

R&D Tools And Structures A/S

Sigma 3
8382 Hinnerup
CVR No. 37844152

Annual report 2022

The Annual General Meeting adopted the
annual report on 14.06.2023

Emil Wolff

Chairman of the General Meeting

Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2022	8
Balance sheet at 31.12.2022	9
Statement of changes in equity for 2022	11
Notes	12
Accounting policies	14

Entity details

Entity

R&D Tools And Structures A/S

Sigma 3

8382 Hinnerup

Business Registration No.: 37844152

Registered office: Favrskov

Financial year: 01.01.2022 - 31.12.2022

Board of Directors

Guilherme Silva, chairman

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 Tools And Structures A/S for the financial year 01.01.2022 - 31.12.2022.

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 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022.

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, 14.06.2023

Executive Board

Peter Kattai Ulrikkeholm
CEO

Board of Directors

Guilherme Silva
chairman

Peter Kattai Ulrikkeholm

Monique Martins

Emil Wolff

Independent auditor's report

To the shareholder of R&D Tools And Structures A/S

Opinion

We have audited the financial statements of R&D Tools And Structures A/S for the financial year 01.01.2022 - 31.12.2022, 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 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022 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, 14.06.2023

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Henrik Vedel

State Authorised Public Accountant
Identification No (MNE) mne10052

Mikael Møller

State Authorised Public Accountant
Identification No (MNE) mne47835

Management commentary

Primary activities

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

Development in activities and finances

The income statement for the period 01.01.22 - 31.12.22 shows a loss of DKK 182,849 against DKK 587,088 for the period 04.10.20 - 31.12.21. The balance sheet shows equity of DKK -4,816,196

The management considers the net profit for the year to be disappointing.

The company is covered by the provisions of section 119 of the Danish Companies Act regarding capital losses. As mentioned in last year's financial statement management adjusted the activity in the company, which resulted in a limited residual activity. During the financial year the activity has continued to be limited and management are currently exploring opportunities for a merger within the Group.

A statement of support has been given by the parent company. MTS Systems Danmark ApS will make the necessary liquidity available for the company's continued operations. The management expect that the company has the required liquidity to be going concern on the basis of the group's expectation for 2023 as well as the group's capital resources.

Please refer to note 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.

Income statement for 2022

	Notes	2022 DKK	2020/21 DKK
Gross profit/loss		(76,602)	(327,789)
Staff costs	2	0	(217,948)
Operating profit/loss		(76,602)	(545,737)
Other financial income		0	2,458
Other financial expenses	3	(157,593)	(242,946)
Profit/loss before tax		(234,195)	(786,225)
Tax on profit/loss for the year	4	51,346	199,137
Profit/loss for the year		(182,849)	(587,088)
Proposed distribution of profit and loss			
Retained earnings		(182,849)	(587,088)
Proposed distribution of profit and loss		(182,849)	(587,088)

Balance sheet at 31.12.2022

Assets

	Notes	2022 DKK	2020/21 DKK
Investments in group enterprises		101	101
Financial assets	5	101	101
Fixed assets		101	101
Receivables from group enterprises		443,923	487,832
Deferred tax		303,183	251,836
Other receivables		0	25,668
Income tax receivable		0	315,632
Receivables		747,106	1,080,968
Cash		0	673,772
Current assets		747,106	1,754,740
Assets		747,207	1,754,841

Equity and liabilities

	Notes	2022 DKK	2020/21 DKK
Contributed capital		500,000	500,000
Retained earnings		(5,316,196)	(5,133,347)
Equity		(4,816,196)	(4,633,347)
Other provisions		120,909	0
Provisions		120,909	0
Trade payables		30,000	25,500
Payables to group enterprises	6	5,412,494	6,246,108
Other payables		0	116,580
Current liabilities other than provisions		5,442,494	6,388,188
Liabilities other than provisions		5,442,494	6,388,188
Equity and liabilities		747,207	1,754,841
Going concern	1		
Contingent liabilities	7		
Assets charged and collateral	8		

Statement of changes in equity for 2022

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	500,000	(5,133,347)	(4,633,347)
Profit/loss for the year	0	(182,849)	(182,849)
Equity end of year	500,000	(5,316,196)	(4,816,196)

Notes

1 Going concern

The company yielded a loss in the financial year 2022 and has been in a state of loss of capital for two consecutive years. The management expect that the company has the required liquidity to be going concern on the basis of the group's expectations for 2023 as well as the group's capital resources.

A statement of support has been given by the parent company. MTS Systems Danmark ApS will make the necessary liquidity available for the company's continued operations.

On that basis, the management has presented the annual report assuming going concern.

2 Staff costs

	2022	2020/21
	DKK	DKK
Wages and salaries	0	215,483
Pension costs	0	22,035
Other social security costs	0	(18,640)
Other staff costs	0	(930)
	0	217,948
Average number of full-time employees	0	0

3 Other financial expenses

	2022	2020/21
	DKK	DKK
Financial expenses from group enterprises	153,201	237,980
Other interest expenses	4,392	4,966
	157,593	242,946

4 Tax on profit/loss for the year

	2022	2020/21
	DKK	DKK
Current tax	0	(315,632)
Change in deferred tax	(51,346)	116,495
	(51,346)	(199,137)

5 Financial assets

	Investments in group enterprises DKK
Cost beginning of year	101
Cost end of year	101
Carrying amount end of year	101

6 Payables to group enterprises

The company, together with other group companies, engages in cash pool arrangements where other companies are liable to the bank. Deposits and debts in relation to the cash pool scheme are accepted as intra-group receivables and debt, respectively. At 31 December 2022, the item payables from group enterprises includes an amount of DKK 5.413k, which is drawn on the cash pool arrangement.

7 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where ITW Denmark 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.

8 Assets charged and collateral

The company has not provided any security over assets.

Accounting policies

Reporting class

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

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

Non-comparability

There is non-comparability between this year's figures and the comparative figures, as items from the previous year are based on a period of 15 months whereas the current year's items are based on a period of 12 months.

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.

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.

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.

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**Investments in group enterprises**

Investments in group enterprises are measured at cost. Investments 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.

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.

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

Cash comprises bank deposits.

Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments, returns, loss on contract work in progress, decided and published restructuring, etc.

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.

Once it is probable that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

Other financial liabilities

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