

R&D Engineering A/S

Sigma 3
8382 Hinnerup
CVR No. 37844136

Annual report 04.10.2020 - 31.12.2021

The Annual General Meeting adopted the
annual report on 31.05.2022



Birgit Andersen

Chairman of the General Meeting

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Entity details

Entity

R&D Engineering A/S

Sigma 3

8382 Hinnerup

Business Registration No.: 37844136

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 Engineering A/S 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
Birgit Andersen



Peter Kattai Ulrikkeholm



Monique Martins
Monique Martins

Emil Wolff



Independent auditor's report

To the shareholder of R&D Engineering A/S

Opinion

We have audited the financial statements of R&D Engineering A/S 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

Financial highlights

| | 2020/21 DKK'000 | 2019/20 DKK'000 | 2018/19 DKK'000 |
|---|--------------------|--------------------|--------------------|
| Key figures | | | |
| Gross profit/loss | 72,389 | 69,258 | 48,342 |
| Operating profit/loss | 6,619 | 7,948 | 3,910 |
| Net financials | (84) | (306) | (201) |
| Profit/loss for the year | 5,067 | 6,188 | 2,864 |
| Total assets | 28,441 | 26,555 | 30,494 |
| Investments in property, plant and equipment | 1,857 | 1,144 | 2,774 |
| Equity | 11,264 | 6,196 | 24 |
| Ratios | | | |
| Equity ratio (%) | 39.60 | 23.33 | 0.08 |

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium) this is the reason why the key figures is not disclosed in the financial years before 2018/19.

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

Equity ratio (%):

Equity * 100

Total assets

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 5,067,483 against DKK 6,187,729 for the period 01.07.19 - 03.10.20. The management considers the net profit for the year to be satisfying.

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

Profit/loss for the year in relation to expected developments

The profit for 2021 is in line with the outlook communicated in the annual report 2020.

Outlook

Management's expectation for the profit in 2022 to be in the same level as 2020/21.

Knowledge resources

R&D Engineering A/S employs a highly educated workforce, primarily within the engineering disciplines to design and manufacture test systems, primarily for the wind industry. During the financial year, the company introduced project manager training as well as Techlead training to ensure the continued professional development of the staff

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 |
|--|-------|-------------------|-------------------|
| Gross profit/loss | | 72,389,347 | 69,257,980 |
| Staff costs | 2 | (63,167,339) | (58,476,791) |
| Depreciation, amortisation and impairment losses | | (2,602,719) | (2,832,871) |
| Operating profit/loss | | 6,619,289 | 7,948,318 |
| Income from investments in group enterprises | | 0 | 244,092 |
| Other financial income | 3 | 28,459 | 26,924 |
| Other financial expenses | 4 | (112,438) | (332,463) |
| Profit/loss before tax | | 6,535,310 | 7,886,871 |
| Tax on profit/loss for the year | 5 | (1,467,827) | (1,699,142) |
| Profit/loss for the year | 6 | 5,067,483 | 6,187,729 |

Balance sheet at 31.12.2021

Assets

| | Notes | 2020/21 DKK | 2019/20 DKK |
|--|----------|-------------------|-------------------|
| Acquired intangible assets | | 135,391 | 349,003 |
| Intangible assets | 7 | 135,391 | 349,003 |
| Other fixtures and fittings, tools and equipment | | 3,177,678 | 3,597,655 |
| Property, plant and equipment | 8 | 3,177,678 | 3,597,655 |
| Investments in group enterprises | | 238,525 | 238,525 |
| Financial assets | 9 | 238,525 | 238,525 |
| Fixed assets | | 3,551,594 | 4,185,183 |
| Trade receivables | | 18,900,181 | 14,767,972 |
| Contract work in progress | 10 | 3,413,287 | 3,914,448 |
| Deferred tax | 11 | 194,679 | 0 |
| Prepayments | 12 | 1,170,457 | 1,895,224 |
| Receivables | | 23,678,604 | 20,577,644 |
| Cash | | 1,211,055 | 1,792,613 |
| Current assets | | 24,889,659 | 22,370,257 |
| Assets | | 28,441,253 | 26,555,440 |

Equity and liabilities

| | Notes | 2020/21 DKK | 2019/20 DKK |
|--|-------|-------------------|-------------------|
| Contributed capital | | 500,000 | 500,000 |
| Reserve for net revaluation according to the equity method | | 228,679 | 228,679 |
| Retained earnings | | 10,534,849 | 5,467,366 |
| Equity | | 11,263,528 | 6,196,045 |
| Deferred tax | 11 | 0 | 560,801 |
| Provisions | | 0 | 560,801 |
| Lease liabilities | | 492,478 | 941,410 |
| Other payables | | 4,224,044 | 4,148,799 |
| Non-current liabilities other than provisions | | 4,716,522 | 5,090,209 |
| Lease liabilities | | 361,147 | 341,467 |
| Payables to other credit institutions | | 259,269 | 537 |
| Contract work in progress | 10 | 506,540 | 851,684 |
| Trade payables | | 2,437,096 | 2,539,784 |
| Payables to group enterprises | | 1,436,981 | 1,012,320 |
| Tax payable | | 2,223,307 | 1,460,041 |
| Other payables | | 5,236,863 | 8,502,552 |
| Current liabilities other than provisions | | 12,461,203 | 14,708,385 |
| Liabilities other than provisions | | 17,177,725 | 19,798,594 |
| Equity and liabilities | | 28,441,253 | 26,555,440 |
| Events after the balance sheet date | 1 | | |
| Unrecognised rental and lease commitments | 13 | | |
| Contingent liabilities | 14 | | |
| Assets charged and collateral | 15 | | |
| Related parties with controlling interest | 16 | | |

Statement of changes in equity for 2020/21

| | Contributed capital DKK | Reserve for net revaluation according to the equity method DKK | Retained earnings DKK | Total DKK |
|---------------------------|----------------------------|---|--------------------------|-------------------|
| Equity beginning of year | 500,000 | 228,679 | 5,467,366 | 6,196,045 |
| Profit/loss for the year | 0 | 0 | 5,067,483 | 5,067,483 |
| Equity end of year | 500,000 | 228,679 | 10,534,849 | 11,263,528 |

Notes

1 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.

2 Staff costs

| | 2020/21 DKK | 2019/20 DKK |
|---------------------------------------|-------------------|-------------------|
| Wages and salaries | 55,935,513 | 52,468,488 |
| Pension costs | 185,936 | 87,822 |
| Other social security costs | 299,063 | 185,995 |
| Other staff costs | 6,746,827 | 5,734,486 |
| | 63,167,339 | 58,476,791 |
| Average number of full-time employees | 70 | 65 |

3 Other financial income

| | 2020/21 DKK | 2019/20 DKK |
|---|----------------|----------------|
| Financial income from group enterprises | 6,907 | 0 |
| Exchange rate adjustments | 21,552 | 26,924 |
| | 28,459 | 26,924 |

4 Other financial expenses

| | 2020/21 DKK | 2019/20 DKK |
|---|----------------|----------------|
| Financial expenses from group enterprises | 0 | 199,288 |
| Other interest expenses | 111,716 | 128,345 |
| Other financial expenses | 722 | 4,830 |
| | 112,438 | 332,463 |

5 Tax on profit/loss for the year

| | 2020/21 DKK | 2019/20 DKK |
|------------------------|------------------|------------------|
| Current tax | 2,223,307 | 1,460,041 |
| Change in deferred tax | (755,480) | 239,101 |
| | 1,467,827 | 1,699,142 |

6 Proposed distribution of profit and loss

| | 2020/21 DKK | 2019/20 DKK |
|-------------------|------------------|------------------|
| Retained earnings | 5,067,483 | 6,187,729 |
| | 5,067,483 | 6,187,729 |

7 Intangible assets

| | Acquired intangible assets DKK |
|---|---|
| Cost beginning of year | 2,981,379 |
| Additions | 148,401 |
| Cost end of year | 3,129,780 |
| Amortisation and impairment losses beginning of year | (2,632,376) |
| Amortisation for the year | (362,013) |
| Amortisation and impairment losses end of year | (2,994,389) |
| Carrying amount end of year | 135,391 |

8 Property, plant and equipment

| | Other fixtures and fittings, tools and equipment DKK |
|---|--|
| Cost beginning of year | 8,281,740 |
| Additions | 1,856,965 |
| Disposals | (684,593) |
| Cost end of year | 9,454,112 |
| Depreciation and impairment losses beginning of year | (4,684,085) |
| Depreciation for the year | (2,240,706) |
| Reversal regarding disposals | 648,357 |
| Depreciation and impairment losses end of year | (6,276,434) |
| Carrying amount end of year | 3,177,678 |

9 Financial assets

| | Investments in group enterprises DKK |
|------------------------------------|---|
| Cost beginning of year | 9,846 |
| Cost end of year | 9,846 |
| Revaluations beginning of year | 228,679 |
| Revaluations end of year | 228,679 |
| Carrying amount end of year | 238,525 |

| Investments in subsidiaries | Registered in | Equity interest % |
|-----------------------------------|---------------|-------------------------|
| RDGDK Engineering Private Limited | India | 99.99 |

10 Contract work in progress

| | 2020/21 DKK | 2019/20 DKK |
|---|------------------|------------------|
| Contract work in progress | 8,914,645 | 11,037,074 |
| Progress billings regarding contract work in progress | (6,007,898) | (7,974,310) |
| Transferred to liabilities other than provisions | 506,540 | 851,684 |
| | 3,413,287 | 3,914,448 |

11 Deferred tax

| Changes during the year | 2020/21 DKK |
|------------------------------------|----------------|
| Beginning of year | (560,801) |
| Recognised in the income statement | 755,480 |
| End of year | 194,679 |

Deferred tax assets

Deferred tax relates to intangible assets, property, plant and equipment, contract work in progress and other provisions.

12 Prepayments

Prepayments consist of prepaid expenses, including insurance.

13 Unrecognised rental and lease commitments

| | 2020/21 DKK | 2019/20 DKK |
|--|----------------|----------------|
| Liabilities under rental or lease agreements until maturity in total | 2,389,203 | 1,670,950 |

14 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.

15 Assets charged and collateral

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 99,677 at the balance sheet date.

16 Related parties with controlling interest

MTS Systems Danmark ApS owns all shares in the Entity, thus exercising control.

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 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.

Consolidated financial statements

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

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.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are recognised directly in the translation reserve in equity.

Public grants

Public grants are recognised when a final commitment has been received from the grantor and it is probable that the conditions of the grant will be fulfilled. Grants are recognised when there is reasonable certainty that the grant conditions have been met and that the grant will be received.

Grants to cover expenses incurred are recognised on a proportionate basis in the income statement over the period in which the expenses eligible for grants are expensed. Grants are recognised under other operating income.

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).

Other operating income

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

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.

Income from investments in group enterprises

Income from investments in group enterprises comprises dividends etc received from the individual group enterprises in the financial year.

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.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Intellectual property rights etc**

Intellectual property rights etc comprise development projects completed and acquired intellectual property rights.

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 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

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:

| | |
|--|-----------|
| Other fixtures and fittings, tools and equipment | 3-8 years |
|--|-----------|

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

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 according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to the reserve for net revaluation according to the equity method in equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

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.

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.

Prepayments

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

Cash

Cash comprises bank deposits.

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.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

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

Tax receivable or payable

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

Cash flow statement

In pursuance of section 86 of the Danish Financial Statements Act, the preparation of cash flow statement is excluded as it contained in the cash flow statement for the ultimate parent company Illinois Tool Works Inc., Illinois, USA.