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# *Tjellesen Max Jenne A/S*

Ole Lippmanns Vej 2, DK-2630 Taastrup

Annual Report for  
1 April 2023 - 31 March 2024

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CVR No. 79 09 18 12

The Annual Report was  
presented and adopted  
at the Annual General  
Meeting of the  
company  
on 12/9 2024

Kasper Sandø Jensen  
Chairman of the  
general meeting



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# Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Tjellesen Max Jenne A/S for the financial year 1 April 2023 - 31 March 2024.

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 at 31 March 2024 of the Company and of the results of the Company operations for 2023/24.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Taastrup, 12 September 2024

## Executive Board

Marianne Timm  
CEO

Kristian Kjærsgaard  
Executive Officer

Preben Møller Jørgensen  
Executive Officer

## Board of Directors

Benny Dalgaard Loft  
Chairman

Thomas Marstrand

Per Toft Valstorp

Kristian la Cour

# Independent Auditor's report

To the shareholder of Tjellesen Max Jenne A/S

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 March 2024 and of the results of the Company's operations for the financial year 1 April 2023 - 31 March 2024 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Tjellesen Max Jenne A/S for the financial year 1 April 2023 - 31 March 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

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

## Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, 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 in Management's Review.

## 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.

# Independent Auditor's report

## Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about 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 these 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.
- 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 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.

Vejle, 12 September 2024

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Henrik Forthoft Lind  
State Authorised Public Accountant  
mne34169

Claus Damhave  
State Authorised Public Accountant  
mne34166

## Company information

<b>The Company</b>	Tjellesen Max Jenne A/S Ole Lippmanns Vej 2 DK-2630 Taastrup  CVR No: 79 09 18 12 Financial period: 1 April 2023 - 31 March 2024 Municipality of reg. office: Høje Taastrup
<b>Board of Directors</b>	Benny Dalgaard Loft, chairman Thomas Marstrand Per Toft Valstorp Kristian la Cour
<b>Executive Board</b>	Marianne Timm Kristian Kjærsgaard Preben Møller Jørgensen
<b>Auditors</b>	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Herredsvej 32 DK-7100 Vejle

## Financial Highlights

Seen over a 5-year period, the development of the Company is described by the following financial highlights:

	2023/24	2022/23	2021/22	2020/21	2019/20
	TDKK	TDKK	TDKK	TDKK	TDKK
<b>Key figures</b>					
<b>Profit/loss</b>					
Revenue	4,172,974	4,238,587	3,790,849	3,672,315	3,738,418
Gross profit	145,944	147,279	148,696	149,291	160,723
Profit/loss of primary operations	12,884	10,957	17,650	26,097	48,321
Net profit/loss for the year	1,584	3,204	13,360	19,857	34,397
<b>Balance sheet</b>					
Balance sheet total	1,391,269	1,400,498	1,629,354	1,628,927	1,622,621
Investment in property, plant and equipment	3,937	1,018	4,813	83,741	41,156
Equity	471,591	470,007	739,803	726,443	706,586
Number of employees	231	235	230	227	214
<b>Ratios</b>					
Gross margin	3.5%	3.5%	3.9%	4.1%	4.3%
Profit margin	0.3%	0.3%	0.5%	0.7%	1.3%
Solvency ratio	33.9%	33.6%	45.4%	44.6%	43.5%
Return on equity	0.3%	0.5%	1.8%	2.8%	5.0%

See the description under accounting policies.

# Management's review

## Key activities

The primary activity of Tjellesen Max Jenne A/S (TMJ) is distribution of pharmaceuticals from wholesale warehouses in Taastrup and Vejle.

## Development in the year

The income statement of the Company for 2023/24 shows a profit of TDKK 1,584, and at 31 March 2024 the balance sheet of the Company shows a positive equity of TDKK 471,591.

The result is considered less satisfactory.

## The past year and follow-up on development expectations from last year

The expectations expressed in the latest annual report were an EBITDA of DKK 43 - 45 million. The costs have however been negatively influenced by a planned upgrade of our WMS system which have affected the result with higher cost in different areas. The general increase in the interest rate in Denmark has also negatively affected the result.

## Operating risks

The most material operating risks faced by the Company relates to fluctuations in pharmaceutical prices. Additional risk lies in energy price developments, which plays a significant role in the Company's cost of transportation.

## Credit risks

The Company allows credit to its customers and thereby assumes a debtor risk. This risk is only sensitive to the specific customer and each customer is handled case by case.

The Company's policy on debtor management includes minimization of such risks.

## Targets and expectations for the year ahead

Revenue and net EBITDA for 2024/25 is expected to be above 2023/24 levels. Management expects a net EBITDA in the range of DKK 44 - 46 million.

## Research and development

The Company has no research activities.

Initiatives have been made to ensure continuous improvement of the Company's service of our customers and the profitability of the Operations.

## External environment

The company is operating in a stable pharmacy market without high fluctuations. The total market is expected to grow due to the Danish demographics with an increasing elderly population.

## Intellectual capital resources

The Company has launched several initiatives in sales, procurement, logistics and administration to streamline operations.

## Statement of corporate social responsibility

### *Business model*

The Company is a distributor of pharmaceuticals and a broad assortment of non-pharmaceuticals from logistic centres in Taastrup and Vejle.



# Management's review

## *The environment*

Being a distributor of pharmaceuticals and a broad assortment of non-pharmaceuticals, transportation is a major part of our core business and therefore the biggest risk in relation to environment. And that has a negative effect on the environment, which is important for the Company to seek to reduce.

The Company is interested in observing the trend on how to work with climate and has the intention to continue doing that in the future. It is our policy to work focused on reducing our CO2 footprint - especially on transportation. The Company has defined several different initiatives, which have been further developed in 2023/2024. All with the purpose of becoming more sustainable and limiting our impact on the environment. Furthermore, the Company's high-technological logistics center and HQ in Taastrup was built according to the latest and most eco-friendly standards (solar panels, high level of insulation, energy-efficient etc.).

In 2022/23 the Company has started an initiative relating to delivering pharmaceuticals using electric vehicle(s) in the Triangle Region in Denmark and are pursuing opportunities to include more routes to the initiative.

## *Social and employment relations*

The Company values its employment relations, and human relations and work according to labour market agreements where appropriate and have established a works council and other social bodies governed by labour market agreements or law. Further, the Company has established policies on behavior at work, smoking, health and further — being aware of the risk of work accidents and workrelated stress.

At Tjellesen, we work to promote a good working environment, prevent accidents, and handle incidents that occur.

Promoting and preventing a good working environment:

At TMJ, we work with Workplace Assessments (WPA) and will in the Autumn offer health checks to our drivers on night work. Just as the offer of first aid courses is a recurring part of our safety and health program. Information is an important prerequisite for well-being, and at TMJ we use our intranet for targeted communication to respective employee groups.

Dealing with absences and accidents:

Sick leave and accidents can be associated with many costs, both on a human level, but also financially and in terms of quality for TMJ.

At TMJ, we have processes for follow-up on sick leave, where the dialogue between manager and employee is a high priority with a focus on work ability. If accidents occur, there is follow-up on the incident from the Working Environment Group, which assesses any efforts to avoid recurrence and reduce the risk of serious injuries.

The sickness absence has also been affected by the planned WMS upgrade in TMJ and shows a sickness absence of 5,5% for Fy2023/24 (Absence percentage = (Sickness absence days \* 100) / Calculated working days). After the systems are stabilized, we expect to see a normalization of the sickness absence and will continue the work with well-being and employee relations. The target for sickness absence is 3,0% for 2024/25.

## *Human rights*

The Company primarily imports its products from other Western European countries where the risk of violation of human right are limited. Whenever possible, the Company take this into consideration by including code of conduct addressing this when contracts are negotiated.

The Company respects and works to the best of its knowledge according to international codes for human rights. The Company drives a culture, which promotes and protects these values. In 2023/2024 no violation of human rights has been identified. And this work will continue for the future.

# Management's review

## *Anti-corruption and bribery*

The Company primarily imports its products from other Western European countries in which the risk of corruption and bribery is considered to be minimal.

The Company distances itself from corruption and bribery. Consequently, the Company is careful around customer entertainment and other peers with whom to meet in this context. An Anti-Money Laundering and Terrorist Financing policy is established for customers in specific countries with background checks and identification of the end customers, including focus on where payments are received from, as well as the policy is not to receive cash as payments.

A whistle-blower scheme was introduced in 2022/23, and no examples of corruption or bribery have been identified in 2023/2024. The Company will continue to have focus on this area.

## *Data Ethics*

The Company manages ordinary data such as customer data, supplier data and employee data. Data is treated according to rules of GDPR. The Company has a data policy which are included in the Information-security policy that are published on the intranet.

The information security policy for TMJ and ReaMed protects the company's IT systems, data, and processes. It establishes management's responsibility for security and the delegation of risk management. The goal is to ensure data availability, confidentiality, and integrity by following ISO 27001 principles and complying with regulations such as GDPR. All employees, including external consultants, must adhere to the policy, which covers all IT systems and data. Risk assessments are conducted, and IT security is managed by a dedicated department.

Key elements of the Information Security Policy include:

- Access Control: Ensuring that only authorized personnel have access to sensitive information.
- Data Classification: Categorizing data based on its sensitivity and implementing appropriate protection measures.
- User Behavior: Establishing guidelines for responsible use of company data and IT resources.
- Physical Security: Protecting the physical infrastructure that supports IT systems and data storage.

By adhering to these principles, TMJ and ReaMed aim to safeguard their information assets, maintain trust with stakeholders, and uphold the highest standards of data ethics.

## *Conclusion of corporate social responsibility points*

Overall, the Company believes that the result of the efforts in 2023/24 in the mentioned areas is to maintain a satisfactory level of the Company.

## **Statement on gender composition**

Equal opportunities and focus on diversity are an integrated part of the Company's policy on employee well-being and working conditions.

Opportunities for career development must be available for everybody possessing skills and showing intention and shall in no way be restricted by the person's gender, nationality, age, sexual orientation and religion or other similar factors.

# Management's review

## *The Board of directors*

The members of the Board of Directors are appointed by the shareholders of the Company at the general meeting. The Company has four board members. At the moment, none of the board members are female.

As and when the Board of Directors nominates new candidates, the Board will include gender as a parameter. When appointing candidates to the Board of Directors of the Company, it is however important that the members hold professional qualifications relevant to the Company's activities. Finding the member with the right qualifications will always supersede gender.

In 2023-24, there has been no new election to the Board of Directors, however the Company has a target to have one female and reaching a target of 25% within 2027.

## *Other management levels*

The share of women in the Company's management team is currently approx. 57% (8 out of 14) and is considered satisfactory, since an equal distribution has been achieved. However, the Company will be focused on the following areas to ensure equal gender representation in 2023/24:

- Where possible, inviting candidates of all genders, when recruiting for new management positions.
- Considering both female and male candidates for career and succession planning.

Both areas will be executed without compromising the qualifications needed to hold the positions in question.

2023/24

### **Top management**

Total number of members	4
Underrepresented gender %	0%
Target figure %	25%
Year for meeting target	2027

### **Other management levels**

Total number of members	14
Underrepresented gender %	43%

### **Subsequent events**

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

## Income statement 1 April 2023 - 31 March 2024

	Note	2023/24	2022/23
		TDKK	TDKK
Revenue	1	4,172,974	4,238,587
Other operating income		4,185	4,032
Expenses for raw materials and consumables		-3,940,850	-4,000,380
Other external expenses		-90,365	-94,960
<b>Gross profit</b>		<b>145,944</b>	<b>147,279</b>
Staff expenses	2	-119,249	-122,228
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-13,811	-14,094
<b>Profit/loss before financial income and expenses</b>		<b>12,884</b>	<b>10,957</b>
Financial income	3	4,780	3,573
Financial expenses	4	-15,490	-10,447
<b>Profit/loss before tax</b>		<b>2,174</b>	<b>4,083</b>
Tax on profit/loss for the year	5	-590	-879
<b>Net profit/loss for the year</b>	6	<b>1,584</b>	<b>3,204</b>

## Balance sheet 31 March 2024

### Assets

	Note	2023/24	2022/23
		TDKK	TDKK
Acquired licenses		8,314	4,140
Development projects in progress		0	3,665
<b>Intangible assets</b>	7	<b>8,314</b>	<b>7,805</b>
Land and buildings		37,559	40,468
Other fixtures and fittings, tools and equipment		42,196	48,418
Property, plant and equipment in progress		1,708	0
<b>Property, plant and equipment</b>	8	<b>81,463</b>	<b>88,886</b>
<b>Fixed assets</b>		<b>89,777</b>	<b>96,691</b>
Finished goods and goods for resale		389,174	393,191
<b>Inventories</b>		<b>389,174</b>	<b>393,191</b>
Trade receivables		800,522	764,880
Receivables from group enterprises		89,339	88,304
Other receivables		14,416	53
Corporation tax receivable from group enterprises		308	0
Prepayments	9	7,245	13,715
<b>Receivables</b>		<b>911,830</b>	<b>866,952</b>
<b>Cash at bank and in hand</b>		<b>488</b>	<b>43,664</b>
<b>Current assets</b>		<b>1,301,492</b>	<b>1,303,807</b>
<b>Assets</b>		<b>1,391,269</b>	<b>1,400,498</b>

## Balance sheet 31 March 2024

### Liabilities and equity

	Note	2023/24	2022/23
		TDKK	TDKK
Share capital		52,200	52,200
Retained earnings		419,391	417,807
<b>Equity</b>		<b>471,591</b>	<b>470,007</b>
Provision for deferred tax	10	5,732	4,834
<b>Provisions</b>		<b>5,732</b>	<b>4,834</b>
Payables to group enterprises		10,384	0
<b>Long-term debt</b>	11	<b>10,384</b>	<b>0</b>
Credit institutions		45,412	107
Trade payables		739,534	807,724
Payables to group enterprises	11	94,237	54,902
Payables to group enterprises relating to corporation tax		0	634
Other payables		24,379	62,290
<b>Short-term debt</b>		<b>903,562</b>	<b>925,657</b>
<b>Debt</b>		<b>913,946</b>	<b>925,657</b>
<b>Liabilities and equity</b>		<b>1,391,269</b>	<b>1,400,498</b>
Contingent assets, liabilities and other financial obligations	12		
Related parties	13		
Fee to auditors appointed at the general meeting	14		
Accounting Policies	15		

## Statement of changes in equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 April	52,200	417,807	470,007
Net profit/loss for the year	0	1,584	1,584
<b>Equity at 31 March</b>	<b>52,200</b>	<b>419,391</b>	<b>471,591</b>

# Notes to the Financial Statements

	2023/24	2022/23
	TDKK	TDKK
<b>1. Revenue</b>		
<b>Geographical segments</b>		
Revenue, Denmark	4,022,334	4,086,346
Export sales, EU	28,827	20,463
Export sales, non-EU	121,813	131,778
	<u>4,172,974</u>	<u>4,238,587</u>
	2023/24	2022/23
	TDKK	TDKK
<b>2. Staff Expenses</b>		
Wages and salaries	103,677	108,260
Pensions	10,835	9,292
Other social security expenses	1,880	2,539
Other staff expenses	2,857	2,137
	<u>119,249</u>	<u>122,228</u>
Including remuneration to the Executive Board and Board of Directors:		
Executive board	6,461	10,344
Board of directors	600	400
	<u>7,061</u>	<u>10,744</u>
Average number of employees	<u>231</u>	<u>235</u>
	2023/24	2022/23
	TDKK	TDKK
<b>3. Financial income</b>		
Interest received from group enterprises	4,135	3,569
Other financial income	2	4
Exchange adjustments	643	0
	<u>4,780</u>	<u>3,573</u>



## Notes to the Financial Statements

	2023/24	2022/23
	TDKK	TDKK
<b>4. Financial expenses</b>		
Interest paid to group enterprises	3,699	1,666
Other financial expenses	11,791	8,212
Exchange adjustments, expenses	0	569
	<u>15,490</u>	<u>10,447</u>
	2023/24	2022/23
	TDKK	TDKK
<b>5. Income tax expense</b>		
Current tax for the year	-308	634
Deferred tax for the year	898	604
Adjustment of tax concerning previous years	0	-36
Adjustment of deferred tax concerning previous years	0	-323
	<u>590</u>	<u>879</u>
	2023/24	2022/23
	TDKK	TDKK
<b>6. Profit allocation</b>		
Extraordinary dividend paid	0	273,000
Retained earnings	1,584	-269,796
	<u>1,584</u>	<u>3,204</u>

## Notes to the Financial Statements

### 7. Intangible fixed assets

	Acquired licenses	Develop- ment projects in progress
	TDKK	TDKK
Cost at 1 April	81,452	3,665
Additions for the year	3,001	0
Transfers for the year	3,665	-3,665
Cost at 31 March	<u>88,118</u>	<u>0</u>
Impairment losses and amortisation at 1 April	77,312	0
Amortisation for the year	2,492	0
Impairment losses and amortisation at 31 March	<u>79,804</u>	<u>0</u>
<b>Carrying amount at 31 March</b>	<b><u>8,314</u></b>	<b><u>0</u></b>

Development projects relate primarily to the development of new versions of the Company's existing software products. Effective roll-out of these software products within the Company takes place on a continuous basis.

### 8. Property, plant and equipment

	Land and buildings	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress
	TDKK	TDKK	TDKK
Cost at 1 April	62,480	90,377	0
Additions for the year	372	1,856	1,708
Disposals for the year	0	-91	0
Cost at 31 March	<u>62,852</u>	<u>92,142</u>	<u>1,708</u>
Impairment losses and depreciation at 1 April	22,012	41,959	0
Depreciation for the year	3,281	8,038	0
Impairment and depreciation of sold assets for the year	0	-51	0
Impairment losses and depreciation at 31 March	<u>25,293</u>	<u>49,946</u>	<u>0</u>
<b>Carrying amount at 31 March</b>	<b><u>37,559</u></b>	<b><u>42,196</u></b>	<b><u>1,708</u></b>

### 9. Prepayments

Prepayments consist of prepaid expenses concerning licenses and rent.

## Notes to the Financial Statements

	2023/24	2022/23
	TDKK	TDKK
<b>10. Provision for deferred tax</b>		
Deferred tax liabilities at 1 April	4,834	4,552
Amounts recognised in the income statement for the year	898	282
<b>Deferred tax liabilities at 31 March</b>	<b>5,732</b>	<b>4,834</b>

	2023/24	2022/23
	TDKK	TDKK

### 11. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

#### Payables to group enterprises

After 5 years	0	0
Between 1 and 5 years	10,384	0
Long-term part	10,384	0
Other short-term debt to group enterprises	94,237	54,902
	<b>104,621</b>	<b>54,902</b>

	2023/24	2022/23
	TDKK	TDKK

### 12. Contingent assets, liabilities and other financial obligations

#### Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	1,273	2,230
Between 1 and 5 years	1,197	1,977
	<b>2,470</b>	<b>4,207</b>

Liabilities under rental agreements until maturity in total	57,233	62,557
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# Notes to the Financial Statements

2023/24  
TDKK

2022/23  
TDKK

## 12. Contingent assets, liabilities and other financial obligations

### Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of TMJ Investment A/S, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

## 13. Related parties and disclosure of consolidated financial statements

	<u>Basis</u>
<b>Controlling interest</b>	
TMJ Investment A/S Jægersborg Alle 4,5 2920 Charlottenlund	Ultimate Parent
TMJ MidCo ApS Ole Lippmanns Vej 2 2630 Taastrup	Parent Company

### Other related parties

### Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

There have been no such transactions during the financial year.

### Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

<u>Name</u>	<u>Place of registered office</u>
TMJ Investment A/S	Charlottenlund

## 14. Fee to auditors appointed at the general meeting

Information of fee to auditors appointed at the general meeting is given in the Group Annual Report for TMJ Investment A/S, cf. ARL § 96 stk. 3.

# Notes to the Financial Statements

## 15. Accounting policies

The Annual Report of Tjelleesen Max Jenne A/S for 2023/24 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023/24 are presented in TDKK.

### Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of , the Company has not prepared a cash flow statement.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

### Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

### Segment information on revenue

Information on business segments and geographical segments based on the Company's risks and returns and its internal financial reporting system. Geographical segments are regarded as the primary segments as the Company only has one business segment.

# Notes to the Financial Statements

## Income statement

### Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

### Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

### Other external expenses

Other external expenses comprise expenses relating to the Entity's ordinary activities, including expenses for premises, sales and distribution as well as of-fice expenses, etc.

### Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

### Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and property, plant and equipment.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with Danish Group Enterprises. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

# Notes to the Financial Statements

## Balance sheet

### Intangible fixed assets

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period, however not exceeding 3 years.

Development costs and costs relating to rights developed by the Company are measured at the lower of cost less accumulated amortisation and recoverable amount. Development costs is amortised on a straight-line basis over its useful life, which is assessed at 3 - 5 years.

### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Buildings	10-50 years
Other fixtures and fittings, tools and equipment	3-10 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

### Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

### Inventories

Inventories are measured at the lower of cost under the FEFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

# Notes to the Financial Statements

## Equity

### Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

### Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

### Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

### Financial liabilities

Debts are measured at amortised cost, substantially corresponding to nominal value.

## Financial Highlights

### Explanation of financial ratios

Gross margin	$\text{Gross profit} \times 100 / \text{Revenue}$
Profit margin	$\text{Profit/loss of ordinary primary operations} \times 100 / \text{Revenue}$
Solvency ratio	$\text{Equity at year end} \times 100 / \text{Total assets at year end}$
Return on equity	$\text{Net profit for the year} \times 100 / \text{Average equity}$