

General Dynamics European Land Systems Denmark ApS

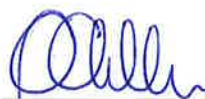
C/O TMF Denmark
H.C. Andersens Boulevard 38, 3. th
1553 København V

CVR No. 37389870

Annual Report 2023

8. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 24 June 2024



Giuseppe Chillari
Chairman

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Management's Statement

Today, Management has considered and adopted the Annual Report of General Dynamics European Land Systems Denmark ApS for the financial year 1 January 2023 - 31 December 2023.

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 assets, liabilities and financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January 2023 - 31 December 2023.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 24 June 2024

Executive Board



Giuseppe Chillari
Manager

Company details

Company	General Dynamics European Land Systems Denmark ApS C/O TMF Denmark H.C. Andersens Boulevard 38, 3. th 1553 København V
E-mail	www.gdels.com
CVR No.	37389870
Date of formation	15 January 2016
Financial year	1 January 2023 - 31 December 2023
Executive Board	Giuseppe Chillari

Management's Review

The Company's principal activities

The objects of the Company are services relating to the manufacture, production, servicing and support of military vehicles as well as any other activities related thereto.

Development in activities and the financial situation

The Company was established at the beginning of the financial year 2016. The main business objective of the Company is to support the business of General Dynamics European Land Systems - Mowag GmbH in the territory of Denmark. The Company started its core operation during the financial year 2017.

The Company's Income Statement of the financial year 1 January 2023 - 31 December 2023 shows a result of DKK 81.017 and the Balance Sheet at 31 December 2023 a balance sheet total of DKK 1.440.519 and an equity of DKK 981.865.

Post financial year events

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

Accounting Policies

Reporting Class

The annual report of General Dynamics European Land Systems Denmark ApS for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Reporting currency

The annual report is presented in Danish kroner.

General information

Basis of recognition and measurement

The financial statement have been prepared under the historical cost principle.

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

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

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Foreign Currency Translation policies

During the year, transactions in foreign currencies have been translated applying the exchange rate at the transaction date. If currency positions are considered hedge of future cash flows, the value adjustments are recognised directly in equity.

Receivables and debt denominated in foreign currencies have been recognised at the exchange rate of the balance sheet date.

Realised and unrealised exchange gains and losses have been recognised in the income statement under other financial income and expenses..

Accounting Policies

Income statement

Gross profit/loss

The Company has aggregated the items "revenue", "other operating income" as well as external expenses. As income recognition criterion, the completed contract method is applied so that revenue comprises invoiced revenue for the year. Revenue is measured at fair value excl. VAT and less granted goods and customer discounts.

Other operating income

Other operating income comprises items of a secondary nature to the activities of the enterprises, including profits on sale of intangible and tangible assets and refunds from public authorities.

External expenses

External expenses comprise selling costs, facility costs and administrative expenses.

Staff costs

Staff costs include wages and salaries including compensated absence and pension to the Companies employees, as well as other social security contributions etc.

Other operating expenses

Other operating expenses include financial statement items of a secondary nature in relation to the primary activity of the enterprise, including profit from sale of fixed assets.

Other financial income and other financial expenses

Financial income and expenses comprise interest, realised and unrealised exchange gains and losses as well as interest surcharge and interest reimbursements under the Danish Tax Prepayment Scheme.

Tax on profit or loss for the year income taxes

Tax on profit or loss for the year represents 22% of the book profit or loss adjusted for non-taxable and non-deductible items.

Tax on profit or loss for the year consists of the anticipated tax portion of the taxable income for the year adjusted for the changes for the year in deferred tax.

Balance sheet

The balance sheet has been presented in account form.

Fixed asset investments

Other receivables recognised under fixed assets comprise loans and rental deposits measured at amortised cost, which usually corresponds to nominal amount. In events when the carrying amount exceeds the recoverable amount, impairment for loss is made to such lower value. Impairment for loss for the year is recognised in the income statement as impairment for loss of financial assets.

Receivables

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Prepayments

Prepayments comprise costs incurred relating to subsequent financial years.

Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Accounting Policies

Dividends

Management's proposed dividends for the financial year is disclosed as a separate item in equity.

Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Provision has been made for deferred tax by 22%.

Deferred tax assets which are not expected utilised within a few years have been disclosed in notes under contingent asset.

The tax-based values of tax losses carried forward are included in the statement of deferred tax if it is probable that the losses can be utilised.

Other liabilities other than provisions

Other liabilities other than provisions have been measured at amortised cost which corresponds to nominal value.

Deferred income

Deferred income consist of income received relating to subsequent financial years.

Income Statement

	Note	2023 DKK	2022 DKK
Gross profit	1	1.263.759	1.840.057
Employee benefits expense	2	-1.131.341	-1.621.195
Profit from ordinary operating activities		132.418	218.862
Other finance income	3	15	0
Finance expenses	4	-1.304	-459
Profit from ordinary activities before tax		131.129	218.403
Tax expense on ordinary activities	5	-50.112	-48.157
Profit		81.017	170.246
Proposed distribution of results			
Retained earnings		81.017	170.246
Distribution of profit		81.017	170.246

Balance Sheet as of 31 December

	Note	2023 DKK	2022 DKK
Assets			
Long-term investments in group enterprises		16	16
Investments		<u>16</u>	<u>16</u>
Fixed assets		<u>16</u>	<u>16</u>
Short-term receivables from group enterprises		784.592	914.796
Short-term tax receivables		45.000	151.880
Other short-term receivables		57.843	7.064
Receivables		<u>887.435</u>	<u>1.073.740</u>
Cash and cash equivalents		<u>553.068</u>	<u>455.633</u>
Current assets		<u>1.440.503</u>	<u>1.529.373</u>
Assets		<u>1.440.519</u>	<u>1.529.389</u>

Balance Sheet as of 31 December

	Note	2023 DKK	2022 DKK
Liabilities and equity			
Contributed capital		50.000	50.000
Retained earnings		931.865	850.848
Equity		981.865	900.848
Payables to group enterprises		350.000	477.345
Tax payables		46.265	48.136
Other payables		62.389	103.060
Short-term liabilities other than provisions		458.654	628.541
Liabilities other than provisions within the business		458.654	628.541
Liabilities and equity		1.440.519	1.529.389
Contingent liabilities	6		
Collaterals and assets pledges as security	7		

Statement of changes in Equity

	Contributed capital	Retained earnings	Total
Equity 1 January 2023	50.000	850.848	900.848
Profit (loss)		81.017	81.017
Equity 31 December 2023	50.000	931.865	981.865

The share capital has remained unchanged for the last 5 years.

Notes

	2023 DKK	2022 DKK
1. Gross profit		
Revenue	<u>1.622.636</u>	<u>2.402.440</u>
External expenses	358.877	562.383
Costs	<u>358.877</u>	<u>562.383</u>
Gross profit	<u>1.263.759</u>	<u>1.840.057</u>
Gross profit in %	78%	77%
2. Employee benefit expenses		
Wages and salaries	938.473	1.419.993
Post-employment benefit expense	48.595	43.200
Social security contributions	4.688	8.291
Other employee expense	139.585	149.711
	<u>1.131.341</u>	<u>1.621.195</u>
Average number of employees	<u>1</u>	<u>1</u>
3. Other finance income		
Other finance income	15	0
	<u>15</u>	<u>0</u>
4. Finance expenses		
Other finance expenses	1.304	459
	<u>1.304</u>	<u>459</u>
5. Tax expense		
Corporate Tax Liability	50.112	48.157
	<u>50.112</u>	<u>48.157</u>
6. Contingent liabilities		
No contingent liabilities exist at the balance sheet date.		
7. Collaterals and securities		
No securities or mortgages exist at the balance sheet date.		