

Composhield A/S

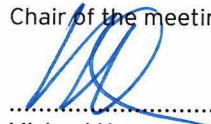
Tolsagervej 9, 8370 Hadsten

CVR no. 25 54 08 91

Annual report 2023

Approved at the Company's annual general meeting on 14 March 2024

Chair of the meeting:



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Michael Nørup

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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 Composhield A/S for the financial year 1 January - 31 December 2023.

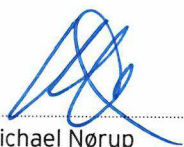
The annual report is prepared in accordance with the Danish Financial Statements Act.

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.

Aarhus, 14 March 2024
Executive Board:




Michael Nørup

Board of Directors:



Kenneth Mark Ripich
Chairman



Michael Forde Ripich



Lisette Nørup



Michael Nørup

Independent auditor's report

To the shareholder of Composhield A/S

Opinion

We have audited the financial statements of Composhield 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.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

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

Aarhus, 14 March 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28


Henrik Pungvig Jensen
State Authorised Public Accountant
mne24825


Niels Gjørl Jensen
State Authorised Public Accountant
mne49103

Management's review

Company details

Name	Composhield A/S
Address, Postal code, City	Tolsagervej 9, 8370 Hadsten
CVR no.	25 54 08 91
Established	8 June 2000
Registered office	Favrskov
Financial year	1 January - 31 December
Board of Directors	Kenneth Mark Ripich, Chairman Michael Forde Ripich Lisette Nørup Michael Nørup
Executive Board	Michael Nørup
Auditors	EY Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark

Management commentary

Business review

The company's main activity is research, development, manufacturing, sales and marketing of protection technologies with main focus on mobile. Furthermore to provide assistance and guidance for design, implementation and integration of complete survivability solutions for new developed vehicles, buildings and secure rooms in general.

Financial review

The income statement for 2023 shows a profit of DKK 1,441 thousand against a profit of DKK 6,549 thousand last year, and the balance sheet at 31 December 2023 shows equity of DKK 17,032 thousand.

Based on the volatile situation and impact the result for 2023 is considered satisfactory.

In 2023, the company has merged with the subsidiary Container Shelter System ApS. Subsequently, the comparative figures have been restated as if the entities had been combined as from the earliest accounting period included in the financial statements. The merger has had a limited impact on the company's profit, balance sheet and total equity.

Please refer to note 1.

Events after the balance sheet date

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

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2023	2022
	Gross profit	9,386	14,167
2	Staff costs	-6,809	-6,723
	Amortisation, depreciation and impairment losses	-663	-537
	Profit before net financials	1,914	6,907
3	Financial income	80	51
	Impairment losses on investments	0	-881
4	Financial expenses	-129	-368
	Profit before tax	1,865	5,709
5	Tax for the year	-424	840
	Profit for the year	1,441	6,549
Recommended appropriation of profit			
	Proposed dividend recognised under equity	0	1,500
	Extraordinary dividend distributed in the year	10,000	4,000
	Retained earnings/accumulated loss	-8,559	1,049
		1,441	6,549

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2023	2022
	ASSETS		
	Fixed assets		
6	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	924	1,089
	Leasehold improvements	3,542	97
		<u>4,466</u>	<u>1,186</u>
7	Investments		
	Investments in group entities	0	0
	Deposits	91	371
		<u>91</u>	<u>371</u>
	Total fixed assets	<u>4,557</u>	<u>1,557</u>
	Non-fixed assets		
	Inventories		
	Raw materials and consumables	3,429	1,455
	Prepayments for goods	0	788
		<u>3,429</u>	<u>2,243</u>
	Receivables		
	Trade receivables	3,663	5,091
	Work in progress	959	3,900
	Receivables from group entities	4,732	2,230
	Deferred tax assets	824	1,236
	Other receivables	416	310
	Prepayments	174	654
		<u>10,768</u>	<u>13,421</u>
	Cash	<u>4,791</u>	<u>8,855</u>
	Total non-fixed assets	<u>18,988</u>	<u>24,519</u>
	TOTAL ASSETS	<u>23,545</u>	<u>26,076</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2023	2022
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	1,000	1,000
	Retained earnings	16,032	19,591
	Dividend proposed for the year	0	1,500
	Total equity	17,032	22,091
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	4,608	3,541
	Payables to group entities	1,002	0
	Joint taxation contribution payable	0	140
	Other payables	903	304
		6,513	3,985
	Total liabilities other than provisions	6,513	3,985
	TOTAL EQUITY AND LIABILITIES	23,545	26,076

1 Accounting policies

8 Contractual obligations and contingencies, etc.

Financial statements 1 January - 31 December

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Dividend proposed for the year	Total
Equity at 1 January 2023	1,000	19,591	1,500	22,091
Transfer through appropriation of profit	0	1,441	0	1,441
Dividend distributed	0	0	-1,500	-1,500
Extraordinary dividend distributed	0	-10,000	0	-10,000
Contribution from group	0	5,000	0	5,000
Equity at 31 December 2023	1,000	16,032	0	17,032

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Composhield A/S for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

In accordance with section 110(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

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

Change in the Company's activities, including effect of intra-group business combinations

The Company has carried out an intra-group business combination applying the group method. Subsequently, the comparative figures have been restated as if the entities had been combined as from the earliest accounting period included in the financial statements.

Restatement of the comparative figures has affected the balance sheet amount with an increase of DKK 1.585 thousand for 2022. Profit/loss and equity have not been affected by the merger. The merger has not made any significant change in Composhield A/S activities for 2023 and going forward.

Reporting currency

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

Intra-group business combinations

The book value method is applied to business combinations such as acquisition and disposal of investments, mergers, demergers, contributions of assets and share conversions, etc. in which entities controlled by the parent company are involved, provided that the combination is considered completed at the time of acquisition without any restatement of comparative figures. Differences between the agreed consideration and the carrying amount of the acquiree are recognised directly in equity.

For vertical and downstream intra-group mergers the group method is applied for the combination of the entities. Thereby, the entities are combined at the revaluation value recognised in the consolidated financial statements or which would have been recognised in the consolidated financial statements for the parent company included in the merger. The group method is applied as if the entities had been combined from the date when the parent company acquired the equity investments in the entities included in the merger, and therefore, the comparative figures were restated.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate 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 rate 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.

Non-current assets acquired in the foreign currency are measured at the exchange rate at the transaction date.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from construction contracts involving a high degree of customisation is recognised as revenue by reference to the stage of completion. Accordingly, revenue corresponds to the market value of the contract work performed during the year (percentage-of-completion method). This method is used where the total income and expenses and the degree of completion of the contract can be measured reliably.

Where income from a construction contract cannot be estimated reliably, contract revenue corresponding to the expenses incurred is recognised only in so far as it is probable that such expenses will be recoverable from the counterparty.

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 and 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 comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

Cost of sales

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

Other external expenses

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

Staff costs

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

Amortisation/depreciation

The item comprises amortisation property, plant and equipment.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight line basis over the expected useful life. Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately. The expected useful lives of the assets are as follows:

Other assets, fixtures and fittings, tools and equipment	5 years
Leasehold improvements	5-20 years

The residual value of other assets, fixtures and fittings, tools and equipment and leasehold improvements is expected to account for DKK 0.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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.

Profit/loss from investments in group entities

The item includes dividend received from subsidiaries and participating interests in so far as the dividend does not exceed the accumulated earnings in the subsidiary or participating interest in the period of ownership.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, exchange gains and losses and amortisation of financial assets and liabilities.

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

Jointly taxed entities entitled to a tax refund are reimbursed by 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.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Property, plant and equipment

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

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Deposits

Deposits are measured at cost.

Investments in group entities

Investments in subsidiaries and participating interests are measured at cost. Dividends received that exceed the accumulated earnings in the subsidiary or the participating interest during the period of ownership are treated as a reduction in the cost of acquisition.

Impairment of fixed assets

The carrying amount of property, plant and equipment and investments in subsidiaries and participating interests 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 recoverable amount is the higher of the net selling price of an asset and its value in use. 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.

Inventories

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

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

The cost of finished goods and work in progress comprises the cost of raw materials, consumables, direct labour and direct production overheads. Indirect production overheads and borrowing costs are not included in the cost.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down 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, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Work in progress

Construction contracts are measured at the selling price of the work performed less progress billings and anticipated losses. Construction contracts entail a significant degree of design customisation of produced goods. Moreover, before the work is commenced, a binding agreement must have been entered into to the effect that penalties or compensation will be enforced if the contract is subsequently terminated.

The selling price is measured by reference to the percentage of completion at the balance sheet date and total expected income from contract. The percentage of completion is determined on the basis of an assessment of the work performed, which is usually measured as the proportion of contract costs incurred for work performed to date relative to the total estimated contract costs.

When it is probable that the total contract costs will exceed total contract revenue, the anticipated loss on the contract is recognised as an expense and a provision immediately.

When income and expenses on a construction contract cannot be determined reliably, contract revenue is recognised only to the extent of contract costs deemed recoverable.

When the selling price of work performed exceeds progress billings on construction contracts and anticipated losses, the excess is recognised under receivables. If progress billings and anticipated losses exceed the selling price of a construction contract, the deficit is recognised under liabilities.

Payments from customers are recognised under liabilities.

Selling costs and costs incurred in the securing contracts are recognised in the income statement when incurred.

Prepayments

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

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

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".

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income taxes and deferred tax

The company is jointly taxed with OD&M ApS which also acts as the administrative company.

Current tax 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.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

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. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	2023	2022	
2 Staff costs			
Wages/salaries	10,511	9,527	
Pensions	510	514	
Other social security costs	196	156	
Transferred to ongoing projects	-4,408	-3,474	
	<u>6,809</u>	<u>6,723</u>	
Average number of full-time employees	<u>18</u>	<u>16</u>	
3 Financial income			
Interest receivable, group entities	62	11	
Exchange gain	0	38	
Other financial income	18	2	
	<u>80</u>	<u>51</u>	
4 Financial expenses			
Exchange losses	75	299	
Other financial expenses	54	69	
	<u>129</u>	<u>368</u>	
5 Tax for the year			
Estimated tax charge for the year	0	-907	
Deferred tax adjustments in the year	412	67	
Tax adjustments, prior years	12	0	
	<u>424</u>	<u>-840</u>	
6 Property, plant and equipment			
	Other fixtures and fittings, tools and equipment	Leasehold improvements	Total
DKK'000			
Cost at 1 January 2023	5,490	1,434	6,924
Additions on merger	1,860	0	1,860
Additions in the year	260	3,683	3,943
Disposals in the year	0	-860	-860
Cost at 31 December 2023	<u>7,610</u>	<u>4,257</u>	<u>11,867</u>
Impairment losses and depreciation at 1 January 2023	4,401	1,337	5,738
Accumulated impairment losses and depreciation of additions through mergers	1,860	0	1,860
Amortisation/depreciation in the year	425	238	663
Reversal of amortisation/depreciation and impairment of disposals	0	-860	-860
Impairment losses and depreciation at 31 December 2023	<u>6,686</u>	<u>715</u>	<u>7,401</u>
Carrying amount at 31 December 2023	<u>924</u>	<u>3,542</u>	<u>4,466</u>

Financial statements 1 January - 31 December

Notes to the financial statements

7 Investments

DKK'000	Investments in group entities	Deposits	Total
Cost at 1 January 2023	881	371	1,252
Disposals in the year	0	-280	-280
Cost at 31 December 2023	881	91	972
Value adjustments at 1 January 2023	-881	0	-881
Value adjustments at 31 December 2023	-881	0	-881
Carrying amount at 31 December 2023	0	91	91
Name	Domicile		Interest
NEWCO ARMOR FACTORY FOR PRE FABRICATED STRUCTURES - SOLE PROPRIETORSHIP L.L.C	Abu Dhabi		100.00%

Newco Armor Factory has no activity or any published annual reports. The result for 2023 and the equity as of 31 December 2023 are expected to amount to DKK 0 thousand.

8 Contractual obligations and contingencies, etc.

Contingent liabilities

The Company has provided a guarantee for the group entity Composhield Holding ApS' mortgage debt. At 31 December 2023, the group entity's mortgage debt totalled DKK 12,569 thousand.

Other contingent liabilities

The Company has entered into a lease agreement with the parent company Composhield Holding ApS with an average annual lease payment of DKK 1,200 thousand and a remaining term of 10 months. The remaining nominal lease commitment totals DKK 1,000 thousand.

Lease obligation for cars is DKK 167 thousand at 31 December 2023. The remaining period for lease agreements are within 1 year. The lease obligation is calculated based on remaining payments, but limited to the contractual amount.

After the lease period, the company must designate a third party who buys two flex-leased company cars or alternatively extend the lease agreement. The obligation amounts to DKK 718 thousand.

The company has provided a company charge of DKK 8,000 thousand as collateral for amounts owed to banks, secured upon operating equipment, inventories of raw materials and finished goods, unsecured claims derived from the sale of goods and services and intellectual property rights. The carrying amount of collateralised assets amounts to DKK 12,517 thousand.

The company grants 0-48 months' warranty on products sold.

The Company is jointly taxed with other Danish companies in the Group. As a jointly taxed Company, not wholly-owned, the Company has limited and secondary liability for Danish withholding tax on dividends, interest and royalties within the joint taxation unit.