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Clextral A/S

Erhvervsparken 5 A
4621 Gadstrup
CVR No. 29601062

Annual report 2023

The Annual General Meeting adopted the annual report on 27.05.2024

Xavier Boivin
Chairman of the General Meeting

Contents

Entity details

Entity

Clextral A/S
Erhvervsparken 5 A
4621 Gadstrup

Business Registration No.: 29601062
Registered office: Roskilde
Financial year: 01.01.2023 - 31.12.2023

Board of Directors

Xavier Boivin
Gilles Fernand Maller
Nicolas Fazzari
Nicolas Fazzari

Executive Board

Henrik Slangerup Pedersen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Clextral A/S for the financial year 01.01.2023 - 31.12.2023.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Gadstrup, 27.05.2024

Executive Board

Henrik Slangerup Pedersen

Board of Directors

Xavier Boivin

Gilles Fernand Maller

Nicolas Fazzari

Nicolas Fazzari

Independent auditor's report

To the shareholders of Clextral A/S

Opinion

We have audited the financial statements of Clextral A/S for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity’s financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor’s report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's 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 Entity’s ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 about 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 these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Entity'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 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 Entity'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 Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 27.05.2024

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Stine Eva Grothen
State Authorised Public Accountant
Identification No (MNE) mne29431

Management commentary

Primary activities

The Entity's activities comprise renovation and production of screws, worms, cylinders and other round, vital wearing parts.

The Company’s activities increased compared to the previous financial year. Gross profit increased from DKK 5,920 thousand in 2022 to DKK 6,335 thousand in 2023.
Profit for the year before tax amounts to DKK 1,485 Thousand, and profit for the year after tax amounts to DKK 1,202 thousand. Management considers profit for the year satisfactory.

Unusual circumstances affecting recognition and measurement

The company has found that dividend in previous year by mistake has been classified as extraordinary dividend paid in 2022 instead of Payables to group enterprises. The correction amounts to DKK 1,5 million. This correction does not effect P/L nor total Balance. Adjustments has been made in the comparative figures for 2022 and in equity beginning of the year.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2023

	Notes	2023 DKK	2022 DKK
Gross profit/loss		**6,335,301**	**5,920,090**
Staff costs	1	(4,773,498)	(4,214,495)
Depreciation, amortisation and impairment losses	2	(216,209)	(199,507)
Operating profit/loss		**1,345,594**	**1,506,088**
Income from investments in group enterprises		199,924	178,751
Other financial income	3	30,458	32,479
Other financial expenses	4	(90,972)	(56,658)
Profit/loss before tax		**1,485,004**	**1,660,660**
Tax on profit/loss for the year	5	(282,704)	(325,685)
Profit/loss for the year		**1,202,300**	**1,334,975**
Proposed distribution of profit and loss			
Retained earnings		1,202,300	1,334,975
Proposed distribution of profit and loss		**1,202,300**	**1,334,975**

Balance sheet at 31.12.2023

Assets

	Notes	2023 DKK	2022 DKK
Goodwill		0	0
Intangible assets		**0**	**0**
Plant and machinery		446,873	658,147
Other fixtures and fittings, tools and equipment		0	0
Leasehold improvements		137,122	0
Property, plant and equipment	6	**583,995**	**658,147**
Investments in group enterprises		2,250,808	2,050,884
Financial assets	7	**2,250,808**	**2,050,884**
Fixed assets		**2,834,803**	**2,709,031**
Raw materials and consumables		2,494,712	995,219
Inventories		**2,494,712**	**995,219**
Trade receivables		6,454,747	4,599,439
Contract work in progress		451,000	121,550
Receivables from group enterprises		759,162	821,049
Deferred tax	8	11,878	0
Other receivables		138,229	0
Joint taxation contribution receivable		65,164	59,245
Prepayments		159,198	520,493
Receivables		**8,039,378**	**6,121,776**
Cash		**2,127,419**	**2,669,027**
Current assets		**12,661,509**	**9,786,022**
Assets		**15,496,312**	**12,495,053**

Equity and liabilities

	Notes	2023 DKK	2022 DKK
Contributed capital		500,000	500,000
Reserve for net revaluation according to the equity method		486,349	486,349
Retained earnings		6,555,039	3,852,739
Equity		**7,541,388**	**4,839,088**
Deferred tax	8	0	2,238
Provisions		**0**	**2,238**
Other payables		65,220	65,220
Non-current liabilities other than provisions		**65,220**	**65,220**
Prepayments received from customers		370,294	681,593
Trade payables		549,824	588,034
Payables to group enterprises		5,772,683	5,541,771
Income tax payable		64,227	182,466
Other payables		1,132,676	594,643
Current liabilities other than provisions		**7,889,704**	**7,588,507**
Liabilities other than provisions		**7,954,924**	**7,653,727**
Equity and liabilities		**15,496,312**	**12,495,053**
Unrecognised rental and lease commitments	9		
Contingent liabilities	10		
Assets charged and collateral	11		
Group relations	12		

Statement of changes in equity for 2023

	Contributed capital DKK	Reserve for net revaluation according to the equity method DKK	Retained earnings DKK	Total DKK
Equity beginning of year	500,000	486,349	3,852,739	4,839,088
Corrections of material errors	0	0	1,500,000	1,500,000
Adjusted equity beginning of year	**500,000**	**486,349**	**5,352,739**	**6,339,088**
Profit/loss for the year	0	0	1,202,300	1,202,300
Equity end of year	**500,000**	**486,349**	**6,555,039**	**7,541,388**

Notes

1 Staff costs

	2023 DKK	2022 DKK
Wages and salaries	4,150,759	3,564,430
Pension costs	462,286	431,592
Other social security costs	160,453	218,473
	4,773,498	**4,214,495**

Average number of full-time employees	**7**	**7**

2 Depreciation, amortisation and impairment losses

	2023 DKK	2022 DKK
Depreciation of property, plant and equipment	216,209	199,507
	216,209	**199,507**

3 Other financial income

	2023 DKK	2022 DKK
Financial income from group enterprises	30,458	32,479
	30,458	**32,479**

4 Other financial expenses

	2023 DKK	2022 DKK
Financial expenses from group enterprises	8,027	0
Other interest expenses	5,137	18,592
Exchange rate adjustments	77,808	38,066
	90,972	**56,658**

5 Tax on profit/loss for the year

	2023 DKK	2022 DKK
Current tax	296,835	327,221
Change in deferred tax	(14,117)	(1,201)
Adjustment concerning previous years	(14)	(335)
	282,704	**325,685**

6 Property, plant and equipment

	Plant and machinery DKK	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	8,230,415	153,295	160,009
Additions	0	0	142,056
Cost end of year	**8,230,415**	**153,295**	**302,065**
Depreciation and impairment losses beginning of year	(7,572,267)	(153,295)	(160,009)
Depreciation for the year	(211,275)	0	(4,934)
Depreciation and impairment losses end of year	**(7,783,542)**	**(153,295)**	**(164,943)**
Carrying amount end of year	**446,873**	**0**	**137,122**

7 Financial assets

	Investments in group enterprises DKK
Cost beginning of year	1,564,535
Cost end of year	**1,564,535**
Revaluations beginning of year	486,349
Share of profit/loss for the year	199,924
Revaluations end of year	**686,273**
Carrying amount end of year	**2,250,808**

8 Deferred tax

Deferred tax is incumbent on intangible assets, property, plant and equipment and leasehold improvements

9 Unrecognised rental and lease commitments

	2023 DKK	2022 DKK
Liabilities under rental or lease agreements until maturity in total	341,681	416,160

10 Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for these entities.

Corporate income tax payable of the Group amounts to DKK 63,914 at the balance sheet date.

11 Assets charged and collateral

The Company has deposited mortgage deeds registered to the mortgagor on plant and machinery. Mortgage debt is secured by way of deposited mortgage deeds registered to the mortgagor. The carrying amount of assets mortgaged is DKK 0.

12 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Legris Industries Deceloppement, 20 Quai Duguay Trouin, 35 000 Rennes, France

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Material errors in previous years

The company has found that dividend in previous year by mistake has been classified as extraordinary dividend paid in 2022 instead of Payables to group enterprises. The correction amounts to DKK 1,5 million. This correction does not effect P/L nor total Balance. Adjustments has been made in the comparative figures for 2022 and in equity beginning of the year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are classified directly as equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are classified directly as equity.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Changes in inventories of finished goods and work in progress comprise decreases or increases for the financial year in inventories of finished goods and work in progress. This item includes ordinary write-downs of such inventories. Changes in inventories of raw materials are included in costs of raw materials and consumables.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Income from investments in group enterprises
Anvestments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income
Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses
Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year
Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Goodwill
Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. The amortisation periods used are 10 to 12 years, based on the entity having a strong market position and a strategical location.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment
Leasehold improvements are measured at cost less accumulated depreciation. The basis of depreciation is cost less estimated residual value after the end of usefuld life. Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when the asset is ready to be put into operation. Maximum straight-line depreciation is made over the remaining lease period or over the estimated useful life.

Plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses and plus revaluation based on third party estimates.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For self-constructed assets, cost comprises direct and indirect costs of materials, components, subsuppliers and labour costs. For assets held under finance leases,

cost is the lower of the asset's fair value and present value of future lease payments.
The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Plant and machinery	6-13 years
Other fixtures and fittings, tools and equipment	2-5 years
Leasehold improvements	10 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises
Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus or minus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Inventories
Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost of goods for resale, raw materials and consumables consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated the estimated selling price less completion costs and costs incurred to execute sale.

Receivables
Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Contract work in progress
Contract work in progress is measured at cost price of the work carried out at the balance sheet date.

Each contract in progress is recognised in the balance sheet in receivables or liabilities other than provisions, depending on whether the net value, calculated as cost price less prepayments received, is positive or negative.

Deferred tax
Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Joint taxation contributions receivable or payable
Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments
Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash
Cash comprises cash in hand and bank deposits.

Other financial liabilities
Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers
Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Tax receivable or payable
Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.