



Prevas A/S

Lyskær 3F, 2730 Herlev

Company reg. no. 26 18 02 87

Annual report

1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 19 April 2024.

Henrik Møller-Kristensen
Chairman of the meeting

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

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 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 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.

Copenhagen, 19 April 2024

Managing Director

Henrik Møller-Kristensen
CEO

Board of directors

Magnus Oluf Welén
Chairman

Søren Werner Mathiasen

Henrik Møller-Kristensen

Independent auditor's report

To the Shareholder of Prevas A/S

Opinion

We have audited the financial statements of Prevas A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity, notes and accounting policies, 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 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 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.

Copenhagen, 19 April 2024

EY Godkendt Revisionspartnerselskab
Company reg. no. 30 70 02 28

Ole Becker
State Authorised Public Accountant
mne33732

Thomas Just Svendsen
State Authorised Public Accountant
mne49895

Company information

The company

Prevas A/S
Lyskær 3F
2730 Herlev

Company reg. no. 26 18 02 87
Established: 1 August 2001
Domicile: Herlev
Financial year: 1 January - 31 December

Board of directors

Magnus Oluf Welén, Chairman
Søren Werner Mathiasen
Henrik Møller-Kristensen

Managing Director

Henrik Møller-Kristensen, CEO

Auditors

EY Godkendt Revisionspartnerselskab

Parent company

Prevas AB
Glödgarvärd 14
721 03 Västerås
Sweden

Financial highlights

DKK in thousands.	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Income statement:					
Gross profit	70.416	75.508	74.854	66.677	68.961
Profit from operating activities	6.720	13.620	15.253	10.709	9.352
Net financials	291	156	21	-21	3
Net profit or loss for the year	5.451	10.728	11.982	8.262	7.297
Statement of financial position:					
Balance sheet total	51.675	42.817	53.543	38.975	39.359
Investments in property, plant and equipment	0	103	83	352	155
Equity	32.883	27.432	31.704	19.722	26.460
Employees:					
Average number of full-time employees	78	78	76	81	83
Key figures in %:					
Acid test ratio	336,8	357,1	315,1	267,1	331,4
Solvency ratio	63,6	64,1	59,2	50,6	67,2
Return on equity	18,1	36,3	46,6	35,8	32,0

The key figures and ratios shown in the statement of financial highlights have been calculated as follows:

Acid test ratio $\frac{\text{Total current assets}}{\text{Total short term liabilities other than provisions}} \times 100$

Solvency ratio $\frac{\text{Total equity}}{\text{Total assets}} \times 100$

Return on equity $\frac{\text{Net profit or loss for the year}}{\text{Average total equity}} \times 100$

Management's review

The principal activities of the company

Prevas A/S is an innovative, high-technology development firm within Industrial IT, embedded software, hardware, mechanical solutions and quality assurance.

Prevas A/S collaborate with companies within various industries and assists these companies with specialist competencies and product development. Some clients already have products with a high degree of embedded software and hardware, while others want a safe introduction to the newest technology.

Prevas A/S provides services to clients both on-site at the clients' and in-house at its own premises. With several hundreds of client-specific projects, Prevas A/S has extensive experience in meeting individual needs. On all projects, Prevas A/S offers a thorough handover to the client and flexible support, which ensures high satisfaction after delivery.

Prevas A/S has departments in Copenhagen, Aarhus and Aalborg.

Prevas is wholly owned by Prevas AB, founded in 1985, ISO 9001 and 13485 certified and the parent company has been listed at the Stockholm Stock Exchange since 1998.

Development in activities and financial matters

The gross profit for the year totals TDKK 70.416 against TDKK 75.508 last year. Net profit for the year totals TDKK 5.451 against TDKK 10.728 last year. According to the annual report 2022, the company expected a gross profit at the same level in 2023 as for 2022. The development must be seen in light of a slightly decreasing demand for the services provided by the company. Management considers the net profit for the year partly satisfactory.

Impact on the external environment

We do not believe that our business – in all materiality – has a negative impact on the external environment.

Know how resources

Prevas is a knowledge based company and thereby dependant on highly educated engineers with competencies within development of embedded devices (hardware, software, mechanical engineering and quality assurance). Prevas has internal systems that ensure documentation of development projects.

Research and development activities

Prevas has in 2023 continued the ongoing development and maintenance of the software package “Prevas Industrial Linux” in order to keep the system up to date and cyber security compliant.

Expected developments

For 2024, the company expects to realize a gross profit and a net profit for the year at the same level as in 2023.

Management's review

Events occurring after the end of the financial year

There are no events after the reporting period to be disclosed.

Income statement 1 January - 31 December

DKK thousand.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Gross profit	70.416	75.508
2 Staff costs	-61.104	-59.064
3 Depreciation and amortisation	-86	-247
Other operating expenses	-2.506	-2.577
Operating profit	6.720	13.620
Other financial income from group enterprises	616	0
4 Other financial income	34	186
5 Other financial expenses	-359	-30
Pre-tax net profit or loss	7.011	13.776
6 Tax on net profit or loss for the year	-1.560	-3.048
7 Net profit or loss for the year	5.451	10.728

Balance sheet at 31 December

DKK thousand.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Assets		
Non-current assets		
8 Other fixtures and fittings, tools and equipment	228	314
Total property, plant, and equipment	228	314
9 Other receivables	5.969	5.885
Total investments	5.969	5.885
Total non-current assets	6.197	6.199
Current assets		
Goods for resale	383	245
Total inventories	383	245
Trade receivables	21.172	22.868
10 Contract work in progress	649	956
Receivables from group entities	22.643	11.812
11 Deferred tax assets	65	85
Other receivables	8	19
12 Prepayments	550	625
Total receivables	45.087	36.365
Cash and cash equivalents	8	8
Total current assets	45.478	36.618
Total assets	51.675	42.817

Balance sheet at 31 December

DKK thousand.

Equity and liabilities			
<u>Note</u>		<u>2023</u>	<u>2022</u>
Equity			
13	Contributed capital	1.232	1.232
	Results brought forward	31.651	26.200
	Total equity	32.883	27.432
Liabilities other than provisions			
	Other payables	5.291	5.131
14	Total long term liabilities other than provisions	5.291	5.131
10	Prepayments received from customers concerning work in progress for the account of others	1.295	545
	Trade creditors	3.361	2.252
	Payables to group entities	2.506	2.747
	Income tax payable	68	209
	Other debts	6.271	4.501
	Total short term liabilities other than provisions	13.501	10.254
	Total liabilities other than provisions	18.792	15.385
	Total equity and liabilities	51.675	42.817

1 Events after the balance sheet date

15 Contingencies

16 Related parties

Statement of changes in equity

DKK thousand.

	Contributed capital	Reserve for development costs	Retained earnings	Total
Equity 1 January 2022	1.232	62	30.410	31.704
Profit or loss for the year brought forward	0	0	-4.272	-4.272
Extraordinary dividend adopted during the financial year	0	0	15.000	15.000
Distributed extraordinary dividend adopted during the financial year.	0	0	-15.000	-15.000
Reserve for development cost adjustment	0	-62	62	0
Equity 1 January 2023	1.232	0	26.200	27.432
Profit or loss for the year brought forward	0	0	5.451	5.451
	1.232	0	31.651	32.883

Notes

DKK thousand.

1. Events after the balance sheet date

No events have occurred after the balance sheet date.

	<u>2023</u>	<u>2022</u>
2. Staff costs		
Salaries and wages	56.895	55.030
Pension costs	2.190	2.124
Other costs for social security	647	635
Other staff costs	<u>1.372</u>	<u>1.275</u>
	<u>61.104</u>	<u>59.064</u>
Average number of full-time employees	<u>78</u>	<u>78</u>

Cf. The Danish Financial Statements Act § 98b stk. 3. Information on remuneration and pension for the Executive Board category are not included. There is no remuneration to the Board of Directors.

3. Depreciation and amortisation

Amortisation of development projects	0	79
Depreciation on plants, operating assets, fixtures and furniture	<u>86</u>	<u>168</u>
	<u>86</u>	<u>247</u>

4. Other financial income

Interest, banks	0	34
Interest, trade debtors	0	8
Exchange rate gains	<u>34</u>	<u>144</u>
	<u>34</u>	<u>186</u>

5. Other financial expenses

Other financial costs	301	0
Exchange differences	<u>58</u>	<u>30</u>
	<u>359</u>	<u>30</u>

Notes

DKK thousand.

	<u>2023</u>	<u>2022</u>
6. Tax on net profit or loss for the year		
Tax of the results for the year	1.540	3.043
Adjustment for the year of deferred tax	20	-2
Adjustment of tax for previous years	<u>0</u>	<u>7</u>
	<u>1.560</u>	<u>3.048</u>
7. Proposed distribution of net profit		
Extraordinary dividend distributed during the financial year	0	15.000
Transferred to retained earnings	5.451	0
Allocated from retained earnings	<u>0</u>	<u>-4.272</u>
Total allocations and transfers	<u>5.451</u>	<u>10.728</u>
8. Other fixtures and fittings, tools and equipment		
Cost 1 January	606	4.473
Additions during the year	0	103
Disposals during the year	<u>0</u>	<u>-3.970</u>
Cost 31 December	<u>606</u>	<u>606</u>
Amortisation and writedown 1 January	-292	-4.094
Depreciation for the year	-86	-168
Reversal of depreciation, amortisation and writedown, assets disposed of	<u>0</u>	<u>3.970</u>
Amortisation and writedown 31 December	<u>-378</u>	<u>-292</u>
Carrying amount, 31 December	<u>228</u>	<u>314</u>

Notes

DKK thousand.

	<u>31/12 2023</u>	<u>31/12 2022</u>
9. Other receivables		
Cost 1 January	5.885	639
Additions during the year	<u>84</u>	<u>5.246</u>
Cost 31 December	<u>5.969</u>	<u>5.885</u>
Carrying amount, 31 December	<u>5.969</u>	<u>5.885</u>
Specified as		
Other debtors	5.247	5.231
Deposits	<u>722</u>	<u>654</u>
	<u>5.969</u>	<u>5.885</u>
Other receivables primarily relate to payment of rental deposits in Aarhus and Aalborg, Denmark and a receivable from the Danish Tax Authorities.		
10. Contract work in progress		
Sales value of the production of the period	48.956	88.246
Work in progress for the account of others (Prepayments received)	<u>-49.602</u>	<u>-87.835</u>
Contract work in progress, net	<u>-646</u>	<u>411</u>
The following is recognised:		
Contract work in progress (net assets)	649	956
Prepayments received from customers concerning work in progress for the account of the others (net liabilities)	<u>-1.295</u>	<u>-545</u>
	<u>-646</u>	<u>411</u>

Notes

DKK thousand.

	<u>31/12 2023</u>	<u>31/12 2022</u>
11. Deferred tax assets		
Deferred tax assets 1 January	85	83
Deferred tax of the results for the year	<u>-20</u>	<u>2</u>
	<u>65</u>	<u>85</u>

The following items are subject to deferred tax:

Property, plant, and equipment	<u>65</u>	<u>85</u>
	<u>65</u>	<u>85</u>

Management considers it likely that there will be future taxable income within the next year against which tax deductions can be offset.

12. Prepayments

Prepaid cost	<u>550</u>	<u>625</u>
	<u>550</u>	<u>625</u>

Prepayments consist of prepaid expenses, insurance, etc. concerning 2024 and later.

13. Contributed capital

Contributed capital 31 December	<u>1.232</u>	<u>1.232</u>
	<u>1.232</u>	<u>1.232</u>

The share capital consists of 12.324 shares, each with a nominal value of DKK 100. All shares rank equally.

14. Long term liabilities other than provisions

	<u>Total payables 31 Dec 2023</u>	<u>Current portion of long term payables</u>	<u>Long term payables 31 Dec 2023</u>	<u>Outstanding payables after 5 years</u>
Frozen holiday obligation	<u>5.291</u>	<u>0</u>	<u>5.291</u>	<u>5.291</u>
	<u>5.291</u>	<u>0</u>	<u>5.291</u>	<u>5.291</u>

Notes

DKK thousand.

15. Contingencies

Contingent liabilities

Contingent liabilities:

In August 2022, the Danish Tax Authorities raised a claim of a total of DKK 5.230 thousand against Prevas, concerning withholding tax and hiring-out of labour tax on few external consultants for the period 2017-2022. Based on judicial practice and statements from its legal advisers, Prevas is of the opinion that the Company is not liable to withholding taxes and hiring out of labour tax on the external consultants and accordingly considers the claim to be unjustified. Prevas therefore disputes the claim but acknowledges that the case is complicated. Based on this Management underline that the outcome is subject to a degree of uncertainty. A lengthy process is expected before the case will be finally settled. Prevas has not recognized any provision and as such the claim has not affected the company's financial position or results of operations.

Lease liabilities:

The company has entered into leasehold agreements and other operational leasing agreements. The obligation at 31 December 2023 amounted to DKK thousand 3.583 (2022: DKK thousand 2.748).

Other contingent liabilities:

The company has issued a payment guarantee to a landlord of DKK thousand 680 in respect of a leasehold agreement.

At 31 December 2023, the Company had to buy back components at a value of DKK thousand 1.589 (2022: DKK thousand 1.032) related to ongoing production of suppliers. This is the case if the product-specific projects for the client are not finalised.

Notes

DKK thousand.

16. Related parties

Controlling interest

Prevas AB, Box 4, Glödgarvärd 14, 721 03 Västerås, Sweden

Majority shareholder

Transactions

During the year and at year-end, the Company had the following transactions with its parent company and its subsidiaries:

	<u>2023</u>	<u>2022</u>
Sale of services to related parties:	752	678
Purchase of services from parent company:	5.511	4.022
Receivables regarding cash pool etc. with parent company:	22.619	11.808
Payables to group entities:	2.506	2.747
Extraordinary dividend payout 2022 to Prevas AB:	0	15.000
Financial income from group entities	616	0

Consolidated financial statements

The company is included in the consolidated financial statements of Prevas AB, Västerås, Sweden. The annual report can be obtained on www.prevas.se.

Accounting policies

The annual report for Prevas 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 last year, and the annual report is presented in DKK.

Pursuant to section 86 (4) of the Danish Financial Statements Act, no statement of cash flows for the enterprise has been prepared, as the relevant information is included in the consolidated financial statements of Prevas AB.

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.

Income statement

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit comprises the revenue, changes in inventories of finished goods, work in progress, work performed for own account and 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 from sale of finished goods 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. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

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.

Accounting policies

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories. It also comprise costs concerning external consultants.

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

Other operating expenses comprise items secondary to the Company's activities, including management fee etc. to Prevas AB.

Staff costs

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

Depreciation and amortisation

Depreciation and amortisation comprise depreciation and amortisation for the year and profit and loss on the disposal of intangible and tangible assets.

Other operating expenses

Other operating expenses comprise items of secondary nature as regards the principal activities of the enterprise.

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.

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.

Statement of financial position

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment.

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.

Accounting policies

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 and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-10 years	0%

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 under depreciation.

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

Leases

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

All 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 tangible fixed assets are subject to annual assessment of indications of impairment 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. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

Accounting policies

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.

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.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

The Company's tax account deposits are classified as "Other receivables".

Accounting policies

Contract work in progress

Services in progress are measured in accordance with the percentage of completion method at the selling price of the work performed at the balance sheet date plus out-of-pocket expenses less progress billings. The individual services in progress are recognised in the balance sheet as receivables or liabilities depending on whether the net value, determined as the selling price less progress billings, is positive or negative.

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 hours incurred for work performed to date relative to the total estimated contract hours.

Where the selling price of work performed exceeds payments received on account and anticipated losses, the excess amount is recognised in contract work in progress. If payments received on account and anticipated losses exceed the selling price of work in progress, the deficit is recognised in Prepayments received from customers concerning work in progress for the account of others.

Prepayments received from customers are recognised in Prepayments received from customers concerning work in progress for the account of others.

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.

Given the nature of the Group's cash pool arrangement, cash pool balances are not considered cash at bank, but are recognised under "receivables from group entities".

Equity

Proposed dividend

Proposed dividend is recognised as a liability at the date when it is adopted at the annual general meeting (declaration date). Dividend expected to be distributed for the year is presented as a separate line item in 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.

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.

Accounting policies

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.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at net realisable value.

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Henrik Møller-Kristensen

Executive Board

På vegne af: Prevas A/S

Serienummer: 31021d66-489c-40e8-a5f5-e1e0761599f1

IP: 81.216.xxx.xxx

2024-04-19 06:37:01 UTC



Henrik Møller-Kristensen

Chairman

På vegne af: Prevas A/S

Serienummer: 31021d66-489c-40e8-a5f5-e1e0761599f1

IP: 81.216.xxx.xxx

2024-04-19 06:37:01 UTC



Henrik Møller-Kristensen

Board of Directors

På vegne af: Prevas A/S

Serienummer: 31021d66-489c-40e8-a5f5-e1e0761599f1

IP: 81.216.xxx.xxx

2024-04-19 06:50:30 UTC



Søren Werner Mathiasen

Board of Directors

På vegne af: Prevas A/S

Serienummer: 533c9eeb-bd44-45c1-9f86-697263419bc4

IP: 81.216.xxx.xxx

2024-04-19 07:12:55 UTC



Magnus Olof Welén

Board of Directors

På vegne af: Prevas A/S

Serienummer: 6c523b820a4ff26fc4061d37de3b140244a1xxxx

IP: 81.216.xxx.xxx

2024-04-19 11:04:46 UTC



Thomas Just Svendsen

EY Godkendt Revisionspartnerselskab CVR: 30700228

State Authorised Public Accountant

På vegne af: EY Godkendt Revisionspartnerselskab

Serienummer: 3d6c0b5e-e2b5-402a-b137-dcb852ea1a21

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2024-04-19 11:10:26 UTC



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Ole Rønne Becker

State Authorised Public Accountant

På vegne af: EY Godkendt Revisionspartnerselskab

Serienummer: 2328beb7-95fe-46e8-8818-c7830f98cad1

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