



JENS-CHR. MØLLER HOLDING ApS

Springbankevej 14
7323 Give
CVR No. 30529707

Annual report 2024

The Annual General Meeting adopted the
annual report on 07.05.2025

Jens-Christian Møller
Chairman of the General Meeting

Contents

Entity details	2
Statement by Management on the annual report	3
Independent auditor's report	4
Management commentary	7
Consolidated income statement for 2024	9
Consolidated balance sheet at 31.12.2024	10
Consolidated statement of changes in equity for 2024	12
Consolidated cash flow statement for 2024	13
Notes to consolidated financial statements	14
Parent income statement for 2024	19
Parent balance sheet at 31.12.2024	20
Parent statement of changes in equity for 2024	22
Notes to parent financial statements	23
Accounting policies	24

Entity details

Entity

JENS-CHR. MØLLER HOLDING ApS
Springbankevej 14
7323 Give

Business Registration No.: 30529707
Registered office: Vejle
Financial year: 01.01.2024 - 31.12.2024

Executive Board

Jens-Christian Møller

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Papirfabrikken 26
8600 Silkeborg

Statement by Management on the annual report

The Executive Board has today considered and approved the annual report of JENS-CHR. MØLLER HOLDING ApS for the financial year 01.01.2024 - 31.12.2024.

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

In my opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2024 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2024 - 31.12.2024.

I believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

I recommend the annual report for adoption at the Annual General Meeting.

Give, 07.05.2025

Executive Board

Jens-Christian Møller

Independent auditor's report

To the shareholders of JENS-CHR. MØLLER HOLDING ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of JENS-CHR. MØLLER HOLDING ApS for the financial year 01.01.2024 - 31.12.2024, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2024 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2024 - 31.12.2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in

Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and parent 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 consolidated financial statements and the parent 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the parent 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent 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 forming an opinion on the consolidated financial statements and the parent 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 commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Silkeborg, 07.05.2025

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Peter Mølkjær

State Authorised Public Accountant
Identification No (MNE) mne24821

Management commentary

Financial highlights

	2024	2023
	DKK'000	DKK'000
Key figures		
Gross profit/loss	119,328	92,468
Operating profit/loss	18,078	13,100
Net financials	6	(629)
Profit/loss for the year	13,644	9,532
Profit for the year excl. minority interests	9,567	6,673
Balance sheet total	63,581	57,299
Investments in property, plant and equipment	2,344	345
Equity	34,967	25,689
Equity excl. minority interests	25,655	18,954
Cash flows from operating activities	12,870	10,024
Cash flows from investing activities	(2,192)	(821)
Cash flows from financing activities	(4,216)	(6,765)
Ratios		
Return on equity (%)	42.89	70.41
Equity ratio (%)	40.35	33.08

As 2024 is the first year with a consolidated report, and in accordance with Danish Financial Statements ACT § 128, stk 4, there is only key figures for this year and last year.

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Return on equity (%):

$\frac{\text{Profit/loss for the year excl. minority interests} * 100}{\text{Average equity excl. minority interests}}$

Equity ratio (%):

$\frac{\text{Equity excl. minority interests} * 100}{\text{Balance sheet total}}$

Primary activities

The Company Group's mission is to execute IT, Electrical & Mechanical - Services, Installation, Commissioning & Maintenance.

Development in activities and finances

The group has realized a profit for 2024 of 13.6 million DKK, which is better than last year and has forced a change in accounting class - tricked by the growth of number of employees in the company group, as the Eryk Group is now a class C (medium) enterprise by Danish GAAP standards.

Due to the change in accounting class, this is the first year where group reporting is mandatory.

Profit/loss for the year in relation to expected developments

This year's profit of 13.6 million DKK, is within budgeting and expectations.

Unusual circumstances affecting recognition and measurement

There haven't been any unusual circumstances that effect recognition or measurement.

Outlook

In 2025 the group expects a result in the range of 8 to 15 million DKK.

Use of financial instruments

The group uses financial instruments relating to currency, to secure a favorable exchange of currency, between DKK, EUR and PLN.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Consolidated income statement for 2024

	Notes	2024 DKK	2023 DKK
Gross profit/loss		119,327,812	92,468,018
Staff costs	1	(99,559,635)	(77,503,615)
Depreciation, amortisation and impairment losses		(1,164,337)	(1,030,703)
Other operating expenses		(525,924)	(833,209)
Operating profit/loss		18,077,916	13,100,491
Other financial income		617,641	418,013
Other financial expenses		(612,106)	(1,047,018)
Profit/loss before tax		18,083,451	12,471,486
Tax on profit/loss for the year	2	(4,439,648)	(2,939,545)
Profit/loss for the year	3	13,643,803	9,531,941

Consolidated balance sheet at 31.12.2024

Assets

	Notes	2024 DKK	2023 DKK
Acquired rights		34,270	84,136
Intangible assets	4	34,270	84,136
Land and buildings		99,482	100,316
Plant and machinery		519,776	526,347
Other fixtures and fittings, tools and equipment		3,284,872	2,034,512
Leasehold improvements		482,782	559,809
Property, plant and equipment in progress		135,697	0
Prepayments for property, plant and equipment		0	63,382
Property, plant and equipment	5	4,522,609	3,284,366
Fixed assets		4,556,879	3,368,502
Prepayments for goods		0	1,205
Inventories		0	1,205
Trade receivables		18,562,051	18,946,172
Contract work in progress	6	237,529	234,438
Deferred tax	7	921,599	835,411
Other receivables		2,635,328	3,604,845
Prepayments	8	2,203,004	2,305,570
Receivables		24,559,511	25,926,436
Cash		34,464,492	28,003,339
Current assets		59,024,003	53,930,980
Assets		63,580,882	57,299,482

Equity and liabilities

	Notes	2024 DKK	2023 DKK
Contributed capital		125,000	125,000
Reserve for fair value adjustments of hedging instruments		130,260	0
Retained earnings		25,400,200	15,828,573
Proposed dividend for the financial year		0	3,000,000
Equity belonging to Parent's shareholders		25,655,460	18,953,573
Equity belonging to minority interests		9,311,801	6,735,287
Equity		34,967,261	25,688,860
Other payables		1,835,747	1,845,393
Non-current liabilities other than provisions	9	1,835,747	1,845,393
Bank loans		4,552	11,108
Contract work in progress	6	2,051,389	0
Trade payables		1,654,757	6,106,647
Payables to group enterprises		0	1,450,421
Tax payable		354,749	1,027,501
Other payables		22,712,427	21,169,552
Current liabilities other than provisions		26,777,874	29,765,229
Liabilities other than provisions		28,613,621	31,610,622
Equity and liabilities		63,580,882	57,299,482
Financial instruments	11		
Unrecognised rental and lease commitments	12		
Assets charged and collateral	13		
Non-arm's length related party transactions	14		
Subsidiaries	15		

Consolidated statement of changes in equity for 2024

	Contributed capital DKK	Reserve for fair value adjustments of hedging instruments DKK	Retained earnings DKK	Proposed dividend for the financial year DKK	Equity belonging to Parent's shareholders DKK
Equity beginning of year	125,000	0	15,828,573	3,000,000	18,953,573
Ordinary dividend paid	0	0	0	(3,000,000)	(3,000,000)
Exchange rate adjustments	0	0	(250,247)	0	(250,247)
Fair value adjustments of hedging instruments	0	130,260	0	0	130,260
Value adjustments	0	0	254,603	0	254,603
Profit/loss for the year	0	0	9,567,271	0	9,567,271
Equity end of year	125,000	130,260	25,400,200	0	25,655,460

	Equity belonging to minority interests DKK	Total DKK
Equity beginning of year	6,735,287	25,688,860
Ordinary dividend paid	(1,200,000)	(4,200,000)
Exchange rate adjustments	0	(250,247)
Fair value adjustments of hedging instruments	0	130,260
Value adjustments	(300,018)	(45,415)
Profit/loss for the year	4,076,532	13,643,803
Equity end of year	9,311,801	34,967,261

Consolidated cash flow statement for 2024

	Notes	2024 DKK	2023 DKK
Operating profit/loss		18,077,916	13,100,491
Amortisation, depreciation and impairment losses		1,162,799	1,030,703
Working capital changes	10	(1,145,906)	(1,370,365)
Cash flow from ordinary operating activities		18,094,809	12,760,829
Financial income received		617,641	418,013
Financial expenses paid		(612,107)	(1,047,016)
Taxes refunded/(paid)		(5,230,587)	(2,107,391)
Cash flows from operating activities		12,869,756	10,024,435
Acquisition etc. of property, plant and equipment		(2,344,472)	(973,145)
Sale of property, plant and equipment		152,071	152,387
Cash flows from investing activities		(2,192,401)	(820,758)
Free cash flows generated from operations and investments before financing		10,677,355	9,203,677
Repayments of loans etc.		(16,202)	(99,320)
Dividend paid		(4,200,000)	(6,665,575)
Cash flows from financing activities		(4,216,202)	(6,764,895)
Increase/decrease in cash and cash equivalents		6,461,153	2,438,782
Cash and cash equivalents beginning of year		28,003,339	25,564,557
Cash and cash equivalents end of year		34,464,492	28,003,339
Cash and cash equivalents at year-end are composed of:			
Cash		34,464,492	28,003,339
Cash and cash equivalents end of year		34,464,492	28,003,339

Notes to consolidated financial statements

1 Staff costs

	2024 DKK	2023 DKK
Wages and salaries	85,520,115	66,213,071
Pension costs	4,455,736	3,279,408
Other social security costs	9,583,784	8,011,136
	99,559,635	77,503,615
Average number of full-time employees	290	242

The remuneration of the executive board is not disclosed, as it only consists of one person.

2 Tax on profit/loss for the year

	2024 DKK	2023 DKK
Current tax	4,525,836	2,952,927
Change in deferred tax	(86,188)	(13,000)
Refund in joint taxation arrangement	0	(382)
	4,439,648	2,939,545

3 Proposed distribution of profit/loss

	2024 DKK	2023 DKK
Ordinary dividend for the financial year	0	3,000,000
Extraordinary dividend distributed in the financial year	0	4,000,000
Retained earnings	9,567,271	(327,440)
Minority interests' share of profit/loss	4,076,532	2,859,381
	13,643,803	9,531,941

4 Intangible assets

	Acquired rights DKK
Cost beginning of year	84,136
Cost end of year	84,136
Amortisation for the year	(49,866)
Amortisation and impairment losses end of year	(49,866)
Carrying amount end of year	34,270

5 Property, plant and equipment

	Land and buildings DKK	Plant and machinery DKK	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK	Property, plant and equipment in progress DKK
Cost beginning of year	104,785	1,332,372	4,983,209	957,244	0
Exchange rate adjustments	1,916	24,359	63,127	0	0
Transfers	0	0	63,382	0	0
Additions	0	228,615	1,980,160	0	135,697
Disposals	0	(78,328)	(459,577)	0	0
Cost end of year	106,701	1,507,018	6,630,301	957,244	135,697
Depreciation and impairment losses beginning of year	(4,469)	(806,025)	(3,051,483)	(474,462)	0
Exchange rate adjustments	(82)	0	67,487	77,027	0
Transfers	0	(14,736)	0	0	0
Depreciation for the year	(2,668)	(239,744)	(793,494)	(77,027)	0
Depreciation and impairment losses on assets disposed of	0	73,263	0	0	0
Reversal regarding disposals	0	0	432,061	0	0
Depreciation and impairment losses end of year	(7,219)	(987,242)	(3,345,429)	(474,462)	0
Carrying amount end of year	99,482	519,776	3,284,872	482,782	135,697

	Prepayments for property, plant and equipment DKK
Cost beginning of year	63,382
Exchange rate adjustments	0
Transfers	(63,382)
Additions	0
Disposals	0
Cost end of year	0
Depreciation and impairment losses beginning of year	0
Exchange rate adjustments	0
Transfers	0
Depreciation for the year	0
Depreciation and impairment losses on assets disposed of	0
Reversal regarding disposals	0
Depreciation and impairment losses end of year	0
Carrying amount end of year	0

6 Contract work in progress

	2024 DKK	2023 DKK
Contract work in progress	4,969,195	608,653
Progress billings	(6,783,055)	(374,215)
Transferred to liabilities other than provisions	2,051,389	0
	237,529	234,438

7 Deferred tax

	2024 DKK	2023 DKK
Property, plant and equipment	(120,692)	(181,510)
Receivables	15,836	6,336
Liabilities other than provisions	1,051,204	1,075,972
Other taxable temporary differences	(24,749)	(65,387)
Deferred tax	921,599	835,411

	2024 DKK
Changes during the year	
Beginning of year	835,411
Recognised in the income statement	86,188
End of year	921,599

Deferred tax assets

Deferred tax assets relates to deferred tax not related to losses, and is therefore expected to be viable.

8 Prepayments

Prepayments consist of expense regarding next year.

9 Non-current liabilities other than provisions

	Due after more than 12 months 2024 DKK	Outstanding after 5 years 2024 DKK
Other payables	1,835,747	1,835,747
	1,835,747	1,835,747

10 Changes in working capital

	2024 DKK	2023 DKK
Increase/decrease in inventories	1,205	6,128
Increase/decrease in receivables	1,485,113	(13,696,002)
Increase/decrease in trade payables etc.	(2,632,224)	12,319,509
	(1,145,906)	(1,370,365)

11 Derivative financial instruments

In the accounting item Other Receivables, the positive fair value of entered currency forward contracts amounting to 130.260 DKK is included. The company has entered into currency forward contracts to hedge the exchange rate on future agreed sales in the first quarter of 2025 with settlement currency in EUR and PLN for a total hedged amount of 6.345.000 PLN and 800.000 EUR.

12 Unrecognised rental and lease commitments

	2024 DKK	2023 DKK
Total liabilities under rental or lease agreements until maturity	14,155,560	17,172,706

13 Assets charged and collateral

Bank commitments with Vestjysk Bank are secured by way of a deposited mortgage deed registered to the mortgagor on goodwill, operating assets and receivables of DKK 2,000,000 nominal. The booked value in these assets is booked at DKK 11.090.555.

The company is a guarantee debtor for work guarantees provided by BNP Paribas regarding a foreign client for 800,000 EUR.

There is a bank guarantee regarding rental of office spaces, totaling 63.087 EUR and 140.164 PLN.

14 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

15 Subsidiaries

	Registered in	Corporate form	Ownership %
Eryk A/S	Denmark	A/S	70.00
Eryk Sp. z o.o.	Poland	Sp. z o.o.	70.00

Parent income statement for 2024

	Notes	2024 DKK	2023 DKK
Gross profit/loss		3,679	(11,875)
Income from investments in group enterprises		3,480,826	6,036,272
Other financial income		46,820	10,253
Other financial expenses		(149)	(564)
Profit/loss before tax		3,531,176	6,034,086
Tax on profit/loss for the year		(11,077)	382
Profit/loss for the year	1	3,520,099	6,034,468

Parent balance sheet at 31.12.2024

Assets

	Notes	2024 DKK	2023 DKK
Investments in group enterprises		533,874	563,646
Financial assets	2	533,874	563,646
Fixed assets		533,874	563,646
Other receivables		319,840	319,840
Joint taxation contribution receivable		343,672	1,027,883
Receivables		663,512	1,347,723
Cash		3,629,462	3,068,132
Current assets		4,292,974	4,415,855
Assets		4,826,848	4,979,501

Equity and liabilities

	Notes	2024 DKK	2023 DKK
Contributed capital		125,000	125,000
Retained earnings		4,336,799	816,700
Proposed dividend for the financial year		0	3,000,000
Equity		4,461,799	3,941,700
Trade payables		10,300	10,300
Tax payable		354,749	1,027,501
Current liabilities other than provisions		365,049	1,037,801
Liabilities other than provisions		365,049	1,037,801
Equity and liabilities		4,826,848	4,979,501
Employees	3		
Contingent liabilities	4		

Parent statement of changes in equity for 2024

	Contributed capital DKK	Retained earnings DKK	Proposed dividend for the year DKK	Total DKK
Equity beginning of year	125,000	816,700	3,000,000	3,941,700
Ordinary dividend paid	0	0	(3,000,000)	(3,000,000)
Profit/loss for the year	0	3,520,099	0	3,520,099
Equity end of year	125,000	4,336,799	0	4,461,799

Notes to parent financial statements

1 Proposed distribution of profit and loss

	2024	2023
	DKK	DKK
Ordinary dividend for the financial year	0	3,000,000
Extraordinary dividend distributed in the financial year	0	4,000,000
Retained earnings	3,520,099	(965,532)
	3,520,099	6,034,468

2 Financial assets

	Investments in group enterprises DKK
Cost beginning of year	563,646
Disposals	(29,772)
Cost end of year	533,874
Carrying amount end of year	533,874

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

Costs of investments in group enterprises and associates:

Eryk Sp. z o.o., 78,874 DKK

Eryk A/S, 455,000 DKK

3 Employees

The Entity has no employees other than the Executive Board. The Executive Officer has not received any remuneration.

4 Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for these entities.

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling, influence are regarded as associates.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, work in progress, other operating income, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including salary refunds and income of sales representation.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory writedowns.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and normal writedowns of the relevant inventories.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets and property, plant and equipment.

Other operating expenses

Other operating expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities, including loss from the sale of intangible assets and property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises dividends etc received from the individual group enterprises in the financial year.

Other financial income

Other financial income comprises of interest income and exchange gains from transactions in foreign currencies.

Other financial expenses

Other financial expenses comprise interest expenses and exchange losses transactions in foreign currencies.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Intellectual property rights etc.**

Intellectual property rights etc. comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised on a straight-line basis over the term of the agreement.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Buildings	4-25 years
Plant and machinery	4-25 years
Other fixtures and fittings, tools and equipment	4-25 years
Leasehold improvements	4-25 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation on machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in cost.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Contract work in progress

Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a project in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet in receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts, and finance costs are recognised in the income statement as incurred. However, costs which arise directly from securing contracts and which are expected to be recovered, are recognised over the term of the contract.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary

differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Joint taxation contributions payable or receivable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Minority interests

On initial recognition, minority interests are measured at the minority interests' share of the acquiree's net assets measured at fair value. No goodwill related to the minority interests' equity interests in the acquiree is recognised.

Operating leases

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

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Cash flow statement

The cash flow statement shows consolidated cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk.

No cash flow statement has been prepared for the Parent as its cash flows are included in the consolidated cash flow statement, refer to section 86(4) of the Danish Financial Statements Act.