



Kohsel Holding ApS

Danmarksvej 26
8660 Skanderborg
CVR No. 35867694

Annual report 01.05.2022 - 30.04.2023

The Annual General Meeting adopted the annual
report on 21.10.2023

Carl Erik Skovgaard
Chairman of the General Meeting

Contents

Entity details	2
Statement by Management on the annual report	3
Independent auditor's report	4
Management commentary	7
Consolidated income statement for 2022/23	10
Consolidated balance sheet at 30.04.2023	11
Consolidated statement of changes in equity for 2022/23	13
Consolidated cash flow statement for 2022/23	14
Notes to consolidated financial statements	15
Parent income statement for 2022/23	19
Parent balance sheet at 30.04.2023	20
Parent statement of changes in equity for 2022/23	22
Notes to parent financial statements	23
Accounting policies	25

Entity details

Entity

Kohsel Holding ApS
Danmarksvej 26
8660 Skanderborg

Business Registration No.: 35867694
Registered office: Skanderborg
Financial year: 01.05.2022 - 30.04.2023

Board of Directors

Morten Vestergaard Kohsel
Christian Møller Christensen
Thomas Hougaard Bonde

Executive Board

Thomas Hougaard Bonde

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
City Tower, Værkmestergade 2
8000 Aarhus C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Kohsel Holding ApS for the financial year 01.05.2022 - 30.04.2023.

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 30.04.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.05.2022 - 30.04.2023.

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.

Skanderborg, 21.10.2023

Executive Board

Thomas Hougaard Bonde

Board of Directors

Morten Vestergaard Kohsel

Christian Møller Christensen

Thomas Hougaard Bonde

Independent auditor's report

To the shareholders of Kohsel Holding ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of Kohsel Holding ApS for the financial year 01.05.2022 - 30.04.2023, 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 30.04.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.05.2022 - 30.04.2023 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in

Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and parent financial statements.

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

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

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

Statement on the management commentary

Management is responsible for the management commentary.

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

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

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

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 of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Aarhus, 21.10.2023

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Michael Bach

State Authorised Public Accountant
Identification No (MNE) mne19691

Søren Lassen

State Authorised Public Accountant
Identification No (MNE) mne18520

Management commentary

Financial highlights

	2022/23	2021/22	2020/21	2019/20	2018/19
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Gross profit/loss	66,778	72,035	75,153	79,686	65,680
Operating profit/loss	1,969	1,898	17,355	26,841	19,382
Net financials	(7,236)	6,058	(7,221)	(2,159)	(447)
Profit/loss for the year	(5,423)	4,920	7,368	17,921	13,677
Balance sheet total	179,521	193,329	173,688	172,135	144,840
Investments in property, plant and equipment	2,385	2,386	18,246	30,871	8,563
Equity	74,594	80,295	74,397	67,631	109,867
Ratios					
Return on equity (%)	(7.00)	6.36	10.38	20.19	13.29
Equity ratio (%)	41.55	41.53	42.90	39.29	75.85

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

Return on equity (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Average equity}}$

Equity ratio (%)

$\frac{\text{Equity} * 100}{\text{Total assets}}$

Primary activities

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

Kohsel Holding ApS' activity consists in investing in Kohsel A/S.

In the following, the name Group is used as a general name covering all Kohsel and therefore applies to the Group, Kohsel A/S, Kohsel Holding ApS and all underlying subsidiaries.

Development in activities and finances

The Group realized a loss of DKK 5,423K for the financial year 2022/23. Management considers profit for the year disappointing.

During the financial year the production facilities in Denmark have been shut down and the property has been sold. Thus, the subsidiaries in Latvia and Thailand will be the production facilities going forward.

Profit/loss for the year in relation to expected developments

During the financial year 2022/23 exchange rate adjustments have been materially impacted by the decrease in the USD/DKK exchange rate compared to 2021/22 resulting in a profit for the year below expectation. However, unrealized adjustments relates to balance accounts.

Outlook

The ongoing war in Ukraine may influence profit and revenue, but management does not expect it to have a material impact on the company's financial position and development.

Thus, management expects a challenging and uncertain business environment with an activity and profit level for the coming year in line with the financial year 2022/23.

Knowledge resources

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

The Group's management systems complies with the ISO 9001:2015 and ISO 14001:2015 globally and in addition ISO 45001:2018 in Thailand.

The Group takes on responsibility for the working environment and focuses on employee health. The working environment meets the highest national requirements in Denmark, Latvia, and Thailand. Kohsel Thailand received Platinum T-OSH award from Thailand Institute of Occupational Safety and Health (Public Organization).

We focus on developing and maintaining an attractive workplace, contributing to the employees' health and well-being. The factories in Latvia and Thailand are working with 5S methodology to ensure safe and good working environment resulting in the 5S award in Kohsel Thailand from Technology Promotion Association (Thailand-Japan).

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

Environmental performance

The Group is an environmentally conscious enterprise, which carries out ongoing improvements in relation to environmental considerations. Kohsel Thailand have been awarded with the 3Rs award again and the Zero Waste Achievement Award by the Ministry of Industry, Thailand, as they have continuously improved their waste management system to a level, where they have no more hazardous waste to landfill. Furthermore, Kohsel Thailand has received the certificate of Green Industry Level 3 from Ministry of Industry, Thailand. During the financial year 2023/24 Kohsel Group will continue its efforts to comply with the growing demands from the ESG agenda to secure a reduced carbon footprint.

Events after the balance sheet date

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

Consolidated income statement for 2022/23

	Notes	2022/23 DKK	2021/22 DKK
Gross profit/loss	1	66,778,213	72,035,370
Staff costs	2	(52,878,360)	(58,279,171)
Depreciation, amortisation and impairment losses	3	(11,930,563)	(11,858,029)
Operating profit/loss		1,969,290	1,898,170
Other financial income		400,466	8,760,186
Other financial expenses		(7,636,743)	(2,702,117)
Profit/loss before tax		(5,266,987)	7,956,239
Tax on profit/loss for the year	4	(156,178)	(3,036,055)
Profit/loss for the year	5	(5,423,165)	4,920,184

Consolidated balance sheet at 30.04.2023

Assets

	Notes	2022/23 DKK	2021/22 DKK
Completed development projects	7	7,335,326	8,230,620
Acquired intangible assets		211,385	308,117
Goodwill		30,955,574	36,033,566
Intangible assets	6	38,502,285	44,572,303
Land and buildings		24,164,952	28,366,875
Other fixtures and fittings, tools and equipment		10,593,068	12,477,860
Leasehold improvements		10,879,409	11,710,172
Property, plant and equipment in progress		1,495,178	1,298,801
Property, plant and equipment	8	47,132,607	53,853,708
Fixed assets		85,634,892	98,426,011
Raw materials and consumables		42,745,769	44,501,534
Work in progress		1,025,349	2,580,467
Manufactured goods and goods for resale		15,053,840	10,605,506
Prepayments for goods		1,352,776	772,770
Inventories		60,177,734	58,460,277
Trade receivables		20,889,193	25,448,149
Other receivables		4,644,386	561,112
Prepayments	9	984,807	651,399
Receivables		26,518,386	26,660,660
Cash		7,189,629	9,782,537
Current assets		93,885,749	94,903,474
Assets		179,520,641	193,329,485

Equity and liabilities

	Notes	2022/23 DKK	2021/22 DKK
Contributed capital		200,000	200,000
Translation reserve		98,011	375,888
Retained earnings		74,295,876	79,719,041
Equity		74,593,887	80,294,929
Deferred tax	10	1,435,000	1,814,400
Other provisions	11	2,610,977	2,135,303
Provisions		4,045,977	3,949,703
Bank loans		6,000,000	23,940,000
Non-current liabilities other than provisions	12	6,000,000	23,940,000
Current portion of non-current liabilities other than provisions	12	17,970,000	18,000,000
Bank loans		49,233,299	47,573,857
Prepayments received from customers		3,182,182	0
Trade payables		14,704,159	15,411,741
Tax payable		2,697,741	1,369,714
Other payables		7,093,396	2,789,541
Current liabilities other than provisions		94,880,777	85,144,853
Liabilities other than provisions		100,880,777	109,084,853
Equity and liabilities		179,520,641	193,329,485
Unrecognised rental and lease commitments	14		
Contingent liabilities	15		
Assets charged and collateral	16		
Transactions with related parties	17		
Subsidiaries	18		

Consolidated statement of changes in equity for 2022/23

	Contributed capital DKK	Translation reserve DKK	Retained earnings DKK	Total DKK
Equity beginning of year	200,000	375,888	79,719,041	80,294,929
Exchange rate adjustments	0	(277,877)	0	(277,877)
Profit/loss for the year	0	0	(5,423,165)	(5,423,165)
Equity end of year	200,000	98,011	74,295,876	74,593,887

Consolidated cash flow statement for 2022/23

	Notes	2022/23 DKK	2021/22 DKK
Operating profit/loss		1,969,290	1,898,170
Amortisation, depreciation and impairment losses		11,930,563	11,858,029
Working capital changes	13	5,678,946	(27,240,127)
Cash flow from ordinary operating activities		19,578,799	(13,483,928)
Financial income received		400,466	8,760,186
Financial expenses paid		(7,606,743)	(2,702,117)
Taxes refunded/(paid)		(792,449)	(3,547,300)
Cash flows from operating activities		11,580,073	(10,973,159)
Acquisition etc. of intangible assets		(4,313)	(880,803)
Acquisition etc. of property, plant and equipment		(2,384,994)	(2,386,232)
Sale of property, plant and equipment		4,556,884	697,786
Cash flows from investing activities		2,167,577	(2,569,249)
Free cash flows generated from operations and investments before financing		13,747,650	(13,542,408)
Repayments of loans etc.		(18,000,000)	(13,000,000)
Short-term bank loans		1,659,442	28,981,951
Cash flows from financing activities		(16,340,558)	15,981,951
Increase/decrease in cash and cash equivalents		(2,592,908)	2,439,543
Cash and cash equivalents beginning of year		9,782,537	7,342,994
Cash and cash equivalents end of year		7,189,629	9,782,537
Cash and cash equivalents at year-end are composed of:			
Cash		7,189,629	9,782,537
Cash and cash equivalents end of year		7,189,629	9,782,537

Notes to consolidated financial statements

1 Gross profit/loss

Gross profit for the year is positively affected by profit from sale of the Group's domicile building in Denmark.

2 Staff costs

	2022/23 DKK	2021/22 DKK
Wages and salaries	47,843,148	53,277,606
Pension costs	1,578,868	1,194,891
Other social security costs	2,721,421	3,806,674
Other staff costs	734,923	0
	52,878,360	58,279,171
Average number of full-time employees	532	585

	Remuneration of management 2022/23 DKK	Remuneration of management 2021/22 DKK
Executive Board	3,114,751	2,663,067
Board of Directors	300,000	312,500
	3,414,751	2,975,567

3 Depreciation, amortisation and impairment losses

	2022/23 DKK	2021/22 DKK
Amortisation of intangible assets	6,068,828	6,107,901
Depreciation on property, plant and equipment	5,861,735	5,750,128
	11,930,563	11,858,029

4 Tax on profit/loss for the year

	2022/23 DKK	2021/22 DKK
Current tax	535,578	3,252,055
Change in deferred tax	(379,400)	(216,000)
	156,178	3,036,055

5 Proposed distribution of profit/loss

	2022/23 DKK	2021/22 DKK
Retained earnings	(5,423,165)	4,920,184
	(5,423,165)	4,920,184

6 Intangible assets

	Completed development projects DKK	Acquired intangible assets DKK	Goodwill DKK
Cost beginning of year	9,064,464	1,150,028	76,169,847
Exchange rate adjustments	0	(8,293)	0
Additions	4,313	0	0
Disposals	0	(10,418)	0
Cost end of year	9,068,777	1,131,317	76,169,847
Amortisation and impairment losses beginning of year	(833,844)	(841,911)	(40,136,281)
Exchange rate adjustments	0	2,790	0
Amortisation for the year	(899,607)	(91,229)	(5,077,992)
Reversal regarding disposals	0	10,418	0
Amortisation and impairment losses end of year	(1,733,451)	(919,932)	(45,214,273)
Carrying amount end of year	7,335,326	211,385	30,955,574

7 Development projects

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

8 Property, plant and equipment

	Land and buildings DKK	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK	Property, plant and equipment in progress DKK
Cost beginning of year	35,546,005	28,593,123	13,256,873	1,298,801
Exchange rate adjustments	(1,071,087)	(531,236)	83,761	(48,002)
Additions	29,348	2,092,113	19,154	244,379
Disposals	(6,686,249)	(1,378,429)	0	0
Cost end of year	27,818,017	28,775,571	13,359,788	1,495,178
Depreciation and impairment losses beginning of year	(7,179,130)	(16,115,263)	(1,546,701)	0
Exchange rate adjustments	115,267	206,687	(4,093)	0
Depreciation for the year	(1,367,386)	(3,564,764)	(929,585)	0
Reversal regarding disposals	4,778,184	1,290,837	0	0
Depreciation and impairment losses end of year	(3,653,065)	(18,182,503)	(2,480,379)	0
Carrying amount end of year	24,164,952	10,593,068	10,879,409	1,495,178

9 Prepayments

Costs incurred relating to the subsequent financial year.

10 Deferred tax

	2021/22 DKK
Intangible assets	1,656,000
Property, plant and equipment	86,000
Receivables	79,000
Provisions	(6,600)
Deferred tax	1,814,400

	2022/23 DKK	2021/22 DKK
Changes during the year		
Beginning of year	1,814,400	2,030,400
Recognised in the income statement	(379,400)	(216,000)
End of year	1,435,000	1,814,400

11 Other provisions

Other provisions comprise expected costs of guarantee liabilities

12 Non-current liabilities other than provisions

	Due within 12 months 2022/23 DKK	Due within 12 months 2021/22 DKK	Due after more than 12 months 2022/23 DKK
Bank loans	17,970,000	18,000,000	6,000,000
	17,970,000	18,000,000	6,000,000

Outstanding after 5 years: 0 DKK

13 Changes in working capital

	2022/23 DKK	2021/22 DKK
Increase/decrease in inventories	(1,717,457)	(14,748,214)
Increase/decrease in receivables	142,274	(9,331,453)
Increase/decrease in trade payables etc.	7,254,129	(3,160,460)
	5,678,946	(27,240,127)

14 Unrecognised rental and lease commitments

	2022/23 DKK	2021/22 DKK
Total liabilities under rental or lease agreements until maturity	7,100,674	1,502,717

15 Contingent liabilities

None.

16 Assets charged and collateral

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

17 Transactions with related parties

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

No such transactions have been conducted in the financial year.

18 Subsidiaries

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

Parent income statement for 2022/23

	Notes	2022/23 DKK	2021/22 DKK
Gross profit/loss		(30,132)	(26,000)
Income from investments in group enterprises		(4,667,964)	5,525,854
Other financial income	1	53,868	189,000
Other financial expenses		(917,012)	(939,499)
Profit/loss before tax		(5,561,240)	4,749,355
Tax on profit/loss for the year	2	138,075	170,829
Profit/loss for the year	3	(5,423,165)	4,920,184

Parent balance sheet at 30.04.2023

Assets

	Notes	2022/23 DKK	2021/22 DKK
Investments in group enterprises		78,346,168	101,292,010
Financial assets	4	78,346,168	101,292,010
Fixed assets		78,346,168	101,292,010
Dividends receivable from group enterprises		11,106,479	8,500,000
Deferred tax	5	0	6,600
Joint taxation contribution receivable		1,694,985	3,404,919
Receivables		12,801,464	11,911,519
Cash		13,930	118,004
Current assets		12,815,394	12,029,523
Assets		91,161,562	113,321,533

Equity and liabilities

	Notes	2022/23 DKK	2021/22 DKK
Contributed capital		200,000	200,000
Translation reserve		98,011	0
Reserve for net revaluation according to equity method		0	4,739,734
Retained earnings		74,295,876	75,355,195
Equity		74,593,887	80,294,929
Bank loans		0	14,940,000
Non-current liabilities other than provisions	6	0	14,940,000
Current portion of non-current liabilities other than provisions	6	14,970,000	15,000,000
Trade payables		54,000	25,000
Tax payable		1,379,063	2,995,324
Other payables		164,612	66,280
Current liabilities other than provisions		16,567,675	18,086,604
Liabilities other than provisions		16,567,675	33,026,604
Equity and liabilities		91,161,562	113,321,533
Contingent liabilities	7		
Assets charged and collateral	8		
Related parties with controlling interest	9		
Transactions with related parties	10		

Parent statement of changes in equity for 2022/23

	Contributed capital DKK	Translation reserve DKK	Reserve for net revaluation according to the equity method DKK	Retained earnings DKK	Total DKK
Equity beginning of year	200,000	0	4,739,734	75,355,195	80,294,929
Exchange rate adjustments	0	0	(277,877)	0	(277,877)
Dividends from group enterprises	0	0	(18,000,000)	18,000,000	0
Transfer to reserves	0	98,011	18,206,108	(18,304,119)	0
Profit/loss for the year	0	0	(4,667,965)	(755,200)	(5,423,165)
Equity end of year	200,000	98,011	0	74,295,876	74,593,887

Notes to parent financial statements

1 Other financial income

	2022/23	2021/22
	DKK	DKK
Financial income from group enterprises	53,868	189,000
	53,868	189,000

2 Tax on profit/loss for the year

	2022/23	2021/22
	DKK	DKK
Current tax	0	(170,829)
Change in deferred tax	6,600	0
Adjustment concerning previous years	51,846	0
Refund in joint taxation arrangement	(196,521)	0
	(138,075)	(170,829)

3 Proposed distribution of profit and loss

	2022/23	2021/22
	DKK	DKK
Retained earnings	(5,423,165)	4,920,184
	(5,423,165)	4,920,184

4 Financial assets

	Investments in group enterprises DKK
Cost beginning of year	96,552,276
Transfers	(18,206,108)
Cost end of year	78,346,168
Revaluations beginning of year	4,739,734
Exchange rate adjustments	(277,877)
Transfers	18,206,108
Amortisation of goodwill	(5,077,992)
Share of profit/loss for the year	1,796,582
Adjustment of intra-group profits	(1,386,555)
Dividend	(18,000,000)
Revaluations end of year	0
Carrying amount end of year	78,346,168

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

5 Deferred tax

	2022/23
Changes during the year	DKK
Beginning of year	6,600
Recognised in the income statement	(6,600)
End of year	0

6 Non-current liabilities other than provisions

	Due within 12 months 2022/23 DKK	Due within 12 months 2021/22 DKK
Bank loans	14,970,000	15,000,000
	14,970,000	15,000,000

7 Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. 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,

8 Assets charged and collateral

Investments in group enterprises are lodged as collateral for bank loans. The carrying amount of the mortgaged investments is DKK 78,346K at 30 April 2023 (2022: DKK 101,292K).

Collateral securities provided for subsidiaries and group enterprises

The Entity has guaranteed the subsidiaries' debt to Sydbank. The subsidiaries' bank loans amount to DKK 49,233K at 30 April 2023. (2022: DKK 47,574K)

9 Related parties with controlling interest

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

10 Transactions with related parties

Transactions with related parties are only disclosed in the annual report if they are not on arm's length terms. No such transactions have been conducted in the financial year.

Accounting policies

Reporting class

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

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last 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.

Consolidated financial statements

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

Basis of consolidation

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

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

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

Income statement

Gross profit or loss

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

Revenue

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

Other external expenses

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

Staff costs

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

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets and property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

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

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on transactions in foreign currencies, amortisation of financial liabilities and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Goodwill

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area.

Useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. If it is not possible to estimate the useful life reliably, it is set at 10 years. Useful lives are reassessed annually. The amortisation period used is 15 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc.

Intellectual property rights etc. comprise acquired intellectual property rights.

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

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

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

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

Property, plant and equipment

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

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:

	Useful life
Buildings	10-25 years
Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	10 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus or minus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Goodwill is the difference between cost of investments and fair value of the pro rata share of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. Useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful lives are reassessed annually. The amortisation period used is 15 years.

Investments in group enterprises 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. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables and direct labour costs.

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

Receivables

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

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.

Joint taxation contributions payable or receivable

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

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Other provisions

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

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

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

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

Other financial liabilities

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

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

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.

Cash flow statement

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

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

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

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

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