



Ordyhna Holding A/S

C/O Simatek A/S
Energivej 3
4180 Sorø

CVR no. 27 61 61 27

Annual report 2022

The annual report was presented and approved at the
Company's annual general meeting

On 28 June 2023

Jens Jørgensen
chairman of the annual general meeting



Ordyhna Holding A/S
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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Ordyhna Holding A/S for the financial year 1 January – 31 December 2022.

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

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 January – 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's activities and financial matters, of the results for the year and of the Group's and the Parent Company's financial position.

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

Sorø, 30 May 2023
Executive Board:

Jens Jørgensen
CEO

Board of Directors:

Kenneth E. Ajslev
Chairman

Torben von Lowzow
Deputy Chairman

Thomas W. Dedert

Arve Johan Andresen

Jannick E. Ajslev



Independent auditor's report

To the shareholders of Ordyhna Holding A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Ordyhna Holding A/S for the financial year 1 January – 31 December 2022 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group as well as for the Parent Company and a cash flow statement for the Group. The consolidated financial statements and parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 January – 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements" section of our 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 responsibility for the consolidated financial statements and the parent company financial statements

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

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



Independent auditor's report

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

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements and the parent company 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made on the basis of these consolidated financial statements and parent company 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 company 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 Parent Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent company 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 Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the parent company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the disclosures, and whether the consolidated financial statements and the parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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.



Independent auditor's report

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Copenhagen, 30 May 2023

KPMG

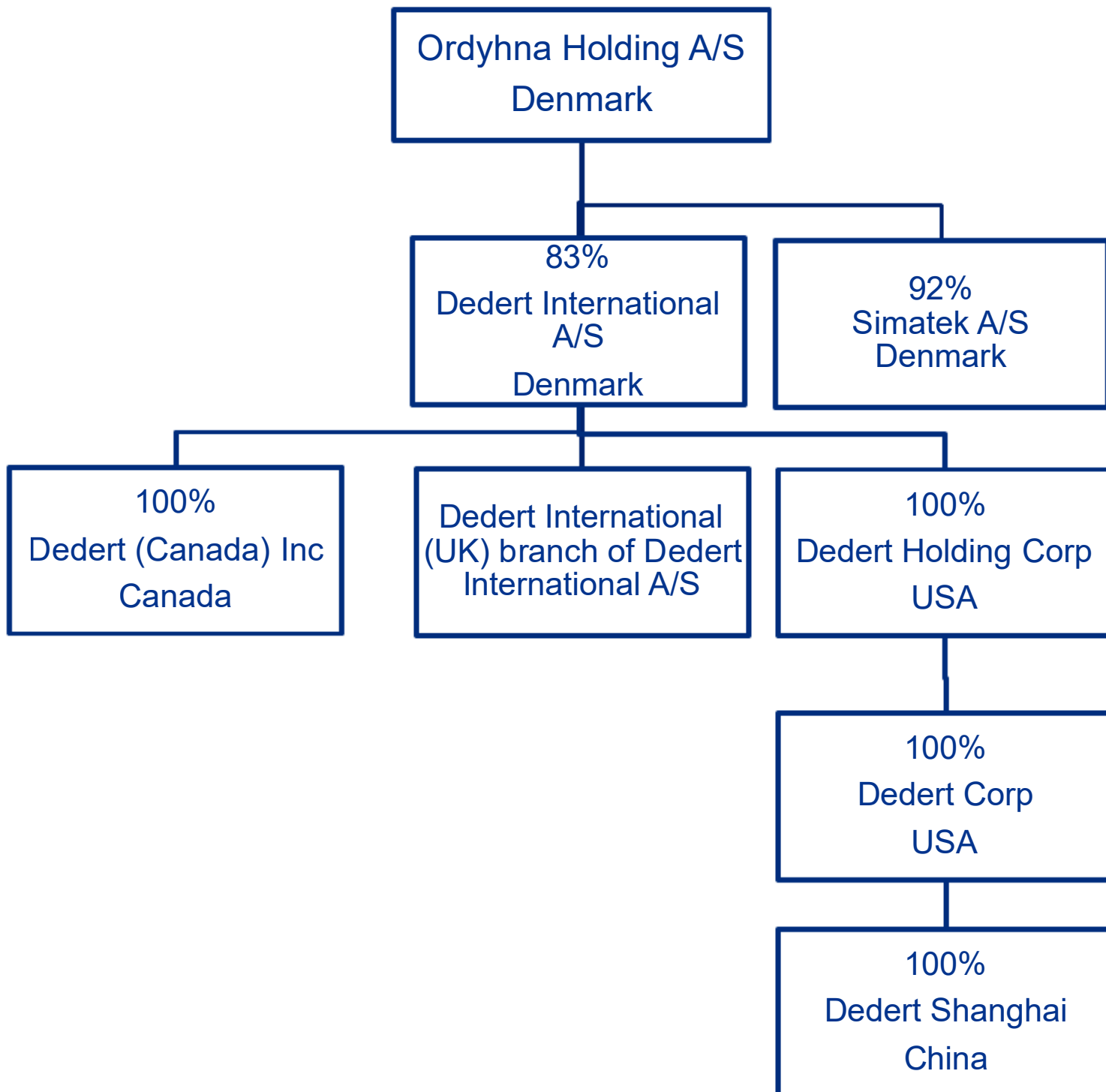
Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Martin Eiler
State Authorised
Public Accountant
mne32271

Management's review

Group chart



Management's review

Financial highlights for the Group

DKKm	2022	2021	2020	2019	2018
Revenue	674	569	453	528	404
Gross profit	184	154	119	132	87
EBITDA	36	33	12	19	-7
Profit/loss from financial income and expenses	-5	-2	-1	-1	-2
Profit/loss for the year	18	23	8	7	-9
Total assets	436	362	228	323	218
Equity	121	100	76	78	63
Cash flows from operating activities	56	-10	15	31	-17
Cash flows from investing activities	-1	-12	-6	-1	1
Cash flows from financing activities	-5	21	-13	8	-6
Total cash flows	49	-1	-4	38	-22
Gross margin	27.3%	27.1%	26.2%	25.0%	21.5%
Operating margin	4.3%	4.8%	1.6%	3.6%	Neg.
Solvency ratio	27.5%	27.5%	35.6%	24.2%	28.9%
Average number of full-time employees	177	155	140	142	133

For terms and definitions, please see the accounting policies.

Management's review

Operating review

Principal activities

Ordyhna Holding A/S owns two operating companies: Dedert International A/S with Dedert group companies and Simatek A/S.

Dedert's main activities are the design and sales of drying and evaporation systems to customers worldwide.

Simatek's main activity is development, production, sales and service of DCA (Dust Collection & Aspiration) filters, process filters and high temperature filters to customers world-wide as filter systems, key components and flange-flange filters.

Development in activities and financial position

Net result for the year amounted to a profit of DKK 18 million (2021: profit of DKK 22.5 million).

Dedert's operational results for 2022 were better than expectations and showing growth in revenues and profit margins.

Simatek A/S's financial results were a net loss, which was below expectations. The acquisition of FLS filter technology and integration of business in Simatek had unexpected costs, but with a strong backlog end of year and pipeline for 2023 order intake, Simatek is well prepared for significant profitable growth in 2023 and onwards.

Equity was increased to DKK 121.2 million at 31 December 2022 (31 December 2021: DKK 99.7 million).

Uncertainty regarding measurement of deferred tax assets

The Group's deferred tax assets amounts to DKK 29,996 thousand whereof DKK 23,198 thousand has been capitalised as at 31 December 2022 as full utilisation within 3-5 years is considered linked with uncertainty. The measurement of deferred tax assets is based on different assumptions, including the Danish joint taxation, development in revenue and profit. These assumptions are linked with uncertainty and a different outcome than expected could lead to a change in the valuation (increase as well as decrease), which could be significant.

Treasury shares

Treasury shares are specified as follows:

	Number	Nom.	% of contributed capital
Acquired treasury shares in the financial year	0	0	0
Treasury shares at 31 December 2022	1,173,885	1,173,885	2.37%
DKK			2022
Total acquisition cost			1,725,612

Management's review

Operating review

Outlook for 2023

Generally, the outlook for the markets, on which the Group operates, are positive. Both companies serve markets which are non-cyclical and where the long-term development are driven by megatrends like “clean air” (no pollution) and food including vegetarian food (green proteins). Market conditions for both companies have stabilized with regards to raw materials, transportation and availability of sub suppliers. However geopolitical relations and the war in Ukraine could create market uncertainty and postpone investments decisions particularly in Europe.

Within the last year Simatek and Dedert has increased the range of their product portfolio and the sales- and delivery organisation. Therefore, we see both companies being very well positioned for continued growth with positive results.

The combined outlook for the Group in 2023 is continued revenue growth with increased profit margins.

Human resources

The total number of employees in 2022 amounted to 177; 73 employees in Denmark and 104 employees in the USA, UK, Canada, China, Belgium and India.

Financial risks

Due to the Group's international activities, results, cash flows and equity are influenced by exchange rate developments.

According to the group exchange policy, commercial foreign exchange risks are considered hedged, where investments and loans designated as equity are not hedged.

Intellectual capital

To ensure future operations, the operating companies must be able to attract and keep on board a broad line of specialists, including engineers and technological experts with dedicated knowledge and experience, to continuously develop state-of-the-art technology and competitive solutions.

Management's review

Operating review

Research and development

The subsidiaries continue to develop solutions and standard components to comply with customer demand for enhanced products and lower production costs.

Data Ethics Policy

Ordyhna Holding A/S and its subsidiaries are committed to the protection of privacy and to follow the ten data ethical values developed by the Danish Data Ethics Council:

- 1 Welfare - Data processing must be done with respect for and consideration for social conditions, society, and democracy.
- 2 Dignity - A person's dignity is given priority over commercial interests.
- 3 Privacy - Processing of data must be done with respect for privacy and under the protection of personal information.
- 4 Self-determination - Individuals must maintain as much control as possible over their data.
- 5 Equality - Processing of data must not discriminate on the basis of ethnicity, sexuality, gender, socio-economic background, political opinions, religion, trade union membership, genetic data, biometric data, disability or other health-related data.
- 6 Freedom - Data processing must be done with respect for fundamental freedoms in a democratic society.
- 7 Legal certainty - Processing of data must be done with respect for basic guarantees of legal certainty and the level of legal certainty in society.
- 8 Transparency - There must be access to insight into own data and information about the processing of data, the purpose, function, security, and limitations of the data processing.
- 9 Security - Data processing must be sufficiently secure, robust, and reliable.
- 10 Accountability - It must be clear at all levels who is responsible for the consequences for the development and use of data.

The 10 data ethical values provide the foundation for our collection, processing and data usage and will be considered when developing or applying new technology. The policy values must be considered and evaluated at least twice during a development project, first as part of the initial investment decision and secondly when the development has been finished, but before releasing the new technology. When applying new technology, the policy values need to be considered at least once before releasing the technology. The Policy is owned by the CEO of the Ordyhna Group and governed by the CEO of Dedert and the CEO of Simatek.

Management's review

Operating review

Corporate social responsibility

Corporate Social Responsibility is important for our employees and for our customers. Our subsidiaries Simatek and Dedert have CSR policies in place throughout their global subsidiaries. The policies comply with the local legal requirements and our own CSR goals.

To ensure a continued focus on CSR we ask our management teams every year to evaluate if we have any significant CSR risks within our business, but also identify potential improvement opportunities. The evaluation is presented to the board.

The conclusion of the evaluation is that we do not see any major nor likely risks with regard to the seven CSR topics; environmental, climate, anticorruption, social and staff matters, human rights and gender equality. We do see a challenge to meet our goals for gender equality on time, but we do also see positive progress. Regarding climate, we see some improvement opportunities, which we want to investigate further in order to set firm goals and define relevant action plans.

The details of each of the seven CSR topics are explained below after the general explanation of our business and how it impacts both people and the planet.

Our business is to engineer and deliver dryers, evaporators and filters. While the production of this equipment consume energy, the by far largest impact our business has on the climate and the environment comes from our customer's usage of our equipment in their production. It is important to notice that Simatek's filters are improving the working environment as well as reducing the external air pollution, while using far less energy than the competitors. It is therefore at the core Simatek's business to help our customers achieve their CSR goals.

The Group's business model is to develop and deliver engineer-to-order production equipment to selected industries. Most equipment is being manufactured by carefully selected sub suppliers and after quality inspection shipped directly to the customers, where we ensure installation and commissioning. The Group has a manufacturing and testing site in Denmark as well as a testing and assembly site in US.

Environmental impact – After careful consideration of implementing a policy to this area and taking into consideration that we primarily are an engineering Group with limited environmental impact following the environmental laws imposed upon, we see no need to further implement individual company specific policies.

Climate impact – As an engineering Group with limited climate impact we have historically not had a climate impact policy, but we have in December 2021 decided, that we want to reduce our impact on the climate in the future. Currently we are awaiting the findings and results from a thorough baseline study of the climate impact conducted in Simateks business, whereafter we plan to make a similar baseline study in Dedert. We believe this baseline study will enable us to set firm targets and action plans for future improvements.

Anticorruption – After careful consideration of implementing a policy to this area and taking into consideration that we are a Group present in EU, India, Shanghai, Canada and US, following the anti-corruption laws imposed upon us from EU and US, we see no need to further implement individual company specific policies.

Social and Staff matters – After careful consideration of implementing a policy to this area and taking into consideration that we are a Group present in EU, India, Shanghai, Canada and US, following the labour laws imposed upon us from EU and US, we see no need to further implement individual company specific policies.

Management's review

Operating review

Human rights – After careful consideration of implementing a policy to this area and taking into consideration that we are a Group present in EU, India, Shanghai, Canada and US, following the labour laws imposed upon us from EU and US, we see no need to further implement individual company specific policies.

Gender equality in Management and the Board of Directors

The Group is active within specialised engineering activities in a historically male-dominated industry, making it difficult to find female management candidates with a long industry experience. However, it has become important for the group to attract the best candidates being male or female, and we believe that we can only achieve this by proving that all talents have equal opportunities regardless of gender. Therefore, it is our intention that both women and men should be represented in the Group's Board of Directors and in the Management of each of the subsidiaries. However, Board Members and our Management must have relevant industry know-how to support the governance and management of the Group. We have several very talented young female employees, and it is our long-term objective to grow and develop both male and female managers for the future management of the company.

The Board of Directors consists presently of five males. The target is to have one female board member appointed by the end of 2024. We have not changed any board members since we set the goal, but we have set the policy for future replacements of board members. We will request that at least one woman will be considered for election every time.

The Board of Directors for the subsidiaries consist presently of males. The target is also for these positions to have one female board member appointed by the end of 2024. For future replacements of board members at least one woman will be considered for election every time. There was no replacement of board members in 2022.

In our Group, all three CEOs are male. In Simatek, 17% of the management group is female which is the same as in 2021. In Dedert, 28% of the managers in second and third level are female, which is an increase from 23% in 2021. The increase is a first result of our internal career development strategies. It is still our aim to have more than 35% female managers by the end of 2025. Given that only 27% of all employees in the two companies are female, reaching a goal of 35% of female managers by 2025 is a challenge, but if we are successful, we hope achieving this target will also enable us to attract more female employees in the future. Therefore, we work proactively with both our recruitment and internal career development strategies to attract more female employees and develop more female managers.

Events after the balance sheet date

No events have occurred after the balance sheet date that could significantly affect the Group's financial position.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Income statement

DKK'000	Note	Group		Parent Company	
		2022	2021	2022	2021
Revenue		673,530	569,046	0	0
Other operating income		259	10,291	2,477	2,411
Raw materials, consumables and goods for resale		-423,010	-381,696	0	0
Other external costs		-67,090	-43,361	-4,865	-3,344
Gross profit/loss		183,689	154,280	-2,388	-933
Staff costs	2	-148,054	-121,440	-864	-833
EBITDA		35,635	32,840	-3,252	-1,766
Depreciation on property, plant and equipment		-4,516	-3,928	0	0
Amortisation of intangible assets		-1,630	-1,390	0	0
Operating profit/loss		29,489	27,522	-3,252	-1,766
Profit/loss in subsidiaries after tax		0	0	16,811	19,890
Financial income	3	681	419	4,204	3,141
Financial expenses	4	-5,466	-2,067	-2,012	-1,038
Profit/loss before tax		24,704	25,874	15,751	20,227
Tax on profit/loss for the year	5	-6,693	-3,339	0	0
Profit/loss for the year	6	18,011	22,535	15,751	20,227

Consolidated financial statements and parent company financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	Group		Parent Company	
		2022	2021	2022	2021
ASSETS					
Fixed assets					
Intangible assets	7				
Completed development projects		3,881	4,330	0	0
Patents and licences		544	342	0	0
Completed software projects		5,922	821	0	0
Software projects in progress		1,301	5,844	0	0
		<u>11,648</u>	<u>11,337</u>	<u>0</u>	<u>0</u>
Property, plant and equipment	8				
Land and buildings		3,633	3,733	0	0
Plant and machinery		1,580	1,926	0	0
Fixtures and fittings, tools and equipment		10,635	10,073	0	0
Leasehold improvements		5,133	5,391	0	0
Assets under construction		3,619	3,099	0	0
		<u>24,600</u>	<u>24,222</u>	<u>0</u>	<u>0</u>
Investments					
Equity investments in group entities	9	0	0	47,411	21,905
Receivables from group entities	10	0	0	107,372	101,041
Other receivables		5,990	8,894	5,990	6,875
Non-current receivables		2,620	4,286	0	0
		<u>8,610</u>	<u>13,180</u>	<u>160,773</u>	<u>129,821</u>
Total fixed assets		<u>44,858</u>	<u>48,736</u>	<u>160,773</u>	<u>129,821</u>

Consolidated financial statements and parent company financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	Group		Parent Company	
		2022	2021	2022	2021
Current assets					
Inventories					
Raw materials and consumables		13,788	13,190	0	0
Finished goods and goods for resale		12,183	11,123	0	0
		<u>25,971</u>	<u>24,313</u>	<u>0</u>	<u>0</u>
Receivables					
Trade receivables		161,803	131,465	0	0
Contract work in progress	11	73,316	75,356	0	0
Receivables from group entities		0	0	12,308	23,488
Other receivables		10,661	10,156	448	524
Corporation tax		3,198	2,023	0	10
Deferred tax assets	12	23,198	23,717	0	0
Prepayments		3,515	1,670	57	46
		<u>275,691</u>	<u>244,387</u>	<u>12,813</u>	<u>24,068</u>
Cash at bank and in hand		89,585	45,041	57,291	33,236
Total current assets		<u>391,247</u>	<u>313,741</u>	<u>70,104</u>	<u>57,304</u>
TOTAL ASSETS		<u>436,105</u>	<u>362,480</u>	<u>230,877</u>	<u>187,125</u>

Consolidated financial statements and parent company financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	Group		Parent Company	
		2022	2021	2022	2021
EQUITY AND LIABILITIES					
Equity					
Contributed capital	13	49,574	49,574	49,574	49,574
Proposed dividend		5,000	10,000	5,000	10,000
Retained earnings		65,619	43,039	65,619	43,039
Shareholders in Ordyhna Holding A/S' share of equity		120,193	102,613	120,193	102,613
Non-controlling interests		1,047	-2,865	0	0
Total equity		121,240	99,748	120,193	102,613
Provisions					
Provision for deferred tax	14	41	8	0	0
Other provisions	15	13,394	24,666	0	0
Total provisions		13,435	24,674	0	0
Liabilities other than provisions					
Non-current liabilities other than provisions	16	0	2,003	0	0
Other payables		0	2,003	0	0
Current liabilities other than provisions					
Payables to group entities		0	0	53,740	32,977
Pre-invoicing, construction contracts		6,827	1,675	0	0
Contract work in progress	11	86,460	55,927	0	0
Credit institutions		54,481	50,807	54,481	50,807
Trade payables		108,236	86,831	2,387	639
Income tax payables		4,441	1,327	0	0
Deferred income		8,720	16,600	0	0
Other payables		32,265	22,888	76	89
		301,430	236,055	110,684	84,512
Total liabilities other than provisions		301,430	238,058	110,684	84,512
TOTAL EQUITY AND LIABILITIES		436,105	362,480	230,877	187,125
Contractual obligations, contingencies, etc.					
	17				
Related parties	18				
Fees to auditor appointed at the general meeting	20				

Consolidated financial statements and parent company financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Group					
	Contri- buted capital	Retained earnings	Propo- sed dividend	Total	Non- controlling interests	Total equity
Equity at 1 January 2022	49,574	43,039	10,000	102,613	-2,865	99,748
Distributed dividends	0	237	-10,000	-9,763	-935	-10,698
Transferred over the distribution of profit/loss	0	10,751	5,000	15,751	2,260	4,169
Foreign exchange rate adjustment, foreign operation	0	4,100	0	4,100	69	15,398
Actuarial gains and losses on pension obligations	0	12,780	0	12,780	2,618	-4,389
Tax adjustment of actuarial gains and losses on pension obligations	0	-3,643	0	-3,643	-746	0
Non-controlling interests share of parent company contribution	0	-555	0	-555	555	-999
Acquisition of shares from minority shareholders	0	-1,090	0	-1,090	91	0
Equity at 31 December 2022	49,574	65,619	5,000	120,193	1,047	103,229

DKK'000	Parent company			
	Con- tributed capital	Retained earnings	Propo - sed divi- dend	Total
Equity at 1 January 2022	49,574	43,039	10,000	102,613
Distributed dividends	0	237	-10,000	-9,763
Transferred over the distribution of profit/loss	0	10,751	5,000	15,751
Foreign exchange rate adjustment, foreign subsidiary	0	4,100	0	4,100
Actuarial gains and losses on pension obligations	0	12,780	0	12,780
Tax adjustment of actuarial gains and losses on pension obligations	0	-3,643	0	-3,643
Non-controlling interests share of parent company contribution	0	-555	0	-555
Acquisition of shares from minority shareholders	0	-1,090	0	-1,090
Equity at 31 December 2022	49,574	65,619	5,000	120,193

Consolidated financial statements and parent company financial statements 1 January – 31 December

Cash flow statement

DKK'000	Note	Group	
		2022	2021
Operating profit/loss		29,488	27,522
Adjustment for non-cash operating items, etc.:			
Depreciation, amortisation and impairment losses		6,146	5,318
Changes in provisions		624	-3,623
Gain and loss on disposal of fixed assets		104	4
Cash generated from operations before changes in working capital		36,362	29,221
Changes in working capital	19	26,284	-36,902
Cash generated from operations		62,646	-7,681
Financial income		681	273
Financial expense		-2,265	-846
Corporation tax paid		-5,432	-1,955
Cash flows from operating activities		55,630	-10,209
Disposal of property, plant and equipment		113	161
Acquisition of intangible assets		-1,979	-7,070
Acquisition of property, plant and equipment		-3,995	-3,006
Acquisition of shares for treasury		0	-1,726
Changes in non-current receivables		4,570	-317
Cash flows from investing activities		-1,291	-11,958
Changes in non current liabilities		2,003	0
Change in debt to credit institutions		3,674	24,334
Dividends paid		-10,698	-3,088
Cash flows from financing activities		-5,021	21,246
Cash flows for the year		49,318	-921
Cash and cash equivalents at the beginning of the year		45,041	45,819
Foreign exchange adjustment		-4,775	143
Cash and cash equivalents at year end		89,584	45,041

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Ordyhna Holding A/S for 2022 has been prepared in accordance with the provisions applying to reporting class C-large entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the consolidated financial statements and the parent company financial statements are consistent with those of last year.

Consolidated financial statements

The consolidated financial statements comprise the Parent Company, Ordyhna Holding A/S, and subsidiaries in which Ordyhna Holding A/S directly or indirectly holds more than 50% of the votes or in some other way exercises control. Entities in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are considered associates. A group chart is included on page 6.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends and realised and unrealised gains and losses on intra-group transactions are eliminated.

Equity investments in subsidiaries are set off against the proportionate share of subsidiaries' fair value of net assets and liabilities at the date of acquisition.

Non-controlling interests

Items of subsidiaries are fully recognised in the consolidated financial statements. The non-controlling interests' proportionate share of the subsidiaries' profit and of equity is included as part of the Group's profit and equity, respectively, but is presented separately.

Business combinations

The uniting-of-interests method is applied to business combinations such as the acquisition and disposal of equity investments, mergers, demergers, contribution of assets, share exchanges, etc., between entities controlled by the Parent Company. The uniting of interests is considered to have been completed at the date of the merger/transaction without restatement of comparative figures. Differences between the agreed consideration and the carrying amount of the acquired entity is recognised in equity.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Foreign currency translation (continued)

Upon recognition of foreign subsidiaries and participating interests (including associates) which are independent entities, the income statements are translated into Danish kroner at average exchange rates for the month, and balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising upon translation of foreign subsidiaries' opening equity and results at the exchange rates at the balance sheet date are recognised directly in equity.

Foreign exchange adjustments of balances with independent foreign subsidiaries considered part of the total investment in the subsidiary are recognised directly in equity. Similarly, foreign exchange gains and losses on loans and derivative financial instruments taken out for the purpose of hedging investments in foreign subsidiaries are recognised directly in equity.

Income statement

Revenue

Revenue from the sale of goods for resale, finished goods and contract work in progress which do not meet the criteria for applying the percentage of completion method is recognised in the income statement provided that transfer of risk to the buyer has taken place before year end and that the income can be reliably measured and is expected to be received. Revenue is measured excluding VAT and taxes charged on behalf of third parties.

Contract work in progress which meet the criteria for applying the percentage of completion method is recognised in accordance herewith. Accordingly, revenue corresponds to the selling price of work performed during the year (percentage of completion method). Revenue is recognised when total income and expenses relating to the construction contract and the percentage of completion at the balance sheet date can be reliably measured, and when it is probable that future economic benefits, including payments, will flow to the Company.

Other operating income

Other operating income comprises items secondary to the activities of the Group, including gains on the disposal of intangible assets and property, plant and equipment.

Raw materials, consumables and goods for resale

The item comprises costs incurred in generating the revenue for the year. Such costs include direct and indirect costs for raw materials, consumables, rent and leases.

The item also comprises research and development costs that do not qualify for capitalisation and amortisation of capitalised development costs.

Also, provision for losses on construction contracts is included.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Other external expenses

Other external costs comprise costs for distribution, sales and advertising, administrative expenses, costs of premises, bad debts, operating leases, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Group's employees, excluding reimbursements from public authorities.

Other operating costs

Other operating costs comprise items secondary to the activities of the Group, including losses on the disposal of intangible assets and property, plant and equipment.

Profit/loss in subsidiaries

The proportionate share of the individual subsidiaries' profit/loss after tax is recognised in the Parent Company's income statement after full elimination of intra-group gains/losses.

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Commission paid in connection with bank guarantees provided in relation to contract work in progress is recognised under financial expenses.

Interest expense and other borrowing costs to finance intangible assets and property, plant and equipment which relate to the production period are recognised in cost of the assets.

Tax on profit/loss for the year

Ordyhna Holding A/S is jointly taxed with the Danish subsidiaries. The current Danish corporation tax is allocated between the jointly taxed Danish companies in proportion to their taxable income (full absorption with refunds for tax losses). The jointly taxed companies are taxed under the on-account tax scheme.

Tax for the year comprises current tax for the year and changes in deferred tax. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Balance sheet

Intangible assets

Development projects

Development costs comprise costs, wages, salaries and amortisation directly and indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are evidenced, and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses as well as development costs. Other development costs are recognised in the income statement as incurred.

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

Upon completion of development work, development costs are amortised on a straight-line basis over the estimated useful lives. The amortisation period is usually five to ten years.

Patents, licences and trademarks

Patents and licences are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight-line basis over the remaining life of the patent, and licences are amortised over the contract period, however, not exceeding 10 years.

Software

Software is measured at cost less accumulated amortization and impairment losses. Software is amortized over the expected useful lifetime, although not exceeding 3 years.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers, energy consumption, staff and depreciation of machinery used.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Buildings	25-40 years
Plant and machinery	4-10 years
Fixtures and fittings, tools and equipment	2-20 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Fixed assets under construction are recognised and measured at cost at the balance sheet date. Upon entry into service, the cost is transferred to the relevant group of property, plant and equipment.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Leases

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

The capitalised lease obligation is recognised in the balance sheet as a liability at amortised cost, allowing the interest element of the lease payment to be recognised in the income statement over the term of the lease.

All other leases are operating leases. Payments relating to operating leases and other leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed as contractual obligations and contingencies, etc.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Investments

Equity investments in subsidiaries in the Parent Company are measured according to the equity method.

Equity investments in subsidiaries are measured at the proportionate share of the entities' net asset value calculated in accordance with the Group's accounting policies with deduction or addition of unrealised gains and losses and plus or minus the residual value of positive and negative goodwill calculated in accordance with the acquisition method.

Equity investments in subsidiaries with negative net asset values are measured at DKK 0, and any receivables from these entities are written down to the extent that the receivables are deemed irrecoverable. To the extent that the Parent Company has a legal or constructive obligation to cover a negative balance exceeding the receivable, the residual amount is recognised as provisions.

Other receivables and deposits are recognised at amortised cost.

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as equity investments in group entities and associates is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Inventories

Inventories are measured at cost in accordance with the weighted-average cost method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries as well as indirect production costs. Indirect production overheads comprise indirect materials and wages and salaries as well as the maintenance of depreciation of production machinery, buildings and equipment as well as factory administration and management. Borrowing costs are not included in cost.

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

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made.

Construction contracts

Construction contracts are measured at the selling price of the work performed less progress billings and expected losses. The selling price is measured on the basis of the stage of completion at the balance sheet date and the projected income from the individual construction contract. The stage of completion is stated as the share of costs incurred in proportion to estimated total costs relating to the individual construction contract.

When the selling price of a construction contract cannot be estimated reliably, the selling price is measured at the lower of costs incurred and net realisable value.

The individual construction contract is recognised in the balance sheet as receivables or payables, respectively. Net assets comprise the total of construction contracts where the selling price of the work performed exceeds progress billings. Net liabilities comprise the total of construction contracts where progress billings exceed the selling price.

Costs arising from sales work and contracting are recognised in the income statement as incurred.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

Equity

Dividends

The expected dividend payment for the year is disclosed as a separate item under equity.

Net revaluation reserve according to the equity method

Net revaluation reserve according to the equity method comprises net revaluation of equity investments in associates in proportion to cost.

Dividends that are expected to be received before the balance sheet date are not tied to the reserve.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Reserves may be eliminated in connection with loss, realisation of equity investments or changes in accounting estimates.

Reserves cannot be recognised at a negative amount.

By disposal of shares with a negative equity value the reserve is not re-established, but profit and loss are recognised under retained earnings.

Corporation tax and deferred tax

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

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities measured on the planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Provisions

Pension obligations

Pension obligations are the net liabilities of defined benefit obligations and plan assets. The defined benefit obligations are measured at the present value of expected future payments to be made in respect of services provided by employees up to the balance sheet date. Plan assets are measured at fair value. Actuarial gains and losses are recognised in other comprehensive income.

Warranties and projects

Provisions comprise anticipated costs related to warranties, losses on work in progress, restructurings, etc. Provisions are recognised when, as a result of past events, the Company has a legal or a constructive obligation, and it is probable that there may be outflow of resources embodying economic benefits to settle the obligation. Provisions are measured at net realisable value or fair value if the obligation is expected to be settled in the distant future.

Warranties comprise obligations to make good any defects within the warranty period. Provisions are measured at net realisable value and recognised based on past experience.

If it is likely that total costs will exceed total income from contract work in progress, a provision is made for the total loss anticipated on the contract. The provided amount is recognised in production costs.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at cost, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Finance lease obligation comprises the capitalised residual lease obligation of finance leases.

Other liabilities are measured at net realisable value.

Cash flow statement

The cash flow statement shows the Group's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and divestment of entities is shown separately in cash flows from investing activities. Cash flows relating to acquired entities are recognised in the cash flow statement from the date of acquisition, and cash flows relating to divested entities are recognised up to the date of divestment.

Cash flows from operating activities

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities, intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise changes in size or composition of the Company's contributed capital and costs in this respect as well as raising of loans, instalments on interest-bearing debt and distribution of dividend to owners.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Financial ratios

The financial ratios have been calculated as follows:

Gross margin

$$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$$

Operating margin

$$\frac{\text{Operating profit} \times 100}{\text{Revenue}}$$

Solvency ratio

$$\frac{\text{Equity ex. non-controlling interests year end} \times 100}{\text{Total equity and liabilities at year end}}$$

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

DKK'000	Group		Parent Company	
	2022	2021	2022	2021
2 Staff costs				
Remuneration of the Board of Directors and the Executive Board of the Parent Company	864	833	864	833
Wages and salaries	124,013	102,876	0	0
Pensions	8,432	6,061	0	0
Other social security costs	14,745	11,670	0	0
	<u>148,054</u>	<u>121,440</u>	<u>864</u>	<u>833</u>
Average number of full-time employees	<u>177</u>	<u>155</u>	<u>1</u>	<u>1</u>

With reference to section 98b(3)(i) of the Danish Financial Statements Act, information on remuneration to the Executive Board and Board of Directors has been shown together.

DKK'000	Group		Parent Company	
	2022	2021	2022	2021
3 Financial income				
Interest income from subsidiaries	0	0	3,553	2,935
Other financial income	681	273	651	206
Exchange rate adjustments	0	146	0	0
	<u>681</u>	<u>419</u>	<u>4,204</u>	<u>3,141</u>
4 Financial expenses				
Interest income to subsidiaries	0	0	461	417
Other financial expenses	2,265	846	1,533	583
Exchange rate adjustments	3,201	1,221	18	38
	<u>5,466</u>	<u>2,067</u>	<u>2,012</u>	<u>1,038</u>
5 Tax on profit/loss for the year				
Current tax	9,646	3,627	0	0
Adjustment of deferred tax	-2,700	163	0	0
Adjustment relating to prior years	-253	-451	0	0
	<u>6,693</u>	<u>3,339</u>	<u>0</u>	<u>0</u>

Consolidated financial statements and parent company financial statements 1 January – 31 December

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DKK'000	Group		Parent Company	
	2022	2021	2022	2021
6 Proposed profit appropriation				
Retained earnings	10,751	10,227	10,751	10,227
Proposed dividend	5,000	10,000	5,000	10,000
Non-controlling interests' share of subsidiaries' profit	2,260	2,308	0	0
	<u>18,011</u>	<u>22,535</u>	<u>15,751</u>	<u>20,227</u>

7 Intangible assets

DKK'000	Completed development projects	Group			
		Patents and Licences	Software	Software projects in progress	Total
Cost at 1 January 2022	27,581	6,118	6,751	5,844	46,294
Exchange rate adjustments	0	-22	0	0	-22
Additions	0	410	169	1,400	1,979
Transfer	0	0	5,943	-5,943	0
Cost at 31 December 2022	<u>27,581</u>	<u>6,506</u>	<u>12,863</u>	<u>1,301</u>	<u>48,251</u>
Amortisation and impairment losses at 1 January 2022	-23,251	-5,776	-5,930	0	-34,957
Exchange rate adjustments	0	-16	0	0	-16
Amortisation	<u>-449</u>	<u>-170</u>	<u>-1,011</u>	<u>0</u>	<u>-1,630</u>
Amortisation and impairment losses at 31 December 2022	<u>-23,700</u>	<u>-5,962</u>	<u>-6,941</u>	<u>0</u>	<u>-36,603</u>
Carrying amount at 31 December 2022	<u>3,881</u>	<u>544</u>	<u>5,922</u>	<u>1,301</u>	<u>11,648</u>

Completed development projects

The book value of completed development projects comprise intellectual property rights and related cost acquired in 2021 and is amortized over 10 years. Revenue derived from these property rights is included from 2021 on.

Development projects in progress

Software projects in progress primarily includes development and customization of an interface for a product configurator solution. This project is expected to be completed in 2023.

Consolidated financial statements and parent company financial statements 1 January – 31 December

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8 Property, plant and equipment

DKK'000	Group					Total
	Land and buildings	Plant and machinery	Fixtures and fittings, tools and equipment	Leasehold improvements	Assets under construction	
Cost at 1 January 2022	9,828	10,665	36,539	11,236	3,099	71,367
Foreign exchange adjustments in foreign entities	0	390	1,912	641	190	3,133
Additions	205	414	2,597	419	360	3,995
Disposals	0	-177	0	-142	0	-319
Transfer	0	30	0	0	-30	0
Cost at 31 December 2022	10,033	11,322	41,048	12,154	3,619	78,176
Depreciation and impairment losses at 1 January 2022	-6,095	-8,739	-26,466	-5,845	0	-47,145
Foreign exchange adjustments in foreign entities	0	-298	-1,399	-322	0	-2,019
Depreciation	-305	-783	-2,548	-880	0	-4,516
Depreciation on disposals	0	78	0	26	0	104
Depreciation and impairment losses at 31 December 2022	-6,400	-9,742	-30,413	-7,021	0	-53,576
Carrying amount at 31 December 2022	3,633	1,580	10,635	5,133	3,619	24,600

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

DKK'000	Parent Company	
	2022	2021
9 Equity investments in subsidiaries		
Cost at 1 January	288,661	288,661
Additions	7,000	0
Cost at 31 December	295,661	288,661
Value adjustments at 1 January	-266,756	-283,801
Foreign exchange adjustment	-2,231	-1,781
Actuarial gains and losses on pension obligations	9,137	210
Profit/loss for the year	16,811	19,890
Dividend	-4,565	-912
Other adjustments	-646	-362
Value adjustments at 31 December	-248,250	-266,756
Carrying amount at 31 December	47,411	21,905
Recognised as follows in the financial statements:		
Recognised as investments	47,411	21,905
	<u>47,411</u>	<u>21,905</u>

Name/legal form	Registered office	Equity interest
Subsidiaries:		
Dedert International A/S	Denmark	83%
Simatek A/S	Denmark	92%

DKK'000	Parent Company	
	2022	2021
10 Receivables from subsidiaries		
Non-current receivable from subsidiary	107,372	101,041
	<u>107,372</u>	<u>101,041</u>

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

DKK'000	Group	
	2022	2021
11 Contract work in progress		
Contract work in progress	1,069,507	683,144
Progress billings	-1,082,651	-663,715
	<u>-13,144</u>	<u>19,429</u>
that can be specified as follows:		
Contract work in progress (assets)	73,316	75,356
Contract work in progress (liabilities)	-86,460	-55,927
	<u>-13,144</u>	<u>19,429</u>

DKK'000	Group		Parent Company	
	2022	2021	2022	2021
12 Deferred tax asset				
Deferred tax at 1 January	23,717	22,104	0	0
Foreign exchange adjustments, foreign entities	1,170	1,323	0	0
Adjustments through Income Statement	2,700	462	0	0
Adjustments through Equity	-4,389	-173	0	0
	<u>23,198</u>	<u>23,716</u>	<u>0</u>	<u>0</u>

The Group has deferred tax assets of DKK 30 million, and the Parent Company has deferred tax assets of DKK 23.2 million. The difference (to the recognised amounts) has not been recognised in the financial statements due to uncertainty regarding the future utilisation.

13 Contributed capital

The contributed capital comprises 49,574,430 shares at a nominal value of DKK 1 per share. All shares rank equally.

Changes in contributed capital during the past five years can be specified as follows:

DKK'000	2022	2021	2020	2019	2018
Balance at 1 January	49,574	49,574	49,574	49,574	49,574
Redemption of contributed capital	0	0	0	0	0
	<u>49,574</u>	<u>49,574</u>	<u>49,574</u>	<u>49,574</u>	<u>49,574</u>

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

DKK'000	Group		Parent Company	
	2022	2021	2022	2021
14 Deferred tax liability				
Deferred tax at 1 January	8	0	0	0
Adjustment of deferred tax	33	8	0	0
	<u>41</u>	<u>8</u>	<u>0</u>	<u>0</u>
15 Other provisions				
Warranties	2,787	1,956	0	0
Project specific warranties	39	246	0	0
Pension obligations	10,568	22,464	0	0
Other provisions at 31 December	<u>13,394</u>	<u>24,666</u>	<u>0</u>	<u>0</u>

Pension obligations can be specified as follows:

DKK'000	Group	
	2022	2021
Defined benefit obligation	66,367	93,641
Fair value of plan assets	-55,799	-71,177
Net pension obligation	<u>10,568</u>	<u>22,464</u>

Of provisions, DKK 10,568 thousand (2021: 22,464 thousand) is expected to fall due after more than five years.

16 Non-current liabilities other than provisions

Liabilities other than provisions can be specified as follows:

DKK'000	2022	2021
Other payables:		
1-5 years	<u>0</u>	<u>2,003</u>
Total liabilities other than provisions	<u>0</u>	<u>2,003</u>

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

17 Contractual obligations, contingencies, etc. (continued)

Contingent liabilities

Lease obligations

Lease obligations (operating leases) falling due within five years amount to DKK 4,119 thousand.

Obligations relating to the lease of office premises falling due within five years amount to DKK 7,177 thousand.

Guarantees

The Group has provided delivery and performance guarantees relating to projects. These guarantees may entail a liability that will not be recognised until the facilities have been delivered or put into operation. It is Management's assessment that the Group has met the provided guarantees, and consequently, no costs have been recognised in this respect. Bank guarantees of DKK 109 million have been provided in this respect.

Other liabilities

Non-compliance with VAT regulation regarding disclosure of information and reporting requirements to the authorities has been identified in a subsidiary. The Company's Management has taken remedial steps in order to reduce/eliminate risks. Management assess no risk regarding VAT liabilities, but there could be a risk in regards to administrative penalties. Management is unable reliably to quantify the monetary risk but assess such risk as immaterial for the group and parent financial statements as a whole.

Parent Company

Ordyhna Holding A/S has jointly with other group entities provided suretyship for a number of affiliated companies' banking arrangements with Danske Bank. The group balance is positive as at 31 December 2022.

The Parent Company is jointly taxed with the Danish subsidiaries. The companies included in the joint taxation have joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties. At 31 December 2022, the net taxes payable to the Danish tax authorities by the companies included in the joint taxation amounted to DKK 0 thousand which is covered in full by on-account payments. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, etc., may entail that the companies' liability will increase. The Group as a whole is not liable to others.

18 Related party disclosures

Parties exercising control

No single shareholder exercises control.

Related party transactions

DKK'000

2022

Group

Purchase of consultancy services

3,043

Parent Company

Sale of services

2,477

Purchase of services

0

Purchase of consultancy services

3,043

Purchase of consultancy services

328

Remuneration to the Parent Company's Executive Board and Board of Directors is disclosed in note 2.

Payables to associates and subsidiaries are disclosed in the balance sheet, and interest is disclosed in notes 3 and 4.

19 Change in working capital

DKK'000

Group

	2022	2021
Change in inventories	-1,658	-6,304
Change in receivables	-30,648	-119,228
Change in trade and other payables	58,590	88,630
	26,284	-36,902

20 Fees to auditor appointed at the general meeting

DKK'000

Group

Parent Company

	2022	2021	2022	2021
Statutory audit	883	810	38	35
Tax assistance	513	61	307	10
Other assurance engagements	49	47	0	0
Non-audit services	41	46	15	15
Total fees to KPMG	1,486	964	360	60