

## **R&D Steel ApS**

Sigma 3  
8382 Hinnerup  
CVR No. 34706573

### **Annual report 04.10.2020 - 31.12.2021**

The Annual General Meeting adopted the  
annual report on 31.05.2022

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**Birgit Andersen**

Chairman of the General Meeting

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# Entity details

## Entity

R&D Steel ApS

Sigma 3

8382 Hinnerup

Business Registration No.: 34706573

Registered office: Favrskov

Financial year: 04.10.2020 - 31.12.2021

## Board of Directors

Guilherme Silva, Chairman

Birgit Andersen

Peter Kattai Ulrikkeholm

Monique Martins

Emil Wolff

## Executive Board

Peter Kattai Ulrikkeholm, CEO

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of R&D Steel ApS for the financial year 04.10.2020 - 31.12.2021.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 04.10.2020 - 31.12.2021.

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.

Hinnerup, 31.05.2022

## Executive Board

**Peter Kattai Ulrikkeholm**  
CEO

## Board of Directors

**Guilherme Silva**  
Chairman

**Birgit Andersen**

**Peter Kattai Ulrikkeholm**

**Monique Martins**

**Emil Wolff**

# Independent auditor's report

## To the shareholder of R&D Steel ApS

### Opinion

We have audited the financial statements of R&D Steel ApS for the financial year 04.10.2020 - 31.12.2021, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 04.10.2020 - 31.12.2021 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 financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's responsibilities for the financial statements

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

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

### Auditor's responsibilities for the audit of the financial statements

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

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

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

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

#### **Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

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

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

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

Aarhus, 31.05.2022

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

**Henrik Vedel**

State Authorised Public Accountant  
Identification No (MNE) mne10052

**Mikael Møller**

State Authorised Public Accountant  
Identification No (MNE) mne47835

# Management commentary

## Primary activities

The company's activities comprise consultancy, development, production and sales of transport and lifting equipment.

## Development in activities and finances

The income statement for the period 04.10.20 - 31.12.21 shows a profit of DKK 2,431,304 against DKK 1,317,921 for the period 01.07.19 - 03.10.20. The management considers the net profit for the year to be satisfying.

Employees have in the financial year been transferred to another associated company.

The Company has in the financial year changed the balance sheet dato to calendar year.

## Events after the balance sheet date

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



# Income statement for 2020/21

	Notes	2020/21 DKK	2019/20 DKK
<b>Gross profit/loss</b>		<b>11,017,331</b>	<b>11,583,696</b>
Staff costs	1	(6,175,862)	(7,871,371)
Depreciation, amortisation and impairment losses		(1,535,058)	(1,645,979)
Other operating expenses		0	(85,400)
<b>Operating profit/loss</b>		<b>3,306,411</b>	<b>1,980,946</b>
Other financial income		3,760	321
Other financial expenses	2	(192,486)	(291,464)
<b>Profit/loss before tax</b>		<b>3,117,685</b>	<b>1,689,803</b>
Tax on profit/loss for the year	3	(686,381)	(371,882)
<b>Profit/loss for the year</b>		<b>2,431,304</b>	<b>1,317,921</b>
<b>Proposed distribution of profit and loss</b>			
Retained earnings		2,431,304	1,317,921
<b>Proposed distribution of profit and loss</b>		<b>2,431,304</b>	<b>1,317,921</b>

# Balance sheet at 31.12.2021

## Assets

	Notes	2020/21 DKK	2019/20 DKK
Plant and machinery		1,377,679	1,746,776
Other fixtures and fittings, tools and equipment		0	342,482
Leasehold improvements		1,155,381	2,151,857
<b>Property, plant and equipment</b>	4	<b>2,533,060</b>	<b>4,241,115</b>
<b>Fixed assets</b>		<b>2,533,060</b>	<b>4,241,115</b>
Raw materials and consumables		317,342	236,324
<b>Inventories</b>		<b>317,342</b>	<b>236,324</b>
Trade receivables		664,329	8,974,394
Contract work in progress	5	8,366,229	10,393,303
Receivables from group enterprises		1,233,686	0
Other receivables		0	31,068
Income tax receivable		0	205,918
Prepayments		12,227	11,711
<b>Receivables</b>		<b>10,276,471</b>	<b>19,616,394</b>
<b>Cash</b>		<b>1,686,098</b>	<b>1,575,039</b>
<b>Current assets</b>		<b>12,279,911</b>	<b>21,427,757</b>
<b>Assets</b>		<b>14,812,971</b>	<b>25,668,872</b>

**Equity and liabilities**

	Notes	2020/21 DKK	2019/20 DKK
Contributed capital		500,000	500,000
Retained earnings		3,853,745	1,422,441
<b>Equity</b>		<b>4,353,745</b>	<b>1,922,441</b>
Deferred tax		1,117,948	707,500
<b>Provisions</b>		<b>1,117,948</b>	<b>707,500</b>
Lease liabilities		0	205,285
Other payables		150,201	150,201
<b>Non-current liabilities other than provisions</b>		<b>150,201</b>	<b>355,486</b>
Lease liabilities		0	116,605
Contract work in progress	5	2,305,341	1,338,142
Trade payables		4,663,554	13,848,998
Payables to group enterprises		120,909	3,806,587
Income tax payable		275,820	0
Other payables	6	1,825,453	3,573,113
<b>Current liabilities other than provisions</b>		<b>9,191,077</b>	<b>22,683,445</b>
<b>Liabilities other than provisions</b>		<b>9,341,278</b>	<b>23,038,931</b>
<b>Equity and liabilities</b>		<b>14,812,971</b>	<b>25,668,872</b>
Unrecognised rental and lease commitments	7		
Contingent liabilities	8		
Assets charged and collateral	9		

# Statement of changes in equity for 2020/21

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	500,000	1,422,441	1,922,441
Profit/loss for the year	0	2,431,304	2,431,304
<b>Equity end of year</b>	<b>500,000</b>	<b>3,853,745</b>	<b>4,353,745</b>

# Notes

## 1 Staff costs

	<b>2020/21</b>	<b>2019/20</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	5,595,890	7,230,193
Pension costs	338,213	425,868
Other social security costs	140,136	167,165
Other staff costs	101,623	48,145
	<b>6,175,862</b>	<b>7,871,371</b>
Average number of full-time employees	6	11

## 2 Other financial expenses

	<b>2020/21</b>	<b>2019/20</b>
	<b>DKK</b>	<b>DKK</b>
Financial expenses from group enterprises	118,397	237,940
Other interest expenses	54,200	35,354
Exchange rate adjustments	2,461	0
Other financial expenses	17,428	18,170
	<b>192,486</b>	<b>291,464</b>

## 3 Tax on profit/loss for the year

	<b>2020/21</b>	<b>2019/20</b>
	<b>DKK</b>	<b>DKK</b>
Current tax	275,892	(205,918)
Change in deferred tax	410,489	577,800
	<b>686,381</b>	<b>371,882</b>

#### 4 Property, plant and equipment

	Plant and machinery DKK	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	3,778,926	869,690	4,354,904
Additions	16,000	0	0
Disposals	0	(869,690)	0
<b>Cost end of year</b>	<b>3,794,926</b>	<b>0</b>	<b>4,354,904</b>
Depreciation and impairment losses beginning of year	(2,032,150)	(527,208)	(2,203,047)
Depreciation for the year	(385,097)	(153,485)	(996,476)
Reversal regarding disposals	0	680,693	0
<b>Depreciation and impairment losses end of year</b>	<b>(2,417,247)</b>	<b>0</b>	<b>(3,199,523)</b>
<b>Carrying amount end of year</b>	<b>1,377,679</b>	<b>0</b>	<b>1,155,381</b>

#### 5 Contract work in progress

	2020/21 DKK	2019/20 DKK
Contract work in progress	23,790,856	31,956,773
Progress billings regarding contract work in progress	(17,729,968)	(22,901,613)
Transferred to liabilities other than provisions	2,305,341	1,338,143
	<b>8,366,229</b>	<b>10,393,303</b>

#### 6 Other payables

	2020/21 DKK	2019/20 DKK
VAT and duties	1,255,367	2,158,850
Other costs payable	570,086	1,414,263
	<b>1,825,453</b>	<b>3,573,113</b>

#### 7 Unrecognised rental and lease commitments

	2020/21 DKK	2019/20 DKK
Liabilities under rental or lease agreements until maturity in total	170,496	225,792

#### 8 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where MTS Systems Danmark 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, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend 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.

### **9 Assets charged and collateral**

The company has provided a company charge of DKK 1.500k as security for group enterprises' debt to credit institutions of DKK 91k. The company charge comprises goodwill, intellectual property rights, motor vehicles, other plant, fixtures and fittings, tools and equipment, inventories and trade receivables. The total carrying amount of the comprised assets is DKK 3.515k.

The company has provided a performance bond as security to the customers, which amounts to DKK 1.224k.

#### *Recourse guarantee commitments*

The company has provided a guarantee whereby the guarantor assumes primary liability for group enterprises' debt to credit institutions. The guarantee is unlimited. The group enterprises' debt to the credit institutions concerned amounts to DKK 359k at the balance sheet date.

# Accounting policies

## Reporting class

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

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

The financial year is 15 months in the current financial year as well as the last financial year so the comparative figures are comparable. The Company has in the financial year changed the balance sheet date to calendar year.

## Recognition and measurement

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

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

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

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

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

## Income statement

### Gross profit or loss

Gross profit or loss comprises revenue, changes in work in progress, other operating income, cost of raw materials and consumables and other external expenses.

### Revenue

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

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

### Cost of sales

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



**Other external expenses**

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

**Staff costs**

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

**Depreciation, amortisation and impairment losses**

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

**Other operating expenses**

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

**Other financial income**

Other financial income comprises interest income, net capital or exchange gains on securities, etc.

**Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises and net capital or exchange losses on securities, payables and transactions in foreign currencies.

**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.

**Balance sheet****Property, plant and equipment**

Plant and machinery, tools and equipment etc 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 less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	<b>Useful life</b>
Plant and machinery	3-20 years
Other fixtures and fittings, tools and equipment	3-8 years
Leasehold improvements	3-10 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.

**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.

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

**Receivables**

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

**Contract work in progress**

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

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a project in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

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

Costs of sales work and of securing contracts, and finance costs are recognised in the income statement as incurred.

**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 bank deposits.

**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.

Deferred tax relating to retaxation of previously deducted losses in foreign subsidiaries is recognised on the basis of an actual assessment of the purpose of each subsidiary.

**Lease liabilities**

Lease liabilities relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease liabilities are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

**Other financial liabilities**

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