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BDO Statsautoriseret revisionsaktieselskab
Havneholmen 29
DK-1561 København V
CVR no. 20 22 26 70

ROULUNDS BRAKING APS

HESTEHAVEN 43, HJALLESE, 5260 ODENSE S

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2023

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 22 April 2024

Paul William Thomas

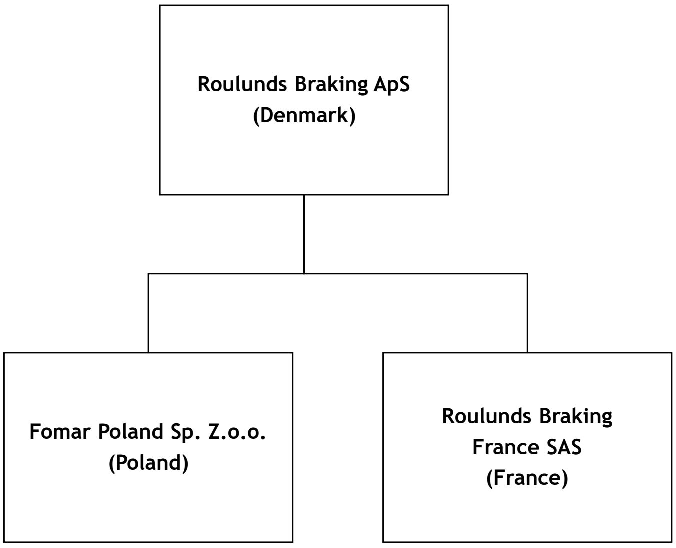
CVR NO. 26 93 14 52

CONTENTS

COMPANY DETAILS

Company	Roulunds Braking ApS Hestehaven 43 Hjallese 5260 Odense S	
	CVR No.:	26 93 14 52
	Established:	1 January 2003
	Municipality:	Odense
	Financial Year:	1 January - 31 December
Board of Directors	Paul William Thomas, chairman Caroline Evelyne Lachaud Per Kroer Andersen Jessica Wang Olsson Martin Nyby Snitkjær John Bøgedal	
Executive Board	Per Kroer Andersen	
Auditor	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V	
Bank	Nordea Bank A/S Vestre Stationsvej 7 5000 Odense C	
Law Firm	Plesner Advokatpartnerselskab Amerika Plads 37 2100 Copenhagen Ø	

GROUP STRUCTURE



The following companies are consolidated and recognised at equity value under the equity method:

Fomar Poland Sp. Z.o.o
Roulunds Braking France SAS

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Roulunds Braking ApS for the financial year 1 January - 31 December 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 31 December 2023 and of the results of Group's and the Company's operations and cash flows for the financial year 1 January - 31 December 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.

Odense, 22 April 2024

Executive Board

Per Kroer Andersen

Board of Directors

Paul William Thomas Chairman	Caroline Evelyne Lachaud	Per Kroer Andersen
Jessica Wang Olsson	Martin Nyby Snitkjær	John Bøgedal

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Roulunds Braking ApS

Opinion

We have audited the Consolidated Financial Statements and the Annual Financial Statements of the Company of Roulunds Braking ApS for the financial year 1 January - 31 December 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 31 December 2023 and of the results of the Group and the Parent Company's operations and cash flows 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 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:

- 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.

INDEPENDENT AUDITOR'S REPORT

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.

Copenhagen, 22 April 2024

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Ole C. K. Nielsen
State Authorised Public Accountant
MNE no. mne23299

FINANCIAL HIGHLIGHTS OF THE GROUP

	2023 DKK '000	2022 DKK '000	2021 DKK '000	2020 DKK '000	2019 DKK '000
Income statement					
Net revenue	729.210	708.144	628.755	572.495	578.714
Gross profit	101.192	74.805	68.172	69.665	72.828
Operating profit	49.734	24.880	18.243	17.981	17.113
Financial income and expenses, net	1.049	-1.982	-652	-2.867	-382
Profit for the year	39.575	18.968	14.932	13.343	12.399
Balance sheet					
Total assets	417.026	357.490	361.559	384.955	367.751
Equity	288.142	248.381	229.472	226.724	213.571
Cash flows					
Cash flows from operating activities	13.106	6.013	21.447	17.248	11.120
Cash flows from investing activities	-939	-3.813	-3.858	-2.599	-1.154
Cash flows from financing activities	-502	-443	-23.922	-1.750	-922
Investment in property, plant and equipment	-2.574	-4.114	-4.121	-3.209	-1.369
Key ratios					
Gross margin	13,9	10,6	10,8	12,2	12,6
Operating margin	6,8	3,5	2,9	3,1	3,0
Return on invested capital	19,9	13,2	10,8	8,2	8,3
Equity ratio	69,1	69,5	63,5	58,9	58,1
Return on equity	14,8	7,9	6,5	6,1	6,0

The key figures are prepared in accordance with the guidance of Den Danske Finansanalytikerforening on “Recommendation & Key Figures”. Reference is made to the overview of principal figures and key figures concerning the formula for calculation of individual key figures.

FINANCIAL HIGHLIGHTS OF THE GROUP

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

Invested capital:	Intangible fixed assets (ex goodwill) + tangible assets + inventories + receivables + other working current assets - trade payables - other provisions - other long and short term working liabilities
Gross margin:	$\frac{\text{Gross profit x 100}}{\text{Net revenue}}$
Operating margin:	$\frac{\text{Operating profit/loss x 100}}{\text{Net revenue}}$
Return on invested capital:	$\frac{\text{Profit/loss on ordinary activities x 100}}{\text{Average invested capital}}$
Equity ratio:	$\frac{\text{Equity ex. minorities, at year end x 100}}{\text{Total equity and liabilities, at year end}}$
Return on equity:	$\frac{\text{Profit/loss after tax x 100}}{\text{Average equity}}$

MANAGEMENT COMMENTARY

Principal activities
The activities of the company in Denmark include:

- Distribution and sale of brake pads, brake shoes, rolled lining, brake discs and brake shoe kits manufactured by other MAT companies into the European market.
- Central R&D for all MAT friction companies.
- Central Quality Headquarter for all MAT friction companies.

Development in activities and financial and economic position
The group result before tax showed a profit of DKK 50,6M. (Roulunds Braking Denmark DKK 49,5M, Fomar Poland DKK 0,5M, Roulunds Braking France DKK 0,6M).

2023 sales were DKK 729,2M.

In 2023 the group has invested DKK 2,3M in tangible fixed assets.

Roulunds Braking Denmark inventory has increased by DKK 2,1M. Total Group inventory 2023 was DKK 122,3M.

Major events in the year
During 2023 the transport situation has improved which caused lower transport cost and easier access to container etc. which has improved our situation much, on the other hand it has also improved our far east competitor, especially China vendors has been active on the European market.

Quality and environment Certifications
Roulunds Braking is IATF 16949, ISO 14001 and ISO 9001 certified.

Profit for the year compared to expectations
Expectations for 2023 were some erosion of top line sales as prices were expected to decline in line with reduced raw material and logistics costs and pressure from customers for price reduction.

Despite pressure from customers Roulunds has managed to improve sales to be 14,4% above budget and the full year profit was better than budget in terms of both absolute value and margin percentage. The main reason for this development is due to Private label customers' demand for passenger car pads and we managed to keep costs on a low level.

Significant events after the end of the financial year
There have been no significant effects after the end of the financial year.

Financial risk
Roulunds Braking operates in a multinational market, we cover most of our currency risk by buying and selling in Eur with our main customers. Roulunds Braking don't use hedging nor futures.

New customers for Roulunds Braking are credit-evaluated by an external service, and in general Roulunds strive to know the customers well. There have been no major issues with payments from customers.

Research and development activities
R&D expenditure was below budget in 2023 due to unfilled open positions and travel still not at the pre-covid levels. Development and fine tuning of the North American copper free product offering remained the primary focus in 2023 and this activity is expected to continue into 2024. There was an increase in support to MAT Dalian as more volume continues to be transferred to help ease European capacity constraints.

Euro 7 vehicle brake emission legislation was finalized for OE light vehicles. The requirements for aftermarket and commercial vehicles have still to be defined. Good progress is being made to understand the particle emissions during braking. As a result of the Euro 7 legislation there has been a significant increase in drum brake projects due to the much lower emissions from these brakes.

Friction Group R&D will be restructured in 2024 with all R&D activities being consolidated in RBDK. For 2023, before this change in structure, R&D cost was 30 % of total cost at Roulunds Braking.

Future expectations
2024 is off to a strong beginning, but we do not expect 2024 to be at the same volume level as in 2023 and there may be some erosion of top line sales.

Roulunds Braking expects a decrease in net revenue to DKK 687M for 2024 compared to DKK 729M for 2023, and profit for the year to DKK 23M for 2024 compared to DKK 40M for 2023. 2023 has been an exceptionally good year. If 2024 meets expectations it will still be better than the last five years in which the profit was DKK 20M in average.

We see following major tendencies that could affect the result:
- The European marked for brake pads are in an increasing competitive situation due to Chinese manufactures.
- Sales to countries close to Russia are challenged due to European restrictions

To be able to increase market share on brake shoe for passenger cars MAT are building up production capacity in India, and procured production facility in Spain, MFS, which are producing brake shoe for passenger cars and brake pad for trucks. Roulunds Braking are responsible for sales and logistic out of MFS and in 2024 get a fee for this covering the cost. The business strategy is to develop to a higher margin by resourcing the goods to be out of our sister companies in India.

Corporate social responsibility (CSR) report

Environment and climate conditions
MAT and Roulunds see Greenhouse Gas as the main issue in the CSR area, MAT Friction started 2021 making Greenhouse Gas reporting for the friction area. MAT Friction measure Scope 1 and 2 and are working on measuring Scope 3 for transport. The target is to reduce Greenhouse Gas by 5 % year by year. Mat Friction Scope 1+2 for the Indian production plants is a big part of Roulunds Braking Scope 3.

GHG Tons CO2 equivalents, Denmark			
	Scope1	Scope 2	Scope 1+2
2022	56,9	224,4	281,3
2023	46,7	188,9	235,6

2023 has been favorable influenced by downsizing warehouse space from 5500 m^2 to 2500 m^2.

Roulunds Braking is a part of MAT Friction Group. The group also includes the production sites. This has been beneficial for setting up a global quality system.

Through this system MAT Friction have launched a project to measure carbon dioxide emissions and to define goals for a reduction in the carbon footprint in the period 2023 – 2025.

Roulunds Braking are responsible for approving raw material for friction mix used at production sites, Roulunds Braking therefore influence the selection of raw material and make sure that material comply with legislation.

Corporate social responsibility (CSR) report (continued)

Roulunds Braking has been certificated ISO 14001 since 2000, and Roulunds Braking has been working with improvements to reduce our environmental impact and have an Environment policy to support the commitments Roulunds Braking have set. For more information see https://roulunds-braking.eu/corporate-policy.aspx.

Our significant environmental impact is freight, for that reason Roulunds Braking is always working on reducing number of containers. A way Roulunds Braking have done it is, when possible, to use full loaded 40 feet containers instead of 20 feet and change the size of the pallets so it is possible pack the container with less unutilized space. The change in pallet size reduced the requirement for containers by 25 %.

Energy consumption locally is mainly electricity and heating, we are constantly monitoring the usage for saving energy. Major projects for saving heating 2024 insolating of our R&D buildings in Denmark and in Poland. For 2024 we have started to use green electric power.

Responsible supplier management - human rights and anti-corruption
Roulunds Braking operates under the common MAT Friction Group Human Resources Policy and MAT code of Business ethics and Anti-bribery policy. These policies are also valid for our production sites and are applied when performing a responsible supplier management, by conducting regular visits or audits. For more information see https://roulunds-braking.eu/corporate-policy.aspx

Social conditions and employee relations
MAT friction Quality, Health Safety and Environment Policy are the foundation for a safe and secure workplace. For more information see https://roulunds-braking.eu/corporate-policy.aspx.

Roulunds braking had in 2023 1 minor work-related accidents, the total for the last 5 year is 0,60 work-related accidents in average per year.

In 2021 Roulunds Braking started a process which aim is to educate our employee to recognize and avoid insulting behavior. Monthly meetings established in all departments and Grievance procedure established. RBDK 2023 satisfaction survey was positive.

Social conditions and employee relations

Gender distribution within Management

	2023	2022	2021	2020	2019
Number of members of the supreme management body.........	5	5	4	4	4
Under-represented gender, share in % of the supreme management body.........................	40%	40%	25%	25%	25%
Number of people at other management levels.......................	11	12	11	10	10
Under-represented gender, share in % at other management levels.......................	36%	42%	36%	40%	40%

Target figures for the supreme management body

	2023	2022	2021	2020	2019
Target figures in % for the supreme management body.........	20%	20%	20%	20%	20%

Status of meeting the target figures set for the supreme management body
In 2013 Roulunds Braking established target figures on minimum 40 % for underrepresented gender in the board of directors. In 2024 50% of board members for Roulunds Braking are female, which meet the target for the underrepresented gender.

Policy for other management levels
In the management Roulunds Braking have 36% of management team as female. We don’t have a written policy for the mix of genders in the management. However the target is minimum 20 % for the underrepresented gender, and is aligned with the target for Board members. Generally, we consider the best suited person, regardless of gender, to have the job as long as we fulfill the target on 20%. Roulunds Braking has over the years had a tradition for mixed genders among the workforce and management, and therefore Roulunds Braking don’t see a need for a specific policy on this topic.

Statement of data ethics
Roulunds Braking are committed to follow the guidelines described in Roulunds Braking Politic on Personal data Protection and General informational Security and MAT Global IT-Policy. For more information see https://roulunds-braking.eu/corporate-policy.aspx

All employees are trained in GDPR rules, and IT-systems is setup to meet the GDPR regulative and our GDPR is kept up to date. For more information see https://roulunds-braking.eu/corporate-policy.aspx

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

		Group		Parent Company	
	Note	2023 DKK '000	2022 DKK '000	2023 DKK '000	2022 DKK '000
NET REVENUE	1	**729.210**	**708.144**	**729.210**	**708.144**
Cost of sales		-588.116	-575.644	-588.667	-597.449
Other external expenses	3	-39.902	-57.695	-59.460	-53.848
GROSS PROFIT/LOSS		**101.192**	**74.805**	**81.083**	**56.847**
Staff costs	2	-47.317	-45.672	-28.728	-29.047
Depreciation, amortisation and impairment		-4.141	-4.253	-3.851	-4.010
OPERATING PROFIT		**49.734**	**24.880**	**48.504**	**23.790**
Income from investments in subsidiaries		0	0	1.088	918
Other financial income		1.328	-1.302	1.278	-1.308
Other financial expenses		-279	-680	-279	-680
PROFIT BEFORE TAX		**50.783**	**22.898**	**50.591**	**22.720**
Tax on profit/loss for the year	4	-11.208	-3.930	-11.016	-3.752
PROFIT FOR THE YEAR	5	**39.575**	**18.968**	**39.575**	**18.968**

BALANCE SHEET AT 31 DECEMBER

		Group		Parent Company	
ASSETS	**Note**	**2023** DKK '000	**2022** DKK '000	**2023** DKK '000	**2022** DKK '000
Development projects completed		0	0	0	0
Knowhow		0	0	0	0
Intangible assets	6	**0**	**0**	**0**	**0**
Land and buildings		33.634	35.186	33.634	35.186
Production plants and machinery		0	1.305	0	0
Other plants, machinery, tools and equipment		6.817	5.126	4.665	5.126
Leasehold improvements		122	305	122	305
Tangible fixed assets in progress and prepayment		1.872	1.818	1.872	1.818
Property, plant and equipment	7	**42.445**	**43.740**	**40.293**	**42.435**
Equity investments in group enterprises		0	0	3.974	4.985
Rent deposit and other receivables		1.085	2.718	660	2.718
Financial non-current assets	8	**1.085**	**2.718**	**4.634**	**7.703**
NON-CURRENT ASSETS		**43.530**	**46.458**	**44.927**	**50.138**
Raw materials and consumables		13.147	10.755	13.147	10.755
Finished goods and goods for resale		109.181	109.684	109.181	109.684
Inventories		**122.328**	**120.439**	**122.328**	**120.439**
Trade receivables		150.579	136.322	150.416	136.307
Receivables from group enterprises		58.157	25.534	58.158	24.157
Deferred tax assets	9	0	207	0	207
Other receivables		8.523	8.420	8.225	8.400
Receivables corporation tax		3.916	1.782	3.916	1.782
Receivables		**221.175**	**172.265**	**220.715**	**170.853**
Cash and cash equivalents		**29.993**	**18.328**	**29.195**	**16.767**
CURRENT ASSETS		**373.496**	**311.032**	**372.238**	**308.059**
ASSETS		**417.026**	**357.490**	**417.165**	**358.197**

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BALANCE SHEET AT 31 DECEMBER

		Group		Parent Company	
EQUITY AND LIABILITIES	**Note**	**2023** DKK '000	**2022** DKK '000	**2023** DKK '000	**2022** DKK '000
Share Capital		2.560	2.560	2.560	2.560
Reserve for net revaluation according to equity valuation		270	0	270	0
Retained profit		210.747	245.821	210.747	245.821
Proposed dividend		74.565	0	74.565	0
EQUITY		**288.142**	**248.381**	**288.142**	**248.381**
Provision for deferred tax	10	524	0	524	0
PROVISIONS		**524**	**0**	**524**	**0**
Mortgage debt		0	1.532	0	1.532
Lease liabilities		1.207	495	1.207	495
Other liabilities		229	0	0	0
Non-current liabilities	11	**1.436**	**2.027**	**1.207**	**2.027**
Mortgage debt		0	502	0	502
Lease liabilities		274	0	0	0
Trade payables		20.485	20.722	18.092	19.127
Payables to group enterprises		91.891	78.573	97.103	82.831
Corporation tax		3.396	394	3.396	394
Other liabilities		10.878	6.891	8.701	4.935
Current liabilities		**126.924**	**107.082**	**127.292**	**107.789**
LIABILITIES		**128.360**	**109.109**	**128.499**	**109.816**
EQUITY AND LIABILITIES		**417.026**	**357.490**	**417.165**	**358.197**

Contingencies etc.	12
Charges and securities	13
Related parties	14

EQUITY

	Group				
	Share capital	Reserve for revaluation according to equity value	Retained profit	Proposed dividend	Total
Equity at 1 January 2023	2.560	0	245.821	0	248.381
Proposed profit allocation, cf. note 5		270	-35.260	74.565	39.575
Other legal bindings					
Foreign exchange adjustments			186		186
Equity at 31 December 2023	**2.560**	**270**	**210.747**	**74.565**	**288.142**

	Parent Company				
	Share capital	Reserve for revaluation according to equity value	Retained profit	Proposed dividend	Total
Equity at 1 January 2023	2.560	0	245.821	0	248.381
Proposed profit allocation, cf. note 5		270	-35.260	74.565	39.575
Other legal bindings					
Foreign exchange adjustments			186		186
Equity at 31 December 2023	**2.560**	**270**	**210.747**	**74.565**	**288.142**

The share capital has remained unchanged for the last 5 years.

CASH FLOW STATEMENT 1 JANUARY - 31 DECEMBER

	Group		Parent Company	
	2023 DKK '000	2022 DKK '000	2023 DKK '000	2022 DKK '000
Profit/loss for the year	39.575	18.968	39.575	18.968
Depreciation and amortisation, reversed	4.141	4.225	3.851	4.009
Profit/loss from subsidiaries	0	0	-1.197	-918
Tax on profit/loss, reversed	11.208	3.930	11.016	3.752
Other adjustments	187	0	187	0
Corporation tax paid	-12.611	-5.621	-12.419	-5.443
Change in inventories	-1.889	6.753	-1.889	6.753
Change in receivables (ex tax)	-46.983	-34	-47.935	696
Change in current liabilities (ex bank, tax, instalments payable and overdraft facility)	19.478	-22.208	19.185	-21.974
CASH FLOWS FROM OPERATING ACTIVITY	**13.106**	**6.013**	**10.374**	**5.843**
Purchase of property, plant and equipment	-2.572	-4.114	-1.709	-3.870
Sale of property, plant and equipment	0	301	0	301
Sale of financial assets	1.633	0	4.265	0
Other cash flows from investing activities	0	0	0	415
CASH FLOWS FROM INVESTING ACTIVITY	**-939**	**-3.813**	**2.556**	**-3.154**
Repayment on loans	0	-452	0	-452
Change in bank debt	-502	0	-502	0
Other cash flows from financing activities	0	0	0	59
CASH FLOWS FROM FINANCING ACTIVITY	**-502**	**-443**	**-502**	**-384**
CHANGE IN CASH AND CASH EQUIVALENTS	**11.665**	**1.757**	**12.428**	**2.305**
Cash and cash equivalents at 1. januar	18.328	16.571	16.767	14.462
CASH AND CASH EQUIVALENTS AT 31. DECEMBER	**29.993**	**18.328**	**29.195**	**16.767**
Cash and cash equivalents at 31 December comprise:				
Cash and cash equivalents	29.993	18.328	29.195	16.767
CASH AND CASH EQUIVALENTS	**29.993**	**18.328**	**29.195**	**16.767**

NOTES

	Group		Parent Company		
	2023 DKK '000	2022 DKK '000	2023 DKK '000	2022 DKK '000	Note
Net revenue					1
Revenue, Denmark	11.577	6.742	11.577	6.742	
Revenue, Europe	742.918	723.921	742.918	723.921	
Trade discounts granted	-26.777	-23.298	-26.777	-23.298	
Freight and carriage, invoiced	1.492	779	1.492	779	
	729.210	**708.144**	**729.210**	**708.144**	
Segment details (geography)					
Revenue, Denmark	4.944	6.744	4.944	6.744	
Revenue, Europe	716.540	701.400	716.540	701.400	
Revenue, Non-EU	7.726	0	7.726	0	
	729.210	**708.144**	**729.210**	**708.144**	

Staff costs					2
Average number of full time employees	94	90	48	50	
Wages and salaries	43.196	39.230	24.607	24.848	
Pensions	2.557	3.949	2.557	2.322	
Social security costs	1.564	2.493	1.564	1.877	
	47.317	**45.672**	**28.728**	**29.047**	

Information on management remuneration is omitted in accordance with the exemption provision in the Danish Financial Statements Act, section 98 b, subsection 3 No. 2.

Fee to statutory auditor					3
Total fee					
BDO	577	556	577	575	
Auditors of foreign subsidiaries	97	106	0	0	
	674	**662**	**577**	**575**	
Specification of fee					
Statutory audit	295	295	295	295	
Assurance engagements	97	106	0	19	
Tax consultancy	106	85	106	85	
Other services	176	176	176	176	
	674	**662**	**577**	**575**	

NOTES

	Group 2023 DKK '000	Group 2022 DKK '000	Parent Company 2023 DKK '000	Parent Company 2022 DKK '000	Note
Tax on profit for the year					4
Calculated tax on taxable income of the year	10.907	3.661	10.715	3.661	
Adjustment of tax for previous years	-431	0	-431	0	
Adjustment of deferred tax	732	91	732	91	
	11.208	**3.752**	**11.016**	**3.752**	
Proposed distribution of profit					5
Proposed dividend for the year	74.565	0	74.565	0	
Reserve for net revaluation according to equity value	270	0	270	0	
Retained earnings	-35.260	18.968	-35.260	18.968	
	39.575	**18.968**	**39.575**	**18.968**	

Intangible assets 6

	Group: Development projects completed	Group: Knowhow
Cost at 1 January 2023	0	1.786
Cost at 31 December 2023	**0**	**1.786**
Amortisation at 1 January 2023	0	1.786
Amortisation at 31 December 2023	**0**	**1.786**
Carrying amount at 31 December 2023	**0**	**0**

	Parent Company: Development projects completed	Parent Company: Knowhow
Cost at 1 January 2023	0	1.786
Cost at 31 December 2023	**0**	**1.786**
Amortisation at 1 January 2023	0	1.786
Amortisation at 31 December 2023	**0**	**1.786**
Carrying amount at 31 December 2023	**0**	**0**

NOTES

	Note
Property, plant and equipment	**7**

	Group	
	Land and buildings	Other plants, machinery, tools and equipment
Cost at 1 January 2023	43.339	60.665
Transferred	0	850
Additions	0	2.231
Disposals	0	-1.016
Cost at 31 December 2023	**43.339**	**62.730**
Depreciation and impairment losses at 1 January 2023	8.153	54.635
Reversal of depreciation of assets disposed of	0	-1.006
Impairment losses	0	129
Depreciation for the year	1.552	2.155
Depreciation and impairment losses at 31 December 2023	**9.705**	**55.913**
Carrying amount at 31 December 2023	**33.634**	**6.817**
Finance lease assets		1.862

	Group	
	Leasehold improvements	Tangible fixed assets in progress and prepayment
Cost at 1 January 2023	3.075	1.818
Transferred	0	-850
Additions	0	1.105
Disposals	0	-201
Cost at 31 December 2023	**3.075**	**1.872**
Depreciation and impairment losses at 1 January 2023	2.770	
Depreciation for the year	183	
Depreciation and impairment losses at 31 December 2023	**2.953**	
Carrying amount at 31 December 2023	**122**	**1.872**

NOTES

Note

Tangible fixed assets (continued) 7

	Parent Company	
	Land and buildings	Other plants, machinery, tools and equipment
Cost at 1 January 2023	43.339	52.121
Transferred	0	850
Additions	0	693
Disposals	0	-317
Cost at 31 December 2023	**43.339**	**53.347**
Depreciation and impairment losses at 1 January 2023	8.153	46.995
Reversal of depreciation of assets disposed of	0	-307
Depreciation for the year	1.552	1.994
Depreciation and impairment losses at 31 December 2023	**9.705**	**48.682**
Carrying amount at 31 December 2023	**33.634**	**4.665**

	Parent Company	
	Leasehold improvements	Tangible fixed assets in progress and prepayment
Cost at 1 January 2023	3.075	1.818
Transferred	0	-850
Additions	0	1.105
Transferred	0	-201
Cost at 31 December 2023	**3.075**	**1.872**
Depreciation and impairment losses at 1 January 2023	2.770	
Depreciation for the year	183	
Depreciation and impairment losses at 31 December 2023	**2.953**	
Carrying amount at 31 December 2023	**122**	**1.872**

NOTES

Note

Financial non-current assets 8

	Group	
	Equity investments in group enterprises	Rent deposit and other receivables
Cost at 1 January 2023	0	2.718
Disposals	0	-1.633
Cost at 31 December 2023	**0**	**1.085**
Carrying amount at 31 December 2023	**0**	**1.085**

	Parent Company	
	Equity investments in group enterprises	Rent deposit and other receivables
Cost at 1 January 2023	14.498	2.718
Disposals	0	-2.058
Cost at 31 December 2023	**14.498**	**660**
Revaluation at 1 January 2023	-9.513	0
Exchange adjustment	186	0
Dividend	-2.285	0
Revaluation and impairment losses for the year	1.088	0
Revaluation at 31 December 2023	**-10.524**	**0**
Carrying amount at 31 December 2023	**3.974**	**660**

Investments in subsidiaries (DKK '000)

Company	Equity	Profit/loss for the year	Ownership %
Fomar Polen Sp. Z o.o., Poland	2.785	485	100 %
Roulunds Braking France SAS, France	1.190	603	100 %

Information about name and registered office in capital shares has been omitted in accordance with the exception provision in section 97 a, subsection of the Financial Statements Act. 4.

NOTES

Note

Deferred tax assets 9

Provision for deferred tax comprises deferred tax on intangible and tangible fixed assets.

	Group		Parent Company	
	2023 DKK '000	**2022** DKK '000	**2023** DKK '000	**2022** DKK '000
Deferred tax assets, beginning of year	207	299	207	299
Adjustment for the year	-207	-92	-207	-92
Deferred tax assets 31 December 2023	**0**	**207**	**0**	**207**

There are no special assumptions in relation to the utilization of the deferred tax asset which is expected to be utilized within 1 year. Deferred tax was an asset in 2022.

Provision for deferred tax 10

Provision for deferred tax comprises deferred tax on intangible and tangible fixed assets.

	Group 2023	Group 2022	Parent Company 2023	Parent Company 2022
Deferred tax is related to				
Land and buildings	663	0	663	0
Other plants, machinery, tools and equipment	-146	0	-146	0
Leasehold improvements	7	0	7	0
	524	**0**	**524**	**0**
Deferred tax of the year, income statement	524	0	524	0
Provision for deferred tax 31 December 2023	**524**	**0**	**524**	**0**

NOTES

Note

Long-term liabilities 11

	Group			
	31/12 2023 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2022 total liabilities
Mortgage debt	0	0	0	2.034
Lease liabilities	1.207	0	0	495
Other liabilities	229	0	0	0
	1.436	**0**	**0**	**2.529**

	Parent Company			
	31/12 2023 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2022 total liabilities
Mortgage debt	0	0	0	2.034
Lease liabilities	1.207	0	0	495
	1.207	**0**	**0**	**2.529**

Contingencies etc. 12

Contingent liabilities
The company has in addition to finance lease contracts entered into operating rent and lease agreements with an average annual lease payment of DKK (000) 5,488 up to 2 1/2 years.

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 recievable of the group's jointly taxed income amounts to DKK ('000) 3.396 at the balance sheet date.

Charges and securities 13

None.

NOTES

Note

Related parties 14

Roulunds Braking ApS' related parties include:

Controlling interest

MAT Holdings Inc. is the principal shareholder.
MAT Holdings Inc.
6700 Wildlife Way
Long Grove, IL 60047, U.S.A.

Other related parties having performed transactions with the company

Roulunds Braking ApS' related parties with a significant influence comprise subsidiaries and associates as well as the companies' board of directors, board of executives and executive officers and their relatives. Related parties include also companies in which the above mentioned group of persons has material interests.

Transactions with related partiesterial interests.

Roulunds Braking ApS did not carry out any substantial transactions that were not concluded on market conditions.

ACCOUNTING POLICIES

The Annual Report of Roulunds Braking ApS for 2023 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.

The Annual Report is prepared with the following accounting principles.

Consolidated Financial Statements
The consolidated financial statements include the parent company Roulunds Braking ApS and its subsidiaries in which Roulunds Braking 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, internal balances and dividend, and realised and unrealised gains and losses arising from transactions between the consolidated enterprises are fully eliminated in the consolidation.

New acquired or established enterprises are recognised in the consolidated financial statements from the time of acquisition. Sold or wound up enterprises are recognised in the consolidated income statement up to the time of disposal. Comparative figures are not adjusted for new acquired, sold or wound up enterprises.

The date of acquisition is the date at which the Group gains actual control over the acquired business.

Acquired enterprises are recognised in the consolidated financial statements under the acquisition method, reassessing all identified assets and liabilities to fair value at the acquisition date. The fair value is calculated based on acquisitions made in an active market, alternatively calculated using generally accepted valuation methods. Upon calculation of the fair value of properties used in the business a discounted cash flow model is applied based on discounted cash flow of future earnings. Operating equipment is recognised at fair value based on an assessor’s opinion, built on an overall assessment of the production equipment.

At calculation of the fair value of properties used in the business a discounted cash flow model is applied based on discounted cash flow of future earnings. Operating equipment is recognised at fair value based on an assessor’s opinion, built on an overall assessment of the production equipment.

Transaction costs, incurred in connection with acquisition of businesses, are recognised in the income statement in the year when costs are incurred.

Investments in subsidiary enterprises are set off by the proportional share of the subsidiaries’ market 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 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.

ACCOUNTING POLICIES

INCOME STATEMENT

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

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 for social security etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

Income from investments in subsidiaries
The income statement of the parent company recognises the proportional share of the results of each subsidiary after full elimination of intercompany profits/losses and deduction of amortisation of goodwill.

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, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

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 portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

ACCOUNTING POLICIES

BALANCE SHEET

Tangible fixed assets
Land and buildings, production plant and machinery, other plants, fixtures and equipment are measured at cost less accumulated depreciation and write-down. 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. As regards self-manufactured assets, the cost price includes cost of materials, components, subcontractors, direct payroll and indirect production costs.

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	30 years	0 %
Production plant and machinery	3-7 years	0 %
Other plant, fixtures and equipment	3-7 years	0 %
Leasehold improvements	5 years	0 %

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time 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 term of the contract.

Financial non-current assets
Investments in are measured in the company's balance sheet under the equity method.

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

Net revaluation of investments in subsidiaries and associates is transferred under the 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.

ACCOUNTING POLICIES

Subsidiaries with a negative carrying equity value are measured to DKK 0 and any amounts due from these enterprises are written down by the company's share of the negative equity 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's has a legal or actual liability to cover the subsidiaries deficit.

Impairment of fixed assets
The carrying amount of intangible and tangible fixed assets together with investments, which are not measured at fair value, are valued on an annual basis 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 net realisable value is lower than the carrying amount, write-down is provided to the lower value.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Inventories
Inventories are measured at cost based on weigted awerage prices. If the net realisable value is lower than cost, write-down is provided to the lower value.

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 cost of raw materials, consumables, direct payroll cost and indirect production cost. Indirect production costs include indirect materials and payroll and maintenance and depreciation of the machines, factory buildings and equipment used in the production process, cost of factory administration and management and capitalised development costs relating to the products.

Receivables
Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by write-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.

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.

ACCOUNTING POLICIES

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 on account tax 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 carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off 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 would 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 borrowing 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 term of loan.

Other liabilities are measured at amortised cost equal to nominal value.

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.