

Arkitektfirmaet Kjær & Richter A/S

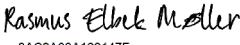
Mejlgade 7, 8000 Aarhus

CVR no. 25 12 81 41

Annual report 2024

Approved at the Company's annual general meeting on 5 February 2025

Chair of the meeting:

DocuSigned by:

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Rasmus Elbek Møller

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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 Arkitektfirmaet Kjær & Richter A/S for the financial year 1 January - 31 December 2024.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 January - 31 December 2024.

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

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

Aarhus, 5 February 2025
Executive Board:

Signed by:

9795EA79BF934C2
Peter Sand Christensen

Signed by:

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Ole Madsen

Board of Directors:

DocuSigned by:

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Karin Verland
Chair

Signed by:


9795EA79BF934C2
Peter Sand Christensen

Signed by:

84DC1BED8BC84BF
Frants Frank Nielsen

Signed by:

A0981076F8714EF
Ole Madsen

DocuSigned by:

FA66FB4739A040A
Ulrik Gregersen

Independent auditor's report

To the shareholder of Arkitektfirmaet Kjær & Richter A/S

Opinion

We have audited the financial statements of Arkitektfirmaet Kjær & Richter A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity 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 2024 and of the results of the Company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

- ▶ 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.

Copenhagen, 5 February 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Ste Becker
State Authorised Public Accountant
mne33732

Management's review

Company details

Name	Arkitektfirmaet Kjær & Richter A/S
Address, Postal code, City	Mejlgade 7, 8000 Aarhus
CVR no.	25 12 81 41
Established	3 January 2000
Registered office	Aarhus
Financial year	1 January - 31 December
Website	www.kjaerrichter.dk
Telephone	+45 86 13 06 33
Board of Directors	Karin Verland, Chair Peter Sand Christensen Frants Frank Nielsen Ole Madsen Ulrik Gregersen
Executive Board	Peter Sand Christensen Ole Madsen
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management commentary

Business review

As in previous years, the main activity of the Company has been architectural services, the services dates back to 1954.

Recognition and measurement uncertainties

The measurement of the Company's work in progress includes estimates of the completion stage. Especially for large projects, the actual realization can lead to significant positive or negative deviations compared to the accounted estimates.

Unusual matters having affected the financial statements

No unusual matters have occurred.

Financial review

The income statement for 2024 shows a profit of DKK 187 thousand against a profit of DKK 3,087 thousand last year, and the balance sheet at 31 December 2024 shows equity of DKK 10,622 thousand. Management considers the Company's financial performance in the year satisfactory.

Events after the balance sheet date

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

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2024	2023
	Gross profit	20,910	28,125
3	Staff costs	-21,808	-24,046
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-191	-186
	Profit/loss before net financials	-1,089	3,893
4	Financial income	38	38
5	Financial expenses	-16	-9
	Profit/loss before tax	-1,067	3,922
6	Tax for the year	1,254	-835
	Profit for the year	187	3,087
	Recommended appropriation of profit		
	Retained earnings	187	3,087
		187	3,087

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2024	2023
	ASSETS		
	Non-current assets		
7	Property, plant and equipment		
	Fixtures and fittings, other plant and equipment	69	195
		69	195
	Total non-current assets	69	195
	Current assets		
	Receivables		
	Trade receivables	7,402	7,535
8	Contract assets	11,320	15,212
	Receivables from group entities	1,269	0
	Joint tax receivables	0	156
	Other receivables	1,118	957
	Prepayments	894	325
		22,003	24,185
	Securities and investments	48	48
	Cash	7,421	10,102
	Total current assets	29,472	34,335
	TOTAL ASSETS	29,541	34,530

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2024	2023
	EQUITY AND LIABILITIES		
	Equity		
9	Share capital	750	750
	Retained earnings	9,872	9,685
	Total equity	<u>10,622</u>	<u>10,435</u>
	Liabilities		
	Non-current liabilities		
10	Deferred tax	10,981	11,894
	Freeze liability	3,180	3,054
	Total non-current liabilities	<u>14,161</u>	<u>14,948</u>
	Current liabilities		
8	Contract liabilities	7	5,607
	Trade payables	3,136	606
	Payables to group entities	38	388
	Other payables	1,577	2,546
	Total current liabilities	<u>4,758</u>	<u>9,147</u>
	Total liabilities	<u>18,919</u>	<u>24,095</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>29,541</u></u>	<u><u>34,530</u></u>

- 1 Accounting policies
- 2 Events after the balance sheet date
- 11 Contractual obligations and contingencies, etc.
- 12 Related parties

Financial statements 1 January - 31 December**Statement of changes in equity**

DKK'000	Share capital	Retained earnings	Total
Equity at 1 January 2023	750	6,598	7,348
Transfer through appropriation of profit	0	3,087	3,087
Equity at 1 January 2024	750	9,685	10,435
Transfer through appropriation of profit	0	187	187
Equity at 31 December 2024	750	9,872	10,622

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Arkitektfirmaet Kjær & Richter A/S for 2024 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to 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 presented in Danish kroner (DKK'000).

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 recognised 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 recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Non-current assets acquired in foreign currency are measured at the exchange rate at the transaction date.

Income statement

Revenue

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

Income from the sale of goods for resale and finished goods, including sales of semi-manufactured goods to the wood industry and trade in wood, is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2020.

To the extent that customers are offered a right of return in connection with the sale, revenue on goods sold is recognised less the fair value of the expected returns computed on the basis of the Company's experience with returns. In case where the company has no experience from similar transactions, no revenue is recognised until the return period has expired.

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

Income from the rendering of services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year (percentage-of-completion method).

Income from construction contracts involving a high degree of customisation is recognised as revenue by reference to the stage of completion. Accordingly, revenue corresponds to the market value of the contract work performed during the year (percentage-of-completion method). This method is used where the total income and expenses and the degree of completion of the contract can be measured reliably.

Where income from a construction contract cannot be estimated reliably, contract revenue corresponding to the expenses incurred is recognised only in so far as it is probable that such expenses will be recoverable from the counterparty.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, declared dividends from other securities and investments, financial expenses relating to finance leases, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

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 Company and its Danish group entities are jointly taxed. 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.

Balance sheet

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.

The cost of self constructed assets includes the cost of direct materials and labour, etc. directly used in the production process and a portion of the relating production overheads.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets and any residual value. The expected useful lives are as follows:

Fixtures and fittings, tools and equipment 3-5 years

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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 recognised 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.

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of future lease payments. In calculating the present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently accounted for as the Company's other assets.

The capitalised residual lease commitment is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

All other leases are considered operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The Company's total liabilities relating to operating leases and other leases are disclosed under contingencies, etc.

Impairment of non-current assets

The carrying amount of property, plant and equipment 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 recognised impairment losses are reversed when the reason for recognition no longer exists.

Receivables

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

Receivables are measured at amortised cost.

An impairment loss is recognised 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 recognised on an individual basis.

Contract assets

Service supplies and contract work in progress for third parties are measured at the market value of the work performed less progress billings. The market value is calculated based on the stage of completion at the balance sheet date and the total expected income from the relevant contract. The stage of completion is calculated based on the expenses incurred relative to the expected total expenses relating to the relevant contract.

Where the outcome of contract work in progress cannot be estimated reliably, the market value is measured at the expenses incurred in so far as they are expected to be paid by the purchaser.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Where the total expenses relating to the work in progress are expected to exceed the total market value, the expected loss is recognised as a loss-making agreement under "Provisions" and is expensed in the income statement.

The value of work in progress less progress billings is classified as assets when the selling price exceeds progress billings and as liabilities when progress billings exceed the market value.

Prepayments

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

Securities and investments

Securities and investments consisting in listed shares and bonds are measured at fair value (market price) at the balance sheet date. Investments not admitted to trading on an active market are measured at cost.

Cash

Cash comprise cash that are not subject to any restrictions.

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Provisions

Provisions are recognised 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 realisable value or at fair value if the obligation is expected to be settled far into the future.

Corporation tax and deferred tax

Current tax payables and receivables are recognised 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 recognised 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 crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; 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 recognised in the income statement.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Fair value

The fair value measurement is based on the principal market. If no principal market exists, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability less transaction and/or transport costs.

All assets and liabilities which are measured at fair value, or whose fair value is disclosed, are classified based on the fair value hierarchy, see below:

Level 1: Value in an active market for similar assets/liabilities

Level 2: Value based on recognised valuation methods on the basis of observable market information

Level 3: Value based on recognised valuation methods and reasonable estimates (non-observable market information).

If a reliable fair value cannot be stated according to the above levels, the asset or liability is measured at cost.

2 Events after the balance sheet date

Management does not consider that significant events have occurred after the end of the financial year that could materially affect the Company's financial situation in a negative direction.

Financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	2024	2023
3 Staff costs		
Wages/salaries	19,597	21,675
Pensions	2,052	2,166
Other social security costs	159	205
	21,808	24,046
 Average number of full-time employees	 34	 44
 4 Financial income		
Other financial income	38	38
	38	38
 5 Financial expenses		
Other financial expenses	16	9
	16	9
 6 Tax for the year		
Estimated tax charge for the year	0	-155
Deferred tax adjustments in the year	-913	990
Tax adjustments, prior years	-341	0
	-1,254	835
 7 Property, plant and equipment		Fixtures and fittings, other plant and equipment
 DKK'000		
Cost at 1 January 2024		3,452
Additions		65
Cost at 31 December 2024		3,517
Impairment losses and depreciation at 1 January 2024		3,257
Depreciation		191
Impairment losses and depreciation at 31 December 2024		3,448
Carrying amount at 31 December 2024		69

Financial statements 1 January - 31 December**Notes to the financial statements**

DKK'000	2024	2023
8 Contract assets		
Selling price of work performed	168,177	168,071
Payments received on account	-156,864	-158,466
	11,313	9,605
recognised as follows:		
Contract assets (assets)	11,320	15,212
Contract assets (liabilities)	-7	-5,607
	11,313	9,605
9 Share capital		
The Company's share capital has remained DKK 750 thousand in the past year.		
10 Deferred tax		
Deferred tax at 1 January	11,894	10,904
Deferred tax adjustment for the year	-913	990
Deferred tax at 31 December	10,981	11,894

Deferred tax comprises contract work in progress, inventories, property, plant and equipment and carried forward of losses expected to be utilised the coming years.

11 Contractual obligations and contingencies, etc.

The Company's entities have entered into operating leases with an average annual lease payment of DKK 2.1 million (2023: DKK 2.1 million) and a remaining term of minimum 12 months. The remaining nominal lease commitment totals DKK 2.1 million (2023: DKK 2.1 million), including minimum indexation.

Financial statements 1 January - 31 December**Notes to the financial statements****12 Related parties**

Arkitektfirmaet Kjær & Richter A/S' related parties comprise the following:

Parties exercising control

<u>Related party</u>	<u>Domicile</u>	<u>Basis for control</u>
K&R Holding ApS	Sundkaj 153, 1, tv, 2150 Nordhavn	Participating interest

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>
Laurie Acquisition ApS	Sundkaj 153, 1, tv, 2150 Nordhavn

Related party transactions

Arkitektfirmaet Kjær & Richter A/S was engaged in the below related party transactions:

<u>DKK'000</u>	<u>2024</u>	<u>2023</u>
Sales to group entities	4,870	0
Purchases from group entities	259	0
Joint taxation contribution receivable	0	156
Payables to group entities	38	388

No other transactions were carried out with the current shareholders during the year.