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# ***IHAB Business Development ApS***

Sverigesgade 4, DK-5000 Odense C

## **Annual Report for 1 July 2022 - 30 June 2023**

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CVR No 40 64 55 35

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
12/12 2023

Louise Celia Korpela  
Chairman of the General  
Meeting



**pwc**

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# Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of IHAB Business Development ApS for the financial year 1 July 2022 - 30 June 2023.

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

In our opinion the Financial Statements give a true and fair view of the financial position at 30 June 2023 of the Company and of the results of the Company operations for 2022/23.

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

Odense, 5 October 2023

## Executive Board

Peter Kåre Groes Christiansen

## Board of Directors

Jytte Ravn Jyrkinewsky

Poul Præstegaard Skadhede

Peter Kåre Groes Christiansen

# Independent Auditor's Report

To the Shareholders of IHAB Business Development ApS

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 June 2023 and of the results of the Company's operations for the financial year 1 July 2022 - 30 June 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of IHAB Business Development ApS for the financial year 1 July 2022 - 30 June 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

## 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 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.

## 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.

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 Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

# Independent Auditor's Report

## 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.

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

## Independent Auditor's Report

- 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.

Hellerup, 5 October 2023

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Jacob Fromm Christiansen

statsautoriseret revisor

mne18628

Kim Danstrup

statsautoriseret revisor

mne32201

## **Company Information**

### **The Company**

IHAB Business Development ApS  
Sverigesgade 4  
DK-5000 Odense C

CVR No: 40 64 55 35  
Financial period: 1 July - 30 June  
Municipality of reg. office: Odense

### **Board of Directors**

Jytte Ravn Jyrkinewsky  
Poul Præstegaard Skadhede  
Peter Kåre Groes Christiansen

### **Executive Board**

Peter Kåre Groes Christiansen

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

# Financial Highlights

Seen over a three-year period, the development of the Company is described by the following financial highlights:

	<u>2022/23</u> TDKK	<u>2021/22</u> TDKK	<u>2020/21</u> TDKK
<b>Key figures</b>			
<b>Profit/loss</b>			
Revenue	3,750	42,039	0
Operating profit/loss	11,706	50,411	4,487
Profit/loss before financial income and expenses	11,706	50,411	4,487
Net financials	-728	121	865
Net profit/loss for the year	8,549	39,415	4,175
<b>Balance sheet</b>			
Balance sheet total	45,265	83,881	65,261
Equity	31,301	47,752	25,837
<b>Ratios</b>			
Gross margin	352.2%	123.5%	0.0%
Profit margin	312.2%	119.9%	0.0%
Return on invested capital	25.9%	60.1%	6.9%
Solvency ratio	69.2%	56.9%	39.6%
Return on equity	21.6%	107.1%	15.9%



# Management's Review

## Key activities

IHAB Business Development ApS is part of the OMT Naval Group.

The Company manages a small subset of the Intellectual Property Rights (IPR) in the Group but do not market these independently of OMT Naval.

## Development in the year

The income statement of the Company for 2022/23 shows a profit of DKK 8,549,071, and at 30 June 2023 the balance sheet of the Company shows equity of DKK 31,301,373.

The result for the year was positively affected by a reversal of a part of prior years provisions of DKK 9,507,498 relating to future warranties and obligations.

## Special risks

The company's liabilities and obligations has been accessed by management and in the relevant situations, provisions have been made in the annual report to cover these liabilities and obligations. Provisions relate to future estimates regarding warranties and other obligations and are uncertain by nature.

Apart from currency risks, the company does not have any further financial risks.

## Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

## Income Statement 1 July - 30 June

	Note	2022/23 DKK	2021/22 DKK
<b>Revenue</b>		<b>3,750,000</b>	<b>42,038,715</b>
Other external expenses		9,456,079	9,872,742
<b>Gross profit/loss</b>		<b>13,206,079</b>	<b>51,911,457</b>
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-1,500,000	-1,500,000
<b>Profit/loss before financial income and expenses</b>		<b>11,706,079</b>	<b>50,411,457</b>
Financial income		0	299,155
Financial expenses		-728,012	-178,088
<b>Profit/loss before tax</b>		<b>10,978,067</b>	<b>50,532,524</b>
Tax on profit/loss for the year	1	-2,428,996	-11,117,155
<b>Net profit/loss for the year</b>		<b>8,549,071</b>	<b>39,415,369</b>

## Distribution of profit

### Proposed distribution of profit

Extraordinary dividend paid	25,000,000	17,500,000
Retained earnings	-16,450,929	21,915,369
	<b>8,549,071</b>	<b>39,415,369</b>

## Balance Sheet 30 June

### Assets

	Note	2022/23 DKK	2021/22 DKK
Completed development projects		9,125,000	10,625,000
<b>Intangible assets</b>	2	<b>9,125,000</b>	<b>10,625,000</b>
Securities		4,000,000	4,000,000
<b>Fixed asset investments</b>		<b>4,000,000</b>	<b>4,000,000</b>
<b>Fixed assets</b>		<b>13,125,000</b>	<b>14,625,000</b>
Trade receivables	3	17,354,200	56,975,515
Receivables from group enterprises		3,750,000	2,400,000
Other receivables		982,241	146,093
Deferred tax asset	4	2,608,922	4,684,920
Corporation tax receivable from group enterprises		164,089	0
<b>Receivables</b>		<b>24,859,452</b>	<b>64,206,528</b>
<b>Cash at bank and in hand</b>		<b>7,280,516</b>	<b>5,049,316</b>
<b>Current assets</b>		<b>32,139,968</b>	<b>69,255,844</b>
<b>Assets</b>		<b>45,264,968</b>	<b>83,880,844</b>

# Balance Sheet 30 June

## Liabilities and equity

	Note	2022/23 DKK	2021/22 DKK
Share capital		100,000	100,000
Retained earnings		31,201,373	47,652,302
<b>Equity</b>		<b>31,301,373</b>	<b>47,752,302</b>
Other provisions	5	13,841,168	23,348,666
<b>Provisions</b>		<b>13,841,168</b>	<b>23,348,666</b>
Trade payables		60,000	0
Payables to group enterprises		0	5,059,006
Payables to group enterprises relating to corporation tax		0	6,954,670
Other payables		62,427	766,200
<b>Short-term debt</b>		<b>122,427</b>	<b>12,779,876</b>
<b>Debt</b>		<b>122,427</b>	<b>12,779,876</b>
<b>Liabilities and equity</b>		<b>45,264,968</b>	<b>83,880,844</b>
Contingent assets, liabilities and other financial obligations	6		
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## Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 July	100,000	47,652,302	47,752,302
Extraordinary dividend paid	0	-25,000,000	-25,000,000
Net profit/loss for the year	0	8,549,071	8,549,071
<b>Equity at 30 June</b>	<b>100,000</b>	<b>31,201,373</b>	<b>31,301,373</b>

## Notes to the Financial Statements

	<u>2022/23</u>	<u>2021/22</u>
	DKK	DKK
<b>1 Tax on profit/loss for the year</b>		
Current tax for the year	352,998	7,471,757
Deferred tax for the year	<u>2,075,998</u>	<u>3,645,398</u>
	<b><u>2,428,996</u></b>	<b><u>11,117,155</u></b>

### 2 Intangible assets

	<u>Completed development projects</u>
	DKK
Cost at 1 July	<u>15,000,000</u>
Cost at 30 June	<u>15,000,000</u>
Impairment losses and amortisation at 1 July	4,375,000
Amortisation for the year	<u>1,500,000</u>
Impairment losses and amortisation at 30 June	<u>5,875,000</u>
<b>Carrying amount at 30 June</b>	<b><u>9,125,000</u></b>
Amortised over	<u>10 years</u>

In relation to development projects, external directly attributable costs and as well as direct payroll cost (with addition of non-allocated internal costs related to IT etc.) are capitalized.

### 3 Trade receivables

The following receivables fall due for payment more than 1 year after year end

<u>8,668,400</u>	<u>8,668,400</u>
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## Notes to the Financial Statements

	<u>2022/23</u>	<u>2021/22</u>
	DKK	DKK
<b>4 Deferred tax asset</b>		
Deferred tax asset at 1 July	4,684,920	8,330,318
Amounts recognised in the income statement for the year	<u>-2,075,998</u>	<u>-3,645,398</u>
<b>Deferred tax asset at 30 June</b>	<b><u>2,608,922</u></b>	<b><u>4,684,920</u></b>
<b>5 Other provisions</b>		
Other provisions	<u>13,841,168</u>	<u>23,348,666</u>
	<b><u>13,841,168</u></b>	<b><u>23,348,666</u></b>
The provisions are expected to mature as follows:		
Between 1 and 5 years	<u>13,841,168</u>	<u>23,348,666</u>
	<b><u>13,841,168</u></b>	<b><u>23,348,666</u></b>

## 6 Contingent assets, liabilities and other financial obligations

### Contingent liabilities

As security for currency hedging provided by the Company's bank, DKK 4 million has been pledged. The pledged cash and cash equivalents are recognised as securities in the financial statements.

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of V Business Development A/S, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on un-earned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

## 7 Related parties

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

# Notes to the Financial Statements

## 8 Accounting Policies

The Annual Report of IHAB Business Development ApS for 2022/23 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2022/23 are presented in DKK.

Minor reclassifications to the balance sheet of the comparative figures have been made. The reclassifications have no impact on results or equity.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, 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 flow 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 will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.



# Notes to the Financial Statements

## 8 Accounting Policies (continued)

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

## Income Statement

### Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

### Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with V Business Development A/S. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

# Notes to the Financial Statements

## 8 Accounting Policies (continued)

### Balance Sheet

#### Intangible assets

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding 10 years.

Development costs and costs relating to rights developed by the Company are recognised in the income statement as costs in the year of acquisition.

#### Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

#### Fixed asset investments

Fixed asset investments consist of pledged cash and cash equivalents.

#### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

#### Equity

##### *Dividend*

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

#### Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

# Notes to the Financial Statements

## 8 Accounting Policies (continued)

### Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

### Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.

# Notes to the Financial Statements

## 8 Accounting Policies (continued)

### Financial Highlights

#### Explanation of financial ratios

Gross margin	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Profit margin	$\frac{\text{Profit before financials} \times 100}{\text{Revenue}}$
Return on invested capital	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$