

ASTRAK DENMARK A/S
Kongevejen 340, 2. tv
2840 Holte

Annual report for 2023

Adopted at the annual general meeting on
27 June 2024



Aaron Falls
chairman

CVR-nr. 36 04 29 74

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STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The supervisory board and executive board have today discussed and approved the annual report of Astrak Denmark A/S for the financial year 1 January - 31 December 2023.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 27 June 2024

Executive board

Aaron Falls

Supervisory board



Stephen John Cope
chairman



Michael Rose



Aaron Falls

INDEPENDENT AUDITOR'S REPORT

To the shareholder of Astrak Denmark A/S

Opinion

We have audited the financial statements of Astrak Denmark A/S for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 1 January - 31 December 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 the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance 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:

INDEPENDENT AUDITOR'S REPORT

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

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

INDEPENDENT AUDITOR'S REPORT

Statement on management's review

Management is responsible for management's review.

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

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

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

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

Copenhagen, 27 June 2024

MAZARS

Statsautoriseret Revisionspartnerselskab
CVR no. 31 06 17 41

Karsten Vedel
Statsautoriseret Revisor
mne47841

COMPANY DETAILS

The company	Astrak Denmark A/S Kongevejen 340, 2. tv 2840 Holte
	Telephone: +4543760206
	Website: astrakgroup.dk
	CVR no.: 36 04 29 74
	Reporting period: 1 January - 31 December 2023
	Domicile: Rudersdal Kommune
Supervisory board	Stephen John Cope, chairman Michael Rose Aaron Falls
Executive board	Aaron Falls
Auditors	Mazars Statsautoriseret Revisionspartnerselskab Midtermolen 1, 2.tv. 2100 København Ø

MANAGEMENT'S REVIEW

Business review

The purpose of the company is to direct or indirect hold investments in other entities and to operate a business with the sale of spareparts to industrial machines as well as other related industry.

Financial review

The company's income statement for the year ended 31 December 2023 shows a profit of DKK 3.674.137, and the balance sheet at 31 December 2023 shows equity of DKK 3.542.020.

The company has changed accounting policies for inventories from FIFO to weighted average method. The change has been made to align with group principles. We refer to the information disclosed under accounting policies for further information.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

ANVENDT REGNSKABSPRAKSIS

The annual report of Astrak Denmark A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with selected provisions pertaining to class C.

The annual report for 2023 is presented in DKK

Changes in accounting policies

Inventories

The company has changed accounting policies for inventories from FIFO to weighted average method. The change has been made to align with group principles. Due to the setup of purchases from the group the change in accounting policies has had no material effect on the current year or prior year figures.

The accounting policies are otherwise consistent with those of last year.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

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

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, production costs and other operating income.

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

ANVENDT REGNSKABSPRAKSIS

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Raw materials and consumables

Costs of raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment comprise the year's depreciation, amortisation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Intangible assets

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation and impairment losses.

Goodwill is amortised over the expected economic life of the asset, measured by reference to management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is years. The amortisation period is based on the assessment that the entities in question are strategically acquired entities with a strong market position and a long-term earnings profile. The useful life of the existing goodwill has been assessed as 20 years by management.

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

ANVENDT REGNSKABSPRAKSIS

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	5-8 years

Assets costing less than DKK 32.000 are expensed in the year of acquisition.

Gains and losses on the sale of items of property, plant and equipment are calculated as the difference between the selling price, less costs to sell, and the carrying amount at the time of sale. Gains or losses on the sale of items of property, plant and equipment are recognised in the income statement under other operating income or other operating expenses, respectively.

Stocks

Stocks are measured at cost using the weighted average method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct cost of labour and production/production overheads.

The net realisable value of stocks is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Receivables

Receivables are measured at amortised cost.

Income tax and deferred tax

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the net proceeds and the nominal value is recognised in the income statement over the term of the loan.

ANVENDT REGNSKABSPRAKSIS

Financial liabilities also include the capitalised residual finance lease commitment.

Other liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

RESULTATOPGØRELSE 1 JANUARY - 31 DECEMBER 2023

	Note	2023 DKK	2022 DKK
Gross profit		6.370.220	2.853.775
Staff costs	1	-3.028.294	-3.466.441
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-112.673	-86.775
Profit/loss before net financials		3.229.253	-699.441
Financial income		1.239.184	0
Financial costs	2	-278.815	-437.866
Profit/loss before tax		4.189.622	-1.137.307
Tax on profit/loss for the year	3	-515.485	133.780
Profit/loss for the year		3.674.137	-1.003.527
 Recommended appropriation of profit/loss			
Retained earnings		3.674.137	-1.003.527
		3.674.137	-1.003.527

BALANCE PR. 31 DECEMBER 2023

	Note	2023	2022
		DKK	DKK
ASSETS			
Goodwill		655.417	715.000
Intangible assets		655.417	715.000
Other fixtures and fittings, tools and equipment		103.277	103.362
Leasehold improvements		70.494	0
Tangible assets		173.771	103.362
Deposits		0	78.550
Fixed asset investments		0	78.550
Total non-current assets		829.188	896.912
Finished goods and goods for resale		4.816.458	7.365.348
Stocks		4.816.458	7.365.348
Trade receivables		2.007.490	1.656.320
Receivables from group companies		12.716.735	7.943.985
Other receivables		2.474	0
Prepayments		573.346	691.743
Receivables		15.300.045	10.292.048
Cash at bank and in hand		1.448.365	1.402.869
Total current assets		21.564.868	19.060.265
Total assets		22.394.056	19.957.177

BALANCE PR. 31 DECEMBER 2023

	Note	2023	2022
		DKK	DKK
EQUITY AND LIABILITIES			
Share capital		500.000	500.000
Retained earnings		3.042.020	-632.117
Equity		3.542.020	-132.117
Provision for deferred tax		125.667	0
Total provisions		125.667	0
Trade payables		852.619	1.005.039
Payables to group companies		16.088.011	18.261.947
Corporation tax		389.818	0
Other payables		1.395.921	822.308
Total current liabilities		18.726.369	20.089.294
Total liabilities		18.726.369	20.089.294
Total equity and liabilities		22.394.056	19.957.177

STATEMENT OF CHANGES IN EQUITY

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity	500.000	-632.117	-132.117
Net profit/loss for the year	0	3.674.137	3.674.137
Equity	<u>500.000</u>	<u>3.042.020</u>	<u>3.542.020</u>

NOTES

	2023	2022
	DKK	DKK
1 STAFF COSTS		
Wages and salaries	2.765.807	3.344.463
Pensions	244.689	104.938
Other social security costs	17.798	17.040
	3.028.294	3.466.441
 Number of fulltime employees on average	5	6
 2 FINANCIAL COSTS		
Other financial costs	7.439	24.853
Exchange adjustments costs	271.376	413.013
	278.815	437.866
 3 TAX ON PROFIT/LOSS FOR THE YEAR		
Current tax for the year	389.818	0
Deferred tax for the year	125.667	-133.780
	515.485	-133.780

- 4 CONTINGENT LIABILITIES**
The company has no contingent liabilities.

5 RELATED PARTIES AND OWNERSHIP STRUCTURE
Consolidated financial statements

The company is reflected in the group report as the parent company Astrak Group Limited

The group report of Astrak Group Limited can be obtained at the following address:

Wheatfield Road
Dunnikier Business Park
Kirkcaldy, KY1 3PD
Great Britain