



KYOCERA UNIMERCO Fastening A/S

Drejervej 2, 7451 Sunds, Denmark
Company reg. no. 31 59 90 32

Annual Report for the period
1 April 2024 - 31 March 2025

Approved at the General Meeting Monday 30 June 2025:

Chairman: _____
Ralf Strikers

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MANAGEMENT STATEMENT

The Board of Directors and the Management have today considered and adopted the Annual Report of KYOCERA UNIMERCO Fastening A/S for 2024/25.

The Annual Report has been prepared in accordance with the Danish Financial Statements Act.

We consider the accounting policies applied appropriate, and thus the Annual Report provides a true and fair view of the company's assets, liabilities and financial position as of 31 March 2025, and of the results of the company's activities for the period 2024/25.

We are also of the opinion that the Management's report provides a true and fair account of the development in the company's activities and financial conditions, profit for the year and the company's financial position.

We recommend the Annual Report for adoption at the General Meeting.

Sunds, 30 June 2025

Management:

Steven Raedts
President

Board of Directors:

Ralf Strikers
(Chairman)

Clifford Mentrup

Steven Raedts

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of KYOCERA UNIMERCO Fastening A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 March 2025, and of the results of the Company's operations for the financial year 1 April 2024 - 31 March 2025 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of KYOCERA UNIMERCO Fastening A/S for the financial year 1 April 2024 - 31 March 2025, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

INDEPENDENT AUDITOR'S REPORT

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

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

Herning, 30 June 2025
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Poul Spencer Poulsen
State Authorised Public Accountant
mne23324

Hans Jørgen Andersen
State Authorised Public Accountant
mne30211

COMPANY DETAILS

KYOCERA UNIMERCO Fastening A/S
Drejervej 2
DK-7451 Sunds

Telephone : +45 89 87 80 10
Website : www.tjep.eu
E-mail : tjep@kyocera-fastening.com
Reg. office : Sunds

Company reg. no. 31 59 90 32

Ownership structure

The company is 100 % owned by:

KYOCERA Fastening Solutions EMEA B.V.
Pascallaan 88
8218NJ Lelystad
Holland

Company reg. no. 66 73 98 02

Board of Directors

Ralf Strikers (Chairman)
Clifford Mentrup
Steven Raedts

Management

Steven Raedts, President

Financial year

1 April 2024 - 31 March 2025

Auditors

PricewaterhouseCoopers

Bankers

Danske Bank

Lawyers

DLA Piper, Aarhus

General Meeting

The company's General Meeting will be held in the company's office Monday 30 June 2025.

KEY FIGURES

DKK '000	2020/21	2021/22	2022/23	2023/24	2024/25
Gross profit	95.714	114.343	111.957	98.744	109.147
Operating profit	48.612	56.841	50.338	44.477	49.140
Financial items	435	-2.286	-2.149	2.406	1.261
Net profit	38.254	42.555	37.586	36.564	39.303
Fixed assets	820	1.606	1.349	1.024	729
Current assets	193.432	200.832	231.307	158.729	160.812
Total assets	194.252	202.438	232.656	159.753	161.541
Share capital	10.000	10.000	10.000	10.000	10.000
Equity	157.614	160.168	197.754	129.318	128.621
Current liabilities	36.639	42.269	34.902	30.435	32.920
Average no. of employees	54	56	60	57	56
Investments in tangible fixed assets	238	1.331	226	270	72
Return on invested capital p.a.	37,1	38,9	29,6	28,2	42,4
Return on equity p.a.	27,6	26,8	21,0	22,4	30,5
Equity ratio	81,1	79,1	85,0	80,9	79,6

For definitions of financial ratios a reference is made to "Financial ratios" under accounting policies.

MANAGEMENT'S REPORT

Core activities

KYOCERA UNIMERCO Fastening A/S is a leading supplier of fastening tools and fasteners. The product range comprises nailers, finish nailers and staplers as well as a wide range of related fasteners. In addition, the product range includes re-bar binders and wire, T-nut insertion solutions as well as compressors and accessories.

Development this financial year

This year's earnings before tax amounted to DKK 50,4 million, which is an increase of 7,5% compared to the previous year. The earnings before tax are above our expectations for the year and thus, considered satisfactory.

Last years expectations to this year's result were in the range of DKK 35,0 to DKK 45,0 million. The reason for the improvement was primarily better sales growth compared to last year's expectations. □

Expectations for the coming year

Next year, we expect earnings before tax to be within the range DKK 40,0 million to DKK 50,0 million.

Events after the balance sheet date

On April 1, 2025, KYOCERA Unimerco A/S transferred its shares in KYOCERA UNIMERCO Fastening A/S to KYOCERA SENCO EMEA B.V., which is a holding company in The Netherlands consolidating KYOCERA's fastening business in Europe. Under the new name KYOCERA Fastening Solutions EMEA, the UNIMERCO/TJEP business and the SENCO/Expandet business will be brought together. As a consequence of this restructuring, the board of directors of KYOCERA UNIMERCO Fastening A/S changed as of April 1st, 2025.

Apart from this, there have been no material events after the balance sheet date.

Equity and liquidity

Net profit for the year increased equity by DKK 39,3 million, while dividend payment reduced equity by DKK 40,0 million. Thereby equity amounts to DKK 128,6 million as per end of the year. Liquidity increased from DKK 20,0 million to DKK 27,4 million.

Risks

We purchase a significant part of our goods in foreign currency and therefore currency fluctuations can impact our purchase prices. During the financial year we have experienced increasing purchase prices and significant fluctuations in landing costs. We continuously evaluate the need to implement countermeasures to mitigate these risks.

Product development

In order to maintain and strengthen the position as an innovative supplier in this business segment, focus on sourcing and product development will be even stronger in the years to come. The product range will be continuously expanded with related new products in order to ensure the company's ability to offer a complete product range within the fastening segment. Investigations regarding new products for new segments are also part of the scope for the coming period.

Environment and quality

The company has retained and passed its ISO 14001 certification. All relevant regulations are adhered to in a systematic approval process of new products. In relation to suppliers, all relevant regulations, e.g. CE, WEEE, REACH and ROHS, are compulsory for the cooperation.

ACCOUNTING POLICIES

Basic principles

The Annual Report for KYOCERA UNIMERCO Fastening A/S for 2024/25 is presented in accordance with the requirements of the Danish Financial Statements Act for class C companies (medium-sized).

The accounting policies applied in this Annual Report are unchanged from last year.

The Annual Report is presented in T.DKK.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of Kyocera Corporation, the Company has not prepared a cash flow statement.

In general

Income is recognised in the income statement when earned – this includes recognition of value adjustments of financial assets and liabilities which are measured at fair value or amortised cost. Furthermore, all costs incurred to achieve the profit for the year – including depreciation, write-downs and provisions – are recognised in the income statement along with reversal of amounts, which have previously been recognised in the income statement due to changes in accounting estimates.

Assets are recognised in the balance sheet when it is probable that future economic benefits will accrue to the company and the value of the assets can be measured reliably.

Liabilities are recognised in the balance sheet when they are probable and when they can be measured reliably.

Initial recognition of assets and liabilities is done at cost price. Subsequently, assets and liabilities are measured as described below for each item.

Certain financial assets and liabilities are measured at amortised cost price, which means a constant true interest is recognised. Amortised cost is calculated as initial cost less any instalments and addition/deduction of the accumulated amortisation of the difference between cost and nominal value. Consequently, the capital gains and losses are allocated over the expected useful lives.

When recognising and measuring, allowance is made for any profits, losses and risks that become known before the financial statements are presented and which confirm or deny conditions, which existed on the balance sheet date.

Translation of foreign currency

Transactions in foreign currency during the year have been booked during the year at the exchange rate effective on the date of transaction. Exchange differences arising from the difference between the exchange rate on the transaction date and the exchange rate prevailing at the balance sheet date are recognised in the income statement.

Receivables, payables and other monetary items in foreign currency, which have not been settled on the balance sheet date, are translated using the closing rate. The difference between the exchange rate of the balance sheet date and the exchange rate when the receivable or debt was incurred or recognised in the latest annual report is recognised in the income statement under financial items.

Non-current assets purchased in foreign currency are translated using the rate of exchange on the date of transaction.

ACCOUNTING POLICIES

Income statement:

Gross profit

The company has decided to only present the gross profit, cf. the Danish Financial Statements Act section 32. Key figures and notes have been adapted accordingly.

The gross profit consists of net revenue and expenses for raw materials and consumables.

The revenue related to goods for resale and repair service is recognised in the income statement provided that delivery and passing of the risk have taken place before the end of the financial year, and provided that the income can be stated reliably and is expected to be received. Revenue is recognised ex VAT, taxes and discounts related to sales.

Expenses for raw materials and consumables comprise cost of sales and costs incurred to achieve the revenue for the year, including depreciation and wages/salaries.

Distribution expenses

Distribution expenses comprise expenses regarding sales and distribution personnel, market development costs, other sales promotion costs, costs related to sales risks, etc., including depreciation.

Administrative expenses

Administrative expenses comprise expenses regarding administrative staff, management and office expenses, etc., including depreciation. Administrative expenses also comprise other overheads regarding IT, including technical IT, human resource development, training and education and the company canteen.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the core activities of the company.

Financial income and expenses

Financial income and expenses include interest income and expenses, exchange gains and losses on securities and amortisation of financial assets and liabilities.

Tax on profit for the year

Expected tax on the year's taxable income is recognised as an expense in the income statement along with the year's adjustment of provisions for deferred tax.

The company is jointly taxed with KYOCERA UNIMERCO A/S. Corporation tax and deferred tax are provided for in the company without consideration of the joint taxation. The remaining tax is provided for in the parent company.

Balance sheet:

Intangible fixed assets

Acquired rights

Depreciation of investments in software purchased to improve and streamline routines, processes, etc., is amortised on a straight-line basis over a period of 5 years. Software upgrades and updates are written off immediately.

Tangible fixed assets

Plant and equipment are measured at acquisition cost less accumulated depreciation.

Plant and machinery as well as vehicles, fixtures, fittings, tools and equipment are depreciated over 5 years using the straight-line method.

ACCOUNTING POLICIES

Decrease in value of assets

The accounting values of tangible as well as intangible fixed assets are calculated annually for indications of decrease in value beyond that which is expressed by depreciation. If there are indications of decrease in value, impairment tests are made of each individual asset or group of assets. The assets are written down to recoverable amount if this is lower than the accounting value.

Inventories

Inventories are recognised at cost price, using the FIFO method or net realisation value, if lower.

The cost of goods for resale comprises the purchase price plus delivery costs.

Receivables

Receivables are measured at amortised cost. Anticipated uncollectibles are written down.

Prepayments

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

Equity – dividend

Proposed dividend is recognised as a liability in the accounts when approved at the annual general meeting (the time of announcement). The expected dividend is shown as a separate item under equity.

Deferred tax and corporation tax

Provision for deferred tax is calculated according to the debt method on the basis of all temporary differences between the tax and accounting values of assets and liabilities. Deferred tax is measured on the basis of the planned use of the asset as well as the planned settlement of the obligation.

Deferred tax is measured on the basis of the tax rules and tax rates in force when the deferred tax is expected to become current tax, based on the legislation which applies on the balance sheet date. Changes to deferred tax based on changed tax rates are recognised in the income statement.

Corporation tax is the tax expected to be liable on the year's taxable earnings calculated in accordance with the tax law, less tax on account.

Liabilities

Other liabilities, comprising trade payables and other payables, are measured at amortised cost, which essentially equals the nominal value.

Cash flow statement:

With reference to section 86, subsection 4 of the Danish Financial Statements Act, no cash flow statement has been included in the annual report, because this is covered by the cash flow statement for the Group in the annual report for Kyocera Unimerco A/S.

Financial ratios:

Financial ratios have been prepared in accordance with the 2010 guidelines of the Danish Society of Financial Analysts concerning the calculation of financial ratios.

The financial ratios mentioned in the section "Key figures" have been calculated as follows:

Return on invested capital	$\frac{\text{Operating profit} \times 100}{\text{Average invested capital}}$
Return on equity	$\frac{\text{Net profit} \times 100}{\text{Average equity}}$
Equity ratio	$\frac{\text{Equity (end of period)} \times 100}{\text{Liabilities, total (end of period)}}$

INCOME STATEMENT FOR THE PERIOD 1 APRIL 2024 - 31 MARCH 2025

DKK '000	Note	KYOCERA UNIMERCO Fastening A/S	
		2024/25	2023/24
Gross profit		109.147	98.744
Distribution expenses	1	-45.007	-45.086
Administrative expenses	1	-15.006	-12.432
Other operating income		6	3.369
Other operating expenses		0	-118
Operating profit		49.140	44.477
Financial income	2	1.381	2.673
Financial expenses		-121	-267
Earnings before tax		50.400	46.883
Tax on profit for the year	3	-11.097	-10.319
Net profit		39.303	36.564

BALANCE SHEET AS OF 31 MARCH 2025

		KYOCERA UNIMERCO Fastening A/S	
DKK '000	<u>Note</u>	<u>31/03/2025</u>	<u>31/03/2024</u>
<u>ASSETS</u>			
Acquired rights		3	9
Intangible fixed assets	4	3	9
Other fixtures, tools and equipment		726	1.015
Tangible fixed assets	5	726	1.015
FIXED ASSETS		729	1.024
Goods for resale		74.614	73.412
Prepayments for goods		0	8.841
Inventories		74.614	82.253
Trade receivables		49.878	37.690
Receivables from group enterprises		6.832	17.260
Deferred tax assets	6	56	49
Other receivables		564	13
Prepayments		1.434	1.421
Receivables		58.764	56.433
Cash at bank and in hand		27.434	20.043
CURRENT ASSETS		160.812	158.729
ASSETS TOTAL		161.541	159.753

BALANCE SHEET AS OF 31 MARCH 2025

DKK '000	Note	KYOCERA UNIMERCO Fastening A/S	
		31/03/2025	31/03/2024
<u>LIABILITIES</u>			
Share capital		10.000	10.000
Retained earnings		118.621	119.318
Proposed dividend		0	0
EQUITY	7	<u>128.621</u>	<u>129.318</u>
Trade payables		5.982	8.543
Payables to group enterprises		1.813	1.949
Corporation tax, joint taxation		11.104	10.349
Other payables		<u>14.021</u>	<u>9.594</u>
Current liabilities		<u>32.920</u>	<u>30.435</u>
LIABILITIES		<u>32.920</u>	<u>30.435</u>
LIABILITIES TOTAL		<u>161.541</u>	<u>159.753</u>
Contingent liabilities and other financial obligations	8		
Related parties	9		

STATEMENT OF CHANGES IN EQUITY

DKK '000	<u>Share capital</u>	<u>Retained profit</u>	<u>Proposed dividend</u>	<u>Total</u>
Equity at 1 April 2023	10.000	157.754	30.000	197.754
Dividend paid	0	0	-30.000	-30.000
Extraordinary dividend	0	-75.000	0	-75.000
Net profit for the year	<u>0</u>	<u>36.564</u>	<u>0</u>	<u>36.564</u>
Equity at 31 March 2024	10.000	119.318	0	129.318
Extraordinary dividend	0	-40.000	0	-40.000
Net profit for the year	<u>0</u>	<u>39.303</u>	<u>0</u>	<u>39.303</u>
Equity at 31 March 2025	<u>10.000</u>	<u>118.621</u>	<u>0</u>	<u>128.621</u>

The share capital of the company is DKK 10.000 thousand divided into shares of DKK 1.000 or multiples thereof.

NOTES

KYOCERA UNIMERCO Fastening A/S

DKK '000	<u>2024/25</u>	<u>2023/24</u>
1 <u>Staff</u>		
Wages and salaries	37.902	32.397
Pensions	2.846	2.396
Other social security expenses	456	432
	<u>41.204</u>	<u>35.225</u>
Of this, consideration of Management and the Board of Directors amounts to:		
Management	4.249	1.814
Board of Directors	0	0
	<u>4.249</u>	<u>1.814</u>
Average number of employees	<u>56</u>	<u>57</u>
2 <u>Financial income</u>		
Interest received from group enterprises	702	1.976
Other financial income	679	698
	<u>1.381</u>	<u>2.673</u>
3 <u>Tax on profit for the year</u>		
Current tax for the year	11.104	10.349
Change in deferred tax for the year	-7	-30
	<u>11.097</u>	<u>10.319</u>
Tax on profit for the year can be specified as:		
Tax on profit for the year	11.088	10.314
Tax effect of:		
Non-deductible expenses	9	5
	<u>11.097</u>	<u>10.319</u>

NOTES

4 Intangible fixed assets

DKK '000	<u>Acquired rights</u>
Cost at 1 April 2024	<u>160</u>
Cost at 31 March 2025	<u>160</u>
Amortisation at 1 April 2024	151
Amortisation for the year	<u>6</u>
Amortisation at 31 March 2025	<u>157</u>
Carrying amount at 31 March 2025	<u>3</u>
Carrying amount at 31 March 2024	<u>9</u>

5 Tangible fixed assets

DKK '000	<u>Other fixtures, tools and equipment</u>
Cost at 1 April 2024	4.590
Additions for the year	72
Disposals for the year	-75
Cost at 31 March 2025	<u>4.587</u>
Depreciation at 1 April 2024	3.576
Depreciation for the year	361
Reversal of depreciation of sold assets	<u>-75</u>
Depreciation at 31 March 2025	<u>3.861</u>
Carrying amount at 31 March 2025	<u>726</u>
Carrying amount at 31 March 2024	<u>1.015</u>

NOTES

KYOCERA UNIMERCO Fastening A/S

6 <u>Deferred tax assets</u>	<u>2024/25</u>	<u>2023/24</u>
Deferred tax assets at 1 April 2024	49	20
Changes of the year	<u>7</u>	<u>29</u>
Carrying amount at 31 March 2025	<u>56</u>	<u>49</u>
The deferred tax assets relate to:		
Fixed assets	<u>56</u>	<u>49</u>
Carrying amount at 31 March 2025	<u>56</u>	<u>49</u>
The recognised tax assets relate to fixed assets and provisions and are expected to be utilised in future income. The Company expects to realise income in the coming years.		
7 <u>Proposed distribution of profit</u>		
Extraordinary dividend for the year	40.000	75.000
Retained earnings	<u>-697</u>	<u>-38.436</u>
	<u>39.303</u>	<u>36.564</u>

8 Contingent liabilities and other financial obligations

Rental and lease commitments

The company has entered into operational lease commitments totalling DKK 824,- thousand, payable within the coming year. The lease commitments amount to a total of DKK 2.003,- thousand.

Furthermore, the company has entered into tenancy agreements to rent warehouse facilities.

The commitment amounts to DKK 864,- thousand.

Contingent liabilities

The Danish companies of the group 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 KYOCERA UNIMERCO A/S, which is the management company for joint taxation purposes. Moreover, the Danish companies of the group 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.

9 Related parties

Transactions

The company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98c (7) of the Danish Financial Statements Act.

Consolidated annual report

The company is included in the consolidated annual report for the ultimate parent company Kyocera Corporation, Kyoto, Japan

The consolidated annual report for Kyocera Corporation, Kyoto, Japan, can be obtained on the following address:

Kyocera Corporation, 6 Takeda Tobadono-cho, Fushimi-ku, Kyoto 612-8501, Japan.