



RSM

RSM Danmark

Statsautoriseret
Revisionspartnerselskab

Thyparken 10
7700 Thisted
T +45 97 91 11 11

CVR nr. 25 49 21 45

thisted@rsm.dk
www.rsm.dk

Vesttec ApS

Højstrupvej 74, 7742 Vesløs

Company reg. no. 27 00 29 00

Annual report

2023

The annual report was submitted and approved by the general meeting on the 31 May 2024.

Jens Søgaard Jacobsen
Chairman of the meeting

Contents

	<u>Page</u>
Reports	
Management's statement	1
The independent practitioner's report	2
Company information	
Company information	4
Financial statements 1 January - 31 December 2023	
Accounting policies	5
Income statement	9
Balance sheet	10
Statement of changes in equity	12
Notes	13

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Managing Director has approved the annual report of Vesttec ApS for the financial year 2023.

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

I consider the chosen accounting policy to be appropriate, and in my opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

We recommend that the annual report be approved at the Annual General Meeting.

Vesløs, 31 May 2024

Managing Director

Flemming Mærkedal Jeppesen

The independent practitioner's report

To the Shareholders of Vesttec ApS

Conclusion

We have performed an extended review of the financial statements of Vesttec ApS for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's Responsibilities for the Financial Statements

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

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Practitioner's responsibilities for the extended review of the Financial Statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

The independent practitioner's report

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

Thisted, 31 May 2024

RSM Danmark

Statsautoriseret Revisionspartnerselskab
Company reg. no. 25 49 21 45

Tage Gamborg Holm
State Authorised Public Accountant
mne19674

Niels Brandt
Registered Accountant
mne2479

Company information

The company

Vesttec ApS
Højstrupvej 74
7742 Vesløs

Phone 97993900

Web site www.vesttec.dk

Company reg. no. 27 00 29 00

Financial year: 1 January - 31 December

Managing Director

Flemming Mærkedal Jeppesen

Auditors

RSM Danmark Statsautoriseret Revisionspartnerselskab
Thyparken 10
7700 Thisted

Bankers

Sparekassen Thy, Storetorv 1, 7700 Thisted

Accounting policies

The annual report for Vesttec ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, write-downs for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Accounting policies

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

Staff costs

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

Depreciation, amortisation, and write-down for impairment

Depreciation, amortisation, and write-down for impairment comprise depreciation on, amortisation of, and write-down for impairment of intangible and tangible assets, respectively.

Other operating expenses

Other operating expenses comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment. Land is not subject to depreciation.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

Accounting policies

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Plant and machinery	5-10 years	0-20 %
Other fixtures and fittings, tools and equipment	3-5 years	0-20 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Inventories

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

Receivables

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

Accounting policies

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

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

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Gross profit	8.418.830	9.904.492
2 Staff costs	-1.682.507	-1.483.598
Depreciation and impairment of property, land, and equipment	-146.331	-128.250
Other operating expenses	0	-295.418
Operating profit	6.589.992	7.997.226
Other financial income	9.402	6.000
3 Other financial expenses	-78.383	-50.852
Pre-tax net profit or loss	6.521.011	7.952.374
4 Tax on net profit or loss for the year	-1.439.667	-1.818.433
Net profit or loss for the year	5.081.344	6.133.941
 Proposed distribution of net profit:		
Dividend for the financial year	5.081.344	3.700.000
Transferred to retained earnings	0	2.433.941
Total allocations and transfers	5.081.344	6.133.941

Balance sheet at 31 December

All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Assets		
Non-current assets		
Other fixtures, fittings, tools and equipment	154.808	243.741
Total property, plant, and equipment	154.808	243.741
Total non-current assets	154.808	243.741
Current assets		
Raw materials and consumables	209.512	8.500
Prepayments for goods	275.029	0
Total inventories	484.541	8.500
Trade receivables	9.106.461	8.662.412
Income tax receivables	86.262	0
Prepayments	39.940	32.090
Total receivables	9.232.663	8.694.502
Cash and cash equivalents	5.769.800	5.462.240
Total current assets	15.487.004	14.165.242
Total assets	15.641.812	14.408.983

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Equity		
Contributed capital	125.000	125.000
Retained earnings	2.753.412	2.753.412
Proposed dividend for the financial year	5.081.344	3.700.000
Total equity	<u>7.959.756</u>	<u>6.578.412</u>
 Provisions		
Provisions for deferred tax	19.172	33.243
Total provisions	<u>19.172</u>	<u>33.243</u>
 Liabilities other than provisions		
Trade payables	3.853.894	4.059.249
Payables to shareholders and management	693.235	0
Income tax payable	0	887.478
Other payables	3.115.755	2.850.601
Total short term liabilities other than provisions	<u>7.662.884</u>	<u>7.797.328</u>
Total liabilities other than provisions	<u>7.662.884</u>	<u>7.797.328</u>
 Total equity and liabilities	<u>15.641.812</u>	<u>14.408.983</u>

1 The significant activities of the enterprise

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Proposed dividend for the financial year	Total
Equity 1 January 2022	125.000	319.471	2.408.739	2.853.210
Distributed dividend	0	0	-2.408.739	-2.408.739
Retained earnings for the year	0	2.433.941	3.700.000	6.133.941
Equity 1 January 2022	125.000	2.753.412	3.700.000	6.578.412
Distributed dividend	0	0	-3.700.000	-3.700.000
Retained earnings for the year	0	0	5.081.344	5.081.344
	125.000	2.753.412	5.081.344	7.959.756

Notes

All amounts in DKK.

1. The significant activities of the enterprise

As in previous years, the main activity has consisted of running trade and industry.

	<u>2023</u>	<u>2022</u>
2. Staff costs		
Salaries and wages	1.570.965	1.389.071
Pension costs	103.875	88.847
Other costs for social security	<u>7.667</u>	<u>5.680</u>
	<u>1.682.507</u>	<u>1.483.598</u>
Average number of employees	<u>2</u>	<u>2</u>
3. Other financial expenses		
Financial costs, group enterprises	2.303	21.851
Other financial costs	<u>76.080</u>	<u>29.001</u>
	<u>78.383</u>	<u>50.852</u>
4. Tax on net profit or loss for the year		
Tax on net profit or loss for the year	1.453.738	1.787.478
Adjustment of deferred tax for the year	<u>-14.071</u>	<u>30.955</u>
	<u>1.439.667</u>	<u>1.818.433</u>