

Adserbi A/S


Dybensøvej 10, 2830 Virum

Company reg. no. 87 80 23 10

Annual report

1 May 2023 - 30 April 2024

The annual report was submitted and approved by the general meeting on the 11 October 2024.


Peter Adser
Chairman of the meeting

Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.



Contents

	<u>Page</u>
Reports	
Management's statement	1
Independent auditor's report	2
Management's review	
Company information	5
Consolidated financial highlights	6
Management's review	7
Consolidated financial statements and financial statements 1 May 2023 - 30 April 2024	
Income statement	13
Balance sheet	14
Consolidated statement of changes in equity	18
Statement of changes in equity of the parent	18
Statement of cash flows	20
Notes	21
Definitions	32
Accounting policies	33



Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Adserbi A/S for the financial year 1 May 2023 - 30 April 2024.

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 consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 30 April 2024, and of the results of the Group and the Company's operations as well as the consolidated cash flows for the financial year 1 May 2023 – 30 April 2024.

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.

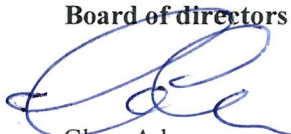
Virum, 11 October 2024

Managing Director




Peter Adser
Managing Director

Board of directors



Claus Adser
Chairman of the board



Lars Adser



Peter adser



Independent auditor's report

To the Shareholders of Adserbi A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Adserbi A/S for the financial year 1 May 2023 to 30 April 2024, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies for both the Group the Parent Company, as well as consolidated statement of cash flows. The consolidated financial statements and the parent company financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 30 April 2024, and of the results of the Group and the Company's operations as well as the consolidated cash flows for the financial year 1 May 2023 - 30 April 2024 in accordance with the Danish Financial Statements Act.

Basis for Opinion

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

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

In preparing the consolidated financial statements and the parent company financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the consolidated financial statements and the parent company financial statements unless Management either intends to liquidate the Group or 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 Consolidated Financial Statements and the Parent Company Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent company financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the parent company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.



Independent auditor's report

- Evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the disclosures, and whether the consolidated financial statements and the parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the consolidated financial statements and the parent company 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 consolidated financial statements and the parent company financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the consolidated financial statements and the parent company financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that 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, 11 October 2024

Christensen Kjarulff

Stat. autoriseret Revisionsaktieselskab
Company reg. no. 15 91 56 41

John Mikkelsen
State Authorised Public Accountant
mhc26748



Company information

The company

Adserbi A/S
Dybensevej 10
2830 Virum

Company reg. no. 87 80 23 10
Established: 16 March 1979
Domicile: Lyndby-Taarbæk
Financial year: 1 May - 30 April

Board of directors

Claus Adser, Chairman of the board
Lars Adser
Peter adser

Managing Director

Peter Adser, Managing Director

Auditors

Christensen Kjørulff
Statsautoriseret Revisionsaktieselskab
Østbanegade 123
2100 København Ø



Consolidated financial highlights

DKK in thousands.	<u>2023/24</u>	<u>2022/23</u>	<u>2021/22</u>	<u>2020/21</u>	<u>2019/20</u>
Income statement:					
Revenue	651.090	686.705	725.415	547.213	493.301
Gross profit	69.768	73.181	98.259	72.271	57.301
Profit from operating activities	19.526	18.572	31.415	22.351	17.908
Net financials	10.766	190	231	16.909	-6.850
Net profit or loss for the year	24.791	13.983	24.176	29.118	7.531
Statement of financial position:					
Balance sheet total	514.496	650.260	606.979	478.030	436.249
Equity	402.714	380.982	371.082	350.309	322.232
Cash flows:					
Operating activities	92.867	12.116	-60.411	45.924	-11.294
Investing activities	-4.922	-3.001	-4.918	-6.339	-2.124
Financing activities	18.686	163.149	-8.000	-918	-7.747
Total cash flows	106.631	172.264	-73.329	38.667	-21.165
Employees:					
Average number of full-time employees	55	55	65	65	65
Key figures in %:					
Gross margin ratio	10,7	10,7	13,5	13,2	11,6
Profit margin (EBIT-margin)	3,0	2,7	4,3	4,1	3,6
Acid test ratio	435,8	228,9	246,8	346,3	387,8
Solvency ratio	71,2	53,4	56,0	67,8	68,6
Return on equity	6,2	6,4	7,1	9,3	2,5

Calculations of key figures and ratios follow the recommendations of the Danish Association of Finance Analysts.



Management's review

Description of key activities of the company

The Group's principal activities are sales of raw materials, primarily paint/coating and plastics for the chemical process industry as well as the road, composite and rubber industry in Northern Europe.

The activities of the parent company are shareholding of the entities of the group and in addition investment of fund in securities.

Unusual circumstances

There have been no unusual circumstances during the year.

Uncertainties connected with recognition or measurement

There have been no uncertainties about recognition or measurement during the year.

Development in activities and financial matters

The revenue for the year totals DKK 487.334.000 against DKK 527.518.000 last year. Income or loss from ordinary activities after tax totals DKK 10.964.000 against DKK 14.110.000 last year.

The development in the fiscal year of 2024 meets the expectations of the management, who has had a focus on not only evolving the business financially, but also has been trying to sell products that have a focus on sustainability as well. The management considers that the more sustainable solutions have had a positive impact on the business itself, and that this has put Bjørn Thorsen in a good position going forward into the coming years.

Financial risks and the use of financial instruments

Operating risks

The group's use of raw materials does not entail essential price risks due to the minor price fluctuations existing the market, as price increases are rarely significant. A significant part of the parent company's earnings is financial income, which is why the development of earnings from these incomes is dependent on developments in the financial markets

Foreign currency risks

The group's activities abroad entail that the result, cash flow and equity are to a limited extent are affected by the development of exchange rates and interest rates. The policy of the group is to cover commercial currency risks when these are considered material. Current currency risks are deemed negligible and there is therefore only a minimum of covering in place at present.

Intrrest rate risks

As net interest bearing debt does not represent a material amount, moderate changes in interest rates will not have a significant direct impact on profitability. Thus, no interest rate positions have been taken to cover interest rate risks.



Management's review

Objectives and Expectations for the coming year

Going forward into the fiscal year of 2024 / 2025, The group has had a good start into the fiscal year. The management expects to continue the work from previous years, including their focus on sustainability and evolving the business.

The Group expects the revenue for the year to end at around DKK 500.000.000 which is an increase when compared to the current years revenue. Furthermore, The Group expects the income from ordinary activities after tax to be in the interval of DKK 18.000.000 – 24.500.000, which is around the same as this year's result.

The Group expects that the current resources will be able to grow the company into the new expectations.

Environmental issues

Our company's mission is to reduce its environmental impact as compared to year 2020/21. However, no quantitative targets have been established since growth in net revenue is expected.

The day-to-day monitoring of environmental issues is based on an environmentally responsible operation and is a natural part of the company's targets on product quality and production.

Policies

We are continuously strengthening our environmental policies and practices in the company and as result we are reducing emission waste and water usage across our entire operation.

Our sustainability practices enable us, internally and vis à vis our stakeholders across our geographical coverage to operate in a more productive, resource efficient, and sustainable way.

Agreements have been made with partners for a real reduction in CO2 emissions in relation to production and transport. Through dialogue and understanding, agreements have also been entered into with subcontractors on limiting CO2 emissions.

The group's principal suppliers are all environmentally certified.

All initiatives will be continued in 2024/25.

Additional information and description on our work with reducing CO2 emissions is available on our website in our latest Sustainability Report for the fiscal year 2023/2024.

Knowledge resources

The group's business objectives prescribe high quality products. This requires highly skilled staff with great know how resources as well as carefully executed business procedures.



Management's review

To continuously achieve the best results, it is of paramount importance that the group is able to recruit and retain employees with a high level of education. It is the group's target to possess the latest know how to allow for swift adjustments. Our business strategy will at all times reflect the importance of being able to attract, develop and retain the top talent of the industry. It is essential for us to provide a challenging and stimulating work environment in which skills as well as flexible career paths are integral. We require a lot of our employees hence we want to offer them flexible frameworks for meeting these requirements. The composition of employees is an important indicator and the share of staff with a higher level education currently stands at 55%.

The critical business procedures connected to sale of products are service, quality, consultancy and bespoke solutions. To ensure that customers receive the agreed upon deliverables instructions and procedures must be followed and documented. The group's required performance in this regard is measured through statistics on timely deliveries and number of complaints as two key indicators of the functionality of the business procedures.

It is the group's view that timely deliveries are conducted and that customer complaints are ignorable.

Expected developments

Results for 2023/24 are in accordance with management's expectations and reflect that some industries have experienced a slowdown, not only in our geographical area but throughout Europe.

For the financial year 2024/25, the result is expected to improve as we look to take advantage of interesting opportunities in various of the industries we work with.

Events occurring after the end of the financial year

It is expected that the level of activity of the group will remain unchanged based solely on the current political and economic conditions.

Corporate social responsibility report pursuant to section 99 a of the Danish Financial Statements Act

The group is aware of its economical, environmental and social responsibilities and is committed to a sustainable corporate policy.

The shareholders and management of the corporation are committed to the long-term health and working ability of the staff and employees and to an efficient environmental protection, and social responsibility is part of group' value norms. The group is constantly looking to optimize this and to contribute to a global sustainable development.

Largely, the group is supporting the ten principles on social responsibility of the UN, however, the company is not connected to the UN Global Compact.



Management's review

In view of the size of the group, its activities, and the markets in which it operates, the Board of Directors has decided not to adopt policies on social responsibility, human rights, or climate yet. The relevance of adopting such policies is continuously under review. To meet the requirements of CSRD, environmental, social and governance policies will be implemented before the first deadline to report the first CSRD (by September 2026 for the financial year 2025/26).

Although the group has not adopted certain policies on social responsibilities yet, it is implemented indirectly through our EHS and other policies. In future there will be more focus on this aspect due to our ESG Strategy Development & Methodologies, where e.g. Double Materiality Assessment (DMA) will be in highly focus, which is going to be a continuous monitoring and updating process (up to 1200 datapoint can be analyzed). Whereafter it will be possible to set policies, targets and actions for the group related to their relevant politics.

The sustainability report for 2023/24 is uploaded under www.bjorn-thorsen.com/about-us.

Report on gender Composition in management according to section 99 b of the Danish Financial Statements Act

The group's commitment to diversity and inclusion is an abiding part of our company's daily practice and we place high priority on the attraction and retention of diverse colleagues. Through our policies, systems and culture, we strive to create an exceptional global environment for all colleagues.

Considering the activities of the group, the Board of Directors endeavors to achieve diversity at all levels and in all areas in the group. Equal opportunity regardless of gender is afforded to existing as well as new employees to ensure equal access to all levels in the organization, including to top management level.

However, the Board of Directors is of the opinion that a fixed ratio of diversity would not in all cases be compatible with ensuring optimal management.

In the primary company Bjørn Thorsen A/S, the Board has total of six seats, all of which are currently occupied by males. Our goal of more female members was not achieved during 2023/2024 as there were no changes to the Board.

Our executive team consists of eight members. The gender split is 87,5% men and 12,5% women. We are continuously working toward more diversity and it is hence our goal to have at least two female members in the executive team within 2024/25.

The group's politics related to the underrepresented gender has a focus on increase the number of the underrepresented gender, by hiring people with great expertise into the company, with the purpose of getting more diverse opinions from people that are specified on the different topics related to the managements work.



Management's review

Overview of the status of target figures for the underrepresented gender

	2023/24	2022/23	2021/22	2020/21	2019/20
Board of Directors					
Total number of members of board of Directors, excluding employee-elected members	6	6	6	6	6
Underrepresented gender in board of Directors	0 %	0 %	0 %	0 %	15 %
Target figure of underrepresented gender in board of Directors	15 %	15 %	15 %	15 %	33 %
Year of expected fulfillment	4	3	2	1	0
Other management levels					
Total number of other management levels	8	8	8	8	8
Underrepresented gender at other management levels	13 %	25 %	25 %	25 %	25 %
Target figure of underrepresented gender at other management levels	25 %	25 %	25 %	38 %	38 %
Year of expected fulfillment	1	0	0	0	0

Report on the company's policy on data ethics according to section 99 d of the Danish Financial Statements Act

We require our employees to gather competitive intelligence in an ethical and lawful manner. This means that it is strictly prohibited to gather information by any illegal means whatsoever, such as theft or hacking

We are committed to protecting personal information from possible loss, misuse, or disclosure and expect our employees to

- only collect personal information for legitimate business reasons
- protect personal information of co-workers and business partners
- store information in secure locations
- respect confidentiality and protect non-public information.

Human rights, bribery and anti corruption

To maintain the group' leading position as a professional and trustworthy partner for all our stakeholders, it is essential to comply with high ethical standards and policies.

Policies

We support The Ten Principles on human rights, labor, environment and anti corruption.



Management's review

We support the protection of internationally proclaimed human rights and employees right of freedom of association and to take part in the collective bargaining processes.

The Group has policies that firmly reject bribery and corruption in all its form. We expressly prohibit any form of bribe or kickback and we are committed to fully comply with the anti corruption laws of the jurisdictions in which we operate.

Business model

The group is a well renowned entity that is specified in distributing and producing specialty chemicals and polymers to a broad range of customers in Denmark and abroad.

Including distributing and producing chemicals and polymers, ADSERBI A/S offers technical advice and support to their clients when needed. Furthermore, ADSERBI A/S seeks to have a broad variety of clients and products in their markets, that includes Denmark, as well as the Nordic countries and the rest of Europe.

Lastly the group offers technical advice and support to their clients when needed. Furthermore, works to integrate sustainability into their business model. The sustainability approach is especially shown in their seek to develop and sell products that are more environment friendly than previous products. This helps the futures business model to meet the customers demands of more sustainable and environmentally friendly products. The approach is a focus not only in ADSERBI A/S offers technical advice and support to their clients when needed. Furthermore, but also in the rest of their supply chain.

The Group offers technical advice and support to their clients when needed. Furthermore, is providing products to costumers in different industries, including industries such as coating, construction, plastics etc.



Income statement 1 May - 30 April

DKK thousand.

Note	Group		Parent		
	2023/24	2022/23	2023/24	2022/23	
1	Revenue	651.090	686.705	305	120
	Other operating income	0	2.809	0	0
	Costs of raw materials and consumables	-539.330	-584.019	0	0
	Other external expenses	-41.934	-31.872	-320	-111
	Costs concerning investment property	-58	-442	0	0
	Gross profit	69.768	73.181	-15	9
2	Staff costs	-42.422	-46.915	-130	0
	Depreciation, amortisation, and impairment	-7.801	-7.660	-100	0
	Other operating expenses	-19	-34	0	0
	Operating profit	19.526	18.572	-245	9
	Income from investments in group enterprises	0	0	10.343	11.505
	Other financial income	14.869	4.068	13.358	3.838
3	Other financial expenses	-4.103	-3.878	-18	-4.301
	Pre-tax net profit or loss	30.292	18.762	23.438	11.051
	Tax on net profit or loss for the year	-5.501	-4.779	-1.351	100
4	Net profit or loss for the year	24.791	13.983	22.087	11.151
	Break-down of the consolidated profit or loss:				
	Shareholders in Adserbi A/S	22.084	11.166		
	Minority interests	2.707	2.817		
		24.791	13.983		



Balance sheet at 30 April

DKK thousand.

Note	Group		Parent		
	2024	2023	2024	2023	
Assets					
Non-current assets					
6	Completed development projects, including patents and similar rights arising from development projects	25	0	0	0
7	Acquired concessions, patents, licenses, trademarks, and similar rights	2.383	1.746	0	0
8	Goodwill	1.494	5.650	0	0
9	Development projects in progress and prepayments for intangible assets	0	31	0	0
	Total intangible assets	3.902	7.427	0	0
10	Property	18.285	18.766	0	0
11	Other fixtures, fittings, tools and equipment	9.395	8.724	173	0
	Total property, plant, and equipment	27.680	27.490	173	0
12	Investments in group enterprises	0	0	146.496	233.090
13	Other financial investments	1.864	1.864	0	0
14	Other receivables	482	482	0	0
15	Deposits	321	225	0	0
	Total investments	2.667	2.571	146.496	233.090
	Total non-current assets	34.249	37.488	146.669	233.090
Current assets					
	Raw materials and consumables	154.179	187.321	0	0
	Manufactured goods and goods for resale	5.163	4.130	0	0
	Prepayments for goods	4.114	0	0	0
	Total inventories	163.456	191.451	0	0



Balance sheet at 30 April

DKK thousand.

Equity and liabilities

Note	Group		Parent	
	2024	2023	2024	2023
Equity				
Contributed capital	500	500	500	500
Revaluation reserve	5.242	5.242	0	0
Reserve for net revaluation according to the equity method	0	0	135.968	217.877
Reserve for development costs	24	24	0	0
Reserve for foreign currency translation	-39	21	-6	21
Retained earnings	350.367	338.282	219.667	125.671
Proposed dividend for the financial year	10.000	3.000	10.000	3.000
Equity before non-controlling interest.	366.094	347.069	366.129	347.069
18 Non-controlling interests	36.620	33.913	0	0
Total equity	402.714	380.982	366.129	347.069
Provisions				
19 Provisions for deferred tax	1.575	1.524	0	0
Total provisions	1.575	1.524	0	0
Liabilities other than provisions				



Balance sheet at 30 April

DKK thousand.

Note	Group		Parent	
	2024	2023	2024	2023
Bank debts	21.686	172.149	0	0
Prepayments received from customers	11	3.450	0	0
Trade payables	50.760	58.196	123	0
Payables to group enterprises	0	0	0	1.750
Income tax payable	4.699	4.874	0	0
Other payables	31.107	29.085	37	81
20 Deferred income	1.944	0	0	0
Total short term liabilities other than provisions	110.207	267.754	160	1.831
Total liabilities other than provisions	110.207	267.754	160	1.831
Total equity and liabilities	514.496	650.260	366.289	348.900

5 Fees for auditor

21 Disclosures on fair value

22 Contingencies

23 Related parties



Consolidated statement of changes in equity

DKK thousand.

	Contributed capital	Revaluation reserve	Reserve for development costs	Reserve for foreign currency translation	Retained earnings	Proposed dividend for the financial year	Non-controlling interests
Equity 1 May 2022	500	5.278	0	0	330.169	4.000	31.135
Distributed dividend	0	0	0	0	0	-4.000	0
Retained earnings for the year	0	0	0	0	8.163	3.000	2.778
Foreign currency translation adjustments	0	0	0	21	0	0	0
Depreciation relating to revalued assets	0	-36	0	0	0	0	0
Profit or loss for the year brought forward	0	0	24	0	0	0	0
Exchange rate adjustments	0	0	0	0	-50	0	0
Equity 1 2023	500	5.242	24	21	338.282	3.000	33.913
Distributed dividend	0	0	0	0	0	-3.000	0
Retained earnings for the year	0	0	0	0	12.085	10.000	2.707
Foreign currency translation adjustments	0	0	0	-60	0	0	0
	500	5.242	24	-39	350.367	10.000	36.620



Statement of changes in equity of the parent

DKK thousand.

	Contribut d capital	Reserve for net revalua- tion according to the eq- uity method	Reserve for foreign currency translation	Retained earnings	Proposed dividend for the financial year
Equity 1 May 2022	500	210.431	-59	125.025	4.000
Distributed dividend	0	0	0	0	-4.000
Share of profit or loss	0	11.505	0	-3.354	3.000
Foreign currency translation adjustments	0	-59	80	0	0
Distributed dividend	0	-4.000	0	4.000	0
Equity 1 May 2022	500	217.877	21	125.671	3.000
Distributed dividend	0	0	0	0	-3.000
Share of profit or loss	0	10.914	0	1.173	10.000
Foreign currency translation adjustments	0	0	-27	0	0
Purchase of non-controlling interests	0	-92.823	0	92.823	0
	500	135.968	-6	219.667	10.000



Statement of cash flows 1 May - 30 April

DKK thousand.

Note	Group	
	2023/24	2022/23
Net profit or loss for the year	24.791	13.983
24 Adjustments	2.482	10.737
25 Change in working capital	59.701	-1.504
Cash flows from operating activities before net financials	86.974	23.216
Interest received, etc.	16.516	5.432
Interest paid, etc.	-5.749	-7.673
Cash flows from ordinary activities	97.741	20.975
Income tax paid	-4.874	-8.859
Cash flows from operating activities	92.867	12.116
Purchase of intangible assets	-1.306	-203
Purchase of property, plant, and equipment	-3.462	-2.778
Sale of property, plant, and equipment	-154	0
Purchase of financial instruments	0	-20
Cash flows from investment activities	-4.922	-3.001
Repayments of long-term payables	0	-5.000
Dividend paid	-3.000	-4.000
Changes in short-term bank debts	21.686	172.149
Cash flows from financing activities	18.686	163.149
Change in cash and cash equivalents	106.631	172.264
Cash and cash equivalents at 1 May 2023	95.926	95.811
Cash and cash equivalents at 30 April 2024	202.557	268.075
Cash and cash equivalents		
Cash and cash equivalents	82.090	137.794
Other financial instruments	120.467	130.281
Cash and cash equivalents at 30 April 2024	202.557	268.075



Notes

DKK thousand.

1. Revenue

No revenue is distributed by geographical markets and activities, as this will damage the company in the long term. Thus, the information has been omitted, cf. ÅRL § 96.

	Group		Parent	
	<u>2023/24</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2022/23</u>
2. Staff costs				
Salaries and wages	39.903	44.624	130	0
Pension costs	2.006	1.818	0	0
Other costs for social security	<u>513</u>	<u>473</u>	<u>0</u>	<u>0</u>
	42.422	46.915	130	0
Average number of employees	<u>55</u>	<u>55</u>	<u>1</u>	<u>1</u>
3. Other financial expenses				
Other financial costs	<u>4.103</u>	<u>3.878</u>	<u>18</u>	<u>4.301</u>
	4.103	3.878	18	4.301

	Parent	
	<u>2023/24</u>	<u>2022/23</u>
4. Proposed distribution of net profit		
Reserves for net revaluation according to the equity method	10.914	11.505
Dividend for the financial year	10.000	3.000
Transferred to retained earnings	1.173	0
Allocated from retained earnings	<u>0</u>	<u>-3.354</u>
Total allocations and transfers	22.087	11.151



Notes

DKK thousand.

	Group		Parent	
	2023/24	2022/23	2023/24	2022/23
5. Fees for auditor				
Total remuneration for Christensen Kjærulff, Statsautoriseret Revisionsaktieselskab	335	360	142	68
Fees for auditors performing statutory audit	188	358	78	68
Tax-related consulting	64	0	64	0
Other services	84	2	0	0
	336	360	142	68
6. Completed development projects, including patents and similar rights arising from development projects				
Transfers	37	0	0	0
Cost 30 April 2024	37	0	0	0
Amortisation and depreciation for the year	-6	0	0	0
Transfers	-6	0	0	0
Amortisation and write-down 30 April 2024	-12	0	0	0
Carrying amount, 30 April 2024	25	0	0	0



Notes

DKK thousand.

	Group		Parent	
	30/4 2024	30/4 2023	30/4 2024	30/4 2023
7. Acquired concessions, patents, licenses, trademarks, and similar rights				
Cost 1 May 2023	6.848	6.646	0	0
Additions during the year	1.306	223	0	0
Disposals during the year	-851	-21	0	0
Cost 30 April 2024	7.303	6.848	0	0
Amortisation and write-down 1 May 2023	-5.102	-4.516	0	0
Amortisation and depreciation for the year	-669	-607	0	0
Reversal of depreciation, amortisation, and impairment loss, assets disposed of	0	21	0	0
Transfers	851	0	0	0
Amortisation and write-down 30 April 2024	-4.920	-5.102	0	0
Carrying amount, 30 April 2024	2.383	1.746	0	0



Notes

DKK thousand.

	Group		Parent	
	30/4 2024	30/4 2023	30/4 2024	30/4 2023
8. Goodwill				
Cost 1 May 2023	28.712	28.243	0	0
Transfers	0	469	0	0
Cost 30 April 2024	28.712	28.712	0	0
Amortisation and write-down 1 May 2023	-23.062	-17.768	0	0
Amortisation and depreciation for the year	-4.156	-4.826	0	0
Transfers	0	-468	0	0
Amortisation and write-down 30 April 2024	-27.218	-23.062	0	0
Carrying amount, 30 April 2024	1.494	5.650	0	0
9. Development projects in progress and prepayments for intangible assets				
Cost 1 May 2023	37	37	0	0
Transfers	-37	0	0	0
Cost 30 April 2024	0	37	0	0
Amortisation and write-down 1 May 2023	-6	0	0	0
Amortisation and depreciation for the year	0	-6	0	0
Transfers	6	0	0	0
Amortisation and write-down 30 April 2024	0	-6	0	0
Carrying amount, 30 April 2024	0	31	0	0



Notes

DKK thousand.

	Group		Parent	
	30/4 2024	30/4 2023	30/4 2024	30/4 2023
10. Property				
Cost 1 May 2023	13.711	13.711	0	0
Cost 30 April 2024	13.711	13.711	0	0
Revaluation 1 May 2023	7.000	7.000	0	0
Revaluation 30 April 2024	7.000	7.000	0	0
Depreciation and write-down 1 May 2023	-1.945	-1.464	0	0
Amortisation and depreciation for the year	-481	-481	0	0
Depreciation and write-down 30 April 2024	-2.426	-1.945	0	0
Carrying amount, 30 April 2024	18.285	18.766	0	0



Notes

DKK thousand.

	Group		Parent	
	30/4 2024	30/4 2023	30/4 2024	30/4 2023
11. Other fixtures, fittings, tools and equipment				
Cost 1 May 2023	15.561	12.803	104	104
Additions concerning company transfer	401	0	401	0
Additions during the year	3.061	3.964	0	0
Disposals during the year	-352	-1.187	0	0
Transfers	0	-19	0	0
Cost 30 April 2024	18.671	15.561	505	104
Depreciation and write-down 1 May 2023	-6.837	-6.104	-104	-104
Amortisation/impairment loss of additions concerning company transfer	-128	0	-128	0
Amortisation and depreciation for the year	-2.525	-1.841	-100	0
Depreciation, amortisation and impairment loss for the year, assets disposed of	11	0	0	0
Reversal of depreciation, amortisation and impairment loss, assets disposed of	187	1.090	0	0
Transfers	16	18	0	0
Depreciation and write-down 30 April 2024	-9.276	-6.837	-332	-104
Carrying amount, 30 April 2024	9.395	8.724	173	0



Notes

DKK thousand.

	Group		Parent	
	30/4 2024	30/4 2023	30/4 2024	30/4 2023
12. Investments in group enterprises				
Cost 1 May 2023	0	0	15.193	15.193
Disposals during the year	0	0	-4.114	0
Cost 30 April 2024	0	0	11.079	15.193
Revaluations, opening balance 1 May 2023	0	0	217.897	210.372
Translation at the exchange rate at the balance sheet date	0	0	0	20
Net profit or loss for the year before amortisation of goodwill	0	0	10.343	11.505
Dividend	0	0	0	-4.000
Other movements in capital	0	0	-92.823	0
Revaluation 30 April 2024	0	0	135.417	217.897
Carrying amount, 30 April 2024	0	0	146.496	233.090
The item includes goodwill with an amount of	0	0	1.463	5.561

Financial highlights for the enterprises according to the latest approved annual reports

	Equity interest	Equity	Results for the year	Carrying amount, Adserbi A/S
,	%	0	0	6.779
Bjorn Thorsen A/S, Hellerup	80 %	0	0	469
Björn Thorsen AB,	%	0	0	5.234
Thorkild Larsen A/S, Roskilde	80 %	0	0	658
Scandiflex Nordic A/S, Gentofte	100 %	0	0	29.994
Customized Compound Solutions A/S,	%	0	0	418
Klarsø A/S,	%	0	0	2.198
Nordic Formulation Technology A/S,	%	0	0	2.667
Nordic Grafting Company A/S,	%	0	0	255
		0	0	48.672



Notes

DKK thousand.

	Group		Parent	
	30/4 2024	30/4 2023	30/4 2024	30/4 2023
13. Other financial investments				
Cost 1 May 2023	1.864	1.844	0	0
Additions during the year	<u>0</u>	<u>20</u>	<u>0</u>	<u>0</u>
Cost 30 April 2024	<u>1.864</u>	<u>1.864</u>	<u>0</u>	<u>0</u>
Carrying amount, 30 April 2024	<u>1.864</u>	<u>1.864</u>	<u>0</u>	<u>0</u>
14. Other receivables				
Cost 1 May 2023	482	423	0	0
Additions during the year	<u>0</u>	<u>59</u>	<u>0</u>	<u>0</u>
Cost 30 April 2024	<u>482</u>	<u>482</u>	<u>0</u>	<u>0</u>
Carrying amount, 30 April 2024	<u>482</u>	<u>482</u>	<u>0</u>	<u>0</u>
Der specificeres således:				
Deposits	<u>482</u>	<u>482</u>	<u>0</u>	<u>0</u>
	<u>482</u>	<u>482</u>	<u>0</u>	<u>0</u>
15. Deposits				
Cost 1 May 2023	225	225	0	0
Additions during the year	<u>96</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cost 30 April 2024	<u>321</u>	<u>225</u>	<u>0</u>	<u>0</u>
Carrying amount, 30 April 2024	<u>321</u>	<u>225</u>	<u>0</u>	<u>0</u>



Notes

DKK thousand.

	Group		Parent	
	30/4 2024	30/4 2023	30/4 2024	30/4 2023
16. Deferred tax assets				
Deferred tax assets 1 May 2023	84	13	0	0
Deferred tax of the net profit or loss for the year	25	-13	0	0
	109	0	0	0
The following items are subject to deferred tax:				
Intangible assets	109	0	0	0
	109	0	0	0
17. Prepayments				
Prepaid interest	346	100	346	90
Other prepayments/deferred income	2.577	6.326	11	7
	2.923	6.426	357	97
18. Non-controlling interests				
Non-controlling interests 1 May 2023	33.913	31.135	0	0
Share of the profit or loss for the year	2.707	2.778	0	0
	36.620	33.913	0	0
19. Provisions for deferred tax				
Provisions for deferred tax 1 May 2023	1.618	1.582	0	0
Deferred tax relating to the net profit or loss for the year	-43	-58	0	0
	1.575	1.524	0	0



Notes

DKK thousand.

	Group		Parent	
	30/4 2024	30/4 2023	30/4 2024	30/4 2023
20. Deferred income				
Accruals and deferred income	1.944	0	0	0
	1.944	0	0	0

21. Disclosures on fair value

Group

	Other listed securities
Fair value at 30 April 2024	120.467
Unrealised change in fair value of the year recognised in the statement of financial activity	-9.814

22. Contingencies

Contingent liabilities

	DKK in thousands
Lease liabilities	2.500
Total contingent liabilities	2.500

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay 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.

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.



Notes

DKK thousand.

23. Related parties

Controlling interest

Peter Adser

Majority shareholder

Transactions

The company has chosen only to inform of transactions that have not been made on market terms according to the financial statements act article 98c (7).

	Group	
	2023/24	2022/23
24. Adjustments		
Depreciation, amortisation, and impairment	7.801	6.650
Other financial income	-16.515	-5.435
Other financial expenses	5.749	7.711
Tax on net profit or loss for the year	5.501	4.779
Deferred tax	-43	-58
Other adjustments	-11	-2.910
	2.482	10.737
25. Change in working capital		
Change in inventories	43.755	18.843
Change in receivables	23.252	-15.426
Change in trade payables and other payables	-7.306	-4.921
	59.701	-1.504



Definitions

Amortised cost

Amortised cost is the amount at which a financial asset or liability is initially recognised in the financial statements:

1. less repayments,
2. plus or less total amounts amortised on the difference between the amount initially recognised and the amount falling due on maturity, and
3. less impairment losses.

Fair value

Fair value is the amount at which it is assumed that an asset or a liability could be exchanged or a liability settled in in an arm's length transaction between unrelated parties.

Replacement cost

The replacement cost of an asset is the cost of substituting this asset measured as the current acquisition cost payable at the reporting date for a similar asset.

Recoverable amount

The recoverable amount of an asset is either the capital value or the sales value, whichever is the higher, less expected costs of disposal.

Value in use

Value in use is the current value of an asset seen as the present value of expected cash inflows from continuing use in its present function. For a liability, the value in use is the present value of expected cash outflows during the life of the liability.

Cost

The cost of an asset is the amount of consideration given to acquire that asset whether it was acquired from an external party or internally generated. The cost of a liability is the amount received as consideration for that liability.

Net realisable value

The net realisable value of an asset is the sum of the future cash flows which the asset is expected to generate at the balance sheet date in the ordinary course of business. The net realisable value of a liability is the sum of the future cash flows from the enterprise during the life of the liability.

Selling price

The selling price of an asset is the price obtainable from the sale of that asset at the reporting date. The selling price of a liability is the price payable to settle that liability at the reporting date.



Accounting policies

The annual report for Adserbi A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (large enterprises).

The accounting policies are unchanged from last year, and the annual report is presented in DKK. The group has a cash pool scheme which was shown gross in the group last year. This has been changed this year, so that the cash pool is shown net. This has no effect on profit or equity, but only bank debt and deposits are shown net

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, write-downs for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the group and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the group and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.



Accounting policies

Group enterprises abroad, associates, and equity investments are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve in the Consolidated Financial Statement. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.

When recognising foreign group enterprises which are integral units, the monetary items are translated using the closing rate. Non-monetary items are translated using the exchange rate prevailing at the time of acquisition or at the time of the subsequent revaluation or write-down for impairment of the asset. Income statement items are translated using the exchange rate prevailing at the date of the transaction. However, items in the income statement derived from non-monetary items are translated using historical prices.

The consolidated financial statements

The consolidated income statements comprise the parent company Adserbi A/S and those group enterprises of which Adserbi A/S directly or indirectly owns more than 50 % of the voting rights or in other ways exercise control.

Consolidation policies

The consolidated financial statements have been prepared as a summary of the parent company's and the group enterprises' financial statements by adding together uniform accounting records calculated in accordance with the group's accounting policies.

Investments in group enterprises are eliminated by the proportionate share of the group enterprises' fair value of net assets and liabilities at the acquisition date.

In the consolidated financial statements, the accounting records of the group enterprises are recognised by 100%. The minority interests' share of the profit for the year and of the equity in the group enterprises, which are not 100% owned, is included in the group's profit and equity, but presented separately.

Purchases and sales of minority interests under continuing control are recognised directly in equity as a transaction between shareholders.



Accounting policies

Investments in associates are measured in the statement of financial position at the proportionate share of the enterprises' equity value i calculated in accordance with the parent company's accounting policies and with proportionate elimination of unrealised intercompany gains and losses. In the income statement, the proportional share of the associates' results is recognised after elimination of the proportional share of intercompany gains and losses.

The group activities in joint operations are recognised in the consolidated financial statements record by record.

Non-controlling interests

Non-controlling interests constitute a share of the group's total equity. By distribution of net profit, profit or loss for the year is distributed on the share attributable to the non-controlling interests and the share attributable to the parent's shareholders respectively.

Income statement

Revenue

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.

Cost of sales

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

Other operating income

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets, operating loss and conflict compensation as well as salary reimbursements received. Compensation is recognized when it is overwhelmingly probable that the company will receive the compensation.

Other external expenses

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.



Accounting policies

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.

Other operating expenses

Other operating expenses comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

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.

Results from investments in group enterprises

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the equity investment in the individual entities are recognised in the income statement of the parent as a proportional share of the entities' post-tax profit or loss.

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 parent and the Danish group enterprises are subject to Danish rules on compulsory joint taxation of Danish group enterprises. The parent acts as an administration company in relation to the joint taxation. This means that the total Danish income tax payable by the Danish group companies is paid to the tax authorities by the company.

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.



Accounting policies

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.

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

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

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.

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.



Accounting policies

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 sub-suppliers, 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 group 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 group's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Investments

Investments in group enterprises

Investments in group enterprises are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Investments in group enterprises are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.



Accounting policies

Consolidated goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Consolidated goodwill is amortised on a straight-line basis over the amortisation period, which represent 5-20 years. The depreciation period is determined on the basis of an assessment that these are strategically acquired enterprises with a strong market position and a long-term earnings profile.

In relation to material assets and liabilities recognised in group enterprises but are not represented in the parent, the following accounting policies have been applied.

Investments in group enterprises with a negative equity value are measured at DKK 0, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover an negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises transferred to the reserve under equity for net revaluation according to the equity method. Dividends from group enterprises expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in group enterprises.

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

On the acquisition of enterprises, the acquisition method, the uniting-of-interests method or the book value method is applied, cf. the above description under Business combinations.

Other financial instruments

Financial instruments recognised under non-current assets comprise listed bonds and shares measured at fair value on the reporting date. Listed financial instruments are measured at market price.

Other unlisted financial instruments are measured at cost. Write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Impairment loss relating to non-current assets

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



Accounting policies

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.

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.



Accounting policies

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.

Prepayments

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

Financial instruments and equity investments

Financial instruments and equity investments recognised under current assets consist of listed shares and bonds which are measured at fair value on the reporting date. Unlisted equity investments are measured at cost. write-down takes place to the recoverable amount if this value is lower than the carrying amount.

Cash and cash equivalents

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

Equity

Revaluation reserve

Revaluations of property less deferred tax are recognised under the revaluation reserve. The reserve is reduced when the value of revalued property is reduced due to depreciation. The reduction represents the difference between depreciation based on the revalued carrying amount of the property and depreciation based on the original cost of the property.

The reserve is partly or totally dissolved on the sale of the property and reduced as a result of impairment loss on property.

Reserve for net revaluation according to the equity method

The reserve for net revaluation according to the equity method comprises net revaluation of equity investments in subsidiaries, associates and equity interests proportional to cost.

The reserve may be eliminated in the event of losses, realisation of equity investments, or changes in the accounting estimates.

The reserve cannot be recognised by a negative amount.

Reserve for development costs

The reserve for development costs comprises recognised development costs less related deferred tax liabilities.

The reserve cannot be used as dividends or for covering losses.

The reserve is reduced or dissolved if the recognised development costs are amortised or abandoned. This is done by direct transfer to the distributable reserves of the equity.



Accounting policies

Reserve for foreign currency translation

The reserve for foreign currency translation arises when translating accounting items in foreign currency.

The reserve is dissolved once the value adjustments have been applied or reversed.

The reserve is distributable.

Dividend

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

Income tax and deferred tax

As administration company, Adserbi A/S is liable to the tax authorities for the subsidiaries' corporate income taxes.

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.

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"

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.



Accounting policies

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.

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

Deferred income

Payments received concerning future income are recognised under deferred income.

Statement of cash flows

The cash flow statement shows the cash flows of the group for the year, divided in cash flows deriving from operating activities, investment activities and financing activities, respectively, the changes in the liabilities, and group' cash and cash equivalents at the beginning and the end of the year, respectively.

A cash flow statement for the parent has not been prepared as the cash flows of the enterprise are included in the consolidated cash flow statement, cf. section 86, subsection 4, of the Danish Financial Statements Act.

The effect on cash flows derived from the acquisition and sale of enterprises appears separately under cash flows from investment activities. In the statement of cash flows, cash flows derived from acquirees are recognised as of the date of acquisition, and cash flows derived from sold enterprises are recognised until the date of sale.

Cash flows from operating activities

Cash flows from operating activities are calculated as the group's share of the profit adjusted for non-cash operating items, changes in the working capital, and corporate income tax paid. Dividend income from equity investments are recognised under "Interest income and dividend received".



Accounting policies

Cash flows from investment activities

Cash flows from investment activities comprise payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible assets, property, plant, and equipment, and investments, respectively.

Cash flows from financing activities

Cash flows from financing activities include changes in the size or the composition of the group's share capital and costs attached to it, as well as raising loans, repayments of interest-bearing payables and payment of dividend to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and short-term financial instruments with a term of less than 3 months, which can easily be converted into cash and cash equivalents and are associated with an insignificant risk of value change.