PcP. Danmark A/S

Sverigesvej 2-4, 7480 Vildbjerg

Company reg. no. 14 31 09 40

Annual report

2023/24

The annual report was submitted and approved by the general meeting on the 23 May 2024.

Per Brask Ikov
Chairman of the meeting

Contents

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

Today, the Board of Directors and the Managing Director have approved the annual report of PcP. Danmark A/S for the financial year 2023/24.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 March 2024 and of the results of the Company's operations and cash flows for the financial year 1 April 2023 – 31 March 2024.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Vildbjerg, 23 May 2024

Managing Director

John Nielsen

Board of directors

Per Brask Ikov Chairman	Martin Krogh Pedersen	John Nielsen
Nils Martin Sirvell		

Independent auditor's report

To the Shareholder of PcP. Danmark A/S

Opinion

We have audited the financial statements of PcP. Danmark A/S for the financial year 1 April 2023 - 31 March 2024, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity, statement of cash flows and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 March 2024, and of the results of the Company's operations and cash flows for the financial year 1 April 2023 - 31 March 2024 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' 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 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.

Independent auditor's report

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on Management's Review
Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

Independent auditor's report

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

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Herning, 23 May 2024

Partner Revision
State Authorised Public Accountants
Company reg. no. 15 80 77 76

Peter Vinderslev
State Authorised Public Accountant
mne32848

Company information

The company	PcP. Danmark A/S Sverigesvej 2-4 7480 Vildbjerg	
	Phone	97131200
	Company reg. no.	14 31 09 40
	Financial year:	1 April - 31 March
Board of directors	Per Brask Ikov, Chairman Martin Krogh Pedersen John Nielsen Nils Martin Sirvell	
Managing Director	John Nielsen	
Auditors	Partner Revision statsautoriseret revisionsaktieselskab Industrivej Nord 15 7400 Herning	
Parent company	PcP Corporation A/S	

Financial highlights

DKK in thousands.	2023/24	2022/23	2021	2020	2019
Income statement:					
Gross profit	111.148	142.465	104.754	91.640	94.239
Profit from operating activities	36.275	45.509	30.541	14.794	15.739
Net financials	-377	-462	-428	-631	-358
Net profit or loss for the year	27.942	35.118	22.315	11.030	11.961
Statement of financial position:					
Balance sheet total	127.414	133.500	144.751	130.213	136.049
Investments in property, plant and equipment	3.842	2.801	6.359	7.415	6.046
Equity	63.815	37.376	72.108	64.648	68.485
Cash flows:					
Operating activities	32.399	59.012	18.502	34.149	6.139
Investing activities	-4.385	-2.580	-6.197	-7.228	-6.731
Financing activities	-6.405	-79.657	-16.309	-13.695	-15.536
Total cash flows	21.609	-23.225	-4.004	13.226	-16.128
Employees:					
Average number of full-time employees	126	132	133	139	136
Key figures in %:					
Solvency ratio	50,1	28,0	49,8	49,6	50,3
Return on equity	55,2	64,2	32,6	16,6	17,1

Calculations of key figures and ratios follow the recommendations of the Danish Association of Finance Analysts.

The financial highlights for 2022/23 comprise the period 1/1 2022 - 31/3 2023.

Management´s review

Description of key activities of the company

Like previous years, the activities are manufacturing of steel items for the metal industry and construction industry.

Development in activities and financial matters

Year 2023/24 has offered changes and new opportunities towards PcP. There were even so much pressure on demand that PcP faced challenges in getting the supply chain to keep up.

It is a satisfied management that presents an annual report that shows the gross profit for the year totals TDKK 111.148 against TDKK 142.465 (15 months) last year. Income from ordinary activities after tax totals TDKK 27.942 against TDKK 35.118 (15 months) last year.

Management expected an increase in 12-month net profits for the year. This goal was not met due to lack of demand for scaffolding. The executive board and the board of directors considers still the net profit for the year 2023/24 satisfactory.

The 10th of January merged PcP. Danmark A/S with Elefantriste A/S and with PcP. Danmark A/S as the continuing company. The merger has been retroactively to April 1, 2023.

In February 2024 PcP. Danmark A/S published our Environmental Product Delarations (EPD)

Special risks

Price risks

The company makes the necessary agreements on delivery of raw material used in production in order to ensure stable supplies. Risk conditions in this context are thus unchanged.

Due to substantial price fluctuations in the market, the company application of steel etc. in production implies a special risk, as an increase in prices not necessarily can be included to the full extent in the price of the finished products.

Exchange rate risks

It is generally not the company's exchange rate policy to hedge exchange rate risks, etc., since it is the company's opinion that ongoing hedging is not to prefer in an context of an overall risk and cost consideration.

Environmental issues

The company is environmentally conscious and is through an ongoing process to reduce the environmental impacts of corporate operations.

Research and development activities

The company does not conduct systematic research, but there is a continuous adaptation and improvement of the company production methods.

Management´s review

Expected developments

Environmental focus and ESG (environmental, social, and corporate governance) are today crucial elements in PcP's dialogue with customers and project owners. PcP is in front within these trends, and PcP's R&D resources are focused on documentation and improvements to support the heavy customer interest. Grating solutions, where strengthen/weight is optimized will be the future. To save environment impact but also to improve bargaining power in a challenged marked.

Internal optimization within production and supply chain will be conducted to meet the demands and the new ways of matching the market requests.

Management expects net profit result for 2024/25 in the same level as in 2023/24

Accounting policies

The annual report for PcP. Danmark A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (medium sized enterprises).

The accounting policies are unchanged from the previous year, and the annual report is presented in DKK. The accounting period was changed in the financial year before last and, consequently, the comparative figures in the income statement comprise the period 1 January 2022 – 31 March 2023.

Pcp Denmark A/S is merged with sister company Elefantriste A/S at 1 April 2023. The booked value method is used.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, write-downs for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Derivatives

At their initial recognition, derivatives are recognised at cost in the statement of financial position. Hereafter, they measured at fair value. Positive and negative fair values of derivatives are recognised under other receivables and payables, respectively.

Changes in the fair value of derived financial instruments classified as and meeting the criteria for hedging the fair value of a recognised asset or a recognised liability are recognised in the income statement together with changes in the fair value of the hedged asset or the hedged liability.

Changes in the fair value of derived financial instruments classified as hedging of future cash flows are recognised in other receivables or other payables, and in equity.

If the future transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or the liability, respectively. If the future transaction results in income or costs, amounts recognised in equity on a continuing basis are transferred to the income statement for the period in which the hedged item affected the income statement.

For derived financial statements that are no longer recognised as hedging instruments, changes in fair value are recognised in the income statement on a current basis.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets, operating loss and conflict compensation as well as salary reimbursements received. Compensation is recognized when it is overwhelmingly probable that the company will receive the compensation.

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Depreciation, amortisation, and write-down for impairment

Depreciation, amortisation, and write-down for impairment comprise depreciation on, amortisation of, and write-down for impairment of intangible and tangible assets, respectively.

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.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Licences ect.

Licenses ect. are measured at cost less accrued amortisation. Licenses ect. are amortised on basis over the estimated useful economic life for a maximum of 3 years.

Profit and loss from the sale of development projects, patents, and licenses are measured as the difference between the sales price less sales costs and the carrying amount at the time of sale. Profit or loss are recognised in the income statement as other operating income or other operating expenses, respectively.

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment. Land is not subject to depreciation.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Buildings	33 years
Plant and machinery	3-10 years
Other fixtures and fittings, tools and equipment	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

As regards self-constructed assets, the cost comprises direct costs for materials, components, deliveries from subsuppliers, payroll costs, and borrowing costs from specific and general borrowing concerning the construction of each individual asset.

Accounting policies

Leases

The enterprise will be applying IAS 17 as its base of interpretation for recognition of classification and recognition of leases.

At their initial recognition in the statement of financial position, leases concerning property, plant, and equipment where the company holds all essential risks and advantages associated with the proprietary right (finance lease) are measured either at fair value of the asset being leased or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the discount rate used is the internal rate of return of the lease or, alternatively, the borrowing rate of the enterprise. Hereafter, assets held under a finance lease are treated in the same way as other similar property, plant, and equipment.

The capitalised residual lease commitment is recognised in the statement of financial position as a liability other than provisions, and the interest part of the lease is recognised in the income statement for the term of the contract.

All other leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Inventories

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

Accounting policies

Costs of manufactured goods and work in progress comprise the cost of raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance and depreciation of machinery, factory buildings, and equipment used in the production process, and costs for factory administration and factory management. Borrowing expenses are not recognised in cost.

The net realisable value for inventories is recognised as the estimated selling price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Equity

Reserve for hedging transactions

The reserve for hedging transactions arises when hedging instruments are subject to fair value adjustments.

The reserve is dissolved once the value adjustments have been applied or reversed.

The reserve is distributable.

Dividend

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

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

According to the rules of joint taxation, PcP. Danmark A/S is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, 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.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

Also, capitalised residual leasing liabilities associated with financial leasing contracts are recognised in the financial liabilities.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Accounting policies

Statement of cash flows

The cash flow statement shows the cash flows for the year, divided in cash flows deriving from operating activities, investment activities and financing activities, respectively, the changes in the liabilities, and cash and cash equivalents at the beginning and the end of the year, respectively.

The effect on cash flows derived from the acquisition and sale of enterprises appears separately under cash flows from investment activities. In the statement of cash flows, cash flows derived from acquirees are recognised as of the date of acquisition, and cash flows derived from sold enterprises are recognised until the date of sale.

Cash flows from operating activities

Cash flows from operating activities are calculated as the company's share of the profit adjusted for non-cash operating items, changes in the working capital, and corporate income tax paid. Dividend income from equity investments are recognised under “Interest income and dividend received”.

Cash flows from investment activities

Cash flows from investment activities comprise payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible assets, property, plant, and equipment, and investments, respectively.

Cash flows from financing activities

Cash flows from financing activities include changes in the size or the composition of the company's share capital and costs attached to it, as well as raising loans, repayments of interest-bearing payables and payment of dividend to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand with deduction of short-term bank debts and short-term securities with a maturity less than 3 months that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

Income statement

All amounts in DKK.

Note		1/4 2023 - 31/3 2024	1/1 2022 - 31/3 2023
	Gross profit	**111.148.138**	**142.465.436**
1	Staff costs	-69.009.444	-88.196.080
	Depreciation and impairment of property, land and equipment	-5.864.095	-8.760.608
	Operating profit	**36.274.599**	**45.508.748**
	Other financial income from group enterprises	87.106	149.784
	Other financial income	1.339.229	946.979
2	Other financial expenses	-1.803.111	-1.558.918
	Pre-tax net profit or loss	**35.897.823**	**45.046.593**
	Tax on net profit or loss for the year	-7.955.813	-9.928.333
3	**Net profit or loss for the year**	**27.942.010**	**35.118.260**

Balance sheet at 31 March

All amounts in DKK.

Note	Assets	2024	2023
	Non-current assets		
4	Acquired concessions, patents, licenses, trademarks, and similar rights	592.507	0
	Total intangible assets	592.507	0
5	Land and buildings	25.538.701	26.859.819
6	Plant and machinery	9.406.904	9.378.135
7	Other fixtures, fittings, tools and equipment	348.813	1.127.709
	Total property, plant, and equipment	35.294.418	37.365.663
	Total non-current assets	**35.886.925**	**37.365.663**
	Current assets		
	Raw materials and consumables	25.275.236	20.203.594
	Work in progress	12.173.553	10.868.933
	Manufactured goods and goods for resale	8.192.234	8.915.606
	Total inventories	45.641.023	39.988.133
	Trade receivables	23.104.521	27.564.093
	Receivables from group enterprises	18.353.366	26.330.406
	Other receivables	0	450.284
8	Prepayments	1.543.938	1.780.540
	Total receivables	43.001.825	56.125.323
	Cash and cash equivalents	2.884.357	20.581
	Total current assets	**91.527.205**	**96.134.037**
	Total assets	**127.414.130**	**133.499.700**

Balance sheet at 31 March

All amounts in DKK.

Note	Equity and liabilities	2024	2023
	Equity		
9	Contributed capital	2.100.000	2.000.000
	Reserve for hedging transactions	412.303	427.571
	Retained earnings	26.302.366	31.448.531
	Proposed dividend for the financial year	35.000.000	3.500.000
	Total equity	**63.814.669**	**37.376.102**
	Provisions		
10	Provisions for deferred tax	2.983.309	3.361.084
	Total provisions	**2.983.309**	**3.361.084**
	Liabilities other than provisions		
11	Mortgage debt	3.393.758	4.807.452
12	Other payables	0	20.383
	Total long term liabilities other than provisions	3.393.758	4.827.835
	Current portion of long term liabilities	1.454.327	4.816.154
	Bank loans	915.268	19.660.780
	Prepayments received from customers	2.327.627	6.586.668
	Trade payables	26.405.696	20.715.070
	Payables to group enterprises	9.593.968	9.465.391
	Income tax payable	313.582	10.494.084
	Other payables	16.211.926	16.196.532
	Total short term liabilities other than provisions	57.222.394	87.934.679
	Total liabilities other than provisions	**60.616.152**	**92.762.514**
	Total equity and liabilities	**127.414.130**	**133.499.700**

13 Disclosures on fair value
14 Charges and security
15 Contingencies
16 Financial risks
17 Related parties

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Reserve for hedging transactions	Retained earnings	Proposed dividend for the financial year	Total
Equity 1 January 2022	2.000.000	277.749	49.830.271	20.000.000	72.108.020
Distributed dividend	0	0	0	-20.000.000	-20.000.000
Retained earnings for the year	0	0	-18.381.740	3.500.000	-14.881.740
Extraordinary dividend adopted during the financial year	0	0	50.000.000	0	50.000.000
Distributed extraordinary dividend adopted during the financial year	0	0	-50.000.000	0	-50.000.000
Fair value adjustments of hedging instruments for the year	0	192.079	0	0	192.079
Tax on adjustment	0	-42.257	0	0	-42.257
Equity 1 January 2022	2.000.000	427.571	31.448.531	3.500.000	37.376.102
Capital increase merger	100.000	0	0	0	100.000
Distributed dividend	0	0	0	-3.500.000	-3.500.000
Retained earnings for the year	0	0	-7.057.990	35.000.000	27.942.010
Fair value adjustments of hedging instruments for the year	0	-19.574	0	0	-19.574
Tax on adjustment	0	4.306	0	0	4.306
Merger	0	0	4.411.825	0	4.411.825
Dividend merger	0	0	-2.500.000	0	-2.500.000
	2.100.000	**412.303**	**26.302.366**	**35.000.000**	**63.814.669**

Statement of cash flows

All amounts in DKK.

Note		1/4 2023 - 31/3 2024	1/1 2022 - 31/3 2023
	Net profit or loss for the year	27.942.010	35.118.260
18	Adjustments	14.196.184	19.161.563
19	Change in working capital	9.026.590	12.126.225
	Cash flows from operating activities before net financials	51.164.784	66.406.048
	Interest received, etc.	1.426.334	1.096.765
	Interest paid, etc.	-1.803.111	-1.558.918
	Cash flows from ordinary activities	50.788.007	65.943.895
	Income tax paid	-18.388.784	-6.931.557
	Cash flows from operating activities	**32.399.223**	**59.012.338**
	Purchase of intangible assets	-543.788	0
	Purchase of property, plant, and equipment	-3.841.568	-2.801.171
	Sale of property, plant, and equipment	500	221.000
	Cash flows from investment activities	**-4.384.856**	**-2.580.171**
	Repayments of long-term payables	-4.795.904	-9.656.694
	Merger	4.390.825	0
	Dividend merger	-2.500.000	0
	Dividend paid	-3.500.000	-70.000.000
	Cash flows from financing activities	**-6.405.079**	**-79.656.694**
	Change in cash and cash equivalents	**21.609.288**	**-23.224.527**
	Cash and cash equivalents at 1 April	-19.640.199	3.584.328
	Cash and cash equivalents at 31 March	**1.969.089**	**-19.640.199**

	Cash and cash equivalents		
	Cash and cash equivalents	2.884.357	20.581
	Short-term bank loans	-915.268	-19.660.780
	Cash and cash equivalents at 31 March	**1.969.089**	**-19.640.199**

Notes

All amounts in DKK.

		1/4 2023 - 31/3 2024	1/1 2022 - 31/3 2023
1.	**Staff costs**		
	Salaries and wages	61.572.437	79.834.982
	Pension costs	5.831.462	6.119.827
	Other costs for social security	1.605.545	2.241.271
		69.009.444	**88.196.080**
	Executive board and board of directors	2.163.306	2.973.324
	Average number of employees	126	132
2.	**Other financial expenses**		
	Financial costs, group enterprises	131.682	96.484
	Other financial costs	1.671.429	1.462.434
		1.803.111	**1.558.918**
3.	**Proposed distribution of net profit**		
	Extraordinary dividend distributed during the financial year	0	50.000.000
	Dividend for the financial year	35.000.000	3.500.000
	Allocated from retained earnings	-7.057.990	-18.381.740
	Total allocations and transfers	**27.942.010**	**35.118.260**

Notes

All amounts in DKK.

		31/3 2024	31/3 2023
4.	**Acquired concessions, patents, licenses, trademarks, and similar rights**		
	Additions during the year	543.788	0
	Transfers	112.500	0
	Cost 31 March	**656.288**	**0**
	Amortisation and depreciation for the year	-61.350	0
	Transfers	-2.431	0
	Amortisation and write-down 31 March	**-63.781**	**0**
	Carrying amount, 31 March	**592.507**	**0**
5.	**Land and buildings**		
	Cost 1 April	72.121.367	72.083.066
	Additions during the year	677.181	38.301
	Cost 31 March	**72.798.548**	**72.121.367**
	Depreciation and write-down 1 April	-45.261.548	-42.375.287
	Amortisation and depreciation for the year	-1.998.299	-2.886.261
	Depreciation and write-down 31 March	**-47.259.847**	**-45.261.548**
	Carrying amount, 31 March	**25.538.701**	**26.859.819**

Notes

All amounts in DKK.

		31/3 2024	31/3 2023
6.	**Plant and machinery**		
	Cost 1 April	114.507.534	115.549.421
	Additions during the year	3.164.386	2.013.175
	Disposals during the year	-1.958.703	-3.055.062
	Cost 31 March	**115.713.217**	**114.507.534**
	Depreciation and write-down 1 April	-105.129.398	-104.084.096
	Amortisation and depreciation for the year	-3.135.618	-4.100.365
	Reversal of depreciation, amortisation and impairment loss, assets disposed of	1.958.703	3.055.062
	Depreciation and write-down 31 March	**-106.306.313**	**-105.129.399**
	Carrying amount, 31 March	**9.406.904**	**9.378.135**
7.	**Other fixtures, fittings, tools and equipment**		
	Cost 1 April	15.635.646	15.470.470
	Additions during the year	0	749.695
	Disposals during the year	0	-584.520
	Transfers	-112.500	0
	Cost 31 March	**15.523.146**	**15.635.645**
	Depreciation and write-down 1 April	-14.507.937	-13.087.007
	Amortisation and depreciation for the year	-668.827	-1.773.982
	Reversal of depreciation, amortisation and impairment loss, assets disposed of	0	353.053
	Transfers	2.431	0
	Depreciation and write-down 31 March	**-15.174.333**	**-14.507.936**
	Carrying amount, 31 March	**348.813**	**1.127.709**
8.	**Prepayments**		
	Other prepayments IT ect.	1.543.938	1.780.540
		1.543.938	**1.780.540**

Notes

All amounts in DKK.

		31/3 2024	31/3 2023
9.	**Contributed capital**		
	Contributed capital 1 April	2.000.000	2.000.000
	Capital increase merger	100.000	0
		2.100.000	**2.000.000**

The contributed capital consists of shares of DKK 1.000 or multiples thereof. No shares hold particular rights.

		31/3 2024	31/3 2023
10.	**Provisions for deferred tax**		
	Provisions for deferred tax 1 April	3.361.084	3.884.577
	Deferred tax relating to the net profit or loss for the year	-256.775	-523.493
	Deferred tax recognised merger	-121.000	0
		2.983.309	**3.361.084**
	The following items are subject to deferred tax:		
	Intangible assets	130.352	0
	Tangible fixed assets	2.928.681	3.091.826
	Current assets	161.309	379.206
	Liabilities	-237.033	-109.948
		2.983.309	**3.361.084**

		31/3 2024	31/3 2023
11.	**Mortgage debt**		
	Total mortgage debt	4.848.085	7.635.129
	Share of amount due within 1 year	-1.454.327	-2.827.677
		3.393.758	**4.807.452**
	Share of liabilities due after 5 years	0	1.777.774

		31/3 2024	31/3 2023
12.	**Other payables**		
	Total other payables	0	2.008.860
	Share of amount due within 1 year	0	-1.988.477
	Total other payables	**0**	**20.383**
	Share of liabilities due after 5 years	0	0

Notes

All amounts in DKK.

13. Disclosures on fair value

	Derived financial instruments
Fair value at 31 March	114.254
Unrealised change in fair value of the year recognised in the equity	19.574

14. Charges and security

As security for bank debt to Nordea A/S, the following is deposited:
Owner mortgage deed and letter of indemnity in total DKK 16.600.000, mortgage has been granted on the following property: Sverigesvej 2, matr. nr. 1AÆ, Pugdalgård, Vildbjerg sogn.
The property is representing a book value of DKK 25.538.701 on 31/03/2024.

As security for debt to Nykredit Realkredit, the following is deposited:
Mortgage deed nominal DKK 25.176.000 and EUR 1.462.200, mortgage has been granted on the following property: Sverigesvej 2, Vildbjerg.
The property is representing a book value of DKK 25.538.701 on 31/03/2024.

As security for debt to Spar Nord Bank, the following is deposited:
Owner mortgage deed nominal DKK 6.200.000, mortgage has been granted on the Sverigesvej 2, Vildbjerg. The property is representing a book value of DKK 25.538.701 on 31/03/2024.

There has been given a negative pledge as security for the company and some group enterprises accounts with the bank.

Some of the group enterprises has provided guarantees for the bank debts of the company.

Notes

All amounts in DKK.

15. Contingencies

Contingent liabilities

Leasing liabilities

The company has entered into operational leasing contracts with an average annual leasing payment of TDKK 458. The leasing contracts have 6-50 months left to run, and the total outstanding leasing payment is TDKK 1.498.

Recourse guarantee commitments

The company has provided guarantees for the bank debt of some of the group enterprises credit line max TDKK 60.000.

The company has provided guarantees for rent of property of some group enterprises TDKK 263.

Rebuy obligation on inventories in some group enterprises.

Joint taxation

With Lagercrantz A/S, company reg. no 81746710 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

16. Financial risks

Interest rate risks

The company has entered an interest rate swap agreement in order to limit the interest rate risk in relation to a mortgage loan with a floating interest rate. Changes in the market value of the interest rate swap are recognised directly in equity. Market value interest rate swap agreement on 31/03 2024 DKK 114.254 is booked under other debts. The market value interest rate swap agreement comprises nominal EUR 576.080 and interest rate between variable market interst and max. 3,0 %.

Notes

All amounts in DKK.

17. Related parties

Controlling interest

PcP Corporation A/S, Herning, Denmark	Majority shareholder
Lagercrantz A/S, Brøndby, Denmark	Controlling party
Lagercrantz AB, Stockholm, Sweden	Ultimate controlling party

Other related parties

Group enterprises.

Transactions

All transactions have been carried out on an arm´s length basis and therefore ÅRL § 98c, stk 7 is in use.

Consolidated annual accounts

The company is included in the consolidated financial statements of Lagercrantz AB, Torsgatan 2, Stockholm, Sweden. The consolidated financial statement can be found at www.lagercrantz.com.

Notes

All amounts in DKK.

		1/4 2023 - 31/3 2024	1/1 2022 - 31/3 2023
18.	**Adjustments**		
	Depreciation, amortisation, and impairment	5.864.095	8.760.608
	Profit from disposal of non-current assets	-500	10.467
	Other financial income	-1.426.335	-1.096.763
	Other financial expenses	1.803.111	1.558.918
	Tax on net profit or loss for the year	7.955.813	9.928.333
		14.196.184	**19.161.563**
19.	**Change in working capital**		
	Change in inventories	-5.652.890	-244.284
	Change in receivables	13.123.498	-1.312.548
	Change in trade payables and other payables	1.575.556	13.490.978
	Other changes in working capital	-19.574	192.079
		9.026.590	**12.126.225**

John Nielsen

Navnet returneret af dansk MitID var:
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Direktør
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Tidspunkt for underskrift: 29-05-2024 kl.: 07:38:49
Underskrevet med MitID

John Nielsen

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Bestyrelsesmedlem
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Underskrevet med MitID

Per Brask Ikov

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Martin Krogh Pedersen

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Underskrevet med MitID

Nils Martin Sirvell

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MARTIN SIRVELL
Bestyrelsesmedlem
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Peter Vinderslev

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Revisor
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CVR-match med dansk MitID
Tidspunkt for underskrift: 31-05-2024 kl.: 14:25:20
Underskrevet med MitID

Per Brask Ikov

Navnet returneret af dansk MitID var:
Per Brask Ikov
Dirigent
ID: bce19716-84eb-4d27-bfa5-db3698c045b2
Tidspunkt for underskrift: 02-06-2024 kl.: 09:29:13
Underskrevet med MitID