



Beritech Group ApS

Havnegade 35, 4, 9400 Nørresundby

Company reg. no. 41 72 36 37

Annual report

1 January - 31 December 2022

The annual report was submitted and approved by the general meeting on the 11 May 2023.

Bent Larsen
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Beritech Group ApS for the financial year 1 January - 31 December 2022.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2022, and of the results of the Group and the Company's operations as well as the consolidated cash flows for the financial year 1 January – 31 December 2022.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

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

Nørresundby, 11 May 2023

Managing Director

Bent Larsen

Board of directors

Thomas Christian Pedersen
Chairman of the board

Bent Larsen

Allan Klæstrup Styrishave

Independent auditor's report

To the Shareholder of Beritech Group ApS

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Beritech Group ApS for the financial year 1 January to 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies for both the Group the Parent Company, as well as consolidated statement of cash flows. 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 financial position of the Group and the Parent Company at 31 December 2022, and of the results of the Group and the Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2022 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 the Parent Company Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Consolidated Financial Statements and the Parent Company 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 consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the 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 the 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.

Independent auditor's report

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the 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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and the 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 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 consolidated financial statements and the 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 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 the 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.

Independent auditor's report

- Evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the disclosures, and whether the consolidated financial statements and the parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely 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 the 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 the 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 the 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 financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Aalborg, 11 May 2023

Redmark

Godkendt Revisionspartnerselskab
Company reg. no. 29 44 27 89

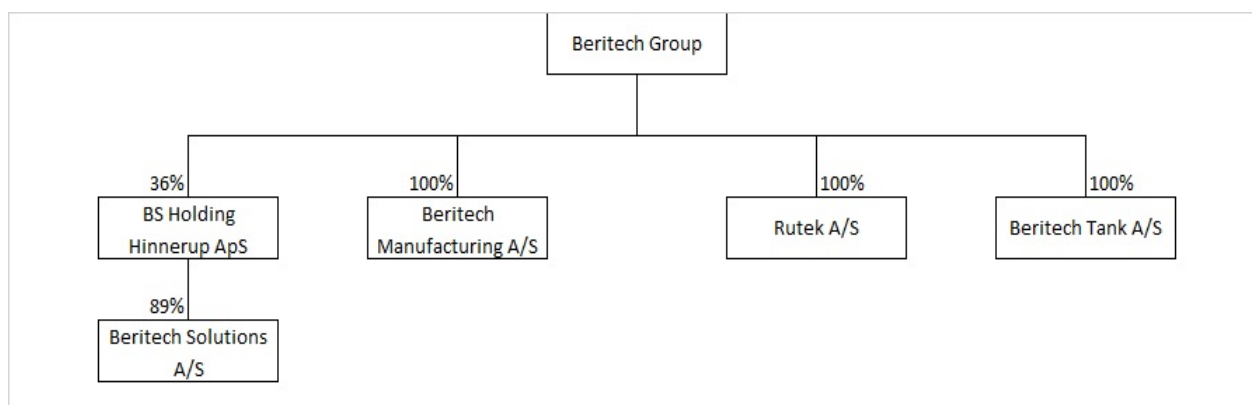
Marian Fruergaard

State Authorised Public Accountant
mne24699

Company information

The company	Beritech Group ApS Havnegade 35, 4 9400 Nørresundby Company reg. no. 41 72 36 37 Financial year: 1 January - 31 December
Board of directors	Thomas Christian Pedersen, Chairman of the board Bent Larsen Allan Klæstrup Styrihave
Managing Director	Bent Larsen
Auditors	Redmark Godkendt Revisionspartnerselskab Hasseris Bymidte 6 9000 Aalborg
Subsidiaries	Beritech Tank A/S, Aalborg Beritech Manufacturing A/S, Aalborg Rutek A/S, Randers
Participating interest	BS Holding Hinnerup ApS, Hinnerup

Koncernoversigt



Consolidated financial highlights

DKK in thousands.	2022	2021
Income statement:		
Gross profit	88.046	49.327
Profit from operating activities	3.136	5.269
Net financials	-912	-2.524
Net profit or loss for the year	2.053	3.580
Statement of financial position:		
Balance sheet total	253.815	136.828
Investments in property, plant and equipment	54.633	67.459
Equity	51.654	34.120
Cash flows:		
Operating activities	64.129	1.897
Investing activities	-49.095	-68.678
Financing activities	16.278	66.899
Total cash flows	31.312	117
Employees:		
Average number of full-time employees	128	62
Key figures in %:		
Solvency ratio	20,4	24,9

Calculations of key figures and ratios follow the recommendations of the Danish Association of Finance Analysts.

Management's review

The principal activities of the group

The activities of the group and of Beritech Group ApS consist of sales, development, design and production of tanks and tank systems in stainless steel as well as other stainless-steel equipment for the food industry. Moreover, the group's activities include subcontracting work within steel processing, including laser cutting, edge bending, welding, CNC milling and assembly in stainless steel, iron and aluminium.

Development in activities and financial matters

The operating profit for the year before goodwill amortization for the group for the year totals TDKK 15.139 against TDKK 12.308 last year. Income or loss from ordinary activities after tax totals TDKK 2.053 against TDKK 3.580 last year. The management considers the year's result to be satisfactory in view of the significant uncertainties and price inflation that have occurred during the year in the energy and important raw materials categories, as well as that 2022 has been characterized by investments in the group, which in 2023 will result in significant growth in the group's scope of activities.

Beritech Group ApS is a holding company without significant operating activities. The consolidated accounts include the activities within the subsidiaries Beritech Manufacturing A/S, Beritech Tank A/S and Rutek A/S as well as the associated company Beritech Solutions A/S. In its second financial year, the group has continued its development by building up organisation, structure and capacity so that Beritech Group becomes a strong sub-supplier to the pharmaceutical and food industry.

With the 2 business areas Pharma and Food, the group has created a platform for further growth and expansion plans in the coming years. The Pharma business area is further strengthened during 2022 with the purchase of Rutek A/S, which is an established supplier to the Pharma segment. In the course of the year, the group's capital ratio was increased by debt conversion and group subsidies totaling DKK 15 million. The group has thereby achieved an improved solidity, which underpins the level of activity and market expectations. The workforce has increased significantly over the course of the year and by the end of 2022 the group will employ over 200 employees as well as a varying number of hired resources. In terms of management and resources, these are expected to provide significant synergies in the coming year.

Expected developments

For the coming financial year, there are expectations that the group's turnover will double compared to that realized in 2022, which is confirmed by the agreements already concluded. In 2022, an additional 54 MDKK has been invested in the acquisition of companies as well as new and improved machines and facilities that make it possible to realize the expected growth. Further investments are expected in 2023 in robotics, digitization and general expansion of production capacity.

Based on the above, the management expects to realize strong growth in 2023, which entails expectations of a significantly improved result for 2023.

Management's review

Events occurring after the end of the financial year

No events of significant importance to the company's financial position have occurred after the end of the financial year.

Income statement

All amounts in DKK.

Note	Group		Parent	
	1/1 2022 - 31/12 2022	1/10 2020 - 31/12 2021	1/1 2022 - 31/12 2022	1/10 2020 - 31/12 2021
Gross profit	88.045.724	49.326.943	-578.033	-174.979
1 Staff costs	-71.843.140	-35.191.993	0	0
Depreciation, amortisation, and impairment	-13.066.213	-8.490.797	0	0
Other operating expenses	0	-375.100	0	0
Operating profit	3.136.371	5.269.053	-578.033	-174.979
Income from investments in subsidiaries	0	0	137.365	2.903.413
Income from investment in participating interest	2.068.772	1.053.615	2.068.772	1.053.615
Other financial income from subsidiaries	12.255	0	736.238	781.249
Other financial income	16.817	0	0	0
Other financial expenses	-3.009.632	-3.577.886	-273.450	-1.089.463
Pre-tax net profit or loss	2.224.583	2.744.782	2.090.892	3.473.835
Tax on net profit or loss for the year	-171.187	835.357	-37.496	106.304
2 Net profit or loss for the year	2.053.396	3.580.139	2.053.396	3.580.139

Balance sheet at 31 December

All amounts in DKK.

Assets				
Note	Group		Parent	
	2022	2021	2022	2021
Non-current assets				
3 Completed development projects, including patents and similar rights arising from development projects	489.366	0	0	0
4 Goodwill	34.059.239	26.079.602	0	0
Total intangible assets	34.548.605	26.079.602	0	0
5 Property	5.668.520	5.821.101	0	0
6 Plant and machinery	42.771.381	25.353.077	0	0
7 Other fixtures and fittings, tools and equipment	25.533.895	16.390.430	0	0
Total property, plant, and equipment	73.973.796	47.564.608	0	0
8 Investments in group enterprises	0	0	48.562.874	32.425.509
9 Investment in participating interest	4.232.915	2.493.615	4.232.915	2.493.615
Total investments	4.232.915	2.493.615	52.795.789	34.919.124
Total non-current assets	112.755.316	76.137.825	52.795.789	34.919.124
Current assets				
Raw materials and consumables	16.056.401	17.016.372	0	0
Total inventories	16.056.401	17.016.372	0	0
Trade receivables	68.492.411	31.257.065	0	0
10 Contract work in progress	21.686.731	10.289.223	0	0
Receivables from subsidiaries	9.375	0	13.601.445	16.114.662
Receivables from participating interest	329.472	0	329.472	0
11 Deferred tax assets	0	244.866	68.808	106.304
Other receivables	1.400.301	1.130.404	40.250	0
12 Prepayments	1.656.246	635.284	0	0
Total receivables	93.574.536	43.556.842	14.039.975	16.220.966

Balance sheet at 31 December

All amounts in DKK.

Note	Group		Parent	
	2022	2021	2022	2021
Cash and cash equivalents	31.429.146	117.244	0	35.997
Total current assets	141.060.083	60.690.458	14.039.975	16.256.963
Total assets	253.815.399	136.828.283	66.835.764	51.176.087

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities				
<u>Note</u>	<u>Group</u>		<u>Parent</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Equity				
Contributed capital	41.000	41.000	41.000	41.000
Reserve for net revaluation according to the equity method	2.792.915	1.053.615	5.833.693	3.957.028
Retained earnings	48.820.387	33.025.524	45.779.609	30.122.111
Total equity	51.654.302	34.120.139	51.654.302	34.120.139
Provisions				
Provisions for deferred tax	763.477	0	0	0
13 Other provisions	426.935	61.377	0	0
Total provisions	1.190.412	61.377	0	0
Long term liabilities other than provisions				
Mortgage loans	1.951.397	2.050.313	0	0
Bank loans	21.878.052	8.707.671	9.505.986	0
Lease liabilities	26.599.041	13.951.256	0	0
Payables to subsidiaries	0	16.980.767	0	16.980.767
Other payables	0	0	5.000.000	0
14 Total long term liabilities other than provisions	50.428.490	41.690.007	14.505.986	16.980.767

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities					
Note	Group		Parent		
	2022	2021	2022	2021	
14	Current portion of long term liabilities	10.675.460	3.314.998	0	0
	Bank loans	207.563	9.710.906	79.959	0
10	Prepayments received from customers for contract work in progress	57.452.807	4.043.110	0	0
10	Contract work in progress	0	1.427.136	0	0
	Trade payables	33.744.485	37.292.954	75.000	75.181
	Payables to subsidiaries	0	0	520.517	0
	Income tax payable	0	121.220	0	0
	Other payables	47.880.915	4.328.774	0	0
15	Deferred income	580.965	717.662	0	0
	Total short term liabilities other than provisions	150.542.195	60.956.760	675.476	75.181
	Total liabilities other than provisions	200.970.685	102.646.767	15.181.462	17.055.948
	Total equity and liabilities	253.815.399	136.828.283	66.835.764	51.176.087
16	Charges and security				
17	Contingencies				

Consolidated statement of changes in equity

All amounts in DKK.

	Contributed capital	Reserve for net revaluation according to the equity method	Retained earnings	Total
Equity 1 January 2022	41.000	1.053.615	33.025.524	34.120.139
Share of profit or loss	0	1.739.300	314.096	2.053.396
Capital grant	0	0	15.480.767	15.480.767
	41.000	2.792.915	48.820.387	51.654.302

Statement of changes in equity of the parent

All amounts in DKK.

	Contributed capital	Reserve for net revaluation according to the equity method	Retained earnings	Total
Equity 1 January 2022	41.000	3.957.028	30.122.111	34.120.139
Share of profit or loss	0	1.876.665	176.731	2.053.396
Capital grant	0	0	15.480.767	15.480.767
	41.000	5.833.693	45.779.609	51.654.302

Statement of cash flows

All amounts in DKK.

	Group	
	1/1 2022 - 31/12 2022	1/10 2020 - 31/12 2021
Net profit or loss for the year	2.053.396	3.580.139
18 Adjustments	13.774.506	10.757.666
19 Change in working capital	51.402.631	-9.291.575
Cash flows from operating activities before net financials	67.230.533	5.046.230
Interest received, etc.	-2.980.560	-3.149.414
Cash flows from ordinary activities	64.249.973	1.896.816
Income tax paid	-121.220	0
Cash flows from operating activities	64.128.753	1.896.816
Purchase of property, plant, and equipment	-38.632.757	-18.741.607
Sale of property, plant, and equipment	5.208.756	221.000
20 Acquisition of enterprises and activities	-16.000.000	-48.717.829
Acquisition of enterprise	0	-1.440.000
Dividends received	329.472	0
Cash flows from investment activities	-49.094.529	-68.678.436
Long-term payables incurred	28.078.436	27.980.214
Cash capital increase	0	9.540.000
Group grant	15.480.767	21.000.000
Changes in short-term bank loans	-10.300.758	8.378.650
Other cash flows from financing parent company	-16.980.767	0
Cash flows from investment activities	16.277.678	66.898.864
Change in cash and cash equivalents	31.311.902	117.244
Cash and cash equivalents at 1 January 2022	117.244	0
Cash and cash equivalents at 31 December 2022	31.429.146	117.244
Cash and cash equivalents		
Cash and cash equivalents	31.429.146	117.244
Cash and cash equivalents at 31 December 2022	31.429.146	117.244

Notes

All amounts in DKK.

	Group	
	1/1 2022 - 31/12 2022	1/10 2020 - 31/12 2021
1. Staff costs		
Salaries and wages	64.213.206	31.123.032
Pension costs	6.166.297	3.517.334
Other costs for social security	1.463.637	551.627
	71.843.140	35.191.993

Average number of employees 128 62
According to Section 98 B subsection of the Annual Accounts Act. 3, the remuneration to the executive board is omitted.

	Parent	
	1/1 2022 - 31/12 2022	1/10 2020 - 31/12 2021
2. Proposed distribution of net profit		
Reserves for net revaluation according to the equity method	1.876.665	3.957.028
Transferred to retained earnings	176.731	0
Allocated from retained earnings	0	-376.889
Total allocations and transfers	2.053.396	3.580.139

	Group	
	31/12 2022	31/12 2021
3. Completed development projects, including patents and similar rights arising from development projects		
Additions during the year	564.790	0
Cost 31 December 2022	564.790	0
Amortisation and depreciation for the year	-75.424	0
Amortisation and write-down 31 December 2022	-75.424	0
Carrying amount, 31 December 2022	489.366	0

Notes

All amounts in DKK.

	Group	
	31/12 2022	31/12 2021
4. Goodwill		
Cost 1 January 2022	27.441.081	0
Additions during the year	11.489.727	27.441.081
Cost 31 December 2022	38.930.808	27.441.081
Amortisation and writedown 1 January 2022	-1.361.479	0
Amortisation and depreciation for the year	-3.510.090	-1.361.479
Amortisation and writedown 31 December 2022	-4.871.569	-1.361.479
Carrying amount, 31 December 2022	34.059.239	26.079.602
5. Property		
Cost 1 January 2022	5.971.299	0
Additions concerning company transfer	0	5.945.299
Additions during the year	0	26.000
Cost 31 December 2022	5.971.299	5.971.299
Depreciation and writedown 1 January 2022	-150.198	0
Amortisation and depreciation for the year	-152.581	-150.198
Depreciation and writedown 31 December 2022	-302.779	-150.198
Carrying amount, 31 December 2022	5.668.520	5.821.101

Notes

All amounts in DKK.

	Group	
	31/12 2022	31/12 2021
6. Plant and machinery		
Cost 1 January 2022	28.850.377	0
Additions concerning company transfer	0	17.805.963
Additions during the year	22.468.248	12.710.714
Disposals during the year	0	-1.666.300
Cost 31 December 2022	51.318.625	28.850.377
Depreciation and writedown 1 January 2022	-3.497.300	0
Amortisation and depreciation for the year	-5.049.944	-3.820.833
Reversal of depreciation, amortisation and impairment loss, assets disposed of	0	323.533
Depreciation and writedown 31 December 2022	-8.547.244	-3.497.300
Carrying amount, 31 December 2022	42.771.381	25.353.077
7. Other fixtures and fittings, tools and equipment		
Cost 1 January 2022	19.180.647	0
Additions concerning company transfer	0	7.583.404
Additions during the year	18.453.668	12.185.527
Disposals during the year	-5.548.079	-588.284
Cost 31 December 2022	32.086.236	19.180.647
Amortisation and writedown 1 January 2022	-2.790.217	0
Amortisation and depreciation for the year	-4.232.178	-3.168.931
Depreciation, amortisation and impairment loss for the year, assets disposed of	57.038	0
Reversal of depreciation, amortisation and impairment loss, assets disposed of	413.016	378.714
Amortisation and writedown 31 December 2022	-6.552.341	-2.790.217
Carrying amount, 31 December 2022	25.533.895	16.390.430

Notes

All amounts in DKK.

	Parent	
	31/12 2022	31/12 2021
8. Investments in group enterprises		
Cost 1 January 2022	29.522.096	0
Additions during the year	16.000.000	29.522.096
Cost 31 December 2022	45.522.096	29.522.096
Revaluations, opening balance 1 January 2022	2.903.413	0
Net profit or loss for the year before amortisation of goodwill	903.347	2.903.413
Revaluation 31 December 2022	3.806.760	2.903.413
Amortisation of goodwill for the year	-765.982	0
Depreciation on goodwill 31 December 2022	-765.982	0
Carrying amount, 31 December 2022	48.562.874	32.425.509
The item includes goodwill with an amount of	10.723.745	0
Goodwill is recognised under the item "Additions during the year" with an amount of	11.489.727	0
Group enterprises:		
	Domicile	Equity interest
Beritech Tank A/S	Aalborg	100 %
Beritech Manufacturing A/S	Aalborg	100 %
Rutek A/S	Randers	100 %

Notes

All amounts in DKK.

	Group		Parent	
	31/12 2022	31/12 2021	31/12 2022	31/12 2021
9. Investment in participating interest				
Cost 1 January 2022	1.440.000	0	1.440.000	0
Additions during the year	0	1.440.000	0	1.440.000
Cost 31 December 2022	1.440.000	1.440.000	1.440.000	1.440.000
Revaluations, opening balance 1 January 2022	1.053.615	0	1.053.615	0
Net profit or loss for the year before amortisation of goodwill	2.068.772	1.053.615	2.068.772	1.053.615
Dividend	-329.472	0	-329.472	0
Revaluation 31 December 2022	2.792.915	1.053.615	2.792.915	1.053.615
Carrying amount, 31 December 2022	4.232.915	2.493.615	4.232.915	2.493.615
Participating interest:				
			Domicile	Equity interest
BS Holding Hinnerup ApS			Hinnerup	36 %

Notes

All amounts in DKK.

	Group	
	31/12 2022	31/12 2021
10. Contract work in progress		
Selling price of the production for the period	120.057.535	21.598.834
Progress billings	-155.823.611	-16.779.857
Contract work in progress, net	-35.766.076	4.818.977
The following is recognised:		
Contract work in progress (current assets)	21.686.731	10.289.223
Contract work in progress (prepayments received on account)	-57.452.807	-4.043.110
Contract work in progress (short-term liabilities other than provision)	0	-1.427.136
	-35.766.076	4.818.977

	Group		Parent	
	31/12 2022	31/12 2021	31/12 2022	31/12 2021
11. Deferred tax assets				
Deferred tax assets 1				
January 2022	0	244.866	106.304	0
Deferred tax of the net profit or loss for the year	0	0	-37.496	106.304
	0	244.866	68.808	106.304
The following items are subject to deferred tax:				
Losses carried forward from previous years	0	244.866	68.808	106.304
	0	244.866	68.808	106.304

	Group	
	31/12 2022	31/12 2021
12. Prepayments		
Other prepayments/deferred income	1.656.246	635.284
	1.656.246	635.284

Notes

All amounts in DKK.

	Group	
	31/12 2022	31/12 2021
13. Other provisions		
Other provisions 1 January 2022	61.377	61.377
Change in other provisions for the year	365.558	0
	426.935	61.377

14. Long term liabilities other than provisions

	Total payables 31 Dec 2022	Current portion of long term payables	Long term payables 31 Dec 2022	Outstanding payables after 5 years
Group				
Mortgage loans	2.050.314	98.917	1.951.397	1.542.628
Bank loans	23.101.139	1.223.087	21.878.052	7.958.832
Lease liabilities	30.952.497	4.353.456	26.599.041	7.693.922
Other payables	5.000.000	5.000.000	0	0
	61.103.950	10.675.460	50.428.490	17.195.382
Parent				
Bank loans	9.505.986	0	9.505.986	0
Other payables	5.000.000	0	5.000.000	0
	14.505.986	0	14.505.986	0

	Group	
	31/12 2022	31/12 2021
15. Deferred income		
Accruals and deferred income	580.965	717.662
	580.965	717.662

Notes

All amounts in DKK.

16. Charges and security

As collateral for mortgage loans, TDKK 2.050, security has been granted on land and buildings representing a carrying amount of TDKK 5.669 at 31 December 2022.

The company has issued mortgages registered to the owners totalling TDKK 2.000 as security for bank loans. The mortgages registered to the owners provide security on the above land and buildings as well as property, plant and equipment.

For bank loans, TDKK 13.620, the company has provided security in company assets representing a nominal value of DKK T106.000. This security comprises the assets below, stating the carrying amounts:

	DKK in thousands
Inventories	16.056
Trade receivables	68.492
Egen engelsk tekst	68.306
Egen engelsk tekst	23.336

Fixtures, fittings, tools, and equipment representing a carrying amount of TDKK 33.761 at 31 December 2022, cf. note , have been financed by means of finance leases. At 31 December 2022, this lease liability totals TDKK 30.478.

Notes

All amounts in DKK.

17. Contingencies

Contingent liabilities

Lease liabilities

In addition to finance leases, the company has entered into operational leases with an average annual lease payment of TDKK 405. The leases have 9-36 months to maturity and total outstanding lease payments total TDKK 1.129.

Joint taxation

With Beritech Holding ApS, company reg. no 27127991 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The jointly taxed enterprises' total known net liability to the Danish tax authorities emerges from the financial statements of the administration company.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

Notes

All amounts in DKK.

	Group	
	1/1 2022	1/10 2020
	- 31/12 2022	- 31/12 2021
18. Adjustments		
Depreciation, amortisation, and impairment	13.066.213	8.490.797
Profit from disposal of non-current assets	-120.731	217.337
Income from investment in participating interest	-2.068.772	-1.053.615
Other financial expenses	2.980.560	3.577.886
Tax on net profit or loss for the year	171.187	-835.357
Other provisions	365.558	61.377
Other adjustments	-619.509	299.241
	13.774.506	10.757.666
19. Change in working capital		
Change in inventories	1.424.971	-5.904.652
Change in receivables	-37.059.956	-34.631.414
Change in trade payables and other payables	87.117.791	30.767.657
Other changes in working capital	-80.175	476.834
	51.402.631	-9.291.575
20. Acquisition of enterprises and activities		
Intangible assets	538.468	0
Property, plant, and equipment	1.750.691	37.515.300
Inventories	465.000	11.111.720
Receivables	13.122.429	8.680.562
Leasing obligations	0	-15.254.766
Bank loans	-797.415	-1.332.256
Mortgage loans	0	-1.770.025
Provisions for deferred tax	-837.156	-510.588
Trade payables	-6.922.424	-8.057.112
Other payables	-2.809.320	-9.106.087
Goodwill	11.489.727	27.441.081
	16.000.000	48.717.829

Accounting policies

The annual report for Beritech Group ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (medium sized enterprises).

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

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

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

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

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

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

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

Foreign currency translation

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

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

Accounting policies

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

The consolidated financial statements

The consolidated income statements comprise the parent company Beritech Group ApS and those group enterprises of which Beritech Group ApS directly or indirectly owns more than 50 % of the voting rights or in other ways exercise control.

Consolidation policies

The consolidated financial statements have been prepared as a summary of the parent company's and the group enterprises' financial statements by adding together uniform accounting records calculated in accordance with the group's accounting policies.

Investments in group enterprises are eliminated by the proportionate share of the group enterprises' fair value of net assets and liabilities at the acquisition date.

In the consolidated financial statements, the accounting records of the group enterprises are recognised by 100%. The minority interests' share of the profit for the year and of the equity in the group enterprises, which are not 100% owned, is included in the group's profit and equity, but presented separately.

Purchases and sales of minority interests under continuing control are recognised directly in equity as a transaction between shareholders.

Investments in associates are measured in the statement of financial position at the proportionate share of the enterprises' equity value i calculated in accordance with the parent company's accounting policies and with proportionate elimination of unrealised intercompany gains and losses. In the income statement, the proportional share of the associates' results is recognised after elimination of the proportional share of intercompany gains and losses.

The group activities in joint operations are recognised in the consolidated financial statements record by record.

Business combinations

Acquisitions completed by the 1 July 2018 or later (method of consolidation)

Acquisition of group enterprises are dealt with in accordance with the acquisition method, and afterwards the assets and liabilities of the acquired entity are measured at fair value at the date of acquisition. If it is possible to measure the value reliably, acquired contingent liabilities are measured at fair value under the item Equity investments in group enterprises.

The date of acquisition is the date when control of the acquired entity is obtained.

Accounting policies

The cost of the acquired entity represents the fair value of the consideration agreed upon, including the considerations that are conditional on future events. Transaction costs directly attributable to the acquisition of group enterprises are recognised in the income statement as incurred.

Positive differences between the cost of the acquired entity and the identified assets and liabilities are recognised in the equity investment as goodwill, which is amortised on a straight-line basis in the income statement over the expected useful life. Amortisation of goodwill is allocated to the functions to which the goodwill relates. If the difference is negative, this is recognised immediately in the income statement.

If the allocation of the purchase price is not final, positive and negative differences from acquired group enterprises may, as a result of changes in recognition and measurement of the identified net assets, be adjusted up to 12 months from the date of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including depreciation already made.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Contract work in progress concerning construction contracts is recognised in the revenue concurrently with the production process. Thus, the revenue corresponds to the selling price of the total yearly production (the production method). The revenue is recognised when the total income and costs of the contract and the stage of completion on the reporting date can be reliably validated and it is deemed probable that the financial benefits will flow to the company.

When the results of a contract cannot be reliably validated, the revenue is recognised solely on a cost basis to the extent that it seems probable that the costs will be recovered.

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

Accounting policies

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets, operating loss and conflict compensation as well as salary reimbursements received. Compensation is recognized when it is overwhelmingly probable that the company will receive the compensation.

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

Staff costs

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

Depreciation, amortisation, and writedown for impairment

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

Other operating expenses

Other operating expenses comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from investments in subsidiaries and participating interest

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the equity investment in the individual subsidiaries are recognised in the income statement of the parent as a proportional share of the subsidiaries' post-tax profit or loss.

After full elimination of intercompany profit or loss less amortised of consolidated goodwill, the equity investment in the participating interest is recognised in the income statement of both the group and the parent as a proportional share of the participating interests' post-tax profit or loss.

Tax on net profit or loss for the year

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

The parent and the Danish group enterprises are subject to Danish rules on compulsory joint taxation of Danish group enterprises.

Accounting policies

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Goodwill

Acquired goodwill is measured at cost with deduction of accumulated amortisation. Goodwill is amortised over the estimated useful life, which is determined on the basis of management's experience in the individual business areas. Goodwill is amortised on a straightline basis over the amortisation period, which is set at between 5 and 25 years. The amortisation period is determined on the basis of an expected pay-back period, being the longer for strategical acquirees with a strong market position and an expected longterm earnings profile.

Property, plant, and equipment

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

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

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

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

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

	Useful life	Residual value
Buildings	20-50 years	20 %
Plant and machinery	5-10 years	0-20 %
Other fixtures and fittings, tools and equipment	3-10 years	0-20 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Accounting policies

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Leases

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

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

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

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

Impairment loss relating to non-current assets

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

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

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

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

Accounting policies

Investments

Investments in subsidiaries and participating interest

Investments in subsidiaries and participating interest are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Investments in subsidiaries and participating interest are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Consolidated goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Consolidated goodwill is amortised on a straight-line basis over the amortisation period, which represent 5-20 years. The depreciation period is determined on the basis of an assessment that these are strategically acquired enterprises with a strong market position and a long-term earnings profile.

To the extent the equity exceeds the cost, the net revaluation of equity investments in subsidiaries and participating interest transferred to the reserve under equity for net revaluation according to the equity method. Dividends from subsidiaries expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in subsidiaries and participating interest.

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

On the acquisition of enterprises, the acquisition method, the uniting-of-interests method or the book value method is applied, cf. the above description under Business combinations.

Inventories

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

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

Accounting policies

Costs of manufactured goods and work in progress comprise the cost of raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance and depreciation of machinery, factory buildings, and equipment used in the production process, and costs for factory administration and factory management. Borrowing expenses are not recognised in cost.

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

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value. To counter expected losses, writedown is performed to net realisable value. The enterprise will be applying IAS 39 as the basis of interpretation for the recognition of impairment of financial assets, meaning that a loss must be recognised if there are objective indications of accounts receivable being unable to comply with payment obligations.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured on the basis of the stage of completion on the reporting date and the total expected income from the individual work in progress. The stage of completion is calculated as the share of costs incurred in proportion to the estimated total costs of the individual work in progress.

When the selling price of the individual work in progress cannot be determined reliably, the selling price is measured at the costs incurred or at net realisable value, if this is lower.

The individual work in progress is recognised in the statement of financial position under accounts receivables or liabilities. Net assets consist of the sum of the work in progress, where the selling price of the work performed exceeds invoicing on account. Net liabilities consist of the sum of the work in progress, where invoicing on account exceeds the selling price.

Costs in connection with sales work and the procurement of contracts are recognised in the income statement when incurred.

Prepayments

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Accounting policies

Equity

Reserve for net revaluation according to the equity method

The reserve for net revaluation according to the equity method comprises net revaluation of equity investments in subsidiaries, associates and equity interests proportional to cost.

The reserve may be eliminated in the event of losses, realisation of equity investments, or changes in the accounting estimates.

The reserve cannot be recognised by a negative amount.

Income tax and deferred tax

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

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Tax receivables from group enterprises" or "Income tax payable to group enterprises"

According to the rules of joint taxation, Beritech Group ApS is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

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

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

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

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

Accounting policies

Provisions

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

Liabilities other than provisions

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

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

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

Accruals and deferred income

Payments received concerning future income are recognised under accruals and deferred income.

Statement of cash flows

The cash flow statement shows the cash flows for the year, divided in cash flows deriving from operating activities, investment activities and financing activities, respectively, the changes in the liabilities, and cash and cash equivalents at the beginning and the end of the year, respectively.

The effect on cash flows derived from the acquisition and sale of enterprises appears separately under cash flows from investment activities. In the statement of cash flows, cash flows derived from acquirees are recognised as of the date of acquisition, and cash flows derived from sold enterprises are recognised until the date of sale.

Cash flows from operating activities

Cash flows from operating activities are calculated as the group's share of the profit adjusted for non-cash operating items, changes in the working capital, and corporate income tax paid. Dividend income from equity investments are recognised under "Interest income and dividend received".

Accounting policies

Cash flows from investment activities

Cash flows from investment activities comprise payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible assets, property, plant, and equipment, and investments, respectively.

Cash flows from financing activities

Cash flows from financing activities include changes in the size or the composition of the group's share capital and costs attached to it, as well as raising loans, repayments of interest-bearing payables and payment of dividend to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and shortterm financial instruments with a term of less than 3 months, which can easily be converted into cash and cash equivalents and are associated with an insignificant risk of value change.