

**Hardi International A/S**

**Herthadalvej 10  
4840 Nørre Alslev  
Denmark**

**Central Business Registration No  
55274517**

**Annual report 2024/25**

The Annual General Meeting adopted the annual report on 5. February 2026

**Chairman of the General Meeting**

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Name: Daniel Tragus

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## Entity details

### Entity

Hardi International A/S

Herthadalvej 10

4840 Nørre Alslev

Central Business Registration No: 55274517

Registered in: Guldborgsund

Financial year: 01.10.2024 - 30.09.2025

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Internet: [www.hardi-international.com](http://www.hardi-international.com)

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### Board of Directors

Daniel Tragus, Chairman

Guillaume Jacq, Vice Chairman

Phillippe Besancon

Casper Louis Frederiksen

John Markvardsen

### Executive Board

Johannes Charles Wilhelmus Meulenkamp, CEO and President

### Auditors

Grant Thornton Godkendt Revisionspartnerselskab

Lautrupsgade 11

2100 København Ø

## Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Hardi International A/S for the financial year 01.10.2024 – 30.09.2025.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.09.2025 and of the results of its operations for the financial year 01.10.2024 – 30.09.2025.

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

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

Nørre Alslev, 25.11.2025

### Executive Board

Johannes C. W. Meulenkamp  
CEO and President

### Board of Directors

Daniel Tragus  
Chairman

Guillaume Jacq  
Vice Chairman

Philippe Besancon

Casper Louis Frederiksen

John Markvardsen

## Independent auditor's reports

### To the shareholder of Hardi International A/S

#### Opinion

We have audited the financial statements of Hardi International A/S for the financial year 1 October 2024 - 30 September 2025, which comprise accounting policies, income statement, statement of financial position and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 30 September 2025 and of the results of the company's activities for the financial year 1 October 2024 - 30 September 2025 in accordance with the Danish Financial Statements Act.

#### Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". 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.

#### Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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 reports

As part of an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the internal control that we identify during our audit.

### Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

## Independent auditor's reports

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 25.11.2025

### **Grant Thornton**

Certified Public Accountants  
Company reg. no. 34 20 99 36

**Michael Beuchert**

State Authorised Public Accountant  
mne32794

## Management commentary

	2024/25 DKK'000	2023/24 DKK'000	2022/23 DKK'000	2021/22 DKK'000	2020/21 DKK'000
<b>Financial highlights</b>					
<b>Key figures</b>					
Revenue	371.013	546.383	590.442	512.466	486.022
Gross profit/loss	28.021	56.216	72.687	31.907	58.631
Operating profit/loss including subsidiaries before restructuring	(101.962)	(47.528)	6.504	(36.795)	(43.275)
Net financials before subsidiaries	(4.639)	(10.916)	(11.083)	(8.703)	(8.549)
Restructuring expenses before tax effects	0	0	0	0	(5.296)
Profit/loss for the year	(109.047)	(57.248)	(17.929)	(39.577)	(54.852)
Total assets	333.774	384.589	411.132	401.037	412.278
Investments in property, plant and equipment	6.597	4.867	17.038	9.336	7.690
Equity	25.014	34.309	59.450	72.464	115.013
<b>Ratios</b>					
Gross profit (%)	7,6	10,3	12,3	6,2	12,1
EBIT margin incl. result from subsidiaries on Parent Company Revenue (%)	(27,5)	(8,6)	1,1	(7,2)	(8,9)
Current Ratio	0,87	0,90	1,01	1,20	1,67
Solvency Ratio	7,5	8,9	14,5	18,1	27,9

## Primary activities

The principal activities of the Company are development, production and sales of sprayers and spraying equipment primarily to the agricultural industry.

## Management commentary

### Development in activities, finances, sales and distribution

As expected, this year has proved to be very challenging. The up-tick in the market, which we expected to see the beginning of when we closed the last financial year, substantially, did not materialise. The market has gone from bad to worse to a further degree than anticipated. The order intake has been deteriorating across the HARDI group and the low orderbook values remain low.

The uncertainty relating to the US Government implementing very high import tariffs and the resulting trading conflict and the de-funding of US AID has given farmers in the US substantial challenges. As farm incomes have significantly reduced in the US coupled with high import tariffs into the US, HARDI has experienced a notable decline in new machine orders in the US, whereas our OEM business despite the tariff complications, continues to thrive on the back of a strong competitive position.

In Australia, the weather again impacted farmers' willingness to invest in new machinery. Rain in important crop areas in South Australia and the south western part of Western Australia has come late resulting in lower than expected yields. Generally, the South Eastern parts of the country saw better weather conditions. From 2020 through 2023, Australia has experienced very strong market conditions with high yields, high prices and government subsidies to encourage farm machinery investment. This resulted in unnaturally high demand in those years and as a consequence, the farm machines are quite new and trade-ins pending.

In Europe, the farm incomes are very mixed, partly as a result of large variations in weather patterns and yields. In the northern part of Europe conditions have generally been strong whereas some central and eastern parts have experience unusually low yields.

Due to the aforementioned market conditions, stock at importers and dealers have remained high throughout the year resulting in cautiousness in placing new orders. Farmers also seem to have been reluctant to invest and the high level of investment activity in prior years appears to have created a subsequent vacuum in the activity related to investment in farming equipment.

As a result of all of the above conditions, the revenue of the Company as well as for the HARDI Group reached its lowest level in many years. Earnings have decreased substantially, due to very tough market conditions and as a result of the below-mentioned realignment of HARDI Group and the consequential attention to quality, write-off of discontinued product and reorganisation of management and employees.

## **Realignment of HARDI Group**

During the first part of the financial year, Management has developed HARDI Strategy 2030, which re-aligns our focus areas in the next five years.

In the past six years, HARDI Group has re-structured critical areas of the supply chain. Production sites have been closed in Spain, the US and in France and besides an emphasis on optimising production flows and distribution, safety has become a key focus area. This focus will continue. However, Strategy 2030 sets out the course to transform HARDI Group into the global player it deserves to be by producing Intuitive, Accessible, and Reliable precision farming equipment. During the financial year 2024/25, the Company has aligned the organisation in key areas and initiated a number of actions to ensure execution of the Strategy. The key areas hereof are described below.

### 1. Safety, Customers, and Quality

Safety remains our number one priority — for our people, our partners, and our customers. The Company will continue to strengthen satisfaction and loyalty by embedding net promoter score (NPS) as a key metric and by simplifying our product platforms for improved reliability and serviceability. Quality will be visible in every process, every machine, and every interaction.

### 2. Innovation and Market Growth

The Company will reclaim growth by focusing on trailers and lift, while self-propelled complements our offering. By listening to our customers and utilising digital tools such as customer relationship management (CRM) and sales configurators, we ensure transparency and value at every step. Our product roadmap will combine incremental improvements with breakthrough innovations.

### 3. Culture and Accountability

The Company will nurture a culture of ownership, accountability, and collaboration — where every team member contributes to results. This defines how we work and succeed together.

### 4. People, Planet, and Performance

The Company's success depends on our people. We will improve employee satisfaction, strengthen onboarding, and foster teamwork across departments and regions. Through our ESG commitment, we extend machine life via parts and service, while raising operating efficiencies to boost productivity and reach a 10% operational profit (EBITDA) by 2030.

## **Production and product development**

Quality is at the forefront of everything we do. During the financial year, we have started to transform the quality mind-set throughout the value chain to improve quality in every delivery. To achieve this, the quality organisation has been strengthened as has our post-delivery service and support organisation.

Delivery times remained satisfactorily throughout the year. Cost prices have been relatively stable after some years with drastic increases. We have continued the focus on improving efficiency which again this year has been more difficult than expected. The process of industrialising new products for local and overseas markets continue to be very challenging. This also combined with the general decline in orders causing a smaller scale of production output where efficiency level and targets have been very difficult to uphold.

During the next fiscal year, the Company will introduce a completely new self-propelled machine and mark an important milestone after years of development. The design and production of this new machine is done in close cooperation with our sister division in France. The machine will initially be launched in Europe and later on the Australian and US markets.

During the year, the Company has continued investments into new production equipment, which will improve efficiency in the coming years.

We continue to evolve a product offering of the group with a focus on reducing chemical and water consumption during crop care and thus improve the TCO of our customers. New products are produced on a newly developed platform strategy following the re-alignment of our production footprint. We continue with the implementation and further development of a common new electronic platform prepared for customers' future demand and this will create the future base for the entire Hardi group's product range.

Further, in Australia, during the year we have realigned the market strategy to focus on trailers and lift production and distribution. As a global initiative, HARDI Group will work to develop next generation precision spraying and intuitive, reliable and accessible trailers and lift-mounted machines. As a consequence, a strategic decision to stop production of self-propelled machines has resulted in complete realignment of our market approach. In future, we will sell and distribute European self-propelled units on the Australian market. This decision has been made to refocus on HARDI's core competency, which is trailers and lift. Consequently, we have written off a substantial sum of current and pending inventory and provided the cost of the restructure in order to reflect the true financial situation from the start of the coming financial year.

During the final part of the financial year, in Australia we launched an upgraded trailer built on the European and North American platform. This work will expand in the coming year on other product families in Australia.

## Management commentary

### Results and balance sheet

Figures in brackets are for 2023/24

Revenue amounts to DKK 371.0 million (DKK 546.4 million). Gross profit amounts to DKK 28.0 million (DKK 56.2 million).

EBIT including results of subsidiaries was DKK -102.0 million (DKK -47.5 million) corresponding to -27.5% (-8.6%) of revenue.

Depreciation was DKK 9.8 million (DKK 9.2 million).

Net financials were DKK -4.6 million (DKK -10.9 million) of which DKK 3.5 million (DKK 1.2 million) is due to exchange rate adjustments on receivables in foreign currencies. Result before tax was DKK -47.6 million (DKK -108.7 million)

The balance sheet was reduced by 6.5% to DKK 384.6 million (DKK 411. million).

Equity at 30 September is DKK 25.0 million (DKK 34.3 million) resulting in a solvency ratio of 7.5 (8.9).

### Uncertainty relating to measurement and recognition

Deferred tax assets are measured at estimated realisable value. The value of tax losses carried forward has been assessed during the year and due to the past performance and the current uncertainties in the market the current tax loss has not been capitalised in 24/25.

### Capital funding and Liquidity resources

It is Group policy to continuously ensure the existence of adequate financial resources. The liquidity risk is monitored by the utilisation of short-term credit facilities combined with long-term, fixed credit facilities with a number of banks and intergroup financing. On 30 September 2025, the Company recorded net financial debt of DKK 91.5 million (DKK 152.5 million) of which DKK 47.7 million (DKK 67.2 million) is long-term debt.

The Parent, EXEL Industries S.A, will ensure that any needed interim financing is provided for the Group.

## Management commentary

### Outlook

After two years with continuous decline of our orderbook, we anticipate an activity level which will increase in the coming year. We see clear signs of an uptick in many European markets but the US and Australian markets continue to remain at historically very low levels. We expect to see continuous improvements in our European markets and our market shares as our Strategy 2030 is implemented albeit the latter will have limited impact in the coming year. In Australia, the fleet of farm machines are reaching an age now where replacements would normally take effect and coupled with new product launches on trailers in late 2025 and during 2026, we expect to see an increased interest in our product.

The current interest rate has dampened capital investment demands and unpredictability in macroeconomic tendencies is adding further to the caution in the market. As stock levels at our importers and distributors are moving towards a lower level, we expect the product demand to increase slowly.

We have the previous year invested in our production equipment to improve quality, safety and efficiency and we have investments planned for the coming year as well.

From the beginning of the new financial year 2025/26, we have created an organisation for Global Innovation. This organisation is created with the intent to manage the ideas process, improve current solutions and identify transformative solutions for our customers in the medium to long term.

In respect of management's expectations for the coming year's sales, based on order back-log going into 2024/25, we expect a difficult year with lot of uncertainty on in the markets. We expect an increase in activity with an estimated level of sales increasing between 15-25% but also expect improvement in efficiency and profitability. We anticipate a continued interest burden to affect the Company's result leading to a negative result both before and after tax the coming year but still expect an improvement in both compared to 2024/25. The critical component in achieving these ambitions will be continued reductions in inventory levels at our importers and distributors as well as stability on price development of raw materials and components. Further, aforementioned realignment of strategic direction of the HARDI Group implemented during the current financial year is intended to drive renewed focus on customers' needs for new and innovative solutions, being a leader on plant protection and application solutions.

We do not envisage significant exceptional items in the next fiscal year and subject to stabilisation of market conditions, the result from operations including subsidiaries is expected to remain positive.

## Management commentary

### Particular risks

The activities of the Hardi Group are exposed to a number of financial risks. To the greatest extent possible, the Group tries to meet and to limit the risks that can be influenced by the Company through own actions.

### Financial risk

Hardi Group's international activities imply that the performance and equity of the Group are affected by financial exposure, including liquidity, interest rate, currency, credit and debtor risks. Financial instruments are not applied to mitigate financial risk.

### Currency risk

Hardi Group is an internationally-oriented Group with a considerable currency exposure. In 2024/25, approx. 95% of the Group's revenue was settled in other currencies than DKK (mainly EUR) which is close to 2024/25 (96%). Part of the currency risk is reduced to the extent that the Group has assets, equity and liabilities or operating expenses in foreign currencies equivalent to the sales in whole or in part.

### Credit risk

The credit risk relating to cash and cash equivalents and ongoing financing is minimised by exclusively co-operating with financial institutions with a high credit rating.

### Debtor risk

The Company's trade receivables have – primarily due to reduced activity level in the last part of year – decreased to DKK 32,6 million at the end of September 2025 (DKK 39.9 million). The Company actively uses credit insurance or letters of credit to secure the trade receivables. Traditionally, the Company has experienced few losses and steps are taken to minimise the loss risk through a thorough credit rating and an extensive use of safe terms of payment.

### Interest rate risk

The Company does not hedge interest rate risk. The Company's interest rate exposure on interest-bearing receivables and debt to group companies fluctuates with EURIBOR floored at zero percent. A one percent increase in EURIBOR would lead to an increase in interest expense of approximately DKK 2.5 million.

### Liquidity risk

The Company is not subject to financial covenants on its long term financing.

## Management commentary

### Intellectual capital resources

#### Knowledge of product and market

Hardi Group works closely together with the final users of the Company's products in order to build a knowledge of market demands. Together with information about competitors, regulatory initiatives, etc., this knowledge is currently directed to the Company's headquarters in Denmark and contributes to the current product development and marketing.

#### Knowledge management and knowledge sharing

To ensure coordinated knowledge management and knowledge sharing, intranet and internet as well as the Company's project management systems and manuals are used. Finally, a structured meeting activity across the functional areas and companies ensures that knowledge is currently exchanged.

#### Staff development

An ongoing development of the staff takes place in the Group based on the individual subsidiaries' vision, mission and values. As part of the employees' competence development, annual appraisal interviews take place with the aim of discussing future career prospects, tasks and training and education.

### Research and development activities

The Company has a great focus on Research and Development. The past year the total cost for R&D was 34.2 mDKK as presented in the income statement. The expenses cover work to simplify products and features, improve quality and efficiency in our existing product portfolio as well as developing new features and framework for future products. In general we seek to improve quality and offer product that can contribute to reduce chemical usage within the farming industry.

### Corporate social responsibility and data ethics

The parent company of Hardi, EXEL Industries, reports on CSR according to the requirement in France for listed companies and also as a reflection of one of the Group's core values "Acting Responsible"

Further, the parent company sets out its policy on data ethics and the Company therefore refers to the Annual Report of its parent company.

The outcome is reported in the Annual Group Accounts of EXEL Industries according to the French Corporate Social Responsibilities reporting requirements and requirements under IFRS to describe data ethics policies. With reference to section 99a and d of the Danish Financial Statement Act, Hardi International A/S makes use of the exemption to refer to EXEL Industries Annual Report. The annual report of EXEL Industries S.A. can be obtained at "78 Boulevard Malesherbes 75008 Paris, France" or can be downloaded on [https://www.exel-industries.com/wp-content/uploads/dlm\\_uploads/2025/09/EXEL-Industries\\_URD\\_2024-25\\_EN-MEL.pdf](https://www.exel-industries.com/wp-content/uploads/dlm_uploads/2025/09/EXEL-Industries_URD_2024-25_EN-MEL.pdf) and the Ethics Charter for EXEL Industries S.A. can be found on [https://www.exel-industries.com/wp-content/uploads/dlm\\_uploads/2024/11/CODE-OF-CONDUCT-EXEL-INDUSTRIES-3.pdf](https://www.exel-industries.com/wp-content/uploads/dlm_uploads/2024/11/CODE-OF-CONDUCT-EXEL-INDUSTRIES-3.pdf).

## Management commentary

The Company has been in dialogue with its owners regarding Danish GAAP reporting requirements for CSR and Data Ethics and confirms that those requirements are part of EXEL Industries S.A.'s reporting. The Company has introduced a range of new measures to ensure reduced future carbon footprint and compliance with new regulation and has been CSR audited by EXEL Industries S.A. and Mazars in France and is found to be in compliance with EXEL Industries S.A. CSR requirements.

### Diversity policy

Hardi Group always tries to attract and develop the best talents from all over the world and offers equal possibilities of career development and a non-discriminating work environment. As Hardi Group globalises, it is of vital importance to promote diversity at all levels and in all respects. Today, women are under-represented in the Board of Directors and in the top management teams. The ambition to increase the representation of women in the Board of Directors and in the top management teams locally and globally to 40% during 2025 has not been achieved which is unsatisfactory. To achieve a 40% representation of women in the top management teams by 2030, we continue to work with the recruitment policy ensuring a more equal recruitment of women and men in future in the top management teams by broadening our appeal to the recruiting pool. The lack of balance in gender representation is a general issue throughout the work force of the company and complicates the process of increasing the representation of women when recruiting internally as well. This has also contributed to the lack of progress since promoting and developing talents within the company is done actively both to ensure continuity but also to offer career development to the employees.

On 30 September 2025 the representation of women in the top management was 14% (2024: 17%) and for the entire company 22% of the employees are female (2024: 22%)

Also when recruiting diversity in terms of ethnicity is taken into consideration. When recruiting, the Company always look at qualifications and fit.

### 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.

**Income statement for 2024/25**

	<u>Notes</u>	<u>2024/25 DKK'000</u>	<u>2023/24 DKK'000</u>
Revenue	1	371.013	546.383
Production costs	2,3	<u>(342.993)</u>	<u>(490.167)</u>
<b>Gross profit</b>		<b>28.020</b>	<b>56.216</b>
Research and development costs	2,3	(34.150)	(34.709)
Distribution costs	2,3	(22.078)	(25.219)
Administrative costs	2,3	(36.683)	(41.845)
Other operating income	4	27.200	31.317
Other operating expenses	5	<u>(22.783)</u>	<u>(28.756)</u>
<b>Operating loss</b>		<b>(60.474)</b>	<b>(42.996)</b>
Income/loss from investments in group enterprises	6	(43.586)	6.745
Other financial income	7	16.725	11.703
Other financial expense	8	<u>(21.364)</u>	<u>(22.619)</u>
<b>Loss before tax</b>		<b>(108.699)</b>	<b>(47.167)</b>
Tax on loss	9	<u>(348)</u>	<u>(10.081)</u>
<b>Loss for the year</b>		<b><u>(109.047)</u></b>	<b><u>(57.248)</u></b>

**Balance Sheet at 30.09.2025**

	<u>Notes</u>	<u>2024/25 DKK'000</u>	<u>2023/24 DKK'000</u>
Acquired licences		566	1.169
<b>Intangible assets</b>	10	<u>566</u>	<u>1.169</u>
Plant and machinery		28.476	29.726
Other fixtures and fittings, tools and equipment		3.711	4.635
Property, plant and equipment in progress		1	586
<b>Property, plant and equipment</b>	11	<u>32.188</u>	<u>34.947</u>
Investments in group enterprises		55.135	76.023
Deferred tax	13	3.954	4.009
<b>Fixed asset investments</b>	12	<u>59.089</u>	<u>80.032</u>
<b>Fixed assets</b>		<u>91.843</u>	<u>116.148</u>
Raw materials and consumables		65.916	71.933
Work in progress		10.495	5.778
Manufactured goods and goods for resale		9.103	6.478
<b>Inventories</b>		<u>85.514</u>	<u>84.189</u>
Trade receivables		32.569	39.919
Receivables from group enterprises		115.713	129.106
Other short-term receivables		2.863	2.788
Prepayments	14	5.201	4.985
<b>Receivables</b>		<u>156.346</u>	<u>176.798</u>
<b>Cash</b>		<u>71</u>	<u>7.454</u>
<b>Current assets</b>		<u>241.931</u>	<u>268.441</u>
<b>Assets</b>		<u>333.774</u>	<u>384.589</u>

**Balance Sheet at 30.09.2025**

	<u>Notes</u>	<u>2024/25 DKK'000</u>	<u>2023/24 DKK'000</u>
Contributed capital	15	50.000	50.000
Retained earnings		(24.986)	(15.691)
<b>Equity</b>		<b><u>25.014</u></b>	<b><u>34.309</u></b>
Other provisions	16	2.748	2.748
<b>Provisions</b>		<b><u>2.748</u></b>	<b><u>2.748</u></b>
Debt to group enterprises		27.650	47.658
<b>Non-Current liabilities</b>	17	<b><u>27.650</u></b>	<b><u>47.658</u></b>
Trade payables		54.580	36.594
Debt to group enterprises		188.301	223.786
Other payables	18	35.481	39.494
<b>Current liabilities other than provisions</b>		<b><u>278.362</u></b>	<b><u>299.874</u></b>
<b>Liabilities other than provisions</b>		<b><u>306.012</u></b>	<b><u>347.532</u></b>
<b>Equity and liabilities</b>		<b><u><u>333.774</u></u></b>	<b><u><u>384.589</u></u></b>
Unrecognised rental and lease commitments	19		
Contingent liabilities	20		
Special items	21		
Related parties with control	22		
Transactions with related parties	23		
Ownership	24		
Consolidation	25		
Capital funding and Liquidity resources	26		
Fees for auditors elected on the general meeting	27		
Proposed distribution of profit/loss	28		
Accounting policies	29		

**Statement of changes in equity for September 2025**

	<b>Contributed capital DKK'000</b>	<b>Retained earnings DKK'000</b>	<b>Total DKK'000</b>
Equity beginning of year	50.000	(15.691)	34.309
Write down of debt to parent company	0	103.750	103.750
Exchange rate adjustments	0	(3.998)	(3.998)
Profit/loss for the year	0	(109.047)	(109.047)
<b>Equity end of year</b>	<b>50.000</b>	<b>(24.986)</b>	<b>25.014</b>

**Notes**

	<u>2024/25</u> <u>DKK'000</u>	<u>2023/24</u> <u>DKK'000</u>
<b>1. Revenue</b>		
Europe	318.052	448.327
North America (USA, Canada and Mexico)	21.985	42.910
Other countries	30.976	55.146
	<u><b>371.013</b></u>	<u><b>546.383</b></u>

In accordance with the Danish Financial Statement Act § 96, 1 product segment information on revenue has not been disclosed due to possible harmful impact on the Company and its market position.

	<u>2024/25</u> <u>DKK'000</u>	<u>2023/24</u> <u>DKK'000</u>
<b>2. Staff costs</b>		
Wages and salaries	149.014	164.537
Pension costs	15.037	16.119
Other social security costs	2.475	2.835
	<u><b>166.526</b></u>	<u><b>183.491</b></u>

Remuneration to management and board members in 2024/25 amounts to t.DKK 2.635 (2023/24: t.DKK 5.515) and includes salary, benefits etc. as well as severance pay to former CEO.

Average number of employees	<u><b>334</b></u>	<u><b>386</b></u>
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	<u>2024/25</u> <u>DKK'000</u>	<u>2023/24</u> <u>DKK'000</u>
<b>3. Depreciation, amortisation and impairment losses</b>		
Amortisation of intangible assets	603	470
Depreciation on property, plant and equipment	9.356	8.717
Profit/loss from sale of intangible assets, plant and equipment	(125)	(4)
	<u><b>9.834</b></u>	<u><b>9.183</b></u>

	<u>2024/25</u> <u>DKK'000</u>	<u>2023/24</u> <u>DKK'000</u>
<b>4. Other operating income</b>		
Income related to trademark, patents, management fee	27.200	31.317
	<u><b>27.200</b></u>	<u><b>31.317</b></u>

## Notes

### 5. Other operating expenses

Other operating income/expenses relates to trademark, patents, management fee.

	<u>2024/25</u> <u>DKK'000</u>	<u>2023/24</u> <u>DKK'000</u>
<b>6. Income from investments in group enterprises including costs for restructuring</b>		
Income from investments in group enterprises	(43.586)	6.745
	<u>(43.586)</u>	<u>6.745</u>
	<u>2024/25</u> <u>DKK'000</u>	<u>2023/24</u> <u>DKK'000</u>
<b>7. Other financial income</b>		
Financial income arising from group enterprises	4.935	2.663
Exchange rate adjustments	11.358	8.260
Other financial income	432	780
	<u>16.725</u>	<u>11.703</u>
	<u>2024/25</u> <u>DKK'000</u>	<u>2023/24</u> <u>DKK'000</u>
<b>8. Other financial expenses</b>		
Financial expenses from group enterprises	12.481	15.363
Interest expenses	3	59
Exchange rate adjustments	7.868	7.026
Other financial expenses	1.012	171
	<u>21.364</u>	<u>22.619</u>
	<u>2024/25</u> <u>DKK'000</u>	<u>2023/24</u> <u>DKK'000</u>
<b>9. Tax on ordinary profit/loss for the year</b>		
Current tax	(293)	(485)
Change in deferred tax for the year	(55)	(9.596)
	<u>(348)</u>	<u>(10.081)</u>

**Notes**

	<b>Acquired licences DKK'000</b>
<b>10. Intangible assets</b>	
Cost beginning of year	28.885
Reclassifications	0
Adjustment beginning of year	0
Additions	0
<b>Cost end of year</b>	<b>28.885</b>
Amortisation and impairment losses beginning of year	(27.716)
Adjustment beginning of year	0
Amortisation for the year	(603)
<b>Amortisation and impairment losses end of year</b>	<b>(28.319)</b>
<b>Carrying amount end of year</b>	<b>566</b>

	<b>Plant and machinery DKK'000</b>	<b>Other fixtures and fittings, tools and equipment DKK'000</b>	<b>Property, plant and equipment in progress DKK'000</b>
<b>11. Property, plant and equipment</b>			
Cost beginning of year	238.958	76.380	586
Transfer	585	0	(585)
Additions	4.549	2.048	0
Disposals	0	0	0
<b>Cost end of year</b>	<b>244.092</b>	<b>78.428</b>	<b>1</b>
Depreciation and impairment losses beginning of the year	(209.232)	(71.745)	0
Depreciation for the year	(6.384)	(2.972)	0
Reversal regarding disposals	0	0	0
<b>Depreciation and impairment losses end of the year</b>	<b>(215.616)</b>	<b>(74.717)</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>28.476</b>	<b>3.711</b>	<b>1</b>

**Notes**

	<b>Investments in group enterprises DKK'000</b>	<b>Deferred tax DKK'000</b>
<b>12. Fixed asset investments</b>		
Cost beginning of year	305.422	4.009
Additions	186	0
Disposals	(1.862)	(55)
<b>Cost end of year</b>	<b>303.746</b>	<b>3.954</b>
Impairment losses beginning of year	(229.399)	0
Exchange rate adjustments	(3.998)	0
Reversed impairment related to disposals	1.024	0
Internal profit of stocks	5.717	0
Share of profit/loss after tax	(48.466)	0
Dividend	0	0
Investments with negative equity value depreciated over receivables	26.511	0
<b>Impairment losses end of year</b>	<b>(248.611)</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>55.135</b>	<b>3.954</b>

	<b>Registered in</b>	<b>Corporate form</b>	<b>Result DKK'000</b>	<b>Equity DKK'000</b>	<b>Equity interest %</b>
Subsidiaries:					
Hardi Norge AS	Norway	AS	(288)	142	100,00
Hardi Service S.A	France	S.A.	2.035	5.591	100,00
Ilemo-Hardi S.A	Spain	S.A.	94	3.456	100,00
Hardi North America Inc.	USA	Inc.	5.107	40.015	100,00
Hardi Australia Pty. Ltd.	Australia	Ltd.	(53.494)	(21.928)	100,00
Hardi GmbH	Germany	GmbH	(1.314)	1.894	100,00
Hardi Agricultural Equipment (Shanghai) Co., Ltd.	China	Ltd.	Closed		

## Notes

	<u>2024/25</u> <u>DKK'000</u>	<u>2023/24</u> <u>DKK'000</u>
<b>13. Deferred tax</b>		
Property, plant and equipment	285	536
Inventories	2.439	2.025
Provisions	1.230	1.448
Other taxable temporary differences	0	0
	<u>3.954</u>	<u>4.009</u>

Deferred tax assets are measured at estimated realisable value. Management has assessed estimated realisable value on the basis of future expected earnings in budgets for the coming 5 years.

## 14. Prepayments

Prepayments relates to prepaid insurance and prepaid IT licenses.

## 15. Contributed capital

The share capital comprise 1 share class. No shares carries special rights. The company's share capital is DKK 50.000.000 divided into shares of DKK 500 or multiples thereof.

	<u>2024/25</u> <u>DKK'000</u>	<u>2023/24</u> <u>DKK'000</u>
<b>16. Other provision</b>		
Provision beginning of year	2.748	3.179
Charged to profit/loss	0	0
Released in year	0	(431)
	<u>2.748</u>	<u>2.748</u>

Provisions includes warranty obligations related to standard warranty on machines and specific parts. Of the provision 0,3 mDKK are related to warranty obligations exceeding 1 year.

**Notes****2024/25  
DKK'000****17. Non-Current liabilities**

Long term interest bearing debt expected to fall due as follows:

Within 1 year (included in current liabilities)	20.066
2-5 years	27.650
Over 5 years	0
	<u>47.716</u>

**2024/25  
DKK'000****2023/24  
DKK'000****18. Other short-term payables**

Wages and salaries, personal income taxes, social security costs, etc. payable

Holiday pay obligation	10.053	15.049
Other costs payable	23.185	23.292
	2.243	1.153
	<u>35.481</u>	<u>39.494</u>

**2024/25  
DKK'000****2023/24  
DKK'000****19. Unrecognised rental and lease commitments**

Commitments under rental agreements or leases until expiry

<u>38.112</u>	<u>46.698</u>
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**2024/25  
DKK'000****2023/24  
DKK'000****20. Contingent liabilities**

Other contingent liabilities towards Parent and fellow subsidiaries

	8.413	8.413
<b>Contingent liabilities related to Parent and fellow subsidiaries</b>	<u>8.413</u>	<u>8.413</u>

**21. Special items**

During 2024/25 the Company have received equity contribution of 103.750 mDKK in form debt forgiveness. In 2023/24 this amount was 33.565 mDKK.

**22. Related parties with control**

EXEL INDUSTRIES S.A, 54, rue Marcel Paul F5 200 EPERNAY, France, owns all of the shares in the Entity and thus has control over the Entity.

## Notes

### 23. Transactions with related parties

The following transactions occurred with related parties:

	<b>2024/25</b>	<b>2023/24</b>
	<b>DKK'000</b>	<b>DKK'000</b>
Sales of machines and components	203.903	298.046
Purchase of machines and components	64.772	110.570
Property lease	6.908	6.829
Management fees and royalties paid	22.783	28.756
Management fees and royalties received	27.548	31.317
Other administrative costs paid	2.239	701
Interest income	4.935	3.443
Interest expenses	12.481	15.363
Items included in assets and liabilities related to transactions with related parties:		
Group contribution received	103.750	33.565
Capital increase in subsidiary	186	1.987
Dividend received from subsidiaries	0	4.054
Outstanding balances at 30.09. 2025		
Trade receivables, subsidiaries	15.809	12.066
Trade receivables, other group companies	9.911	15.632
Loan receivable, subsidiaries	116.505	101.407
Trade payables, subsidiaries	2.476	5.559
Trade payables, other group companies	5.445	4.504
Loan payable, other group companies	208.029	261.381

## Notes

### 24. Ownership

The Entity has registered the following shareholder to holding more than 5% of the voting share capital or of the nominal value of the share capital:

EXEL INDUSTRIES S.A, 54, rue Marcel Paul F5 200 EPERNAY, France – owning 100% of the shares

### 25. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

EXEL INDUSTRIES S.A., RCS EPERNAY B 095 550 356 (www.exel-industries.com)

### 26. Capital funding and Liquidity resources

It is Group policy to continuously ensure the existence of adequate financial resources. The liquidity risk is monitored by the utilisation of short-term credit facilities combined with long-term, fixed credit facilities with a number of banks and intergroup financing. On 30 September 2025, the Company recorded net financial debt of DKK 91.6 million (DKK 152.5 million) of which DKK 47.7 million (DKK 67.2 million) is long-term debt. The Parent, EXEL Industries S.A, will ensure that any needed interim financing is provided for the Group.

### 27. Fees for auditors elected on the general meeting

In accordance with the Danish Financial Statement Act § 96, 3 the fees for the auditors elected on the general meeting has not been disclosed.

	2024/25 DKK'000	2023/24 DKK'000
	_____	_____
<b>28. Proposed distribution of profit/loss</b>		
Retained earnings	(109.047)	(57.248)
	<b>(109.047)</b>	<b>(57.248)</b>

## 29. Accounting policies

### Reporting class

This annual report has been presented in accordance with the Danish Financial Statements Act governing reporting class C enterprises (large enterprises).

The accounting policies applied for these financial statements are consistent with those applied last year.

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

### Consolidated financial statements

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

### Cash flow statement

Referring to section 86(4) of the Danish Financial Statement Act, the Company has not prepared a cash flow statement.

### 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.

### Uncertainty relating to measurement and recognition

Deferred tax assets are measured at estimated realisable value. Management has assessed estimated realisable value on the basis of future expected earnings which incorporates commenced concrete restructuring initiatives, as mentioned above, to bring the Company back to profitability. Further, the Company has launched a new go to market strategy which seeks to increase the value proposition of HARDI International A/S and the HARDI Group. Consequently, management believes it will utilise the tax asset within 3-5 years. As the expected earnings are based on estimates as well as expected future events this is subject to uncertainty.

## **Accounting policies**

Leasing arrangements for leases for fixed assets that transfer substantially all the risks and rewards incident to ownership to the Company (finance leases) are, on initial recognition, recognized in the balance sheet at cost. All other leases are treated as operating leases. Regarding the sale and subsequent lease of the building in Nørre Alslev it has been assessed that the 10 years irrevocable rent period is significantly shorter than the expected life time of the asset and that net present values of future lease payments are below 90% of the fair value.

## **Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, and the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

## **Income statement**

### **Revenue**

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed. The Company applies the interpretative aid to IFRS 15 Revenue from Contracts with Customers when recognising and measuring revenue.

### **Production costs**

Production costs comprise expenses incurred to earn revenue for the financial year. Production costs comprise direct and indirect costs for raw materials and consumables, wages and salaries, rent and lease as well as amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment included in the production process. In addition, the item includes ordinary write-down of inventories.

### **Research and development costs**

Research and development costs include costs of development projects that do not meet the criteria for recognition in the balance sheet, and amortisation and impairment losses relating to development projects.

### **Distribution costs**

Distribution costs comprise costs incurred for sale and distribution of the Entity's products, including wages and salaries for sales staff, advertising costs, travelling and entertainment expenses, etc. as well as amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment involved in the distribution process.

## **Accounting policies**

### **Administrative expenses**

Administrative expenses comprise expenses incurred for the Entity's administrative functions, including wages and salaries for administrative staff and Management, stationary and office supplies as well as amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment used for administration of the Entity.

### **Other operating income and expenses**

Other operating income and expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities.

### **Income from investments in group enterprises including costs for restructuring**

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of internal profits or losses. Included herein are costs for restructuring expenses incurred in group enterprises.

### **Other financial income**

Other financial income comprises dividends etc. received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

### **Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

### **Income taxes**

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.

## Accounting policies

### Balance sheet

#### Intellectual property rights etc.

Intellectual property rights etc. comprise software, acquired intellectual property rights and prepayments for intangible assets.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised over their remaining duration, and licences are amortised over the term of the agreement, but over no more than 10 years.

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 as well as 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. For self-manufactured assets, cost comprises direct and indirect costs of materials, components, sub suppliers and labour costs.

The basis of depreciation is straight-line depreciation, made on the basis of the following estimated useful lives of the assets:

Leasehold improvements	8-10 years
Plant and machinery	5-8 years
Other fixtures and fittings, tools and equipment	3-5 years

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

## Accounting policies

### Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus or minus unamortised positive, or negative, goodwill and minus or plus unrealised intra-group profits or losses.

Group enterprises with negative equity are measured at DKK 0, and any receivables from these enterprises are written down by the Parent's share of such negative equity value if it is deemed irrecoverable. If the negative equity value exceeds the amount receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Goodwill is calculated as the difference between cost of the investments and fair value of the assets and liabilities acquired.

Goodwill is amortised over its estimated useful life which is normally five years, however, in certain cases it may be up to 20 years for strategically acquired enterprises with a strong market position and a long-term earnings profile if the longer amortisation period is considered to give a better reflection of the benefit from the relevant resources.

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

### Leases

On initial recognition, leases for fixed assets that transfer substantially all the risks and rewards incident to ownership to the Company (finance leases) are recognised in the balance sheet at cost, corresponding to the lower of fair value and the net present value of future lease payments. In calculating the net present value of future lease payments, the interest rate implicit in the lease or a rate that approximates this rate is used as the discount factor. Assets held under finance leases are depreciated as the Company's other fixed assets. The capitalised residual obligation is recognised in the balance sheet as a liability and the interest element of the lease payments is recognised in the income statement over the term of the lease.

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

## Accounting policies

### Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carry forwards, 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.

### Inventories

Inventories are measured at the lower of average cost and net realizable cost.

Cost of goods for resale, raw materials and consumables 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 and impairment losses on machinery, factory buildings and equipment applied for the manufacturing process as well as 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 write-downs for bad and doubtful debts. Provision of bad debts are calculated based on the risk on the individual customer taking into consideration the history of losses on receivables in general for the company.

### Income tax payable or receivable

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

### Prepayments

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

### Cash

Cash comprises cash in hand and bank deposits.

### Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments, returns, loss on contract work in progress, decided and published restructurings, etc.

## Accounting policies

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Non-recourse guarantee commitments comprise commitments to remedy defects and deficiencies within the guarantee period.

### Other financial liabilities

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

### Deferred income

Deferred income comprises received income for recognition in subsequent financial years. Deferred income is measured at cost.

## Financial highlights

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2015" issued by the Danish Society of Financial Analysts.

Ratios	Calculation formula	Ratios reflect
Gross profit margin (%)	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$	The enterprise's manufacturing profitability.
EBIT margin(%)	$\frac{\text{Operating profit/loss plus result from subsidiaries} \times 100}{\text{Revenue}}$	The enterprise's operating profitability.
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	The enterprise's ability to service its short term obligations
Solvency Ratio	$\frac{\text{Equity} \times 100}{\text{Total Assets}}$	The enterprise's resistance to future losses

Gross profit is defined as sales less direct and indirect costs of production as well as amortization, depreciation and impairment losses.

EBIT (Earnings Before Interest and Tax) is defined as operating profit plus the result from subsidiaries.