



Kohsel A/S

Danmarksvej 26
8660 Skanderborg
CVR No. 32517714

Annual report 01.05.2023 - 30.04.2024

The Annual General Meeting adopted the annual
report on 14.11.2024

Henrik Kjærulff Damsgaard
Chairman of the General Meeting

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Entity details

Entity

Kohsel A/S

Danmarksvej 26

8660 Skanderborg

Business Registration No.: 32517714

Registered office: Skanderborg

Financial year: 01.05.2023 - 30.04.2024

Board of Directors

Morten Vestergaard Kohsel

Birgit Kohsel

Henrik Kjærulff Damsgaard

Torben Drejer

Executive Board

Jan Ellegaard

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Kohsel A/S for the financial year 01.05.2023 - 30.04.2024.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 30.04.2024 and of the results of their operations and the consolidated cash flows for the financial year 01.05.2023 - 30.04.2024.

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.

Skanderborg, 14.11.2024

Executive Board

Jan Ellegaard

Board of Directors

Morten Vestergaard Kohsel

Birgit Kohsel

Henrik Kjærulff Damsgaard

Torben Drejer

Independent auditor's report

To the shareholders of Kohsel A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of Kohsel A/S for the financial year 01.05.2023 - 30.04.2024, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 30.04.2024 and of the results of their operations and the consolidated cash flows for the financial year 01.05.2023 - 30.04.2024 in 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 consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group 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 consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and 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 consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent 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 Group's and 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 consolidated financial statements and the parent 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 Group's and 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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent 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 by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Aarhus, 14.11.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Michael Bach

State Authorised Public Accountant
Identification No (MNE) mne19691

Søren Lassen

State Authorised Public Accountant
Identification No (MNE) mne18520

Management commentary

Financial highlights

	2023/24	2022/23	2021/22	2020/21	2019/20
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Gross profit/loss	37,950	49,600	26,643	36,840	45,102
Operating profit/loss	(16,750)	(10,106)	5,781	17,655	28,132
Net financials	7,698	10,808	8,666	(5,380)	(92)
Profit/loss for the year	(6,792)	408	11,258	9,836	21,864
Balance sheet total	127,983	149,092	172,955	113,112	103,471
Investments in property, plant and equipment	3,138	2,385	318	226	478
Equity	37,474	47,931	53,352	55,094	55,258
Ratios					
Return on equity (%)	(15.91)	0.81	20.76	17.83	41.00
Equity ratio (%)	32.82	41.55	30.85	48.71	53.40

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

For the financial highlights for the years 2023/24 and 2022/23 the key figures contains the consolidated values of Kohsel A/S. For the financial highlights for the years 2021/22, 2020/21 and 2019/20 the key figures contains the values of Kohsel A/S (stand-alone).

Return on equity (%):

Profit/loss for the year * 100

Average equity

Equity ratio (%)

Equity * 100

Total assets

Primary activities

The Company's activity consists of development, production and marketing of inductive solutions.

Development in activities and finances

The Company realized a loss of DKK 6,792K for the financial year 2023/24. Management considers profit for the year unsatisfactory.

Profit/loss for the year in relation to expected developments

During the financial year 2023/24 Kohsel's business environment appeared more challenging than expected, resulting in significantly lower market activity and a revenue which was approximately 33% below expectations. As a result of an ownership change at end of September 2024, the company's capital has been strengthened by DKK 25 million. Additionally, a number of relevant adjustments have been implemented, ensuring that Kohsel A/S is profitable at the current level of activity and is well-positioned for the future.

Outlook

Management expects a higher activity level than in the financial year 2023/24 and an operating profit within the range DKK 3.000,0 – 7.000,0 K for the coming financial year 2024/25.

The ongoing wars in Ukraine and the Middle East may influence profit and revenue. However, management does not consider that it will have a material impact on the company's financial position and development.

Knowledge resources

The Company is delivering high-quality products. The Company's staff is working according to an extensive quality management system, ensuring optimum use of the Company's knowledge resources.

The Company's management systems comply with ISO 9001:2015 and ISO 14001:2015 globally and in addition also ISO 45001:2018 in Thailand.

The Company takes on responsibility for the working environment and focuses on employee health. The working environment meets the highest national requirements in Denmark, Latvia, and Thailand. During financial year 2023/24 Kohsel Thailand received Bronze Award from T-OSH award from Thailand Institute of Occupational Safety and Health (Public Organization) as well as being awarded at Gold level for an outstanding organization in occupational safety, health and working environment by Labor Safety Division, Department of Labor Protection and Welfare.

We focus on developing and maintaining an attractive workplace, contributing to the employees' health and wellbeing. The factories in Latvia and Thailand are working with 5S methodology to ensure safe and good working environment.

Kohsel have committed to follow the 10 principles set by UN Global Compact

Environmental performance

Kohsel A/S is an environmentally conscious enterprise, which carries out ongoing improvements in relation to environmental considerations. During the financial year 2023/24 Kohsel have complied to environmental regulation.

During the financial year 2024/25 Kohsel Group will continue its efforts to comply with the growing demands from the ESG agenda to secure a reduced carbon footprint.

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.

Consolidated income statement for 2023/24

	Notes	2023/24 DKK	2022/23 DKK
Gross profit/loss		37,950,397	49,599,720
Staff costs	1	(48,120,652)	(52,878,360)
Depreciation, amortisation and impairment losses	2	(6,579,595)	(6,827,074)
Operating profit/loss		(16,749,850)	(10,105,714)
Other financial income		25,786,580	17,581,146
Other financial expenses		(18,088,218)	(6,773,599)
Profit/loss before tax		(9,051,488)	701,833
Tax on profit/loss for the year	3	2,259,970	(294,253)
Profit/loss for the year	4	(6,791,518)	407,580

Consolidated balance sheet at 30.04.2024

Assets

	Notes	2023/24 DKK	2022/23 DKK
Completed development projects	6	6,420,160	7,335,326
Acquired intangible assets		129,620	211,385
Intangible assets	5	6,549,780	7,546,711
Land and buildings		28,893,508	24,164,952
Other fixtures and fittings, tools and equipment		9,841,144	10,593,068
Leasehold improvements		10,221,958	10,879,409
Property, plant and equipment in progress		1,179,984	1,495,178
Property, plant and equipment	7	50,136,594	47,132,607
Deposits		540,353	540,353
Financial assets	8	540,353	540,353
Fixed assets		57,226,727	55,219,671
Raw materials and consumables		32,994,123	42,745,769
Work in progress		1,418,477	1,025,349
Manufactured goods and goods for resale		11,347,862	15,054,599
Prepayments for goods		63,560	1,352,776
Inventories		45,824,022	60,178,493
Trade receivables		15,466,206	20,889,193
Deferred tax	9	1,047,745	0
Other receivables		4,491,944	4,644,386
Tax receivable		66,955	0
Prepayments	10	876,258	984,807
Receivables		21,949,108	26,518,386
Cash		2,983,428	7,175,699

Current assets	70,756,558	93,872,578
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Assets	127,983,285	149,092,249
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Equity and liabilities

	Notes	2023/24 DKK	2022/23 DKK
Contributed capital		700,000	700,000
Revaluation reserve		7,232,654	0
Translation reserve		(840,984)	0
Retained earnings		30,382,565	39,730,952
Proposed dividend for the financial year		0	7,500,000
Equity		37,474,235	47,930,952
Deferred tax	9	0	1,435,000
Other provisions	11	2,199,235	2,610,977
Provisions		2,199,235	4,045,977
Bank loans		20,897,247	6,000,000
Non-current liabilities other than provisions	12	20,897,247	6,000,000
Current portion of non-current liabilities other than provisions	12	3,016,300	3,000,000
Bank loans		37,131,050	49,233,299
Prepayments received from customers		4,700,291	3,182,182
Trade payables		13,767,169	14,438,421
Payables to group enterprises		1,889,806	11,318,217
Tax payable		0	3,013,663
Other payables		6,907,952	6,929,538
Current liabilities other than provisions		67,412,568	91,115,320
Liabilities other than provisions		88,309,815	97,115,320
Equity and liabilities		127,983,285	149,092,249
Unrecognised rental and lease commitments	14		
Assets charged and collateral	15		
Transactions with related parties	16		
Subsidiaries	17		

Consolidated statement of changes in equity for 2023/24

	Contributed capital DKK	Revaluation reserve DKK	Translation reserve DKK	Retained earnings DKK	Proposed dividend for the financial year DKK	Total DKK
Equity beginning of year	700,000	0	0	39,190,599	7,500,000	47,390,599
Adjustment of material errors	0	0	0	(2,000,000)	0	(2,000,000)
Adjusted equity, beginning of year	700,000	0	0	37,190,599	7,500,000	45,390,599
Ordinary dividend paid	0	0	0	0	(7,500,000)	(7,500,000)
Exchange rate adjustments	0	0	(840,984)	0	0	(840,984)
Revaluations for the year	0	7,232,654	0	0	0	7,232,654
Other entries on equity	0	0	0	(16,516)	0	(16,516)
Profit/loss for the year	0	0	0	(6,791,518)	0	(6,791,518)
Equity end of year	700,000	7,232,654	(840,984)	30,382,565	0	37,474,235

Consolidated cash flow statement for 2023/24

	Notes	2023/24 DKK	2022/23 DKK
Operating profit/loss		(16,749,850)	(10,105,714)
Amortisation, depreciation and impairment losses		6,579,595	6,827,074
Working capital changes	13	20,451,980	5,248,591
Cash flow from ordinary operating activities		10,281,725	1,969,951
Financial income received		25,786,580	17,581,146
Financial expenses paid		(18,088,218)	(6,773,599)
Taxes refunded/(paid)		(4,978,079)	(1,241,355)
Cash flows from operating activities		13,002,008	11,536,143
Acquisition etc. of intangible assets		0	(4,313)
Acquisition etc. of property, plant and equipment		(3,138,273)	(2,384,994)
Sale of property, plant and equipment		61,107	4,556,884
Cash flows from investing activities		(3,077,166)	2,167,577
Free cash flows generated from operations and investments before financing		9,924,842	13,703,720
Repayment of debt to group enterprises		(9,428,411)	0
Dividend paid		(7,500,000)	(17,970,000)
Short-term bank loans		(12,102,249)	1,659,442
Loans raised, net		14,913,547	0
Cash flows from financing activities		(14,117,113)	(16,310,558)
Increase/decrease in cash and cash equivalents		(4,192,271)	(2,606,838)
Cash and cash equivalents beginning of year		7,175,699	9,782,537
Cash and cash equivalents end of year		2,983,428	7,175,699
Cash and cash equivalents at year-end are composed of:			
Cash		2,983,428	7,175,699
Cash and cash equivalents end of year		2,983,428	7,175,699

Notes to consolidated financial statements

1 Staff costs

	2023/24	2022/23
	DKK	DKK
Wages and salaries	44,990,326	48,578,071
Pension costs	1,277,763	1,578,868
Other social security costs	1,852,563	2,721,421
	48,120,652	52,878,360
Average number of full-time employees	441	532

	Remuneration of management 2023/24	Remuneration of management 2022/23
	DKK	DKK
Executive Board	3,535,676	3,114,751
Board of Directors	407,763	300,000
	3,943,439	3,414,751

2 Depreciation, amortisation and impairment losses

	2023/24	2022/23
	DKK	DKK
Amortisation of intangible assets	987,825	990,836
Depreciation on property, plant and equipment	5,591,770	5,836,238
	6,579,595	6,827,074

3 Tax on profit/loss for the year

	2023/24	2022/23
	DKK	DKK
Current tax	222,775	680,253
Change in deferred tax	(2,482,745)	(386,000)
	(2,259,970)	294,253

4 Proposed distribution of profit/loss

	2023/24	2022/23
	DKK	DKK
Ordinary dividend for the financial year	0	7,500,000
Retained earnings	(6,791,518)	(7,092,420)
	(6,791,518)	407,580

5 Intangible assets

	Completed development projects	Acquired intangible assets
	DKK	DKK
Cost beginning of year	9,068,777	1,131,317
Exchange rate adjustments	0	(12,173)
Cost end of year	9,068,777	1,119,144
Amortisation and impairment losses beginning of year	(1,733,451)	(919,932)
Exchange rate adjustments	0	3,067
Amortisation for the year	(915,166)	(72,659)
Amortisation and impairment losses end of year	(2,648,617)	(989,524)
Carrying amount end of year	6,420,160	129,620

6 Development projects

Completed development projects consists of development of the Group's ERP-system and of software for management, optimization and for simulation for BIM. There are no identified indicators of impairment.

7 Property, plant and equipment

	Land and buildings DKK	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK	Property, plant and equipment in progress DKK
Cost beginning of year	27,818,017	28,775,571	13,359,789	1,495,177
Exchange rate adjustments	(1,566,424)	(859,381)	8,172	(70,384)
Transfers	0	244,809	0	(244,809)
Additions	0	2,923,767	214,506	0
Disposals	0	(201,147)	0	0
Cost end of year	26,251,593	30,883,619	13,582,467	1,179,984
Revaluations for the year	7,232,654	0	0	0
Revaluations end of year	7,232,654	0	0	0
Depreciation and impairment losses beginning of year	(3,653,066)	(18,182,504)	(2,480,379)	0
Exchange rate adjustments	244,080	531,809	(1,933)	0
Depreciation for the year	(1,181,753)	(3,531,820)	(878,197)	0
Reversal regarding disposals	0	140,040	0	0
Depreciation and impairment losses end of year	(4,590,739)	(21,042,475)	(3,360,509)	0
Carrying amount end of year	28,893,508	9,841,144	10,221,958	1,179,984

As of April 30, 2024 Kohsel (Thailand) Co. Ltd. had the properties revaluated which amounted to a revaluation total of 7,233 t.kr. The value of the land and buildings would have a booked value of 21,661 t.kr. without the revaluation. The value of property, plant and equipment in progress would have a booked value of 1,180 t.kr. without the revaluation.

8 Financial assets

	Deposits DKK
Cost beginning of year	540,353
Cost end of year	540,353
Carrying amount end of year	540,353

9 Deferred tax

	2023/24 DKK	2022/23 DKK
Changes during the year		
Beginning of year	(1,435,000)	(1,821,000)
Recognised in the income statement	2,482,745	386,000
End of year	1,047,745	(1,435,000)

Deferred tax assets

Deferred tax relates to intangible assets, property, plant and equipment, inventories and other provisions.

10 Prepayments

Costs incurred relating to the subsequent financial year.

11 Other provisions

Other provisions comprise expected costs of guarantee liabilities

12 Non-current liabilities other than provisions

	Due within 12 months 2023/24 DKK	Due within 12 months 2022/23 DKK	Due after more than 12 months 2023/24 DKK
Bank loans	3,016,300	3,000,000	20,897,247
	3,016,300	3,000,000	20,897,247

Outstanding after 5 years: 6.298.314 DKK

13 Changes in working capital

	2023/24 DKK	2022/23 DKK
Increase/decrease in inventories	14,354,471	(1,718,216)
Increase/decrease in receivables	5,683,978	142,274
Increase/decrease in trade payables etc.	413,531	6,824,533
	20,451,980	5,248,591

14 Unrecognised rental and lease commitments

	2023/24 DKK	2022/23 DKK
Total liabilities under rental or lease agreements until maturity	6,024,651	6,155,056

15 Assets charged and collateral

Kohsel A/S has provided payment guarantees to AL Finans of DKK 4,500,000 nominal.

Land, plant and buildings in Kohsel (Thailand) Co. Ltd. are mortgaged as collateral for the credit facilities (Bankkok Bank). The guarantee is 20,000,000 THB.

16 Transactions with related parties

Transactions with related parties are only disclosed in the annual report if they are not on arm's length terms.

No such transactions have been conducted in the financial year.

17 Subsidiaries

	Registered in	Corporate form	Ownership %
Kohsel A/S	Skanderborg	A/S	100
- Kohsel (Thailand) Co. Ltd.	Thailand	Ltd.	100
- SIA Kohsel	Latvia	Sia	100
- Kohsel GmbH	Germany	GmbH	100

Parent income statement for 2023/24

	Notes	2023/24 DKK	2022/23 DKK
Gross profit/loss		10,704,999	24,841,724
Staff costs	1	(19,412,352)	(19,892,640)
Depreciation, amortisation and impairment losses	2	(1,099,950)	(1,262,935)
Operating profit/loss		(9,807,303)	3,686,149
Income from investments in group enterprises		1,653,771	(717,872)
Other financial income	3	16,498,209	23,898,716
Financial expenses from group enterprises		0	(64,806)
Other financial expenses	4	(17,618,940)	(26,168,470)
Profit/loss before tax		(9,274,263)	633,717
Tax on profit/loss for the year	5	2,482,745	(226,136)
Profit/loss for the year	6	(6,791,518)	407,581

Parent balance sheet at 30.04.2024

Assets

	Notes	2023/24 DKK	2022/23 DKK
Completed development projects	8	6,420,160	7,335,326
Acquired intangible assets		0	46,584
Intangible assets	7	6,420,160	7,381,910
Other fixtures and fittings, tools and equipment		96,701	296,008
Property, plant and equipment	9	96,701	296,008
Investments in group enterprises		46,462,206	38,433,281
Receivables from group enterprises		15,662,430	40,139,432
Deposits		540,353	540,353
Financial assets	10	62,664,989	79,113,066
Fixed assets		69,181,850	86,790,984
Raw materials and consumables		0	603,244
Manufactured goods and goods for resale		7,661,191	10,592,402
Inventories		7,661,191	11,195,646
Trade receivables		7,203,776	15,799,215
Receivables from group enterprises		11,699,824	35,756,845
Deferred tax	11	1,047,745	0
Other receivables		0	386
Tax receivable		964,164	0
Prepayments	12	640,192	660,200
Receivables		21,555,701	52,216,646
Cash		1,679,714	2,550,770
Current assets		30,896,606	65,963,062
Assets		100,078,456	152,754,046

Equity and liabilities

	Notes	2023/24 DKK	2022/23 DKK
Contributed capital		700,000	700,000
Reserve for net revaluation according to equity method		11,709,633	10,913,362
Reserve for development costs		5,007,725	5,721,554
Other reserves		7,232,654	0
Retained earnings		12,824,223	22,555,683
Proposed dividend for the financial year		0	7,500,000
Equity		37,474,235	47,390,599
Deferred tax	11	0	1,435,000
Other provisions	13	500,000	687,500
Provisions		500,000	2,122,500
Bank loans		0	6,000,000
Non-current liabilities other than provisions	14	0	6,000,000
Current portion of non-current liabilities other than provisions	14	0	3,000,000
Bank loans		37,131,050	49,147,469
Prepayments received from customers		4,700,291	3,182,182
Trade payables		6,763,050	3,250,521
Payables to group enterprises		9,287,513	33,523,331
Joint taxation contribution payable		412,136	1,694,985
Other payables		3,810,181	3,442,459
Current liabilities other than provisions		62,104,221	97,240,947
Liabilities other than provisions		62,104,221	103,240,947
Equity and liabilities		100,078,456	152,754,046
Unrecognised rental and lease commitments	15		
Contingent liabilities	16		
Assets charged and collateral	17		
Related parties with controlling interest	18		
Non-arm's length related party transactions	19		

Parent statement of changes in equity for 2023/24

	Contributed capital DKK	Reserve for net revaluation according to the equity method DKK	Reserve for development costs DKK	Other reserves DKK	Retained earnings DKK
Equity beginning of year	700,000	0	5,721,554	0	22,555,683
Adjustment of material errors	0	0	0	0	(2,000,000)
Changes in accounting policies	0	10,913,362	0	0	0
Adjusted equity, beginning of year	700,000	10,913,362	5,721,554	0	20,555,683
Ordinary dividend paid	0	0	0	0	0
Exchange rate adjustments	0	(840,984)	0	0	0
Other entries on equity	0	7,216,138	0	0	0
Transfer to reserves	0	(7,232,654)	(713,829)	7,232,654	713,829
Profit/loss for the year	0	1,653,771	0	0	(8,445,289)
Equity end of year	700,000	11,709,633	5,007,725	7,232,654	12,824,223

	Proposed dividend for the year DKK	Total DKK
Equity beginning of year	7,500,000	36,477,237
Adjustment of material errors	0	(2,000,000)
Changes in accounting policies	0	10,913,362
Adjusted equity, beginning of year	7,500,000	45,390,599
Ordinary dividend paid	(7,500,000)	(7,500,000)
Exchange rate adjustments	0	(840,984)
Other entries on equity	0	7,216,138
Transfer to reserves	0	0
Profit/loss for the year	0	(6,791,518)
Equity end of year	0	37,474,235

Notes to parent financial statements

1 Staff costs

	2023/24	2022/23
	DKK	DKK
Wages and salaries	17,927,130	18,299,631
Pension costs	1,178,477	1,257,083
Other social security costs	306,745	335,926
	19,412,352	19,892,640
Average number of full-time employees	22	28

	Remuneration of Manage- ment 2023/24	Remuneration of Manage- ment 2022/23
	DKK	DKK
Executive Board	3,535,676	3,114,751
Board of Directors	407,763	300,000
	3,943,439	3,414,751

2 Depreciation, amortisation and impairment losses

	2023/24	2022/23
	DKK	DKK
Amortisation of intangible assets	961,750	949,524
Depreciation on property, plant and equipment	138,200	313,411
	1,099,950	1,262,935

3 Other financial income

	2023/24	2022/23
	DKK	DKK
Financial income from group enterprises	1,926,755	3,519,177
Other interest income	86,502	467,804
Exchange rate adjustments	14,484,952	19,911,735
	16,498,209	23,898,716

During the financial year 2022/23 exchange rate adjustments were materially impacted by the increase in the USD/DKK exchange rate. However, a major part of unrealized adjustments related to balance accounts last year.

4 Other financial expenses

	2023/24	2022/23
	DKK	DKK
Other interest expenses	5,339,279	3,423,575
Exchange rate adjustments	12,279,661	22,744,594
Other financial expenses	0	301
	17,618,940	26,168,470

During the financial year 2022/23 exchange rate adjustments have been materially impacted by the decrease in the USD/DKK exchange rate. However, unrealized adjustments relates to balance accounts last year.

5 Tax on profit/loss for the year

	2023/24	2022/23
	DKK	DKK
Current tax	0	612,136
Change in deferred tax	(2,482,745)	(386,000)
	(2,482,745)	226,136

6 Proposed distribution of profit and loss

	2023/24	2022/23
	DKK	DKK
Ordinary dividend for the financial year	0	7,500,000
Retained earnings	(6,791,518)	(7,092,419)
	(6,791,518)	407,581

7 Intangible assets

	Completed development projects DKK	Acquired intangible assets DKK
Cost beginning of year	9,068,777	851,345
Cost end of year	9,068,777	851,345
Amortisation and impairment losses beginning of year	(1,733,451)	(804,761)
Amortisation for the year	(915,166)	(46,584)
Amortisation and impairment losses end of year	(2,648,617)	(851,345)
Carrying amount end of year	6,420,160	0

8 Development projects

Completed development projects consists of development of groups ERP system, and of software for management, optimization and software simulation. There are no identified indicators of impairment.

9 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	1,585,618
Disposals	(183,300)
Cost end of year	1,402,318
Depreciation and impairment losses beginning of year	(1,289,610)
Depreciation for the year	(138,200)
Reversal regarding disposals	122,193
Depreciation and impairment losses end of year	(1,305,617)
Carrying amount end of year	96,701

10 Financial assets

	Investments in group enterprises DKK	Receivables from group enterprises DKK	Deposits DKK
Cost beginning of year	27,519,919	40,139,432	540,353
Disposals	0	(24,477,002)	0
Cost end of year	27,519,919	15,662,430	540,353
Changes in accounting policies	10,913,362	0	0
Exchange rate adjustments	(840,984)	0	0
Adjustments on equity	7,216,138	0	0
Share of profit/loss for the year	1,653,771	0	0
Revaluations end of year	18,942,287	0	0
Carrying amount end of year	46,462,206	15,662,430	540,353

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

11 Deferred tax

	2023/24 DKK	2022/23 DKK
Changes during the year		
Beginning of year	(1,435,000)	(1,821,000)
Recognised in the income statement	2,482,745	386,000
End of year	1,047,745	(1,435,000)

Deferred tax assets

Deferred tax relates to intangible assets, property, plant and equipment, inventories and other provisions.

12 Prepayments

Costs incurred relating to the subsequent financial year.

13 Other provisions

Other provisions comprise expected costs of guarantee liabilities.

14 Non-current liabilities other than provisions

	Due within 12 months 2022/23 DKK
Bank loans	3,000,000
	3,000,000

Outstanding after 5 years: 0 DKK

15 Unrecognised rental and lease commitments

	2023/24 DKK	2022/23 DKK
Total liabilities under rental or lease agreements until maturity	6,024,651	6,155,056

16 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement in which Kohsel Holding ApS serves as the administration company. 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. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

17 Assets charged and collateral

The company has provided payment guarantees to AL Finans of DKK 4,500,000 nominal.

Land, plant and buildings in Kohsel (Thailand) Co. Ltd. are mortgaged as collateral for the credit facilities (Bankkok Bank). The guarantee is 20,000,000 THB.

18 Related parties with controlling interest

Kohsel Holding ApS, CVR No. 35867694, Skanderborg owns all shares in the company and therefor has controlling interest.

SE Blue Equity I K/S, CVR No. 35485058, Kolding holds the majority of Kohsel Holding ApS and therefor has controlling interest.

19 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

Changes in accounting policies

In the current year, the Parent has changed its accounting policies from cost to equity value, which has resulted in an increase in profit of DKK 1,654k, an increase in investments in group enterprises and equity of DKK 18,942k in 2023/24. In 2022/23 it has resulted in a decrease in profit of DKK 718k, an increase in investments in group enterprises and equity of DKK 10,913k.

There are no changes in group accounting policies.

The comparative figures have been restated following the change in accounting policies.

Apart from the areas mentioned above, the annual report has been presented applying the accounting policies consistently with last year.

Material errors in previous years

As part of the maturity process of a later sale, Clearwater was engaged as an advisor to Kohsel A/S in 2019, and the financial statements for 2019/20 and 2020/21 should therefore have included a provision of a total of DKK 2m to cover related costs. As a result, equity is negatively affected by DKK 2m and trade payables are increased by a corresponding amount. The adjustment has no impact on profit or tax.

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.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

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. 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 recognised directly in the translation reserve in equity.

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

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories and other external expenses.

Revenue

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

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including profit from the sale of intangible assets and property, plant and equipment, and salary refunds .

Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and normal writedowns of the relevant inventories.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, promotion expenses, etc. Other external expenses also include impairment losses on receivables recognised in current assets.

Staff costs

Staff costs comprise wages and salaries, 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, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets and property, plant and equipment.

Income from investments in group enterprises

Income from investments 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 interest income, including interest income on receivables from group enterprises, net capital gains on transactions in foreign currencies as well as tax relief under the Danish Tax Prepayment Scheme etc.

Financial expenses from group enterprises

Financial expenses from group enterprises comprise interest expenses etc. from payables to group enterprises.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on 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 the Parent and all the Parent's 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**Intellectual property rights etc.**

Intellectual property rights etc. comprise acquired intellectual property rights.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised on a straight-line basis over the term of the agreement.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Land and buildings are measured at cost plus revaluation, and for buildings, less accumulated depreciation and impairment losses. Revaluation is calculated on the basis of regular, independent fair value measurements.

Plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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.

The basis of depreciation is cost plus revaluation and minus 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
Buildings	10-25 years
Other fixtures and fittings, tools and equipment	3-10 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 measured at cost in the parent financial statement. Investments are written down to the lower of recoverable amount and carrying amount.

Receivables

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

Inventories

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

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables and direct labour costs.

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

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.

Tax payable or receivable

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

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date.

Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Non-recourse guarantee commitments comprise commitments to remedy defects and deficiencies within the guarantee period.

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.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, inception of finance leases, instalments on interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash less short-term bank loans.