



FTZ AUTODELE & VÆRKTØJ A/S

Gelstedvej 22
5560 Aarup
CVR No. 73648718

Annual report 2024

The Annual General Meeting adopted the
annual report on 23.04.2025

Michael Gadegaard

Chairman of the General Meeting

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Entity details

Entity

FTZ AUTODELE & VÆRKTØJ A/S

Gelstedvej 22

5560 Aarup

Business Registration No.: 73648718

Registered office: Assens

Financial year: 01.01.2024 - 31.12.2024

Phone number: 65 65 40 00

E-mail: ftz@ftz.dk

Board of Directors

Pehr Olof Oscarsson, Chairman

Jan Christer Johansson

Sven Jokum Møller Kristensen

Klaus Pedersen, Employee representative

Jacob Andersen, Employee representative

Executive Board

Michael Christian Gadegaard

Andreas Damkjær True

Kim Storbank

Christian Buhl Krøis

Auditors

EY Godkendt Revisionspartnerselskab

Cortex Park Vest 3, 3. 1

5230 Odense M

CVR No.: 30700228

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of FTZ AUTODELE & VÆRKTØJ A/S for the financial year 01.01.2024 - 31.12.2024.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024.

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

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

Odense, 23.04.2025

Executive Board

Michael Christian Gadegaard

Andreas Damkjær True

Kim Storbank

Christian Buhl Krøis

Board of Directors

Pehr Olof Oscarsson
Chairman

Jan Christer Johansson

Sven Jokum Møller Kristensen

Klaus Pedersen
Employee representative

Jacob Andersen
Employee representative

Independent auditor's report

To the shareholder of FTZ AUTODELE & VÆRKTØJ A/S

Opinion

We have audited the financial statements of FTZ AUTODELE & VÆRKTØJ A/S for the financial year 01.01.2024 - 31.12.2024, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

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

Auditor's responsibilities for the audit of the 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.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the management commentary

Management is responsible for the management commentary.

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

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

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

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

Odense, 23.04.2025

EY Godkendt Revisionspartnerselskab

CVR No. 30 70 02 28

Morten Schougaard Sørensen

State Authorised Public Accountant

Identification No (MNE) mne32129

Management commentary

Financial highlights

	2024	2023	2022	2021	2020
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Revenue	2,581,909	2,534,094	2,434,949	2,439,465	2,299,812
Operating profit/loss	137,252	146,791	172,366	249,992	219,219
Profit before interest and tax (EBIT)	137,252	179,834	173,988	250,065	223,424
Net financials	10,151	13,336	10,600	4,120	4,555
Profit before tax	157,104	193,170	184,589	258,524	230,632
Profit/loss for the year	122,424	151,034	144,350	202,147	180,387
Total assets	1,593,220	1,246,575	1,090,049	1,152,528	1,079,278
Investments in property, plant and equipment	325,588	163,004	11,173	3,696	9,624
Equity	760,762	787,912	779,422	835,128	811,458
Average number of employees	1,122	1,170	1,184	1,163	1,152
Ratios					
EBIT margin (%)	5.32	5.79	7.08	10.25	9.53
Return on equity (%)	15.81	19.27	17.88	24.55	22.50
Equity ratio (%)	47.75	63.21	71.50	72.46	75.19

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

EBIT margin (%):

$\frac{\text{Operating profit/loss} * 100}{\text{Revenue}}$

Return on equity (%):

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

Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Total assets}}$

Primary activities

The Company's principal activities like in previous years comprise wholesale trade of spare parts and accessories for automobiles, as well as supporting business systems, data, education and technical training.

Development in activities and finances

In 2024, FTZ Autodele & Værktøj A/S strengthened its leading position in the Danish market for automotive spare parts, accessories, education and technical services. Throughout the year we experienced stable demand and made strategic investments in a comprehensive reorganization, which resulted in the creation of seven new regional units, each with dedicated management focusing on sales and logistics. This is part of a broader strategy to get closer to our customers and improve our competitiveness in a challenging market.

FTZ has also invested in a state-of-the-art headquarter and central warehouse, automation and digitalization further bringing FTZ into a fully digital future thus enhancing operational efficiency and supporting our long-term vision of being the ultimate partner for professional workshops. Despite macroeconomic uncertainties, our initiatives have allowed us to maintain a solid revenue stream.

Additionally, as part of MEKO, FTZ has been actively engaged in sustainability initiatives and preparations for CSRD compliance, reinforcing its commitment to environmental and social responsibility.

The comparative figures for 2023 has been corrected to reflect the lease agreement on the new company headquarter. The change did not have any impact on the profit in 2023 or equity 31 December 2023. Further details can be found under the accounting policies section, to which reference is made

Profit/loss for the year in relation to expected developments

Despite increased operating costs related to our investments and reorganization, FTZ achieved a profit of DKK 122.4 million which was in line with expectations. The decline in EBIT compared to 2023 was primarily due to the extraordinary gains from the sale of premises in the prior year.

Revenue growth of approximately 2% aligned with expectations, driven by steady demand for spare parts and aftermarket services. Gross margins remained stable, despite inflationary pressures on procurement costs. Operational efficiencies and targeted cost management efforts helped mitigate these external challenges, ensuring a solid financial position with an equity ratio of 47.8%.

Outlook

Looking ahead to 2025, FTZ Autodele & Værktøj A/S expects a revenue increase of 2-4%, aiming for a turnover between 2,634,000 and 2,685,000 DKK. EBIT margin is expected to be 5,7%. This is expected to be driven by our renewed focus on regional management structures and continued investments in technology and sustainability. These initiatives will ensure that we maintain our position as a market leader and attract the best talent in the industry. While economic uncertainties persist, FTZ is well-positioned to navigate challenges and achieve solid financial growth.

Environmental performance

Climate and working environment are in focus at FTZ. We strive to contribute to sustainable development, where social responsibility and a high degree of care for employees and the environment go hand in hand with sound business development. Consideration for climate and environment is an integral part of FTZ's business strategy, and internally, FTZ's focus is on reducing the company's negative impact on the environment. We will work to:

- Comply with relevant environmental legislation.

- Ensure that the entire chemical range is well-documented and that the selection of chemical products includes an assessment of the product's impact on people and the environment.
- Prevent pollution.
- Deliver recyclable components to the greatest extent possible.
- Ensure that all types of waste are optimally handled in terms of storage, sorting, and recycling.
- Reduce energy and water consumption.
- Continuously optimize logistics for the benefit of both the environment and the working environment.

FTZ wants to help prevent climate change and make climate adaptations. Therefore, in 2024, screenings for energy improvements were continued in selected departments. This has led to the replacement of conventional lighting with LED in several places. FTZ also continuously records energy consumption in all departments to compare and analyze significant deviations, and at the beginning of 2025, an agreement was made with an external partner, providing new and significantly improved opportunities to monitor this, with the aim of reducing consumption. Additionally, in 2024, FTZ switched to purchasing 100% green electricity.

Transport is a significant climate and environmental factor for FTZ, as FTZ has many delivery vans that drive many kilometers daily and thus emit CO₂. FTZ therefore focuses on using energy-efficient vehicles, continuously monitors the CO₂ vehicle accounts, and responds to any deviations. Furthermore, in 2024, FTZ increased the number of electric cars in the fleet of company cars, and we are continuously expanding the proportion of electric delivery vans. Each time a leasing contract for a delivery van expires, it is assessed whether we can switch to an electric delivery van instead. FTZ also focuses on waste management to ensure the highest possible recycling and correct waste handling. Hazardous waste is registered, sorted, packaged, and sent for processing/recycling via approved carriers.

The return of recyclable components from FTZ's customers remains a focus. In total, approximately 70% of all sold batteries, approximately 35% of all catalytic converters, and approximately 88% of starters and generators are returned by FTZ's customers. FTZ sends the returned products for recycling.

The work on sustainability is also becoming a more integrated part of FTZ this year and going forward, as an ambitious updated strategy in this area has just been laid out. This strategy supports the UN's Sustainable Development Goals and includes a number of concrete objectives.

FTZ decided in 2022 to build a new combined headquarters and central warehouse. Construction began in 2023 and is expected to be completed in early 2025. The new building will have a number of positive effects on both the environment and the working environment.

A potential risk is that FTZ's efforts to prevent climate change and make climate adaptations may be hampered if the planned energy improvements and monitoring initiatives are not effectively implemented. This could result in missed energy savings and increased operating costs.

Statutory report on corporate social responsibility

The company has been ultimately owned by MEKO throughout the financial year and has thus been subject to MEKO's Code of Conduct.

FTZ is a Swedish-owned wholesale company in the automotive industry. FTZ has 48 branches in Denmark and the Faroe Islands. Primarily, subcontractors from Europe and Asia are used, and with the import of products from various parts of the world, FTZ focuses on human rights and anti-corruption. Large amounts of energy are used in FTZ's logistics setup. There is a potential risk of forced labor or child labor in FTZ's value chain, especially in

regions with less strict control over working conditions. However, it can be stated that 99% of all suppliers to FTZ have signed the FTZ Supplier Code of Conduct.

We therefore focus on continuously optimizing logistics for the benefit of both the environment and the working environment. The company's products and logistics setup place great demands on employees' working conditions, which is why we have a strong focus on the physical framework for the work.

The Code of Conduct emphasizes the values and principles that FTZ operates by and is intended to help employees and managers handle legal and ethical challenges in their daily work. It also reflects the desire to meet the responsibility towards shareholders and society, as well as to continuously live up to the expectations of customers, suppliers, and other business partners by acting responsibly every single day.

Already in 2021, all employees at FTZ completed MEKO's Code of Conduct training and have thus learned how to act in accordance with the Code of Conduct and are aware that employees themselves have a responsibility to comply with the Code of Conduct. Since then, and thus throughout 2024, all new employees have completed the Code of Conduct training within the first period of employment. This work will continue so that in 2025, all new permanent employees will also have to complete the Code of Conduct training.

Human Rights

MEKO's Code of Conduct and policy include, among other things:

Respect:

We show respect for our employees, colleagues, business partners, and other stakeholders. We respect human rights, have zero tolerance for corruption, and take responsibility for the environment and our surroundings.

Engagement:

We show engagement and take responsibility in our role as employees of the group. We are proud of our colleagues, our company, and what we deliver. Our work is permeated by the desire to listen, learn, and help each other. Collaboration increases job satisfaction and contributes to a workplace where we all thrive. Engagement is measured in an annual satisfaction survey and is at a high and satisfactory level.

Customer Focus:

We always put the customer first and develop our company according to the customer's needs and wishes. In line with societal developments and trends, we are one step ahead and create solutions for the future.

There have been no violations of human rights, MEKO's Code of Conduct, or attempts at corruption/bribery in the current financial year.

Selection of Suppliers

FTZ ensures during supplier negotiations, both new agreements and renegotiation agreements, that all suppliers – both Danish and foreign – comply with the ethical guidelines described in the Supplier Code of Conduct.

Through this, FTZ ensures that international human rights are respected.

In 2024, there were no violations of human rights or the Code of Conduct among suppliers.

When selecting suppliers, emphasis is placed on environmental and working conditions. It is ensured, at a minimum, that suppliers focus on and comply with the following main points:

- Local legislation is always complied with
- Child labor is not accepted
- Forced labor does not occur
- Employees are not physically, psychologically, or humiliatingly punished
- Working hours and wages are in accordance with national regulations

FTZ does what is possible to mitigate the risk of corruption, including having clear internal guidelines and having supplier agreements signed by multiple persons. FTZ has assessed that the significant risks of bribery and corruption relate to interactions with suppliers and the receipt of gifts from them. Going forward, we will continue to communicate our guidelines and expectations regarding anti-corruption to employees through our Code of Conduct and to suppliers through our Supplier Code of Conduct.

FTZ has not experienced any examples or demands for corruption in 2024.

In connection with the Russian invasion of Ukraine, FTZ immediately chose to stop trading with Russian-produced products back in 2022, and this continues to be the case in 2024.

Statutory report on diversity

Social and Employee Conditions

FTZ wants to be a company where both the physical and psychological working environment is taken seriously and perceived as such by employees and other stakeholders. We will work to:

- Comply with relevant legislation in the field of working environment.
- Prevent injuries and work-related illnesses.
- Inform all employees and other stakeholders about the company's working environment policy.
- Allocate the necessary resources to ensure the working environment.
- Create an inclusive working environment that allows for the employment of all qualified potential employees regardless of gender, race, religious belief, and appearance.
- Ensure that employees thrive in the working environment.

It is satisfying to see the results achieved through FTZ's work on the working environment, where significant improvements have been made in many areas. A risk assessment of significant hazards that may occur in FTZ's various work functions has been prepared, and associated control measures have been established for these. The most significant hazards involve the risk of work injuries and work-related illnesses. Work accidents are continuously analyzed and discussed in the Health & Safety group and the main Health & Safety Committee with a view to future prevention and improvements and to ensure that knowledge sharing takes place for use at all FTZ addresses.

The main focus area in 2024 has also been ADR "European Agreement concerning the International Carriage of Dangerous Goods by Road" and ensuring the correct handling of this type of goods in all transport processes. FTZ has an internal safety advisor who, among other things, handles the ADR area. The work processes related to the handling of ADR goods have been reviewed, and approximately 500 warehouse and transport workers completed basic ADR training in 2021-22, and all new warehouse and transport employees are continuously sent on courses so that FTZ's employees are able to prevent accidents related to the transport of dangerous goods.

In the autumn of 2024, FTZ again conducted a comprehensive employee satisfaction survey. The results will be used constructively in the efforts to make FTZ an even better workplace. The satisfaction survey generally showed

high satisfaction at FTZ, and overall, it is at the same level as the 2023 result.

Senior Policy

FTZ believes that a diverse workplace, where the skills of both older and younger employees complement each other, is advantageous.

Employees who are 59 years or older are covered by FTZ's senior policy. The purpose of the policy is to focus on the conditions and opportunities for older employees. FTZ aims to create conditions that allow individual employees to remain active until they reach retirement age, respecting any desire for a planned transition to retirement.

This is concretely done by holding senior interviews when the employee turns 59 years old. During these interviews, conditions are reviewed, and goals are set. Additionally, senior employees have the opportunity to participate in senior seminars and receive senior leave days.

Retired FTZ employees can also become part of FTZ's Senior Club, which organizes social events several times a year, thereby maintaining the social and collegial connection to their former workplace.

Statutory report on data ethics policy

FTZ has developed a data ethics policy that ensures we take responsibility for the proper handling of all data. The automotive industry, like many others, is undergoing change, particularly driven by digital development, which with new processes and new technology creates new opportunities – all aimed at increasing our knowledge level and improving our services to customers, colleagues, and other partners.

The driving force behind the new processes and technologies is generally data, and it is therefore central to FTZ Autodele & Værktøj A/S to focus on the responsibility that lies with us when we process this data.

For FTZ Autodele & Værktøj A/S, it is a central cornerstone of running a business that our partners can trust us and feel secure in our handling of data. Therefore, we are dedicated to protecting data in three ways:

1. We have a strong focus on assessing risks, mitigating them through measures, and thus maintaining a high level of information security.
2. We will always comply with data protection regulations and users' rights when we process data.
3. FTZ Autodele & Værktøj A/S has established its own additional internal ethical rules to ensure that we can best maintain the trust given to us by partners when we process data, both from an individual and societal perspective.

FTZ's data ethics addresses FTZ Autodele & Værktøj A/S's ethical rules for data processing and is found in a separate document where principles and concrete goals are outlined.

Each year, FTZ's top management reviews the data ethics policy to ensure compliance with our obligations in this area.

Events after the balance sheet date

No events materially affecting the assessment of the annual report have occurred after the balance sheet date.

Income statement for 2024

		2024	2023
	Notes	DKK'000	DKK '000
Revenue	2	2,581,909	2,534,094
Other operating income	3	13,815	33,043
Cost of sales		(1,596,335)	(1,591,883)
Other external expenses	4	(262,772)	(214,235)
Gross profit/loss		736,617	761,019
Staff costs	5	(586,572)	(568,865)
Depreciation, amortisation and impairment losses	6	(12,777)	(12,320)
Other operating expenses		(16)	0
Operating profit/loss		137,252	179,834
Income from investments in group enterprises		9,701	4,830
Other financial income	7	11,845	9,282
Other financial expenses	8	(1,694)	(776)
Profit/loss before tax		157,104	193,170
Tax on profit/loss for the year	9	(34,680)	(42,136)
Profit/loss for the year	10	122,424	151,034

Balance sheet at 31.12.2024

Assets

	Notes	2024 DKK'000	2023 DKK'000
Completed development projects	12	51,245	57,391
Acquired intangible assets		0	0
Intangible assets	11	51,245	57,391
Land and buildings		11,956	13,504
Other fixtures and fittings, tools and equipment		10,137	10,776
Property, plant and equipment in progress		483,363	161,539
Property, plant and equipment	13	505,456	185,819
Investments in group enterprises		43,387	43,387
Contract assets		419	1,406
Deposits		7,604	7,647
Other receivables		6,761	7,562
Financial assets	14	58,171	60,002
Long-term assets		614,872	303,212
Manufactured goods and goods for resale		469,375	457,331
Prepayments for goods		10,818	5,252
Inventories		480,193	462,583
Trade receivables		186,742	204,881
Contract assets		0	2,638
Receivables from group enterprises		231,822	236,645
Other receivables		52,845	20,596
Tax receivable		6,671	0
Prepayments	15	16,877	13,503
Receivables		494,957	478,263
Cash		3,198	2,517
Short-term assets		978,348	943,363
Assets		1,593,220	1,246,575

Equity and liabilities

	Notes	2024 DKK'000	2023 DKK'000
Contributed capital	16	106,610	106,610
Reserve for development expenditure		39,971	44,765
Retained earnings		492,181	485,537
Proposed dividend		122,000	151,000
Equity		760,762	787,912
Deferred tax	17	41,351	37,500
Lease liabilities		449,961	157,384
Non-current liabilities other than provisions	18	491,312	194,884
Current portion of non-current liabilities other than provisions	18	11,537	0
Other provisions	19	6,700	6,700
Trade payables		231,500	174,723
Payables to group enterprises		12,178	8,012
Tax payable		0	884
Other payables	20	79,231	73,460
Current liabilities other than provisions		341,146	263,779
Liabilities other than provisions		832,458	458,663
Equity and liabilities		1,593,220	1,246,575
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	21		
Contingent liabilities	22		
Assets charged and collateral	23		
Related parties with controlling interest	24		
Transactions with related parties	25		
Group relations	26		

Statement of changes in equity for 2024

	Contributed capital DKK'000	Reserve for development expenditure DKK'000	Retained earnings DKK'000	Proposed dividend DKK'000	Total DKK'000
Equity beginning of year	106,610	44,765	485,537	151,000	787,912
Dividends from treasury shares	0	0	1,426	0	1,426
Ordinary dividend paid	0	0	0	(151,000)	(151,000)
Dissolution of reserves	0	(4,794)	4,794	0	0
Profit/loss for the year	0	0	424	122,000	122,424
Equity end of year	106,610	39,971	492,181	122,000	760,762

In dissolution of reserves, tax on items recognised directly in equity, amounts to DKK 1,352 thousand.

Notes

1 Events after the balance sheet date

No events materially affecting the assessment of the annual report have occurred after the balance sheet date.

2 Revenue

The Company only has one segment that comprise wholesale trade of spare parts and accessories for automobiles, as well as supporting business systems, data, education and technical training to the Danish market.

3 Other operating income

	2024	2023
	DKK'000	DKK'000
Lease income, salary reimbursement, profit of sale of property, plant and equipment	13,815	33,043
	13,815	33,043

4 Fees to the auditor appointed by the Annual General Meeting

Audit fees are not disclosed with reference to section 96(3) of the Danish Financial Statements Act. The fee is specified in the consolidated financial statements for MEKO AB.

5 Staff costs

	2024	2023
	DKK'000	DKK'000
Wages and salaries	521,194	512,962
Pension costs	50,737	43,475
Other social security costs	14,641	12,428
	586,572	568,865
Average number of full-time employees	1,122	1,170

	Remuneration of Management 2024 DKK'000	Remuneration of Management 2023 DKK'000
Executive Board	8,017	6,815
	8,017	6,815

Incentive programmes

FTZ has an incentive programme for senior employees as part of the overall incentive programme for the Meko Group.

Annually, a right is granted to receive free shares in the parent company after 3 years, provided certain conditions are met, including conditions regarding earnings and share price development in the group. The table below shows the maximum number of free shares that can be granted in each year.

Year	Exercise date	Potential shares at the beginning of the year	Additions during the year	Expired during the year	Potential shares at the end of the year	Shares awarded in 2024
2021 program	2024	18.785	0	-18.785	0	0
2022 program	2025	28.750	0	-18.750	10.000	0
2023 program	2026	21.650	0	-11.250	10.400	0
2024 program	2027	0	20.750	0	20.750	0
		69.185	20.750	-48.785	41.150	0
	Of which executive board				23.650	
	Of which other senior employees				17.500	
	Costs for the programmes in 2024 (income)			-57 DKK'000		
	Costs for the programmes in 2023 (costs)			500 DKK'000		

The programme from 2021 expired in 2024 without any free shares being awarded. In 2023, the 2020 programme concluded, resulting in 20% of the maximum shares being granted.

As of the end of 2024, the programmes encompass a total of 5 members of the company's management and senior employees. The share price of Meko AB was 134 SEK as of 31 December 2024.

6 Depreciation, amortisation and impairment losses

	2024 DKK'000	2023 DKK'000
Amortisation of intangible assets	6,842	5,515
Depreciation of property, plant and equipment	5,935	6,805
	12,777	12,320

7 Other financial income

	2024	2023
	DKK'000	DKK'000
Financial income from group enterprises	7,456	4,685
Other interest income	3,419	3,244
Other financial income	970	1,353
	11,845	9,282

8 Other financial expenses

	2024	2023
	DKK'000	DKK'000
Other interest expenses	261	776
Exchange rate adjustments	1,433	0
	1,694	776

9 Tax on profit/loss for the year

	2024	2023
	DKK'000	DKK'000
Current tax	30,829	43,720
Change in deferred tax	3,851	(1,408)
Adjustment concerning previous years	0	(176)
	34,680	42,136

10 Proposed distribution of profit and loss

	2024	2023
	DKK'000	DKK'000
Ordinary dividend for the financial year	122,000	151,000
Retained earnings	424	34
	122,424	151,034

11 Intangible assets

	Completed development projects DKK'000	Acquired intangible assets DKK'000
Cost beginning of year	65,980	10,135
Additions	696	0
Cost end of year	66,676	10,135
Amortisation and impairment losses beginning of year	(8,589)	(10,135)
Amortisation for the year	(6,842)	0
Amortisation and impairment losses end of year	(15,431)	(10,135)
Carrying amount end of year	51,245	0

12 Development projects

Completed development projects relates to the development of systems for the company in order to optimize the business, etc., as well as the development of the platform on which the customers order products etc. The project is developed for the company's own use and includes direct costs associated with its development. It is management's assessment that the future economic benefits from the project exceed the cost of the development.

Management has not identified any indication of impairment in relation to the carrying amount of the system.

13 Property, plant and equipment

	Land and buildings DKK'000	Other fixtures and fittings, tools and equipment DKK'000	Property, plant and equipment in progress DKK'000
Cost beginning of year	74,575	94,629	161,539
Additions	1,422	2,342	321,824
Disposals	(329)	(3,647)	0
Cost end of year	75,668	93,324	483,363
Depreciation and impairment losses beginning of year	(61,071)	(83,853)	0
Depreciation for the year	(2,970)	(2,965)	0
Reversal regarding disposals	329	3,631	0
Depreciation and impairment losses end of year	(63,712)	(83,187)	0
Carrying amount end of year	11,956	10,137	483,363

Property, plant and equipment in progress consist of financially leased assets. Interest is included with 21,865 thousand.

14 Financial assets

	Investments in group enterprises DKK'000	Contract assets DKK'000	Deposits DKK'000	Other receivables DKK'000
Cost beginning of year	43,387	1,406	7,647	7,562
Additions	0	815	0	4,847
Disposals	0	(1,802)	(43)	(5,648)
Cost end of year	43,387	419	7,604	6,761
Carrying amount end of year	43,387	419	7,604	6,761

Investments in subsidiaries	Registered in	Corporate form	Equity interest %	Equity DKK'000	Profit/loss DKK'000
AutoMester Danmark ApS	Odense	Denmark	100.00	3,923	522
Din Bilpartner ApS	Odense	Denmark	100.00	2,533	(35)
FTZ Føroyar P/f	Torshavn	The Faroe Islands	70.00	23,435	9,237
DriveClever A/S	Odense	Denmark	100.00	6,213	(1,211)
Carpeople Danmark ApS	Odense	Denmark	100.00	1,696	322
Vantage ApS	Birkerød	Denmark	70.00	8,263	2,803
Avant Denmark A/S	Aarhus	Denmark	70.00	19,073	2,892

15 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years, including rent, insurance policies etc.

16 Share capital

	Number	Nominal value DKK'000
106,610 shares of DKK 1,000.00 nominal value each	106,610	106,610
	106,610	106,610

The portfolio of treasury shares comprises DKK 1,078 thousand, nominal value, corresponding to 1.01% of the total share capital.

17 Deferred tax

Changes during the year	2024 DKK'000	2023 DKK'000
Beginning of year	37,500	38,908
Recognised in the income statement	3,851	(1,408)
End of year	41,351	37,500

Provisions for deferred tax comprise deferred tax regarding inventories, trade receivables, trade payables, intangible assets and property, plant and equipment.

18 Non-current liabilities other than provisions

	Due within 12 months 2024 DKK'000	Due after more than 12 months 2024 DKK'000	Outstanding after 5 years 2024 DKK'000
Lease liabilities	11,537	449,961	346,124
	11,537	449,961	346,124

19 Other provisions

Warranty provisions comprise product warranties other than those covered by suppliers.

20 Other payables

	2024 DKK'000	2023 DKK'000
Wages and salaries, personal income taxes, social security costs, etc payable	17,010	29,078
Holiday pay obligation	29,722	31,425
Other costs payable	32,499	12,957
	79,231	73,460

21 Unrecognised rental and lease commitments

Rent liabilities according to leases concluded and other lease liabilities totalling DKK 169,370 thousand.

Rent liabilities are allocated by DKK 38,492 thousand within one year, by DKK 43,664 thousand from 2-5 years, and DKK 3,729 after 5 years. Lease liabilities according to leases concluded totalling DKK 83,485 thousand. Lease liabilities are allocated by DKK 31,155 thousand within one year, and by DKK 52,330 thousand from 2-5 years.

22 Contingent liabilities

The Company has entered into an agreement of construction and lease of a new domicile of approx. DKK 530 million recognized as property, plant and equipment in progress. The domicile is expected to be completed in March 2025. In connection with the agreement a bank guarantee has been provided. The guarantee amounts to DKK 51 million at 31 December 2024.

The company is continuously involved in various legal proceedings. Following a specific assessment, provisions are made for potential losses related to these matters.

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

23 Assets charged and collateral

Bank guarantees for leases have been provided totalling DKK 16,541 thousand.

Collateral provided for group enterprises

The MEKO Group has a cash pool agreement under which the Swedish parent company, MEKO AB is the holder of the agreement while other group companies are sub-account holders. The bank can settle drafts and deposits with each other so that the net amount constitutes a balance between the bank and MEKO AB. FTZ Autodele & Værktøj A/S' intra-group balances included in the common cash pool agreement constitutes DKK 226,420 thousand.

24 Related parties with controlling interest

FTZ Autodele & Værktøj A/S' related parties comprise the following:

Parties Exercising control:

MEKO AB, Sweden, Parent company

25 Transactions with related parties

	Parent	Subsidiaries	Other related
	DKK'000	DKK'000	parties
	DKK'000	DKK'000	DKK'000
Sales of goods and services	0	28,636	115
Purchase of goods and services	29,534	136,329	0
Interest income	7,456	0	0
Interest expenses	19	0	0
Dividend	149,473	9,701	0
Receivables	226,420	378	0
Liabilities other than provisions	0	8,897	0

26 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
MEKO AB, Sweden

The financial statements of FTZ Autodele & Værktøj A/S and its subsidiaries are included in the consolidated financial statements of MEKO AB, Sweden. The consolidated financial statements are accessible on the group home page; <https://meko.com/investors/reports-presentations/annual-reports/>

Accounting policies

Reporting class

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

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

Consolidated financial statements

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

Material errors in previous years

When preparing the annual report for 2024, it was determined that the accounting treatment of the company's leased headquarters under construction was incorrect in the annual report for 2023. The property, plant and equipment in progress asset and the corresponding liability were not recognized in the annual report for 2023, despite the presence of risk and obligation in relation to the lease contract. This error resulted in the value of the company's property, plant, and equipment under construction being recorded at too low an amount for the financial year 2023. Similarly, the corresponding liability was also not recognized, leading to the annual financial statements for 2023 not providing a true and fair view.

The error has therefore been corrected as a material error by adjusting comparative figures for 2023 in the financial statements for 2024. The correction has not impacted the profit for the year 2023, tax on profit for 2023 or equity 31 December 2023. Property, plant, and equipment in progress has been increased by DKK 157,384 thousand and long-term lease liabilities correspondingly increased by DKK 157,384 thousand. As a result, the total balance sheet amount as of December 31, 2023, has increased by DKK 157,384 thousand, while equity remains unchanged as of December 31, 2023. Equity as of January 1, 2023, is unaffected by the correction.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The company has chosen IAS 18 as interpretation for revenue recognition.

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

Other operating income

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

Cost of sales

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

Other external expenses

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

Staff costs

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

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year.

Other operating expenses

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

Income from investments in group enterprises

The item includes dividends from investments in group entities and associates. Dividend distributions that either exceed the profit for the year or where the carrying amount of the investments exceeds the consolidated carrying amounts of the group entity's net assets will indicate impairment for which reason an impairment test will have to be conducted.

Other financial income

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

Other financial expenses

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

Tax on profit/loss for the year

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

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

Balance sheet

Intellectual property rights etc

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

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation of property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5-10 years.

Intellectual property rights acquired are measured at cost less accumulated amortisation.

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

Property, plant and equipment

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

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

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

	Useful life
Buildings	30 years
Other fixtures and fittings, tools and equipment	3-8 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

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

Investments in group enterprises

Investments in group enterprises are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount. Dividends received that exceed the accumulated earnings in the group entity or the associate during the period of ownership are treated as a reduction in the cost of acquisition.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis. Impairment tests are conducted on assets or groups of assets when there is evidence of impairment.

The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Receivables

The company has chosen IAS 39 as interpretation for impairment write-down of financial receivables. Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Contract assets

Where finance leases are entered into regarding assets, a sale and a receivable are recognised corresponding to the present value of cash flows from the lease plus the estimated, unguaranteed residual value of the asset at the end of the lease term. The present value is calculated based on the interest implicit in the lease agreement. Lease payments received are recognised partly as instalments on the lease receivable and partly as financial income.

Inventories

Inventories are measured at at the weighted average method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Tax payable or receivable

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

Prepayments

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

Cash

Given the nature of the Group's cash pool arrangement, cash pool balances are not considered cash, but are recognised under "Receivables from group entities".

Treasury shares

Purchases and sales of treasury shares are taken directly to equity under "Retained earnings".

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are amortised or are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

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

Deferred tax relating to retaxation of previously deducted losses in foreign subsidiaries is recognised on the basis of an actual assessment of the purpose of each subsidiary.

Other provisions

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

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

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

On acquisition of enterprises and investments in group enterprises, provisions are made for costs relating to restructuring in the acquired enterprise that were decided and published at the acquisition date at the latest.

Once it is probable that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

Lease liabilities

The company has chosen IAS 17 as interpretation for classification and recognition of leases.

Lease liabilities relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease liabilities are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

Operating leases

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Unrecognized rental and lease commitments".

Other financial liabilities

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

Cash flow statement

Referring to section 86(4) of the Danish Financial Statements Act, the Entity has prepared no cash flow statement as such statement is included in the consolidated cash flow statement of MEKO AB, Sweden.