061,173	33,803,097
Average number of full-time employees	66	55

3 Depreciation, amortisation and impairment losses

	2022/23 DKK	2021/22 DKK
Amortisation of intangible assets	1,648,059	2,050,100
Impairment losses on intangible assets	10,200,000	0
Depreciation on property, plant and equipment	2,784,317	2,806,270
Profit/loss from sale of intangible assets and property, plant and equipment	(556,237)	24,264
	14,076,139	4,880,634

4 Other financial income

	2022/23 DKK	2021/22 DKK
Exchange rate adjustments	0	831,263
Other financial income	484,374	38,290
	484,374	869,553

5 Other financial expenses

	2022/23 DKK	2021/22 DKK
Other interest expenses	465,026	0
Exchange rate adjustments	689,428	11,651
Other financial expenses	214,723	947,057
	1,369,177	958,708

6 Tax on profit/loss for the year

	2022/23 DKK	2021/22 DKK
Adjustment concerning previous years	1,178,472	0
	1,178,472	0

7 Proposed distribution of profit and loss

	2022/23 DKK	2021/22 DKK
Retained earnings	(45,220,523)	(20,887,477)
	(45,220,523)	(20,887,477)

8 Intangible assets

	Completed development projects DKK	Acquired rights DKK	Goodwill DKK
Cost beginning of year	13,585,536	14,140,040	12,750,000
Additions	382,464	1,591,509	0
Disposals	(4,796,034)	(1,935,000)	(12,750,000)
Cost end of year	9,171,966	13,796,549	0
Amortisation and impairment losses beginning of year	(10,246,854)	(12,727,630)	(2,550,000)
Impairment losses for the year	0	0	(10,200,000)
Amortisation for the year	(863,010)	(785,049)	0
Reversal regarding disposals	5,081,034	1,650,001	12,750,000
Amortisation and impairment losses end of year	(6,028,830)	(11,862,678)	0
Carrying amount end of year	3,143,136	1,933,871	0

9 Development projects

Developments projects comprise development of software and IT solutions.

10 Property, plant and equipment

	Land and buildings DKK	Plant and machinery DKK	Other fixtures and fittings, tools and equipment DKK	Property, plant and equipment in progress DKK
Cost beginning of year	86,982,060	58,725,546	13,147,603	2,964,128
Transfers	2,964,128	0	0	(2,964,128)
Additions	9,277,773	7,614,226	1,758,133	0
Disposals	(1,985,014)	(18,662,819)	(4,002,377)	0
Cost end of year	97,238,947	47,676,953	10,903,359	0
Depreciation and impairment losses beginning of year	(66,883,637)	(58,458,727)	(10,724,276)	0
Depreciation for the year	(1,078,419)	(300,936)	(1,404,962)	0
Reversal regarding disposals	1,985,010	18,665,009	3,363,095	0
Depreciation and impairment losses end of year	(65,977,046)	(40,094,654)	(8,766,143)	0
Carrying amount end of year	31,261,901	7,582,299	2,137,216	0

11 Financial assets

	Investments in group enterprises DKK
Cost beginning of year	612,913
Cost end of year	612,913
Impairment losses beginning of year	(507,810)
Exchange rate adjustments	(50,805)
Share of profit/loss for the year	(54,298)
Impairment losses end of year	(612,913)
Carrying amount end of year	0

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

12 Prepayments

Prepayments consist of prepaid expenses regarding 2023/24

13 Other provisions

Other provisions comprise provision for complaints and a provision for negative equity in wholly owned subsidiary amounting to DKK 206,936.

14 Other payables

	2022/23	2021/22
	DKK	DKK
Wages and salaries, personal income taxes, social security costs, etc. payable	6,856	34,397
Holiday pay obligation	1,823,144	2,443,677
Other costs payable	1,994,236	2,359,748
	3,824,236	4,837,822

15 Deferred income

Deferred income comprise deferred hosting income from annual contracts for 2023/24.

16 Unrecognised rental and lease commitments

	2022/23	2021/22
	DKK	DKK
Total liabilities under rental or lease agreements until maturity	277,083	726,833

17 Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities.

18 Related parties with controlling interest

Dai Nippon Printing Co. Ltd., Tokyo owns all shares in the Entity, thus exercising control.

19 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year apart from the following. In the income statement the classification (presentation) in comparative figures concerning cost of sales and administrative expenses have been changed. The redistribution has been adjusted in the income statement and the comparative figures have been adjusted accordingly. The changes made have no effect on the group's operating profit/loss, assets or equity.

Pursuant to section 32 of the Danish Financial Statements Act, Management has decided not to disclose the Company's revenue, other operating income and cost of goods sold.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in translation reserve in equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are recognised directly in translation reserve in equity.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, production costs and other operating income.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue for sale of services and hosting is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Production costs

Production costs comprise expenses incurred to earn revenue for the financial year. Production costs comprise direct and indirect costs for raw materials and consumables, wages and salaries, rent and lease, and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment included in the production process. In addition, the item includes ordinary writedown of inventories.

Distribution costs

Distribution costs comprise costs incurred for sale and distribution of the Entity's products, including wages and salaries for sales staff, advertising costs, travelling and entertainment expenses, etc., and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment involved in the distribution process.

Administrative expenses

Administrative expenses comprise expenses incurred for the Entity's administrative functions, including wages and salaries for administrative staff and Management, stationery and office supplies, and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment used for administration of the Entity.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

Other financial income comprises interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet**Goodwill**

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For one amount of goodwill, it has not been possible to estimate useful life reliably, for which reason such useful life has been set at 10 years. For other amounts of goodwill, useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 10 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc.

Intellectual property rights etc. comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. The amortisation periods used are 5 years.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised on a straight-line basis over the term of the agreement.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For self-constructed assets, cost comprises direct and indirect costs of materials, components, subsuppliers and labour costs.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Buildings	10-50 years
Plant and machinery	3-5 years
Other fixtures and fittings, tools and equipment	3-5 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses. Reference is made to the above section on business combinations for more details about the accounting policies applied to acquisitions of investments in group enterprises.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to reserve for net revaluation according to the equity method in equity.

Goodwill is the difference between cost of investments and fair value of the pro rata share of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For one amount of goodwill, it has not been possible to estimate useful life reliably, for which reason such useful life has been set at 10 years. For other amounts of goodwill, useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 10 years.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Inventories

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

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation on and impairment losses relating to machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in cost.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Non-recourse guarantee commitments comprise commitments to remedy defects and deficiencies within the guarantee period.

On acquisition of enterprises and investments in group enterprises, provisions are made for costs relating to restructuring in the acquired enterprise that were decided and published at the acquisition date at the latest.

Once it is probable that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank loans.