Grant Thornton

Grant Thornton
Statsautoriseret
Revisionspartnerselskab

Stockholmsgade 45
2100 København Ø
CVR-nr. 34209936

T (+45) 33 110 220

www.grantthornton.dk

EMCO Controls A/S

Høgevej 6, 3400 Hillerød

Company reg. no. 80 21 95 12

Annual report

1 October 2021 - 30 September 2022

The annual report was submitted and approved by the general meeting on the 19 April 2023.

Henrik Lisberg
Chairman of the meeting

Contents

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

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of EMCO Controls A/S for the financial year 1 October 2021 - 30 September 2022.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 September 2022 and of the results of the Company's operations for the financial year 1 October 2021 – 30 September 2022.

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

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

Hillerød, 19 April 2023

Managing Director

Mads Rolighed Lisberg Nielsen
CEO

Board of directors

Henrik Lisberg Nielsen
Chairman

Jenny Strøe Nielsen

Mads Rolighed Lisberg Nielsen

Kim Saastamoinen-Jakobsen

Independent auditor's report

To the Shareholder of EMCO Controls A/S

Opinion

We have audited the financial statements of EMCO Controls A/S for the financial year 1 October 2021 - 30 September 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Company. The financial statements are prepared under 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 2022, and of the results of the Company's operations for the financial year 1 October 2021 - 30 September 2022 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the 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.

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 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.

Independent auditor's report

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

- Identify and assess the risks of material misstatement of the 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.

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.

Independent auditor's report

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

Copenhagen, 19 April 2023

Grant Thornton
State Authorised Public Accountants
Company reg. no. 34 20 99 36

Anders Flymer-Dindler
State Authorised Public Accountant
mne35423

Michael Beuchert
State Authorised Public Accountant
mne32794

Company information

The company	EMCO Controls A/S Høgevej 6 3400 Hillerød	
	Web site	www.emco.dk
	E mail	emco@emco.dk
	Company reg. no.	80 21 95 12
	Established:	4 January 1977
	Domicile:	Hillerød
	Financial year:	1 October - 30 September
Board of directors	Henrik Lisberg Nielsen, Chairman Jenny Strøe Nielsen Mads Rolighed Lisberg Nielsen Kim Saastamoinen-Jakobsen	
Managing Director	Mads Rolighed Lisberg Nielsen, CEO	
Auditors	Grant Thornton, Statsautoriseret Revisionspartnerselskab Stockholmsgade 45 2100 København Ø	

Management´s review

Description of key activities of the company

EMCO Controls is a instrumentation Company with factoy placed in Hillerød near Copenhagen.

Development in activities and financial matters

The financial year 2021/22 was both one of the best and worst years in the more than 50 years history of the company. Result for the year amounts to a loss of DKK 319 thousand compared to a profit of DKK 559 thousand last year. Total assets amounts to DKK 30.671 thousand and total equity amounts to DKK 9.004 thousand at 30 September 2022.

After two years with very little activity in the Oil&Gas industry because of the corona pandemic, the industry had a huge come back and especially the FPSO business boomed and once again EMCO Controls have shown the strength within this segment and winning several significant projects. The majority of these new projects are won on markets where we have not done business before. This shows that EMCO Controls are now known in several new markets for our professionalism and high quality. To serve these new markets we have therefore again manned up and are now back to the same level as before Corona hit us hard. During the year, the Company invested in automated robot machining of parts to increase competitiveness.

During the year we have got the conclusion on the dispute we have had with a competitor going on for more than 5 years regarding the right to manufacture conductivity sensors and analyzers unfortunately in February we lost the appeal court after winning in the commercial court two years earlier. As mentioned in the management's review last year "In February 2022, the Company lost a lawsuit at the Danish Court of Appeal. The loss has resulted in a significant compensation fine." The fine and cost for running the lawsuit ended up in a total value of 6,37 Mio kr. We still believe both the verdict was unfair and the fine was way out of proportion with a value much higher than the, over the years, total profit of the product line. The fact that we can no longer make conductivity sensors and analyzers will have no negative impact on future sales, as the activities have been reduced quite considerably over the last 2-3 years.

Without the result form the lawsuit it would also have been the highest profit ever. This year now ends up with a little loss, but in the light of this years events I think this is an acceptable result and the high activity level has continued into the new financial year and the budget for the turnover and profit will set new records.

Based on above Management considers result for the year satisfactory end expects a positive result for 2022/2023.

Events occurring after the end of the financial year

After the balance sheet date, the Company has renegotiated other mortgage debt of DKK 3.000 thousand, so it will not fall due in the first 12 months after the balance sheet date. Other than that, no events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Accounting policies

The annual report for EMCO Controls A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

Income statement

Gross profit

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

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

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

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

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

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

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

Staff costs

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

Depreciation, amortisation, and write-down for impairment

Depreciation, amortisation, and write-down for impairment comprise depreciation on, amortisation of, and write-down for impairment of intangible and tangible assets, respectively.

Accounting policies

Financial income and expenses

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

Tax on net profit or loss for the year

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

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

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

Statement of financial position

Intangible assets

Development projects, patents, and licences

Development costs and internally generated rights are recognised in the income statement as costs in the acquisition year.

Patents and licenses are measured at cost less accrued amortisation. Patents are amortised on a straightline basis over the remaining patent period and licenses are amortised over the contract period, however, for a maximum of 10 years.

Profit and loss from the sale of development projects, patents, and licenses are measured as the difference between the sales price less sales costs and the carrying amount at the time of sale. Profit or loss are recognised in the income statement as other operating income or other operating expenses, respectively.

Cryptocurrencies

Acquired intangible assets comprising cryptocurrencies are measured at cost less accumulated amortisations.

Since it is impossible to reliably estimate future impairment of cryptocurrencies and to determine a useful life, residual values are determined as equalling cost and no similarly acquired rights are therefore amortised.

Accounting policies

Cryptocurrencies are written down for impairment to a lower recoverable amount. This means that if the price (fair value) drops to below cost, they must be written down for impairment to a lower value in the income statement.

If the price (fair value) subsequently rises, write-down for impairment must be wholly or partly reversed in the income statement.

Gains of losses on sale of cryptocurrencies (the difference between selling price and carrying amount) is recognised in the income statement, normally under other operating income and other operating charges, respectively.

Goodwill
Acquired goodwill is measured at cost less accumulated amortisation. Given that it is impossible to make a reliable estimate of the useful life, the amortisation period is set at 10 years.

Property, plant, and equipment
Land and buildings is measured at cost plus revaluations and less accrued depreciation and write-down for impairment. Land is not subject to depreciation.

Land and buildings is revaluated on the basis of regular, independent fair-value assessments. Net revaluation at fair value adjustment is recognised directly in equity less deferred tax and tied up in a particular revaluation reserve. Net impairment loss at fair value adjustment is recognised in the income statement.

The depreciable amount is cost plus revaluations at fair value less expected residual value after the end of the useful life of the asset. The amortisation period is fixed at the acquisition date and reassessed annually. If the residual value exceeds the carrying mount of the asset, depreciation is discontinued.

Reversal of previous revaluations and recognised deferred taxes concerning revaluations are recognised directly in company equity.

Other property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment.

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

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

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

Accounting policies

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

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

	Useful life	Residual value
Buildings	30 years	20 %
Plant and machinery	5-10 years	0-20 %
Other fixtures and fittings, tools and equipment	3-5 years	0-20 %

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

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

As regards self-constructed assets, the cost comprises direct costs for materials, components, deliveries from subsuppliers, payroll costs, and borrowing costs from specific and general borrowing concerning the construction of each individual asset.

Leases

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

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

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

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

Accounting policies

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

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

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

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

Inventories

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

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

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

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

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounting policies

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

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

Contract work in progress

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

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

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

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

Prepayments

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

Cash and cash equivalents

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

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

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

Accounting policies

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

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

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

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

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

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

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

Liabilities other than provisions

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

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

Also, capitalised residual leasing liabilities associated with financial leasing contracts are recognised in the financial liabilities.

Liabilities other than provisions relating to investment properties are measured at amortised cost.

Accounting policies

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

Income statement 1 October - 30 September

All amounts in DKK.

Note		2021/22	2020/21
	Gross profit	**12.650.557**	**12.990.311**
2	Staff costs	-11.703.719	-10.859.631
	Depreciation and writedown relating to fixed assets	-745.380	-954.923
	Operating profit	**201.458**	**1.175.757**
3	Other financial income	12.228	47
4	Other financial expenses	-551.839	-552.739
	Pre-tax net profit or loss	**-338.153**	**623.065**
	Tax on net profit or loss for the year	19.199	-64.285
	Net profit or loss for the year	**-318.954**	**558.780**
	Proposed distribution of net profit:		
	Dividend for the financial year	200.000	650.000
	Allocated from retained earnings	-518.954	-91.220
	Total allocations and transfers	**-318.954**	**558.780**

Balance sheet at 30 September

All amounts in DKK.

Assets

Note		2022	2021
	Non-current assets		
5	Completed development projects, including patents and similar rights arising from development projects	44.836	91.396
	Total intangible assets	44.836	91.396
6	Plant and machinery	2.978.413	3.644.483
7	Other fixtures, fittings, tools and equipment	40.482	72.498
	Total property, plant, and equipment	3.018.895	3.716.981
	Total non-current assets	**3.063.731**	**3.808.377**
	Current assets		
	Raw materials and consumables	11.507.249	7.391.116
	Total inventories	11.507.249	7.391.116
	Trade receivables	12.064.791	5.128.991
	Work in progress for the account of others	2.735.899	2.548.072
	Receivables from group enterprises	528.056	276.250
	Deferred tax assets	98.507	94.286
	Tax receivables from group enterprises	0	49.307
	Other debtors	543.499	214.465
	Prepayments	129.270	277.033
	Total receivables	16.100.022	8.588.404
	Cash and cash equivalents	0	339.590
	Total current assets	**27.607.271**	**16.319.110**
	Total assets	**30.671.002**	**20.127.487**

Balance sheet at 30 September

All amounts in DKK.

Note	Equity and liabilities	2022	2021
	Equity		
	Contributed capital	900.000	900.000
	Retained earnings	7.904.388	3.723.342
	Proposed dividend for the financial year	200.000	650.000
	Total equity	**9.004.388**	**5.273.342**
	Liabilities other than provisions		
8	Other mortgage debt	0	3.000.000
9	Lease liabilities	1.926.444	2.411.723
10	Income tax payable	0	76.323
11	Other payables	1.099.801	1.099.801
	Total long term liabilities other than provisions	3.026.245	6.587.847
	Current portion of long term liabilities	3.614.613	667.388
	Bank debts	4.479.589	3.236.886
	Prepayments received from customers	34.123	130.528
	Trade payables	9.282.435	1.710.772
	Other payables	1.229.609	2.520.724
	Total short term liabilities other than provisions	18.640.369	8.266.298
	Total liabilities other than provisions	**21.666.614**	**14.854.145**
	Total equity and liabilities	**30.671.002**	**20.127.487**

1 Special items

12 Charges and security

13 Contingencies

14 Related parties

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Proposed dividend for the financial year	Total
Equity 1 October 2021	900.000	3.723.342	650.000	5.273.342
Distributed dividend	0	0	-650.000	-650.000
Profit or loss for the year brought forward	0	-518.954	200.000	-318.954
Group contribution	0	4.700.000	0	4.700.000
	900.000	**7.904.388**	**200.000**	**9.004.388**

Notes

All amounts in DKK.

1. Special items

Special items include significant income and expenses of a special nature relative to the enterprise's ordinary operating activities, such as the cost of extensive structuring of processes and fundamental structural adjustments and any related gains on disposal and losses which, over time, have a significant impact. Special items also include other significant amounts of a nonrecurring nature.

In February 2022, the Company lost a lawsuit at the Danish Court of Appeal. The loss has resulted in a significant compensation fine, however it will not affect the daily operations as it relates to an activity, that is no longer part of the operations.

Special items for the year are specified below, indicating where they are recognised in the income statement.

	2021/22	2020/21
Income:		
COVID-19 Compensation	0	1.229.593
	0	1.229.593
Expenses:		
Expenses related to lawsuit reagrding discontinued operations	-6.366.562	0
	-6.366.562	0
Special items are recognised in the following items in the financial statements:		
Gross margin (Other operating income)	0	1.229.593
Gross margin (Other operating expenses)	6.366.562	0
Profit of special items, net	**6.366.562**	**1.229.593**

2. Staff costs

Salaries and wages	10.171.348	9.319.632
Pension costs	1.293.355	1.289.906
Other costs for social security	76.967	73.085
Other staff costs	162.049	177.008
	11.703.719	**10.859.631**
Average number of employees	26	22

Notes

All amounts in DKK.

		2021/22	2020/21
3.	**Other financial income**		
	Interest intercompany balances	12.228	47
		12.228	**47**
4.	**Other financial expenses**		
	Other financial costs	551.839	552.739
		551.839	**552.739**
5.	**Completed development projects, including patents and similar rights arising from development projects**		
	Cost opening balance	3.346.390	3.346.390
	Cost end of period	**3.346.390**	**3.346.390**
	Amortisation and write-down opening balance	-3.254.994	-3.202.843
	Amortisation for the year	-46.560	-52.151
	Amortisation and write-down end of period	**-3.301.554**	**-3.254.994**
	Carrying amount, end of period	**44.836**	**91.396**

Notes

All amounts in DKK.

		30/9 2022	30/9 2021
6.	**Plant and machinery**		
	Cost opening balance	11.243.180	14.771.205
	Additions during the year	42.000	41.266
	Disposals during the year	-41.266	-3.569.291
	Cost end of period	**11.243.914**	**11.243.180**
	Depreciation and write-down opening balance	-7.598.697	-10.341.778
	Depreciation for the year	-666.804	-826.210
	Reversal of depreciation, amortisation and writedown, assets disposed of	0	3.569.291
	Depreciation and write-down end of period	**-8.265.501**	**-7.598.697**
	Carrying amount, end of period	**2.978.413**	**3.644.483**
	Lease assets are recognised at a carrying amount of	2.371.388	2.918.288
7.	**Other fixtures, fittings, tools and equipment**		
	Cost opening balance	1.134.135	1.134.135
	Cost end of period	**1.134.135**	**1.134.135**
	Amortisation and write-down opening balance	-1.061.637	-985.075
	Depreciation for the year	-32.016	-76.562
	Amortisation and write-down end of period	**-1.093.653**	**-1.061.637**
	Carrying amount, end of period	**40.482**	**72.498**
8.	**Other mortgage debt**		
	Total other mortgage debt	3.000.000	3.000.000
	Share of amount due within 1 year	-3.000.000	0
		0	**3.000.000**

Notes

All amounts in DKK.

		30/9 2022	30/9 2021
9.	**Lease liabilities**		
	Total lease liabilities	**1.926.444**	**2.411.723**
	Share of liabilities due after 5 years	0	0
10.	**Income tax payable**		
	Long-term part of corporate tax (balance sheet)	0	76.323
		0	**76.323**
	Share of liabilities due after 5 years	0	0
11.	**Other payables**		
	Holiday pay obligations, salaried staff	1.099.801	1.099.801
		1.099.801	**1.099.801**
	Share of liabilities due after 5 years	1.099.801	0

12. Charges and security

As security for the Company's debt to banks, the Company has provided a letter of indemity for a total amnout of DKK 7,200 ousand at 30 September 2022.

Notes

All amounts in DKK.

13. Contingencies

Contingent liabilities

Joint taxation

With Mads Lisberg Holding, company reg. no 34714347 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

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

14. Related parties

Controlling interest

Mads Lisberg Holding ApS	Majority shareholder