CUBIC-Modulsystem A/S

Skjoldborgsgade 21, 9700 Brønderslev

CVR no. 57 81 77 12

Annual report 2022/23

Approved at the Company's annual general meeting

Chair of the meeting:

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Contents

Statement by Management

The Board of Directors and the Executive Board have today discussed and approved the annual report of CUBIC-Modulsystem A/S for the financial year 1 October – 30 September 2023.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 September 2023 and of the results of its operations for the financial year 1 October 2022 – 30 September 2023.

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

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

Brønderslev, 5 December 2023
Executive Board:

Jacob Møller Knudsen CEO	Jesper Fristrup CCO

Board of Directors:

Barry Norton Elliott Chairman	Thomas Felix Langkjær	Kawal Maharaj
Jan Maria J. Van Den Bossche	Erik Julien Jozef Casselman	Jacob Møller Knudsen
Peter Louis Heegaard Andersen Employee elected	Mikael Løth Jensen Employee elected	Lars Poulsen Employee elected

Independent auditor's report

To the shareholders of CUBIC-Modulsystem A/S

Conclusion

We have audited the financial statements of CUBIC-Modulsystem A/S for the financial year 1 October 2022 – 30 September 2023, which comprise income statement, balance sheet, statement of changes in equity, and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Aalborg, 5 December 2023
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Allan Terp
State Authorised
Public Accountant
mne33198

Management's review

Financial highlights

DKK'000	2022/23	2021/22	2020/21*	2019/20*	2018/19*
Key figures					
Revenue	542,136	474,686	403,843	415,661	384,154
Profit/loss before net financials	69,680	42,172	44,848	32,620	28,262
Profit/loss from net financials	10,633	3,806	10,172	10,027	4,077
Profit/loss for the year	65,576	36,051	44,227	35,778	26,683
Balance sheet total	501,512	447,207	432,946	375,127	373,686
Investments in property, plant and equipment	14,727	10,361	18,782	17,171	12,109
Equity	291,112	244,675	234,599	210,730	192,664
Financial ratios					
Operating margin	12.9%	8.9%	11.1%	7.8%	7.4%
Gross margin	42.3%	39.3%	45.8%	43.5%	46.0%
Current ratio	188.6%	151.5%	136.6%	180.3%	163.1%
Equity ratio	58.0%	54.7%	54.2%	56.2%	51.6%
Return on equity	24.5%	15.0%	19.9%	17.7%	14.5%

*The comparative figures for 2020/21, 2019/20, and 2018/19 are not restated to the effect of the change in accounting policy for equity investments in group entities and participating interests from equity method to cost price method. The changed accounting policies will mainly affect net financial items, deferred tax, equity, investments in group entities and participating interests. Details on changes to the accounting policies are disclosed in note 1, to which we refer.

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating margin $\dfrac{\text{Profit/loss before net financials (EBIT) x 100}}{\text{Revenue}}$

Gross margin $\dfrac{\text{Gross profit/loss x 100}}{\text{Revenue}}$

Current ratio $\dfrac{\text{Current assets x 100}}{\text{Current liabilities}}$

Equity ratio $\dfrac{\text{Equity at year end x 100}}{\text{Total equity and liabilities at year end}}$

Return on equity $\dfrac{\text{Profit/loss after tax x 100}}{\text{Average equity}}$

Management's review

Operating review

Principal activities

A good foundation is fundamental to any success. It provides good ground for development and visions. It creates potential and shows forward to tomorrow's challenges.

With this in mind, CUBIC was founded in 1973 on the basis of a unique idea of a modular system for the construction of electrical panels. Since the very beginning, this idea has developed CUBIC into a global and recognized partner in the electromechanical industry and with a product range that includes enclosures for every purpose.

The activity in CUBIC primarily includes the development, production, and sale of flexible and modular components as well as customized solutions in steel plate. The products are sold worldwide. CUBIC's solutions are used in industry, mining, and airports. We provide solutions for ships, hospitals, power plants, wind turbines and much more.

All products from CUBIC are tested and certified by several of the world's most recognized certification institutes. These approvals, combined with our partner philosophy, make it possible to work towards a goal of ensuring a high and consistent level of quality on boards around the world. CUBIC has always focused on quality, credibility, relationships, and our product concept. Through these values, we set the agenda for the meeting with the future.

CUBIC is aware of the societal impact, which is why it is continuously reduced. On the one hand, CUBIC offers long-lasting and optimized solutions, and on the other hand, energy consumption in both production and administration is continuously reduced through process and energy optimizations. CUBIC has a strategic goal of continuously reducing relative CO_2 emissions.

Development in activities and financial matters

Profit/loss for the year

Compared to last year, revenue increased by 14.2% to DKK 542.1m.

The company profit before tax was DKK 80.3m compared to DKK 46.0m last year.

The result is considered satisfactory in a market still characterized by post Covid-19 implications, high prices and delivery challenges for our customers, high freight rates and energy prices, etc. Revenue and profit are in line with previously stated expectations.

The Company’s accounting policies compared to prior year have been changed in relation to recognition and measurement of investments in group entities and participating interests. Investments in group entities and participating interest have been recognized and measured in accordance with the cost price method. In prior year, investments in group entities and participating interest were recognized and measured in accordance with the equity method.

During the year, Management concluded that a change in accounting policies of investments in group entities and participating interests to cost price method from equity method gives a more accurate true and fair view of the financial position of the Company and of the results of the Company's operations due to shifted managerial focus to cash flows from investments (dividend distributions) rather than earnings (share of profit for the year).

Details on changes to the accounting policies are disclosed in note 1, to which we refer.

Capital resources

The high activity level especially in the last months of the year increased our receivables, and in addition safety stocks has still been added to secure our delivery resilience. The mentioned increases were partly offset by an increase in trade payables.

In total our net cash position has improved during the year.

Management's review

Investments

During the year, there have been investments in capacity expansion, upgrade, and automation at the factories in Denmark.

A project on modernizing and upgrading our ERP system has been initiated and is expected to be implemented in the company in 2023/24.

Outlook

Despite the world in many ways is being challenged with regional conflicts, increased interest levels, and lack of workforce just too mention a few, we still see high activity levels across many sectors like digitalization, electrification, and future energy solutions.

Overall, it is expected that revenue in the coming year will be realized in the range of DKK 675m – 700m. The expected growth is broad-based and stems from organic growth.

The result is expected to be realised at a higher level than the current year – an operating profit in the range of DKK 90m - 100m. CUBIC expects continued strong growth in the coming years and is therefore investing in additional capacity in production and the organization. Both the expectations for revenue and profit are dependent on the development in the previously mentioned conditions.

General business risks

CUBIC is not considered to be exposed to special or abnormal business risks beyond what may be considered normal for similar industrial companies.

In the parent company, a structured Risk management process is carried out, including hedging of commercial risks, assessment of residual risk and implementation of risk mitigation measures.

Interest rate and currency risks

CUBIC has risks on currency and interest rates. To a certain extent, these risks are identified, but overall assessed at a satisfactory and manageable level. The exchange rate changes during the year have resulted in a net loss of DKK 0.7m.

The cash preparedness is considered satisfactory.

Credit risks

CUBIC does not have significant risks regarding a single customer or partner. The Company's policy for the assumption of credit risks means that all major customers and other business partners are continuously rated for credit.

Knowledge resources

CUBIC has a committed, loyal, qualified, and enthusiastic staff.

The fact that there is a high seniority among employees is considered proof that CUBIC is a good and reasonable workplace with a good working environment. CUBIC is certified according to the working environment standard DS/OHSAS 18001.

Management's review

Corporate social responsibility

The activity in CUBIC primarily includes the development, production and sale of flexible and modular components as well as customized solutions in steel plate. The products are sold worldwide. CUBIC's solutions are used in industry, mining and airports. We provide solutions for ships, hospitals, power plants, wind turbines and much more.

CUBIC works with the conviction that a responsible way of doing business goes hand in hand with our earnings. We therefore want a continuous dialogue with employees, customers, partners, suppliers, the surrounding community and other stakeholders to ensure that we can meet the challenges we face in everyday life in an open and responsible way. As an international company, we want to take a credible approach to the above, which is why we at CUBIC exhibit a behavior that is always in accordance with applicable national and international laws.

Climate impact

Policy: CUBIC is environmentally and climate conscious and works actively to reduce negative environmental and climate impacts associated with daily operations as much as possible.

It is CUBIC's policy to be aware of our impact on the environment and the climate, so that we can minimize CUBIC's impact on the environment and the climate while respecting competitiveness.

Including:

- to seek a minimum waste of materials and energy
- development and construction shall take account of the energy footprint.
- addressing the environmental and climate impacts of products and processes
- that in our daily behaviour and attitudes we focus on the environment and climate as well as continuous improvements in this.

Risks, actions, and results: The company's main risks of negative impact on the environment and climate are assessed to be in the supply chain, energy consumption in the Group's own production processes and, to a lesser extent, the company's own waste management.

As part of the company's policies, suppliers are required to comply with the principles of the UN Global Compact, the ROHS Directive and the REACH Regulation.

CUBIC has a strategic goal of continuously reducing relative CO2 emissions. CUBIC works actively with energy optimizations to lower the total energy consumption.

The company has invested in optimizing and reducing energy consumption, which has a natural impact on CO2 emissions. This year we have as examples improved our heating system in our main warehouse, put up more solar panels at our Aabybro plant and lowered the temperature in our facilities during winter season. The production activities of the company have increased, while the CO2 emissions from energy and scrap in 2022/23 have fallen to 1,926 tonnes from 2,322 tonnes last year (reductions of 17%).

It is assessed that there is still a potential for further reduction of CO2 emissions.

In the field of the environment and climate, several activities have also been carried out. During the year, CUBIC has worked with the selection of materials and optimal utilization thereof in order to reduce waste, optimize machines and changes in production processes. In addition, preparations have been made for more solar cells at the company's factories.

It is CUBIC's wish to be perceived as a respected production company and partner – also in the environmental and climate area. To support this, CUBIC's management system is, among other things, certified according to DS/EN ISO 14001.

Management's review

Climate impact (continued)

This means, among other things, that new processes, improvements to existing products and the development of new ones include the environmental aspect on an equal footing with technical and economic considerations. Likewise, the certifications mean that CUBIC's management system is continuously evaluated to ensure it is suitable, adequate, and effective. environment and climate.

No violations of current legislation etc. have been recorded in the past year.

Social and employee relations

*Policy***:** CUBIC emphasizes that there must be a high focus on job satisfaction, well-being and safe working conditions for all employees.

It is CUBIC's policy to be aware of our influence on the working environment so that we can create a good working environment considering our competitiveness.

Including:

- to always comply with applicable safety, health, and environmental legislation
- development and design taking into account the effects on the working environment of products and processes.
- that in our daily behavior and attitudes we focus on the working environment and continuous improvements in this.
- that we will proactively prevent occupational injuries and work-related illness

*Risks, actions, and results***:** CUBIC recognizes its employees as one of the most important resources for the company, which is why it is important to focus on workplace safety, employee well-being and proper working conditions.

The company's main risks related to social and employee conditions have been assessed to be poor well-being and lack of focus on working conditions that can lead to increased stress, sick leave and loss of competent and qualified employees.

Therefore, CUBIC is continuously working to improve working conditions in the company so that all employees thrive in good and safe working conditions.

As in previous years, several activities have been carried out to improve this. Among other things, mention should be made of ongoing assessment of workplaces in relation to optimization of workplace settings for office staff.

It is CUBIC's wish to be perceived as a respected production company and workplace – also in the field of the working environment. To support this, CUBIC's management system is, among other things, certified according to DS/OHSAS 18001.

This means, among other things, that new processes, improvements to existing products and the development of new ones include the working environment aspect on an equal footing with technical and economic considerations.

In 2022/23, we have seen a high level of employee well-being due to our focus on the area.

Similarly, no violations of current legislation etc. have been recorded in the past year.

Management's review

Anticorruption

Policy: CUBIC does not tolerate forms of corruption and bribery.

Risks, actions, and results: As the company works across borders and cultures, there is a risk that CUBIC employees may find themselves in situations of corruption, bribery or 'lubricant' issues.

CUBIC has written in the staff manual that we work against all forms of corruption, including bribery and extortion. It is expected that all employees work in accordance with this.

In 2022/23, all employees have been taking training on anti-corruption. We will continue our mandatory anti-corruption training in the coming years and communicate our guidelines and expectations to employees and business relations.

In 2022/23, we have not experienced any violations of our rules.

Human rights

Policy: CUBIC supports and respects internationally recognised human rights as set out in the UN Declaration of Human Rights and the International Labour Organization (ILO) core conventions.

Risks, actions, and results: The most significant risks of adverse impact/human rights violations are assessed to be in the supply chain.

As part of the company's policies, suppliers are required to comply with the principles of the UN Global Compact, including human rights.

In 2022/23, all new suppliers have signed up to comply with the company's policies, which require suppliers to comply with the principles of the UN Global Compact.

We expect that all new and future suppliers will comply with the principles of the UN Global Compact.

In 2022/23, we have not experienced any violations of our policies.

Report on the gender composition of Management

In November 2013, the Board of Directors approved a policy and targets for the underrepresented gender.

The Company believes that diversity among employees and management, including gender distribution, contributes positively to the working environment and strengthens the company performance and competitiveness. Therefore, the overall goal is to increase the proportion of the underrepresented gender on the board and in the other management levels.

CUBIC's target is for the proportion of board members elected by the general meeting to be at least 20% before 2026/27.

This goal has not been met in 2022/23, as none of the 6 board members elected by the general meeting are from the underrepresented gender. In 2022/23, there were no relevant candidates of the underrepresented gender for the board.

The other management levels consist of 2 directors and 6 functional managers, of which 1 is from the underrepresented gender.

To actively increase the recruitment of the underrepresented gender for management, CUBIC has taken several specific measures to our recruitment efforts. A clearly structured recruitment process is being established to ensure that job openings appeal to both genders. The policy also requires a representation of both genders by relevant candidates for consideration by the hiring manager whenever possible.

The share of the underrepresented gender in the rest of management has thus been unchanged in 2022/23.

Report on data ethics

CUBIC is aware that with increased digitization comes a great responsibility. Cubic does not have a policy for data ethics, as the company does not use special algorithms for data analysis.

Management's review

Research and Development activities

The total development costs as well as the cost of conducting product testing amount to DKK 10.9m. It is the management's assessment that the conditions for capitalizing the costs are not present.

Events after the balance sheet date

No significant events have taken place.

Financial statements 1 October 2022 – 30 September 2023

Income statement

Note	DKK'000	2023	2022
2	**Revenue**	542,136	474,686
	Change in inventories of finished goods and work in progress	14,689	17,069
	Production value	**556,825**	**491,755**
	Raw materials and consumables	-275,460	-254,647
4	Other external expenses	-55,824	-55,974
	Other operating income	3,838	5,339
	Gross profit/loss	**229,379**	**186,473**
3	Staff cost	-129,636	-118,238
9.10	Amortisation/depreciation and impairment of fixed assets	-20,451	-20,073
	Other operating expenses	-9,612	-5,990
	Profit/loss before net financials	**69,680**	**42,172**
	Income from investments in group entities	13,100	4,141
5	Financial income	2,321	2,100
6	Financial expenses	-4,788	-2,435
	Profit/loss before tax	**80,313**	**45,978**
7	Tax for the year	-14,737	-9,927
	Profit/loss for the year	**65,576**	**36,051**

Financial statements 1 October 2022 – 30 September 2023

Balance sheet

Note	DKK'000	2023	2022
	ASSETS		
	Fixed assets		
9	**Intangible assets**		
	Acquired customer relations	501	1,047
	Software	1,429	3,473
	Software projects in progress	109	522
		2,039	5,042
10	**Property, plant and equipment**		
	Land and buildings	57,878	59,487
	Plant and machinery	56,561	53,751
	Other fixtures and fittings, tools and equipment	1,601	2,009
	Property, plant and equipment in progress	3,724	7,018
		119,764	122,265
	Investments		
11	Investments in group entities	63,302	64,572
12	Investments in participating interests	1,449	1,449
13	Receivables from group entities	64,950	52,873
		129,701	118,894
	Total fixed assets	251,504	246,201
	Non-fixed assets		
	Inventories		
	Raw materials and consumables	19,517	20,063
	Work in progress	6,602	3,683
	Finished goods	63,971	52,539
		90,090	76,285
	Receivables		
	Trade receivables	104,466	90,275
	Receivables from group entities	23,800	22,053
	Receivables from participating interests	2,053	2,640
20	Other receivables	3,574	8,267
14	Prepayments	287	406
		134,180	123,641
	Cash	25,738	1,080
	Total non-fixed assets	250,008	201,006
	TOTAL ASSETS	501,512	447,207

Financial statements 1 October 2022 – 30 September 2023

Balance sheet

Note	DKK'000	2023	2022
	EQUITY AND LIABILITIES		
	Equity		
15	Share capital	28,000	28,000
	Hedging reserve	1,294	1,433
	Retained earnings	261,818	215,242
	Total equity	291,112	244,675
	Provisions		
16	Deferred tax	9,002	8,793
	Total provisions	9,002	8,793
	Liabilities other than provisions		
17	Mortgage debt	37,558	39,742
17	Lease commitments	15,886	21,290
17	Debt to group entities	15,406	0
	Total liabilities other than provisions	68,850	61,032
	Current liabilities other than provisions		
17	Mortgage debt	2,233	2,318
	Bank debt	0	40,058
17	Lease commitments	5,588	6,351
	Trade payables	68,816	49,255
	Debt to group entities	10,321	5,711
18	Corporation tax	12,378	8,181
	Other payables	33,212	20,833
	Total Current liabilities other than provisions	132,548	132,707
	Total liabilities	210,400	202,532
	TOTAL EQUITY AND LIABILITIES	501,512	447,207

1 Accounting policies
8 Distribution of profit/loss
19 Mortgages, collateral, obligations and contingencies
21 Related parties
22 Events after the balance sheet date

Financial statements 1 October 2022 – 30 September 2023

Statement of changes in equity

Note	DKK'000	Share capital	Hedging reserve	Investments in group entities reserve	Retained earnings	Total
	Equity at 1 October 2021	28,000	154	14,598	191,847	234,599
	Change in accounting policies	0	0	-14,598	-12,656	-27,254
	Adjusted equity at 1 October 2021	28,000	154	0	179,191	207,345
	Value adjustment of hedging transactions	0	1,640	0	0	1,640
	Tax on equity transactions	0	-361	0	0	-361
	Transferred; see distribution of profit/loss	0	0	0	36,051	36,051
	Equity at 1 October 2022	28,000	1,433	0	215,242	244,675
	Distributed dividend	0	0	0	-19,000	-19,000
	Value adjustment of hedging transactions	0	-178	0	0	-178
	Tax on equity transactions	0	39	0	0	39
8	Transferred; see distribution of profit/loss	0	0	0	65,576	65,576
	Equity at 30 September 2023	28,000	1,294	0	261,818	291,112

Financial statements 1 October 2022 – 30 September 2023

Notes

1 **Accounting policies**

The annual report of CUBIC-Modulsystem A/S for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

Pursuant to section 112(2) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The entity's cash flows are part of the consolidated cash flow statement for the parent company, Rockwell Automation, Inc.

Change in accounting policies

The Company's accounting policies compared to prior year have been changed in relation to recognition and measurement of investments in group entities and participating interests. Investments in group entities and participating interest have been recognized and measured in accordance with the cost price method. In prior year, investments in group entities and participating interest were recognized and measured in accordance with the equity method.

During the year, Management concluded that a change in accounting policies of investments in group entities and participating interests to cost price method from equity method gives a more accurate true and fair view of the financial position of the Company and of the results of the Company's operations due to shifted managerial focus to cash flows from investments (dividend distributions) rather than earnings (share of profit for the year).

The effect of the change in accounting policies on the income statement and balance sheet items is illustrated below:

Current year:

Item affected	2022/23 Old accounting policy	2022/23 Change in accounting policy	2022/23 New accounting policy
Profit/loss before net financials	69,734	-54	69,680
Income from group entities	-4,686	17,786	13,100
Income from participating interests	692	-692	0
Tax for the year	-13,988	-749	-14,737
Profit/loss for the year	49,285	16,291	65,576
Investments in group entities	78,119	-14,817	63,302
Investments in participating interest	3,342	-1,893	1,449
Total assets	518,222	-16,710	501,512
Deferred tax provision	7,372	1,630	9,002
Equity	309,452	-18,340	291,112

Financial statements 1 October 2022 – 30 September 2023

Notes

1 **Accounting policies (continued)**

Prior year:

Item affected	2021/22 Old accounting policy	2021/22 Change in accounting policy	2021/22 New accounting policy
Profit/loss before net financials	42,222	-50	42,172
Income from group entities	2,936	1,205	4,141
Income from participating interests	522	-522	0
Tax for the year	-9,774	-153	-9,927
Profit/loss for the year	35,571	480	36,051
Investments in subsidiaries	97,121	-32,549	64,572
Investments in participating interest	2,650	-1,201	1,449
Total assets	480,957	-33,750	447,207
Deferred tax provision	7,912	881	8,793
Equity	279,306	-34,631	244,675

All amounts were adjusted retrospectively.

Apart from the above, the accounting policies used in the preparation of the financial statements are consistent with those of last year.

Foreign currency translation

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

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Fixed assets acquired in foreign currency are measured at the exchange rate at the transaction date.

Financial statements 1 October 2022 – 30 September 2023

Notes

1 Accounting policies (continued)

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised in the balance sheet at cost and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are presented as separate items in the balance sheet as other receivables or other payables.

Fair value adjustments of derivative financial instruments designated and qualifying as hedging of the fair value of a recognised asset or liability are recognised in the income statement together with fair value adjustments of the hedged asset or liability.

Fair value adjustments of derivative financial instruments designated and qualifying as hedging of future assets or liabilities are recognised as separate items in the balance sheet and in the hedging reserve under equity. If the forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the forecast transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects the income statement.

Fair value adjustments of derivative financial instruments that do not qualify for hedge accounting are recognised in the income statement on an ongoing basis.

Income statement

Revenue

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

Revenue is measured at the fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Revenue from the sale of goods

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

Raw materials and consumables

Raw materials and consumables include the costs of raw materials and consumables incurred to generate revenue for the year.

Other external expenses

Other external expenses comprise costs relating to the Company's primary activities incurred in the year, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, lease payments under operating leases, etc

Staff costs

Staff costs include salaries and wages, including holiday pay and pension costs, as well as other social security costs for the company's employees. The item is net of refunds from public authorities.

Financial statements 1 October 2022 – 30 September 2023

Notes

1 Accounting policies (continued)

Other operating income

Other operating income comprise items secondary to the principal activities of the Company, including royalty income from group entities, gains on the disposal of property, plant and equipment, etc.

Other operating expenses

Other operating expenses comprise items secondary to the entities' activities, including losses on disposal of intangible assets and property, plant and equipment. Other operating expenses also include costs related to transfer pricing adjustments.

Dividends of shares in subsidiaries and participating interest

Dividends of shares in subsidiaries and participating interest (consisting of investments in associates), measured at cost, shall be recognised in the income statement for the year the dividend is declared.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Financial income and expenses comprise interest income and expense, charges in respect of finance leases, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax for the year

The Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish group entities. Group entities are included in the joint taxation arrangement from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

On payment of joint taxation contributions, the Danish corporation tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year comprises current income tax, joint taxation contribution and changes in deferred tax for the year due to changes in the tax rate. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts recognised directly in equity is recognised directly in equity.

Financial statements 1 October 2022 – 30 September 2023

Notes

1 Accounting policies (continued)

Balance sheet

Intangible assets

On initial recognition, intangible assets are measured at cost.

Amortisation is made over the estimated economic life without the determination of a residual value.

Development costs comprise expenses, salaries and amortisation directly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and where the technical feasibility, sufficient resources and a potential future market or development potential are evidenced, and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs, administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life.

Customer relations and software are measured at cost less accumulated amortisation and impairment losses. The amortisation period is:

Customer relations	10 years
Software	3-8 years

Gains and losses on the disposal of development projects, patents and licences are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating expenses, respectively.

Financial statements 1 October 2022 – 30 September 2023

Notes

1 Accounting policies (continued)

Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers, wages and salaries as well as borrowing costs relating to specific and general borrowing directly attributable to the construction of the individual asset and which incur during the production process.

Individual components of property, plant and equipment that have different useful lives and where the individual component accounts for a significant part of total costs are accounted for as separate items, which are depreciated separately.

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

Buildings	5-40 years
Plant and machinery	3-10 years
Other fixtures and fittings, tools and equipment	5 years

Depreciation is based on the residual value of the asset after the end of the useful life and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Depreciation is recognised in the income statement as amortisation/depreciation and impairment of fixed assets.

Gains and losses on the disposal of items of property, plant and equipment are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating expenses, respectively.

Leases

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

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

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

Leases that do not transfer substantially all the risks and rewards incident to ownership to the entity are operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The Company's total liabilities relating to operating leases and other leases are disclosed under contingencies.

Financial statements 1 October 2022 – 30 September 2023

Notes

1 Accounting policies (continued)

Equity investment in group entities and participating interests

Equity investments in group entities and participating interests (which solely include associates) are measured at cost. Cost includes the consideration measured at fair value plus direct acquisition costs. Where cost exceeds the recoverable amount, write-down is made to this lower value. In case of indication of impairment, an impairment test is conducted. Equity investments are written down to the lower of the carrying amount and the recoverable amount.

Distributions of dividend where the dividend exceeds the profit/loss for the year or where the carrying amount of the Company's equity investments exceed the consolidated carrying amounts of the group entity's and associate's net asset value and the equity interest will be evidence of impairment, meaning that an impairment test must be conducted.

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment, and equity investments in group entities and participating interests is tested annually for evidence of impairment other than the decrease in value reflected by amortisation and depreciation.

Impairment tests are conducted on individual assets or cash-generating units when there is indication of impairment. Write-down is made to the lower of the carrying amount and the recoverable amount.

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

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Raw materials and consumables are measured at cost, comprising purchase price plus delivery costs and other costs directly related to the purchase.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries as well as indirect production overheads. Production overheads comprise costs of material and labour as well as maintenance of and depreciation on production machinery, buildings and equipment as well as costs relating to plant administration and management.

The net realisable value of inventories is determined as the selling price less any discounts, costs of completion and costs incurred to effect the sale, taking into account marketability, obsolescence and developments in the expected selling price.

Receivables

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

Receivables are measured at amortised cost.

Write-down for bad and doubtful debts is made when there is objective evidence that a receivable or a portfolio of receivables has been impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the country of domicile and credit ratings of the debtors in accordance with the credit risk management policy of the Company and the Group. The objective evidence applied to portfolios is determined based on historical loss experience.

Financial statements 1 October 2022 – 30 September 2023

Notes

1 Accounting policies (continued)

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate of the individual receivable or portfolio is used as discount rate.

The Company's tax account deposits are classified as "Other receivables".

Prepayments

Prepayments “recognized under Assets” comprise costs incurred concerning subsequent financial years.

Cash

Cash in the statement of financial position comprise cash at banks and on hand.

Equity

Hedging reserve

The hedging reserve comprises the cumulative net change in the fair value of hedging transactions that qualify for recognition as a cash flow hedge and where the hedged transaction has not yet been realised. The reserve is dissolved when the hedged transaction is realised, if the hedged cash flows are no longer expected to be realised or if the hedging relationship is no longer effective. The hedging reserve does not represent a limitation under company law and may therefore be negative.

Proposed dividend

Proposed dividend is recognised as a liability at the date when it is adopted at the annual general meeting (declaration date). Dividend expected to be distributed for the year is presented as a separate line item in equity.

Corporation tax and deferred tax

Current tax payables and receivables are recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on taxable income in previous years and tax paid on account.

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

Deferred tax assets, including the tax value of tax loss carry-forwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Contingent liabilities

The Company is jointly taxed with its Danish group entities. As administration company, the Company has unlimited joint and several liability, together with the group entities, for payment of Danish corporation taxes and withholding taxes on dividends, interest and royalties within the joint taxation group. Any subsequent corrections of income subject to joint taxation and withholding taxes, etc., may entail that the entities' liability will increase. The Group as a whole is not liable to any third parties.

Financial statements 1 October 2022 – 30 September 2023

Notes

1 Accounting policies (continued)

Liabilities other than provisions

The Company has chosen IAS 39 as interpretation for recognition and measurement of liabilities.

Financial liabilities are recognised at the date of borrowing at the proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Financial liabilities also include the capitalised residual lease commitment in respect of finance leases.

Other liabilities are measured at net realisable value.

Fair value

Fair value is determined based on the principal market. If no principal market exists, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability.

All assets and liabilities that are measured at fair value or whose fair value is disclosed are classified based on the fair value hierarchy, see below:

Level 1: Value based on the fair value of similar assets/liabilities in an active market.

Level 2: Value based on generally accepted valuation methods on the basis of observable market information.

Level 3: Value based on generally accepted valuation methods and reasonable estimates based on non-observable market information.

If a reliable fair value cannot be stated according to the above levels, the asset or liability is measured at cost.

Segment information

Information is disclosed by activities and geographical markets. The business of CUBIC only includes one segment, the financial statements of comprehensive income, the statements of financial position, and the statements of equity changes and notes represent this segment.

Financial statements 1 October 2022 – 30 September 2023

Notes

	DKK'000	2022/23	2021/22
2	**Revenue**		
	Denmark	208,725	186,504
	Other countries excluding Denmark	333,411	288,182
		542,136	474,686

With reference to section 96(1) of the Danish Financial Statement Act, no further geographical segmentation is disclosed due to competition reasons.

		2022/23	2021/22
3	**Staff costs**		
	Wages and salaries	117,529	107,575
	Pensions	10,550	9,308
	Other social security costs	1,557	1,355
		129,636	118,238
	Remuneration of the Executive Board	4,168	4,079
	Pensions of the Executive Board	57	57
	Remuneration of the Board of Directors	0	390
		4,225	4,526
	Average number of full-time employees	242	232
4	**Fees paid to auditor appointed at the annual general meeting**		
	Total fees to EY	567	895
	Fee for statutory audit	373	327
	Tax consultancy	114	33
	Non-audit services	80	535
		567	895
5	**Financial income**		
	Interest income, group entities	2,309	1,663
	Other financial income	12	437
		2,321	2,100
6	**Financial expenses**		
	Interest expenses, mortgage credit institutions	413	439
	Interest expenses, bank	2,089	1,190
	Interest expenses, group entities	483	48
	Foreign exchange losses	748	244
	Other interest expenses	1,055	514
		4,788	2,435

Financial statements 1 October 2022 – 30 September 2023

Notes

DKK'000	2022/23	2021/22
7 Tax for the year		
Current tax for the year	14,800	10,004
Prior year adjustment	-271	-85
Deferred tax adjustment for the year	99	-127
Prior year deferred tax adjustment	109	-18
	14,737	9,774
8 Distribution of profit/loss		
Proposed distribution of profit/loss		
Retained earnings	65,576	36,051
	65,576	36,051

9 Intangible assets

DKK'000	Customer relations	Software	Software projects in progress	2023 Total	2022 Total
Cost at 1 October 2022	5,479	23,036	522	29,037	28,544
Additions	0	0	218	218	493
Transferred	0	631	-631	0	0
Cost at 30 September 2023	5,479	23,667	109	29,255	29,037
Amortisation and impairment losses at 1 October 2022	4,432	19,563	0	23,995	20,500
Amortisation	546	2,675	0	3,221	3,495
Amortisation and impairment losses at 30 September 2023	4,978	22,238	0	27,216	23,995
Carrying amount at 30 September 2023	501	1,429	109	2,039	5,042
Amortised over	10 years	3-8 years			

Customer relations are a long-term strategic investment and therefore amortised over 10 years.

Software mainly consists of the ERP system and the customer software platform (Galaxy).

Software projects in progress is related to improvements of customer software platform (Galaxy) and the server set-up.

Management has not identified any indication of impairment in relation to the carrying amount intangible assets.

Financial statements 1 October 2022 – 30 September 2023

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10 Property, plant and equipment

DKK'000	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment under construction	2023 Total	2022 Total
Cost at 1 October	122,253	243,396	4,714	7,018	377,381	369,918
Currency adjustments	0	1	2	0	3	0
Additions	265	4,359	430	9,673	14,727	10,361
Transferred	1,163	11,804	0	-12,967	0	0
Disposals	0	-24,239	38	0	-24,201	-2,898
Cost at 30 September	123,681	235,321	5,184	3,724	367,910	377,381
Depreciation and impairment losses at 1 October	62,766	189,645	2,705	0	255,116	239,157
Currency adjustments	0	1	0	0	1	-1
Depreciation	3,037	13,353	840	0	17,230	16,577
Disposals	0	-24,239	38	0	-24,201	-617
Depreciation and impairment losses at 30 September	65,803	178,760	3,583	0	248,146	255,116
Carrying amount at 30 September	57,878	56,561	1,601	3,724	119,764	122,265
Property, plant and equipment include assets held under finance leases with a carrying amount totalling	0	24,530	0	0	24,530	30,009
Amortised over	5-40 years	3-10 years	5 years			

Financial statements 1 October 2022 – 30 September 2023

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11 Investments in group entities

DKK'000	**2023**	**2022**
Cost at 1 October	76,499	76,499
Disposals	-1,106	0
Cost at 30 September	75,393	76,499
Impairments at 1 October	11,927	11,927
impairments for the year	1,270	0
Disposals	-1,106	0
Impairments at 30 September	12,091	11,927
Carrying amount at 30 September2023	63,302	64,572

DKK'000	**Country of incorporation**	**Proportion of shares**	**Equity**	**Result**
CUBIC Svenska AB	Sweden	100%	4,956	1,443
CUBIC Modular Systems (U.K.) Ltd.	United Kingdom	100%	6,264	907
CUBIC-Norge A/S	Norway	100%	2,472	450
CUBIC Electromechanical System (Tianjin) Co. Ltd	China	100%	55,547	4,135
CUBIC Nederland B.V.	The Netherlands	100%	961	449
CUBIC Polska Sp. Z o.o.	Poland	100%	16,315	3,649
CUBIC Modular System India Private Limited	India	99.99%	-8,600	-11,665
CUBIC Modular System España SLU.	Spain	100%	354	137

12 Investments in participating interests

DKK'000	**2023**	**2022**
Cost at 1 October	1,449	1,449
Additions	0	0
Disposals	0	0
Cost at 30 September	1,449	1,449
Value adjustments at 1 October	0	0
Value adjustments for the year	0	0
Value adjustments at 30 September	0	0
Carrying amount at 30 September	1,449	1,449

DKK'000	**Country of incorporation**	**Proportion of shares**	**Equity**	**Result**
Sabelco Electrical Industries (PTY) Ltd.	South Africa	40%	9,322	1,681

Financial statements 1 October 2022 – 30 September 2023

Notes

	DKK'000	**2023**	**2022**
13	**Receivables from group entities**		
	Value at 1 October	52,873	40,370
	Additions	12,077	12,503
	Value at 30 September	64,950	52,873
14	**Prepayments**		
	Other prepaid expenses	287	406
		287	406

15 **Share capital**

The share capital comprises 280,000 shares of a nominal value of DKK 100 each. All shares rank equally.

	DKK'000	**2023**	**2022**
16	**Deferred tax**		
	Deferred tax at 1 October	8,794	8,057
	Change in accounting policy	0	881
	Deferred tax adjustment for the year	99	-127
	Deferred tax adjustment last year	109	-18
	Deferred tax at 30 September	9,002	8,793
	Deferred tax relates to:		
	Property, plant and equipment	8,319	8,349
	Non-fixed assets	683	444
		9,002	8,793

17 **Non-current liabilities**

Non-current liabilities are specified as follows:

DKK'000	**2023**	**< 1 year**	**➢ 5 years**
Mortgage credit institutions	39,791	2,233	28,329
Lease commitments	21,474	5,588	2,025
Loan group entity	15,406	0	0
	76,671	7,821	30,354

Financial statements 1 October 2022 – 30 September 2023

Notes

	DKK'000	2023	2022
18	**Corporation tax payable**		
	Corporation tax payable at 1 October	8,181	8,022
	Current tax for the year	14,753	9,955
	Corporation tax paid in the year	-10,556	-9,796
	Corporation tax payable at 30 September	12,378	8,181

19 Mortgages, collateral, obligations and contingencies

Land and buildings accounting for DKK 57.9m (2021/22: 59.5m) of the total carrying amount of land and buildings totalling DKK 57.9m (2021/22: 59.5m) at 30 September 2023 have been provided as collateral for mortgage debt, DKK 39.8m (2021/22: 42.1m).

The Company has issued guarantees for lease commitments in subsidiaries at an amount of DKK 0.3m (2021/22: 0.4m) as well as guarantee for mortgage deeds in subsidiaries of DKK 23.2m (2021/22: 24.4m)

Operating lease commitments

Lease commitments (operating leases) that fall due within 1-3 years total DKK 0.1m (2022: DKK 0.1m).

20 Interest rate risks and use of derivative financial instruments

The Company uses an interest rate swap to hedge expected interest risks relating to mortgage loan with a floating interest rate.

		Contractual value		Gains and losses recognised in equity and expected to be realised after the balance sheet date	
DKK'000	**Expire**	**2023**	**2022**	**2023**	**2022**
Interest rate swap	2029	1,658	1,836	-178	1,640

Fair values

The fair value of the below financial instruments deviates from the value recognised in the Company's balance sheet at 30 September 2023.

DKK'000	Carrying amount	Fair value	Principle for calculating fair value
Other receivables	1,658	1,658	level 2

The derivative financial instruments are categorised in level 2 in the fair value hierarchy, and no significant unobservable input is included in the valuation.

Financial statements 1 October 2022 – 30 September 2023

Notes

21 Related parties

CUBIC-Modulsystem A/S' related parties comprise the following:

Control

Rockwell Automation, Inc., 1201 South Second Street, 53204 Milwaukee, Wisconsin, USA
Rockwell Automation, Inc. holds 100% of the share capital in the Company. The consolidated financial statement can be obtained at Rockwell Automation's website.

Related party transactions

Apart from distribution of dividend, no other transactions were carried out with shareholders during the year.

Remuneration of the Executive Board and the Board of Directors is disclosed in note 3.

DKK'000	2023	2022
Transactions with group entities		
Sale of goods and services	174,036	154,062
Purchase of goods and services	71,435	66,939
Other operating costs	9,612	5,990
Sale of PPE	38	7,068
Interest income	2,309	1,663
Interest expenses	483	48
Royalty income	3,369	5,115
Receivables on the balance sheet date	88,750	74,926
Liabilities on the balance sheet date	25,727	5,711
Transactions with participating interests		
Sale of goods and services	8,435	5,600
Receivables on the balance sheet date	2,053	2,640

22 Events after the balance sheet date

No significant events after the balance sheet date have arisen.

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

Jesper Sand Fristrup
CCO
On behalf of: CUBIC-Modulsystem A/S
Serial number: 73739775-2b61-4e28-8575-429068aede41
IP: 209.206.xxx.xxx
2023-12-07 11:39:47 UTC

Jacob Møller Knudsen
CEO
On behalf of: CUBIC- Modulsystem A/S
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2023-12-07 11:48:57 UTC

Jacob Møller Knudsen
Board of Directors
On behalf of: CUBIC- Modulsystem A/S
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2023-12-07 12:13:02 UTC

Thomas Felix Langkjær
Board of Directors
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2023-12-07 12:22:02 UTC

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

Mikael Jensen
Employee elected
On behalf of: CUBIC-Modulsystem A/S
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2023-12-07 13:42:15 UTC

Erik Julien J Casselman
Board of Directors
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2023-12-07 14:41:21 UTC

Peter Louis Heegaard Andersen
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Lars Grønbak Poulsen

Allan Terp
State Authorised Public Accountant
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Serial number: 3db8ddc0-a72b-41b0-96f4-9194dba55950
IP: 165.225.xxx.xxx
2023-12-11 17:36:55 UTC

"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."

Jacob Møller Knudsen
SignerRole
Serienummer: 0fb8770f-af63-4196-b6b7-a7414ca44a7e
IP: 209.206.xxx.xxx
2024-01-05 11:49:23 UTC

Mit ID