

# SITECH DENMARK A/S

DK-Mossvej 9  
8700 Horsens

CVR: 32 76 34 64

## **Annual Report 2022**

The annual report was presented and approved at the  
Company's annual general meeting on 2 March 2023

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Andreas Hendrix

Chairman

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

The Board of Directors and the Executive Board have today discussed and approved the annual report of Sitech Denmark A/S for the financial year 1 January — 31 December 2022.

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 on 31 December 2022 and of the results of the Company's operations for the financial year 1 January 31 December 2022.

Further in our opinion, the Management's Review gives a fair review of the matters discussed in the Management's review.

We recommend that the Annual Report to be approved at the Annual General Meeting.

Horsens, 2 March 2023

### **Executive Board:**

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Bent Brauner Laursen

### **Board of directors:**

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Andreas Hendrix  
Chairman

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Frank Arnold Dahlhoff

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Daniel Bernard Green

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Bent Brauner Laursen

## Independent auditor's report

### To the shareholders of Sitech Denmark A/S

#### Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022, and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Sitech Denmark A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("Financial Statements").

#### 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.

#### Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the Financial Statements does not cover 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; in our view 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.

#### 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 as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management

either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance as to whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA 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 users taken on the basis of these Financial Statements.

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

- identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control,
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- 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.

Hellerup, 2 March 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab, CVR no. 33 77 12 31

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Martin Lunden  
State Authorised  
Public Accountant  
mne32209

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Maj-Britt Nørskov Nannestad  
State Authorised  
Public Accountant  
mne32198

## Management's review

### Company details

#### **SITECH DENMARK A/S**

Mossvej 9  
8700 Horsens

Telephone: +45 70 25 44 14  
Mail: mail@sitech.dk

CVR no.: 32 76 34 64  
Established: 29 January 2010  
Registered office: Horsens  
Financial year: 1 January — 31 December

### Supervisory Board

Andreas Hendrix, Chairman  
Frank Arnold Dahlhoff  
Daniel Bernard Green  
Bent Brauner Laursen

### Executive Board

Bent Brauner Laursen

### Auditor

PRICEWATERHOUSECOOPERS STATS AUTORISERET REVISIONSPARTNERSELSKAB  
Strandvejen 44  
DK-2900 Hellerup  
CVR no. 33 77 12 31

## Management's review

### Operating review

### Principal activities

The Company's principal activities comprise marketing and sales in Denmark, Greenland and the Faroe Islands of Trimble construction technology systems to heavy and highway construction industries. Furthermore, the Company provides spare parts and offers customer service, personalised training and technical support within these areas.

### Development in activities and financial position

For the year under review, the Company reported a profit of DKK 8,957 thousand, total assets of DKK 43,784 thousand and equity of DKK 25,478 thousand.

### Events after the balance sheet date

After the end of the financial year, no events have occurred which may change the financial position of the Company substantially.

### Outlook

Due to the effects of the Ukraine – Russia conflict, and the escalating economic crisis in the Danish society, start-up of construction and civil engineering projects is at a low level.

The Management of Sitech Denmark A/S expects that the increased competition and higher number of providers of machine control in Denmark will have a minor negative impact on gross profit.

Despite the above the Company maintains its growth plan until 2024.

## Financial Statements 1 January – 31 December

### Income statement

DKK	Note	2022	2021
<b>Gross profit</b>		24,905,411	22,573,809
Staff costs	2	-13,717,413	-11,992,156
Depreciation, amortisation and impairment losses		-1,960,123	-1,978,739
Other operating costs		0	0
<b>Profit before financial income and expenses</b>		9,227,875	8,602,914
Other financial expenses	3	-32,858	-228,291
<b>Profit before tax</b>		9,195,017	8,374,623
Tax on profit for the year	4	-237,971	-1,839,919
<b>Profit for the year</b>		<u>8,957,046</u>	<u>6,534,704</u>
<b>Proposed profit appropriation</b>			
Proposed dividend for the year		8,957,046	6,534,704
Retained earnings		0	0
<b>Total</b>		<u>8,957,046</u>	<u>6,534,704</u>



## Financial Statements 1 January – 31 December

### Balance sheet

DKK	Note	2022	2021
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Property, plant and equipment</b>	<b>5</b>		
Land and buildings		4,404,421	4,770,873
Leased assets		1,291,600	633,266
Fixtures and fittings, tools and equipment		1,570,429	1,666,729
<b>Total fixed assets</b>		<b>7,266,450</b>	<b>7,070,868</b>
<b>Current assets</b>			
<b>Inventories</b>			
Finished goods and goods for resale		9,779,270	11,170,950
<b>Receivables</b>			
Trade receivables		6,703,362	6,065,013
Receivables from group entities		9,610,460	8,027,969
Deferred tax asset		836,394	632,794
Prepayments		376,457	200,158
		17,526,673	14,925,934
Cash at bank and in hand		9,211,311	6,926,214
<b>Total current assets</b>		<b>36,517,254</b>	<b>33,023,098</b>
<b>TOTAL ASSETS</b>		<b>43,783,704</b>	<b>40,093,966</b>

## Financial Statements 1 January – 31 December

### Balance sheet

DKK	Note	2022	2021
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Contributed capital		500,000	500,000
Retained earnings		16,021,253	16,021,253
Proposed dividends		8,957,046	6,534,704
<b>Total equity</b>		<b>25,478,299</b>	<b>23,055,957</b>
<b>Provisions</b>			
Provisions for deferred tax		0	643,808
<b>Total provisions</b>		<b>0</b>	<b>643,808</b>
<b>Liabilities other than provisions</b>			
Non-current liabilities other than provisions	6		
Lease obligations		4,291,969	4,781,583
Other payables		0	0
		<b>4,291,969</b>	<b>4,781,583</b>
<b>Current liabilities other than provisions</b>			
Current portion of non-current liabilities		984,510	983,132
Trade payables		5,606,194	2,734,852
Payables to group entities		3,916,083	2,875,300
Other payables		2,556,287	4,866,959
Deferred income		950,362	152,375
		<b>14,013,436</b>	<b>11,612,618</b>
<b>Total liabilities other than provisions</b>		<b>18,305,405</b>	<b>16,394,201</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>43,783,704</b>	<b>40,093,966</b>

## Financial Statements 1 January – 31 December

### Statement of changes in equity

DKK	Contributed capital	Retained earnings	Proposed dividends	Total
Equity at 1 January 2022	500,000	16,021,253	6,534,704	23,055,957
Dividend paid	0	0	-6,534,704	-6,534,704
Transferred over the profit appropriation	0	8,957,046	0	8,957,046
Proposed dividends for the year	0	-8,957,046	8,957,046	0
Equity at 31 December 2022	<u>500,000</u>	<u>16,021,253</u>	<u>8,957,046</u>	<u>25,478,299</u>

## Financial Statements 1 January – 31 December

### Notes

#### 1. Accounting policies

The annual report of Sitech Denmark A/S for 2022 has been prepared in accordance with the provisions applying to reporting class B entities, under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the Financial Statements, are consistent with those of last year. The financial statements for 2022 are presented in DKK.

#### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

#### Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company,

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement,

#### 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

### Notes

#### 1. Accounting policies (continued)

##### Income statement

###### Gross profit

With reference to section 32 of the Danish Financial Statements, the Company has aggregated revenue, cost of sales, other external costs and other income in one line item named gross profit.

###### Revenue

The Company has chosen to use IFRS 15 Revenue from contracts with customers on the basis of interpretation when recognising revenue. IFRS 15 contains one overall and comprehensive model for the recognition of revenue. The fundamental principle in IFRS 15 is that the Company is to recognise revenue, so it reflects goods or services provided to customers at the amounts to which the Company is expected to be entitled for the provision of these goods or services.

###### Cost of sales

Items comprise direct costs for goods for resale and changes to inventory of goods for resale.

###### Staff costs

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

###### Other external costs

Other external costs comprise costs for distribution, administration, premises, sale, advertising, bad debts, operating leases etc.

###### Other operating costs

Other operating costs comprise items secondary to the activities of the entity, including losses on the disposal of intangible assets and property, plant and equipment.

## Financial Statements 1 January – 31 December

### Notes

#### 1. Accounting policies (continued)

##### Financial expenses

Financial expenses are recognised in the income statement at the amounts relating to the financial year.

##### Tax on profit/loss for the year

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

The Company is jointly taxed with Group Companies in Denmark. Current income tax is allocated between jointly taxed Danish companies in proportion to their taxable income (full absorption with refunds for tax losses). The administrative company is Zeppelin Danmark A/S CVR no. 40649247).

### Balance sheet

#### Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets.

The expected useful lives are as follows:

Leased assets:	1-5 years
Fixtures and fittings, tools and equipment:	3 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or operating costs, respectively.

#### Leased assets and lease liabilities

The Company has chosen to use IFRS 16 Leases as the basis of interpretation for recognising and measurement of leases to which the Company is the lessee.

When entering into a contract, the Company assesses whether the contract is a lease or contains a lease component. A lease is defined as a contract or part of a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. When an assessing whether a contract contains a lease component, it must be considered whether, during the period of use, the lessee has the right to substantially all economic benefits from the use of the identified asset and the right to direct the use of the identified asset.

The Company recognises a right-of-use asset and a lease liability at the commencement date.

## Financial Statements 1 January – 31 December

### Notes

#### 1. Accounting policies (continued)

Lease liabilities recognised as "Lease liabilities" are initially measured at the present value of the lease payments that are not paid at the date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, the Company uses its incremental borrowing rate.

The lease payments consist of fixed and variable lease payments that depend on an index or a rate, guaranteed residual values, purchase options and extension options if the Company is reasonably certain to exercise the option and termination penalties if the lease term reflects the Company exercising an option to terminate the lease. The lease liability is subsequently adjusted as follows if:

- The value of the index or rate on which the lease payments are based is changed
- The exercise of options is changed in order to extend or terminate the lease due to significant events or a significant change in circumstances within the Company's control
- The lease term is changed if the option is exercised in order to extend or terminate the lease
- Estimated residual value guarantee is changed
- The contract is renegotiated or modified.

Any subsequent adjustment of the future lease liability is recognised as an adjustment to the right-of-use asset. If the carrying amount of the right-of-use asset is DKK 0, a negative adjustment to the right-of-use asset is, however, recognised in the income statement.

The right-of-use asset is initially measured at cost comprising amount of initial measurement of the lease liability plus any initial direct costs and any estimated costs of dismantling and removal of the asset at the end of the lease term which the Company is under an obligation to incur and any prepaid lease payments and less any lease incentives received.

The right-of-use asset is depreciated over the shorter of the lease term and the useful life of the right-of-use asset.

Short-term leases with a maximum lease term of 12 months and leases for low-value assets are not recognised in the balance sheet.

## Financial Statements 1 January – 31 December

### Notes

#### 1. Accounting policies (continued)

##### **Inventories**

Inventories are measured at cost in accordance with the FIFO method, mere the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale are measured at cost comprising purchase price plus delivery costs.

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 of depreciation of production machinery, buildings and equipment as well as factory administration and management, borrowing costs are not included in cost.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined, taking into account marketability, obsolescence and development in expected selling price.

##### **Receivables**

Receivables are measured at amortised cost.

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

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of the expected cash flows, including the realisable value of any collateral received.

##### **Prepayments**

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

##### **Equity**

###### *Dividends*

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.



## Financial Statements 1 January – 31 December

### Notes

#### 1. Accounting policies (continued)

##### **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 using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carry forwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity, any deferred net assets are measured at net realisable value.

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

##### **Liabilities other than provisions**

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

Other liabilities are measured at net realisable value.

##### **Deferred income**

Deferred income comprises advance invoicing regarding income in subsequent years.

## Financial Statements 1 January – 31 December

### Notes

#### 2 Staff costs

DKK	2022	2021
Wages and salaries	12,061,973	10,630,787
Pensions	1,201,858	1,060,980
Other social security cost	163,122	143,706
Other staff cost	290,460	156,683
	<u>13,717,413</u>	<u>11,992,156</u>
Average number of full-time employees	<u>19</u>	<u>18</u>

#### 3 Financial expenses

Interest expense to group entities	0	0
Other financial expenses	32,858	228,291
	<u>32,858</u>	<u>228,291</u>

#### 4 Tax on profit for the year

Current tax for the year	2,216,468	1,648,878
Deferred tax for the year	-203,625	191,041
Adjustment of tax concerning previous years	-1,774,872	0
	<u>237,971</u>	<u>1,839,919</u>

## Financial Statements 1 January – 31 December

### Notes

#### 5 Property, plant and equipment

DKK	Land and buildings	Leased assets	Fixtures and fittings, tools and equipment	Total
Cost at 1 January 2022	5,504,173	2,872,052	5,355,340	13,731,565
Additions for the year	0	1,419,230	983,769	2,402,999
Disposals for the year	0	-519,606	-855,327	-1,374,933
<b>Cost at 31 December 2022</b>	<b>5,504,173</b>	<b>3,771,676</b>	<b>5,483,782</b>	<b>14,759,631</b>
Depreciation and impairment losses at 1 January 2022	-733,300	-2,238,786	-3,688,611	-6,660,697
Adjustment of depreciation concerning previous years	677	0	0	677
Depreciation for the year	-367,129	-600,151	-992,843	-1,960,123
Depreciation and impairment losses for the year on assets sold	0	358,861	768,101	1,126,962
Depreciation and impairment losses at 31 December 2022	-1,099,752	-2,480,076	-3,913,353	-7,493,181
<b>Carrying amount at 31 December 2022</b>	<b>4,404,421</b>	<b>1,291,600</b>	<b>1,570,429</b>	<b>7,266,450</b>
Assets held under finance leases	4,404,421	0	1,090,953	5,495,374

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

Liabilities other than provisions can be specified as follows:	31/12 2022	31/12 2021
0-1 years	984,510	983,132
1-5 years	4,291,969	4,781,583
	<b>5,276,479</b>	<b>5,764,715</b>

## Financial Statements 1 January – 31 December

### Notes

#### **7 Contractual obligations, contingencies, etc,**

The Company is jointly taxed with the Company, Zeppelin Danmark A/S, and its subsidiaries. The companies included in the joint taxation have joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties, any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, etc., may entail that the companies' liability will increase.

#### **8 Related party closures**

Sitech Denmark A/S is part of the consolidated Financial Statements of AT Baumaschinentechnik Beteiligungs GmbH, Theatinerstrasse 14, D-80333 München, Germany, which is the smallest group in which the Company is included as a subsidiary. The consolidated Financial Statements of AT Baumaschinentechnik Beteiligungs GmbH can be obtained by contacting the Company.