

# Stow Nordics A/S

Kokbjerg 14, st., 6000 Kolding

CVR no. 41 47 94 77

## Annual report 2023

Approved at the Company's annual general meeting on 21 June 2024

Chair of the meeting:

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## Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Stow Nordics A/S 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 financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

We recommend that the annual report be approved at the annual general meeting.

Kolding, 21 June 2024

Executive Board:

.....  
Håkan Carl Bertil Hall

.....  
Philip Mylle

Board of Directors:

.....  
Jos De Vuyst  
Chairman

.....  
Tom Gysens

.....  
Philip Mylle

## Independent auditor's report on the financial statements

To the shareholders of Stow Nordics A/S

### Opinion

We have audited the financial statements of Stow Nordics A/S for the financial year 1 January - 31 December 2023, which comprise 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 financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

### Basis for 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

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.

### Emphasis of matter regarding the audit

With effect from the current financial year, the Company is subject to statutory audit. As shown in the financial statements, the comparative figures in the financial statements have therefore not been audited.

### 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 as to 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 the 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:

## Independent auditor's report on the financial statements

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Statement on 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 assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility 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 our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Odense, 21 June 2024  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

Brian Skovhus Jakobsen  
State Authorised Public Accountant  
mne27701

## Financial statements 1 January - 31 December

### Income statement

Note	DKK	2023	2022 (Not audited)
	Gross profit	22,909,591	15,576,684
2	Staff costs	-20,907,352	-11,398,599
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-1,100,923	-836,605
	Other operating expenses	-4,624	-3,352
	Profit before net financials	896,692	3,338,128
3	Financial income	7,259,452	1,755,942
4	Financial expenses	-10,490,647	-916,958
	Profit/loss before tax	-2,334,503	4,177,112
5	Tax for the year	342,599	-910,666
	Profit/loss for the year	<u>-1,991,904</u>	<u>3,266,446</u>
	Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	<u>-1,991,904</u>	<u>3,266,446</u>

## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK	2023	2022 (Not audited)
	ASSETS		
	Fixed assets		
6	Property, plant and equipment		
	Fixtures and fittings, other plant and equipment	230,683	297,181
	Right to use assets	1,682,483	1,828,625
		<u>1,913,166</u>	<u>2,125,806</u>
	Investments		
	Deposits, investments	217,479	199,361
		<u>217,479</u>	<u>199,361</u>
	Total fixed assets	<u>2,130,645</u>	<u>2,325,167</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	10,470,321	49,069,967
	Contract work in progress	11,226,137	24,015,773
	Receivables from group enterprises	11,363,247	15,130,494
	Other receivables	725,017	32,836
		<u>33,784,722</u>	<u>88,249,070</u>
	Total non-fixed assets	<u>33,784,722</u>	<u>88,249,070</u>
	TOTAL ASSETS	<u><u>35,915,367</u></u>	<u><u>90,574,237</u></u>

## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK	2023	2022 (Not audited)
	EQUITY AND LIABILITIES		
	Equity		
7	Share capital	400,000	400,000
	Retained earnings	1,813,698	3,805,602
	Total equity	<u>2,213,698</u>	<u>4,205,602</u>
	Provisions		
	Deferred tax	73,624	716,698
	Total provisions	<u>73,624</u>	<u>716,698</u>
	Liabilities other than provisions		
8	Non-current liabilities other than provisions		
	Lease liabilities	783,658	972,510
		<u>783,658</u>	<u>972,510</u>
	Current liabilities other than provisions		
8	Short-term part of long-term liabilities	949,088	904,532
	Prepayments on work in progress	3,755,790	9,984,087
	Trade payables	7,451,614	24,835,694
	Payables to group enterprises	13,656,548	31,242,681
	Corporation tax payable	398,180	4,203
	Other payables	6,633,167	17,708,230
		<u>32,844,387</u>	<u>84,679,427</u>
	Total liabilities other than provisions	<u>33,628,045</u>	<u>85,651,937</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>35,915,367</u></u>	<u><u>90,574,237</u></u>

- 1 Accounting policies
- 9 Security and collateral
- 10 Related parties



Financial statements 1 January - 31 December

Statement of changes in equity

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2022	400,000	539,156	939,156
Transfer through appropriation of profit	0	3,266,446	3,266,446
Equity at 1 January 2023	400,000	3,805,602	4,205,602
Transfer through appropriation of loss	0	-1,991,904	-1,991,904
Equity at 31 December 2023	<u>400,000</u>	<u>1,813,698</u>	<u>2,213,698</u>

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Stow Nordics A/S for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK).

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate 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 most recent financial statements is recognised in the income statement as financial income or financial expenses.

#### Income statement

##### Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2020.

Income from construction contracts involving a high degree of customisation is recognised as revenue by reference to the stage of completion. Accordingly, revenue corresponds to the market value of the contract work performed during the year (percentage-of-completion method). This method is used where the total income and expenses and the degree of completion of the contract can be measured reliably.

Where income from a construction contract cannot be estimated reliably, contract revenue corresponding to the expenses incurred is recognised only in so far as it is probable that such expenses will be recoverable from the counterparty.

##### Gross profit

The items revenue, cost of sales, other operating income and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

##### Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

##### Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Fixtures and fittings, other plant and equipment	3-4 years
Right-of-use assets	3-4 years

##### Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the Company's core activities, including losses on the sale of fixed assets.

##### Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

##### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

##### Balance sheet

##### Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

##### Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to the ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of the future lease payments. In calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently accounted for in the same way as the Company's other assets.

The capitalised residual lease liability is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Impairment of fixed assets

The carrying amount of property, plant and equipment is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

##### Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the expected cash flows.

##### 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.

##### Income taxes

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

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

#### Lease liabilities

Lease liabilities are measured at the net present value of the remaining lease payments including any guaranteed residual value based on the interest rate implicit in the lease.

## Financial statements 1 January - 31 December

### Notes to the financial statements

DKK	2023	2022	
2 Staff costs			
Wages/salaries	18,502,606	9,879,955	
Pensions	2,292,923	1,430,573	
Other staff costs	111,823	88,071	
	<u>20,907,352</u>	<u>11,398,599</u>	
Average number of full-time employees	<u>20</u>	<u>14</u>	
3 Financial income			
Interest receivable, group entities	2,441,520	0	
Exchange adjustments	4,817,932	1,582,575	
Other financial income	0	173,367	
	<u>7,259,452</u>	<u>1,755,942</u>	
4 Financial expenses			
Interest expenses, group entities	4,720,124	393,896	
Other interest expenses	270,343	140,895	
Exchange adjustments	5,500,180	395,683	
Other financial expenses	0	-13,516	
	<u>10,490,647</u>	<u>916,958</u>	
5 Tax for the year			
Estimated tax charge for the year	305,571	204,192	
Deferred tax adjustments in the year	-676,492	706,474	
Tax adjustments, prior years	28,322	0	
	<u>-342,599</u>	<u>910,666</u>	
6 Property, plant and equipment			
	Fixtures and fittings, other plant and equipment	Right to use assets	Total
DKK			
Cost at 1 January 2023	381,365	2,674,092	3,055,457
Additions	40,544	1,028,585	1,069,129
Disposals	0	-616,599	-616,599
Cost at 31 December 2023	<u>421,909</u>	<u>3,086,078</u>	<u>3,507,987</u>
Impairment losses and depreciation at 1 January 2023	84,184	845,467	929,651
Depreciation	107,042	988,752	1,095,794
Reversal of accumulated depreciation and impairment of assets disposed	0	-430,624	-430,624
Impairment losses and depreciation at 31 December 2023	<u>191,226</u>	<u>1,403,595</u>	<u>1,594,821</u>
Carrying amount at 31 December 2023	<u>230,683</u>	<u>1,682,483</u>	<u>1,913,166</u>

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 7 Share capital

The Company's share capital has remained DKK 400,000 in the past year.

#### 8 Non-current liabilities other than provisions

DKK	Total debt at 31/12 2023	Short-term portion	Long-term portion	Outstanding debt after 5 years
Lease liabilities	1,732,746	949,088	783,658	0
	1,732,746	949,088	783,658	0

#### 9 Security and collateral

The Company has not provided any security or other collateral in assets at 31 December 2023.

#### 10 Related parties

##### Information about consolidated financial statements

Parent	Domicile
Stow International N.V.	Belgium