

CROWD Nordics ApS

Albuen 37, 6000 Kolding
CVR no. 43 34 72 68

Annual report for 2023

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 23.05.24

Henrik Andersen
Dirigent

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The company

CROWD Nordics ApS
Albuen 37
6000 Kolding
Danmark

Registered office: Kolding
CVR no.: 43 34 72 68
Financial year: 01.01 - 31.12
2. financial year

Executive Board

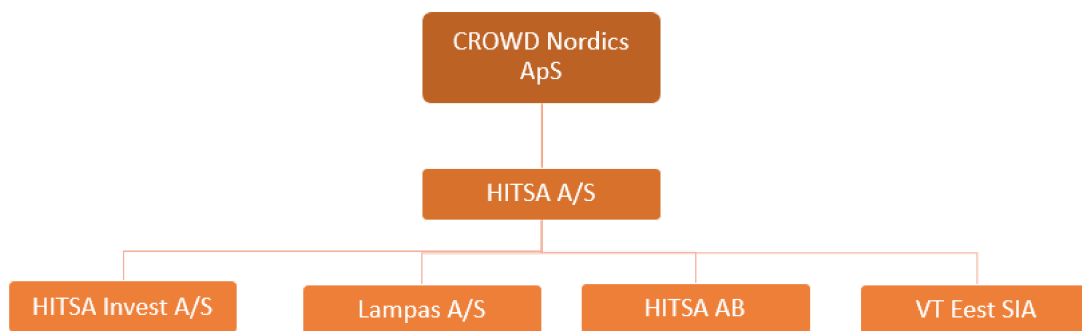
CEO Henrik Andersen

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

Subsidiaries

Hitsa A/S, Kolding
Hitsa Invest A/S, Kolding
Lampas A/S, Kolding
Hitsa AB, Sweden
VT East Sia, Latvia



Statement by the Executive Board on the annual report

I have on this day presented the annual report for the financial year 01.01.23 - 31.12.23 for CROWD Nordics ApS.

The annual report is presented in accordance with the Danish Financial Statements Act.

In my opinion, the consolidated financial statements and financial statements give a true and fair view of the group's and the parent's assets, liabilities and financial position as at 31.12.23 and of the results of the group's and parent's activities and of the group's cash flows for the financial year 01.01.23 - 31.12.23.

I believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Kolding, May 23, 2024

Executive Board

Henrik Andersen
CEO

To the capital owner of CROWD Nordics ApS**Opinion**

We have audited the consolidated financial statements and financial statements of CROWD Nordics ApS for the financial year 01.01.23 - 31.12.23, which comprise income statement, balance sheet, statement of changes in equity and notes to the financial statements, including significant accounting policies for the group as well as for the parent company as well as the consolidated cash flow statement. The consolidated financial statements and financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion the consolidated financial statements and financial statements give a true and fair view of the group's and the company's financial position at 31.12.23 and of the results of the group's and the company's operations and consolidated cash flows for the financial year 01.01.23 - 31.12.23 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 financial statements" section of our report. We are independent of the group and 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 the management's review

Management is responsible for the management's review.

Our opinion on the consolidated financial statements and 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 consolidated financial statements and financial statements, it is 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 or 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 the management's review is in accordance with the consolidated financial statements and financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management's review.

Management's responsibilities for the consolidated financial statements and financial statements

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and 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 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the consolidated financial statements and financial statements, including the disclosures, and whether the consolidated financial statements and 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.

Haderslev, May 23, 2024

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Rasmus Ørskov
State Authorized Public Accountant
MNE-no. mne42777

GROUPS FINANCIAL HIGHLIGHTS**Key figures**

Figures in DKK '000

	2023	24.06.22 31.12.22
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Profit/loss

Gross result	68,834	31,060
Profit/loss before depreciation, amortisation, write-downs and impairment losses	19,055	10,498
Operating profit/loss	4,770	4,584
Total net financials	-9,689	-345
Profit/loss before tax	-4,919	4,239
Total tax	-379	-2,425
Profit/loss for the year	-5,298	1,814

Balance

Total assets	186,300	202,096
Investments in property, plant and equipment	5,763	14,860
Equity	29,999	35,182

Ratios

	2023	24.06.22 31.12.22
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Profitability

Return on equity	-16%	3%
Return on invested capital	34%	14%

Equity ratio

Solvency ratio	16%	17%
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Liquidity and financing

Liquidity ratio	227%	118%
Financing rate	116%	80%

Ratios definitions

Return on equity:	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$
Return on invested capital:	$\frac{\text{EBITA} \times 100}{\text{Avg. invested capital excl. goodwill}}$
EBITA:	Operating profit plus amortisation and impairment losses on goodwill.
Invested capital excl. goodwill:	Sum of intangible operating assets and property, plant and equipment (excl. goodwill) as well as net working capital.
Solvency ratio:	$\frac{\text{Equity, end of year} \times 100}{\text{Total assets}}$
Liquidity ratio:	$\frac{\text{Current assets} \times 100}{\text{Short-term payables}}$
Financing rate:	$\frac{\text{Long-term payables} \times 100}{\text{Non-current assets}}$

Primary activities

The group's principal activities consist of developing, producing and implementing urban space solutions and outdoor lighting. Special emphasis is placed on urban space furnishings and lighting that promote (urban) quality of life, sustainability, and social inclusion.

Uncertainty concerning recognition and measurement

There is no material uncertainty regarding recognition and measurement.

Development in activities and financial affairs

The income statement for the period 01.01.23 - 31.12.23 shows a profit/loss of DKK -5,297,643 against DKK 1,813,603 for the period 24.06.22 - 31.12.22. The balance sheet shows equity of DKK 29,999,474.

Management considers the result for the year to be inline with market conditions.

Result for the year compared to previously announced expectations

Last year, the group expected a stronger result based on stable energy and raw material prices. The activity level in 2023 has been lower than expected due to declining order intake in the first half of 2023, resulting in a lower-than-expected result. In light of the above, management is satisfied with the result.

Outlook

Based on synergies generated by initiatives in HITSA as well as generated by the CROWD Group, management expects an increase in EBITDA compared to 2023, and thereby an expected EBITDA of between DKK 20 - 21 million. This assumes unchanged market conditions.

Financial risks*Price risks*

The group is exposed to commodity price risks, as the company's products contain a number of raw materials with fluctuating prices

Foreign currency risks

The group is exposed to the Swedish krona.

Interest rate risks

The group is financed via the parent company, which earn interest on market terms. There is a risk associated with rising market interest rates.

Liquidity risks

The group has no significant debt to credit institutions.

External environment

As part of the overall strategy for the Group's environmental work, an environmental policy with associated goals has been prepared. This policy is based on environmentally sustainable operations and is a natural part of the company's objectives for product quality, production conditions and CO2 reduction.

Research and development activities

Development activities consist of new products and solutions for installation in urban spaces. The Group continuously invests in development and marketing with the aim of improving life in and around cities.

Subsequent events

No important events have occurred after the end of the financial year.

Income statement

Note	Group		Parent		
	2023 DKK	31.12.22 DKK	2023 DKK	31.12.22 DKK	
	68,834,021	31,060,464	1,925,771	-3,027,961	
1	Staff costs	-49,779,430	-20,562,742	-1,597,116	-513,269
	Profit/loss before depreciation, amortisation, write-downs and impairment losses	19,054,591	10,497,722	328,655	-3,541,230
	Depreciation, amortisation and impairments losses of intangible assets and property, plant and equipment	-14,284,310	-5,879,585	0	0
	Other operating expenses	0	-33,990	0	0
	Operating profit/loss	4,770,281	4,584,147	328,655	-3,541,230
2	Income from equity investments in group enterprises	0	0	919,724	5,729,799
3	Financial income	314,724	575,505	249	0
4	Financial expenses	-10,003,824	-920,708	-8,302,753	-482,180
	Profit/loss before tax	-4,918,819	4,238,944	-7,054,125	1,706,389
5	Tax on profit or loss for the year	-378,824	-2,425,341	1,756,482	107,214
	Profit/loss for the year	-5,297,643	1,813,603	-5,297,643	1,813,603
6	Proposed appropriation account				

ASSETS		Group		Parent	
		31.12.23 DKK	31.12.22 DKK	31.12.23 DKK	31.12.22 DKK
Note					
	Completed development projects	3,742,080	5,983,262	0	0
	Acquired rights	264,441	845,338	0	0
	Goodwill	79,761,531	89,505,403	0	0
	Development projects in progress	1,199,649	278,963	0	0
7	Total intangible assets	84,967,701	96,612,966	0	0
	Land and buildings	1,922,836	2,019,218	0	0
	Leasehold improvements	2,664,022	3,188,797	0	0
	Plant and machinery	5,108,908	5,968,888	0	0
	Other fixtures and fittings, tools and equipment	4,849,759	2,299,354	0	0
	Property, plant and equipment under construction	1,386,400	0	0	0
8	Total property, plant and equipment	15,931,925	13,476,257	0	0
9	Equity investments in group enterprises	0	0	136,045,384	135,010,049
10	Deposits	1,127,074	995,884	0	0
	Total investments	1,127,074	995,884	136,045,384	135,010,049
	Total non-current assets	102,026,700	111,085,107	136,045,384	135,010,049
	Raw materials and consumables	23,328,976	23,338,272	0	0
	Work in progress	15,775,371	29,423,563	0	0
	Total inventories	39,104,347	52,761,835	0	0
	Trade receivables	26,173,094	24,588,315	0	0
	Receivables from group enterprises	7,984	0	1,715,309	1,350,026
	Deferred tax asset	74,543	0	295,532	0
	Income tax receivable	0	0	1,557,950	107,214
	Other receivables	399,462	369,766	0	554
11	Prepayments	887,718	1,040,489	0	0
	Total receivables	27,542,801	25,998,570	3,568,791	1,457,794
	Cash	17,626,039	12,250,895	109,280	83,716
	Total current assets	84,273,187	91,011,300	3,678,071	1,541,510
	Total assets	186,299,887	202,096,407	139,723,455	136,551,559

EQUITY AND LIABILITIES		Group		Parent	
		31.12.23 DKK	31.12.22 DKK	31.12.23 DKK	31.12.22 DKK
Note					
12	Share capital	50,000	50,000	50,000	50,000
	Reserve for net revaluation according to the equity method	0	0	6,133,037	5,097,704
	Reserve for development costs	2,797,747	3,173,110	0	0
	Foreign currency translation reserve	115,611	0	0	0
	Retained earnings	27,036,116	31,958,396	23,816,437	30,033,802
	Total equity	29,999,474	35,181,506	29,999,474	35,181,506
13	Provisions for deferred tax	0	68,313	0	0
14	Other provisions	800,000	745,311	0	12,085
	Total provisions	800,000	813,624	0	12,085
15	Payables to other credit institutions	310,051	0	0	0
15	Lease commitments	2,344,948	0	0	0
15	Payables to group enterprises	112,095,008	75,395,086	89,871,675	75,395,086
15	Other payables	3,582,778	13,299,515	0	9,723,991
	Total long-term payables	118,332,785	88,694,601	89,871,675	85,119,077
15	Short-term part of long-term payables	1,220,586	8,732,808	472,117	8,732,808
	Payables to other credit institutions	247,749	2,000	0	500
	Prepayments received from customers	11,263,510	23,858,602	0	0
	Trade payables	12,031,529	8,458,342	619,513	58,555
	Payables to group enterprises	617,748	17,237,476	18,359,014	3,641,680
	Income taxes	843,660	2,780,310	0	0
	Other payables	10,920,800	16,309,645	401,662	3,805,348
16	Deferred income	22,046	27,493	0	0
	Total short-term payables	37,167,628	77,406,676	19,852,306	16,238,891
	Total payables	155,500,413	166,101,277	109,723,981	101,357,968
	Total equity and liabilities	186,299,887	202,096,407	139,723,455	136,551,559
17	Contingent liabilities				
18	Charges and security				
19	Related parties				

Statement of changes in equity

Figures in DKK	Share capital	Reserve for net revaluation according to the equity method	Reserve for development costs	Foreign currency translation reserve	Retained earnings	Total equity
Group:						
Statement of changes in equity for 01.01.23 - 31.12.23						
Balance as at 01.01.23	50,000	0	3,173,110	0	31,958,396	35,181,506
Foreign currency translation adjustment of foreign enterprises	0	0	0	115,611	0	115,611
Transfers to/from other reserves	0	0	-375,363	0	375,363	0
Net profit/loss for the year	0	0	0	0	-5,297,643	-5,297,643
Balance as at 31.12.23	50,000	0	2,797,747	115,611	27,036,116	29,999,474
Parent:						
Statement of changes in equity for 01.01.23 - 31.12.23						
Balance as at 01.01.23	50,000	5,097,704	0	0	30,033,802	35,181,506
Foreign currency translation adjustment of foreign enterprises	0	115,611	0	0	0	115,611
Net profit/loss for the year	0	919,722	0	0	-6,217,365	-5,297,643
Balance as at 31.12.23	50,000	6,133,037	0	0	23,816,437	29,999,474

Consolidated cash flow statement

Note	Group		
	2023 DKK	24.06.22 31.12.22 DKK	
	Profit/loss for the year	-5,297,643	1,813,603
20	Adjustments	24,289,428	8,503,695
	Change in working capital:		
	Inventories	13,657,488	-52,761,835
	Receivables	-1,552,215	-25,998,570
	Trade payables	3,573,187	8,458,342
	Other payables relating to operating activities	-16,736,231	43,140,282
	Other provisions	245,749	745,311
	Cash flows from operating activities before net financials	18,179,763	-16,099,172
	Interest income and similar income received	314,724	575,505
	Interest expenses and similar expenses paid	-10,003,824	-920,708
	Income tax paid	-1,801,366	-534,000
	Cash flows from operating activities	6,689,297	-16,978,375
	Purchase of intangible assets	-1,053,252	-102,673,243
	Sale of intangible assets	0	1,150,839
	Purchase of property, plant and equipment	-5,762,990	-14,859,838
	Sale of property, plant and equipment	127,045	409,343
	Purchase of securities and equity investments	-131,190	0
	Cash flows from investing activities	-6,820,387	-115,972,899
	Raising of additional capital	0	34,000,000
	Repayment of payables to credit institutions	310,051	0
	Repayment of lease commitments	2,876,977	0
	Arrangement of payables to group enterprises	21,698,789	101,365,370
	Repayment of payables to group enterprises	-9,697,784	0
	Repayment of other long-term payables	-9,681,799	9,836,799
	Cash flows from financing activities	5,506,234	145,202,169
	Total cash flows for the year	5,375,144	12,250,895
	Cash, beginning of year	12,250,895	0
	Cash, end of year	17,626,039	12,250,895
	Cash, end of year, comprises:		
	Cash	17,626,039	12,250,895
	Total	17,626,039	12,250,895

	Group		Parent	
	2023	24.06.22	2023	24.06.22
	DKK	DKK	DKK	DKK

1. Staff costs

Wages and salaries	43,447,556	16,642,728	1,427,712	457,600
Pensions	3,607,222	3,011,235	164,736	54,912
Other social security costs	728,531	410,340	2,272	757
Other staff costs	1,996,121	498,439	2,396	0
Total	49,779,430	20,562,742	1,597,116	513,269

Average number of employees during the year	106	105	1	1
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Remuneration for the management:

The remuneration of the Executive Board is not disclosed for parent as it consists of only one person.

2. Income from equity investments in group enterprises

Share of profit or loss of group enterprises	0	0	9,963,596	8,623,089
Amortisation of goodwill	0	0	-9,043,872	-2,893,290
Total	0	0	919,724	5,729,799

3. Financial income

Other interest income	56,128	17,577	249	0
Foreign currency translation adjustments	119,139	0	0	0
Foreign exchange gains	139,454	554,753	0	0
Other financial income	3	3,175	0	0
Total	314,724	575,505	249	0

	Group		Parent	
	2023	24.06.22	2023	24.06.22
	DKK	DKK	DKK	DKK

4. Financial expenses

Interest, group enterprises	8,987,927	429,984	7,785,766	367,502
Other interest expenses	427,756	252,444	285,553	112,808
Foreign currency translation adjustments	156,590	4,061	0	0
Foreign exchange losses	242,202	3,186	231,434	1,870
Other financial expenses	189,349	231,033	0	0
Other financial expenses	1,015,897	490,724	516,987	114,678
Total	10,003,824	920,708	8,302,753	482,180

5. Tax on profit or loss for the year

Current tax for the year	521,680	2,357,028	-1,460,950	-107,214
Adjustment of deferred tax for the year	-142,856	68,313	-295,532	0
Total	378,824	2,425,341	-1,756,482	-107,214

6. Proposed appropriation account

Reserve for net revaluation according to the equity method	0	0	919,722	5,729,801
Retained earnings	-5,297,643	1,813,603	-6,217,365	-3,916,198
Total	-5,297,643	1,813,603	-5,297,643	1,813,603

7. Intangible assets

Figures in DKK	Completed development projects	Acquired rights	Goodwill	Development projects in progress
Group:				
Cost as at 01.01.23	6,658,445	1,058,415	93,492,981	278,963
Additions during the year	112,416	0	0	940,836
Transfers during the year to/from other items	20,150	0	0	-20,150
Cost as at 31.12.23	6,791,011	1,058,415	93,492,981	1,199,649
Amortisation and impairment losses as at 01.01.23	-675,183	-213,077	-3,987,578	0
Amortisation during the year	-2,373,748	-580,897	-9,743,872	0
Amortisation and impairment losses as at 31.12.23	-3,048,931	-793,974	-13,731,450	0
Carrying amount as at 31.12.23	3,742,080	264,441	79,761,531	1,199,649

Completed development projects include the development of new products and solutions for installation in public spaces. The value is calculated as the cost of materials plus time spent on development. The carrying amount per project is estimated and written down if the fair value is lower than the carrying amount. Projects are completed on an ongoing basis and depreciated over 3-5 years.

Justification of goodwill amortization period

Investments relating to the acquisition of companies with significant market potential are considered to be of strategic importance. Taking into account the Group's business and earnings forecasts, the useful life of goodwill for such acquisitions has been set at 10 years.

8. Property, plant and equipment

Figures in DKK	Land and buildings	Leasehold improvements	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment under construction
Group:					
Cost as at 01.01.23	2,051,275	3,385,908	6,195,756	2,549,963	0
Additions during the year	0	57,272	172,849	4,146,469	1,386,400
Disposals during the year	0	0	0	-764,439	0
Cost as at 31.12.23	2,051,275	3,443,180	6,368,605	5,931,993	1,386,400
Depreciation and impairment losses as at 01.01.23					
Depreciation during the year	-32,057	-191,111	-226,868	-250,609	0
Reversal of depreciation of and impairment losses on disposed assets	-96,382	-588,047	-1,032,829	-1,469,019	0
	0	0	0	637,394	0
Depreciation and impairment losses as at 31.12.23	-128,439	-779,158	-1,259,697	-1,082,234	0
Carrying amount as at 31.12.23	1,922,836	2,664,022	5,108,908	4,849,759	1,386,400
Parent:					
Carrying amount of assets held under finance leases as at 31.12.23					
	0	0	0	3,091,812	0

9. Equity investments in group enterprises

Figures in DKK	Equity invest- ments in group enterprises
Parent:	
Cost as at 01.01.23	129,912,347
Cost as at 31.12.23	129,912,347
Revaluations as at 01.01.23	5,097,702
Foreign currency translation adjustment of foreign enterprises	115,611
Amortisation of goodwill	-9,043,872
Net profit/loss from equity investments	9,963,596
Revaluations as at 31.12.23	6,133,037
Carrying amount as at 31.12.23	136,045,384
The item comprises goodwill as at 31.12.23 of	89,505,404
Positive balances ascertainable on initial recognition of equity investments measured at equity value	93,492,981
Name and registered office:	
Ownership interest	
Subsidiaries:	
Hitsa A/S, Kolding	100%
Hitsa Invest A/S, Kolding	100%
Lampas A/S, Kolding	100%
Hitsa AB, Sweden	100%
VT East Sia, Latvia	100%

10. Other non-current financial assets

Figures in DKK	Deposits
Group:	
Cost as at 01.01.23	995,884
Additions during the year	131,190
Cost as at 31.12.23	1,127,074
Carrying amount as at 31.12.23	1,127,074

	Group		Parent	
	31.12.23	31.12.22	31.12.23	31.12.22
	DKK	DKK	DKK	DKK

11. Prepayments

Other prepayments	887,718	1,040,489	0	0
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12. Share capital

The share capital consists of:

	Quantity	Total nominal value DKK
Share capital	50,000	50,000

The share capital has been fully paid in at the balance sheet date.

	Group		Parent	
	31.12.23 DKK	31.12.22 DKK	31.12.23 DKK	31.12.22 DKK

13. Deferred tax

Provisions for deferred tax as at 01.01.23	-68,313	0	0	0
Deferred tax recognised in the income statement	142,856	-68,313	295,532	0
Provisions for deferred tax as at 31.12.23	74,543	-68,313	295,532	0

As at 31.12.23 the company has recognised a deferred tax asset of DKK 75k, which can primarily be attributed to tax losses carried forward. The deferred tax asset is recognised on the basis of expectations of positive operating results for the coming years.

14. Other provisions

Figures in DKK	Warranty commitments		Other provisions	
	31.12.23 DKK	31.12.22 DKK	31.12.23 DKK	31.12.22 DKK
Group:				
Provisions as at 01.01.23			700,000	45,311
Applied during the year			0	-45,311
Provisions during the year			100,000	0
Provisions as at 31.12.23			800,000	0

Other provisions are expected to be distributed as follows:

Current liabilities	800,000	745,311	0	12,085
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15. Long-term payables

Figures in DKK	Repayment first year	Outstanding debt after 5 years	Total payables at 31.12.23	Total payables at 31.12.22
Group:				
Payables to credit institutions	0	0	310,051	0
Lease commitments	532,029	0	2,876,977	0
Payables to group enterprises	540,811	105,241,759	112,635,819	84,015,086
Other payables	147,746	3,456,227	3,730,524	13,412,323
Total	1,220,586	108,697,986	119,553,371	97,427,409

Parent:

Payables to group enterprises	472,117	0	90,343,792	84,015,086
Other payables	0	0	0	9,836,799
Total	472,117	0	90,343,792	93,851,885

	Group		Parent	
	31.12.23 DKK	31.12.22 DKK	31.12.23 DKK	31.12.22 DKK

16. Deferred income

Deferred income	22,046	27,493	0	0
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17. Contingent liabilities

Group:

Lease commitments

The group has entered into leasing contracts with a remaining term of 1-46 months and an average payment of DKK 8k and total commitment of DKK 1,744k.

The group has entered into an agreement for the lease of business premises with a total commitment of DKK 19.7 million in the non-cancellable period.

Recourse guarantee commitments

The group has provided a guarantee for group enterprises' debt to credit institutions

Other contingent liabilities

A Group Company has issued a declaration of support to another subsidiary in the Group. The declaration of support concerns a receivable of DKK 11,885k until the general meeting is held, where the annual report for the financial year 2024 will be presented for approval.

Parent:

Lease commitments

The company has entered into leasing contracts with a remaining term of 1 month and an average payment of DKK 8k and total commitment of DKK 8k

Other contingent liabilities

The company is taxed jointly with the other Danish companies in the group and has joint, several and unlimited liability for income taxes and any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. The liability also includes any subsequent corrections to the calculated tax liability as a consequence of changes made to the jointly taxable income etc.

18. Charges and security

Group:

At the balance sheet date, the Group has given a letter of indemnity secured by movable assets for all outstanding balances with banks. The security is maximised to a total of DKK 27,000k.

Parent:

The company has not provided any security over assets.

19. Related parties

Controlling influence	Basis of influence
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Park MidCo B.V., Holland	Parent company
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Related party transactions are not disclosed, as all transactions are entered into in the ordinary course of business at arms' length.

Remuneration for the management is specified in note 1. Staff costs.

The company is included in the consolidated financial statements of the parent Park MidCo B.V., Holland.

	Group	
	2023	2022
	DKK	DKK
		24.06.22
		31.12.22

20. Adjustments for the cash flow statement

Other operating income	-62,806	-29,899
Depreciation, amortisation and impairments losses of intangible assets and property, plant and equipment	14,284,310	5,879,585
Other operating expenses	0	33,990
Financial income	-314,724	-575,505
Financial expenses	10,003,824	920,708
Tax on profit or loss for the year	378,824	2,425,341
Other adjustments	0	-150,525
Total	24,289,428	8,503,695

21. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act for medium-sized groups and enterprises in reporting class C with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements comprise the parent and its subsidiaries in which the parent directly or indirectly holds more than 50% of the voting rights or by way of agreements exercises control.

All financial statements used for consolidation are prepared in accordance with the accounting policies of the group.

The consolidated financial statements consolidate the financial statements of the parent and its subsidiaries by adding together items of a uniform nature, eliminating intercompany income and expenditure, equity investments, intercompany balances and dividends as well as gains and losses resulting from transactions between the consolidated enterprises to the extent that the underlying assets and liabilities are not realised.

BUSINESS COMBINATIONS

Newly acquired or newly founded enterprises are recognised as from the date of acquisition and the

21. Accounting policies - continued -

date of foundation, respectively. The date of acquisition is the date at which control of the enterprise is obtained. Divested or discontinued enterprises are recognised until the date of divestment or discontinuation. The date of discontinuation is the date at which control of the enterprise passes to a third party.

Acquired enterprises are recognised in accordance with the acquisition method, according to which the identifiable assets and liabilities of the newly acquired enterprises are measured at fair value at the date of acquisition.

In connection with the purchase price allocation, management has assessed the valuation of the Group's assets with a focus on the Group's intangible assets, property, plant and equipment, inventories and work in progress.

The cost of the equity investments in the acquired enterprises is offset against the proportionate share of the fair value of the enterprises' net assets at the acquisition date.

On acquisition of subsidiaries, goodwill is recognised on a proportionate basis based on the actual ownership interest in the acquired equity investments.

The goodwill (positive difference) determined at the date of acquisition is recognised under intangible assets in the consolidated financial statements and under equity investments in subsidiaries in the parent's balance sheet. Goodwill from acquired enterprises is adjusted until 12 months after the acquisition date.

CURRENCY

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

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets, inventories and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

On recognition of independent foreign entities, the income statements are translated at the exchange rates applicable at the transaction date or approximate average exchange rates. The balance sheet

21. Accounting policies - continued -

items are translated using the exchange rates applicable at the balance sheet date. Foreign currency translation adjustments arising from the translation of equity at the beginning of the year using the exchange rates applicable at the balance sheet date and from the translation of income statements from average exchange rates to the exchange rates applicable at the balance sheet date are recognised directly in equity under the reserve for net revaluation according to the equity method in respect of investments measured according to the equity method, and otherwise under the foreign currency translation reserve.

Translation adjustments of intercompany balances with independent foreign entities, measured using the equity method and where the balance is considered to be part of the overall investment, are recognised directly in equity under the foreign currency translation reserve. On the divestment of foreign entities, accumulated exchange differences are recognised in the income statement.

LEASES

Leases relating to assets where the company has substantially all the risks and benefits incidental to the ownership of the asset (finance leases) are recognised in the balance sheet. On initial recognition, assets held under finance leases and related lease commitments are measured at the lower of the fair value of the leased asset and the present value of future lease payments. Subsequently, assets held under finance leases are treated like other similar assets.

Lease commitments relating to assets held under finance leases are recognised in the balance sheet as payables. Subsequent to initial recognition, lease commitments are measured at amortised cost according to which the interest element of the lease payment is recognised in the income statement over the lease term.

Lease payments relating to operating leases are recognised in the income statement on a straight-line basis over the lease term.

INCOME STATEMENT**Gross result**

Gross result comprises revenue, change in inventories of finished goods and work in progress, work performed for own account and capitalised, other operating income and raw materials and consumables and other external expenses.

Revenue

Income from the sale of goods is recognised in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year and where the selling price can be

21. Accounting policies - continued -

determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Change in inventories of finished goods and work in progress

Change in inventories of finished goods and work in progress comprises adjustments in inventories of finished goods and work in progress for the year, including write-downs of inventories of finished goods and work in progress to the extent that these do not exceed normal write-downs.

Work performed for own account and capitalised

Work performed for own account and capitalised comprises cost of sales, wages and salaries and other internal expenses incurred during the year and included in the cost of self-constructed or self-produced intangible assets and property, plant and equipment.

Other operating income

Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including rental income, negative goodwill and gains on the sale of intangible assets and property, plant and equipment.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise raw materials and consumables used for the year as well as any changes in inventories, including any inventory wastage.

Write-downs of inventories of raw materials and consumables are also recognised under raw materials and consumables to the extent that these do not exceed normal write-downs.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

21. Accounting policies - continued -**Depreciation, amortisation and impairment losses**

The depreciation and amortisation of intangible assets and property, plant and equipment aim at systematic depreciation and amortisation over the expected useful lives of the assets. Assets are depreciated and amortised according to the straight-line method based on the following expected useful lives and residual values:

	Useful lives, years	Residual value, per cent
Completed development projects	3-10	0
Acquired rights	3	0
Goodwill	10	0
Buildings	30	0
Leasehold improvements	3-10	0
Plant and machinery	5-8	0
Other plant, fixtures and fittings, tools and equipment	3-5	0

Goodwill is amortised over 10 years. The useful life has been determined in consideration of the expected future net earnings of the enterprise or activity to which the goodwill relates.

Land is not depreciated.

The basis of depreciation and amortisation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation and amortisation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Intangible assets and property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

Other operating expenses

Other operating expenses comprise costs of a secondary nature in relation to the enterprise's activities, including costs relating to rental activities and losses on the sale of intangible assets and property, plant and equipment.

Income from equity investments in group enterprises

For equity investments in subsidiaries that in the parent are measured using the equity method, the share of the enterprises' profit or loss is recognised in the income statement after elimination of unrealised intercompany profits and losses and less any goodwill amortisation and impairment losses.

21. Accounting policies - continued -

Income from equity investments in equity investments in subsidiaries also comprises gains and losses on the sale of equity investments.

Other net financials

Interest income and interest expenses, the interest element of finance lease payments, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

The company is jointly taxed with Danish consolidated enterprises. The parent is the administration company for the joint taxation and thus settles all income tax payments with the tax authorities.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

BALANCE SHEET**Intangible assets***Completed development projects and development projects in progress*

Development projects are recognised in the balance sheet where the project aims at developing a specific product or a specific process, intended to be produced or used, respectively, by the company in its production process. On initial recognition, development projects are measured at cost. Cost comprises the purchase price plus expenses resulting directly from the purchase, including wages and salaries directly attributable to the development projects until the asset is ready for use. Interest on loans arranged to finance development projects in the development period is not included in the cost. Other development projects and development costs are recognised in the income statement in the year in which they are incurred.

Development projects in progress are transferred to completed development projects when the asset is ready for use.

21. Accounting policies - continued -

Development projects are subsequently measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Completed development projects are amortised using the straight-line method based on useful lives, which are stated in the 'Depreciation, amortisation and impairment losses' section.

Acquired rights

Acquired rights are measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Acquired rights are amortised using the straight-line method based on useful lives, which are stated in the 'Depreciation, amortisation and impairment losses' section.

Goodwill

Goodwill is measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Goodwill is amortised using the straight-line method based on useful lives, which are stated in the 'Depreciation, amortisation and impairment losses' section.

Gains or losses on the disposal of intangible assets

Gains or losses on the disposal of intangible assets are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal.

Property, plant and equipment

Property, plant and equipment comprise land and buildings, leasehold improvements, plant and machinery as well as other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

The total cost of an asset is decomposed into separate components that are depreciated separately if the useful lives of the individual components vary.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation, amortisation and impairment losses' section.

21. Accounting policies - continued -*Property, plant and equipment under construction*

Property, plant and equipment under construction are measured at cost. Costs incurred on property, plant and equipment under construction are transferred to the relevant asset category when the asset is ready for use.

Gains and losses on the disposal of property, plant and equipment

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

Equity investments in group enterprises

Equity investments in subsidiaries are recognised and measured according to the equity method in the balance sheet of the parent. For equity investments in subsidiaries, the equity method is considered a measurement method.

Accounting policies for the acquisition of subsidiaries are stated in the 'Business combinations' section.

On initial recognition, equity investments measured according to the equity method are measured at cost. Transaction costs directly attributable to the acquisition are recognised in the cost of equity investments. However, transaction costs on the acquisition of subsidiaries are recognised in the income statement in the consolidated financial statements at the date incurred.

On subsequent recognition and measurement of equity investments according to the equity method, equity investments are measured at the proportionate share of the enterprises' equity value, determined according to the accounting policies of the parent, adjusted for the remaining value of goodwill and gains and losses on transactions with the enterprises in question. Equity investments, where information for recognition according to the equity method is not known, are measured at cost.

Equity investments with a negative carrying amount are measured at DKK 0. Receivables that are considered part of the combined investment in the enterprises in question are impaired by any remaining negative equity value. Other receivables from such enterprises are impaired to the extent that such receivables are considered uncollectible. Provisions to cover the remaining negative equity value are recognised to the extent that the parent has a legal or constructive obligation to cover the liabilities of the enterprise in question.

On the acquisition of non-controlling interests in subsidiaries, the principles for business combinations in the balance sheet of the parent, see the description in the 'Business combinations' section, are applied.

21. Accounting policies - continued -

Goodwill recognised under equity investments is amortised according to the straight-line method based on an individual assessment of the useful life of the asset. The useful life of goodwill has been determined at 10 years for equity investments in subsidiaries. The useful life has been determined in consideration of the expected future net earnings of the enterprise to which the goodwill relates.

Gains or losses on disposal of equity investments are determined as the difference between the disposal consideration and the carrying amount of net assets at the time of sale, including non-amortised goodwill, as well as the expected costs of divestment or discontinuation. Gains and losses are recognised in the income statement under income from equity investments.

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation and amortisation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist. Impairment losses on goodwill are not reversed, unless goodwill is included in the carrying amount of equity investments.

Inventories

Inventories are measured at cost calculated according to the FIFO-method. Inventories are written down to the lower of cost and net realisable value.

The cost of raw materials and consumables as well as goods for resale is determined as purchase prices plus expenses resulting directly from the purchase.

21. Accounting policies - continued -

The cost of manufactured finished goods and work in progress is determined as the value of direct and indirect material and labour costs. Production overheads include indirect material and labour costs as well as maintenance and depreciation of machinery, buildings and equipment used in the production process as well as the costs of factory administration and management. Interest on loans arranged to finance production is not included in the cost.

The net realisable value of inventories is determined as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and the expected development in the selling price.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Deposits recognised under assets comprise deposits paid to the lessor under leases entered into by the company.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

Cash

Cash includes deposits in bank accounts as well as operating cash.

Equity

The net revaluation of equity investments measured according to the equity method is recognized in the financial statements of the parent in the net revaluation reserve in equity according to the equity method to the extent that the carrying amount exceeds the cost.

An amount equivalent to internally generated development costs in the balance sheet is recognised in the financial statements of the parent in equity under reserve for development costs. The reserve is measured less deferred tax and reduced by amortisation and impairment losses on the asset. If impairment losses on development costs are subsequently reversed, the reserve will be restored with a corresponding amount. The reserve is dissolved when the development costs are no longer

21. Accounting policies - continued -

recognized in the balance sheet, and the remaining amount will be transferred to retained earnings.

Unrealised foreign currency gains and losses from the translation of the net investment in independent foreign entities are recognised in equity under the foreign currency translation reserve. The reserve is dissolved when the independent foreign entities are disposed of.

Provisions

Other provisions comprise expected expenses incidental to warranty commitments, restructuring etc. and are recognised when the company has a legal or constructive obligation at the balance sheet date and it is probable that such obligation will draw on the financial resources of the company. Provisions are measured at net realisable value or fair value if the provision is expected to be settled over the longer term.

Warranty commitments comprise the obligation to repair defective work within the warranty period of 1-5 years. Warranty commitments are measured at net realisable value and recognised based on previous years' experience with warranty work.

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities within the same tax jurisdiction or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates in the respective countries which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

21. Accounting policies - continued -**Payables**

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

Short-term financial payables are measured at amortised cost, normally corresponding to the nominal value of such payables. Other short-term payables are measured at net realisable value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to the time and date of delivery of the agreed product or completion of the agreed service.

Deferred income

Deferred income under liabilities comprises payments received in respect of income in subsequent financial years.

CASH FLOW STATEMENT

The cash flow statement is prepared using the indirect method, showing cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities comprise the net profit or loss for the year, adjusted for non-cash operating items, income tax paid and changes in working capital.

Cash flows from investing activities comprise payments in connection with the acquisition and divestment of companies and financial assets as well as the purchase, development, improvement and sale of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the parent's share capital and associated costs and financing from and dividends paid to shareholders as well as the arrangement and repayment of long-term payables. Cash flows from financing activities also comprise finance lease payments.

Cash and cash equivalents at the beginning and end of the year comprise cash and short-term payables to credit institutions.

21. Accounting policies - continued -

Referring to section 86(4) of the Danish Financial Statements Act a cash flow statement has not been prepared for the parent as the parent is included in the consolidated cash flow statement.