

# Soleil ApS

Lautrupparken 40

2750 Ballerup

CVR No. 40107983

## Annual Report 2022/23

4. financial year

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 28 September 2023

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Camilla Malene Sommer  
Chairman

## Soleil ApS

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**Soleil ApS**

## **Management's Statement**

Today, Management has considered and adopted the Annual Report of Soleil ApS for the financial year 1 April 2022 - 31 March 2023.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 March 2023 and of the results of the Company's operations for the financial year 1 April 2022 - 31 March 2023.

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

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

Ballerup, 28 September 2023

### **Executive Board**

Naoki Yoshida  
Man. Director

Tomonori Hira  
Man. Director

## Independent Auditors' Report

### To the shareholder of Soleil ApS

#### Opinion

We have audited the financial statements of Soleil ApS for the financial year 1 April 2022 - 31 March 2023, which comprise an income statement, balance sheet, statement of changes in equity and notes including 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 Company's financial position at 31 March 2023 and of the results of its operations for the financial year 1 April 2022 - 31 March 2023 in accordance with the Danish Financial Statements Act.

#### Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in the "Auditors' responsibility 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 (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statement 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 responsibility 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 considers 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 either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

#### The auditor's responsibility for the audit of the financial statements

Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain an attitude of professional skepticism throughout the audit. We also:

- \* Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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

## Independent Auditors' Report

Company's internal control.

- \* Evaluate whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.
- \* Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- \* Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect 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 which we identify during our audit.

Soleil ApS

## Independent Auditors' Report

### Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the financial statements is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Copenhagen, 28 September 2023

**KPMG**

**Statsautoriseret Revisionspartnerselskab**

CVR-no. 25578198

David Olafsson  
State Authorised Public Accountant  
mne19737

Kenn Wolff Hansen  
State Authorised Public Accountant  
mne30154

## Soleil ApS

### Company details

<b>Company</b>	Soleil ApS Lautrupparken 40 2750 Ballerup
CVR No.	40107983
Date of formation	19 December 2018
Registered office	Ballerup
<b>Executive Board</b>	Naoki Yoshida, Man. Director Tomonori Hira, Man. Director
<b>Auditors</b>	KPMG Statsautoriseret Revisionspartnerselskab Dampfærgevej 28 2100 København Ø CVR-no.: 25578198

Soleil ApS

## **Management's Review**

### **The Company's principal activities**

The Company's principal activities comprise holding the shares in KMD A/S, which is owned 100%.

### **Insecurity regarding recognition and measurement**

Insecurity regarding recognition and measurement is described in note 4 and covers impairment in relation to investment in group enterprises.

### **Development in the activities and the financial situation of the Company**

The Company's Income Statement of the financial year 1 April 2022 - 31 March 2023 shows a result of TDKK 27.807 and the Balance Sheet at 31 March 2023 a balance sheet total of TDKK 7.537.181 and an equity of TDKK 7.536.993.

### **Subsequent events**

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



## Income Statement

	Note	<b>2022/23</b> <b>DKK'000</b>	<b>2021/22</b> <b>DKK'000</b>
<b>Income from ordinary operating activities</b>		<b>-243</b>	<b>20.949</b>
Income from investments in group enterprises		28.000	12.000
Financial income	1	0	3
Financial expenses	2	-1	-9
<b>Profit before tax</b>		<b>27.756</b>	<b>32.943</b>
Tax expense on ordinary activities		51	36
<b>Profit for the year</b>		<b>27.807</b>	<b>32.979</b>
 <b>Proposed distribution of profit</b>			
Proposed dividends		28.000	28.000
Extraordinary dividend		0	28.000
Retained earnings		-193	-23.021
		<b>27.807</b>	<b>32.979</b>

Soleil ApS

Balance Sheet as of 31 March

	Note	2023 DKK'000	2022 DKK'000
<b>Assets</b>			
Equity investments in group entities	3, 4	7.536.395	7.534.300
<b>Investments</b>		<b>7.536.395</b>	<b>7.534.300</b>
<b>Fixed assets</b>		<b>7.536.395</b>	<b>7.534.300</b>
Deferred tax		23	21
Tax receivables		603	226
Receivables from group enterprises		51	35
Other short-term receivables		12	12
<b>Current assets</b>		<b>689</b>	<b>294</b>
<b>Cash and cash equivalents</b>		<b>97</b>	<b>490</b>
<b>Current assets</b>		<b>786</b>	<b>784</b>
<b>Assets</b>		<b>7.537.181</b>	<b>7.535.084</b>

Soleil ApS

Balance Sheet as of 31 March

	Note	2023 DKK'000	2022 DKK'000
<b>Liabilities and equity</b>			
Contributed capital	5	50	50
Other reserves		4.248	2.140
Retained earnings		7.504.695	7.504.888
Proposed dividend		28.000	28.000
<b>Equity</b>		<b>7.536.993</b>	<b>7.535.078</b>
Payables to group enterprises		188	0
Other payables		0	6
<b>Short-term liabilities other than provisions</b>		<b>188</b>	<b>6</b>
<b>Liabilities other than provisions within the business</b>		<b>188</b>	<b>6</b>
<b>Liabilities and equity</b>		<b>7.537.181</b>	<b>7.535.084</b>
Contingent liabilities	6		
Collaterals and securities	7		
Related parties	8		

## Soleil ApS

### Statement of changes in Equity

DKK'000

	Share capital	Other reserves	Retained earnings	Proposed dividend recognised in equity	Total
Equity 1 April 2022	50	2.140	7.504.888	28.000	7.535.078
Dividend paid	0	0	0	-28.000	-28.000
Profit (loss)	0	0	-193	28.000	27.807
Contribution from group	0	2.108	0	0	2.108
<b>Equity 31 March 2023</b>	<b>50</b>	<b>4.248</b>	<b>7.504.695</b>	<b>28.000</b>	<b>7.536.993</b>

The Company was established in 2018. Since the establishment there have been two increases in the share capital amounting to DKK 147.

## Accounting Policies

### Reporting Class

The annual report of Soleil ApS for 2022/23 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, with the adoption of individual rules from class C.

The accounting policies applied remain unchanged from last year.

### Consolidated Financial Statements

With reference to § 112 of the Danish Financial Statements Act, no Consolidated Financial Statement have been prepared because the Group enterprises are subsidiaries of a higher-ranking group.

### Reporting currency

The annual report is presented in thousand Danish kroner (DKK'000).

### Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the income statement under financial income and expenses.

## General information

### Basis of recognition and measurement

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

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

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

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

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

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

## Accounting Policies

### Income statement

#### Other external expenses

Other external expenses include expenses for administration and other operating expenses etc.

#### Income from investments in group enterprises

Income from equity investments comprises dividends received from group enterprises so far as they do not exceed the accumulated earnings in the group enterprise or the associate during the ownership period.

#### Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, and surcharges and allowances under the advance-payment of tax scheme.

#### Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

The Company and the Danish group companies are taxed jointly. The Danish income tax is distributed between profit- and loss-making Danish enterprises in relation to their taxable income (full distribution).

### Balance sheet

#### Equity investments in group enterprises

Equity investments in group enterprises and associates are measured at cost. Dividends that exceed accumulated earnings of the group enterprise or the associate during the ownership period are treated as a reduction of the cost. If cost exceeds the net realizable value, a write-down to this lower value will be performed.

An impairment test of investments is performed in the event of indications of a decrease in value. The impairment test is performed for the activity or the business area to which the investments relates. Investments are written down to the higher of the value in use and the net selling price for the activity or business area to which the investments relates (recoverable amount) in the event that this one is lower than the carrying amount.

#### Receivables

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

Impairment of accounts receivables past due is established on individual assessment of receivables.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

#### Equity

##### Dividends

Proposed dividend for the year are recognised as a separate item in equity.

##### Other Reserves

Other Reserves relate to the Share-based incentive schemes for the Group's Management with the option to subscribe for shares in the Parent Company (share options). The reserve is measured at Fair Value at grant date with a straight-line recognition over the vesting period. Fair Value is determined at grant date and no true-up

## Accounting Policies

subsequent except forfeitures.

### Deferred tax

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

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallize as current tax.

### Current tax liabilities and current tax receivables

Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

The Company are jointly and severally liable as the administration company for subsidiaries corporate taxes to the tax authorities.

### Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortized cost, corresponding to the capitalized value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the life of the financial instrument.

## Notes

	2022/23 DKK'000	2021/22 DKK'000		
<b>1. Financial income</b>				
Other financial income	0	3		
	<u>0</u>	<u>3</u>		
<b>2. Financial expenses</b>				
Financial expenses to group enterprises	1	9		
	<u>1</u>	<u>9</u>		
<b>3. Investments in group entities</b>				
Cost at the beginning of the year	7.534.300	7.532.160		
Addition during the year	2.095	2.140		
<b>Cost at the end of the year</b>	<u>7.536.395</u>	<u>7.534.300</u>		
<b>Carrying amount at the end of the year</b>	<u>7.536.395</u>	<u>7.534.300</u>		
<b>4. Disclosure investments in group entities</b>				
<i>Group enterprises</i>				
<b>Name</b>	<b>Registered office</b>	<b>Share held in %</b>	<b>Equity</b>	<b>Profit</b>
KMD A/S	Ballerup	100,00	1.631.892	44.735
			<u>1.631.892</u>	<u>44.735</u>

Management has prepared an impairment test in respect of the carrying amount of the investment in the subsidiary stated above.

The impairment test is based on the budgeted contribution to EBIT for the coming 5 years and in addition a constant growth in the terminal period after 5 years. The WACC applied is 8.1% and the increase in the growth in the terminal period is 2% for the entity. The uncertainty in the European markets is the reason for the increase in the applied WACC. The applied growth of 2% is in line with the expectations to the Danish long-term GDP Growth.

The recoverable amount is estimated to be above the carrying amount.

Probable changes in the basic preconditions for the main part of the investment will not lead to a situation whereby the carrying amount of the investment in subsidiary will exceed the recoverable amount calculated in the impairment test.

The investment is sensitive to negative change in the growth rate and applied WACC, but the risk is not considered more likely than not and hence it is still expected that the carrying amount of the investment will exceed the recoverable amount calculated in the impairment test.



## Notes

## Sensitivity analysis

The following table shows the amount by which key assumptions would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

	31 march 2023	31 march 2022
WACC	0,2 %-points	0,3 %-points
Long Term growth rate	-0.2 %-points	-0,3 %-points

## 5. Classes of issued shares

Share class	Nominal value	2022/23 DKK'000	2021/22 DKK'000
A Shares	42.600	43	43
B Shares	16	0	0
D Shares	7.400	7	7
E Shares	91	0	0
F1 Shares	40	0	0
		<b>50</b>	<b>50</b>

## 6. Contingent liabilities

Soleil ApS is jointly taxed with the other Danish Group Companies in the KMD Group. The joint taxation also covers withholding tax in the form of tax on dividends, royalties and interest. The Danish Group Companies are jointly and severally liable for the joint taxation. Any subsequent corrections to the taxable income subject to joint taxation or withholding taxes may lead to a higher liability.

## 7. Collaterals and securities

No securities or mortgages exist at the balance sheet date.

## 8. Related parties

The Company is 100% owned by NEC Corporation, which is also the ultimate parent company of the company. The Company is included in the consolidated financial statements of NEC Corporation. A copy of the consolidated financial statements is available by contacting, KMD A/S Sekretariat, Lautrupparken 40, 2750 Ballerup, Denmark.