Varimixer A/S

Elementfabrikken 9, 2605 Brøndby

CVR no. 73 31 44 10

Annual report 2023

Approved at the Company's annual general meeting on 23 April 2024

Chair of the meeting:

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Contents

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Varimixer A/S for the financial year 1 January - 31 December 2023.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 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.

Brondby, 23 April 2024
Executive Board:

Paw Søe

Board of Directors:

Jan Kristian Zimmermann Chairman	Bryan E. Mittelman	Michael D. Thompson
Paw Søe	Jesper Holmegaard Olsen	Mickael Silberg Jensen

Statement by the Board of Directors and the Executive Board

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

Brøndby, 23 April 2024
Executive Board:

Paw Søe

Board of Directors:

Jan Kristian Zimmermann Chairman	Bryan E. Mittelman	Michael D. Thompson
Paw Søe	Jesper Holmegaard Olsen	Mickael Silberg Jensen

Independent auditor's report

To the shareholders of Varimixer A/S

Opinion

We have audited the financial statements of Varimixer A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations as well as the cash flows for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Independence

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

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- 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.

Independent auditor's report

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Aarhus, 23 April 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Lone N Eskildsen

Lone Nørgaard Eskildsen
State Authorised Public Accountant
mne32085

Management's review

Company details

Name	Varimixer A/S
Address, Postal code, City	Elementfabrikken 9, 2605 Brøndby
CVR no.	73 31 44 10
Established	26 August 1983
Registered office	Brøndby
Financial year	1 January - 31 December
Website	www.varimixer.com
Telephone	+45 43 44 22 88
Board of Directors	Jan Kristian Zimmermann, Chairman Bryan E. Mittelman Michael D. Thompson Paw Søe Jesper Holmegaard Olsen Mickael Silberg Jensen
Executive Board	Paw Søe
Auditors	EY Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark
Bankers	Nordea

Management's review

Financial highlights

DKK'000	2023	2022	2021	2020	*2019
Key figures					
Revenue	144,825	161,268	147,606	116,576	128,529
Operating profit/loss	22,828	31,056	25,838	11,862	21,160
Net financials	-736	-507	-358	-1,798	-242
Profit for the year	17,364	23,937	19,870	10,427	16,248
Total assets	93,314	102,917	82,076	66,359	74,246
Investments in property, plant and equipment	-1,818	-1,701	-416	-441	-1,644
Equity	68,352	70,988	47,051	47,181	46,754
Cash flows from operating activities	27,566	2,923	23,047	29,101	481
Cash flows from financing activities	-25,028	-7,724	-13,172	-28,342	-2,746
Total cash flows	720	-6,502	9,459	318	-3,909
Financial ratios					
Return on assets	23.3%	33.6%	34.8%	16.9%	27.1%
Equity ratio	73.2%	69.0%	57.3%	71.1%	63.0%
Return on equity	24.9%	40.6%	42.2%	22.2%	30.3%
Average number of full-time employees	51	52	48	54	57

For terms and definitions, please see the accounting policies.

*The figures have not been restated for the effect of the implementation of IFRS 15 and IFRS 16 and are therefore not comparable.

Management's review

Business review

Varimixer A/S is a production company which develops, produces and brands a complete program of industrial mixers under the brand BEAR Varimixer and Teddy.

At the end of 2023 we transferred worldwide sales, distribution, and manufacturing rights to Witt of our smallest mixer Teddy. The Teddy mixer have over the years become a strong brand in the residential market and we are confident that Witt, who have a long and impressive track record in this specific marked, can bring the Teddy a new and higher level.

Witt will naturally continue to service all our exiting HORECA deales.

The corporation will reduce Varimixer A/S turnover due to a provision agreement of Teddy sales going forward.

Financial review

The income statement for 2023 shows a profit of DKK 17,364 thousand against a profit of DKK 23,937 thousand last year, and the balance sheet at 31 December 2023 shows equity of DKK 68,352 thousand.

The Company's net profit has been at a satisfactory level.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year end.

Outlook

The company's expectations for 2023 have been redeemed on both revenue and EBITDA level. Revenue and EBITDA are within expectations from last year.

In the coming year, the company expects a slight decline in revenue and EBITDA due to the decline in important export markets. EBITDA is expected to be around DKK 18-22 million, on the assumption that exchange rates for the currencies to which the company is exposed will remain unchanged.

Cash generated from operations in 2024 is expected to be positive.

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2023	2022
	Revenue	144,825	161,268
2	Production costs	-104,569	-111,874
	Gross profit	40,256	49,394
2	Distribution costs	-7,835	-6,893
2	Administrative costs	-9,593	-11,445
	Operating profit	22,828	31,056
	Financial income	229	13
3	Financial expenses	-965	-520
	Profit before tax	22,092	30,549
4	Tax for the year	-4,728	-6,612
	Profit for the year	17,364	23,937

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2023	2022
	ASSETS		
	Fixed assets		
5	Property, plant and equipment		
	Land and buildings	4,016	4,095
	Plant and machinery	1,814	1,758
	Fixtures and fittings, other plant and equipment	1,038	1,096
	Right-of-use assets	499	786
		7,367	7,735
	Total fixed assets	7,367	7,735
	Non-fixed assets		
	Inventories		
	Raw materials and consumables	31,359	46,270
	Work in progress	0	1,413
	Finished goods and goods for resale	3,069	2,518
		34,428	50,201
	Receivables		
	Trade receivables	26,286	24,702
	Receivables from group enterprises	11,312	7,233
	Other receivables	19	948
6	Prepayments	1,222	138
		38,839	33,021
	Cash	12,680	11,960
	Total non-fixed assets	85,947	95,182
	TOTAL ASSETS	93,314	102,917

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2023	2022
	EQUITY AND LIABILITIES		
	Equity		
7	Share capital	10,000	10,000
	Retained earnings	43,352	40,988
	Dividend proposed	15,000	20,000
	Total equity	68,352	70,988
	Provisions		
	Provisions for pensions and similar liabilities	249	247
8	Deferred tax	484	756
9	Other provisions	919	1,251
10	Total provisions	1,652	2,254
	Liabilities other than provisions		
11	Non-current liabilities other than provisions		
	Lease liabilities	304	501
		304	501
	Current liabilities other than provisions		
11	Short-term part of long-term liabilities other than provisions	197	310
	Trade payables	8,111	13,330
	Payables to group enterprises	1,599	2,204
	Corporation tax payable	4,184	4,094
	Other payables	8,228	8,023
12	Deferred income	687	1,213
		23,006	29,174
	Total liabilities other than provisions	23,310	29,675
	TOTAL EQUITY AND LIABILITIES	93,314	102,917

1 Accounting policies
13 Appropriation of profit
14 Contractual obligations and contingencies, etc.
15 Security and collateral
16 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

Note	DKK'000	Share capital	Retained earnings	Dividend proposed	Total
	Equity at 1 January 2022	10,000	37,051	0	47,051
13	Transfer, see "Appropriation of profit"	0	3,937	20,000	23,937
	Equity at 1 January 2023	10,000	40,988	20,000	70,988
13	Transfer, see "Appropriation of profit"	0	2,364	15,000	17,364
	Dividend distributed	0	0	-20,000	-20,000
	Equity at 31 December 2023	10,000	43,352	15,000	68,352

Financial statements 1 January - 31 December

Cash flow statement

Note	DKK'000	2023	2022
	Profit for the year	17,364	23,937
17	Adjustments	7,320	9,345
	Cash generated from operations (operating activities)	24,684	33,282
18	Changes in working capital	8,529	-23,311
	Cash generated from operations (operating activities)	33,213	9,971
	Interest received, etc.	229	13
	Interest paid, etc.	-965	-520
	Income taxes paid	-4,911	-6,541
	Cash flows from operating activities	27,566	2,923
	Additions of property, plant and equipment	-1,818	-1,701
	Cash flows to investing activities	-1,818	-1,701
	Dividends paid	-20,000	0
	Proceeds of debt, group entities	-4,718	-7,428
	Repayments, leases	-310	-296
	Cash flows from financing activities	-25,028	-7,724
	Net cash flow	720	-6,502
	Cash and cash equivalents at 1 January	11,960	18,462
	Cash and cash equivalents at 31 December	12,680	11,960

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

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

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

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Foreign currency translation

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

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

Income statement

Revenue

The Company has chosen IFRS 15 as interpretation for revenue recognition.

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company has generally concluded that it is the principal in its revenue arrangements, because it controls the goods before transferring them to the customer.

Production costs

Production costs comprise costs incurred in generating the revenue for the year. Such costs include direct and indirect costs of raw materials, consumables and production staff, rent and leases, as well as depreciation on production plant.

Production costs also comprise research and development costs that do not qualify for capitalisation and amortisation of capitalised development costs.

Also, provision for losses on construction contracts is recognised.

Distribution costs

Distribution costs comprise costs related to the distribution of goods sold in the year and to sales campaigns, etc. carried out in the year, including costs related to sales staff, advertising, exhibitions and amortisation/depreciation. Sales and marketing costs are recognised in the income statement when the Company obtains control of the sales or marketing product.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Administrative expenses

Administrative expenses include expenses incurred in the year for company management and administration, including expenses relating to administrative staff, Management, office premises and expenses as well as amortisation/depreciation of assets used for administrative purposes.

Depreciation

The item comprises depreciation of property, plant and equipment.

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

Land and buildings	25-40 years
Plant and machinery	5-10 years
Fixtures and fittings, other plant and equipment	3-10 years

Financial income and expenses

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

Tax

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

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Property, plant and equipment

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

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

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Leases

The Company has chosen IFRS 16 as interpretation for classification and recognition of leases.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets:
The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Fixtures and fittings, other plant and equipment 3-10 years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities:
At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets:
The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Impairment of fixed assets

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

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

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

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

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. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

The cost of raw materials and consumables comprises the cost of acquisition plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct labour and indirect production overheads.

Indirect production overheads include the indirect cost of material and labour as well as maintenance and depreciation of production machinery, buildings and equipment and expenses relating to plant administration and management. Borrowing costs are not recognised in the sales price.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Receivables

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

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is 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 debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

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 for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Provisions

Provisions comprise anticipated expenses relating to warranty commitments, onerous contracts, restructurings, etc. Provisions are recognised when the Company has a legal or constructive obligation at the balance sheet date as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

Warranty commitments include expenses for remedial action in respect of the contract work within the warranty period of 2 years. Provisions for warranty commitments are measured at net realisable value and recognised based on past experience. Provisions that are expected to mature more than one year after the balance sheet date are discounted at average bond yields.

Provisions are measured at net realisable value.

Income taxes

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

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

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

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net 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 liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Lease liabilities

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

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax and interests.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Cash and cash equivalents comprise cash, short term bank loans and short term securities which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Financial ratios

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

Operating profit/loss: Profit/loss before net financials +/- Other operating income and other operating expenses

Return on assets: $\frac{\text{Profit/loss from operating activites} \times 100}{\text{Average assets}}$

Equity ratio: $\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$

Return on equity: $\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$

Financial statements 1 January - 31 December

Notes to the financial statements

	DKK'000	2023	2022
2	Staff costs		
	Wages/salaries	30,979	30,925
	Pensions	2,670	2,308
	Other social security costs	643	685
	Other staff costs	14	24
		34,306	33,942
	Staff costs are recognised as follows in the financial statements:		
	Production costs	24,016	23,428
	Distribution costs	5,791	5,174
	Administrative costs	4,499	5,340
		34,306	33,942
	Average number of full-time employees	51	52

By reference to section 98b(3), (ii), of the Danish Financial Statements Act, remuneration to Management is not disclosed.

	DKK'000	2023	2022
3	Financial expenses		
	Interest expenses, group entities	14	12
	Other financial expenses	951	508
		965	520
4	Tax for the year		
	Estimated tax charge for the year	5,187	6,879
	Deferred tax adjustments in the year	-275	-152
	Tax adjustments, prior years	-184	-115
		4,728	6,612

5 Property, plant and equipment

DKK'000	Land and buildings	Plant and machinery	Fixtures and fittings, other plant and equipment	Right-of-use assets	Total
Cost at 1 January 2023	24,330	30,411	25,076	2,242	82,059
Additions	523	807	488	0	1,818
Cost at 31 December 2023	24,853	31,218	25,564	2,242	83,877
Impairment losses and depreciation at 1 January 2023	20,235	28,653	23,980	1,456	74,324
Depreciation	602	751	546	287	2,186
Impairment losses and depreciation at 31 December 2023	20,837	29,404	24,526	1,743	76,510
Carrying amount at 31 December 2023	4,016	1,814	1,038	499	7,367

Financial statements 1 January - 31 December

Notes to the financial statements

6 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years.

DKK'000	2023	2022
7 Share capital		
Analysis of the share capital:		
10,000 A shares of DKK 1,000.00 nominal value each	10,000	10,000
	10,000	10,000

The Company's share capital has remained DKK 10,000 thousand in the past year.

DKK'000	2023	2022
8 Deferred tax		
Deferred tax at 1 January	756	908
Deferred tax adjustment for the year	-272	-152
Deferred tax at 31 December	484	756

DKK'000	2023	2022
9 Other provisions		
Opening balance at1 January	1,251	967
Warranty adjustment for the year	-332	284
Other provisions at 31 December	919	1,251

Warranty provision includes expected costs for repair of sold products within the warranty period. The warranty period is 1 to 2 years.

10 Provisions

The provision for pensions and similar commitments relates to a severance package for some of the company's employees.

The provision for deferred tax primarily relates to timing differences in respect of intangible assets and property, plant and equipment.

11 Non-current liabilities other than provisions

DKK'000	Total debt at 31/12 2023	Short-term portion	Long-term portion	Outstanding debt after 5 years
Lease liabilities	501	197	304	0
	501	197	304	0

12 Deferred income

Deferred income, DKK 687 thousand (2022: DKK 1,213 thousand), consists of payments received from customers that may not be recognised until the subsequent financial year.

Financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	2023	2022
13 Appropriation of profit		
Recommended appropriation of profit		
Proposed dividend recognised under equity	15,000	20,000
Retained earnings	2,364	3,937
	17,364	23,937

14 Contractual obligations and contingencies, etc.

The Company is jointly taxed with other Danish group entities. Hounö A/S acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2023.

15 Security and collateral

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

16 Related parties

Varimixer A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Middleby corporation	Ultimate owner	Participating interest
Sveba Dahlen Group AB	Parent company	Participating interest

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Middelby Corporation	Ultimate owner	Middleby Corporation 1400 Toastmaster Drive Elgin, IL 60120 USA
Sveba-Dahlén Group AB	Parent company	Sveba-Dahlén Group AB Industrivägen 8 513-82 Fristad Sweden

Related party transactions

Varimixer A/S was engaged in the below related party transactions:

DKK'000	2023	2022
Sales to group enterprises	25,474	32,970
Purchace from group enterprises	15,120	21,772
Financial expenses from group enterprises	14	12
Receivables from group enterprises	11,312	7,233
Payables to group enterprises	1,565	2,204

Financial statements 1 January - 31 December

Notes to the financial statements

17	Adjustments		
	Amortisation/depreciation and impairment losses	2,186	2,186
	Financial income	-229	-13
	Financial expenses	965	520
	Tax for the year	4,728	6,612
	Other adjustments	-330	40
		7,320	9,345

	DKK'000	2023	2022
18	Changes in working capital		
	Change in inventories	15,773	-20,708
	Change in receivables	-1,634	-7,740
	Change in trade and other payables	-5,610	5,137
		8,529	-23,311