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BRUNEMARKEN INVEST APS
BRUNEMARKSVEJ 5, 3490 KVISTGÅRD
ANNUAL REPORT
1 JULY 2022 - 30 JUNE 2023

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 24 November 2023**

Henrik Rossé Plambech

The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

CVR NO. 26 51 70 79

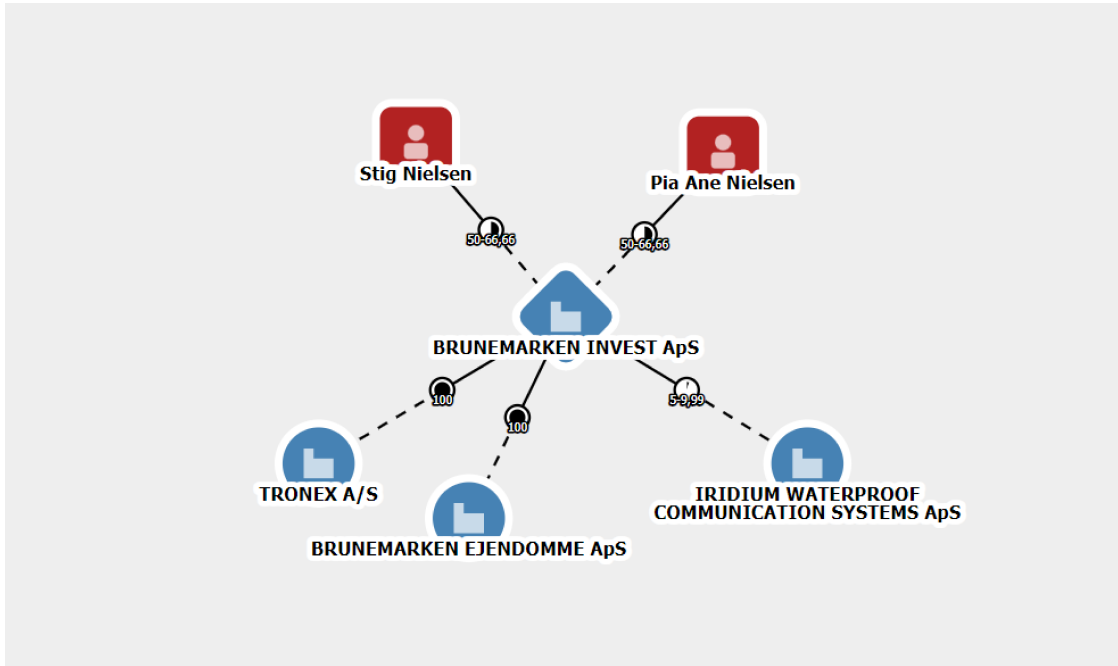
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COMPANY DETAILS

Company	Brunemarken Invest ApS Brunemarksvej 5 3490 Kvistgård
	CVR No.: 26 51 70 79 Established: 25 February 2002 Municipality: Fredensborg Financial Year: 1 July 2022 - 30 June 2023
Board of Directors	Pia Ane Nielsen Henrik Rossé Plambech Stig Nielsen
Executive Board	Stig Nielsen
Auditor	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V

GROUP STRUCTURE



MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Brunemarken Invest ApS for the financial year 1 July 2022 - 30 June 2023.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion the Consolidated Financial Statements and the Annual Financial Statements of the Company give a true and fair view of Group's and the Company's assets, liabilities and financial position at 30 June 2023 and of the results of Group's and the Company's operations and cash flows for the financial year 1 July 2022 - 30 June 2023.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Fredensborg, 24 November 2023

Executive Board

Stig Nielsen

Board of Directors

Pia Ane Nielsen

Henrik Rossé Plambech

Stig Nielsen

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Brunemarken Invest ApS

Opinion

We have audited the Consolidated Financial Statements and the Annual Financial Statements of the Company of Brunemarken Invest ApS for the financial year 1 July 2022 - 30 June 2023, which comprise income statement, Balance Sheet, statement of changes in equity, cash flows, notes and a summary of significant accounting policies for both the Group and the Parent Company. The Consolidated Financial Statements and the Annual Financial Statements of the Company are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Annual Financial Statements of the Company give a true and fair view of the assets, liabilities and financial position of the Group or the Company at 30 June 2023 and of the results of the Group and the Parent Company's operations and cash flows for the financial year 1 July 2022 - 30 June 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 Consolidated Financial Statements and the Annual Financial Statements of the Company" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's Responsibilities for the Consolidated Financial Statements and the Annual Financial Statements of the Company

Management is responsible for the preparation of Consolidated Financial Statements and the Annual Financial Statements of the Company that give a true and fair view in accordance with the Danish Financial Statements Act and for such Internal control as Management determines is necessary to enable the preparation of Consolidated Financial Statements and the Annual Financial Statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements and the Annual Financial Statements of the Company, Management is responsible for assessing the Group's and the Parent 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 Consolidated Financial Statements and the Annual Financial Statements of the Company unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements and the Annual Financial Statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements and the Annual Financial Statements of the Company.

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:

INDEPENDENT AUDITOR'S REPORT

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

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

Statement on Management Commentary

Management is responsible for Management Commentary.

Our opinion on the Consolidated Financial Statements and the Annual Financial Statements of the Company does not cover Management Commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements and the Annual Financial Statements of the Company, our responsibility is to read Management Commentary and, in doing so, consider whether Management Commentary is materially inconsistent with the Consolidated Financial Statements and the Annual Financial Statements of the Company or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that Management Commentary is in accordance with the Consolidated Financial Statements and the Annual Financial Statements of the Company and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of Management Commentary.

INDEPENDENT AUDITOR'S REPORT

Copenhagen, 24 November 2023

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Peter Rasborg
State Authorised Public Accountant
MNE no. mne16537

FINANCIAL HIGHLIGHTS OF THE GROUP

	2022/23 DKK	2021/22 DKK	2020/21 DKK
Income statement			
Gross profit/loss.....	36.054.520	29.606.250	26.427.185
Operating profit/loss before depreciation and amortisation (EBITDA).....	11.986.553	11.053.342	9.400.484
Operating profit/loss of main activities.....	11.366.046	10.388.333	8.749.546
Financial income and expenses, net.....	702.547	-1.257.544	1.480.518
Profit/loss for the year before tax.....	12.068.593	9.130.789	10.230.064
Profit/loss for the year.....	9.453.056	7.126.352	7.978.442
Results for the year without minority interests.....	9.453.056	7.126.352	7.978.442
Balance sheet			
Total assets.....	129.498.944	129.899.783	82.047.378
Equity.....	58.425.123	48.972.068	42.245.716
Equity ex minority interests.....	58.425.123	48.972.068	42.245.716
Net working capital (NWC).....	47.900.885	34.186.595	37.993.913
Invested capital.....	44.244.856	29.211.008	36.895.721
Cash flows			
Cash flows from operating activities.....	6.654.360	-26.146.558	1.949.907
Cash flows from investing activities.....	-1.807.564	-492.262	-7.125.307
Cash flows from financing activities.....	-224.579	-741.170	-287.785
Total cash flows.....	4.622.217	-27.379.990	-5.463.185
Investment in property, plant and equipment.....	-162.160	-492.262	0
Key ratios			
Return on invested capital.....	30,9	31,4	33,0
Equity ratio.....	45,1	37,7	51,5
Return on equity.....	17,6	15,6	20,8

The ratios stated in the list of key figures and ratios have been calculated as follows:

<i>Net working capital (NWC):</i>	<i>Inventories + receivables - trade and other payables + other operating assets, current - other operating liabilities, current</i>
<i>Invested capital:</i>	<i>NWC + intangible and tangible assets (ex goodwill) - provisions - other operating liabilities, non-current</i>
<i>Return on invested capital:</i>	<i>$\frac{\text{Operating Profit/loss adjusted for goodwill amortisation} \times 100}{\text{Average invested capital}}$</i>
<i>Equity ratio:</i>	<i>$\frac{\text{Equity (ex. minorities), at year-end} \times 100}{\text{Total assets, at year-end}}$</i>
<i>Return on equity:</i>	<i>$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$</i>

MANAGEMENT COMMENTARY

Principal activities

The Group's principal activities are to provide Electronic Manufacturing Services.

Development in activities and financial and economic position

The development of the Company's activities and its financial position during the financial year continues to be adversely impacted by the globally insufficient availability of electronic components.

Profit/loss for the year compared to the expected development

Profit for the year is positive compared to the situation globally. Profit for the year is at an expected level.

Significant events after the end of the financial year

The Board of Directors and the Board of Executives are not aware of any events after 30 June 2023 that may have a material effect on the Company's financial position or its outlook for the future.

Future expectations

It is expected that the Company's activities and its financial position will continue to develop positively in the financial year 2023/24.

INCOME STATEMENT 1 JULY - 30 JUNE

	Note	Group		Parent Company	
		2022/23 DKK	2021/22 DKK	2022/23 DKK	2021/22 DKK
GROSS PROFIT		36.054.520	29.606.250	-52.070	-17.752
Staff costs.....	1	-24.067.967	-18.552.908	0	0
Depreciation, amortisation and impairment losses.....		-620.507	-665.009	0	0
OPERATING PROFIT		11.366.046	10.388.333	-52.070	-17.752
Income from investments in subsidiaries.....		0	0	8.446.388	7.855.932
Other financial income.....	2	1.762.497	-883.780	1.361.501	-908.245
Other financial expenses.....	3	-1.059.950	-373.764	-18.831	-9.369
PROFIT BEFORE TAX		12.068.593	9.130.789	9.736.988	6.920.566
Tax on profit/loss for the year.....	4	-2.615.537	-2.004.437	-283.932	205.786
PROFIT FOR THE YEAR	5	9.453.056	7.126.352	9.453.056	7.126.352

BALANCE SHEET AT 30 JUNE

ASSETS	Note	Group		Parent Company	
		2023 DKK	2022 DKK	2023 DKK	2022 DKK
Land and buildings.....		3.360.629	3.858.365	0	0
Other plant, machinery tools and equipment.....		433.193	393.804	0	0
Property, plant and equipment...	6	3.793.822	4.252.169	0	0
Equity investments in group enterprises.....		0	0	44.475.752	36.029.364
Other investments.....		500.040	500.040	500.040	500.040
Financial non-current assets.....	7	500.040	500.040	44.975.792	36.529.404
NON-CURRENT ASSETS.....		4.293.862	4.752.209	44.975.792	36.529.404
Raw materials and consumables....		79.042.891	53.491.666	0	0
Work in progress.....		1.444.708	1.329.986	0	0
Finished goods and goods for resale.....		8.922.038	8.163.132	0	0
Inventories.....		89.409.637	62.984.784	0	0
Trade receivables.....		20.444.548	44.490.012	0	0
Receivables from group enterprises.....		0	0	8.617.256	4.366.445
Other receivables.....		1.310.000	3.021.926	1.310.000	310.000
Joint tax contribution receivable...		0	0	2.374.840	2.192.210
Prepayments.....	8	360.670	932.720	0	0
Receivables.....		22.115.218	48.444.658	12.302.096	6.868.655
Other securities and equity investments.....	9	12.399.496	10.797.328	12.399.496	10.797.328
Current investments.....		12.399.496	10.797.328	12.399.496	10.797.328
Cash and cash equivalents.....		1.280.731	2.920.804	544.665	362.861
CURRENT ASSETS.....		125.205.082	125.147.574	25.246.257	18.028.844
ASSETS.....		129.498.944	129.899.783	70.222.049	54.558.248

BALANCE SHEET AT 30 JUNE

EQUITY AND LIABILITIES	Note	Group		Parent Company	
		2023 DKK	2022 DKK	2023 DKK	2022 DKK
Share capital.....		125.000	125.000	125.000	125.000
Reserve for net revaluation under the equity method.....		0	0	40.805.324	32.358.936
Retained earnings.....		58.182.323	48.847.068	17.376.999	16.488.132
Proposed dividend.....		117.800	0	117.800	0
EQUITY.....		58.425.123	48.972.068	58.425.123	48.972.068
Provision for deferred tax.....	10	6.363	49.598	0	0
Other provisions.....	11	570.000	550.000	0	0
PROVISIONS.....		576.363	599.598	0	0
Mortgage debt.....		3.152.752	3.561.666	0	0
Bank loan.....		130.000	0	0	0
Corporation tax.....		2.658.772	1.636.424	2.658.772	1.636.424
Other non-current liabilities.....		931.964	903.512	0	0
Non-current liabilities.....	12	6.873.488	6.101.602	2.658.772	1.636.424
Mortgage debt.....		404.816	378.933	0	0
Bank debt.....		28.667.731	34.930.021	0	0
Trade payables.....		28.881.590	32.445.489	20.000	5.000
Debt to Group companies.....		0	0	7.384.148	2.137.450
Payables to owners and management.....		446.852	293.618	446.852	293.618
Corporation tax payable.....		1.286.424	1.512.958	1.286.424	1.512.958
Other liabilities.....		3.936.557	4.665.496	730	730
Current liabilities.....		63.623.970	74.226.515	9.138.154	3.949.756
LIABILITIES.....		70.497.458	80.328.117	11.796.926	5.586.180
EQUITY AND LIABILITIES.....		129.498.944	129.899.783	70.222.049	54.558.248
Contingencies etc.	13				
Charges and securities	14				
Related parties	15				

EQUITY

	Group			
	Share capital	Retained earnings	Proposed dividend	Total
Equity at 1 July 2022.....	125.000	48.847.067	0	48.972.067
Proposed profit allocation, note5.....		9.335.256	117.800	9.453.056
Equity at 30 June 2023.....	125.000	58.182.323	117.800	58.425.123

	Parent Company				
	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend	Total
Equity at 1 July 2022.....	125.000	32.358.936	16.488.131	0	48.972.067
Proposed profit allocation, jf. note 5.....		8.446.388	888.868	117.800	9.453.056
Equity at 30 June 2023.....	125.000	40.805.324	17.376.999	117.800	58.425.123

CASH FLOW STATEMENT 1 JULY - 30 JUNE

	Group		Parent Company	
	2022/23 DKK	2021/22 DKK	2022/23 DKK	2021/22 DKK
Profit/loss for the year.....	9.453.056	7.126.352	9.453.056	7.126.352
Depreciation and amortisation, reversed....	620.507	665.009	0	0
Profit/loss from subsidiaries.....	0	0	-8.446.388	-7.855.932
Tax on profit/loss, reversed.....	2.615.537	2.004.437	283.932	-205.786
Corporation tax paid.....	-1.593.189	-1.551.569	555.786	2.555.636
Change in inventories.....	-26.424.853	-23.111.873	0	0
Change in receivables (ex tax).....	26.329.440	-26.956.376	-5.250.811	3.372.688
Change in other provisions.....	20.000	190.000	0	0
Change in current liabilities (ex bank, tax, instalments payable and overdraft facility)..	-4.366.138	15.487.462	5.188.398	-4.701.736
CASH FLOWS FROM OPERATING ACTIVITY..	6.654.360	-26.146.558	1.783.973	291.222
Purchase of property, plant and equipment.	-162.160	-492.262	0	0
Other cash flows from investing activities...	-1.645.404	0	-1.602.169	0
CASH FLOWS FROM INVESTING ACTIVITY...	-1.807.564	-492.262	-1.602.169	0
Instalments on loans.....	-383.031	-384.676	0	0
Other changes in non-current debt.....	158.452	43.506	0	0
Dividends paid in the financial year.....	0	-400.000	0	-400.000
CASH FLOWS FROM FINANCING ACTIVITY...	-224.579	-741.170	0	-400.000
CHANGE IN CASH AND CASH EQUIVALENTS.	4.622.217	-27.379.990	181.804	-108.778
Cash and cash equivalents at 1. juli.....	-32.009.217	-4.629.227	362.861	471.639
CASH AND CASH EQUIVALENTS AT 30. JUNI	-27.387.000	-32.009.217	544.665	362.861
Cash and cash equivalents at 30 June comprise:				
Cash and cash equivalents.....	1.280.731	2.920.804	544.665	362.861
Bank overdraft.....	-28.667.731	-34.930.021	0	0
CASH AND CASH EQUIVALENTS.....	-27.387.000	-32.009.217	544.665	362.861

NOTES

	Group		Parent Company		Note
	2022/23 DKK	2021/22 DKK	2022/23 DKK	2021/22 DKK	
Staff costs					1
Number of full time employees	42	34	1	1	
Wages and salaries.....	22.100.271	16.966.113	0	0	
Pensions.....	1.632.970	1.270.874	0	0	
Social security costs.....	334.726	315.921	0	0	
	24.067.967	18.552.908	0	0	
Information about management salary is omit with reference to the exception in Section 98b(3,2) of the Danish Financial Statements Act.					
Other financial income					2
Other interest income.....	1.762.497	-883.780	1.361.501	-908.245	
	1.762.497	-883.780	1.361.501	-908.245	
Other financial expenses					3
Group enterprises.....	17.187	0	17.187	2.760	
Other interest expenses.....	1.042.763	373.764	1.644	6.609	
	1.059.950	373.764	18.831	9.369	
Tax on profit/loss for the year					4
Calculated tax on taxable income of the year.....	2.658.772	1.986.425	283.932	-205.786	
Adjustment of deferred tax.....	-43.235	18.012	0	0	
	2.615.537	2.004.437	283.932	-205.786	
Proposed distribution of profit					5
Proposed dividend for the year.....	117.800	0	117.800	0	
Allocation to reserve for net revaluation under the equity method....	0	0	8.446.388	7.855.932	
Retained earnings.....	9.335.256	7.126.352	888.868	-729.580	
	9.453.056	7.126.352	9.453.056	7.126.352	

NOTES

Property, plant and equipment	Group		Note
	Land and buildings	Other plant, machinery tools and equipment	
Cost at 1 July 2022.....	11.259.920	3.273.778	6
Additions.....	0	162.160	
Cost at 30 June 2023.....	11.259.920	3.435.938	
Depreciation and impairment losses at 1 July 2022.....	7.401.555	2.879.974	
Depreciation for the year.....	497.736	122.771	
Depreciation and impairment losses at 30 June 2023.....	7.899.291	3.002.745	
Carrying amount at 30 June 2023.....	3.360.629	433.193	
Financial non-current assets			7
		Group	
		Other investments	
Cost at 1 July 2022.....		1.040.005	
Cost at 30 June 2023.....		1.040.005	
Revaluation at 1 July 2022.....		-539.965	
Revaluation at 30 June 2023.....		-539.965	
Carrying amount at 30 June 2023.....		500.040	
	Parent Company		
	Equity investments in group enterprises	Other investments	
Cost at 1 July 2022.....	3.670.429	1.040.005	
Cost at 30 June 2023.....	3.670.429	1.040.005	
Revaluation at 1 July 2022.....	32.358.935	-539.965	
Profit/loss for the year.....	8.446.388	0	
Revaluation at 30 June 2023.....	40.805.323	-539.965	
Carrying amount at 30 June 2023.....	44.475.752	500.040	
Investments in subsidiaries			
Name and domicil		Ownership	
Tronex A/S, Fredensborg.....		100 %	
Brunemarken Ejendomme ApS, Fredensborg.....		100 %	
Iridium Waterproof Communication Systems ApS, Kvistgård.....		5 - 9,99 %	

NOTES

	Note
Fixed asset investments (continued)	7

	Group		Parent Company		
	2023 DKK	2022 DKK	2023 DKK	2022 DKK	
Prepayments					8
Costs.....	360.670	932.720	0	0	
	360.670	932.720	0	0	

Other securities and equity investments	9
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The carrying amount of current investments includes securities measured at fair value by the following amounts:

	Group
	Listed bonds
Fair value at 30 June 2023.....	12.399.496
Value adjustment in the year recognised in the Income Statement.....	1.189.717

Provision for deferred tax	10
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The provision for deferred tax is related to differences between the carrying amount and tax value of securities, receivables, intangible and tangible fixed assets, including recognised finance lease contracts.

	Group		Parent Company	
	2023 DKK	2022 DKK	2023 DKK	2022 DKK
Deferred tax, beginning of year.....	49.598	31.586	0	0
Deferred tax of the year, income statement.....	-43.235	18.012	0	0
Deffered tax, end of year.....	6.363	49.598	0	0

Other provisions	11
0-1 years.....	550.000
Other provisions for liabilities contains of a provision for garanty.	550.000
	0
	0

NOTES

Long-term liabilities

Note

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	Group			
	30/6 2023 total liabilities	Repayment next year	Debt outstanding after 5 years	30/6 2022 total liabilities
Mortgage debt.....	3.557.568	404.816	1.966.988	3.940.599
Bank loan.....	130.000	0	0	0
Corporation tax.....	3.945.196	1.286.424	0	3.149.382
Other non-current liabilities.....	931.964	0	931.964	903.512
	8.564.728	1.691.240	2.898.952	7.993.493

	Parent Company			
	30/6 2023 total liabilities	Repayment next year	Debt outstanding after 5 years	30/6 2022 total liabilities
Corporation tax.....	3.945.196	1.286.424	0	3.149.382
	3.945.196	1.286.424	0	3.149.382

Contingencies etc.

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Contingent liabilities

Rent liabilities

The Group has entered into a rental lease regarding the Group's domicile in Fredensborg. The lease may be terminated giving 6 months' notice and the total residual liability amounts to DKK ('000) 951.

The Group has entered into a lease agreement regarding the company's production facilities. The leases have an average notice period of 60 months, and the total residual liability amounts to DKK ('000) 14,488.

Joint liabilities

The Danish companies of the group is jointly and severally liable for tax on the group's jointly taxed income and for certain possible withholding taxes such as dividend tax and royalty tax, and for the joint registration of VAT.

Tax payable of the group's jointly taxed income amounts to DKK ('000) 3.945 at the Balance Sheet date.

Charges and securities

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As security for debt to a credit institution, DKK ('000) 3,558, a mortgage has been granted on land and buildings whose book value per. 30 June amounts to DKK ('000) 3.361.

Mortgage deeds have been issued, nom. DKK ('000) 9,560, which is secured by balances with mortgage banks.

NOTES**Note****Related parties**

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The Group's related parties include: Tronex A/S, Brunemarken Ejendomme ApS, Brunemarken Invest ApS.

Controlling interest

Mr. Stig Nielsen and Mrs. Pia Nielsen, Brunemarksvej 5, 3490 Kvistgård, is the principal shareholders.

Transactions with related parties

The Group did not carry out any material transactions that were not concluded on market conditions. According to section 98c, subsection 7 of the Danish Financial Statements Act information is given only on transactions that were not performed on common market conditions.

ACCOUNTING POLICIES

The Annual Report of Brunemarken Invest ApS for 2022/23 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

Consolidated Financial Statements

The Consolidated Financial Statements include the Parent Company Brunemarken Invest ApS and the subsidiaries in which Brunemarken Invest ApS directly or indirectly holds more than 50% of the voting rights or in any other way has a controlling influence. Enterprises in which the Group holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence, are considered associates, see the Group structure.

The Consolidated Financial Statements consolidate the Financial Statements of the Parent Company and the subsidiaries by combining uniform accounts items. Intercompany income and expenses, shareholdings, intercompany accounts and dividend, and realised and unrealised gains and losses arising from transactions between the consolidated enterprises are fully eliminated in the consolidation.

Newly acquired or newly formed entities within the Group are recognised in the Consolidated Financial Statements as if the entity has been combined from the earliest financial period included in the Consolidated Financial Statements. Consolidated or wound up entities are recognised in the Consolidated Income Statement from the earliest financial period included in the Financial Statements. Comparative figures are corrected for newly acquired, sold or wound-up entities.

Acquired entities within the Group are recognised in the Consolidated Financial Statements according to the combination method, the combination being regarded as completed as from the earliest financial period included in the Consolidated Financial Statements, and by using the carrying amounts of the assets and liabilities acquired.

Positive and negative differences between the acquisition cost and the carrying amounts of acquired and identified assets and liabilities are recognised in equity at the acquisition. The difference from acquired entities is DKK ('000).

Transaction costs incurred in relation to acquisition of entities are recognised in the Income Statement in the year they were paid.

Investments in subsidiary enterprises are set off by the proportional share of the subsidiaries' fair value of net assets and liabilities at the acquisition date.

Investments in associates are measured in the Balance Sheet at the proportional share of the equity value of the enterprises, calculated under the accounting policies of the Parent Company and eliminating proportionally any unrealised intercompany gains and losses. The proportional share of the results of the associates is recognised in the Income Statement after elimination of the proportional share of internal gains and losses.

INCOME STATEMENT

Net revenue

Net revenue from the sale of merchandise and finished goods is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received.

Rental income is accrued to cover the period up to the end of the financial year. Payments charged to cover heating are not included in rental income.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

ACCOUNTING POLICIES

Other operating income

Other operating income includes items of a secondary nature in relation to the Group's and the Company's activities. In addition, profit from sale of intangible and tangible fixed assets as well as business interruption and conflict compensations are included. Compensations are recognised when the income is deemed to be realisable.

Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other external expenses

Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operational lease expenses, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions, and other costs of social security etc., for the Group and the Parent Company's employees. Repayments from public authorities are deducted from staff costs.

Income from investments in subsidiaries

The proportional share of the results of subsidiaries, stated according to the Parent Company's accounting policies and with full elimination of unrealised intercompany profits/losses and deduction of amortisation of added value and goodwill resulting from purchase price allocation at the date of acquisition, is recognised in the Parent Company's Income Statement.

In connection with transfers, potential profits are recognised when the economic rights related to the sold equity interests are transferred, however, at the earliest when the profit has been realised or is regarded as realisable. Moreover, realised losses other than impairments are included where identified.

Financial income and expenses

Financial income and expenses include interest income and expenses, financial expenses of finance leases, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

BALANCE SHEET

Tangible fixed assets

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

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

ACCOUNTING POLICIES

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Buildings.....	20 years	0 %
Production plant and machinery.....	5-10 years	0 %
Other plant, fixtures and equipment.....	3-5 years	0-30 %

Profit or loss on sale of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the date of sale. Profit or loss is recognised in the Income Statement as other operating income or other operating expenses.

Lease contracts

Lease contracts relating to tangible fixed assets

for which the Company bears all material risks and benefits attached to the ownership (finance lease, see IAS 17) are recognised as assets in the Balance Sheet. The assets are at the initial recognition measured at the lower of cost stated at fair value and the and present value of the future lease payments. The internal interest rate of the lease contract, or alternatively the Company's loan interest, is used as discounting factor when calculating the present value. Finance lease assets are hereafter treated as the Group's and the Company's other similar tangible fixed assets.

The capitalised residual lease liability is recognised in the Balance Sheet as a liability and the interest portion of the lease payment is recognised in the Income Statement over the contract period.

Financial non-current assets

Investments in Equity interests in are measured in the Parent Company Balance Sheet under the equity method, which is regarded as a method of measuring/consolidation.

Equity investments in are measured in the Balance Sheet at the proportional share of the enterprises' carrying equity value, calculated in accordance with the Parent Company's accounting policies with deduction or addition of unrealised intercompany profits or losses and with addition or deduction of the residual value of positive or negative goodwill calculated according to the acquisition method. Negative goodwill is recognised in the Income Statement when the equity interest is acquired. Where the negative goodwill is related to acquired contingent liabilities, the negative goodwill will be recognised as income when the contingent liabilities have been settled or cease.

Net revaluation of equity interests in subsidiaries is transferred under equity to reserve for net revaluation under the equity value method to the extent that the carrying amount exceeds the acquisition value.

Investments in subsidiaries are determined as the difference between the net selling price and the carrying amount of the disposed investment at the time of sale, including non-depreciated excess values and goodwill. Profit and loss are recognised in the Income Statement under income from investments.

Subsidiaries with a negative carrying equity value are measured to DKK 0 and any amounts due from these enterprises are written down to the extent that it is deemed to be irrecoverable. If the carrying negative equity value exceeds receivables, the residual amount is recognised under provision for liabilities to the extent that the Company has a legal or actual liability to cover the subsidiary's subsidiaries deficit.

ACCOUNTING POLICIES

Impairment of fixed assets

The carrying amount of tangible assets together with fixed assets, which are not measured at fair value,, are assessed annually for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

Inventories

Inventories are measured at cost using the FIFO-principle. If the net realisable amount is lower than cost, the inventories are written down to the lower amount.

The cost of merchandise as well as raw materials and consumables is calculated at acquisition price with addition of transportation and similar costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct payroll cost and other direct and other indirect production costs include indirect materials and payroll and maintenance and depreciation of the machines, factory buildings and equipment used in the production process, the cost of factory administration and management and capitalised development costs relating to the products.

The net realisable value of inventories is stated at the expected sales price less direct completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price of the inventories.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Write-off is performed to provide for losses when an objective indication has been assessed to have incurred that a receivable or a portfolio of receivables are impaired. If there is an objective indication that an individual receivable is impaired, the write-off is performed at individual level.

Receivables for which there are no objective indication of impairment at individual level are assessed at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' registered office and credit rating in accordance with the Company's policy for credit risk management. The objective indicators, which are applied for portfolios, are determined based on the historical loss experiences.

Write-off is determined as the difference between the carrying amount of receivables and the present value of the expected cash flows, including realisable value of any received collaterals. The effective interest rate is used as discount rate for the single receivable or portfolio.

Accruals, assets

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

ACCOUNTING POLICIES

Securities and investments

Securities recognised as current assets, comprise public quoted bonds, shares and other securities. Public quoted securities are measured at the market price. Non-quoted equity interests are measured at cost price. Other securities are measured at cost price in so far as an approximate sales value cannot be stated reliably.

Other provisions for liabilities

Other provisions for liabilities include the expected cost of warranty commitments, loss on work in progress, restructurings etc. and deferred tax.

Warranty commitments include liabilities for improvement of work within the warranty period of 1 to 5 years. The provision for liabilities is measured and recognised on the basis of experience with warranty work.

When it is likely that the total costs will exceed the total income on the contract work in progress, a provision is made for the total loss that is anticipated on the contract. The provision is recognised as a cost under production costs.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish Group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.

ACCOUNTING POLICIES

Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the Income Statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies that are not settled on the Balance Sheet date are translated at the exchange rate on the Balance Sheet date. The difference between the exchange rate on the Balance Sheet date and the exchange rate at the date when the receivables or payables come into existence recognised in the Income Statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.

ACCOUNTING POLICIES

CASH FLOW STATEMENT

The cash flow statement shows the Company's cash flows for the year for operating activities, investing activities and financing activities in the year, the change in cash and cash equivalents of the year and cash and cash equivalents at beginning and end of the year.

Cash flows from operating activities:

Cash flows from operating activities are computed as the results for the year adjusted for non-cash operating items, changes in net working capital and corporation tax paid.

Cash flows from investing activities:

Cash flows from investing activities include payments in connection with purchase and sale of intangible and tangible fixed asset and fixed asset investments.

Cash flows from financing activities:

Cash flows from financing activities include changes in the size or composition of share capital and related costs, and borrowings and repayment of interest-bearing debt and payment of dividend to shareholders.

Cash and cash equivalents:

Cash and cash equivalents include bank overdraft and cash in hand.