

VELUX Commercial Danmark A/ S

Ådalsvej 99, 2970 Hørsholm

CVR no. 17 61 07 08

Annual report

for the year 1 January - 31 December 2023

Approved at the Company's annual general meeting on 28 May 2024

Chair of the meeting:

.....
Teodora Anda Grosu

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of VELUX Commercial Danmark A/S for the financial year 1 January - 31 December 2023.

The annual report is prepared in accordance with 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 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

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

We recommend that the annual report be approved at the annual general meeting.

Hørsholm, 28 May 2024
Executive Board:

.....
Lars Kragstig Højgaard
CEO

Board of Directors:

.....
Bart Johannes Gosse
Goetzee
Chairman

.....
Thomas Juul Jensen

.....
Michael Wieting

Independent auditor's report

To the shareholders of VELUX Commercial Danmark A/S

Opinion

We have audited the financial statements of VELUX Commercial Danmark A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 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 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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 as to 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 the 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 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.

Independent auditor's report

- ▶ 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 note 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 the Management's review

Management is responsible for the Management's review.

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

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 the Management's review.

Aalborg, 28 May 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Søren V. Nejmann
State Authorised Public Accountant
mne32775

Martin Bøgsted
State Authorised Public Accountant
mne40035

Management's review

Company details

Name	VELUX Commercial Danmark A/S
Address, Postal code, City	Ådalsvej 99, 2970 Hørsholm
CVR no.	17 61 07 08
Established	1 January 1994
Registered office	Hørsholm
Financial year	1 January - 31 December
Website	https://commercial.velux.dk
Telephone	+45 96 77 13 00
Board of Directors	Bart Johannes Gosse Goetzee, Chairman Thomas Juul Jensen Michael Wieting
Executive Board	Lars Kragtig Højgaard, CEO
Auditors	EY Godkendt Revisionspartnerselskab Østre Havnegade 65, 9000 Aalborg, Denmark

Management's review

Financial highlights

DKKm	2023	2022	2021	2020	2019
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Key figures

Operating profit/loss	7	9	-2	-4	-3
Profit before interest and tax (EBIT)	7	10	-1	-4	31
Net financials	0	0	0	0	0
Profit before tax	8	10	-1	-4	31
Profit for the year	6	7	-2	-4	24

Total assets	60	67	49	50	66
Investments in property, plant and equipment	1	5	0	1	0
Equity	47	41	34	36	54

Financial ratios

Equity ratio	78.3%	61.2%	69.4%	72.0%	81.8%
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Average number of full-time employees	55	67	62	65	64
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Reference is made to the accounting policies for the financial ratios.

Management's review

Business review

Velux Commercial Danmark A/S is a 100% owned subsidiary of VKR Holding A/S and the main activity is to produce, market and sell smoke and heat exhaust ventilations systems and skylight products.

Financial review

The income statement for 2023 shows a profit of DKK 6,208 thousand against a profit of DKK 7,458 thousand last year, and the balance sheet at 31 December 2023 shows equity of DKK 47,499 thousand.

Per the 1st January 2023 the commercial business activities from VELUX Danmark A/S were integrated into VELUX Commercial Danmark A/S and the company will operate up from this date as one Commercial entity.

The sales volume increased by 21.2% and the margin increased due to better project management and improvements in the service and installation business. The manufacturing and distribution agreement with VELUX A/S supported the increased net result. The company also entered into a cash pool agreement with VELUX A/S to centralize the financial performance of the Group.

In the annual report for 2022, Management expected a profit for 2023 in the level of DKK 6-7 million. Profit for the year is on the expected level.

Knowledge resources

The Company regularly reviews the need to attract, develop and retain employees with an appropriate level of competence.

Financial risks and use of financial instruments

The company is willing to take risks in a responsible and calculated manner and hence a careful and risk-based assessment process is applied for strategic and tactical decisions. Compliance with laws and regulations and our corporate social responsibility are important preconditions.

VELUX Commercial Danmark A/S is exposed to credit risks and price risks arising from purchase and sale transactions.

Due to the fact, that most of the customers are based in Denmark and most of the suppliers are from Denmark or European countries where EUR is the currency, a currency risk is limited.

The Company does not have any significant risks regarding individual customers or collaborators beyond what is usual for the industry as well as common customer/supplier relationship.

Impact on the external environment

The Company is continuously working to reduce a possible environmental impact of its operations, just like the skylight products are constantly developed to improve the energetic characteristics, further increase longevity and minimize maintenance costs.

In 2023, the Company has also focused on employee security and related safety issues.

Events after the balance sheet date

In 2024 the production location will move from Kongerslev to Østbirk, this decision should strengthen VELUX Commercial Danmark A/S.

No other events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Outlook

The Budget 2024 shows an increase sales and margin which will result in an increase operative result. A potential risk is still the ongoing crises between Russia and the Ukraine as well the crises in the middle east.

Management expect a result for 2024 in the level of DKK 5-7 million.

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2023	2022
	Gross profit	39,561	46,779
3	Employee costs	-30,753	-35,980
	Depreciation, amortisation and impairment losses	-1,367	-1,120
	Profit before net financials	7,441	9,679
	Financial income	565	0
4	Financial expenses	-93	-178
	Profit before tax	7,913	9,501
	Tax	-1,705	-2,043
	Profit for the year	6,208	7,458

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2023	2022
	ASSETS		
	Fixed assets		
5	Intangible assets		
	Acquired intangible assets	509	368
		509	368
6	Property, plant and equipment		
	Plant and machinery	6,170	6,089
	Other fixtures and fittings, tools and equipment	375	560
		6,545	6,649
7	Investments		
	Deposits, investments	258	258
		258	258
	Total fixed assets	7,312	7,275
	Non-fixed assets		
	Inventories		
	Raw materials and consumables	15,671	18,029
	Work in progress	1,361	1,881
	Finished goods	1,182	880
		18,214	20,790
	Receivables		
	Trade receivables	18,316	11,049
8	Receivables from affiliated companies	15,669	23,330
	Other receivables	333	742
9	Prepayments	197	177
		34,515	35,298
	Cash	0	3,725
	Total non-fixed assets	52,729	59,813
	TOTAL ASSETS	60,041	67,088

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2023	2022
	EQUITY AND LIABILITIES		
	Equity		
10	Share capital	600	600
	Retained earnings	35,724	40,691
	Proposed dividend	11,175	0
	Total equity	47,499	41,291
	Provisions		
11	Deferred tax liabilities	281	363
12	Other provisions	1,093	0
	Total provisions	1,374	363
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Prepayments received from customers	480	360
	Trade payables	5,596	8,566
	Payables to affiliated companies	26	10,730
	Joint taxation contribution payable	549	1,846
	Other current liabilities	4,517	3,932
		11,168	25,434
	Total liabilities other than provisions	11,168	25,434
	TOTAL EQUITY AND LIABILITIES	60,041	67,088

- 1 Accounting policies
- 2 Events after the balance sheet date
- 13 Appropriation of profit
- 14 Contractual obligations and contingencies, etc.
- 15 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

Note	DKK'000	Share capital	Retained earnings	Proposed dividend	Total
	Equity at 1 January 2023	600	40,691	0	41,291
13	Transfer, see "Appropriation of profit"	0	-4,967	11,175	6,208
	Equity at 31 December 2023	600	35,724	11,175	47,499

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of VELUX Commercial Danmark A/S for 2023 is presented in accordance with the provisions of the Danish Financial Statements Act applying for medium-sized class C companies.

The Company is included in the consolidated financial statements for VKR Holding A/S, Hørsholm, CVR no. 30 83 04 15.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Omission of a cash flow statement

Pursuant to section 86 (4) of the Danish Financial Statements Act, the Company presents no cash flow statement. The Company's cash flows are included in the cash flow statement in the consolidated financial statements of VKR Holding A/S.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Foreign currency translation

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

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

Income statement

Revenue

The Company has chosen IAS 18 as interpretation for revenue recognition.

Income from the sale of goods, is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received.

Income from the rendering of services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year (percentage-of-completion method).

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

Gross profit

The items revenue, cost of sales, change in inventories of finished goods and work in progress, other operating income and other external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Other operating income

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

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cost of goods

Cost of goods includes the cost of goods etc. used in generating the year's revenue.

Other external expenses

Other external expenses comprise the year's expenses relating to the Company's core activities, including distribution costs and costs relating to sale, advertising, administration, premises, bad debts losses, operating leases, etc.

Employee costs

Employee costs include wages and salaries and pension to the Company's employees, as well as other social security contributions, etc.

Amortisation/ depreciation

Amortisation and depreciation is provided on a straight line basis over the expected useful life.

The expected useful lives of the assets are as follows:

Acquired intangible assets	3-5 years
Plant and machinery	5-10 years
Other fixtures and fittings, tools and equipment	3-10 years

Depreciation is calculated taking into account any residual value after useful life and impairment losses. The depreciation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, depreciation is discontinued.

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Financial items include interest income and expenses, financing costs of finance leases, realised and unrealised gains and losses on securities, debt and transactions in foreign currencies, etc.

Tax

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

The Company is jointly taxed with other group entities in the VKR Holding Group. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Jointly taxed entities entitled to a tax refund are reimbursed by VKR Holding A/S as the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Intangible assets

Other intangible assets include other acquired intangible rights, including software licences.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

Gains and losses on sale of intangible assets 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 accumulated depreciation and impairment losses.

Gains and losses on sale or disposals of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Deposits, investments

Deposits are measured at cost. Financial assets are written down to the net realisable value, if this is lower than the carrying amount.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and deposits, investments is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Inventories

Inventories are recognised at cost in accordance with the FIFO method. If the net realisable value is lower than cost, inventories are written down to this lower value. The cost price for goods for resale and raw materials and consumables comprises the purchase price plus delivery costs. The cost price for manufactured goods and work in progress comprises direct and indirect production overheads.

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

Receivables

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows.

Cash

Cash comprise cash at bank.

Given the nature of the VKR Group's cash pool arrangement, cash pool balances are not considered cash, but are recognised under "Receivables from affiliated companies".

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Provisions

Other provisions comprise anticipated costs related to warranties.

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

Warranty commitments include expenses for remedial action in respect of the contract work within the warranty period. Provisions for warranty commitments are measured at net realisable value and recognised based on past experience. Provisions that are expected to mature more than one year after the balance sheet date are discounted at average bond yields.

Income taxes

Current joint taxation contribution payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Deferred tax is measured by the balance sheet liability method of all temporary differences between the accounting and taxable value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation. That will be either by elimination in tax on future earnings or against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of tax rules and at rates in the respective countries at the balance sheet date when the deferred tax is expected to become current tax. Changes in deferred tax due to changes in tax rates are recognised in the income statement except for items recognised directly in equity.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate.

Other liabilities are measured at net realisable value.

Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating profit/loss	Profit/loss before net financials +/- Other operating income and other operating expenses
Equity ratio	$\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$

2 Events after the balance sheet date

In 2024 the production location will move from Kongerslev to Østbirk, this decision should strengthen VELUX Commercial Danmark A/S.

No other events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	2023	2022
3 Employee costs		
Wages/ salaries	27,581	32,597
Pensions	2,329	2,447
Other social security costs	843	936
	<u>30,753</u>	<u>35,980</u>
Average number of full-time employees	<u>55</u>	<u>67</u>

The executive board and board of directors do not receive remuneration specific to their executive roles in the company.

4 Financial expenses		
Interest expenses, affiliated companies	48	81
Other financial expenses	45	97
	<u>93</u>	<u>178</u>

5 Intangible assets

DKK'000	Acquired intangible assets
Cost at 1 January 2023	2,068
Additions	422
Cost at 31 December 2023	<u>2,490</u>
Impairment losses and amortisation at 1 January 2023	1,700
Amortisation	281
Impairment losses and amortisation at 31 December 2023	<u>1,981</u>
Carrying amount at 31 December 2023	<u>509</u>
Amortised over	<u>3-5 years</u>

6 Property, plant and equipment

DKK'000	Plant and machinery	Other fixtures and fittings, tools and equipment	Total
Cost at 1 January 2023	10,120	2,360	12,480
Additions	982	0	982
Cost at 31 December 2023	<u>11,102</u>	<u>2,360</u>	<u>13,462</u>
Impairment losses and depreciation at 1 January 2023	4,031	1,800	5,831
Depreciation	901	185	1,086
Impairment losses and depreciation at 31 December 2023	<u>4,932</u>	<u>1,985</u>	<u>6,917</u>
Carrying amount at 31 December 2023	<u>6,170</u>	<u>375</u>	<u>6,545</u>

Financial statements 1 January - 31 December

Notes to the financial statements

7 Investments

DKK'000	<u>Deposits, investments</u>
Cost at 1 January 2023	258
Cost at 31 December 2023	258
Carrying amount at 31 December 2023	258

8 Receivables from affiliated companies

The company has entered into an agreement on a cash pool arrangement with Nordea Bank, where VELUX A/S is the account holder and VELUX Commercial Danmark A/S is the sub-account holder together with the company's other affiliates. The terms of the cash pool scheme ascribe to VELUX A/S the right to settle deductions and deposits with each other, whereby it is only the net balance of the total cash pool accounts that constitute VELUX A/S' balance with Nordea Bank.

VELUX Commercial Danmark A/S' accounts in the cash pool arrangement, which are recognised under receivables from affiliated companies, amount to a balance of DKK 18,700 thousand as of 31 December 2023.

9 Prepayments

Prepayments comprise prepaid costs regarding rent, insurance premiums and subscriptions.

10 Share capital

31 December 2023, the share capital comprises 600 shares of DKK 1,000 each. The share capital has not been changed during the past five years.

DKK'000	<u>2023</u>	<u>2022</u>
11 Deferred tax		
Deferred tax at 1 January	363	165
Deferred tax adjustments for the year recognised in the income statement	159	198
Other deferred tax	-241	0
Deferred tax at 31 December	281	363

12 Other provisions

The provisions mainly relate to warranty provisions, and DKK 1,093 thousand is expected to fall due within one year after the end of the financial year.

DKK'000	<u>2023</u>	<u>2022</u>
13 Appropriation of profit		
Recommended appropriation of profit		
Proposed dividend	11,175	0
Retained earnings/accumulated loss	-4,967	7,458
	6,208	7,458

Financial statements 1 January - 31 December

Notes to the financial statements

14 Contingent liabilities and other contractual obligations

Contractual obligations against affiliated companies

The Company is jointly taxed with other Danish companies in the VKR Group. The Company has unlimited joint and several liabilities with the other jointly Danish taxed companies for company taxes, interest thereon etc. and for Danish tax withheld at source for dividend, interest and royalties within the joint taxation group.

The jointly taxed entities' total known net liability in respect of corporation taxes and withholding taxes payable on dividend, interest and royalties can be found in the parent company annual report. Any subsequent corrections of income subject to joint taxation and withholding taxes, etc., may entail that the entities' liability will increase.

Other financial obligations

Contractual obligations etc.

The company has entered into rent and lease agreements with at total contractual cash flow of DKKK 2,817 thousand, that fall due within 5 years (2022: DKK 2,888 thousand).

The company has through credit institutions provided gaurantess amounting to DKK 1,905 thousand at 31 December 2023 (2023 DKK 2,906 thousand).

15 Related parties

Related party transactions

Transactions between the Company and its related parties are settled on an arm's length basis. Pursuant to section 98c of the Danish Financial Statements Act, the Company has chosen to disclose transactions not conducted on an arm's length basis. The Company has not had any of this type of transactions during the year.

Significant influence and information about consolidated financial statements.

VKR Holding A/S ultimately exercise a controlling interest in the Company. The ultimate parent company, VKR Holding A/S, Breeltevej 18, 2970 Hørsholm, prepares the consolidated financial statements for the VKR group in which the Company is included as a subsidiary. The consolidated financials statements can be found at www.vkr-holding.com.

PENNEO

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

Lars Kragtig Højgaard

CEO

On behalf of: VELUX Commercial Danmark A/S

Serial number: a3ef7e0e-79c0-4441-af12-43360cf557e2

IP: 87.49.xxx.xxx

2024-05-28 14:54:40 UTC



Michael Wieting

Board of Directors

On behalf of: VELUX Commercial Danmark A/S

Serial number: michael.wieting@velux.com

IP: 154.14.xxx.xxx

2024-05-28 15:03:13 UTC

M. Wieting

Thomas Juul Jensen

Board of Directors

On behalf of: VELUX Commercial Danmark A/S

Serial number: c31454b5-1907-4407-b382-bc0e8ea8e2be

IP: 87.63.xxx.xxx

2024-05-28 15:43:36 UTC



Bart Johannes Gosse Goetzee

Chairman, Board of directors

On behalf of: VELUX Commercial Danmark A/S

Serial number: bart.goetzee@velux.com

IP: 217.104.xxx.xxx

2024-05-29 06:44:00 UTC

Martin Bøgsted

EY Godkendt Revisionspartnerselskab CVR: 30700228

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: 8f11bd27-38e6-47f9-b2bd-80433c77ac30

IP: 165.225.xxx.xxx

2024-05-29 06:47:39 UTC



Søren Vintersborg Nejmann

EY Godkendt Revisionspartnerselskab CVR: 30700228

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

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Teodora Anda Grosu

Chairman

On behalf of: VELUX Commercial Danmark A/S

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