

Schades Nordic ApS

Gyrovej 3
DK-7800 Skive

CVR no. 30 52 89 56

Annual report 2023

The annual report was presented and approved at the
Company's annual general meeting on

5 July 2024

Marcel Bergmann
Chairman of the annual general meeting

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Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of Schades Nordic ApS for the financial year 1 January – 31 December 2023.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

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

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

Skive, 5 July 2024
Executive Board:

Marcel Bergmann

Kirsti Hermann Kristensen

Jun Hee Park

Independent auditor's report

To the shareholder of Schades Nordic ApS

Opinion

We have audited the financial statements of Schades Nordic ApS for the financial year 1 January – 31 December 2023 comprising 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 Company's assets, liabilities and 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 Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of financial statement users made on the basis of these financial statements.

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

Independent auditor's report

- identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

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

Aarhus, 5 July 2024

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Katrine Gybel
State Authorised
Public Accountant
mne45848

Dennis V. Hansen
State Authorised
Public Accountant
mne49092

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Management's review

Company details

Schades Nordic ApS
Gyrovej 3
DK-7800 Skive

Telephone: +45 96 15 16 00
Fax: +45 96 15 16 05
Website: www.schades.com

CVR no.: 30 52 89 56
Established: 29 June 2007
Registered office: Gyrovej 3, 7800 Skive
Financial year: 1 January – 31 December

Executive Board

Marcel Bergmann
Kirsti Hermann Kristensen
Jun Hee Park

Auditor

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

Management's review

Financial highlights

DKK'000	2023	2022	2021	2020	2019
Key figures					
Revenue	176,896	190,315	138,045	189,247	229,023
Gross profit	14,277	25,831	16,630	24,005	23,260
Profit before financial income and expenses	7,285	17,101	3,328	7,710	12,133
Gain/loss from financial income and expenses	-445	552	213	-1,959	-2,074
Profit for the year	5,334	13,204	2,681	4,441	7,757
Fixed assets	4,195	4,908	5,228	6,109	6,428
Current assets	59,029	87,755	60,911	90,084	73,685
Total assets	63,224	92,663	66,139	96,193	80,113
Equity	29,697	36,600	23,396	20,714	49,914
Current liabilities other than provisions	33,277	56,038	42,731	74,792	29,885
Investment in property, plant and equipment	280	0	0	165	991
Ratios					
Gross margin	8.1%	13.6%	12.0%	12.7%	10.2%
Operating margin	3.9%	9.0%	2.4%	4.1%	5.3%
Current ratio	176.8%	156.6%	142.5%	122.4%	247.0%
Return on equity	16.1%	44.0%	11.9%	12.6%	16.3%
Solvency ratio	46.8%	39.5%	35.4%	21.5%	62.2%
Other key figures					
Average number of full-time employees	10	14	15	24	25

The financial ratios have been calculated as follows:

Gross margin
$$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$$

Operating margin
$$\frac{\text{Operating profit/loss} \times 100}{\text{Revenue}}$$

Current ratio
$$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$$

Return on equity
$$\frac{\text{Profit/loss from ordinary activities after tax} \times 100}{\text{Average equity}}$$

Solvency ratio
$$\frac{\text{Equity ex. non-controlling interests at year-end} \times 100}{\text{Total equity and liabilities at year-end}}$$

Management's review

Operating review

Principal activities

Schades Nordic ApS's principal activities are operation of a warehouse and sale of documentation rolls used in electronic documentation, information and payment systems, such as cash registers, bank terminals, credit card machines, and self-adhesive labels used as documentation labels in the food industry and grocery trade as well as for logistics purposes. Schades Nordic ApS's production has been suspended mid-2023.

Development in activities and financial position

The Company's income statement for 2023 shows a profit of DKK 5,334 thousand as against DKK 13,204 thousand in 2022. Equity in the Company's balance sheet at 31 December 2023 stood at DKK 29,697 thousand as against DKK 36,600 thousand at 31 December 2022.

In the beginning of 2023, there were noticeable stock adjustments in the industry due to high inflation and heavy inventory in all value chain. So, sales volume was decreased a lot during the 1st half of 2023 and slightly improved in the 2nd half of 2023. However, the Company successfully managed our sales price stable from 2022 level without decreases even with lower sales volume than 2022's.

In addition, the Company decided to close down our production facility in Skive, Denmark to matching decreased sales volume and changed the source of supply from in-house production to intercompany purchase from June 2023, so cost of products were increased from the cost of own production.

As the result, 2023 revenue decreased by DKK 13.4 million and EBIT by DKK 9.8 million compared to 2022

Compared to budget revenue increased by DKK 6.7 million but EBIT decreased by DKK 3.2 million.

Environmental matters

There is no particular environmental impact.

Financial risks

The Company's activities pose financial risks in relation to trade receivables and trade payables, deposits and credit with credit institutions, etc. in Danish kroner as well as in foreign currencies.

The Company is, to a certain extent, affected by fluctuations in interest rates. Exchange rate fluctuations have had a minor negative impact on the Company's cash flows. The Company's receivables are distributed in such a way that the Company's credit risks are not considered unusual.

The company is involved in legal disputes. Sufficient provisions have been recognized.

Outlook

In 2024, the Company expect to recover the market demand from 2023, so set the budget with higher sales volume with lower sales price due to price decreases in raw materials. And implement higher costs in the budget due to the supply from inter-company instead of own production.

For reference, the budget for 2024 was set with a similar level of 2023 revenue (2024 budget DKK 178.9 million) but a decrease of DKK 2.6 million in EBIT (2024 budget DKK 4.4 million) compared to 2023.

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Management's review

Operating review

Events after the balance sheet date

No events have occurred after the balance sheet date of material importance to the annual report for 2023.

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2023	2022
Revenue		176,896	190,315
Changes in inventories of finished goods and work in progress		-156,580	-159,264
Other external costs		<u>-6,039</u>	<u>-5,220</u>
Gross profit		14,277	25,831
Staff costs	2	-6,884	-8,659
Depreciation, amortisation and impairment losses		<u>-108</u>	<u>-71</u>
Profit before financial income and expenses		7,285	17,101
Other financial income	3	529	1,258
Other financial expenses	4	<u>-974</u>	<u>-706</u>
Profit before tax		6,840	17,653
Tax on profit for the year	5	<u>-1,506</u>	<u>-4,449</u>
Profit for the year	6	<u><u>5,334</u></u>	<u><u>13,204</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2023	31/12 2022
ASSETS			
Fixed assets			
Property, plant and equipment			
Plant and machinery	7	<u>867</u>	<u>695</u>
Investments			
Equity investments in group entities	8	3,175	3,175
Deposits		<u>153</u>	<u>1,038</u>
		<u>3,328</u>	<u>4,213</u>
Total fixed assets		<u>4,195</u>	<u>4,908</u>
Current assets			
Inventories			
Raw materials and consumables		125	14,522
Finished goods and goods for resale		<u>14,315</u>	<u>9,700</u>
		<u>14,440</u>	<u>24,222</u>
Receivables			
Trade receivables		10,991	13,145
Receivables from group entities		29,994	46,489
Other receivables		2	2
Deferred tax asset	9	<u>1</u>	<u>0</u>
		<u>40,988</u>	<u>59,636</u>
Cash at bank and in hand		<u>3,601</u>	<u>3,897</u>
Total current assets		<u>59,029</u>	<u>87,755</u>
TOTAL ASSETS		<u><u>63,224</u></u>	<u><u>92,663</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2023	31/12 2022
EQUITY AND LIABILITIES			
Equity			
Contributed capital		13,636	13,636
Retained earnings		16,061	10,727
Proposed dividends for the financial year		<u>0</u>	<u>12,237</u>
Total equity		<u>29,697</u>	<u>36,600</u>
Provisions			
Provisions for deferred tax	9	0	25
Other provisions	10	<u>250</u>	<u>0</u>
Total provisions		<u>250</u>	<u>25</u>
Liabilities other than provisions			
Current liabilities other than provisions			
Trade payables		2,561	29,385
Payables to group entities		27,289	20,973
Corporation tax		1,532	3,649
Other payables		<u>1,895</u>	<u>2,031</u>
		<u>33,277</u>	<u>56,038</u>
Total liabilities other than provisions		<u>33,277</u>	<u>56,038</u>
TOTAL EQUITY AND LIABILITIES		<u>63,224</u>	<u>92,663</u>
Contractual obligations, contingencies, etc.	11		
Mortgages and collateral			
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Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Contributed capital	Retained earnings	Proposed dividends for the financial year	Total
Equity at 1 January 2023	13,636	10,727	12,237	36,600
Ordinary dividends paid	0	0	-12,237	-12,237
Transferred over the profit appropriation	0	5,334	0	5,334
Equity at 31 December 2023	13,636	16,061	0	29,697

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Schades Nordic ApS for 2023 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year besides the change reflected in the section Change in accounting policies.

Omission of consolidated financial statements

Pursuant to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of Schades Nordic ApS are included in the consolidated financial statements of Harbour Investment GmbH Unternehmensberatungs- und Beteiligungsgesellschaft.

Omission of cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are included in the cash flow statement in the consolidated financial statements of Harbour Investment GmbH Unternehmensberatungs- und Beteiligungsgesellschaft.

Change in accounting policies

The Company has changed its accounting policies regarding change of presentation of profit and loss by nature. Previously, the Company applied the function method. The change in accounting policies does not affect the result for the year. The changes in accounting policies were made in order to give a more true and fair view of the Company's activities, results and financial position.

The comparative figures have been restated to reflect the changed accounting policies.

Change in comparative figures

With reference to the true and fair view laid down in the Danish Financial Statements Act, the Company has made some minor reclassifications to individual items in the income statement and balance sheet. The reclassifications have affected the items revenue, staff costs and other external costs (gross profit) but have no impact on results before tax, results for the year or equity. Comparative figures have been reclassified accordingly.

Foreign currency translation

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

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

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

Upon recognition of foreign subsidiaries and associates that are independent entities, the income statements are translated into Danish kroner at average exchange rates for the month, and balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising upon translation of foreign subsidiaries' opening equity and results at the exchange rates at the balance sheet date are recognised directly in equity.

Income statement

Revenue

Income from the sale of finished goods and goods for resale is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received. Revenue is measured ex. VAT, duties and discounts in relation to the sale.

Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for goods for resale and changes to inventory of goods for resale.

Other external costs

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

Staff costs

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

Financial income and expenses

Financial income and expenses comprise interest income and expense, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc. Financial income and expenses are recognised at the amounts relating to the financial year.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Tax on profit for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement.

Schades Nordic ApS is jointly taxed with Schades ApS. Full allocation of computed taxes is made on these companies.

Balance sheet

Property, plant and equipment

Plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses or value in use if this is considered lower for reasons not of a temporary nature.

The depreciable amount is depreciated on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Plant and machinery	5-8 years
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The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Leases

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

Investments

Equity investments in group entities and participating interests are measured at cost. In case of indication of impairment, an impairment test is conducted. When cost exceeds recoverable amount, write-down is made to this lower value. Cost is reduced by dividends received exceeding accumulated earnings after the acquisition date.

Deposits are recognised at amortised cost.

Impairment of fixed assets

The carrying amount of property, plant and equipment as well as equity investments in group entities are subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

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

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

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. Finished goods are measured at cost in accordance with the FIFO method comprising the cost of raw materials and consumables with the addition of processing costs and other costs directly or indirectly attributable to the individual goods.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries and indirect production overheads. Indirect production overheads comprise indirect materials and wages and salaries as well as the maintenance and depreciation of production machinery, buildings and equipment as well as factory administration and management. Borrowing costs are not included in cost.

Write-down to net realisable value is made for inventories where the projected sales amount less costs of completion and costs necessary to make the sale is lower than cost.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are assessed for objective indication of impairment on a portfolio basis. The portfolios are primarily based on the debtors' registered offices and credit rating in accordance with the Company's credit risk management policy. The objective indicators used in relation to portfolios are determined on the basis of historical loss experience.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast 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.

Corporation tax and deferred tax

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

Deferred tax is measured on all temporary differences between the carrying amount and the tax value of assets and liabilities and is recognised as a provision. In the cases where deferred tax crystallises a tax asset, the item is recognised as current assets at the value at which the tax asset is expected to be realised.

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

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

Provisions

Provisions are recognised when, as a result of past events, the Company has a legal, and it is probable that there may be outflow of resources embodying economic benefits to settle the obligation. Provisions are measured at value in use.

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at cost, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost.

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

2 Staff costs

DKK'000	2023	2022
Wages and salaries	6,197	7,899
Pensions	308	325
Other social security costs	379	435
	<u>6,884</u>	<u>8,659</u>
Average number of full-time employees	<u>10</u>	<u>14</u>

In accordance with section 98b(3) of the Danish Financial Statements Act, remuneration of the Executive Board and the Board of Directors is presented as an aggregate single amount.

DKK'000	2023	2022
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3 Other financial income

Interest income from group entities	418	1,149
Other financial income	111	109
	<u>529</u>	<u>1,258</u>

4 Other financial expenses

Interest expense to group entities	394	0
Other financial expenses	580	706
	<u>974</u>	<u>706</u>

Financial statements 1 January – 31 December

Notes

5 Tax on profit for the year

DKK'000	2023	2022
Current tax for the year	1,532	3,649
Deferred tax for the year	-26	237
Adjustment of tax concerning previous years	0	563
	<u>1,506</u>	<u>4,449</u>

6 Proposed profit appropriation

Proposed dividends for the year	0	12,237
Retained earnings	5,334	967
	<u>5,334</u>	<u>13,204</u>

7 Property, plant and equipment

DKK'000	Plant and machinery
Cost at 1 January 2023	23,510
Additions for the year	280
Disposals for the year	<u>-1,196</u>
Cost at 31 December 2023	<u>22,594</u>
Depreciation and impairment losses at 1 January 2023	-22,815
Depreciation for the year	-108
Reversed depreciation and impairment losses on assets sold	<u>1,196</u>
Depreciation and impairment losses at 31 December 2023	<u>-21,727</u>
Carrying amount at 31 December 2023	<u><u>867</u></u>

8 Investments

Cost at 1 January 2023	<u>3,175</u>
Cost at 31 December 2023	<u>3,175</u>
Carrying amount at 31 December 2023	<u><u>3,175</u></u>

Name/legal form	Registered office	Voting rights and ownership interest	Equity	Profit for the year
Subsidiaries:			DKK'000	DKK'000
Schades Sweden AB	Sweden	100%	<u>21,493,200</u>	<u>3,101,707</u>
			<u>21,493,200</u>	<u>3,101,707</u>

Financial statements 1 January – 31 December

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9 Deferred tax

DKK'000	<u>31/12 2023</u>	<u>31/12 2022</u>
Deferred tax at 1 January	25	-775
Deferred tax adjustment for the year in the income statement	-26	237
Deferred tax adjustment concerning previous years in the income statement	<u>0</u>	<u>563</u>
Deferred tax at 31 December	<u><u>-1</u></u>	<u><u>25</u></u>

10 Other provisions

DKK'000	<u>31/12 2023</u>	<u>31/12 2022</u>
Provisions during the year	<u>250</u>	<u>0</u>
	<u><u>250</u></u>	<u><u>0</u></u>

11 Contractual obligations, contingencies, etc.

The Group's Danish entities are jointly and severally liable for tax on the Group's jointly taxed income and for certain withholding taxes such as dividend tax and royalty tax as well as for the joint registration for VAT. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, etc. may entail an increase in the entities' liability.

Operating lease obligations

Remaining lease obligations on rent at the balance sheet date amount to DKK 591 thousand.

Remaining lease obligations on cars at the balance sheet date total DKK 635 thousand.

12 Related party disclosures

Schades Nordic ApS' related parties comprise the following:

Control

Schades ApS, Gyrovej 3, 7800 Skive.

Schades ApS holds the majority of the contributed capital in the Company.

Schades Nordic ApS is part of the consolidated financial statements of Harbour Investment GmbH Unternehmensberatungs- und Beteiligungsgesellschaft, Theaterstr. 1, 30159 Hannover, Niedersachsen, Germany, which is the smallest and largest group, respectively, in which the Company is included as a subsidiary.

The consolidated financial statements of Harbour Investment GmbH Unternehmensberatungs- und Beteiligungsgesellschaft can be obtained by contacting the company at the address above.

Financial statements 1 January – 31 December

Notes

Related party transactions

The Company recognised the following transactions with related parties in 2023:

Sale of goods and services to related parties (sister companies) amounted to DKK 77.3 million.

Purchases of goods and services from related parties (sister companies) represented DKK 107.8 million.

Receivables and payables to group entities are disclosed in the balance sheet, and interest income and interest expense are disclosed in notes 3 and 4, respectively.