

Plasser Scandinavia A/S

Lyngbyvej 421, 2820 Gentofte

Company reg. no. 38 17 27 78

Annual report

1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 27 May 2024.

Peter Sonne
Chairman of the meeting

Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that EUR 146.940 corresponds to the English amount of EUR 146,940, and that 23,5 % corresponds to 23.5 %.

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Management's statement

Today, the board of directors and the managing director have presented the annual report of Plasser Scandinavia A/S for the financial year 1 January - 31 December 2023.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2023 and of the company's results of activities in the financial year 1 January – 31 December 2023.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved at the Annual General Meeting.

Gentofte, 27 May 2024

Managing Director

Peter Sonne

Board of directors

Thorsten Bode
Chairman

Thomas Trawnika

Wolfgang Rupert Fally

Independent auditor's report

To the Shareholder of Plasser Scandinavia A/S

Opinion

We have audited the financial statements of Plasser Scandinavia 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, for the Company. 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 financial position of the Company 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 conclusion

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' 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 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.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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 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.

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.

Independent auditor's report

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 Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen V, 27 May 2024

RSM Danmark

Statsautoriseret Revisionspartnerselskab
Company reg. no. 25 49 21 45

Peter Arent Benkjer

State Authorised Public Accountant
mne35785

Company information

The company	Plasser Scandinavia A/S Lyngbyvej 421 2820 Gentofte
	Company reg. no. 38 17 27 78 Established: 31 October 2016 Domicile: Gentofte Financial year: 1 January - 31 December
Board of directors	Thorsten Bode, Chairman Thomas Trawnika Wolfgang Rupert Fally
Managing Director	Peter Sonne
Auditors	RSM Danmark Statsautoriseret Revisionspartnerselskab Ved Vesterport 6, 5. sal 1612 København V
Parent company	Plasser & Theurer Beteiligungs- und Finanzierungs-Aktiengesellschaft

Management's review

The principal activities of the company

Like previous years, the activities comprise in manufacturing, sale, service and operation of railway construction machinery and railroad tracks.

Development in activities and financial matters

The gross profit for the year totals EUR 1.529.868 against EUR 1.015.237 last year. Income or loss from ordinary activities after tax totals EUR 893.361 against EUR 279.063 last year. Management considers the net profit or loss for the year satisfactory.

Events occurring after the end of the financial year

No events have occurred after the end of the financial year that could significantly upset the company's financial position.

Accounting policies

The annual report for Plasser Scandinavia A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from the previous year, and the annual report is presented in euro (EUR).

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Income statement

Gross profit

Gross profit comprises the revenue, cost of sales, changes in inventories and external costs.

Accounting policies

Income from sale of good is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Income from sale of services is recognised in the income statement as delivery takes place (delivery method). Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating debt and transactions in foreign currency.

Results from investments in subsidiaries and associates as well as participating interest

Dividend from investments in subsidiaries and associates as well as participating interest is recognised in the financial year in which the dividend is declared.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Accounting policies

Statement of financial position

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment. Land is not subject to depreciation.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

Other fixtures and fittings, tools and equipment	3-5 years
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Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Leases

The enterprise will be applying IAS 17 as its base of interpretation for recognition of classification and recognition of leases.

At their initial recognition in the statement of financial position, leases concerning property, plant, and equipment where the company holds all essential risks and advantages associated with the proprietary right (finance lease) are measured either at fair value of the asset being leased or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the discount rate used is the internal rate of return of the lease or, alternatively, the borrowing rate of the enterprise. Hereafter, assets held under a finance lease are treated in the same way as other similar property, plant, and equipment.

The capitalised residual lease commitment is recognised in the statement of financial position as a liability other than provisions, and the interest part of the lease is recognised in the income statement for the term of the contract.

All other leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Accounting policies

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in subsidiaries, associates og participating interest are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Leasehold improvements

Leasehold improvements are measured at cost less accrued depreciations. Depreciation is done on a straightline basis over the estimated useful life of the asset, which is set at 5 years.

Investments

Investments in subsidiaries and associates as well as participating interest

Investments in subsidiaries and associates as well as participating interest arerecognised and measured at cost. If the recoverable amount is lower than the cost price, it shall be written down for impairment to this lower value.

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Inventories

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

The net realisable value for inventories is recognised as the estimated selling price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Accounting policies

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on demand deposits

Cash on demand deposits comprise cash at bank.

Equity

Share premium

Share premium comprises premium payments made in connection with the issue of shares. Costs incurred for carrying through an issue are deducted from the premium.

The premium reserve can be used for dividend, for issuing bonus shares, and for covering losses.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Accounting policies

Provisions

Provisions comprise expected costs of warranty commitments, loss on work in progress, restructuring, etc. Provisions are recognised when the company has a legal or actual commitment resulting from a previously occurred event and when it is probable that the settlement of the liability will result in consumption of the financial resources of the company.

Provisions are measured at net realisable value or at fair value. If the fulfilment of a liability is expected to take place far in the future, the liability is measured at fair value.

Guarantee liabilities comprise liabilities for repairs within the guarantee period of 1-5 years. Provisions for warranty commitments are measured on basis of the obtained experience with guarantee work. Provisions with an expected due date later than 1 year from the reporting date are discounted at a rate reflecting risk and maturity of the liability.

On the acquisition of entities, provisions for restructuring within the acquired entity are included in the acquisition cost, and thereby in the goodwill or the consolidated goodwill, to the extent that they have been recognised in the financial statements of the acquired entity in advance of the acquisition. Provisions for restructuring are included to the extent that they have been decided at the date of acquisition at the latest and that the process have been commenced.

When it is likely that the total costs will exceed the total income of contract work in progress, the total expected loss on the contract work in progress will be recognised as provisions for liabilities. The provision is recognised under production costs.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 January - 31 December

All amounts in EUR.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Gross profit	1.529.868	1.015.237
1 Staff costs	-968.352	-778.572
Depreciation and impairment of property, land, and equipment	-24.197	-10.095
Operating profit	537.319	226.570
Income from equity investments in subsidiaries	454.160	226.727
Other financial income	2.520	25.343
Impairment of financial assets	0	-122.299
Other financial costs	-13.905	-21.678
Pre-tax net profit or loss	980.094	334.663
Tax on net profit or loss for the year	-86.733	-55.600
Net profit or loss for the year	893.361	279.063
Proposed distribution of net profit:		
Transferred to retained earnings	893.361	279.063
Total allocations and transfers	893.361	279.063

Balance sheet at 31 December

All amounts in EUR.

Assets		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Non-current assets		
2 Other fixtures, fittings, tools and equipment	70.297	35.249
3 Leasehold improvements	11.976	8.983
Total property, plant, and equipment	<u>82.273</u>	<u>44.232</u>
4 Investments in group enterprises	843.896	843.896
5 Investment in participating interest	2.927.899	2.927.899
6 Deposits	43.409	40.509
Total investments	<u>3.815.204</u>	<u>3.812.304</u>
Total non-current assets	<u>3.897.477</u>	<u>3.856.536</u>
Current assets		
Manufactured goods and goods for resale	600.448	537.518
Total inventories	<u>600.448</u>	<u>537.518</u>
Trade receivables	816.030	1.662.467
Receivables from group enterprises	271.001	195.529
Deferred tax assets	7.209	20.396
Income tax receivables	16.738	54.600
Other receivables	742.706	400.491
Prepayments and accrued income	7.386	3.042
Total receivables	<u>1.861.070</u>	<u>2.336.525</u>
Cash on hand and demand deposits	3.180.125	2.985.566
Total current assets	<u>5.641.643</u>	<u>5.859.609</u>
Total assets	<u>9.539.120</u>	<u>9.716.145</u>

Balance sheet at 31 December

All amounts in EUR.

Equity and liabilities	<u>2023</u>	<u>2022</u>
<u>Note</u>		
Equity		
Contributed capital	2.152.198	2.152.198
Share premium	2.175.338	2.175.338
Retained earnings	4.104.702	3.211.341
Total equity	<u>8.432.238</u>	<u>7.538.877</u>
Provisions		
Provisions for pensions and similar obligations	16.801	16.801
Total provisions	<u>16.801</u>	<u>16.801</u>
Liabilities other than provisions		
Bank loans	3.527	0
Trade payables	74.115	483.890
Payables to group enterprises	694.058	1.440.502
Other payables	318.381	236.075
Total short term liabilities other than provisions	<u>1.090.081</u>	<u>2.160.467</u>
Total liabilities other than provisions	<u>1.090.081</u>	<u>2.160.467</u>
Total equity and liabilities	<u>9.539.120</u>	<u>9.716.145</u>

7 Charges and security

8 Contingencies

Statement of changes in equity

All amounts in EUR.

	<u>Contributed capital</u>	<u>Share premium</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2022	2.152.198	2.175.338	2.932.278	7.259.814
Retained earnings for the year	<u>0</u>	<u>0</u>	<u>279.063</u>	<u>279.063</u>
Equity 1 January 2023	2.152.198	2.175.338	3.211.341	7.538.877
Retained earnings for the year	<u>0</u>	<u>0</u>	<u>893.361</u>	<u>893.361</u>
	<u>2.152.198</u>	<u>2.175.338</u>	<u>4.104.702</u>	<u>8.432.238</u>

Notes

All amounts in EUR.

	<u>2023</u>	<u>2022</u>
1. Staff costs		
Salaries and wages	890.930	711.715
Pension costs	70.783	59.587
Other costs for social security	<u>6.639</u>	<u>7.270</u>
	<u>968.352</u>	<u>778.572</u>
Average number of employees	<u>9</u>	<u>7</u>
2. Other fixtures, fittings, tools and equipment		
Cost 1 January 2023	135.262	98.923
Additions during the year	83.008	36.339
Disposals during the year	<u>-74.931</u>	<u>0</u>
Cost 31 December 2023	<u>143.339</u>	<u>135.262</u>
Amortisation and write-down 1 January 2023	-100.013	-91.535
Amortisation and depreciation for the year	-17.677	-8.478
Reversal of depreciation, amortisation and impairment loss, assets disposed of	<u>44.648</u>	<u>0</u>
Amortisation and write-down 31 December 2023	<u>-73.042</u>	<u>-100.013</u>
Carrying amount, 31 December 2023	<u>70.297</u>	<u>35.249</u>
3. Leasehold improvements		
Cost 1 January 2023	10.600	0
Additions during the year	<u>5.517</u>	<u>10.600</u>
Cost 31 December 2023	<u>16.117</u>	<u>10.600</u>
Depreciation and write-down 1 January 2023	-1.617	0
Amortisation and depreciation for the year	<u>-2.524</u>	<u>-1.617</u>
Depreciation and write-down 31 December 2023	<u>-4.141</u>	<u>-1.617</u>
Carrying amount, 31 December 2023	<u>11.976</u>	<u>8.983</u>

Notes

All amounts in EUR.

	<u>31/12 2023</u>	<u>31/12 2022</u>
4. Investments in group enterprises		
Cost 1 January 2023	1.800.000	1.800.000
Cost 31 December 2023	1.800.000	1.800.000
Writedown, opening balance 1 January 2023	-956.104	-853.727
Correction of previous writedown	0	-102.377
Writedown 31 December 2023	-956.104	-956.104
Carrying amount, 31 December 2023	843.896	843.896
5. Investment in participating interest		
Cost 1 January 2023	2.927.899	0
Additions during the year	0	2.927.899
Cost 31 December 2023	2.927.899	2.927.899
Carrying amount, 31 December 2023	2.927.899	2.927.899
6. Deposits		
Cost 1 January 2023	40.509	23.918
Additions during the year	2.900	16.591
Cost 31 December 2023	43.409	40.509
Carrying amount, 31 December 2023	43.409	40.509
7. Charges and security		
For bank loans the company has provided security representing a value of EUR 21.468 in Cash on hand and demand deposits.		

Notes

All amounts in EUR.

8. Contingencies

Contingent liabilities

Lease liabilities

The company has entered into operational leases with an average annual lease payment of EUR 9.795. The total outstanding lease payments are EUR 45.609.

In addition, the company has entered into a rental agreement, where there is an obligation for a minimum of 47 months, which in total amounts to EUR 199.663.