

**Dansac A/S**  
**Lille Kongevej 304**  
**3480 Fredensborg**  
**Central Business Registration No 34 09 48 10**

**Annual report 2023**

*Adopted at the Annual General Meeting on May 16<sup>th</sup>, 2024*



*Kasper Calundann, Chairman of the General meeting*

*Contents*

	<b><u>Page</u></b>
Company details	1
Statement by Management on the annual report	2
Independent auditor's reports	3
Management's review	6
Accounting policies	14
Income statement	21
Balance sheet, December 31 <sup>st</sup>	22
Statement of changes in equity	25
Cash flow statement	26
Notes	27

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## ***Company details***

### ***Company***

*Dansac A/S*

*Central Business Registration No: 34 09 48 10*

*Registered in: Fredensborg*

*Telephone: +45 48 46 50 00*

*Fax: +45 48 46 50 10*

*Internet: [www.dansac.com](http://www.dansac.com)*

*E-mail: [Dansac@dansac.com](mailto:Dansac@dansac.com)*

### ***Supervisory Board***

*James Dominick Adducci, Chairman*

*Ole Møller Jeppesen*

*Patrick Michael Miner*

### ***Executive Board***

*Ole Møller Jeppesen*

### ***Company auditors***

*Deloitte Statsautoriseret Revisionspartnerselskab*

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## Statement by Management on the annual report

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

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

In our opinion, the 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 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023.

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

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

Fredensborg, May 16<sup>th</sup>, 2024

### Executive Board

*Ole M. Jeppesen*

Ole Møller Jeppesen  
*Chief Executive Officer*

### Supervisory Board

*James Dominick Adducci*

James Dominick Adducci  
*Chairman*

*Ole M. Jeppesen*

Ole Møller Jeppesen

*Patrick Miner*

Patrick Michael Miner

## **Independent auditor's report**

### **To the shareholder of Dansac A/S**

#### **Opinion**

We have audited the consolidated financial statements and the parent financial statements of Dansac A/S for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, 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 31.12.2023, and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 Parent'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 Group or the Entity or to cease operations, or has no realistic alternative but to do so.

## Independent auditor's report

### **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 these 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 Parent'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 Parent'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.

## Independent auditor's report

- 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.

Copenhagen, May 16<sup>th</sup>, 2024

### Deloitte

Statsautoriseret Revisionspartnerselskab  
Business Registration No 33 96 35 56



Flemming Larsen

State-Authorised  
Public Accountant  
MNE no 27790

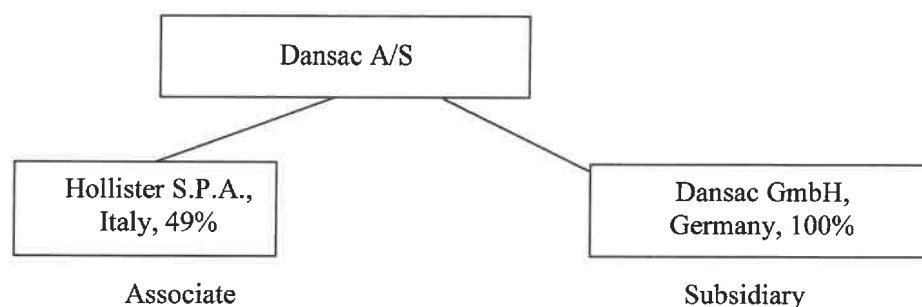


Ulrik Winkler Jakobsen

State-Authorised  
Public Accountant  
MNE nr 47242

## Management's review

### Group chart



	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>
<b>Financial highlights of the Group</b>					
<b>Key figures</b>					
Revenue	1.173.014	1.154.992	837.002	694.791	694.309
Operating profit	211.987	219.487	194.193	173.481	153.424
Net financials	8.162	(4.939)	8.005	6.184	-8.166
Net profit for the year	172.604	168.011	158.338	139.987	111.590
Equity	284.325	260.198	215.938	185.212	162.570
Balance sheet total	415.897	412.730	292.888	246.621	251.158
Investments in property, plant and equipment	7.517	6.726	7.095	7.449	15.177
Average number of employees	256	256	231	230	230
<b>Ratios</b>					
Profit margin (%)	18	19	23	25	22
Return on assets (%)	81	80	80	83	72
Return on equity (%)	64	62	67	70	64
Equity ratio (%)	68	63	74	75	65

For the information given the “company” includes both the parent and the consolidated entities.



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## Management's review

### Primary activities

The Group's activity comprises development, production and sale of ostomy products. Development and production takes place in Fredensborg. Sales activities are handled by the company's subsidiaries and affiliates. Consequently, the extent of transactions with related parties are significant.

The products are primarily sold in the European market.

### Development in activities and finances

Profit for the year for the group amounts to DKK 111.590 thousand which is a decrease of DKK 28.397 thousand compared to 2022. The decrease is mainly due to a decrease in activity and increased cost on raw materials and freight. Profit for the year is lower than expectations. Operating profit for the group has decreased from DKK 173.481 thousand to DKK 153.424 thousand.

The decrease in operating profit is mainly due to a decrease in activity.

### Cash flow

Cash flows from operating activities for the year amount to DKK 156.446 thousand against DKK 113.157 thousand in 2022.

Cash flows from investing activities amount to DKK (15.191) thousand in 2023 against DKK (7.577) thousand in 2022.

### Particular risks

#### Business risk

Prices on raw materials have very volatile, both domestic and international, but seems to have settled on a higher level for now. Dansac A/S is also exposed to energy supply risk and in particular with the current situation in Ukraine. The cost of energy for the production represents a significant percentage of the Group's cost structure. To some extent the company aims to minimize the risk connected with rising energy prices in liberalized markets by fixed priced agreements in regard to energy. Therefore, we don't expect that the situation in Ukraine, will impact our financials, suppliers or customers on the short run.

#### Financial risk

The Group is exposed to exchange rate adjustments. Attempts are made to minimise this exposure by a central control of financial exposure in the Parent as well as a coordinated cash management, including generation of capital and placement of additional cash flow. The ultimate Parent acts upon a finance policy with a low risk profile such that risks only arise on the basis of commercial issues. The Dansac A/S Group does not make use of financial instruments.

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## **Management's review**

### **Currency risk**

Dansac A/S is affected by exchange rate adjustments as revenue is invoiced in foreign currencies whereas expenses, including wages, are held in Danish kroner. 100 % of the Group's revenue originates from other countries than Denmark, mainly European countries. Revenue is primarily invoiced in EUR and USD. In addition, the Group is affected by exchange rate adjustments as the Foreign affiliates' year-end profit and equity are converted into DKK based on average rates and the rate of the balance sheet date, respectively.

The Group's German company is not affected by exchange rate fluctuations as both income and expenses are paid in local currencies.

### **Credit risks**

Credit risks attached to financial assets correspond to the values recognized in the balance sheet. The Group does not undertake any major risks on clients or co-operators. All major clients and other co-operators are credit rated on a current basis under the Group's policy for undertaking credit risks.

### **Cash flow**

The Group's business procedures on cash management, including generation of capital and placement of additional cash flow are managed centrally by the ultimate Parent in the USA.

### **Research and development activities**

The Group's research and development costs have increased from last year. The costs arise from development activities and from ensuring a continuous improvement of existing products.

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## Management's review

### Events after the balance sheet date

After the balance sheet date, no other events of significance to the annual report have occurred, except for those referenced below.

Following the strategic decision of the ultimate Parent in January 2024 to relocate all production within Dansac A/S to Lithuania, it is expected that all production will be transferred within the next 24-30 months. This strategic move is aimed at enhancing the operational efficiency, reducing costs, and positioning the Parent company for long-term growth and success. Despite the significant operational change of relocating production operations, no significant impact is expected for the financials for 2024, nor has management identified any impairment indications in regard to fixed assets.

### Outlook

It is the expectation of management that revenue and profit after tax in 2024 will be slightly lower compared to 2023. Profit after tax for 2023 is expected to be in a range of MDKK 100-130.

The company expects positive cash flows in 2024.

### Statutory statement of Corporate social responsibility cf. § 99a in the Danish Financial Statements Act

The company's underlying business concept is to develop, manufacture and market consumables for people living with a stoma. The mission is to help healthcare professionals deliver better products and services, and to make life more rewarding and dignified for users of ostomy products.

The products are distinguished by their uniform quality, which makes them highly reliable for the users.

Overall, the company wishes to deliver products preferred by the customers at the time agreed and to ensure that the employees are qualified and satisfied, and that procedures supporting a flexible, efficient organization are established.

The manufacturing process is certified to the quality standard ISO 13485.

From our parent company, Hollister, we have been given four immutable principles, which we strive to live every day.

- **Dignity of the person:** Our employees, indeed all people, have dignity and intrinsic value independent of the work they do. We treat our associates, and we treat each other, with respect. We vigilantly strive to meet the needs of those who use our products and services. In the process, we make life more rewarding for them and we ourselves become better human beings.
- **Service:** We serve those who use our product and services, our other customers, each other, and our communities, all with humility, compassion, and perseverance.
- **Integrity:** Integrity is at the heart of how we do business. We believe the ethical way is the only way. We are open and truthful, treat others justly, and do the right thing even when it is difficult.

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## Management's review

- **Stewardship:** We have been entrusted with an independent and employee-owned company. As stewards of that trust, we are guided by the policies and principles of our founder, John Dickinson Schneider (Hollister), to ensure that we continue in perpetuity as independent and employee owned and that as the company grows and prospers, it remains financially strong. We make decisions based on the long-term best interests of the company.

### Social and employee matters

Our employees are one of the company's most important resources, and management realizes that attracting, retaining and developing qualified people are crucial for the ability to realize the corporate objectives and be competitive and successful in the future.

Management wants to shoulder its social responsibility by providing a diverse and tolerant workplace where the staff composition reflects the society in which we live and run our business.

We believe that diversity in the workforce and treating everybody with dignity and respect is important in order to constantly develop and be a competitive player in the global marketplace. At Dansac we strive to have a workforce representative for the markets and customers we serve. This affects the way we think, act, innovate and drive our business.

Although we do not have a specific policy around social and employee matters, we are committed to ensure the best possible workplace for our employees through our immutable principles, bringing integrity and dignity of the person in focus.

Our goal is to have the highest possible job satisfaction and best possible work environment, regulated through our employee handbook and the 'collective agreement for salaried employees in the industry'.

We believe that our employee handbook and the collective agreements is sufficient, therefore we do not have a policy around social and employee matters.

### Human Rights

We are committed to respecting the human rights of our customers, end users, business associates and employees and to reduce the risk of any violations. We do not have a separate policy on human rights as we find the laws and regulations sufficient, but our position is clear from our immutable principles, human resources approach and supporting documentation.

### Environment and climate

At Dansac we take responsibility for our environmental impacts and works continuously to reduce any negative environmental impact in our day-to-day operations and in our development activities.

## Management's review

The corporate strategy is to reduce the total volume of waste generated by the manufacturing process, to reduce errors and waste, and to reduce the total amount of energy consumed, by investing amongst others in LEAN activities.

We recognize that profitability and our effect on the environment and climate goes hand in hand, why we continuously try to lower our energy consumption and find better and more efficient ways to produce our products and reduce our consumption of materials and waste.

We have no policy regarding environment and climate, as the impact on both local and global environment from our production and products are minimal, but we strive to do everything better and more efficient, putting our immutable principles in front of everything that we do, to ensure a healthy environment and climate.

### Anti-corruption and bribery

We hold integrity and ethics in front and follow local laws and regulations. We do not have a policy around anti-corruption and bribery but expect all our employees and business associates to follow the laws and regulations. We find the laws and regulations sufficient for our purpose, why we do not have a policy. We believe that through a high ethical standard and complying with local rules and regulations we can ensure that we conduct our business in the best possible and ethical way.

Currently we do not have a specific policy for supplier management in relation to social responsibility, but it is part of the evaluation in the selection and qualification of new suppliers. Thus "Social Responsibility" is incorporated in the material, the supplier must demonstrate.

### Gender composition, Management position cf. § 99b in the Danish Financial Statements Act

The Company has established a gender equality barometer, which is updated annually with the current distribution of men and women at a number of management levels in the Company:

Levels .%	2023			2022			2021			2020			2019		
	Total no.	Male	Female	Total no.	Male	Female	Total no.	Male	Female	Total no.	Male	Female	Total no.	Male	Female
Supervisory Board	3	100	0	3	100	0	4	75	25	4	75	25	4	100	0
Other management levels	14	79	21												

The company has decided the following objectives for the under-represented gender in the Supervisory Board and in Management positions:

When recruiting new candidates to supervisory board and management positions the best qualified person for the job is selected, irrespective of gender, cultural background and age. Therefore the Company makes sure that the wording of job descriptions and job advertisements appeal to people with the right experiences and competences despite gender, age and ethnicity.

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## Management's review

### Targets for the under-represented gender in the Supervisory Board

The Supervisory Board consists of 3 members. Regarding the under-represented gender, it is the objective to increase the number of members of the under-represented gender and to achieve a share of 33% by 2027.

### Targets for the under-represented gender in Other management levels

For other management levels, it is the objective to increase the number of members of the under-represented gender and to achieve a share of 40% by 2027.

### Statutory report on data ethics policy – Dansac A/S approach to Data ethics

Currently, Dansac A/S has among others, the following policies, procedures, and programs in place that touch upon and will inform the formation of the company's future data ethics principles:

- The Dansac A/S immutable principles
- Global Confidential Information and Data Protection Policy
- Information Security Policy
- Training Program
- “Good Practice” (i.e., Practice, Good Distribution Practice, Good Manufacturing Practice, of the business

Regarding Dansac A/S immutable principles, the company ensures that the necessary approvals are obtained as required within the different jurisdictions around the world. Chief Data Protection Counsel (“CDPC”) associate in the Law Department responsible for Dansac A/S data protection and private programs. Any violation of the Policy may lead to disciplinary action, up to including termination of employment, in accordance with applicable law.

The Global Confidential Information and Data Protection Policy sets out the company's privacy principles with the aim to protect personal data processed on behalf of Dansac A/S furthermore, references to the SOP and process with guidance about how data subjects can exercise their rights are included.

In order to live up to the standards set out in the policy with regards to awareness and training is implemented a training program detailing the expectations of the company with respect to how personal data is to be handled by employees.

All employees are asked to sign off on the Global Confidential Information and Data Protection Policy which obligates employees to raise concerns about misconduct or unethical behavior through the correct reporting lines.

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## **Management's review**

The information Security Policy sets out specific standards to achieve the objectives confidentiality, integrity and availability which includes requirement for access control, data classification and information security awareness training.

## **Ownership**

Dansac A/S is fully owned by Hollister Incorporated, Illinois, USA.

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## Accounting policies

This annual report for the Dansac Group for 2023 has been prepared in accordance with the provisions applying to class C enterprises (large) under the Danish Financial Statements Act.

The accounting policies applied as described below remain the same as last year.

### Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Group, and the value of the assets can be measured reliably.

Liabilities are recognised in the balance sheet when the Group as a result of an event prior to the balance date has a legal or constructive obligation, and it is probable that future economic benefits will flow out of the Group, and the value of the liabilities 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, defrayed to obtain the profit for the year.

The Annual report is presented in Danish kroner (DKK) thousand unless otherwise stated.

### Consolidated financial statements

The consolidated financial statements comprise Dansac A/S (the parent company) and Group enterprises where the parent company directly or indirectly is in control, cf. the Group Chart page 6.

The consolidated financial statements are prepared by combining uniform items. On consolidation intra-group income and expenses, intra-group balances and dividend as well as intra-group profits between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Investments in subsidiaries are offset against the pro rata share of the fair value of the affiliates' net assets and liabilities at the time of the establishment of the Group relations.



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## Accounting policies

### Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Income and losses - that arises between the rate at the transaction date and the one in effect at the payment date - are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rate at the balance sheet date. Differences between the exchange rate at the balance sheet date and the exchange rate at the transaction date are recognised in the income statement as financial income or financial expenses.

When recognising foreign subsidiaries, that constitute separate entities, the income statements are translated at average exchange rates and balance sheet items are translated using the exchange rates at the balance sheet date. Exchange rate adjustments arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates as well as out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly on equity.

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

### Income statement

#### Revenue

Revenue from sale of articles of commerce and finished goods are recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised exclusive of Vat, duties and rebates in connection with the sale and is measured at the fair value of the agreed compensation.

#### Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc.

#### Staff costs

Staff costs comprise expenses for payroll and wages including social expenses, pensions etc. for personnel.

#### Depreciation, amortisation and impairment losses

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

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## Accounting policies

### Other operating costs

Other operating costs comprise expenses for distribution, sales, advertising, administration, rentals, loss on bad debt etc.

Other operating costs further more include research- and development costs that do not comply with recognition for capitalisation.

### Financial income and expenses

Financial income and expenses comprise interest income and expenses, realised and unrealised income and loss from transactions in foreign exchange, bank charges together with charges and compensations for the tax on account scheme.

### Tax on profit for the year

Tax on profit 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 classified directly as equity by the portion attributable to entries directly on equity.

The Company is jointly taxed with Dansac and Hollister Danmark (branch of Dansac and Hollister Inc. USA) and Kirstine Hardam A/S. The current Danish income tax is allocated proportionally to the taxable income (full allocation with a refund concerning tax losses).

## Balance sheet

### Intangible assets

Intangible assets comprise development projects in progress and completed development projects including licences and prepayments for intangible assets.

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 project in question, are recognised as intangible assets if the cost can be measured reliably and if sufficient security exists for the future income to cover production-, sales- and administration costs and the development costs. Other development costs are recognised in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisations or to the lower of recoverable amount. Completed development projects are amortised over five years.

Development costs comprise costs, salaries and amortisation that are directly and indirectly attributable to the Group's development projects.

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## Accounting policies

### Property, plant and equipment

Land and buildings, plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation or to the lower of its recoverable value. Land is not depreciated.

Cost comprises the acquisition price and costs directly attributable to the acquisition until it is ready to be put into operation. For self-manufactured assets, cost comprises direct and indirect costs of materials, sub suppliers and labour costs.

Interest expenses are not included under cost.

The basis for depreciation is costs less expected scrap value at the end of the expected useful life, where the scrap value is zero. Straight-line depreciation is made on the basis of the following assessment of the expected useful lives:

Buildings	30 years
Plant and machinery	5-10 years
Other fixtures and fitting, tools and equipment	3-10 years

Profits and losses from the disposals of property, plant and equipment are calculated as the difference between selling price less selling costs and carrying amount at the time of sale. Profits or losses are recognised as depreciation in the income statement.

### Impairment of intangible and tangible assets

The carrying amount of intangible and tangible assets are annually assessed whether there is any indication that the assets are impaired.

If any such indications exist, an impairment test is calculated to determine whether the recoverable amount is lower than the carrying amount.

### Investments in subsidiaries, associates and other Investments

Investments in subsidiaries, associates and other investments are measured in the Parent's Annual report at cost. In case of indication for impairment an impairment test is prepared. Cost is reduced with received dividend, if the dividend exceeds the accumulated profit recognised since the time of the takeover.

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## Accounting policies

In the Parent's income statement dividend from subsidiaries, associates and other investments are recognised upon declaration.

Investments in associates are measured in the Group's annual report using the equity method.

The income statement reflects the Group's share of results of associates.

### Inventories

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

Cost of goods for resale as well as raw materials and consumables consists of purchase price plus landing costs.

Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs as well as indirect production costs.

Indirect production costs comprise indirect material and labour costs as well as costs of maintenance of and depreciation on machinery, factory buildings and equipment applied for the manufacturing process as well as costs of quality management and factory administration.

The net realisable value of inventories is calculated as the estimated selling price reduced for completion- and sales costs.

The net realisable value is fixed in consideration of marketability and obsolescence.

### Receivables

Receivables are measured at amortised cost, which in general are nominal value reduced with provision for anticipated losses.

### Prepayments

Prepayments classified as assets comprise prepaid costs incurred relating to rent, insurance premiums etc. that relates to subsequent accounting periods. Prepayments are measured at cost.

### Cash

Cash comprises cash in hand and bank deposits.

### Proposed dividends

Dividends are measured as a liability at the time of the resolution made on the Annual General Meeting. The proposed dividend for the accounting period is classified as a separate item under equity.

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## Accounting policies

### Income taxes and deferred tax

The 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 applying the liability method providing for all temporary differences between the carrying amount and tax-based value of assets and liabilities. Deferred tax assets, including the tax base of tax loss carry forward, are recognised in the balance sheet if the assets are likely to be utilised either by a set-off against tax of future income or as a set-off against deferred tax liabilities.

Deferred tax is measured based on the tax regulations and tax rates of the relevant countries that will be in effect, using the laws at the balance sheet date, when the deferred tax is estimated to be triggered as current tax. Changes in deferred tax resulting from changed tax rates are recognised in the income statement.

### Other financial liabilities

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

### Deferred income

Deferred income comprises received payments for income that relates to subsequent accounting periods. Deferred income is measured at cost.

### Cash flow statement

The cash flow statement of the Group shows cash flows for the year from operating, investing and financing activities for the year, change of cash for the year as well as the Group's cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are calculated as the Group's share of profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payment in connection with purchase and sale of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related costs as well as the raising of loans, instalments on interest-bearing debt, and payment of dividends to members.

A cash flow statement for the Parent has not been prepared separately as this is included in the Group cash flow statement.

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## Segment information

Disclosures are provided on business segments (primary segment). The segment information is in accordance with the Group risk and internal financial management. The segment information complies with Group accounting policies.

## Ratios

The ratios have been compiled in accordance with “Anbefalinger & Nøgletal” (Recommendations & Ratios), issued by the Danish Society of Financial Analysts, and generally accepted calculation formulas.

Profit margin	=	$\frac{\text{Operating profit/loss} \times 100}{\text{Revenue}}$
Return on assets	=	$\frac{\text{Operating profit/loss} \times 100}{\text{Average operating assets}}$
Return on equity	=	$\frac{\text{Net profit/loss for the year} \times 100}{\text{Average equity}}$
Equity ratio	=	$\frac{\text{Equity} \times 100}{\text{Balance sheet total}}$

## Income statement

Parent			Group		
2022 DKK'000	2023 DKK'000		Notes	2023 DKK'000	2022 DKK'000
508.595	503.862	Revenue	1	694.309	694.791
(313)	(3.482)	Change of inventories, finish goods and work in progress		(3.482)	(312)
(139.292)	(137.101)	External costs		(277.827)	(272.894)
<b>368.990</b>	<b>363.279</b>	<b>Gross profit</b>		<b>413.000</b>	<b>421.585</b>
(138.072)	(137.543)	Staff costs	2	(157.253)	(156.516)
(8.386)	(8.756)	Depreciation and amortisation, fixed assets	3	(8.837)	(8.562)
(62.607)	(74.924)	Other operating costs	16	(93.486)	(83.026)
<b>159.925</b>	<b>142.056</b>	<b>Operating profit</b>		<b>153.424</b>	<b>173.481</b>
0	0	Share of results of associates		(2.732)	4.518
4.378	14.908	Other financial income, affiliates	10	0	0
5.051	2.133	Other financial income	4	3.508	5.256
(3.229)	(8.226)	Other financial expenses	5	(8.942)	(3.590)
<b>166.125</b>	<b>150.871</b>	<b>Profit before tax</b>		<b>145.258</b>	<b>179.665</b>
(35.218)	(29.660)	Tax on profit for the year	6	(33.668)	(39.678)
<b>130.907</b>	<b>121.211</b>	<b>Profit for the year</b>	7	<b>111.590</b>	<b>139.987</b>

**Balance sheet, December 31<sup>st</sup>**

<b>Parent</b>				<b>Group</b>	
<b>2022</b>	<b>2023</b>			<b>2023</b>	<b>2022</b>
<b>DKK'000</b>	<b>DKK'000</b>		<b>Notes</b>	<b>DKK'000</b>	<b>DKK'000</b>
3.734	2.695	Completed development projects	8	2.695	3.734
<b>3.734</b>	<b>2.695</b>	<b>Intangible assets</b>		<b>2.695</b>	<b>3.734</b>
10.617	9.805	Land and buildings	9	9.805	10.617
23.318	21.528	Plant and machinery	9	21.528	23.318
2.515	2.916	Other fixtures and fittings, tools and equipment	9	2.998	2.588
5.165	14.737	Property, plant and equipment in progress and prepayment for Property, plant and equipment	9	14.737	5.165
<b>41.615</b>	<b>48.986</b>	<b>Tangible assets</b>		<b>49.068</b>	<b>41.688</b>
193	193	Investments in subsidiaries	10	0	0
38.864	38.864	Investments in associates	10	38.385	45.380
0	0	Other receivables		190	175
<b>39.057</b>	<b>39.057</b>	<b>Financial assets</b>		<b>38.575</b>	<b>45.555</b>
<b>84.406</b>	<b>90.738</b>	<b>Fixed assets</b>		<b>90.338</b>	<b>90.977</b>



**Balance sheet, December 31<sup>st</sup>**

<b>Parent</b>			<b>Group</b>	
<b>2022</b>	<b>2023</b>		<b>2023</b>	<b>2022</b>
<b>DKK'000</b>	<b>DKK'000</b>		<b>DKK'000</b>	<b>DKK'000</b>
<b>84.406</b>	<b>90.738</b>	<b>Fixed assets (brought forward)</b>	<b>90.338</b>	<b>90.977</b>
22.296	24.482	Raw materials and supplies	24.482	22.296
13.192	17.490	Work in progress	17.490	13.192
1.750	447	Finish goods and goods for resale	960	1.811
<b>37.238</b>	<b>42.419</b>	<b>Inventories</b>	<b>42.932</b>	<b>37.299</b>
219	57	Trade receivables	1.568	219
68.572	67.380	Receivables from affiliates	68.421	80.753
3.832	0	Income tax receivable	21	3.832
2.075	4.925	Other receivables	4.925	2.075
1.569	1.736	Prepayments	2.194	2.007
<b>76.267</b>	<b>74.098</b>	<b>Receivables</b>	<b>77.129</b>	<b>88.886</b>
<b>6.187</b>	<b>16.126</b>	<b>Cash</b>	<b>40.758</b>	<b>29.459</b>
<b>119.692</b>	<b>132.643</b>	<b>Current assets</b>	<b>160.819</b>	<b>155.644</b>
<b>204.098</b>	<b>223.381</b>	<b>Assets</b>	<b>251.157</b>	<b>246.621</b>

**Balance sheet, December 31<sup>st</sup>**

<b>Parent</b>			<b>Group</b>		
<b>2022</b>	<b>2023</b>		<b>Notes</b>	<b>2023</b>	<b>2022</b>
<b>DKK'000</b>	<b>DKK'000</b>			<b>DKK'000</b>	<b>DKK'000</b>
2.500	2.500	Share capital	12	2.500	2.500
24.952	27.431	Retained earnings		40.041	52.500
2.805	1.537	Reserve for development costs		0	0
0	0	Reserve for exchange adjustments		29	212
130.000	120.000	Proposed dividends		120.000	130.000
<b>160.257</b>	<b>151.468</b>	<b>Equity</b>		<b>162.570</b>	<b>185.212</b>
1.344	1.337	Deferred tax provision	13	1.146	1.576
<b>1.344</b>	<b>1.337</b>	<b>Provisions</b>		<b>1.146</b>	<b>1.576</b>
9.408	8.182	Other payables	14	8.182	9.408
<b>9.408</b>	<b>8.182</b>	<b>Long-term liabilities</b>		<b>8.182</b>	<b>9.408</b>
12.105	18.417	Trade payables		19.535	16.908
2.316	8.474	Payables to affiliates		19.263	8.669
0	12.944	Income tax payables		12.944	186
18.668	22.559	Other payables		27.517	24.662
<b>33.089</b>	<b>62.394</b>	<b>Short-term liabilities</b>		<b>79.259</b>	<b>50.425</b>
<b>204.098</b>	<b>223.381</b>	<b>Equity, provision and liabilities</b>		<b>251.157</b>	<b>246.621</b>
		Lease and rental commitment	15		
		Other notes	16-20		

## Statement of changes in equity

	Share capital	Retained earnings	Group Reserve for exchange adjust-	Proposed dividends	Total
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
<b>Equity, January 1<sup>st</sup>, 2022</b>	<b>2.500</b>	<b>42.445</b>	<b>(7)</b>	<b>171.000</b>	<b>215.938</b>
Dividends paid	0	0	0	(171.000)	(171.000)
Profit for the year	0	9.987	0	130.000	139.987
Other Equity adjustments	0	68	7	0	75
Exchange adjustment, affiliates	0	0	212	0	212
<b>Equity, December 31<sup>st</sup> 2022</b>	<b>2.500</b>	<b>52.500</b>	<b>212</b>	<b>130.000</b>	<b>185.212</b>
Dividends paid	0	0	0	(130.000)	(130.000)
Profit for the year	0	(8.410)	0	120.000	111.590
Other Equity adjustments	0	(4.049)	(212)	0	(4.261)
Exchange adjustment, affiliates	0	0	29	0	29
<b>Equity, December 31<sup>st</sup> 2023</b>	<b>2.500</b>	<b>40.041</b>	<b>29</b>	<b>120.000</b>	<b>162.570</b>

	Share capital	Retained earnings	Parent Reserve for development costs	Proposed dividends	Total
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
<b>Equity, January 1<sup>st</sup> 2022</b>	<b>2.500</b>	<b>23.301</b>	<b>3.549</b>	<b>171.000</b>	<b>200.350</b>
Dividends paid	0	0	0	(171.000)	(171.000)
Transfers	0	744	(744)	0	0
Profit for the year	0	907	0	130.000	130.907
<b>Equity, December 31<sup>st</sup> 2022</b>	<b>2.500</b>	<b>24.952</b>	<b>2.805</b>	<b>130.000</b>	<b>160.257</b>
Dividends paid	0	0	0	(130.000)	(130.000)
Transfers	0	1.268	(1.268)	0	0
Profit for the year	0	1.211	0	120.000	121.211
<b>Equity, December 31<sup>st</sup> 2023</b>	<b>2.500</b>	<b>27.431</b>	<b>1.537</b>	<b>120.000</b>	<b>151.468</b>

## Cash flow statement

	Notes	Group	
		2023 DKK'000	2022 DKK'000
Operating profit		153.424	173.481
Depreciation and amortisation, fixed assets	3	8.837	8.562
Change in working capital	19	17.150	(28.993)
		<b>179.411</b>	<b>153.050</b>
Other financial income received	4	3.508	5.256
Other financial expenses paid	5	(8.942)	(3.590)
Income taxes paid		(17.531)	(41.559)
<b>Cash flows from operating activities</b>		<b>156.446</b>	<b>113.157</b>
Acquisition of intangible assets		0	(266)
Acquisition of tangible assets		(15.177)	(7.449)
Change financial assets		(14)	138
<b>Cash flows from investing activities</b>		<b>(15.191)</b>	<b>(7.577)</b>
Dividends received		0	4.379
Dividends paid		(130.000)	(171.000)
<b>Cash flows from financing activities</b>		<b>(130.000)</b>	<b>(166.621)</b>
<b>Change in cash</b>		<b>11.255</b>	<b>(61.039)</b>
Cash at the beginning of the year		29.459	90.302
Value adjustments		44	196
<b>Cash at the end of the year</b>		<b>40.758</b>	<b>29.459</b>

## Notes

			<b>Parent Revenue DKK'000</b>	<b>Group Revenue DKK'000</b>
<b>1. Segment information</b>				
<b>By business segment 2023</b>				
Medical devices			503.862	694.309
<b>Total</b>			<b>503.862</b>	<b>694.309</b>
<b>Geographical segments:</b>				
EMEA & North America			449.453	639.900
Australia, South America, Asia and rest of the world			54.409	54.409
<b>Total</b>			<b>503.862</b>	<b>694.309</b>
<b>By business segment 2022</b>				
Medical devices			508.595	694.791
<b>Total</b>			<b>508.595</b>	<b>694.791</b>
<b>Geographical segments:</b>				
EMEA & North America			446.859	633.055
Australia, South America, Asia and rest of the world			61.736	61.736
<b>Total</b>			<b>508.595</b>	<b>694.791</b>
	<b>Parent</b>		<b>Group</b>	
	<b>2022 DKK'000</b>	<b>2023 DKK'000</b>	<b>2023 DKK'000</b>	<b>2022 DKK'000</b>
<b>2. Staff costs</b>				
117.984	117.316	Salaries and wages	133.891	133.536
13.179	13.691	Pension contributions	14.241	13.653
7.297	7.566	Other social security costs	10.151	9.716
(388)	(1.030)	Capitalised labour costs	(1.030)	(388)
<b>138.072</b>	<b>137.543</b>		<b>157.253</b>	<b>156.516</b>
<b>210</b>	<b>211</b>	<b>Average number of employees</b>	<b>230</b>	<b>230</b>

As only one person in the Company's Executive and Supervisory Boards receives remuneration, no disclosure has been made according to § 98 b, stk. 3, no. 2 in the Danish Financial Statements Act.

## Notes

Parent			Group	
2022 DKK'000	2023 DKK'000		2023 DKK'000	2022 DKK'000
<b>3. Depreciation &amp; amortisation, fixed assets</b>				
876	1.039	Completed development projects	1.039	876
1.433	1.095	Buildings	1.095	1.433
5.372	5.403	Plant and machinery	5.403	5.372
697	1.219	Other fixtures and fittings, tools and equipment	1.300	862
8	0	Loss from sale and scrap of operating equipment	0	19
<b>8.386</b>	<b>8.756</b>		<b>8.837</b>	<b>8.562</b>
<b>4. Other financial income</b>				
4.999	1.148	Realised and unrealised exchange gains	1.148	4.999
52	985	Interest income	2.360	257
<b>5.051</b>	<b>2.133</b>		<b>3.508</b>	<b>5.256</b>
<b>5. Other financial expenses</b>				
2.457	6.779	Realised and unrealised exchange losses	6.779	2.457
772	1.447	Bank expenses	2.163	1.132
<b>3.229</b>	<b>8.226</b>		<b>8.942</b>	<b>3.589</b>

## Notes

<b>Parent</b>			<b>Group</b>	
<b>2022</b>	<b>2023</b>		<b>2023</b>	<b>2022</b>
<b>DKK'000</b>	<b>DKK'000</b>		<b>DKK'000</b>	<b>DKK'000</b>
<b>6. Tax on profit for the year</b>				
34.495	29.544	Current tax	33.629	39.154
723	(6)	Change in deferred tax	(83)	524
0	122	Adjustment concerning previous years	122	0
<b>35.218</b>	<b>29.660</b>		<b>33.668</b>	<b>39.678</b>

## 7. Proposed distribution of profit/(loss)

	<b>Parent</b>	
	<b>2023</b>	<b>2022</b>
	<b>DKK'000</b>	<b>DKK'000</b>
Retained earnings	1.211	907
Proposed dividends recognized in Equity	120.000	130.000
	<b>121.211</b>	<b>130.907</b>

	<b>Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>DKK'000</b>	<b>DKK'000</b>
Retained earnings	(8.410)	9.987
Proposed dividends recognized in Equity	120.000	130.000
	<b>111.590</b>	<b>139.987</b>

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**Notes**

<b>Parent Completed development projects DKK'000</b>		<b>Group Development projects in progress DKK'000</b>
	<b>8. Intangible assets</b>	
<u>5.972</u>	Cost, January 1 <sup>st</sup> 2023	<u>5.972</u>
<u>5.972</u>	Cost, December 31 <sup>st</sup> 2023	<u>5.972</u>
(2.238)	Amortisation, January 1 <sup>st</sup> 2023	(2.238)
<u>(1.039)</u>	Amortisation for the year	<u>(1.039)</u>
<u>(3.277)</u>	Amortisation, December 31 <sup>st</sup> 2023	<u>(3.277)</u>
<u>2.695</u>	Carrying amount, December 31 <sup>st</sup> 2023	<u>2.695</u>
<u>3.734</u>	Carrying amount, December 31 <sup>st</sup> 2022	<u>3.734</u>



## Notes

## Group

	Land and buildings	Plant and machinery	Other fix- tures etc.	Property etc. in progress
	DKK'000	DKK'000	DKK'000	DKK'000
<b>9. Tangible assets</b>				
Cost, January 1 <sup>st</sup> 2023	85.519	223.777	41.319	5.165
Adjustment prior period	0	(292)	312	0
Transfers	72	822	804	(1.698)
Additions	211	2.791	917	11.270
Disposals	0	0	(11)	0
<b>Cost, December 31<sup>st</sup> 2023</b>	<b>85.802</b>	<b>227.098</b>	<b>43.341</b>	<b>14.737</b>
Depreciation, January 1 <sup>st</sup> 2023	(74.902)	(200.459)	(38.731)	0
Adjustment prior period	0	292	(312)	0
Depreciations for the year	(1.095)	(5.403)	(1.300)	0
<b>Depreciation, December 31<sup>st</sup> 2023</b>	<b>(75.997)</b>	<b>(205.570)</b>	<b>(40.343)</b>	<b>0</b>
<b>Carrying amount, December 31<sup>st</sup> 2023</b>	<b>9.805</b>	<b>21.528</b>	<b>2.998</b>	<b>14.737</b>
<b>Carrying amount, December 31<sup>st</sup> 2022</b>	<b>10.617</b>	<b>23.318</b>	<b>2.588</b>	<b>5.165</b>

Additions on property etc in progress includes capitalized labour costs DKK'000 1.030.

## Notes

	<b>Parent</b>			
	<b>Land and buildings</b>	<b>Plant and machinery</b>	<b>Other fix- tures etc.</b>	<b>Property etc. in progress</b>
	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>
<b>9. Tangible assets (continued)</b>				
Cost, January 1 <sup>st</sup> 2023	85.519	223.777	40.526	5.165
Adjustment prior period	0	(292)	312	0
Transfers	72	822	804	(1.698)
Additions	211	2.791	827	11.270
Disposals	0	0	(11)	0
<b>Cost, December 31<sup>st</sup> 2023</b>	<b>85.802</b>	<b>227.098</b>	<b>42.458</b>	<b>14.737</b>
Depreciation, January 1 <sup>st</sup> 2023	(74.902)	(200.459)	(38.011)	0
Adjustment prior period	0	292	(312)	0
Depreciations for the year	(1.095)	(5.403)	(1.219)	0
<b>Depreciation, December 31<sup>st</sup> 2023</b>	<b>(75.997)</b>	<b>(205.570)</b>	<b>(39.542)</b>	<b>0</b>
<b>Carrying amount, December 31<sup>st</sup> 2023</b>	<b>9.805</b>	<b>21.528</b>	<b>2.916</b>	<b>14.737</b>
<b>Carrying amount, December 31<sup>st</sup> 2022</b>	<b>10.617</b>	<b>23.318</b>	<b>2.515</b>	<b>5.165</b>

Additions on property etc in progress includes capitalized labour costs DKK'000 1.030.

## Notes

## Group

Investments  
in associates

DKK'000

**10. Financial assets**

Cost, January 1 <sup>st</sup> 2023	45.380
Year-end exchange rate adjustments	101
Dividends	0
Share of loss for the year	(2.732)
<b>Cost, December 31<sup>st</sup> 2023</b>	<b>42.749</b>
Revaluation, January 1 <sup>st</sup> 2023	0
Amortization for the year	(4.364)
<b>Revaluation, December 31<sup>st</sup> 2023</b>	<b>(4.364)</b>
<b>Carrying amount, December 31<sup>st</sup> 2023</b>	<b>38.385</b>
<b>Carrying amount, December 31<sup>st</sup> 2022</b>	<b>45.380</b>

## Parent

## Group

<b>2022</b>	<b>2023</b>
<b>DKK'000</b>	<b>DKK'000</b>

<b>2023</b>	<b>2022</b>
<b>DKK'000</b>	<b>DKK'000</b>

**10. Other financial income, affiliates**

4.378	14.908	Dividend from investments	0	0
<b>4.378</b>	<b>14.908</b>		<b>0</b>	<b>0</b>

## Notes

## Parent

	Investments in associates	Investments in subsidiaries
	DKK'000	DKK'000
<b>10. Financial assets (continued)</b>		
Cost, January 1 <sup>st</sup> 2023	38.864	193
<b>Cost, December 31<sup>st</sup> 2023</b>	<b>38.864</b>	<b>193</b>
<b>Carrying amount, December 31<sup>st</sup> 2023</b>	<b>38.864</b>	<b>193</b>
<b>Carrying amount, December 31<sup>st</sup> 2022</b>	<b>38.864</b>	<b>193</b>

## Investments in subsidiaries:

Name	Registered	Group share	Share capital	Equity	Profit before tax	Profit for the year
				DKK'000	DKK'000	DKK'000
Dansac GmbH	Munich, Germany	100%	EUR 26.000	11.773	12.027	8.020
				11.773	12.027	8.020

## Investments in associates:

Name	Registered	Group share	Share capital	Equity	Profit before tax	Profit for the year
				DKK'000	DKK'000	DKK'000
Hollister S.P.A.	Milano, Italy	49%	EUR 1.034.000	78.337	(6.652)	(5.575)

(Per 31.12.2022)

## Notes

Parent			Group	
2022 DKK'000	2023 DKK'000		2023 DKK'000	2022 DKK'000
<b>11. Cash</b>				
4.238	4.872	Funds in intercompany cash pool arrangement	29.503	27.509
<b>12. Share capital</b>				
The share capital consists of 1,000 shares or multiples.				
The shares have not been divided into classes.				
In the period 2014 to 2023 there have been no changes to the share capital.				
<b>13. Deferred tax provision</b>				
Changes during the year				
620	1.344	Beginning of year	1.576	1.139
724	(7)	Recognised in the income statement	(347)	524
0	0	Recognised in the equity	(83)	(87)
<b>1.344</b>	<b>1.337</b>	<b>End of year</b>	<b>1.146</b>	<b>1.576</b>
Specification deferred tax provision				
822	593	Intangible assets	402	1.054
(133)	129	Tangible assets	129	(133)
655	615	Inventories	615	655
<b>1.344</b>	<b>1.337</b>		<b>1.146</b>	<b>1.576</b>

Notes				
Parent			Group	
2022	2023	<b>14. Long-term liabilities, other payables</b>	2023	2022
DKK'000	DKK'000		DKK'000	DKK'000
<u>9.408</u>	<u>8.182</u>	Frozen holiday funds	<u>8.182</u>	<u>9.408</u>
<u>8.134</u>	<u>6.739</u>	Outstanding commitment beyond 5 years	<u>6.739</u>	<u>8.134</u>
<b>15. Lease and rental commitments</b>				
Operating lease and rental commitments on rent have been concluded for the years 2024-2028.				
<u>1.484</u>	<u>1.559</u>	Rental production premises and cars for the year	<u>3.031</u>	<u>2.985</u>
At 31 December, the following non-terminal obligations are incumbent on the company:				
260	636	Lease and rental commitments due within one year	1.519	1.843
<u>147</u>	<u>667</u>	Lease and rental commitments due within 2-5 years	<u>1.226</u>	<u>1.216</u>
<u>407</u>	<u>1.303</u>		<u>2.745</u>	<u>3.059</u>

## Notes

Parent			Group	
2022 DKK'000	2023 DKK'000		2023 DKK'000	2022 DKK'000
<b>16. Fee to auditors appointed at the General Meeting</b>				
Fees to Deloitte (Denmark):				
625	680	Audit fees for the annual report	680	625
0	20	Non-audit fees	20	0
0	30	Other assurance engagements	30	0
<b>625</b>	<b>721</b>		<b>721</b>	<b>625</b>
Fees to ALR Treuhand GmbH:				
0	0	Audit fees for the annual report	220	212
0	0	Non-audit fees	41	37
<b>0</b>	<b>0</b>		<b>261</b>	<b>249</b>

**17. Related parties**

Only non-arm's length transactions with related parties are disclosed in the financial statements. All related party transactions carried out during the financial year have been made on arm's length basis.

The company's principal shareholder is Hollister Incorporated, 2000 Hollister Drive, Libertyville, Illinois, USA. Other related parties are other group enterprises.

The company's ultimate parent is The Firm of John Dickinson Schneider Incorporated, 2000 Hollister Drive, Libertyville, Illinois, USA.

Name and registered office of the Parent preparing consolidated financial statements for the largest group:  
The Firm of John Dickinson Schneider, Libertyville, Illinois, United States.

The consolidated financial statements can be requested from the company.

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:  
The Firm of John Dickinson Schneider, Libertyville, Illinois, United States.  
The consolidated financial statements can be requested from the company.

## Notes

### 18. Currency exposure, interest rate exposure and credit risks

#### Currency exposure

	<b>Group</b>		
	<b>Receivables and cash and cash equivalents</b>	<b>Liabilities other than provisions</b>	<b>Position net</b>
	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>
GBP	867	(1.694)	(827)
EUR	28.003	(4.839)	23.164
USD	938	(2.782)	(1.844)
Other	18.126	(18.403)	(277)
	<b>47.934</b>	<b>(27.718)</b>	<b>20.216</b>

Pursuant to group policies, currency exposure is not attempted hedged by hedging transactions in each subsidiary. Currency exposure is hedged by the Parent, Hollister Incorporated.

#### Credit risks

In certain cases the Group receives security for sale on credit which is included in the assessment of the necessary write-down for losses on bad debts. The highest credit risk on trade receivables corresponds to the carrying amount at 31 December 2023. Losses on receivables from individual customers have been historically immaterial.



## Notes

### 18. Currency exposure, interest rate exposure and credit risks (continued)

#### Interest exposure

The following dates of reassessment and repayment according to agreement on the Group's financial assets and liabilities are presented in chronological order. The effective interest rates are stated on the basis of the actual level of interest at 31 December 2023.

	Group				Effective interest rate
	Time of reassessment and maturity				
	Within one year	Within 2 to 5 years	After 5 years	Fixed- rated	
DKK'000	DKK'000	DKK'000	DKK'000	%	
Receivables, interest bearing	21	0	0	0	0 %
Receivables, non-interest bearing	115.874	0	0	0	
Cash	40.758	0	0	0	0 %
Liabilities, interest bearing	(12.944)	(1.444)	(6.739)	0	7,7 %
Liabilities, non-interest bearing	(66.315)	0	0	0	
	<b>77.394</b>	<b>(1.444)</b>	<b>(6.739)</b>	<b>0</b>	

### 19. Cash flow statements – working capital changes

	Group	
	2023 DKK'000	2022 DKK'000
Change in inventories	(5.633)	(316)
Change in receivables	7.979	(12.814)
Trade payable changes etc.	16.030	(14.666)
Change in current liabilities (long term)	(1.226)	(1.197)
	<b>17.150</b>	<b>(28.993)</b>

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**Notes****20. Contingent liabilities**

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