

Clayton Power A/S

Pakhusgården 42-48, 5000 Odense C
CVR no. 29 82 16 31

Annual report for 2024

This annual report has been adopted at the
annual general meeting on 30.06.25

Max Franck Stelvig

Chairman of the meeting

Group information etc.	3
Statement by the Executive Board and Board of Directors on the annual report	4
Independent auditor's report	5 - 8
Management's review	9 - 12
Income statement	13
Balance sheet	14 - 15
Statement of changes in equity	16
Consolidated cash flow statement	17
Notes	18 - 34

The company

Clayton Power A/S
Pakhusgården 42-48
5000 Odense C
Registered office: Odense C
CVR no.: 29 82 16 31
Financial year: 01.01 - 31.12

Executive Board

Max Franck Stelvig

Board of Directors

Janick Lauenborg
Mads Brønserud
Bart Westerkamp
Max Franck Stelvig
Allan Kock

Auditors

Beierholm
Godkendt Revisionspartnerselskab

Subsidiarie

Clayton Power UK, UK

Statement by the Executive Board and Board of Directors on the annual report

We have on this day presented the annual report for the financial year 01.01.24 - 31.12.24 for Clayton Power A/S.

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

In our opinion, the consolidated financial statements and financial statements give a true and fair view of the group's and the parent's assets, liabilities and financial position as at 31.12.24 and of the results of the group's and parent's activities and of the group's cash flows for the financial year 01.01.24 - 31.12.24.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Odense C, June 30, 2025

Executive Board

Max Franck Stelvig

Board of Directors

Janick Lauenborg
Chairman

Mads Brønserud

Bart Westerkamp

Max Franck Stelvig

Allan Kock

To the shareholders of Clayton Power A/S**Opinion**

We have audited the consolidated financial statements and financial statements of Clayton Power A/S for the financial year 01.01.24 - 31.12.24, which comprise income statement, balance sheet, statement of changes in equity and notes to the financial statements, including material accounting policy information for the group as well as for the parent company as well as the consolidated cash flow statement. The consolidated financial statements and financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion the consolidated financial statements and financial statements give a true and fair view of the group's and the company's financial position at 31.12.24 and of the results of the group's and the company's operations and consolidated cash flows for the financial year 01.01.24 - 31.12.24 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 financial statements" section of our report. We are independent of the group and the company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the consolidated financial statements and financial statements

Management is responsible for the preparation of consolidated financial statements and 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and financial statements, management is responsible for assessing the group's and 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 consolidated financial statements and financial statements unless management either intends to liquidate the group and the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and 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 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and 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 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 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.

- Evaluate the overall presentation, structure and contents of the consolidated financial statements and financial statements, including the disclosures, and whether the consolidated financial statements and financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for expressing an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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 the management's review

Management is responsible for the management's review.

Our opinion on the consolidated financial statements and 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 consolidated financial statements and financial statements, it is our responsibility to read management's review and, in doing so, consider whether management's review is materially inconsistent with the consolidated financial statements or 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 by law and regulations.

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

Odense, June 30, 2025

Beierholm

Godkendt Revisionspartnerselskab
CVR no. 32 89 54 68

Jacob Pedersen

State Authorised Public Accountant
MNE-no. mne33725

GROUPS FINANCIAL HIGHLIGHTS**Key figures**

Figures in DKK '000 2024 2023

Profit/loss

Operating profit	24,269	11,618
Total net financials	-1,770	-2,233
Profit for the year	17,307	7,951

Balance

Total assets	115,643	78,262
Investments in property, plant and equipment	4,572	3,596
Equity	38,204	22,663

Ratios

2024 2023

Profitability

Return on equity	57%	42%
Return on invested capital	36%	21%

Equity ratio

Solvency ratio	33%	29%
----------------	-----	-----

Liquidity and financing

Liquidity ratio	155%	145%
-----------------	------	------

Others

Number of employees (average)	58	49
-------------------------------	----	----

In 2023, the company changed its accounting policies for finance lease. The measurement basis for finance lease has been changed from the finance lease were expensed in the income statement to assets held under finance leases and related liabilities recognised in the balance sheet.

Ratios definitions

Return on equity:	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$
Return on invested capital:	$\frac{\text{EBITA} \times 100}{\text{Avg. invested capital excl. goodwill}}$
EBITA:	Operating profit plus amortisation and impairment losses on goodwill.
Invested capital excl. goodwill:	Sum of intangible operating assets and property, plant and equipment (excl. goodwill) as well as net working capital.
Solvency ratio:	$\frac{\text{Equity, end of year} \times 100}{\text{Total assets}}$
Liquidity ratio:	$\frac{\text{Current assets} \times 100}{\text{Short-term payables}}$

Primary activities

The group's activities comprise development of hardware and software design of inverters, chargers, battery management systems and lithium batteries, production of inverters, chargers, battery management systems and lithium batteries, sale of transformers, chargers, battery management systems and lithium batteries, selection, development and production of promotional advertising material.

Development in activities and financial affairs

The income statement for the period 01.01.24 - 31.12.24 shows a profit/loss of DKK 17,306,949 against DKK 7,950,975 for the period 01.01.23 - 31.12.23. The balance sheet shows equity of DKK 38,203,766.

Clayton Power A/S is pleased to report robust financial results for the recent financial year, characterized by significant growth and solid operational performance. These results reflect the success of our market strategies and the increasing demand for our innovative solutions across all business segments.

We have notably enhanced our profitability metrics through focused cost management and revenue optimization. Our bottom-line performance clearly demonstrates the effectiveness of our strategic initiatives and operational discipline.

These outcomes are a testament to our commitment to delivering value to our customers and stakeholders. Looking ahead, we are confident in our ability to maintain this positive momentum and continue driving sustainable growth across our markets.

Clayton Power A/S remains dedicated to innovation, operational efficiency, and market expansion, ensuring continued success and long-term profitability.

The earnings expectations for 2024 were a net profit before net financials of DKK 9,813k. The objective was met primarily due to higher growth in the order inflow than expected. A 63% increase in revenue was realised against an expected 28%.

Outlook

The company expects a profit before net financials of DKK 37,647k for the coming year. The company's investments in the expansion of the distribution network are expected to be fully realised in the coming year and contribute to improved results.

Research and development activities

During the financial year, Clayton Power A/S continued to invest significantly in research and development (R&D) to strengthen our competitive position and support future growth. Our R&D efforts have primarily focused on developing next-generation electric generators and the ongoing advancement of our Lithium Power Supply technology with G4 and connectivity features.

Subsequent events

No important events have occurred after the end of the financial year.

Income statement

Note	Group		Parent		
	2024 DKK	2023 DKK	2024 DKK	2023 DKK	
	60,842,191	39,461,116	58,647,048	35,890,203	
	Gross profit				
1	Staff costs	-33,812,267	-26,009,170	-31,717,813	-23,750,692
	Profit before depreciation, amortisation, write-downs and impairment losses	27,029,924	13,451,946	26,929,235	12,139,511
	Depreciation, amortisation and impairments losses of intangible assets and property, plant and equipment	-2,578,138	-1,833,723	-2,256,777	-1,730,581
	Other operating expenses	-183,000	0	-183,000	0
	Operating profit	24,268,786	11,618,223	24,489,458	10,408,930
	Financial income	769,930	396,586	317,418	225,312
	Impairment losses on financial assets	0	0	954,207	-1,580,502
	Financial expenses	-2,540,132	-2,629,438	-2,305,965	-2,387,816
	Profit before tax	22,498,584	9,385,371	23,455,118	6,665,924
	Tax on profit for the year	-5,191,635	-1,434,396	-5,191,635	-1,434,396
	Profit for the year	17,306,949	7,950,975	18,263,483	5,231,528
2	Proposed appropriation account				

ASSETS		Group		Parent	
		31.12.24 DKK	31.12.23 DKK	31.12.24 DKK	31.12.23 DKK
Note					
	Completed development projects	1,840,232	2,717,750	1,840,232	2,717,750
	Development projects in progress	65,260	50,000	65,260	50,000
3	Total intangible assets	1,905,492	2,767,750	1,905,492	2,767,750
	Leasehold improvements	1,431,607	1,478,506	1,431,607	1,478,506
	Other fixtures and fittings, tools and equipment	5,516,767	3,260,444	4,005,405	2,814,854
4	Total property, plant and equipment	6,948,374	4,738,950	5,437,012	4,293,360
5	Equity investments in group enterprises	0	0	8	8
6	Deposits	921,922	851,986	921,922	851,986
	Total investments	921,922	851,986	921,930	851,994
	Total non-current assets	9,775,788	8,358,686	8,264,434	7,913,104
	Raw materials and consumables	58,128,535	28,600,294	58,128,535	28,600,294
	Manufactured goods and goods for resale	14,844,240	9,330,483	9,438,736	7,203,222
	Prepayments for goods	1,795,395	1,466,534	1,795,395	1,466,534
	Total inventories	74,768,170	39,397,311	69,362,666	37,270,050
	Trade receivables	28,815,027	29,100,072	24,245,941	25,989,214
	Receivables from group enterprises	0	0	10,925,877	4,823,841
	Income tax receivable	1,244,966	0	1,244,966	0
	Other receivables	35,198	93,900	35,198	93,900
7	Prepayments	1,001,839	1,310,343	709,499	251,356
	Total receivables	31,097,030	30,504,315	37,161,481	31,158,311
	Cash	2,368	1,696	2,368	1,696
	Total current assets	105,867,568	69,903,322	106,526,515	68,430,057
	Total assets	115,643,356	78,262,008	114,790,949	76,343,161

EQUITY AND LIABILITIES		Group		Parent	
		31.12.24 DKK	31.12.23 DKK	31.12.24 DKK	31.12.23 DKK
Note					
8	Contributed capital	750,000	750,000	750,000	750,000
	Reserve for development costs	0	0	1,486,284	2,060,573
	Foreign currency translation reserve	-305,811	-39,429	0	0
	Retained earnings	37,759,577	20,452,628	36,039,938	17,202,166
	Proposed dividend for the financial year	0	1,500,000	0	1,500,000
	Total equity	38,203,766	22,663,199	38,276,222	21,512,739
9	Provisions for deferred tax	511,815	403,214	511,815	403,214
10	Other provisions	974,300	645,700	974,300	645,700
	Total provisions	1,486,115	1,048,914	1,486,115	1,048,914
11	Payables to other credit institutions	388,962	949,526	388,962	949,526
11	Lease commitments	2,038,995	2,472,821	2,038,995	2,472,821
11	Other payables	1,262,239	1,227,092	1,262,239	1,227,092
11	Deferred income	3,815,125	1,640,965	3,815,125	1,640,965
	Total long-term payables	7,505,321	6,290,404	7,505,321	6,290,404
11	Short-term part of long-term payables	1,447,866	600,000	1,447,866	600,000
	Payables to other credit institutions	32,340,173	27,498,632	34,304,589	27,907,744
	Trade payables	30,565,098	14,648,515	29,843,145	14,328,043
	Income taxes	0	1,632,686	0	1,645,310
	Other payables	3,883,408	3,879,658	1,716,082	3,010,007
	Deferred income	211,609	0	211,609	0
	Total short-term payables	68,448,154	48,259,491	67,523,291	47,491,104
	Total payables	75,953,475	54,549,895	75,028,612	53,781,508
	Total equity and liabilities	115,643,356	78,262,008	114,790,949	76,343,161
12	Contingent liabilities				
13	Charges and security				
14	Related parties				

Statement of changes in equity

Figures in DKK

	Contributed capital	Reserve for development costs	Foreign currency translation reserve	Retained earnings	Proposed dividend for the financial year	Total equity
Group:						
Statement of changes in equity for 01.01.24 - 31.12.24						
Balance as at 01.01.24	750,000	0	-39,429	20,493,068	1,500,000	22,703,639
Net effect of changed accounting policies	0	0	0	-40,440	0	-40,440
Adjusted balance as at 01.01.24	750,000	0	-39,429	20,452,628	1,500,000	22,663,199
Dividend paid	0	0	0	0	-1,500,000	-1,500,000
Other changes in equity	0	0	-266,382	0	0	-266,382
Net profit/loss for the year	0	0	0	17,306,949	0	17,306,949
Balance as at 31.12.24	750,000	0	-305,811	37,759,577	0	38,203,766

Parent:

Statement of changes in equity for
01.01.24 - 31.12.24

Balance as at 01.01.24	750,000	2,060,573	0	17,242,606	1,500,000	21,553,179
Net effect of changed accounting policies	0	0	0	-40,440	0	-40,440
Adjusted balance as at 01.01.24	750,000	2,060,573	0	17,202,166	1,500,000	21,512,739
Total depreciation, amortisation, impairment losses and write-downs during the year	0	-574,289	0	574,289	0	0
Dividend paid	0	0	0	0	-1,500,000	-1,500,000
Net profit/loss for the year	0	0	0	18,263,483	0	18,263,483
Balance as at 31.12.24	750,000	1,486,284	0	36,039,938	0	38,276,222

Consolidated cash flow statement

Note	Group	
	2024 DKK	2023 DKK
	17,306,949	7,950,975
Profit for the year		
15 Adjustments	9,435,916	5,437,211
Change in working capital:		
Inventories	-35,370,859	13,977,021
Receivables	582,315	-16,476,111
Trade payables	15,916,583	-81,265
Other payables relating to operating activities	2,389,518	4,229,005
Other provisions	328,600	225,000
Cash flows from operating activities before net financials	10,589,022	15,261,836
Interest income and similar income received	769,930	396,586
Interest expenses and similar expenses paid	-2,540,132	-2,629,438
Income tax paid	-7,960,686	-925,364
Cash flows from operating activities	858,134	12,103,620
Purchase of intangible assets	-15,260	-125,990
Purchase of property, plant and equipment	-2,522,803	-2,104,499
Sale of property, plant and equipment	500,000	0
Cash flows from investing activities	-2,038,063	-2,230,489
Dividend paid	-1,500,000	0
Arrangement of payables to credit institutions	4,841,542	0
Repayment of payables to credit institutions	-560,564	-9,032,642
Repayment of lease commitments	-1,635,524	-890,457
Repayment of other long-term payables	35,147	49,968
Cash flows from financing activities	1,180,601	-9,873,131
Total cash flows for the year	672	0
Cash, beginning of year	1,696	1,696
Cash, end of year	2,368	1,696
Cash, end of year, comprises:		
Cash	2,368	1,696
Total	2,368	1,696

	Group		Parent	
	2024 DKK	2023 DKK	2024 DKK	2023 DKK

1. Staff costs

Wages and salaries	31,568,694	24,328,546	29,679,450	22,301,210
Pensions	974,747	692,528	947,568	660,452
Other social security costs	283,620	280,033	131,142	101,423
Other staff costs	985,206	708,063	959,653	687,607
Total	33,812,267	26,009,170	31,717,813	23,750,692

Average number of employees during the year	58	49	55	45
---	----	----	----	----

Remuneration for the management:

Salaries for the Executive Board	2,735,082	3,131,690	2,735,082	3,131,690
Pension for the Executive Board	207,000	264,000	207,000	264,000
Total remuneration for the Executive Board	2,942,082	3,395,690	2,942,082	3,395,690

2. Proposed appropriation account

Proposed dividend for the financial year	0	1,500,000	0	1,500,000
Retained earnings	17,306,949	6,450,975	18,263,483	3,731,528
Total	17,306,949	7,950,975	18,263,483	5,231,528

3. Intangible assets

Figures in DKK	Completed development projects	Development projects in progress
Group:		
Cost as at 01.01.24	4,387,590	50,000
Additions during the year	0	15,260
Cost as at 31.12.24	4,387,590	65,260
Amortisation and impairment losses as at 01.01.24	-1,669,840	0
Amortisation during the year	-877,518	0
Amortisation and impairment losses as at 31.12.24	-2,547,358	0
Carrying amount as at 31.12.24	1,840,232	65,260
Parent:		
Cost as at 01.01.24	4,387,590	50,000
Additions during the year	0	15,260
Cost as at 31.12.24	4,387,590	65,260
Amortisation and impairment losses as at 01.01.24	-1,669,840	0
Amortisation during the year	-877,518	0
Amortisation and impairment losses as at 31.12.24	-2,547,358	0
Carrying amount as at 31.12.24	1,840,232	65,260

The LPS II development project is costs used to a new development based on a new approach on construction, configuration and technology, that reduce the production cost and increase the applicability and flexibility for the customer. It is a game changer on the market. The market launch was in May/ June 2021 and the company has since sold several thousand units. The company expect the sale to increase in 2025.

The IOT development project is costs used to a new development based on a new approach on configuration and technology, that will improve our service and business intelligence platform and increase the applicability and flexibility for the customer. It is expected to add significant value to our product portfolio and will be offered as to the customers on both a subscription and one-off basis. In year 2021, the main activities around the IOT project have been back and front end development and validation as well as the hardware and mechanical design of the physical product. The market launch was in december 2023. The company expect the sale to increase in 2025.

4. Property, plant and equipment

Figures in DKK	Leasehold and fittings, tools improvements	Other fixtures and equipment
Group:		
Cost as at 01.01.24	1,860,540	6,233,813
Additions during the year	349,394	4,222,973
Disposals during the year	0	-840,000
Cost as at 31.12.24	2,209,934	9,616,786
Depreciation and impairment losses as at 01.01.24	-382,034	-2,845,704
Depreciation during the year	-396,293	-1,411,315
Reversal of depreciation of and impairment losses on disposed assets	0	157,000
Depreciation and impairment losses as at 31.12.24	-778,327	-4,100,019
Carrying amount as at 31.12.24	1,431,607	5,516,767
Parent:		
Cost as at 01.01.24	1,860,540	5,658,187
Additions during the year	349,394	2,856,517
Disposals during the year	0	-840,000
Cost as at 31.12.24	2,209,934	7,674,704
Depreciation and impairment losses as at 01.01.24	-382,034	-2,843,333
Depreciation during the year	-396,293	-982,966
Reversal of depreciation of and impairment losses on disposed assets	0	157,000
Depreciation and impairment losses as at 31.12.24	-778,327	-3,669,299
Carrying amount as at 31.12.24	1,431,607	4,005,405
Carrying amount of assets held under finance leases as at 31.12.24	0	3,013,089

5. Equity investments in group enterprises

Figures in DKK	Equity invest- ments in group enterprises
Parent:	
Additions during the year	64,092
Cost as at 31.12.24	64,092
Impairment losses during the year	-64,084
Depreciation and impairment losses as at 31.12.24	-64,084
Carrying amount as at 31.12.24	8
Subsidiaries:	
Name and registered office:	Ownership interest
Clayton Power UK, UK	100%

6. Other non-current financial assets

Figures in DKK	Deposits
Group:	
Cost as at 01.01.24	856,771
Additions during the year	65,151
Cost as at 31.12.24	921,922
Carrying amount as at 31.12.24	921,922
Parent:	
Cost as at 01.01.24	856,771
Additions during the year	65,151
Cost as at 31.12.24	921,922
Carrying amount as at 31.12.24	921,922

	Group		Parent	
	31.12.24	31.12.23	31.12.24	31.12.23
	DKK	DKK	DKK	DKK

7. Prepayments

Prepaid rent	1,001,839	1,310,343	709,499	251,356
--------------	-----------	-----------	---------	---------

8. Share capital

The share capital consists of:

	Quantity	Total nominal value DKK
Share capital	750,000	750,000

9. Deferred tax

Deferred tax as at 01.01.24	403,214	791,829	403,214	791,829
Deferred tax recognised in the income statement	108,601	-388,615	108,601	-388,615
Deferred tax as at 31.12.24	511,815	403,214	511,815	403,214

10. Other provisions

Figures in DKK	Warranty commitments
Group:	
Provisions as at 01.01.24	710,000
Provisions during the year	264,300
Provisions as at 31.12.24	974,300
Parent:	
Provisions as at 01.01.24	710,000
Provisions during the year	264,300
Provisions as at 31.12.24	974,300

	31.12.24 DKK	31.12.23 DKK	31.12.24 DKK	31.12.23 DKK
Other provisions are expected to be distributed as follows:				
Non-current liabilities	764,700	344,300	764,700	344,300
Current liabilities	145,300	301,400	145,300	301,400
Total	910,000	645,700	910,000	645,700

11. Long-term payables

Figures in DKK	Repayment first year	Total payables at 31.12.24	Total payables at 31.12.23
Group:			
Payables to credit institutions	600,000	988,962	1,549,526
Lease commitments	847,866	2,886,861	2,472,821
Other payables	0	1,262,239	1,227,092
Deferred income	0	3,815,125	1,640,965
Total	1,447,866	8,953,187	6,890,404
Parent:			
Payables to credit institutions	600,000	988,962	1,549,526
Lease commitments	847,866	2,886,861	2,472,821
Other payables	0	1,262,239	1,227,092
Deferred income	0	3,815,125	1,640,965
Total	1,447,866	8,953,187	6,890,404

Deferred income primarily relates to development projects.

12. Contingent liabilities

Group:

Lease commitments

The group has concluded lease agreements with terms to maturity of 9-54 months and a total lease payment of DKK 1,012k .

The remaining rental agreement for the leasehold is irrevocable until 30th of June 2025, with a total commitment of DKK 1,177k.

Parent:

Lease commitments

The company has concluded lease agreements with terms to maturity of 9-54 months and a total lease payment of DKK 1,012k .

The remaining rental agreement for the leasehold is irrevocable until 30th of June 2025, with a total commitment of DKK 1,177k.

13. Charges and security

Group:

The group has provided a company charge of DKK 40.000k as security for debt to credit institutions. As at 31.12.24, the company charge comprises the following assets:

Goodwill, intellectual property rights, motor vehicles, other plant, fixtures and fittings, tools and equipment, inventories and agricultural stock, trade receivables and cash. The total carrying amount of the comprised assets is DKK 94.113k.

Parent:

The company has provided a company charge of DKK 40.000k as security for debt to credit institutions. As at 31.12.24, the company charge comprises the following assets:

Goodwill, intellectual property rights, motor vehicles, other plant, fixtures and fittings, tools and equipment, inventories and agricultural stock, trade receivables and cash. The total carrying amount of the comprised assets is DKK 94.113k.

14. Related parties

Related party transactions are not disclosed, as all transactions are entered into in the ordinary course of business at arms' length.

Remuneration for the management is specified in note 1. Staff costs.

15. Adjustments for the cash flow statement

Depreciation, amortisation and impairments losses of intangible assets and property, plant and equipment	2,578,138	1,833,723
Other operating expenses	183,000	0
Financial income	-769,930	-396,586
Financial expenses	2,540,132	2,629,438
Tax on profit or loss for the year	5,191,635	1,434,396
Other adjustments	-287,059	-63,760
Total	9,435,916	5,437,211

16. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act for medium-sized groups and enterprises in reporting class C with application of provisions for a higher reporting class.

The accounting policies of the parent have changed which is stated in the 'Change in accounting policies' section.

Change in accounting policies

Except for the areas mentioned above, the accounting policies have been applied consistently with the previous year.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements comprise the parent and its subsidiaries in which the parent directly or indirectly holds more than 50% of the voting rights or by way of agreements exercises control.

All financial statements used for consolidation are prepared in accordance with the accounting policies of the group.

16. Accounting policies - continued -

The consolidated financial statements consolidate the financial statements of the parent and its subsidiaries by adding together items of a uniform nature, eliminating intercompany income and expenditure, equity investments, intercompany balances and dividends as well as gains and losses resulting from transactions between the consolidated enterprises to the extent that the underlying assets and liabilities are not realised.

CURRENCY

The annual report is presented in Danish kroner (DKK).

On recognition of independent foreign entities, the income statements are translated at the exchange rates applicable at the transaction date or approximate average exchange rates. The balance sheet items are translated using the exchange rates applicable at the balance sheet date. Foreign currency translation adjustments arising from the translation of equity at the beginning of the year using the exchange rates applicable at the balance sheet date and from the translation of income statements from average exchange rates to the exchange rates applicable at the balance sheet date are recognised directly in equity under the foreign currency translation reserve.

Translation adjustments of intercompany balances with independent foreign entities, measured using the equity method and where the balance is considered to be part of the overall investment, are recognised directly in equity under the foreign currency translation reserve. On the divestment of foreign entities, accumulated exchange differences are recognised in the income statement.

LEASES

Leases relating to assets where the company has substantially all the risks and benefits incidental to the ownership of the asset (finance leases) are recognised in the balance sheet. On initial recognition, assets held under finance leases and related lease commitments are measured at the lower of the fair value of the leased asset and the present value of future lease payments. Subsequently, assets held under finance leases are treated like other similar assets.

Lease commitments relating to assets held under finance leases are recognised in the balance sheet as payables. Subsequent to initial recognition, lease commitments are measured at amortised cost according to which the interest element of the lease payment is recognised in the income statement over the lease term.

Lease payments relating to operating leases are recognised in the income statement on a straight-line basis over the lease term.

16. Accounting policies - continued -**INCOME STATEMENT****Gross profit**

Gross profit comprises revenue, other operating income and raw materials and consumables and other external expenses.

Revenue

Income from the sale of goods is recognised in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year and where the selling price can be determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Income from construction contracts involving the delivery of highly customised assets are recognised in the income statement as revenue according to the stage of completion. Accordingly, revenue corresponds to the selling price of work performed during the year (percentage of completion method).

Other operating income

Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including rental income, negative goodwill and gains on the sale of intangible assets and property, plant and equipment.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise raw materials and consumables used for the year as well as any changes in inventories, including any inventory wastage.

Write-downs of inventories of raw materials and consumables are also recognised under raw materials and consumables to the extent that these do not exceed normal write-downs.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

16. Accounting policies - continued -**Depreciation, amortisation and impairment losses**

The depreciation and amortisation of intangible assets and property, plant and equipment aim at systematic depreciation and amortisation over the expected useful lives of the assets. Assets are depreciated and amortised according to the straight-line method based on the following expected useful lives and residual values:

	Useful lives, years	Residual value DKK
Completed development projects	5	
Leasehold improvements	5	0
Other plant, fixtures and fittings, tools and equipment	3-5	0

The basis of depreciation and amortisation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation and amortisation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Intangible assets and property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

Other operating expenses

Other operating expenses comprise costs of a secondary nature in relation to the enterprise's activities, including costs relating to rental activities and losses on the sale of intangible assets and property, plant and equipment.

Impairment losses on financial assets

Impairment losses on financial assets comprise impairment of investments at a lower recoverable amount and write-downs of financial current assets at a lower net realisable value.

Other net financials

Interest income and interest expenses, the interest element of finance lease payments etc. are recognised in other net financials.

16. Accounting policies - continued -**Tax on profit/loss for the year**

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

BALANCE SHEET**Intangible assets***Completed development projects and development projects in progress*

Development projects are recognised in the balance sheet where the project aims at developing a specific product or a specific process, intended to be produced or used, respectively, by the company in its production process. On initial recognition, development projects are measured at cost. Cost comprises the purchase price plus expenses resulting directly from the purchase, including wages and salaries directly attributable to the development projects until the asset is ready for use. Interest on loans arranged to finance development projects in the development period is not included in the cost. Other development projects and development costs are recognised in the income statement in the year in which they are incurred.

Development projects in progress are transferred to completed development projects when the asset is ready for use.

Development projects are subsequently measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Completed development projects are amortised using the straight-line method based on useful lives, which are stated in the 'Depreciation, amortisation and impairment losses' section.

Gains or losses on the disposal of intangible assets

Gains or losses on the disposal of intangible assets are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal.

Property, plant and equipment

Property, plant and equipment comprise leasehold improvements as well as other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

16. Accounting policies - continued -

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation, amortisation and impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

Equity investments in group enterprises

Equity investments in subsidiaries are measured at cost less any impairment losses in the balance sheet of the parent. Transaction costs directly attributable to the acquisition are recognised in the cost of equity investments in the balance sheet of the parent, while transaction costs are recognised in the income statement in the consolidated financial statements.

Gains or losses on disposal of equity investments are determined as the difference between the disposal consideration and the carrying amount of net assets at the time of sale, including non-amortised goodwill, as well as the expected costs of divestment or discontinuation. Gains and losses are recognised in the income statement under income from equity investments.

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation and amortisation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

If dividends are distributed on equity investments in subsidiaries exceeding the year earnings from the enterprise in question, this is considered an indication of impairment.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

16. Accounting policies - continued -

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

Inventories

Inventories are measured at cost calculated according to the FIFO-method. Inventories are written down to the lower of cost and net realisable value.

The cost of raw materials and consumables as well as goods for resale is determined as purchase prices plus expenses resulting directly from the purchase.

The cost of manufactured finished goods and work in progress is determined as the value of direct material and labour costs. Interest on loans arranged to finance production is not included in the cost.

The net realisable value of inventories is determined as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and the expected development in the selling price.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Deposits recognised under assets comprise deposits paid to the lessor under leases entered into by the company.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

Cash

Cash includes operating cash.

16. Accounting policies - continued -**Equity**

The proposed dividend for the financial year is recognised as a separate item in equity.

Unrealised foreign currency gains and losses from the translation of the net investment in independent foreign entities are recognised in equity under the foreign currency translation reserve. The reserve is dissolved when the independent foreign entities are disposed of.

Provisions

Other provisions comprise expected expenses incidental to warranty commitments, restructuring etc. and are recognised when the company has a legal or constructive obligation at the balance sheet date and it is probable that such obligation will draw on the financial resources of the company. Provisions are measured at net realisable value or fair value if the provision is expected to be settled over the longer term.

Warranty commitments comprise the obligation to repair defective work within the warranty period of 1-5 years. Warranty commitments are measured at net realisable value and recognised based on previous years' experience with warranty work.

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities within the same tax jurisdiction or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates in the respective countries which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

16. Accounting policies - continued -**Payables**

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

Short-term financial payables are measured at amortised cost, normally corresponding to the nominal value of such payables. Other short-term payables are measured at net realisable value.

Deferred income

Deferred income under liabilities comprises payments received in respect of income in subsequent financial years.

CASH FLOW STATEMENT

The cash flow statement is prepared using the indirect method, showing cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities comprise the net profit or loss for the year, adjusted for non-cash operating items, income tax paid and changes in working capital.

Cash flows from investing activities comprise payments in connection with the acquisition and divestment of companies and financial assets as well as the purchase, development, improvement and sale of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the parent's share capital and associated costs and financing from and dividends paid to shareholders as well as the arrangement and repayment of long-term payables. Cash flows from financing activities also comprise finance lease payments.

Cash and cash equivalents at the beginning and end of the year comprise cash.

Referring to section 86(4) of the Danish Financial Statements Act a cash flow statement has not been prepared for the parent as the parent is included in the consolidated cash flow statement.