



# Holger Christiansen A/S

Hedelundvej 13, 6705 Esbjerg Ø

CVR no. 88 02 16 14

## Annual report 2022

Approved at the Company's annual general meeting on 16 June 2023

Chair of the meeting:

A handwritten signature in black ink, written over a horizontal dotted line. The signature is stylized and appears to be 'A. Knudsen'.

## Contents

<b>Statement by the Board of Directors and the Executive Board</b>	<b>2</b>
<b>Independent auditor's report</b>	<b>3</b>
<b>Management's review</b>	<b>5</b>
<b>Financial statements 1 January - 31 December</b>	<b>10</b>
Income statement	10
Balance sheet	11
Statement of changes in equity	13
Cash flow statement	14
Notes to the financial statements	15

## Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Holger Christiansen A/S for the financial year 1 January - 31 December 2022.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.


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

Esbjerg, 16 June 2023  
Executive Board:



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Lars Almosetoft



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Poul Bech Hansen

Board of Directors:

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Eckhard Rainer Volker  
Lichtenthaler  
Chair



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Vita Zenner

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Günter Rudolf Weber



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Johnny Højfeldt Hvidtfeldt

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M, A, Martina.Kirchner  
Martina.Kirchner Date: 2023.06.21 12:25:46  
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Martina Johanna Kirchner

## Independent auditor's report

### To the shareholders of Holger Christiansen A/S

#### Opinion

We have audited the financial statements of Holger Christiansen A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations as well as the cash flows for the financial year 1 January - 31 December 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

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

#### Management's responsibilities for the financial statements

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

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

#### Auditor's responsibilities for the audit of the financial statements

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

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

## Independent auditor's report

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

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

### Statement on the Management's review

Management is responsible for the Management's review.

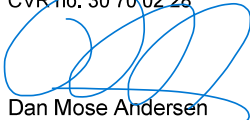
Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

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

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

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

Esbjerg, 16 June 2023  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28



Dan Mose Andersen  
State Authorised Public Accountant  
mne35406

## Management's review

### Company details

Name	Holger Christiansen A/S
Address, Postal code, City	Hedelundvej 13, 6705 Esbjerg Ø
CVR no.	88 02 16 14
Established	30 September 1979
Registered office	Esbjerg Ø
Financial year	1 January - 31 December
Website	<a href="http://www.hc-cargo.dk">www.hc-cargo.dk</a>
E-mail	<a href="mailto:info.aarm@dk.bosch.com">info.aarm@dk.bosch.com</a>
Telephone	+45 76 14 33 00
Board of Directors	Eckhard Rainer Volker Lichtenthaler, Chair Günter Rudolf Weber Martina Johanna Kirchner Vita Zenner Johnny Højfeldt Hvidtfeldt
Executive Board	Lars Almosetoft Poul Bech Hansen
Auditors	EY Godkendt Revisionspartnerselskab Bavnehøjvej 5, 6700 Esbjerg, Denmark

## Management's review

### Financial highlights

EURm	2022	2021	2020	2019	2018
<b>Key figures</b>					
Revenue	79	81	67	69	75
Operating profit/loss	-2	7	0	-4	2
Net financials	-1	0	0	-1	0
Profit before tax	-3	6	1	-1	0
<b>Profit for the year</b>	<b>-2</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>1</b>
<b>Total assets</b>					
<b>Equity</b>	<b>3</b>	<b>15</b>	<b>11</b>	<b>11</b>	<b>13</b>
<b>Cash flows</b>					
Cash flows from operating activities	-7	3	8	5	-4
Net cash flows from investing activities	0	0	5	0	-1
Amount relating to investments in property, plant and equipment	0	0	0	0	-1
Cash flows from financing activities	7	-3	-13	-7	-5
<b>Total cash flows</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-2</b>	<b>-10</b>
<b>Financial ratios</b>					
Return on assets	-3.87%	42.4 %	-8.4%	-6.8%	3.1%
Equity ratio	4.72%	34.1 %	26.8 %	20.4 %	20.6 %
Operating margin	-2.49%	8.6%	0.0%	-5.7%	2.7%
<b>Average number of full-time employees</b>					
	<b>174</b>	<b>192</b>	<b>218</b>	<b>246</b>	<b>252</b>

For terms and definitions, please see the accounting policies.

## Management's review

### Business review

Holger Christiansen A/S is part of the worldwide Bosch Group.

The Company's principal activity consists in sale of auto electrical components.

### Financial review

The income statement for 2022 shows a loss of EUR 2,162 thousand against a profit of EUR 4,718 thousand last year, and the balance sheet at 31 December 2022 shows equity of EUR 2,716 thousand.

Bosch is working on a restructuring within the group, and it has been decided to move the area distribution center from Denmark to Poland by mid-2023. Local distribution center for all Nordic and Baltic countries will stay in Esbjerg.

When the main warehouse has moved to Poland by mid-2023, Holger Christiansen A/S will only support sales to the Nordic and Baltic countries. The sale of CARGO products to the rest of the world, will be supported by the local Robert Bosch companies in the respective countries. The move of the global warehouse and export business (except of Scandinavia and Baltics) to Poland, also means that the personal capacity in the company will be adjusted. As part of the BOSCH group, this will be done in a socially responsible way.

The location in Esbjerg will apart from being a sales and distribution center for Nordic and Baltic countries also host several Business Unit functions. The CARGO brand will remain as a brand under the BOSCH umbrella, but will be sold from this legal entity.

The development in revenue has been as expected and announced in the 2021 annual report i.e., EUR 80 million. The expected profit before tax was EUR 6 million. Since the 2021 annual report, the restructuring of the company has begun, and the main reason for deviation is accruals for severance pay for employees, and heavily increased cost on raw materials and freight cost.

### Financial risks and use of financial instruments

#### Market risks

The risk of the company according to the line of business is not considered as especially risk filled but will compose a normal risk to the development of the company.

#### Foreign exchange risks

Activities abroad cause earnings, cash flows and equity to be affected by the exchange rate and interest rate developments for a number of currencies. It is the company's foreign exchange policy to hedge the exchange rate risk through currency forward transactions where it is necessary.

There are no speculative currency deposits.

#### Credit risk

The credit risk of the company primarily relates to financial assets. The highest credit risk, which is related to financial assets, corresponds to the amounts in the balance sheets. The company does not have any material credit risks connected to specific customers or business partners.

The policy of the company for undertaken credit risks entails that all large customers and business partners are credit evaluated.

#### Liquidity risks

Holger Christiansen A/S is solely financed via the final parent company, Robert Bosch GmbH, Germany and does not at all rely on external lenders. Holger Christiansen A/S does not invest in external companies and other bonds. The financial risk is low.



## Management's review

### Recognition and measurement uncertainties

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

### Statutory CSR report

As part of its business foundation, the company sees to it that it operates its business areas in a socially responsible manner, and complies with the legislation on human rights, environmental and climate issues, etc. and the fight against corruption and bribery.

The Bosch Group has committed itself to follow the following 8 of the UN's 17 goals for sustainability and development.

- Sustainable cities and communities
- Climate action
- Industry, innovation and infrastructure
- Decent jobs and economic growth
- Gender equality
- Quality education
- Responsible consumption and production
- Health and well-being

Holger Christiansen A/S does not have its own independent policies for Corporate Social Responsibility and consequently, does not prepare an independent statement on the topic. The statement issued by the Parent Company, Robert Bosch GmbH, constitutes Holger Christiansen A/S' statutory reporting of §99a.

The sustainability report for 2022 is available from [https://assets.bosch.com/media/global/sustainability/reporting\\_and\\_data/2022/bosch-sustainability-report-2022.pdf](https://assets.bosch.com/media/global/sustainability/reporting_and_data/2022/bosch-sustainability-report-2022.pdf)

The Bosch Group focuses on the environment and thus tries to limit the energy consumption associated with the operation, as well as focusing on environmentally sound recycling of the waste products that arise from the operation of the Bosch Group.

All of the above are part of emphasizing Bosch, including Holger Christiansen A/S' position as an ethically sustainable group in regard to the environment, customers, employees, suppliers and authorities.

### Account of the gender composition of Management, cf. §99b

The company and Bosch in general are engaged on increasing the number of female managers, and thus concrete target figures were set up for the number of the under-represented sex at the seats on the board of directors to ensure a correct management composition as to sex in general. We believe that diversity among employees and management, including gender distribution, contributes positively to the working environment and strengthens the company performance and competitiveness.

In 2022 there have not been any changes to the Board. The distribution and the Board members elected by the General Meeting is still 1 woman and 2 men without employee representatives. This fulfills the goal that at least 25% of the board members elected by the general meeting must be women.

To meet the goal of more female managers at other management levels Holger Christiansen A/S makes sure that both genders, when possible, are represented in the final staged of the recruitment process. In connection with recruitment and recruitment for management posts, the goal is to have both male and female candidates. There is a general focus on the company recruiting the best candidates for all positions in the company. At management's other management levels, there is a gender distribution of 25/75. Other management levels are department heads with employee responsibility and report directly to the board of directors. The distribution of other management is counted by headcount.

## Management's review

### Data ethics

Holger Christiansen A/S observes the corporate policies that apply within the Bosch Group. These policies include data ethics, data protection and information security.

The Bosch Group company values require us to act prudently and responsibly for the benefit of society and to respect and observe the law in all our business transactions. Consequently, the protection of privacy throughout the course of processing personal data as well as the security of all business data are important concerns to Bosch.

The Bosch Code of Business Conduct requires us to ensure that privacy is safeguarded, personal data is protected, and all business information is kept secure. Technically and organizationally, and especially with regard to protection against unauthorized access and loss, we apply an appropriate standard that reflects the state of the art and takes account of the associated risks. When developing Bosch products and new business models, we ensure that the legal requirements governing data protection and information security are taken into account at an early stage. The primary contact for questions regarding how to handle data properly is the data security officer.

The Bosch IoT (Internet of Things) Principles enshrine our commitment to high ethical standards where our customers' data is concerned. Data sovereignty is a key tool for fulfilling this obligation while offering cutting-edge, data-driven solutions that are competitive in a connected world.

The internal directives of the Bosch Group align us closely with the principles of the ISO/IEC 27001 international standard regarding Information Security Management Systems. Our work with information security and privacy is deeply rooted throughout all organizational levels of the Bosch Group, from the central group DPO (Data Protection Officer - C/ISP) function, to the regional Data Protection and Information Security Officers and local Data Protection & Information Security Partners. Finally, our adherence to a Plan-Do-Check-Act cycle ensures continuous focus on and improvement of information security as well as regular, internal audits of business units.

### Events after the balance sheet date

As mentioned above under "financial review" it has been decided to move the area distribution center from Denmark to Poland by mid 2023.

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

### Outlook

Management is of the opinion that the company is well prepared for the years to come. The company expects the revenue in the coming year to decrease to EUR 10 million, as a direct consequence of the transformation from area distribution center to local distribution center. Other than the turnover, it is expected that 2023 will be affected by the planned restructure in other areas as well. Expected profit before tax amounts to approximately EUR 6 million for 2023. The profit before tax is however still affected by the final outcome of the planned restructuring.

## Financial statements 1 January - 31 December

### Income statement

Note	EUR'000	2022	2021
4	Revenue	79,087	80,733
	Other operating income	0	1
	Raw materials and consumables	-55,285	-51,201
	Other external expenses	-8,768	-7,501
	Gross profit	15,034	22,032
5	Staff costs	-15,520	-13,996
	Amortisation/depreciation	-1,480	-1,501
	Profit before net financials	-1,966	6,535
	Financial income	1,571	1,027
6	Financial expenses	-2,375	-1,508
	Profit before tax	-2,770	6,054
7	Tax for the year	608	-1,336
	Profit for the year	-2,162	4,718

## Financial statements 1 January - 31 December

### Balance sheet

Note	EUR'000	2022	2021
	ASSETS		
	Fixed assets		
8	Intangible assets		
	Software	0	621
		0	621
9	Property, plant and equipment		
	Land and buildings	3,837	4,183
	Plant and machinery	754	1,153
		4,591	5,336
	Total fixed assets	4,591	5,957
	Non-fixed assets		
	Inventories		
	Finished goods and goods for resale	42,143	25,805
	Prepayments for goods	923	2,375
		43,066	28,180
	Receivables		
	Trade receivables	5,275	5,500
	Receivables from group enterprises	4,151	3,871
12	Deferred tax assets	581	0
	Corporation tax receivable	0	196
10	Prepayments	35	37
		10,042	9,604
	Total non-fixed assets	53,109	37,784
	TOTAL ASSETS	57,700	43,741

## Financial statements 1 January - 31 December

### Balance sheet

Note	EUR'000	2022	2021
	EQUITY AND LIABILITIES		
	Equity		
11	Share capital	134	134
	Retained earnings	2,582	4,744
	Dividend proposed	0	10,054
	Total equity	<u>2,716</u>	<u>14,932</u>
	Provisions		
12	Deferred tax	0	621
13	Other provisions	4,265	1,101
	Total provisions	<u>4,265</u>	<u>1,722</u>
	Liabilities other than provisions Current liabilities other than provisions		
	Trade payables	13,996	7,337
	Payables to group enterprises	33,551	16,462
	Corporation tax payable	191	0
	Other payables	2,981	3,288
		<u>50,719</u>	<u>27,087</u>
	Total liabilities other than provisions	<u>50,719</u>	<u>27,087</u>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>57,700</u></u>	<u><u>43,741</u></u>

- 1 Accounting policies
- 2 Events after the balance sheet date
- 3 Discontinued operations and special items
- 14 Contractual obligations and contingencies, etc.
- 15 Related parties
- 16 Fee to the auditors appointed by the Company in general meeting
- 17 Appropriation of profit

## Financial statements 1 January - 31 December

### Statement of changes in equity

Note	EUR'000	Share capital	Retained earnings	Dividend proposed	Total
		134	4,744	10,054	14,932
17	Equity at 1 January 2022				
	Transfer, see "Appropriation of profit"	0	-2,162	0	-2,162
	Dividend distributed	0	0	-10,054	-10,054
	Equity at 31 December 2022	134	2,582	0	2,716

## Financial statements 1 January - 31 December

### Cash flow statement

Note	EUR'000	2022	2021
	Profit for the year	-2,162	4,718
18	Adjustments	4,391	4,025
	Cash generated from operations (operating activities)	2,228	8,743
19	Changes in working capital	-8,307	-3,040
	Cash generated from operations (operating activities)	-6,079	5,703
	Interest received, etc.	15	46
	Interest paid, etc.	-379	-134
	Income taxes paid	-207	-1,747
	Cash flows from operating activities	-6,649	3,868
	Additions of property, plant and equipment	-164	-131
	Disposals of property, plant and equipment	58	0
	Cash flows to investing activities	-106	-131
	Dividends paid	-10,054	-721
	Net activities with group enterprises	16,809	-3,016
	Cash flows from financing activities	6,755	-3,737
	Net cash flow	0	0
	Cash and cash equivalents at 1 January	0	0
	Cash and cash equivalents at 31 December	0	0

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Holger Christiansen A/S for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

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

#### Reporting currency

The financial statements are reported in EUR, due to the Company's most significant stakeholders. Functional currency is DKK. Exchange rate adjustments arising on translation of the opening capital and reserves are recognized directly in capital and reserves.

#### Intra-group business combinations

The combination method is applied to business combinations such as acquisition and disposal of investments, mergers, demergers, contributions of assets and share conversions, etc. in which entities controlled by the parent company are involved. Differences between the agreed consideration and the carrying amount of the acquiree are recognized directly in equity.

#### Foreign currency translation

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

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

#### Public grants

Public grants to cover expenses are recognized in the income statement when it is deemed likely that all grant criteria have been met. Grants which must be repaid under certain circumstances are recognized only where they are not expected to be repaid.

### Income statement

#### Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

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

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

#### Other operating income and operating expenses

Other operating income and operating expenses comprise items of a secondary nature relative to the Company's core activities, including gains and losses on the sale of fixed assets.

#### Raw materials and consumables, etc.

Raw materials and consumables include expenses relating to raw materials and consumables used in generating the year's revenue.



## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

##### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

##### Amortization/depreciation

The item comprises amortization/depreciation of intangible assets and property, plant and equipment.

The cost net of the expected residual value for completed development projects and acquired IP rights is amortized over the expected useful life. Acquired IP rights include patents, rights and licenses.

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

Software	4 years
Buildings	10-33 years
Plant and machinery	8-11 years
Other fixtures and fittings, tools and equipment	3-12 years

Land is not depreciated.

##### Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances.

##### Tax

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

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

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

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Balance sheet

##### Intangible assets

Other intangible assets include development projects and other acquired intangible rights, including software licenses and development projects.

Other intangible assets are measured at cost less accumulated amortization and impairment losses.

##### Property, plant and equipment

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

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

##### Leases

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

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognized in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

##### Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

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

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

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

##### Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realizable value is lower than cost, inventories are written down to this lower value. The net realizable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

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

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Receivables

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

Receivables are measured at amortized cost.

An impairment loss is recognized if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognized on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realizable value of any collateral received.

##### Prepayments

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

##### Provisions

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

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

##### Income taxes

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

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

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

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Liabilities other than provisions

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

Other liabilities are measured at net realizable value.

Given the nature of the Group's cash pool arrangement, cash pool balances are not considered cash, but are recognized under "Liabilities from group entities".

##### Cash flow statement

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

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

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

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

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

##### Segment information

The allocation of revenue to activities and geographical markets is disclosed where these activities and markets differ significantly in the organization of sales of goods and services.

##### Financial ratios

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

Operating profit/loss	Profit/loss before financial items adjusted for other operating income and other operating expenses
Return on assets	$\frac{\text{Profit/loss from operating activities} \times 100}{\text{Average assets}}$
Equity ratio	$\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$
Operating margin	$\frac{\text{Operating profit/loss (EBIT)} \times 100}{\text{Revenue}}$

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 2 Events after the balance sheet date

As mentioned above under "financial review" it has been decided to move the area distribution center from Denmark to Poland by mid 2023.

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

#### 3 Discontinued operations and special items

Bosch is working on a restructuring within the group, and it has been decided to move the area distribution center from Denmark to Poland by mid-2023. Local distribution center for all Nordic and Baltic countries will stay in Esbjerg. Special items related to severance pay for employees amounting to EUR 3.2 million.

Going forward the company will be a low-risk distributor with an expected margin of 1.0-2.0 %.

EUR'000	<u>2022</u>	<u>2021</u>
<b>4 Segment information</b>		
<b>Breakdown of revenue by geographical segment:</b>		
Revenue, Denmark	5,942	6,122
Revenue, foreign	73,145	74,611
	<u>79,087</u>	<u>80,733</u>
In relation to the requirements of Danish Financial Statements Act on segment information for products, these are considered as one business segment.		
<b>5 Staff costs</b>		
Wages/salaries	14,345	12,736
Pensions	970	1,014
Other social security costs	205	246
	<u>15,520</u>	<u>13,996</u>
Average number of full-time employees	<u>174</u>	<u>192</u>
Remuneration to members of Management:		
Executive Board	427	335
	<u>427</u>	<u>335</u>
<b>6 Financial expenses</b>		
Interest expenses, group entities	379	127
Other financial expenses	1,996	1,381
	<u>2,375</u>	<u>1,508</u>
<b>7 Tax for the year</b>		
Estimated tax charge for the year	594	1,557
Deferred tax adjustments in the year	-1,202	-221
Tax adjustments, prior years	0	0
	<u>-608</u>	<u>1,336</u>

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 8 Intangible assets

EUR'000	<u>Software</u>
Cost at 1 January 2022	5,873
Cost at 31 December 2022	5,873
Impairment losses and amortisation at 1 January 2022	5,252
Amortisation for the year	621
Impairment losses and amortisation at 31 December 2022	5,252
Carrying amount at 31 December 2022	0
Amortised over	<u>4 years</u>

#### 9 Property, plant and equipment

EUR'000	<u>Land and buildings</u>	<u>Plant and machinery</u>	<u>Total</u>
Cost at 1 January 2022	16,696	7,678	24,374
Additions	81	84	165
Disposals	0	-433	-433
Cost at 31 December 2022	16,777	7,329	24,106
Impairment losses and depreciation at 1 January 2022	12,513	6,525	19,038
Depreciation	427	443	860
Depreciation and impairment of disposals	0	383	383
Impairment losses and depreciation at 31 December 2022	12,940	6,575	19,515
Carrying amount at 31 December 2022	3,837	754	4,591
Depreciated over	<u>30 years</u>	<u>2-8 years</u>	

#### 10 Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums and subscriptions.

EURt	<u>2022</u>
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#### 11 Share capital

Analysis of the share capital:

9 A shares of EUR 13,000.00 nominal value each	117
1 B shares of EUR 7,000.00 nominal value each	7
10 C shares of EUR 1,000.00 nominal value each	10
	<u>134</u>

The Company's share capital has remained EUR 134 thousand over the past 5 years.

## Financial statements 1 January - 31 December

### Notes to the financial statements

EUR'000	2022	2021
<b>12 Deferred tax</b>		
Deferred tax at 1 January	621	893
Amounts recognized in the income statement for the year	-1,202	-221
Prior year adjustments	0	-51
<b>Deferred tax at 31 December</b>	<b>-581</b>	<b>621</b>

Deferred tax has been provided at 22% corresponding to the current tax rate, primarily related to different accounting and taxable depreciation on fixed assets. Based on budgets until 2023, Management has considered that future taxable income will be available for utilization of tax assets.

### 13 Other provisions

Other provisions comprise restructuring provisions. The commitment is expected to be settled in the coming financial years.

### 14 Contractual obligations and contingencies, etc.

#### Other contingent liabilities

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

#### Other financial obligations

Other lease liabilities:

EUR'000	2022	2021
Lease liabilities	68	137

### 15 Related parties

Holger Christiansen A/S' related parties comprise the following:

#### Parties exercising control

Related party	Domicile	Basis for control
Robert Bosch Investments Nederland BV	The Netherlands	Parent company

#### Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Robert Bosch GmbH	Germany	www.bosch.com

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 15 Related parties (continued)

##### Related party transactions

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

EUR'000	2022	2021
Sales of goods and services to group enterprises	46,604	45,346
Purchase of goods and services from group enterprises	3,794	8,253
Interest expenses to group enterprises	379	133
Receivables from group enterprises	4,151	3,871
Payables to group enterprises	33,551	16,462

There have been no transactions with the Supervisory Board, the Executive Board, senior officers, significant shareholders, group enterprises or other related parties, except for intercompany transactions and normal management remuneration as disclosed in note 5.

##### Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

Name	Domicile
Robert Bosch Investments Nederland BV	The Netherlands

EUR'000	2022	2021
<b>16 Fee to the auditors appointed by the Company in general meeting</b>		
Total fees to EY	38	38
Statutory audit	29	24
Assurance engagements	0	0
Tax assistance	5	5
Other assistance	7	9
	41	38

EUR'000	2022	2021
<b>17 Appropriation of profit</b>		
<b>Recommended appropriation of profit</b>		
Proposed dividend recognised under equity	0	10,054
Retained earnings/accumulated loss	-2,162	-5,336
	-2,162	4,718



## Financial statements 1 January - 31 December

### Notes to the financial statements

EUR'000	2022	2021
<b>18 Adjustments</b>		
Amortisation/depreciation and impairment losses	1,480	1,501
Provisions	3,164	1,101
Gain from sale/disposal of assets	-8	0
Financial income	-1,571	-1,027
Financial expenses	2,375	1,501
Tax for the year	-608	1,336
Other adjustments	-441	-387
	4,391	4,025
<b>19 Changes in working capital</b>		
Change in inventories	-14,887	-2,640
Change in receivables	225	528
Change in trade and other payables	6,355	-928
	-8,307	-3,040