

# TEN CATE ADVANCED ARMOUR DANMARK A/S


Damsbovej 10, 5492 Vissenbjerg

CVR no. 28 31 00 64

## Annual report 2022

Approved at the Company's annual general meeting on 26 June 2023

Chair of the meeting:



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Helle Specht

The following is a translation of an original Danish document. The original Danish document is the governing document for all purposes, and in case of any discrepancy, the Danish wording will be applicable.

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

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of TEN CATE ADVANCED ARMOUR DANMARK A/S for the financial year 1 January - 31 December 2022.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022.

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


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

Vissenbjerg, 26 June 2023  
Executive Board:

  
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Helle Specht

Board of Directors:

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Steen Tanderup  
Chair

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Wilfred Sluiter

  
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Helle Specht

## Independent auditor's report

To the shareholder of TEN CATE ADVANCED ARMOUR DANMARK A/S

### Opinion

We have audited the financial statements of TEN CATE ADVANCED ARMOUR DANMARK A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity 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 financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

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.

### Management's responsibilities for the financial statements

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

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

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance 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 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 the 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 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

- ▶ 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 note 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.

Odense, 26 June 2023  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28



Morten Schougaard Sørensen  
State Authorised Public Accountant  
mne32129

## Management's review

### Company details

Name	TEN CATE ADVANCED ARMOUR DANMARK A/S
Address, Postal code, City	Damsbovej 10, 5492 Vissenbjerg
CVR no.	28 31 00 64
Established	28 December 2004
Registered office	Assens
Financial year	1 January - 31 December
Board of Directors	Steen Tanderup, Chair Wilfred Sluijter Helle Specht
Executive Board	Helle Specht
Auditors	EY Godkendt Revisionspartnerselskab Cortex Park Vest 3, 5230 Odense M, Denmark

## Management's review

### Financial highlights

EUR	2022	2021	2020	2019	2018
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#### Key figures

Gross profit	7,789,072	10,137,531	8,938,661	12,404,741	11,283,711
Operating profit/loss	2,126,118	4,553,979	3,816,403	6,306,893	5,395,460
Net financials	-237,700	-576,269	-349,379	-79,818	3,937
<b>Profit for the year</b>	<b>1,481,994</b>	<b>3,095,832</b>	<b>2,822,473</b>	<b>4,855,110</b>	<b>4,211,737</b>

Total assets	29,875,410	23,527,322	25,101,588	17,329,666	11,323,341
Investments in property, plant and equipment	534,937	195,328	146,366	638,545	560,631
<b>Equity</b>	<b>17,090,423</b>	<b>15,606,996</b>	<b>15,732,328</b>	<b>12,845,968</b>	<b>7,997,197</b>

#### Financial ratios

Return on assets	8.0%	18.7%	18.0%	44.0%	55.9%
Equity ratio	57.2%	66.3%	62.7%	74.1%	70.6%
Return on equity	9.1%	19.8%	19.8%	46.6%	71.4%

Average number of full-time employees	49	47	52	64	66
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For terms and definitions, please see the accounting policies.

## Management's review

### Business review

TenCate Advanced Armour Danmark A/S designs, develops and manufactures lightweight survivability solutions for personnel, land vehicles, naval vessels, aircraft, structures and fixed installations for the Danish, European and Asian markets.

### Recognition and measurement uncertainties

During the financial year, there have been no significant uncertainties in recognition and measurement.

### Financial review

The income statement for 2022 shows a profit of EUR 1,481,994 against a profit of EUR 3,095,832 last year, and the balance sheet at 31 December 2022 shows equity of EUR 17,090,423.

Sales were expected to be 15% higher than 2021 and the profit was expected to be slightly higher than 2021. These expectations were not achieved mainly due to customer orders moved to 2023 and increased cost of raw materials and electricity.

### Impact on the external environment

TenCate Advanced Armour is ISO 14001 certified and always strive to reduce the impact on the environment with the focus on power reduction, waste reduction, recycling and the use of greener solutions. Throughout the year the carbon footprint has been reduced.

### Research and development activities

Research and development activities have been strengthened with new team member adding new skillsets. Events after the balance sheet date. No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

### Outlook

The Company's revenue for 2023 is expected to increase by approx. 15% due to the continued growth in the Company's core markets in combination with final delivery of arrangements made in 2022.

Furthermore, profit is expected to be in the level of EUR 3,500 thousand before tax.



## Financial statements 1 January - 31 December

### Income statement

Note	EUR	<u>2022</u>	<u>2021</u>
	<b>Gross profit</b>	7,789,072	10,137,531
	Distribution costs	-1,147,898	-1,253,669
14	Administrative expenses	<u>-4,515,056</u>	<u>-4,329,883</u>
	<b>Operating profit</b>	2,126,118	4,553,979
3	Financial income	39,273	0
	Other financial expenses	<u>-276,973</u>	<u>-576,269</u>
	<b>Profit before tax</b>	1,888,418	3,977,710
4	Tax on profit for the year	<u>-406,424</u>	<u>-881,878</u>
	<b>Profit for the year</b>	<u><u>1,481,994</u></u>	<u><u>3,095,832</u></u>

## Financial statements 1 January - 31 December

### Balance sheet

Note	EUR	2022	2021
	<b>ASSETS</b>		
	<b>Fixed assets</b>		
5	<b>Intangible assets</b>		
	Acquired intangible assets	41,080	21,510
	Development projects in progress	552,630	102,683
		<u>593,710</u>	<u>124,193</u>
6	<b>Property, plant and equipment</b>		
	Land and buildings	4,273,990	4,375,502
	Plant and machinery	1,554,465	1,237,063
	Fixtures and fittings, other plant and equipment	0	0
	Property, plant and equipment under construction	0	21,613
		<u>5,828,455</u>	<u>5,634,178</u>
7	<b>Investments</b>		
	Deposits, investments	529,743	519,143
		<u>529,743</u>	<u>519,143</u>
	<b>Total fixed assets</b>	<u>6,951,908</u>	<u>6,277,514</u>
	<b>Non-fixed assets</b>		
	<b>Inventories</b>		
	Raw materials and consumables	2,296,388	1,022,061
	Work in progress	414,415	212,930
	Finished goods and goods for resale	269,966	208
		<u>2,980,769</u>	<u>1,235,199</u>
9	<b>Receivables</b>		
	Trade receivables	1,746,145	2,320,988
	Receivables from group enterprises	14,787,585	10,268,332
	Other receivables	337,158	66,102
8	<b>Prepayments</b>	134,122	78,677
		<u>17,005,010</u>	<u>12,734,099</u>
	<b>Cash</b>	2,937,723	3,280,510
	<b>Total non-fixed assets</b>	<u>22,923,502</u>	<u>17,249,808</u>
	<b>TOTAL ASSETS</b>	<u>29,875,410</u>	<u>23,527,322</u>

## Financial statements 1 January - 31 December

### Balance sheet

Note	EUR	<u>2022</u>	<u>2021</u>
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
10	Share capital	134,000	134,000
	Retained earnings	14,456,423	15,472,996
	Dividend proposed	2,500,000	0
	<b>Total equity</b>	<u>17,090,423</u>	<u>15,606,996</u>
	<b>Provisions</b>		
11	Provisions for deferred tax	209,721	90,232
	<b>Total provisions</b>	<u>209,721</u>	<u>90,232</u>
	<b>Liabilities other than provisions</b>		
12	<b>Non-current liabilities other than provisions</b>		
	Lease liabilities	4,801,687	4,875,159
		<u>4,801,687</u>	<u>4,875,159</u>
	<b>Current liabilities other than provisions</b>		
12	Short-term part of long-term liabilities other than provisions	415,755	142,735
	Prepayments received from customers	2,477,427	0
	Trade payables	3,398,697	1,163,354
	Payables to group enterprises	240,503	0
	Joint taxation contribution payable	87,315	399,353
	Other payables	1,153,882	1,249,493
		<u>7,773,579</u>	<u>2,954,935</u>
	<b>Total liabilities other than provisions</b>	<u>12,575,266</u>	<u>7,830,094</u>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<u>29,875,410</u>	<u>23,527,322</u>

- 1 Accounting policies
- 2 Events after the balance sheet date
- 13 Deferred income
- 15 Contractual obligations and contingencies, etc.
- 16 Related parties
- 17 Appropriation of profit

## Financial statements 1 January - 31 December

## Statement of changes in equity

Note	EUR	Share capital	Retained earnings	Dividend proposed	Total
	Equity at 1 January 2021	134,000	12,371,658	3,226,670	15,732,328
	Adjusted equity at 1 January 2021	134,000	12,371,658	3,226,670	15,732,328
17	Transfer, see "Appropriation of profit"	0	3,095,832	0	3,095,832
	Exchange adjustment	0	5,506	0	5,506
	Dividend distributed	0	0	-3,226,670	-3,226,670
	<b>Equity at 1 January 2022</b>	134,000	15,472,996	0	15,606,996
17	Transfer, see "Appropriation of profit"	0	-1,018,006	2,500,000	1,481,994
	Exchange adjustment	0	1,433	0	1,433
	<b>Equity at 31 December 2022</b>	134,000	14,456,423	2,500,000	17,090,423

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of TEN CATE ADVANCED ARMOUR DANMARK A/S for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are reflected in the consolidated cash flow statement for the higher-ranking parent company, see note 16.

#### Reporting currency

The financial statements are presented in euros (EUR), as the Company's most significant transactions are settled in EUR.

#### Foreign currency translation

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

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate 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 most recent financial statements is recognised in the income statement as financial income or financial expenses.

#### Income statement

##### Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received.

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

##### Gross profit

The items revenue, production costs and other operating income have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Production costs

Production costs comprise costs incurred in generating the revenue for the year. Such costs include direct and indirect costs of raw materials, consumables and production staff, rent and leases, as well as depreciation on production plant.

Production costs also comprise research and development costs that do not qualify for capitalisation and amortisation of capitalised development costs.

Also, provision for losses on construction contracts is recognised.

##### Distribution costs

Distribution costs comprise costs related to the distribution of goods sold in the year and to sales campaigns, etc. carried out in the year, including costs related to sales staff, advertising, exhibitions and amortisation/depreciation. Sales and marketing costs are recognised in the income statement when the Company obtains control of the sales or marketing product.

##### Administrative expenses

Administrative expenses include expenses incurred in the year for company management and administration, including expenses relating to administrative staff, Management, office premises and expenses as well as amortisation/depreciation of assets used for administrative purposes.

##### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

##### Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

##### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Balance sheet

##### Intangible assets

Other intangible assets include development projects and other acquired intangible rights, including software licences, distribution rights and development projects.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

##### Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

##### Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to the ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of the future lease payments. In calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently accounted for in the same way as the Company's other assets.

The capitalised residual lease liability is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

##### Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

The cost of raw materials and consumables comprises the cost of acquisition plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct labour and indirect production overheads.

Indirect production overheads include the indirect cost of material and labour as well as maintenance and depreciation of production machinery, buildings and equipment and expenses relating to plant administration and management. Borrowing costs are not recognised in the sales price.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

##### Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

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

##### Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

##### Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

##### Equity

###### *Proposed dividends*

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".



## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

##### Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

##### Lease liabilities

Lease liabilities are measured at the net present value of the remaining lease payments including any guaranteed residual value based on the interest rate implicit in the lease.

##### Prepayments received from customers

Prepayments received from customers include payments received from undelivered goods and services.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating profit/loss	Profit/loss before financial items adjusted for other operating income and other operating expenses
Return on assets	$\frac{\text{Profit/loss from operating activities} \times 100}{\text{Average assets}}$
Equity ratio	$\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$

#### 2 Events after the balance sheet date

No events have occurred after the balance sheet date affecting the Company's financial position significantly.

## Financial statements 1 January - 31 December

### Notes to the financial statements

EUR	<u>2022</u>	<u>2021</u>	
<b>3 Financial income</b>			
Interest received, group entities	39,273	0	
	<u>39,273</u>	<u>0</u>	
<b>4 Tax on profit for the year</b>			
Estimated tax charge for the year	286,984	835,344	
Deferred tax adjustments in the year	119,440	46,534	
	<u>406,424</u>	<u>881,878</u>	
<b>5 Intangible assets</b>			
EUR	<u>Acquired intangible assets</u>	<u>Development projects in progress</u>	<u>Total</u>
Cost at 1 January 2022	416,899	102,683	519,582
Exchange rate adjustment	0	896	896
Additions	0	514,739	514,739
Disposals	-51,597	0	-51,597
Transferred	65,688	-65,688	0
Cost at 31 December 2022	<u>430,990</u>	<u>552,630</u>	<u>983,620</u>
Impairment losses and amortisation at 1 January 2022	395,389	0	395,389
Amortisation for the year	46,118	0	46,118
Reversal of accumulated amortisation and impairment of assets disposed	-51,597	0	-51,597
Impairment losses and amortisation at 31 December 2022	<u>389,910</u>	<u>0</u>	<u>389,910</u>
<b>Carrying amount at 31 December 2022</b>	<u>41,080</u>	<u>552,630</u>	<u>593,710</u>
Amortised over	<u>5 years</u>		

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 6 Property, plant and equipment

EUR	Land and buildings	Plant and machinery	Fixtures and fittings, other plant and equipment	Property, plant and equipment under construction	Total
Cost at 1 January 2022	4,617,175	3,552,865	28,149	21,613	8,219,802
Foreign exchange adjustments	0	-1,672	0	0	-1,672
Additions	0	0	0	534,937	534,937
Disposals	0	-3,091	-293,468	0	-296,559
Transferred	0	556,550	0	-556,550	0
Cost at 31 December 2022	4,617,175	4,104,652	-265,319	0	8,456,508
Impairment losses and depreciation at 1 January 2022	241,673	2,315,802	28,149	0	2,585,624
Foreign exchange adjustments	0	-1,090	0	0	-1,090
Depreciation	101,512	238,566	0	0	340,078
Reversal of accumulated depreciation and impairment of assets disposed	0	-3,091	-293,468	0	-296,559
Impairment losses and depreciation at 31 December 2022	343,185	2,550,187	-265,319	0	2,628,053
<b>Carrying amount at 31 December 2022</b>	<b>4,273,990</b>	<b>1,554,465</b>	<b>0</b>	<b>0</b>	<b>5,828,455</b>
Property, plant and equipment include finance leases with a carrying amount totalling	4,238,743	555,980	0	0	4,794,723
Depreciated over	14-20 years	10-20 years	10 years		

#### 7 Investments

EUR	Deposits, investments
Cost at 1 January 2022	519,143
Additions	10,600
Cost at 31 December 2022	529,743
<b>Carrying amount at 31 December 2022</b>	<b>529,743</b>

#### 8 Prepayments

Prepayments comprise prepaid operating costs. Prepayments are measured at cost.

#### 9 Receivables

Out of the Company's total receivables, trade receivables and other receivables 0 EUR fall due for payment after more than one year after the balance sheet date.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 10 Share capital

The Company's share capital has remained EUR 134,000 in the past year.

Contributed capital consists of 1,000 shares of a value of DKK 1,000 each. No shares carry special rights.

EUR	<u>2022</u>	<u>2021</u>
<b>11 Deferred tax</b>		
Deferred tax at 1 January	90,232	37,569
Deferred tax adjustment for the year	119,489	52,663
<b>Deferred tax at 31 December</b>	<u>209,721</u>	<u>90,232</u>

#### 12 Non-current liabilities other than provisions

EUR	<u>Total debt at 31/12 2022</u>	<u>Repayment, next year</u>	<u>Long-term portion</u>	<u>Outstanding debt after 5 years</u>
Lease liabilities	5,217,442	415,755	4,801,687	0
	<u>5,217,442</u>	<u>415,755</u>	<u>4,801,687</u>	<u>0</u>

#### 13 Deferred income

Deferred income EUR 2,477,427 (2021: EUR 0), comprises payments received from customers that cannot be recognised until delivered.

EUR	<u>2022</u>	<u>2021</u>
<b>14 Staff costs</b>		
Wages/salaries	3,473,732	3,537,327
Pensions	302,820	272,600
Other social security costs	71,527	65,508
	<u>3,848,079</u>	<u>3,875,435</u>
Average number of full-time employees	<u>49</u>	<u>47</u>

By reference to section 98b(3), (ii), of the Danish Financial Statements Act, remuneration to Management is not disclosed.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 15 Contractual obligations and contingencies, etc.

The Company is jointly taxed with with other Group companies in the Protego Bidco Denmark ApS Group. Together with the other companies included in the joint taxation, the Company has unlimited joint and severel liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties within the jointly taxed entity.

#### Other financial obligations

Other lease liabilities:

EUR	2022	2021
Lease liabilities	142,490	53,023

Lease liabilities include operating leases, totalling EUR 142,490 with remaining contract terms of 1-3 years.

#### 16 Related parties

TEN CATE ADVANCED ARMOUR DANMARK A/S' related parties comprise the following:

#### Parties exercising control

Related party	Domicile	Basis for control
Protego Bidco Denmark ApS	Denmark	Shareholder (Parent company)
Protego Topco B.V.	Netherlands	Shareholder (Ultimative parent Company)

#### Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Protego Topco B.V.	Netherlands	The consolidated financial statements can be obtained by contacting the company.

#### Related party transactions

TEN CATE ADVANCED ARMOUR DANMARK A/S was engaged in the below related party transactions:

EUR	2022	2021
Revenue from group entities	5,256,067	6,683,290
Purchase from group entities	4,073,798	1,771,276
Interest income from group entites	39,273	0

Receivables and payables to group entities are disclosed in the balance sheet

EUR	2022	2021
<b>17 Appropriation of profit</b>		
<b>Recommended appropriation of profit</b>		
Proposed dividend recognised under equity	2,500,000	0
Retained earnings/accumulated loss	-1,018,006	3,095,832
	<u>1,481,994</u>	<u>3,095,832</u>