

HIDROSTAL A/S

Petersmindevej 25, 5000 Odense C

Company reg. no. 17 47 25 77

Annual report

1 January - 31 December 2024

The annual report was submitted and approved by the general meeting on the 31 May 2025.

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of HIDROSTAL A/S for the financial year 1 January - 31 December 2024.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2024.

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

We recommend that the annual report be approved at the Annual General Meeting.

Odense, 6 March 2025

Managing Director

Jeppe Holm

Board of directors

Rolf Schweizer
Chairman

Jeppe Holm

Svend Aage Larsen

Independent auditor's report

To the Shareholders of HIDROSTAL A/S

Opinion

We have audited the financial statements of HIDROSTAL A/S for the financial year 1 January - 31 December 2024, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity, statement of cash flows and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

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

Basis for conclusion

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

Management's Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional 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 internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the audit of the financial statements to obtain sufficient appropriate audit evidence regarding consolidated financial information of the entities or business units as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed. We remain solely responsible for our audit opinion.

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

Statement on Management's Review

Management is responsible for Management's Review.

Independent auditor's report

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

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

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

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

Odense, 6 March 2025

Revision & Råd

Revision & Råd
Company reg. no. 36 92 33 18

Mathias Lundsryd Bendiksen
State Authorised Public Accountant
mne35805

Company information

The company

HIDROSTAL A/S
Petersmindevej 25
5000 Odense C

Company reg. no. 17 47 25 77
Established: 1 December 1993
Domicile: Odense
Financial year: 1 January - 31 December
31st financial year

Board of directors

Rolf Schweizer, Chairman
Jeppe Holm
Svend Aage Larsen

Managing Director

Jeppe Holm

Auditors

Revision & Råd
Statsautoriseret Revisionsaktieselskab
Svendborgvej 83
5260 Odense S

Parent company

Hidrostal Holding AG, Schweiz

Financial highlights

DKK in thousands.	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Income statement:					
Gross profit	50.934	45.875	42.064	29.335	28.168
Profit from operating activities	14.584	13.486	13.259	4.668	6.310
Net financials	-258	-163	-299	-286	-275
Net profit or loss for the year	11.138	10.354	10.164	3.334	4.568
Statement of financial position:					
Balance sheet total	93.916	99.106	70.137	66.655	75.194
Investments in property, plant and equipment	2.587	322	2.087	1.901	3.313
Equity	49.053	44.361	37.251	29.162	29.277
Cash flows:					
Operating activities	17.873	6.237	3.837	1.692	10.113
Investing activities	-2.346	-397	-1.896	-1.851	-3.310
Financing activities	-6.018	-3.575	-1.847	-3.863	-607
Total cash flows	9.509	2.265	94	-4.022	6.196
Employees:					
Average number of full-time employees	60	57	51	42	39
Key figures in %:					
Solvency ratio	52,2	44,8	53,1	43,8	38,9
Return on equity	23,8	25,4	30,6	11,4	16,3

Calculations of key figures and ratios do, in all material respects, follow the recommendations of the Danish Association of Finance Analysts, only in a few respects deviating from the recommendations.

The key figures and ratios shown in the statement of financial highlights have been calculated as follows:

Solvency ratio
$$\frac{\text{Equity, closing balance} \times 100}{\text{Total assets, closing balance}}$$

Return on equity
$$\frac{\text{Net profit or loss for the year} \times 100}{\text{Average equity}}$$

Management's review

Description of key activities of the company

Like previous years, the activities are sales, manufacturing and service of wells, pumps and well fittings. Hidrostal A/S operates in the Nordic Market within wastewater, aquaculture, and industrial applications. The nature of business is manufacturing for above markets incl. project management of installation turnkey wastewater projects. The focus is to deliver sustainable solutions to the market. Hidrostal A/S's activities are centered around Hidrostal values, which among other things, are based on UN's Sustainable Development Goals.

Development in activities and financial matters

The gross profit for the year totals DKK 50.934.387 against DKK 45.875.124 last year. Income or loss from ordinary activities after tax totals DKK 11.138.335 against DKK 10.354.144 last year. Management considers the net profit or loss for the year satisfactory.

Hidrostal A/S has as a result of the world situation including the war in Ukraine withdrawn its activities regarding trade with Russia and Belarus. The company do not want to service markets in these countries due to the current situation.

In the year, the company has been merged with the subsidiary VEJE ENGINEERING ApS with accounting effect from 1. january 2024.

See also the mention under the accounting policies in the annual report.

Financial risks

Foreign currency risks

The company buys its goods primarily in CHF. With the majority of sales being settled in DKK and EUR, the company is exposed to fluctuations in these currencies against CHF. In the light of the instability of the exchange rate between EUR and CHF in later years the company is continuously working on managing this risk.

Internal policies for currency hedging are en place in order to help minimize the risk associated with the development of currency when trading and buying in different currencies for major projects and over time.

Commodity risks

The company is exposed to fluctuations in commodity and raw material prices. In the current economic climate, this risk is considered particularly relevant to the company.

A major challenge in the current market is the fluctuating commodity prices. Hidrostal A/S tries to minimize the risk by continuously focusing on purchasing policies including large purchase and discount agreements.

Management's review

Security of supply and reliability of delivery

Another important risk in the current market is security of supply. Hidrostal A/S is like many other companies affected by the global challenge of supply and delivery and how to ensure stability of supply. A large part of Hidrostal A/S product portfolio is bought from the Hidrostal group worldwide. The Hidrostal group worldwide's value chain covers the entire value chain from production to end customer, and this helps to ensure a high security of supply and independency. For the part that does not concern product purchases by the Hidrostal Group worldwide Hidrostal A/S attempts to minimize the risk associated with security of supply - this is done among other things through specific agreements with suppliers.

Research and development activities

The company and the group strive to continuously innovate and develop new uses for our products in order to create value for our customers.

Expected developments

Profit after tax for 2024 was above expectations, which were a profit slightly below 2023-level. The primary driver of the higher profit has been increased activity in the biogas market.

Right now the outlook for the future is unsecure due to war and crisis in Europe and this gives some uncertainties. The company expects to realize a profit in 2025 slightly below 2024-level.

Events occurring after the end of the financial year

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

Environment and climate

Sustainability and protecting the environment is an integral part of Hidrostal's philosophy. This is reflected not only by our strategies and decisions as a company, but also in the values practiced by the owners and employees. Hidrostal products are intended to be used for sensible purposes, to promote human health and protect the environment.

Accounting policies

The annual report for HIDROSTAL A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (medium sized enterprises).

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Derivatives

At their initial recognition, derivatives are recognised at cost in the statement of financial position. Hereafter, they measured at fair value. Positive and negative fair values of derivatives are recognised under other receivables and payables, respectively.

If the future transaction results in income or costs, amounts recognised in equity on a continuing basis are transferred to the income statement for the period in which the hedged item affected the income statement.

Business combinations

Business combinations (the uniting-of-interests method)

The company has been merged with the subsidiary VEJE ENGINEERING ApS with accounting effect from 1. January 2024.

In case of intercompany business combinations, the uniting-of-interests method is applied. By this method, the two enterprises are united at carrying amounts, and differences are not identified. Any considerations exceeding the carrying amount in the acquired entity are recognised directly in equity.

The application of the uniting-of-interests method means that the business combination is implemented as if the the two enterprises always were united by modification of comparative figures.

Income statement

Gross profit

Gross profit comprises the revenue, changes in contract work in progress, cost of sales, other operating income and external costs.

Accounting policies

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Contract work in progress concerning construction contracts is recognised in the revenue concurrently with the production process. Thus, the revenue corresponds to the selling price of the total yearly production (the production method). The revenue is recognised when the total income and costs of the contract and the stage of completion on the reporting date can be reliably validated and it is deemed probable that the financial benefits will flow to the company.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets as well as salary reimbursements received.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs etc.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to debt and transactions in foreign currency etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Accounting policies

Statement of financial position

Intangible assets

Goodwill

Acquired goodwill is measured at cost with deduction of accumulated amortisation. Goodwill is amortised over the estimated useful life, which is determined on the basis of management's experience in the individual business areas. Goodwill is amortised on a straightline basis over the amortisation period, which is set at between 5 and 25 years. The amortisation period is determined on the basis of an expected pay-back period, being the longer for strategical acquirees with a strong market position and an expected longterm earnings profile. The amortisation periods used are 5 years.

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment. Land is not subject to depreciation.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Buildings	25 years	0-50 %
Leasehold improvements	5-20 years	0 %
Other fixtures and fittings, tools and equipment	5 years	0 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Accounting policies

Leases

At their initial recognition in the statement of financial position, leases concerning property, plant, and equipment where the company holds all essential risks and advantages associated with the proprietary right (finance lease) are measured either at fair value of the asset being leased or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the discount rate used is the internal rate of return of the lease or, alternatively, the borrowing rate of the enterprise. Hereafter, assets held under a finance lease are treated in the same way as other similar property, plant, and equipment.

The capitalised residual lease commitment is recognised in the statement of financial position as a liability other than provisions, and the interest part of the lease is recognised in the income statement for the term of the contract.

All other leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Investments

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Inventories

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

Accounting policies

The net realisable value for inventories is recognised as the estimated selling price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured on the basis of the stage of completion on the reporting date and the total expected income from the individual work in progress. The stage of completion is calculated as the share of costs incurred in proportion to the estimated total costs of the individual work in progress.

When the selling price of the individual work in progress can not be determined reliably, the selling price is measured at the costs incurred or at net realisable value, if this is lower.

The individual work in progress is recognised in the statement of financial position under accounts receivables or liabilities. Net assets consist of the sum of the work in progress, where the selling price of the work performed exceeds invoicing on account. Net liabilities consist of the sum of the work in progress, where invoicing on account exceeds the selling price.

Costs in connection with sales work and the procurement of contracts are recognised in the income statement when incurred.

Prepayments

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Equity

Reserve for hedging transactions

The reserve for hedging transactions arises when hedging instruments are subject to fair value adjustments. The reserve is distributable and is dissolved once the value adjustments have been applied or reversed.

Accounting policies

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Provisions

Provisions comprise expected costs of warranty commitments, loss on work in progress, restructuring, etc. Provisions are recognised when the company has a legal or actual commitment resulting from a previously occurred event and when it is probable that the settlement of the liability will result in consumption of the financial resources of the company.

Provisions are measured at net realisable value or at fair value. If the fulfilment of a liability is expected to take place far in the future, the liability is measured at fair value.

If goods are sold on approval, a provision is made for the mark-up on the goods estimated to be returned as well as any expenses related to the returns.

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

When it is likely that the total costs will exceed the total income of contract work in progress, the total expected loss on the contract work in progress will be recognised as provisions for liabilities. The provision is recognised under production costs.

Liabilities other than provisions

Capitalised residual leasing liabilities associated with financial leasing contracts are recognised in the financial liabilities.

Accounting policies

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Accruals and deferred income

Payments received concerning future income are recognised under accruals and deferred income.

Statement of cash flows

The cash flow statement shows the cash flows for the year, divided in cash flows deriving from operating activities, investment activities and financing activities, respectively, the changes in the liabilities, and cash and cash equivalents at the beginning and the end of the year, respectively.

Cash flows from operating activities

Cash flows from operating activities are calculated as the company's share of the profit adjusted for non-cash operating items, changes in the working capital, and corporate income tax paid. Dividend income from equity investments are recognised under “Interest income and dividend received”.

Cash flows from investment activities

Cash flows from investment activities comprise payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible assets, property, plant, and equipment, and investments, respectively.

Cash flows from financing activities

Cash flows from financing activities include changes in the size or the composition of the company's share capital and costs attached to it, as well as raising loans, repayments of interest-bearing payables and payment of dividend to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and shortterm financial instruments with a term of less than 3 months, which can easily be converted into cash and cash equivalents and are associated with an insignificant risk of value change.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2024</u>	<u>2023</u>
Gross profit	50.934.387	45.875.124
1 Staff costs	-34.790.562	-30.929.588
Depreciation and impairment of property, plant, and equipment	<u>-1.560.307</u>	<u>-1.459.920</u>
Operating profit	14.583.518	13.485.616
Other financial income from subsidiaries	3.475	12.931
Other financial income	253.908	125.044
Other financial expenses	<u>-515.172</u>	<u>-301.197</u>
Pre-tax net profit or loss	14.325.729	13.322.394
2 Tax on net profit or loss for the year	<u>-3.187.394</u>	<u>-2.968.250</u>
3 Net profit or loss for the year	<u>11.138.335</u>	<u>10.354.144</u>

Balance sheet at 31 December

All amounts in DKK.

<u>Note</u>	<u>2024</u>	<u>2023</u>
Assets		
Non-current assets		
4 Property	5.033.679	5.070.252
5 Other fixtures, fittings, tools and equipment	4.109.114	3.463.682
6 Leasehold improvements	1.185.639	978.658
Total property, plant, and equipment	<u>10.328.432</u>	<u>9.512.592</u>
7 Deposits	280.452	280.452
Total investments	<u>280.452</u>	<u>280.452</u>
Total non-current assets	<u>10.608.884</u>	<u>9.793.044</u>
Current assets		
Manufactured goods and goods for resale	18.902.387	17.531.856
Prepayments for goods	16.619	2.241
Total inventories	<u>18.919.006</u>	<u>17.534.097</u>
Trade receivables	36.708.172	48.695.312
8 Contract work in progress	10.951.416	14.617.266
Receivables from subsidiaries	333.276	401.275
Income tax receivables	0	197.078
Other receivables	15.454	841.068
9 Prepayments	323.984	480.282
Total receivables	<u>48.332.302</u>	<u>65.232.281</u>
Cash and cash equivalents	<u>16.055.329</u>	<u>6.546.215</u>
Total current assets	<u>83.306.637</u>	<u>89.312.593</u>
Total assets	<u>93.915.521</u>	<u>99.105.637</u>

Balance sheet at 31 December

All amounts in DKK.

<u>Note</u>	<u>2024</u>	<u>2023</u>
Equity and liabilities		
Equity		
Contributed capital	1.000.000	1.000.000
Reserve for hedging transactions	-25.804	646.116
Retained earnings	42.078.310	36.939.975
Proposed dividend for the financial year	6.000.000	5.775.000
Total equity	<u>49.052.506</u>	<u>44.361.091</u>
Provisions		
10 Provisions for deferred tax	2.331.530	1.099.658
11 Other provisions	2.579.148	2.369.839
Total provisions	<u>4.910.678</u>	<u>3.469.497</u>
Liabilities other than provisions		
Lease liabilities	2.365.040	1.959.667
12 Total long term liabilities other than provisions	<u>2.365.040</u>	<u>1.959.667</u>
12 Current portion of long term liabilities	615.264	552.329
Bank loans	128.609	839.842
8 Contract work in progress	3.003.750	12.943.443
Trade payables	7.544.229	5.938.611
Payables to subsidiaries	18.948.676	22.868.436
Income tax payable	1.090.006	0
Other payables	6.256.763	5.441.537
13 Deferred income	0	731.184
Total short term liabilities other than provisions	<u>37.587.297</u>	<u>49.315.382</u>
Total liabilities other than provisions	<u>39.952.337</u>	<u>51.275.049</u>
Total equity and liabilities	<u>93.915.521</u>	<u>99.105.637</u>
14 Disclosures on fair value		
15 Charges and security		
16 Contingencies		
17 Related parties		

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Reserve for net revalua-tion according to the eq-uity method	Reserve for hedging transactions	Retained earnings	Proposed dividend for the financial year	Total
Equity 1 January						
2024	1.000.000	4.959.446	646.116	31.980.529	5.775.000	44.361.091
Adjustment at the beginning of the year	0	-4.959.446	0	4.959.446	0	0
Adjusted equity 1 January 2024	1.000.000	0	646.116	36.939.975	5.775.000	44.361.091
Distributed dividend	0	0	0	0	-5.775.000	-5.775.000
Share of results	0	0	0	5.138.335	6.000.000	11.138.335
Fair value adjustments of hedging instruments for the year	0	0	-861.436	0	0	-861.436
Tax relating to equity transactions	0	0	189.516	0	0	189.516
	1.000.000	0	-25.804	42.078.310	6.000.000	49.052.506

Statement of cash flows 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2024</u>	<u>2023</u>
Net profit or loss for the year	11.138.335	10.354.144
18 Adjustments	4.975.492	4.705.230
19 Change in working capital	2.496.071	-5.900.333
Cash flows from operating activities before net financials	18.609.898	9.159.041
Interest received, etc.	257.383	137.975
Interest paid, etc.	-515.172	-301.197
Cash flows from ordinary activities	18.352.109	8.995.819
Income tax paid	-478.922	-2.758.590
Cash flows from operating activities	17.873.187	6.237.229
Purchase of property, plant, and equipment	-2.586.995	-322.151
Sale of property, plant, and equipment	240.847	0
Purchase of fixed asset investments	0	-75.000
Cash flows from investment activities	-2.346.148	-397.151
Repayments of long-term payables	468.308	-584.042
Dividend paid	-5.775.000	-3.815.000
Changes in short-term bank loans	-711.233	824.027
Cash flows from financing activities	-6.017.925	-3.575.015
Change in cash and cash equivalents	9.509.114	2.265.063
Cash and cash equivalents at opening balance	6.546.215	4.281.152
Cash and cash equivalents at end of period	16.055.329	6.546.215
Cash and cash equivalents		
Cash and cash equivalents	16.055.329	6.546.215
Cash and cash equivalents at end of period	16.055.329	6.546.215

Notes

All amounts in DKK.

	<u>2024</u>	<u>2023</u>
1. Staff costs		
Salaries and wages	30.800.150	27.367.402
Pension costs	3.487.378	3.086.652
Other costs for social security	<u>503.034</u>	<u>475.534</u>
	<u>34.790.562</u>	<u>30.929.588</u>
Average number of employees	<u>60</u>	<u>57</u>

According to The Danish Financial Statements Act § 98B, remuneration to the Board of Directors have not been disclosed.

In addition to the above staff costs, DKK 133.543 has been recognized under "Other external costs", which is included under "Gross profit" in the income statement, which relates to the costs of operating a free car and telephone as well as health insurance, which is part of the remuneration.

	<u>2024</u>	<u>2023</u>
2. Tax on net profit or loss for the year		
Tax of the results for the year	1.955.522	2.389.934
Adjustment for the year of deferred tax	<u>1.231.872</u>	<u>578.316</u>
	<u>3.187.394</u>	<u>2.968.250</u>
3. Proposed distribution of net profit		
Dividend for the financial year	6.000.000	5.775.000
Transferred to retained earnings	<u>5.138.335</u>	<u>4.579.144</u>
Total allocations and transfers	<u>11.138.335</u>	<u>10.354.144</u>

Notes

All amounts in DKK.

	<u>31/12 2024</u>	<u>31/12 2023</u>
4. Property		
Cost opening balance	5.750.096	5.750.096
Additions during the year	<u>71.369</u>	<u>0</u>
Cost end of period	<u>5.821.465</u>	<u>5.750.096</u>
Depreciation and writedown opening balance	-679.844	-573.329
Depreciation for the year	<u>-107.942</u>	<u>-106.515</u>
Depreciation and writedown end of period	<u>-787.786</u>	<u>-679.844</u>
Carrying amount, end of period	<u>5.033.679</u>	<u>5.070.252</u>
5. Other fixtures, fittings, tools and equipment		
Cost opening balance	11.626.012	11.303.861
Additions during the year	1.928.451	322.151
Disposals during the year	<u>-712.622</u>	<u>0</u>
Cost end of period	<u>12.841.841</u>	<u>11.626.012</u>
Amortisation and write-down opening balance	-8.162.330	-7.143.317
Depreciation for the year	-1.072.172	-1.019.013
Reversal of depreciation, amortisation and writedown, assets disposed of	<u>501.775</u>	<u>0</u>
Amortisation and write-down end of period	<u>-8.732.727</u>	<u>-8.162.330</u>
Carrying amount, end of period	<u>4.109.114</u>	<u>3.463.682</u>
Lease assets are recognised at a carrying amount of	<u>3.332.403</u>	<u>2.663.467</u>

Notes

All amounts in DKK.

	<u>31/12 2024</u>	<u>31/12 2023</u>
6. Leasehold improvements		
Cost opening balance	1.835.545	1.835.548
Additions during the year	<u>587.175</u>	<u>0</u>
Cost end of period	<u>2.422.720</u>	<u>1.835.548</u>
Depreciation and write-down opening balance	-856.886	-522.499
Depreciation for the year	<u>-380.195</u>	<u>-334.391</u>
Depreciation and write-down end of period	<u>-1.237.081</u>	<u>-856.890</u>
Carrying amount, end of period	<u>1.185.639</u>	<u>978.658</u>
7. Deposits		
Cost opening balance	280.452	205.452
Additions during the year	<u>0</u>	<u>75.000</u>
Cost end of period	<u>280.452</u>	<u>280.452</u>
Carrying amount, end of period	<u>280.452</u>	<u>280.452</u>
8. Contract work in progress		
Sales value of the production of the period	53.507.286	33.333.494
Progress billings	<u>-45.559.620</u>	<u>-31.659.671</u>
Contract work in progress, net	<u>7.947.666</u>	<u>1.673.823</u>
The following is recognised:		
Work in progress for the account of others (current assets)	10.951.416	14.617.266
Work in progress for the account of others (short-term liabilities)	<u>-3.003.750</u>	<u>-12.943.443</u>
	<u>7.947.666</u>	<u>1.673.823</u>
9. Prepayments		
Prepayments consists of prepayments on costs concerning subsequent financial year.		

Notes

All amounts in DKK.

	<u>31/12 2024</u>	<u>31/12 2023</u>
10. Provisions for deferred tax		
Provisions for deferred tax opening balance	1.099.658	521.342
Deferred tax of the results for the year	<u>1.231.872</u>	<u>578.316</u>
	<u>2.331.530</u>	<u>1.099.658</u>

11. Other provisions		
Other provisions opening balance	2.369.839	2.256.000
Change of the year in other provisions	<u>209.309</u>	<u>113.839</u>
	<u>2.579.148</u>	<u>2.369.839</u>

Other provisions comprise anticipated costs of non-recourse guarantee commitments.

12. Long term liabilities other than provisions				
	<u>Total payables 31 Dec 2024</u>	<u>Current portion of long term payables</u>	<u>Long term payables 31 Dec 2024</u>	<u>Outstanding payables after 5 years</u>
Lease liabilities	2.980.304	615.264	2.365.040	0
	<u>2.980.304</u>	<u>615.264</u>	<u>2.365.040</u>	<u>0</u>

	<u>31/12 2024</u>	<u>31/12 2023</u>
13. Deferred income		
Prepayments/deferred income	<u>0</u>	<u>731.184</u>
	<u>0</u>	<u>731.184</u>

Notes

All amounts in DKK.

14. Disclosures on fair value

	Derived financial instruments
Fair value at end of period	-32.082
Unrealised change in fair value of the year recognised in the equity before tax	-861.436

Derived financial instruments comprise forward exchange contracts between EUR and CHF that the company has entered into in order to hedge against the fluctuations in the EUR/CHF exchange rates. The contracts efficiently hedge future purchases of goods in CHF, and they have durations of 1 month.

15. Charges and security

Debt to parent company, Hidrostal Holding AG, of DKK 0 is secured by way of mortgage on properties for DKK 7.000.000. The carrying amount of mortgaged properties is DKK 5.033.679.

16. Contingencies

Contingent liabilities

Rental or lease liabilities

Liabilities under rental or lease agreements until maturity comprise in total DKK 3.443.784.

Securities:

The insurance company, Tryg Garanti, has lodged security towards various customers for DKK 7.727.156. The bank has provided a guarantee for customers prepayment for DKK 1.215.126.

17. Related parties

Controlling interest

Hidrostal Holding AG, Gigering 27, 8213 Neunkirch, Switzerland Majority shareholder

Transactions

All transactions with related parties are conducted on market terms.

Notes

All amounts in DKK.

Consolidated financial statements

The company is included in the consolidated financial statements of Hidrostal Holding AG, Gigering 27, 8213 Neunkirch, Switzerland.

	<u>2024</u>	<u>2023</u>
18. Adjustments		
Depreciation, amortisation, and impairment	1.560.309	1.459.919
Profit from disposal of non-current assets	-30.000	0
Other financial income	-257.383	-137.975
Other financial expenses	515.172	301.197
Tax on net profit or loss for the year	3.187.394	2.968.250
Other provisions	0	113.839
	<u>4.975.492</u>	<u>4.705.230</u>
19. Change in working capital		
Change in inventories	-1.384.909	360.998
Change in receivables	16.702.901	-19.413.699
Change in trade payables and other payables	-12.821.921	12.420.603
Other changes in working capital	0	731.765
	<u>2.496.071</u>	<u>-5.900.333</u>