

## **AVNET NORTEC ApS**

### **Annual Report 2022/2023 1 July 2022-30 June 2023**

**Lyskær 9  
2730 Herlev**

**CVR-number: 26 76 67 10**

**The annual report has been presented and approved at the company's  
annual general meeting**

**Herlev, 19 December 2023**

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**Mark Kempf  
Chairman**

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## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Avnet Nortec ApS for the financial year 1 July 2022 – 30 June 2023.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 30 June 2023 and of the results of the Company's operations for the financial year 1 July 2022 – 30 June 2023.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters, of the results for the year and of the Company's financial position.

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

Herlev, 19 December 2023

Executive Board:

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Mark Kempf

Board of Directors:

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Darrel Scott Jackson  
Chairman

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Mark Kempf

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Stéphanie Damien



## Independent auditor's report

### To the shareholder of AVNET NORTEC ApS

#### Opinion

We have audited the financial statements of Avnet Nortec ApS for the financial year 1 July 2022 – 30 June 2023, comprising income statement, balance sheet 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 Company's assets, liabilities and financial position at 30 June 2023 and of the results of the Company's operations 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 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 responsibility 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 that 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made on the basis of these 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 company 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

### Auditor's responsibilities for the audit of the financial statements (Continued)

- 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 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, 19 December 2023

#### KPMG

Statsautoriseret Revisionspartnerselskab  
CVR no. 25 57 81 98

Niklas R. Filipsen  
State Authorised  
Public Accountant  
mne47781

## **Management's review**

### **Company details**

Avnet Nortec ApS  
Lyskær 9  
DK-2730 Herlev

Telephone number: 43 22 80 00  
Fax: 43 22 80 01  
Web site: [www.avnet.com](http://www.avnet.com)

CVR-nr: 26 76 67 10  
Registered date: 20 June 1986  
Registered office: Herlev  
Financial year: 1 July – 30 June

### **Board of Directors**

Darrel Scott Jackson (Chairman)  
Mark Kempf  
Stéphanie Damien

### **Executive Board**

Mark Kempf

### **Auditor**

KPMG  
Statsautoriseret Revisionspartnerselskab  
Frederiks Plads 42, 7.  
DK-8000 Aarhus C  
CVR no. 25 57 81 98

## Management's review

### Financial highlights

DKK ' 000	2022/23	2021/22	2020/21	2019/20	2018/19
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Revenue	723.365	589.403	490.572	574.228	65.989
Gross profit	72.810	60.684	47.676	47.672	56.072
Profit before financial income and expenses	26.797	16.990	7.257	9.071	14.326
Net result of financial items	-2.033	-991	-861	-2.160	-1.972
<b>Profit for the year</b>	<b>19.193</b>	<b>12.570</b>	<b>5.077</b>	<b>4.526</b>	<b>10.546</b>

Total assets	226.928	206.609	146.143	155.486	214.045
Investments in property, plant and equipment	246	185	68	142	202
<b>Equity</b>	<b>137.813</b>	<b>118.620</b>	<b>106.050</b>	<b>100.972</b>	<b>96.446</b>

#### Ratios

Operating margin	3,7%	2,9%	1,5%	1,6%	21,7%
Gross margin	10,1%	10,3%	9,7%	8,3%	85,0%
Equity ratio	60,7%	57,4%	72,6%	64,9%	45,1%
Return on equity	15,0%	11,2%	4,8%	4,5%	11,6%

<b>Average number of full-time employees</b>	<b>51</b>	<b>52</b>	<b>50</b>	<b>54</b>	<b>54</b>
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### Calculation of key figures

Operating margin (Profit before financial income and expenses \* 100) / Revenue

Gross margin (Gross profit \* 100) / Revenue

Equity ratio (Equity \* 100) / Total assets

Return on equity (Profit for the year \* 100) / Average equity

## **Management's review**

### **Principal activities**

Avnet Nortec ApS engages in trading with electronic components to the Danish electronics industry. As in previous years, the company operates through two business units which focus on different industry segments within original equipment manufacturers (OEM), systems and underlying systems for the Danish industrial market. Those units are Avnet Silica and Avnet Abacus.

### **Development in activities and financial position**

The Company's income statement for 2022/23 shows a profit of DKK 19,193 thousand as against DKK 12,570 thousand in 2021/22, which is considered good and exceeded the expectations set in the outlook of the Management's review in the annual report for 2021/22. Equity in the Company's balance sheet at 30 June 2023 stood at DKK 137,813 thousand as against DKK 118,620 thousand at 30 June 2022.

The market for electronic components remained extremely strong during the fiscal year with a global shortage of product. We have seen continued price increases because of the market condition.

The feeling is that the market is now undergoing a correction / adjustment and demand is falling off.

The Ukraine war and inflationary price pressures are causing uncertainty in the industry and global economy. Disruptions in the global supply chain continued during the financial year with ongoing shortage in availability of components globally.

Avnet Nortec ApS remains well positioned and has been able to strengthen its market presence and improve its service quality further, which has lead to the exceeding of expectations in result for the year. A low level of staff turnover generates trust from our customers and makes us a reliable business partner. Industrial customers in Denmark also benefit from global networking structures within the Avnet Group. As part of the Avnet Group, the company will continue to focus on IT systems and underlying processes for amongst other things, purchasing and inventory to optimize the company capacity costs, and to better meet staff, customers and suppliers' requirements.

### **Expectations for the future**

Even though the industry still sees a high degree of "outsourcing" to Eastern Europe and Asia, the Company expects to generate positive results for the coming financial year in line with 2022/23. Based on the level of order intake in the second half of the FY23 and the volume of orders, Management expects that revenue will decrease in the coming financial year because of the global market adjustment that appears to be underway. Due to these uncertainties the market outlook is unclear and we expect the business' activities to shrink during the course of FY23/24. Consequently we expect the Company revenue for 2023/24 to be in the range of DKK 650,000 to DKK 700,000 thousand and for profit for 2023/24 to be in the range between DKK 14,000 and DKK 16,000 thousand.

### **Events after the balance sheet date**

No events have occurred after the balance sheet date that may influence the assessment of the annual report for 2022/23.

### **Research and development**

The Company engages in Research & Development activity in the form of engineering assistance provided to customers, with advice given on the technical specifications of electronic components and their use in end-product design.



## Management's review

### Special risks

#### **Credit risk**

The Company has the full credit risk for any receivables. The credit risk is managed by using credit insurance where possible. Credit limits are set for customers after seeking guidance from credit rating agencies.

#### **Currency risks**

The Company uses currency hedging each month to try to eliminate any exposure to foreign currency denominated asset and liability balances against changes in exchange rates after the balance sheet date.

#### **Interest rate risks**

The Company has intra-group debt in the form of a cash pool arrangement with the groups treasury company. Interest is calculated on these balances using arm's length terms. Interest rate risk is not considered to constitute a significant enough risk for interest hedging to be considered necessary.

#### **Intellectual capital**

The Company's principal activities require employees to have high levels of technical knowledge. It is therefore policy that employees participate in courses and training in order to maintain and improve their technical skills.

#### **Environmental matters**

Avnet monitors the energy and direct and indirect emissions at its major facilities with the long-term objective to reduce greenhouse gas emissions and increase energy efficiency throughout our operations. This will eventually include impacts upstream in our supply chain and downstream to customers.

Avnet is focused on improving its emissions data and in setting ambitious goals.

The main areas of impact on the environment caused by the Company and its activities are fuel used to operate offices and business flights.

The Company will seek to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The Company has complied with all applicable legislation and regulations. The Company is governed by the environmental policies of the Avnet Group, which can be accessed through the following link:

<https://www.avnet.com/wps/portal/us/about-avnet/corporate-social-responsibility/environmental-sustainability/>

#### **Corporate social responsibility**

The "Corporate social responsibility" statement is prepared in accordance with the Danish Financial Statement Act, section 99 a. The Company reports using the exception in DFSA, section 99 a (7), referring to the parent company. The "Sustainability Report" for FY23 for the group can be accessed at the following link:

<https://www.avnet.com/wps/portal/us/about-avnet/corporate-social-responsibility/annual-sustainability-report/>

The additional information contained within these financial statements is overall information whereas the comprehensive reporting on section 99 a can be found in the group report.

Avnet's employees are its most important stakeholders and the Avnet Code of Conduct sets standards and expectations for a workplace that prioritizes health and safety, fair labour practices, equal opportunity and diversity and inclusion. The Avnet Group prohibits discrimination, harassment and retaliation.

Avnet partners with suppliers, customers and vendors to maximize positive impact in the community. This is backed up by commitment with financial support by investing in programs and projects in Avnet's communities targeted at improving STEM (science, technology, engineering and math) education, promoting environmental conservation and diversity.

## Management's review

### Corporate social responsibility (Continued)

Avnet operates an employee-led volunteer initiative, Avnet Cares, which supports employees who are making a difference through hands-on and skills-based volunteering.

Ethically and environmentally sound business practices are fundamental to Avnet's culture and identity. The aim is to promote fairness, seek to prevent corruption and unethical behaviour, and provide accountability for actions. Avnet trains employees to identify and avoid potential corruption, insisting upon compliance with trade, anti-corruption and other laws. Avnet is also careful to select resellers and other business partners who share this commitment to clean business practices.

Avnet values and seeks to uphold basic human rights in all its operations and obligates its supply chain partners to uphold the same standards. Avnet aims to provide reasonable working hours and fair wages. Avnet does not use or tolerate others' use of forced labour or human trafficking practices, including the exploitation of children. Avnet respects the rights of all workers including the right to associate, peaceably assemble and communicate concerns with management without fear of discrimination or harassment. Avnet recognises and respects the rights of all individuals regardless of race, colour, ancestry, national origin, gender, gender identity or expression, sexual orientation, religion, age, disability or any other legally protected trait, and will not tolerate discrimination. Avnet also takes steps to work toward a conflict-free supply chain.

Avnet can only be successful in business and conduct business in a responsible manner if business activities are in harmony with the Environment, Social and Governance (ESG) standards. To protect the business and avoid exposure of ESG non-compliance, Avnet has implemented a due diligence process to identify and assess prevent and stop human rights and environmental risks and violations. The due diligence obligations apply not only to Avnet's own business activities and those of its subsidiaries but equally to its entire value chain.

### Goals and policies for the underrepresented gender

The "Goals and policies for the underrepresented gender" statement is prepared in accordance with the Danish Financial Statements Act, section 99b.

The Company promotes diversity and equality. The ambition is for all employees to have the same opportunities to develop regardless of gender, ethnic origin, age, sexual orientation or beliefs.

Gender distribution in Company	2022/2023		2021/2022	
	no.	%	no.	%
<i>Proportion of women</i>				
Board of Directors ( <i>Number / % of which women</i> )	3	33,3%	2	50,0%
The executive board ( <i>Number / % of which women</i> )	1	0,0%	1	0,0%
All employees ( <i>% of which women</i> )	51	31,4%	52	30,8%

Equal distribution in the Board of Directors is met, according to the Danish Financial Statements Act.

### Reporting on data ethics

Avnet is committed to ensure compliance with applicable data protection laws and regulations. Avnet's Data Protection Policy complies with the principles and requirements of the EU General Data Protection Regulation.

This Data Protection Policy describes how and why Avnet collects and processes personal data, which is obtained through any channel of communication or by any means, including but not limited to email, file transfer, inputting personal data into applications and tools, websites or mobile apps, social media pages and platforms.

## Financial statements 1 July – 30 June

### Income statement

	Note		2022/2023 DKK '000	2021/2022 DKK '000
<b>Revenue</b>	2		<b>723.365</b>	<b>589.403</b>
Cost of sales		-	648.921	- 522.529
Other operating income			15.322	6.120
Other external costs		-	16.956	- 12.310
<b>Gross profit</b>			<b>72.810</b>	<b>60.684</b>
Staff costs	3	-	45.872	- 43.315
Depreciation of property, plant and equipment	4	-	141	- 379
<b>Profit before financial income and expenses</b>			<b>26.797</b>	<b>16.990</b>
Financial income	5		1.225	512
Financial expenses	6	-	3.258	- 1.503
<b>Profit before tax</b>			<b>24.764</b>	<b>15.999</b>
<b>Tax for the year</b>	7	-	<b>5.571</b>	<b>- 3.429</b>
<b>PROFIT FOR THE YEAR</b>	8		<b>19.193</b>	<b>12.570</b>

## Financial statements 1 July – 30 June

### Balance sheet

ASSETS	Note	2022/2023 DKK '000	2021/2022 DKK '000
<b>Fixed assets</b>	4		
<b>Property plant and equipment</b>			
Buildings		-	4.739
Fixtures and fittings, tools and equipment		277	185
<b>Total fixed assets</b>		<b>277</b>	<b>4.924</b>
<b>Current assets</b>			
Trade receivables		218.781	191.772
Receivables from group entities		2.826	274
Other receivables	9	661	510
Corporation tax receivable, joint taxation		3.448	2.894
Prepayments	10	934	775
		<b>226.651</b>	<b>196.224</b>
<b>Cash at bank and in hand</b>		<b>-</b>	<b>5.461</b>
<b>Total current assets</b>		<b>226.651</b>	<b>201.685</b>
<b>TOTAL ASSETS</b>		<b>226.928</b>	<b>206.609</b>

## Financial statements 1 July – 30 June

### Balance sheet

EQUITY AND LIABILITIES	Note	2022/2023 DKK '000	2021/2022 DKK '000
<b>Equity</b>			
Contributed capital		8.000	8.000
Retained earnings		129.813	110.620
<b>Total equity</b>		<b>137.813</b>	<b>118.620</b>
<b>Provisions</b>			
Provisions for deferred tax	11	51	153
<b>Total provisions</b>		<b>51</b>	<b>153</b>
<b>Liabilities other than provisions</b>			
<b>Current liabilities other than provisions</b>			
Payables to group entities		54.474	53.266
Trade payables		500	12.304
Corporation tax payable		12.210	4.974
Other payables		21.880	17.292
<b>Total liabilities</b>		<b>89.064</b>	<b>87.836</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>226.928</b>	<b>206.609</b>

Contractual obligations, contingencies, etc	12
Fees to auditors appointed at the annual general meeting	13
Related parties	14
Currency risks and the use of derivative financial instruments	15

## Financial statements 1 July – 30 June

### Equity

	Contributed capital DKK '000	Retained earnings DKK '000	Total DKK '000
Equity at 1 July 2022	8.000	110.620	118.620
Transferred over the profit appropriation	-	19.193	19.193
<b>Equity at 30 June 2023</b>	<b>8.000</b>	<b>129.813</b>	<b>137.813</b>

## Financial statements 1 July - 30 June

### Note 1. Accounting policies

The annual report of Avnet Nortec ApS for 2022/23 has been prepared in accordance with the provisions applying to reporting class C large-sized entities under the Danish Financial Statements Act.

The Company has previously applied the provisions applying to reporting class C medium entities, but has during 2022/23 adopted the provisions applying to reporting class C large entities. As a result of the adoption of the new reporting class, no changes have incurred related to recognition and measurement in the financial statements.

The adoption of the higher reporting class has led to an addition in disclosure requirements, which are followed in the financial statements for 2022/23.

#### Omission of cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared.

The Company's cash flows are included in the cash flow statement in the consolidated financial statements of Avnet Inc.

The consolidated financial statements of this group are available to the public and may be obtained from Avnet Inc., 2211 South 47th Street, Phoenix, AZ85034, USA or by visiting Avnet Inc.'s Investor Relations website at [www.ir.avnet.com](http://www.ir.avnet.com)

#### Derivative financial instruments

On initial recognition, derivative financial instruments are recognised in the balance sheet at cost and subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are recognised as other receivables and other payables, respectively.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a fair value hedge a recognised asset or liability are recognised in the income statement together with changes in the fair value of the hedged hedged asset or liability.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of future transactions are recognised as other receivables or other payables and in equity until the realisation of the hedged transactions. If the future transaction results in the recognition of assets or liabilities, amounts that were previously recognised in equity are transferred to the cost of the asset or liability. If the future transaction results in income or costs, amounts that were previously recognised in equity are transferred to the income statement for the period when the hedged item affects the income statement

For derivative financial instruments not qualifying as hedging instruments, changes in fair value are recognised in the income statement on an ongoing basis.

#### Foreign currency translation

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

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

#### Revenue

Revenue from the sale of goods is recognised in the income statement provided that transfer of risk to the buyer has taken place before year end and provided that the income can be reliably measured and is expected to be received.

Revenue from the sale of services is recognised on a straight-line basis in the income statement as the services are provided. Services are invoiced and recorded as revenue once duties are fully performed and delivered.

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

#### Cost of sales

Cost of sales comprises costs incurred in generating revenue for the year, including any direct costs or indirect overheads relating to freight and duties.

## Financial statements 1 July - 30 June

### Note 1. Accounting policies (continued)

#### Other operating income

Other operating income comprises items secondary to the activities of the Company, including gains on the disposal of property, plant and equipment and cost reimbursements from group entities.

#### Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration and office premises, etc.

#### Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc. to the Company's employees, deducted by reimbursements from public authorities.

#### Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on receivables, payable and transactions denominated in foreign currencies, amortisation of liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

#### Tax for the year

The Company is subject to the Danish rules on joint taxation of the Avnet Group's Danish companies.

The Company is the management Company for the joint taxation and consequently settles all corporation tax payments with the tax authorities.

The current Danish corporation tax is distributed by settlement of joint taxation contributions between them jointly taxed companies in relation to their taxable income. In connection with this receives companies with a tax loss co-tax contribution from companies there has been able to use this deficit to reduce its own taxable profits.

The tax for the year, which consists of the current tax for the year and a shift in deferred tax, is recognised in the income statement with the part attributable to the profit for the year, and directly in equity with the part attributable to entries directly in equity.

### Balance Sheet

#### Property, plant and equipment

Property plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use.

The basis of depreciation is cost less any projected residual value after the end of the useful life.

Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment	3-5 years
Buildings	50 years

The useful life and residual value are reassessed annually. Changes are accounted for as accounting estimates and the effect on depreciation is recognised prospectively.

Depreciation is recognised in the income statement.

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



## Financial statements 1 July - 30 June

### Note 1. Accounting policies (continued)

#### Impairment of fixed assets

The carrying amount of fixed assets is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

#### Receivables

Receivables are measured at amortized cost. Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

#### Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

#### Cash at bank and in hand

Cash at bank and in hand comprise cash on hand and bank deposits.

Bank overdrafts are included in liabilities.

#### Corporate tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities measured on the planned use of the asset or settlement of the liability, respectively.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rate are recognised in the income statement or equity, respectively.

#### Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

#### Liabilities

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

#### Leases

The Company only holds operating leases. Payments relating to operating leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed as as contractual obligations and contingencies, etc.

#### Segment information

Segment information is provided on business segments and geographical markets. The segment information is in line with the Company's accounting policies, risks and internal financial management.

## Financial statements 1 July - 30 June

### Notes

	2022/2023 DKK '000	2021/2022 DKK '000
<b>Note 2. Revenue</b>		
<b>Sales per business segment</b>		
Sale of electronic components	690.973	589.403
Sale of services	32.392	-
<b>Revenue</b>	<b>723.365</b>	<b>589.403</b>
<b>Sales per geographic market</b>		
Denmark	723.365	589.403
<b>Revenue</b>	<b>723.365</b>	<b>589.403</b>
<b>Note 3. Staff costs</b>		
Wages and salaries	37.702	35.373
Pensions	6.581	6.167
Other social security costs	534	914
Other personnel costs	1.056	862
<b>Staff costs</b>	<b>45.872</b>	<b>43.315</b>
Average number of employees	51	52

In accordance with section 98b (3) of the Danish Financial Statements Act, remuneration of the Executive Board and Board of Directors is not disclosed.

<b>Note 4. Property, plant and equipment</b>	<b>Buildings</b> DKK '000	<b>Fixtures and fittings, tools and equipment</b> DKK '000
Cost 01.07.2022	13.428	5.284
Additions	36	210
Disposals	(13.464)	(20)
<b>Cost 30.06.2023</b>	<b>0</b>	<b>5.473</b>
Accumulated depreciation 01.07.2022	8.689	5.099
Depreciation	23	118
Reversal of depreciation on disposals	(8.712)	(20)
<b>Accumulated depreciation 30.06.2023</b>	<b>-</b>	<b>5.196</b>
<b>Carrying amount at 30 June 2023</b>	<b>0</b>	<b>277</b>

## Financial statements 1 July - 30 June

### Notes

	2022/2023 DKK '000	2021/2022 DKK '000
<b>Note 5. Financial income</b>		
Interest income from group entities	1.211	512
Other financial income	14	-
	<u>1.225</u>	<u>512</u>
<b>Note 6. Financial expense</b>		
Interest expenses to group entities	488	969
Other financial expenses	2.770	534
	<u>3.258</u>	<u>1.503</u>
<b>Note 7. Tax for the year</b>		
Income tax expense	5.659	3.541
This year's adjustment of deferred tax	- 102	-
Adjustments relating to previous years	14	- 112
	<u>5.571</u>	<u>3.429</u>
<b>Note 8. Profit for the year</b>		
Profit appropriation: Transferred to retained earnings	19.193	12.570
	<u>19.193</u>	<u>12.570</u>
<b>Note 9. Other receivables</b>		
Included in other receivable at 30 June 2023 is DKK 661 thousand that relates to deposits paid for leased properties (30 June 2022: DKK 510 thousand). This is expected to be recovered subsequent to 12 months from the balance sheet date.		
<b>Note 10. Prepayments</b>		
Prepayments for insurance, rent, etc.	<u>934</u>	<u>775</u>
<b>Note 11. Provisions for deferred tax</b>		
At beginning of year	153	153
Credited to the income statement	- 102	-
At end of year	<u>51</u>	<u>153</u>

Deferred tax of DKK 51 thousand recognised at 30 June 2023 relates to timing differences on property, plant and equipment and is expected to be realised as current tax along with the depreciation period over the next coming years.

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#### Note 12. Contractual obligations, contingencies, etc.

The Company has operating leases for cars with a total remaining lease payment of DKK 1,889 thousand as of 30 June 2023 (30 June 2022: DKK 1,659 thousand). The leases will mature in 46 months. DKK 795 thousand falls due within 12 months of the balance sheet date (30 June 2022: DKK 886 thousand).

The Company has entered into property leases. The leases can be terminated after 34 months. The total liability amounts to DKK 4,144 thousand (30 June 2022: DKK 3,958 thousand). DKK 1,531 thousand falls due within 12 months of the balance sheet date (30 June 2022: DKK 1,032 thousand).

The Company is jointly taxed with other Danish companies in the Avnet group. As the administrative company, the liability of the Company is unlimited and jointly liable with the other companies in the joint taxation for Danish company taxes, withholding taxes on dividends, interest and royalties within the joint taxation circle.

Any subsequent corrections of the taxable joint taxation income or withholding taxes may entail an increase in the Company's liability.

	<b>2022/2023</b> <b>DKK '000</b>	<b>2021/2022</b> <b>DKK '000</b>
<b>Note 13. Fees to auditors appointed at the annual general meeting</b>		
Audit	60	48

#### Note 14. Related parties

##### Group

Purchase of goods from group entities	648.921	522.529
Sale of services to group entities	14.695	5.535
Purchase of services from group entities	5.627	3.560
Leasing of property to group entities	579	550

Financial income and expenses from/to group entities are disclosed in note 5 and 6.

In accordance with section 98b (3) of the Danish Financial Statements Act, remuneration of the Executive Board and Board of Directors is not disclosed.

For receivables and payables from/to group entities, a reference is made to the balance sheet.

#### Ownership and control

The Company is fully owned by Avnet Nortec AB. The ultimate Parent Company is Avnet Inc. in the US.

Avnet Nortec ApS is part of the consolidated financial statements of Avnet Inc., 2211 South 47th Street, Phoenix, Arizona, USA, which is the smallest and largest group, in which the Company is included as a subsidiary.

The consolidated financial statements of Avnet Inc. can be obtained by contacting the Company at the address above.

## Financial statements 1 July - 30 June

### Notes

#### Note 15. Currency risks and the use of derivative financial instruments

As part of the hedging of recognised and unrecognised transactions, the Company makes use of forward hedging contracts to manage balance sheet risk.

Currency risks	2022/2023 DKK '000	2021/2022 DKK '000
	USD	USD
<b>Hedged by forward exchange contracts</b>		
Fair value	- 706	- 346
Nominal value (Commitment to sell in USD)	10.309	72.007
	EUR	EUR
<b>Hedged by forward exchange contracts</b>		
Fair value	1	2
Nominal value (Commitment to sell in EUR)	4.674	8.346

The fair value of the liability for future commitments under forward exchange contracts is included in amounts payable to group entities.