ANNUAL
REPORT 2023
PI Group




PROCESS INTEGRATION

Process Integration Holding ApS
Godthåbsvej 21
DK-8660 Skanderborg
CVR No. 39 83 08 33

The Annual Report was presented and approved at the Annual General Meeting of the Company on 17 May 2024
Chairman: Sti Løvgreen

Our Values of Integration, Innovation, and Integrity elevated an exciting 2023

At PI Group, we look back on 2023 with pride and joy as a year of continued expansion on a global scale. We solidified our presence across a broader spectrum of industries and ventured into new markets.

In Denmark, we bolstered our leadership team, providing additional support to our departments worldwide. With significant growth across all divisions, we're thrilled about our expansion.

Process Integration, Denmark (2015): Approaching a team of nearly 40 professionals based in Skanderborg and Vejle, we've welcomed numerous new talents. It's crucial for us to seamlessly integrate our new colleagues while upholding our strong culture of openness, collaboration, and flexibility, both internally and towards our clients. The majority of our team comprises technically proficient individuals, complemented by a range of support functions.

Process Installation, Norway (2017): Our installation team ensures a smooth implementation and operation of our solutions. With over 30 dedicated employees, they handle a wide array of tasks, from the expansion and upgrading of existing facilities to the installation of new production lines and subsequent servicing. Supported by highly experienced supervisors, the team prioritizes safety and meeting or exceeding client expectations.

Process Integration, Chile (2020): In Chile, the fishing industry plays a vital role. Our team of 11 brings extensive experience in supplying technology for extruded feed production, and their process expertise and facility knowledge have proven valuable in other sectors where we've established a foothold.

Process Integration Inc. (2022): The establishment of our office in the USA has brought us closer to our global customers, introduced us to skilled American colleagues, and expanded our customer base. We eagerly anticipate further development in this market.

With new colleagues on board and five offices established, we're nearing a team of 90 professionals, feeling well-equipped to seize future opportunities and serve our clients effectively.

Lars Johansen
CEO PI Group, Partner

Contents

Here at Process Integration, we see ourselves not only as a supplier or a contractor, but as a trusted partner

A clear mission

Our mission is to build long-lasting partnerships with our customers and help you reach your goals.

We believe that any project, whether it is a new factory, replacement or optimization of an existing facility, should include future opportunities with a holistic approach and 360° view of the facility.

In order to achieve the highest possible plant efficiency and the lowest possible life cycle cost, we focus on the interactions between different existing and new units.

Our job is to ensure the most efficient and sustainable production from an economic and environmental point of view.

Experienced integration

We are an experienced team of engineers and designers that undertakes all types of projects within the feed and food industry.

Our team members bring many years of practical, hands-on experience from the industry and understand the challenges of optimizing the integrated processes of feed and food manufacturing.

We take pride in finding the best solution for our customers, always paying the utmost attention to the customer- and site-specific requirements and local regulations.

Lars Johansen, PI Group CEO, says:
"We never leave our customer alone and strive to have a long-term relationship with all our customers"

Whatever the challenge, we always aim to identify opportunities and find the best overall solution to meet customer requirements. Our goal is to ensure that the chosen solution will meet your expectations as a minimum.

From desk idea to implementation

As part of our group, we can implement the equipment in your facility through our installation business in Process Integration ApS, or from our sister company Process Installation AS, Norway.

To ensure an on-time installation and start-up, our experienced supervisors work with either our entire installation crew including third party installation team and manage the site throughout the project, in close contact with the project managers.

Due to this unique setup, Process Integration can handle new projects from a desk idea to final design and implementation – your project is safe in our hands!

Business Review

The purpose of the parent company is to own capital shares and other related business.
The group's purpose is to run an engineering business with advice and assistance within production, mechanical engineering, project management and related business, including the purchase, sale and installation of machines and equipment.

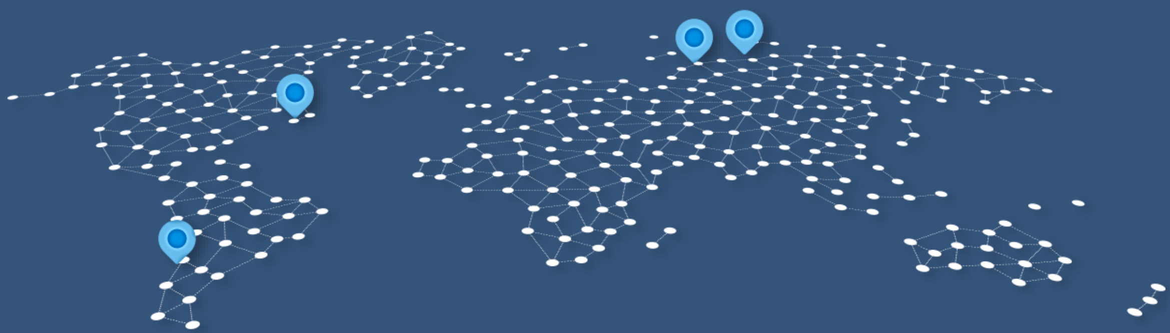
Financial review

The group's income statement for the year ended 31 December 2023 shows a profit of TDKK 15,286, and the balance sheet at 31 December 2023 shows equity of TDKK 40,754.

Expected development of the company, including specific prerequisites and uncertainties

The company expects activity and a result for 2024 on a level with 2023.

The group is not considered to be exposed to significant risks that cannot be expected as part of the company's normal operations. The company is not particularly exposed to financial risks.



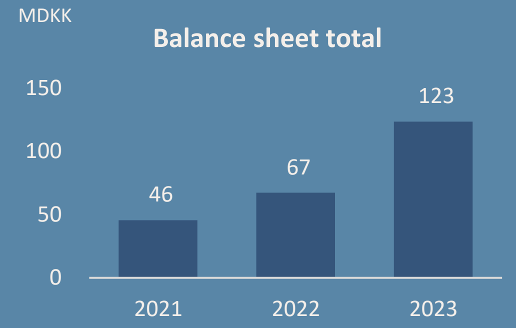
Process Integration Group
Since 2015, when we started our business in Denmark, we have grown and are now represented in four countries.

Financial highlights at Process Integration Holding ApS

Seen over a 3-year period, the development of the Group may be described by means of the following financial highlights:

	Group		
	2023	**2022**	**2021**
	TDKK	TDKK	TDKK
Key figures			
Gross profit/loss	61,389	52,654	40,910
Profit before amortisation/depreciation and impairment losses	20,708	16,559	15,261
Profit/loss before net financials	19,869	15,914	14,758
Profit/loss for the year	15,286	12,043	10,847
Balance sheet total	123,444	67,193	45,584
Investment in property, plant and equipment	(1,729)	(5,007)	(1,025)
Equity	40,754	32,468	27,242
- operating activities	53,297	12,841	11,555
- investing activities	(1,729)	(5,007)	(1,025)
- financing activities	(6,981)	(8,031)	(5,905)
Number of employees	75	62	41
Financial ratios			
Return on assets	20.8%	28.2%	64.8%
Solvency ratio	33.0%	48.3%	59.8%
Return on equity	41.8%	40.3%	41.8%

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see the summary of significant accounting policies.



One-stop project solutions

From basic design to final handover.

We undertake all types of projects from upgrading or optimizing existing lines to turnkey plants

In close cooperation with our customers and international supplier network, who are all specialists in their field, Process Integration ensures smooth project implementation and a solution that meets all requirements and expectations of quality, capacity, schedule and budget.

Process Integration delivers equipment, single machinery, system solutions, upgrade of existing production lines and turnkey solutions.

Whether you are planning to build a new production plant or modifying an existing process facility, we have the knowledge and your close partner in all the execution phases.

Optimize implementation time and cost by using the right resources at the right time, no more nor less.

We can advise you on how to optimize the design and the performance of your production facilities and plant solutions, solve challenges with the existing production, meet new regulation, quality or environment standards and handle changes or increase in production.

Industries

Aqua Feed

Process equipment and production lines manufacturing extruded or pelletized feed.

Pet Food

Process equipment and production lines manufacturing extruded dry pet food, as well as wet canned pet foods.

Sustainable Proteins

Feeding the world's animals proteins through the process of manufacturing feeds.

Liquid Food & Beverages

Developing hygienic processes for all kinds of food applications.

Service & Spare Parts

We can support you with the right spares and service for keeping your plant optimized.

Our focus on environment, health and safety (EHS)

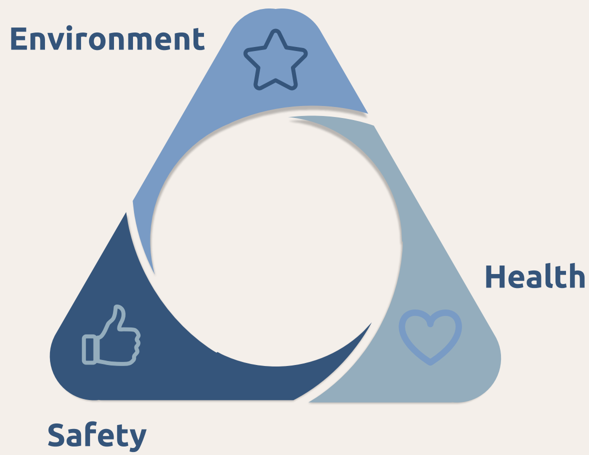
The goal of the working environment work is to create a good physical and psychosocial working environment, which ensures that all employees can do their work safely and healthy. It also creates well-being and an environment where our employees get the possibility for personal and professional development.

Our employees undergo thorough instruction and training to familiarize themselves with the specific health and safety protocols mandated by local authorities. This includes the introduction of the use of personal protective equipment (PPE), safe handling of equipment and materials, and emergency procedures.

Regular safety inspections and audits are conducted to assess compliance and identify areas for improvement. Any concerns or deviations from established safety standards are promptly addressed to mitigate risks and ensure the well-being of our workforce and other personnel onsite.

By prioritizing health and safety measures and providing continuous training and support, we demonstrate our unwavering commitment to creating a safe working environment for all employees at every stage of our construction projects.

We believe that good cooperation and happy employees make a difference. It is the professional engagement and consideration in our work that make the difference. By this, we deliver the best solutions on time and for the success of our customers.



Integrating sustainability

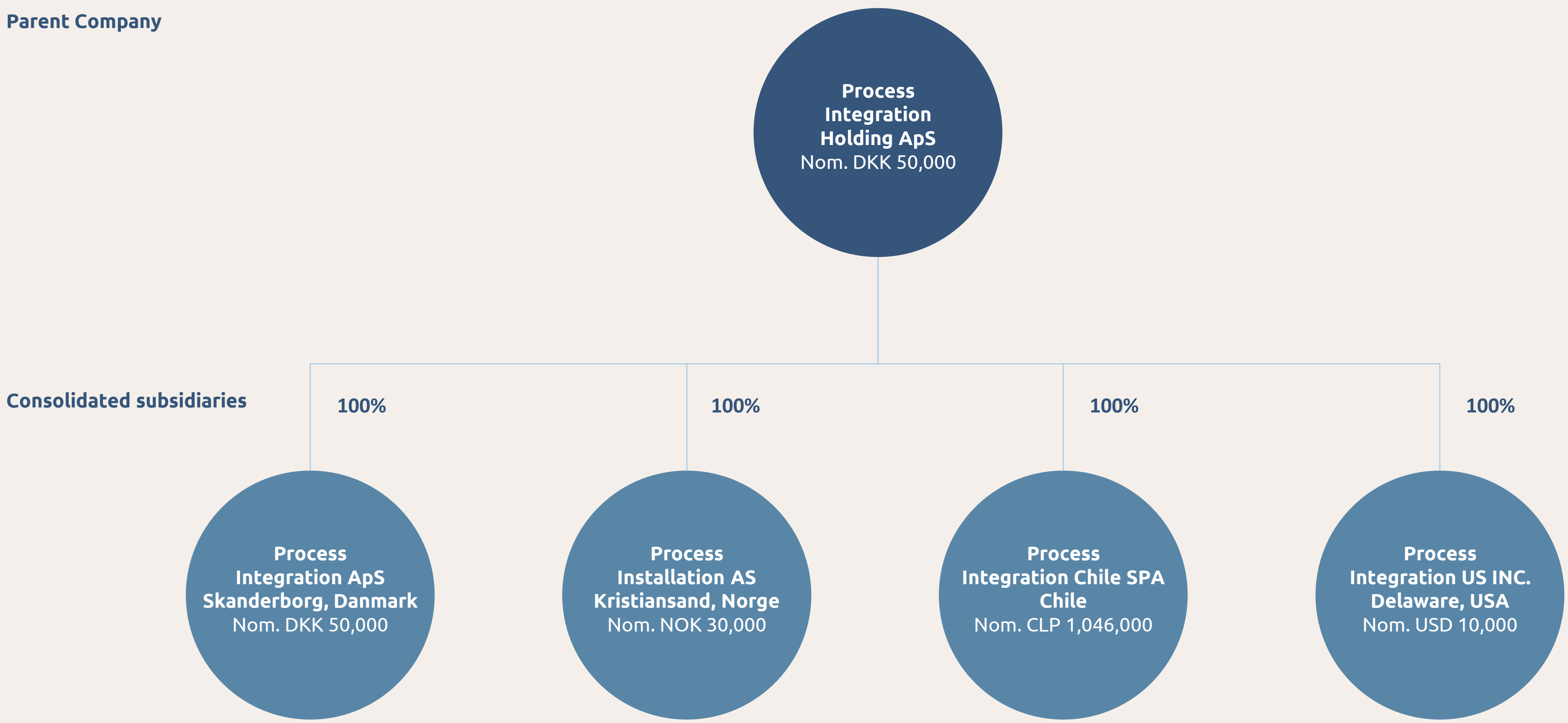
We firmly believe that integrating sustainable practices into industrial operations is beneficial for the environment and essential for long-term success.

For our customers, employees, and trusted partners, we always take a holistic approach to any project, ensuring that we are designing with the most efficient, resource-reducing, and carbon footprint-saving approach.

Within the following sustainability areas, we have a long track record of successful design and project executions:

- **Carbon footprint**
- **Environmental impact**
- **Energy efficiency**
- **Circular economy**
- **ECOdesign**

Group structure at Process Integration Holding ApS



Financial

Statements

2023

Income statement 1 January – 31 December 2023

		Group		Parent company	
	Note	2023	2022	2023	2022
		TDKK	TDKK	TDKK	TDKK
Gross profit		**61,389**	**52,654**	**(176)**	**(43)**
Staff costs	1	(40,681)	(36,095)	0	0
Profit before amortisation/ depreciation and impairment losses		**20,708**	**16,559**	**(176)**	**(43)**
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		(839)	(645)	0	0
Profit before net financials		**19,869**	**15,914**	**(176)**	**(43)**
Income from investments in subsidiaries		0	0	15,490	11,846
Financial income	2	623	1,024	97	193
Financial costs	3	(1,169)	(1,483)	(88)	(89)
Profit before tax		**19,323**	**15,455**	**15,323**	**11,907**
Tax on profit/loss for the year	4	(4,037)	(3,412)	29	(14)
Profit for the year		**15,286**	**12,043**	**15,352**	**11,893**
Distribution of profit	5				

Balance Sheet at 31 December 2023

	Note	Group 2023 TDKK	Group 2022 TDKK	Parent company 2023 TDKK	Parent company 2022 TDKK
Assets					
Goodwill		580	0	0	0
Intangible assets	6	**580**	**0**	**0**	**0**
Land and buildings		3,589	4,003	0	0
Other fixtures and fittings, tools and equipment		1,860	1,530	0	0
Tangible assets	7	**5,449**	**5,533**	**0**	**0**
Investments in subsidiaries	8	0	0	35,038	28,491
Deposits	9	50	55	0	0
Fixed asset investments		**50**	**55**	**35,038**	**28,491**
Total non-current assets		**6,079**	**5,588**	**35,038**	**28,491**

Balance Sheet at 31 December 2023

	Note	Group 2023 TDKK	Group 2022 TDKK	Parent company 2023 TDKK	Parent company 2022 TDKK
Assets (continued)					
Trade receivables		24,174	20,107	0	0
Contract work in progress	10	14,153	9,527	0	0
Receivables from subsidiaries		0	0	4,796	5,028
Other receivables		921	1,868	0	0
Deferred tax asset	12	316	160	0	0
Corporation tax		2,711	12	2,711	0
Joint taxation contributions receivable		0	0	762	2,909
VAT and duties receivables		384	0	0	0
Prepayments	11	830	1,016	0	0
Receivables		**43,489**	**32,690**	**8,269**	**7,937**
Cash at bank and in hand		**73,876**	**28,915**	**6,766**	**3,989**
Total current assets		**117,365**	**61,605**	**15,035**	**11,926**
Total assets		**123,444**	**67,193**	**50,073**	**40,417**

Balance Sheet at 31 December 2023

	Note	Group 2023 TDKK	Group 2022 TDKK	Parent company 2023 TDKK	Parent company 2022 TDKK
Equity and liabilities					
Share capital		50	50	50	50
Reserve for net revaluation under the equity method		0	0	33,838	21,292
Retained earnings		40,704	25,418	7,458	5,169
Proposed dividend for the year		0	7,000	0	7,000
Equity		**40,754**	**32,468**	**41,346**	**33,511**
Provision for deferred tax	12	4,651	2,382	0	0
Other provisions	13	2,162	2,583	0	0
Total provisions		**6,813**	**4,965**	**0**	**0**
Banks		168	149	0	0
Trade payables		11,132	9,229	50	0
Prepayments received recognised in debt	10	59,156	9,012	0	0
Payables to subsidiaries		0	0	8,676	205
Payables to shareholders and management		0	6,172	0	6,172
Corporation tax		1,161	1,471	0	526
VAT and duties payables		1,070	1,477	0	0
Other payables		2,161	1,059	1	3
Holiday allowance		1,029	1,191	0	0
Total current liabilities		**75,877**	**29,760**	**8,727**	**6,906**
Total liabilities		**75,877**	**29,760**	**8,727**	**6,906**
Total equity and liabilities		**123,444**	**67,193**	**50,073**	**40,417**
Contingent liabilities	14				
Related parties and ownership structure	15				

Statement of changes in equity

Group

	Share capital	Retained earnings	Proposed dividend for the year	Total
Equity at 1 January 2023	50	25,418	7,000	32,468
Ordinary dividend paid	0	0	(7,000)	(7,000)
Net profit/loss for the year	0	15,286	0	15,286
Equity at 31 December 2023	**50**	**40,704**	**0**	**40,754**

Parent company

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend for the year	Total
Equity at 1 January 2023	50	21,292	5,169	7,000	33,511
Ordinary dividend paid	0	0	0	(7,000)	(7,000)
Exchange adjustment, foreign	0	(517)	0	0	(517)
Net profit/loss for the year	0	13,063	2,289	0	15,352
Equity at 31 December 2023	**50**	**33,838**	**7,458**	**0**	**41,346**

Cash flow statement 1 January - 31 December 2023

	Note	Group 2023 TDKK	Group 2022 TDKK
Net profit/loss for the year		15,286	12,043
Adjustments	16	5,440	4,355
Change in working capital	17	38,048	(1,246)
Cash flows from operating activities before financial income and expenses		**58,774**	**15,152**
Interest income and similar income		625	1,023
Interest expenses and similar charges		(1,169)	(1,483)
Cash flows from ordinary activities		**58,230**	**14,692**
Corporation tax paid		(4,933)	(1,851)
Cash flows from operating activities		**53,297**	**12,841**
Purchase of intangible assets		(600)	0
Purchase of property, plant and equipment		(1,132)	(5,007)
Sale of property, plant and equipment		3	0
Cash flows from investing activities		**(1,729)**	**(5,007)**

Cash flow statement 1 January - 31 December 2023 (continued)

	Note	Group	
		2023	**2022**
		TDKK	TDKK
Repayment of other long-term debt		0	(1,033)
Raising of loans from credit institutions		19	2
Dividend paid		(7,000)	(7,000)
Cash flows from financing activities		**(6,981)**	**(8,031)**
Change in cash and cash equivalents		**44,587**	**(197)**
Cash and cash equivalents at 1 January 2023		28,914	29,111
Exchange adjustment of current asset investments		375	0
Cash and cash equivalents at 31 december 2023		**73,876**	**28,914**
Analysis of cash and cash equivalents:			
Cash at bank and in hand		73,876	28,914
Cash and cash equivalents at 31 december 2023		**73,876**	**28,914**

Notes to the annual report

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
1 Staff costs				
Wages and salaries	37,238	29,092	0	0
Pensions	3,096	2,711	0	0
Other social security costs	347	278	0	0
Other staff costs	0	4,014	0	0
	40,681	**36,095**	**0**	**0**
Including remuneration to the executive board:				
Executive Board	3,352,410	2,106,458	0	0
	3,352,410	**2,106,458**	**0**	**0**
Number of fulltime employees on average	75	62	0	0

	Group		Parent company	
	2023	2022	2023	2022
2 Financial income				
Interest received from subsidiaries	0	0	89	0
Other financial income	172	1	8	1
Exchange adjustments	0	542	0	192
Exchange gains	451	481	0	0
	623	**1,024**	**97**	**193**

Notes to the annual report

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
3 Financial costs				
Other financial costs	359	986	88	70
Exchange adjustments costs	280	19	0	19
Exchange loss	530	478	0	0
	1,169	**1,483**	**88**	**89**
4 Tax on profit/loss for the year				
Current tax for the year	1,924	3,914	(29)	14
Deferred tax for the year	2,113	(502)	0	0
	4,037	**3,412**	**(29)**	**14**
5 Distribution of profit				
Proposed dividend for the year	0	7,000	0	7,000
Reserve for net revaluation under the equity method	0	0	13,063	9,758
Retained earnings	15,286	5,043	2,289	(4,865)
	15,286	**12,043**	**15,352**	**11,893**

Notes to the annual report

6 Intangible assets

Group company

	Goodwill
Cost at 1 January 2023	0
Additions for the year	600
Cost at 31 December 2023	600
Impairment losses and amortisation at 1 January 2023	0
Amortisation for the year	20
Impairment losses and amortisation at 31 December 2023	20
Carrying amount at 31 December 2023	**580**

Notes to the annual report

7 Tangible assets

Group company

	Land and buildings	Other fixtures and fittings, tools and equipment
Cost at 1 January 2023	4,067	3,329
Exchange adjustment	(321)	(69)
Additions for the year	0	1,132
Disposals for the year	0	(25)
Cost at 31 December 2023	3,746	4,367
Impairment losses and depreciation at 1 January 2023	64	1,799
Exchange adjustment	0	(15)
Depreciation for the year	93	726
Reversal of impairment and depreciation of sold assets	0	(3)
Impairment losses and depreciation at 31 December 2023	157	2,507
Carrying amount at 31 December 2023	**3,589**	**1,860**

Notes to the annual report

	Parent company	
	2023	2022
	TDKK	TDKK
8 Investments in subsidiaries		
Cost at 1 January 2023	1,200	1,126
Additions for the year	0	74
Cost at 31 December 2023	1,200	1,200
Revaluations at 1 January 2023	27,291	23,095
Exchange rate adjustment	(517)	439
Result of the year	15,002	11,943
Received dividend	(7938)	(8186)
Revaluations at 31 December 2023	33,838	27,291
Carrying amount at 31 December 2023	**35,038**	**28,491**

Group company

Investments in subsidiaries are specified as follows:

Name	Registered office	Ownership interest
Process Integration ApS	Skanderborg, Danmark	100%
Process Installation AS	Kristiansand, Norge	100%
Process Integration Chile SPA	Chile	100%
Process Integration US INC.	USA	100%

Notes to the annual report

9 Fixed asset investments

Group company

	Deposits
Cost at 1 January 2023	55
Disposals for the year	(5)
Cost at 31 December 2023	50
Carrying amount at 31 December 2023	**50**

	Group		Parent company	
	2023	**2022**	**2023**	**2022**
	TDKK	TDKK	TDKK	TDKK
10 Contract work in progress				
Work in progress, selling price	154,905	84,918	0	0
Work in progress, payments received on account	(199,908)	(84,403)	0	0
	(45,003)	**515**	**0**	**0**
Recognised in the balance sheet as follows:				
Contract work in progress under assets	14,153	9,527	0	0
Prepayments received under liabilities	(59,156)	(9,012)	0	0
	(45,003)	**515**	**0**	**0**

Notes to the annual report

11 Prepayments

Prepayments are made up of prepaid costs relating to rent, insurance premiums and subscriptions.

	Group		Parent company	
	2023	**2022**	**2023**	**2022**
	TDKK	TDKK	TDKK	TDKK
12 Provision for deferred tax				
Provision for deferred tax at 1 January 2023	2,222	2,724	0	0
Deferred tax recognised in income statement	2,113	(502)	0	0
Provision for deferred tax at 31 December 2023	**4,335**	**2,222**	**0**	**0**
13 Other provisions				
Balance at beginning of year at 1 January 2023	2,583	212	0	0
Provision in year	(421)	2,371	0	0
Balance at 31 December 2023	**2,162**	**2,583**	**0**	**0**

14 Contingent liabilities

The company has entered into an agreement about lease of premises. The lease is non-cancellable with termination of the tenancy from 15 months at the earliest and the total rent obligation is DKK 251 thousand.

The parent company is included in joint taxation with the Danish affiliated companies. The companies are liable unlimitedly and jointly for Danish corporate taxes as well as withholding taxes on dividends, interest and royalties within the joint taxation circle.

Notes to the annual report

15 Related parties and ownership structure

Transactions

The company did not carry out any substantial transactions that were not concluded on market conditions. Pursuant to section 98 C, subsection 7, of the Danish Financial Statements Act, only transactions which are not carried out on normal market conditions are disclosed.

	Group	
	2023	2022
	TDKK	TDKK
16 Cash flow statement - adjustments		
Financial income	(625)	(1,023)
Financial costs	1,170	1,482
Depreciation, amortisation and impairment losses	839	645
Tax on profit/loss for the year	4,037	3,068
Gain/loss on sale of assets	19	0
Other adjustments	0	183
	5,440	**4,355**
17 Cash flow statement - change in working capital		
Change in receivables	(7,939)	(18,831)
Change in trade payables, etc.	46,408	15,214
Change in other provisions	(421)	2,371
	38,048	**(1,246)**

Accounting policies

The annual report of Process Integration Holding ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

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

The annual report for 2023 is presented in TDKK.

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 group's and the parent company's 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 group's and the parent company's 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.

Consolidated financial statements

The consolidated financial statements comprise the parent company Process Integration Holding ApS and subsidiaries in which the parent company, directly or indirectly, holds more than 50% of the voting rights or otherwise has a controlling interest, cf. the group structure.

The consolidated financial statements are prepared as a consolidation of the parent company's and subsidiaries' financial statements by aggregating uniform accounting items. On consolidation, intra-group income and expenses, holdings of shares, intra-group balances and dividends as well as realised and unrealised gains and losses on intra-group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' fair value of net assets and liabilities at the acquisition date.

Entities acquired or formed during the year are recognised in the consolidated financial statements from the date at which control is obtained. Entities sold during the year are recognised in the consolidated income statement until the date of disposal. Comparative figures are not restated for acquisitions or disposals.

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, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

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.

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.

Income from customised products is recognised as production is carried out, implying that revenue corresponds to the selling price of contracts completed in the year (percentage-of-completion method). This method is applied where the total income and expenses relating to the contract and the stage of completion at the balance sheet date can be estimated reliably and it is probable that future economic benefits will flow to the Company.

Accounting policies

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

Other operating income
Other operating income comprises items of a secondary nature relative to the company's activities, including gains on the sale of property, plant and equipment.

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.

Amortisation, depreciation and impairment losses
Amortisation, depreciation and impairment comprise the year's depreciation and impairment of goodwill, 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.

Income from investments in subsidiaries
The proportionate share of the profit/loss for the year of subsidiaries is recognised in the parent company's income statement after full elimination of intra-group profits/losses.

Tax on profit/loss for the year
The parent company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

The company is subject to the Danish rules on compulsory joint taxation.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

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
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 5 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.

Tangible assets
Items of land and buildings, 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. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Interest expenses on loans obtained specifically for the purpose of financing the manufacturing of items of property, plant and equipment are included in cost over the manufacturing period. All indirect, attributable borrowing costs are recognised in the income statement.

Accounting policies

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

	Useful life	Residual value
Other buildings	50-100 years	0 %
Other fixtures, fittings, tools and equipment	3 years	0 %

The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

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.

Investments in subsidiaries

Investments in subsidiaries are measured at the proportionate share of the net asset value of the entities, calculated on the basis of the group's accounting policies, plus or less unrealised intra-group gains or losses and plus or less any remaining value of positive or negative goodwill stated according to the purchase method. Negative goodwill is recognised in the income statement on acquisition. Where the negative goodwill relates to contingent liabilities having been taken over, the negative goodwill is not recognised until the contingent liabilities have been settled or no longer exist.

Investments in subsidiaries with a negative net asset value are measured at DKK 0, and the carrying amount of any receivables from these entities is reduced to the extent that they are considered irrecoverable. If the parent company has a legal or constructive obligation to cover a deficit that exceeds the receivable, the balance is recognised under provisions.

Net revaluations of investments in subsidiaries are taken to the net revaluation reserve according to the equity method in so far as that the carrying amount exceeds the cost. Dividends from subsidiaries which are expected to be declared before the annual report of Process Integration Holding ApS is adopted are not taken to the net revaluation reserve.

Impairment of fixed assets

The carrying amount of intangible assets, items of property, plant and equipment and investments in subsidiaries is tested annually for impairment, other than what is reflected through normal amortisation and depreciation.

Where there is evidence of impairment, an impairment test is performed for each individual asset or group of assets. Write-down is made to the lower of the recoverable amount and the carrying amount.

The recoverable amount is the higher of the net present value and the value in use less expected costs to sell. The net present value is determined as the present value of the anticipated net cash flows from the use of the asset or group of assets and the anticipated net cash flows from the disposal of the asset or group of assets after the end of their useful life.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured by reference to the stage of completion at the balance sheet date and the expected aggregate income from the individual work in progress. The stage of completion is determined as the share of the expenses incurred relative to the expected total expenses for the individual work in progress.

Where the selling price of work in progress cannot be estimated reliably, the selling price is measured at the lower of costs incurred and net realisable value.

The individual work in progress is recognised in the balance sheet under receivables or payables. Net assets comprise the sum of work in progress where the selling price of the work performed exceeds invoicing on account. Net liabilities comprise the sum of work in progress where invoicing on account exceeds the selling price.

Selling costs and costs incurred in securing contracts are recognised in the income statement as incurred.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Accounting policies

Cash and cash equivalents
Cash and cash equivalents comprise cash and deposits at banks.

Equity
Reserve for net revaluation according to the equity method
The reserve for net revaluation according to the equity method in the company's financial statements comprises net revaluation of investments in subsidiaries, participating interests and associates relative to the cost.

Dividends
Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Provisions
Provisions comprise expected expenses relating to warranty commitments. Provisions are recognised when, as a result of a past event, the group has a legal or constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Income tax and deferred tax
As management company, Process Integration Holding ApS is liable for payment of the subsidiaries' corporate income taxes to the tax authorities.

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

The company and all its Danish group entities are taxed on a joint basis. The current income tax charge is allocated between the jointly taxed entities relative to their taxable income. Tax losses are allocated based on the full absorption method. The jointly taxed entities are eligible for the Danish Tax Prepayment Scheme.

Joint taxation contributions payable and receivable are recognised in the balance sheet as 'Joint taxation contributions receivable' or 'Joint taxation contributions payable'.

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.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

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.

Mortgage debt is thus measured at amortised cost, which for cash loans corresponds to the outstanding debt. For bond loans, amortised cost corresponds to an outstanding debt calculated as the underlying cash value of the loan at the time of borrowing, adjusted by amortisation of the value adjustment of the loan at the time of borrowing.

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’.

Accounting policies

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Fixed assets acquired in foreign currencies are translated at the exchange rate at the transaction date.

Foreign subsidiaries are considered separate entities. The income statements are translated at the average exchange rates for the month, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of such entities opening equity at closing rate and on translation of the income statements from the exchange rates at the transaction date to closing rate are taken directly to the fair value reserve under 'Equity' in the consolidated financial statements.

Cash flow statement

The cash flow statement shows the group's cash flows for the year, broken down under cash flows from operating, investing and financing activities, the year's changes in cash and cash equivalents and the group's cash and cash equivalents at the beginning and at the end of the year.

The cash flow effect of additions and disposals of entities is shown separately under cash flows from investing activities. The cash flow statement includes cash flows from acquired entities from the time of acquisition, and cash flows from sold entities are included until the date of sale.

Cash flows from operating activities

Cash flows from operating activities are stated as the group's profit or loss for the year, adjusted for non-cash operating items, changes in working capital and paid income taxes. Dividend income from investments is recognised under ‘Interest income and dividend received’.

Cash flows from investing activities

Cash flows from investing activities comprise payments related to the acquisition and sale of entities and activities as well as intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the group's share capital and related costs, as well as the raising of loans, repayment of interest-bearing debt and payment of dividends to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Financial Highlights

Definitions of financial ratios.

Return on assets $$\frac{\text{Profit/loss before financials x 100}}{\text{Total assets}}$$

Solvency ratio $$\frac{\text{Equity at year end x 100}}{\text{Total assets}}$$

Return on equity $$\frac{\text{Net profit for the year x 100}}{\text{Average equity}}$$

Company details

The company	Process Integration Holding ApS Godthåbsvej 21 8660 Skanderborg	
	CVR No.:	39 83 08 33
	Reporting period:	1 January – 31 December 2023
	Domicile:	Skanderborg
Executive board	Sti Løvgreen, director Lars Johansen, director	
Auditors	Roesgaard Godkendt Revisionspartnerselskab Sønderbrogade 16 8700 Horsens	
Lawyers	DLA Piper Denmark	
Bankers	Danske Bank	

Statement by management on the annual report

The executive board has today discussed and approved the annual report of Process Integration Holding ApS 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 consolidated financial statements and parent financial statements give a true and fair view of the company and the group financial position at 31 December 2023 and of the results of the group and the company operations and consolidated cash flows 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.

Skanderborg, on 17 May 2024

Executive board

Sti Løvgreen Director	Lars Johansen Director

Independent auditor's report

To the shareholders of Process Integration Holding ApS

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Process Integration Holding ApS 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 both the group and the parent company as well as consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the group and the parent company's financial position at 31 December 2023 and of the results of the group and the parent company's operations and consolidated cash flows 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 consolidated financial statements and parent company " section of our report. We are independent of the group 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 consolidated financial statements and the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company 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 consolidated financial statements and the parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and parent company financial statements, management is responsible for assessing the group's and the parent 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 consolidated financial statements and parent company financial statements unless management either intends to liquidate the group or the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and parent company financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and parent company 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 consolidated financial statements and parent company 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 consolidated financial statements and parent company 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 group's and the parent company's internal control.

Independent auditor’s report

- 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 consolidated financial statements and parent company 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 group's and the parent 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 consolidated financial statements and parent company 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 group and the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the consolidated financial statements and parent company financial statements, including the disclosures, and whether the consolidated financial statements and parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient and appropriate audit evidence regarding the financial information for the group's entities or business activities to express an opinion on the consolidated financial statements. We are responsible for directing, supervising and conducting the audit of the group. We alone are responsible for our audit opinion.

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 consolidated financial statements and parent company 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 consolidated financial statements and parent company financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the consolidated financial statements and parent company 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 consolidated financial statements and parent company 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.

Horsens, on 17 May 2024

Roesgaard
Godkendt Revisionspartnerselskab
CVR-no. 37 54 31 28

Dorrit Kirckhoff Hansen
State Authorised Public Accountant
MNE-nr. mne35838

Designet og produceret af Roesgaard

PROCESS
INTEGRATION

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