Meneta Holding A/S

Strandholtvej 49, 5270 Odense N
CVR-nr. 25 67 39 48

Annual Report 2024

1 January - 31 December

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 22 April 2025

Joseph J Maliekel

BDO Statsautoriseret revisionsaktieselskab
Havneholmen 29
DK-1561 København V
CVR no. 20 22 26 70

Tel.: +45 39 15 52 00
koebenhavn@bdo.dk
www.bdo.dk

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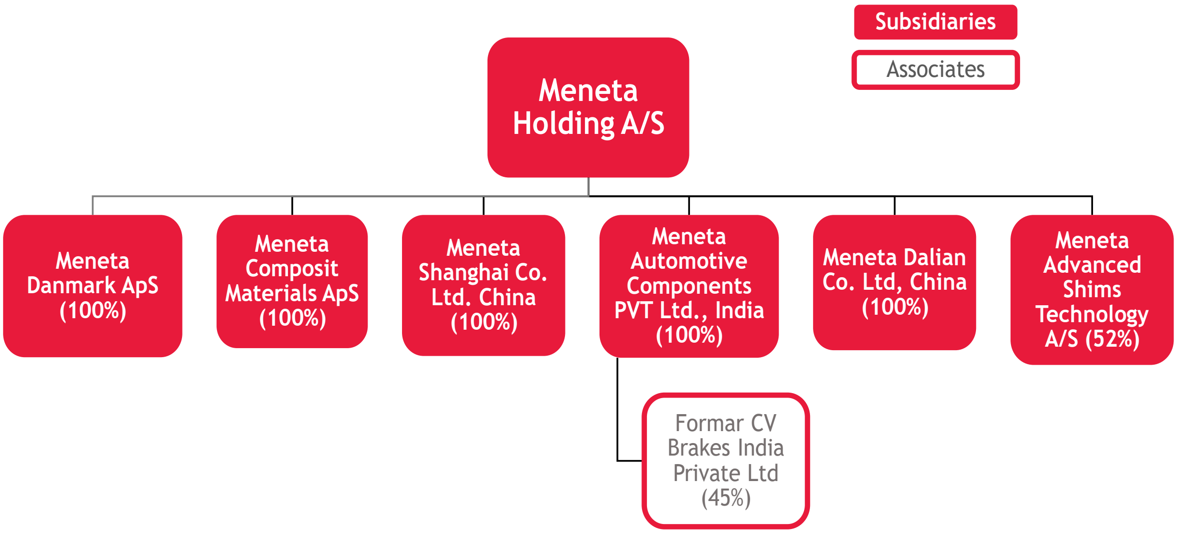
Company Details

Company	Meneta Holding A/S Strandholtvej 49 5270 Odense N	
	CVR No.:	25 67 39 48
	Established:	15 October 2000
	Municipality:	Odense
	Financial Year:	1 January - 31 December
Board of Directors	Steve Wang, chairman Joseph J Maliekel Ole Thanning Roholdt Jessica Wang Olsson Kim Walther Østergaard	
Executive Board	Kim Walther Østergaard	
Auditor	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V	
Bank	Danske Bank Albani Torv 2-3 5000 Odense C	

Group Structure



Management's Statement

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Meneta Holding A/S for the financial year 1 January - 31 December 2024.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of Group's and the Company's assets, liabilities and financial position at 31 December 2024 and of the results of Group's and the Company's operations and cash flows for the financial year 1 January - 31 December 2024.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Odense, 22 April 2025

Executive Board

Kim Walther Østergaard

Board of Directors

Steve Wang Chairman	Joseph J Maliekel	Ole Thanning Roholdt
Jessica Wang Olsson	Kim Walther Østergaard	

Independent Auditor's Report

To the Shareholder of Meneta Holding A/S

Opinion

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Meneta Holding A/S for the financial year 1 January - 31 December 2024, which comprise income statement, Balance Sheet, statement of changes in equity, notes and a summary of significant accounting policies for both the Group and the Parent Company, as well as consolidated statement of cash flows for the Group. The Consolidated Financial Statements and the Parent Company Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the assets, liabilities and financial position of the Group or the Company at 31 December 2024 and of the results of the Group and the Parent Company's operations as well as the consolidated cash flows of the Group for the financial year 1 January - 31 December 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 the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's Responsibilities for the Consolidated Financial Statements and the Parent Company Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements and the Parent Company Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements and the Parent Company 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 Consolidated Financial Statements and the Parent Company Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Consolidated Financial Statements and the Parent Company Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements and the Parent Company Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the Consolidated Financial Statements and the Parent Company Financial Statements, including the disclosures, and whether the Consolidated Financial Statements and the Parent Company Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Group Financial Statements and the Parent Company Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

Statement on Management Commentary
Management is responsible for Management Commentary.

Our opinion on the Consolidated Financial Statements and the Parent Company Financial Statements does not cover Management Commentary, and we do not express any form of assurance conclusion thereon.

Independent Auditor's Report

In connection with our audit of the Consolidated Financial Statements and the Parent Company Financial Statements, our responsibility is to read Management Commentary and, in doing so, consider whether Management Commentary is materially inconsistent with the Consolidated Financial Statements and the Parent Company Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that Management Commentary is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of Management Commentary.

Copenhagen, 22 April 2025

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Ole C. K. Nielsen
State Authorised Public Accountant
MNE no. mne23299

Søren Søndergaard Jensen
State Authorised Public Accountant
MNE no. mne32069

Financial Highlights of the Group

	2024 DKK '000	2023 DKK '000	2022 DKK '000	2021 DKK '000	2020 DKK '000
Income statement					
Net revenue	1,036,821	1,016,866	1,014,967	967,086	689,094
Gross profit	386,224	364,243	316,451	342,919	276,075
Operating profit of main activities	95,224	101,082	56,915	98,572	77,817
Financial income and expenses, net	-5,741	-3,630	-11,510	10,713	-3,365
Profit for the year before tax	87,933	99,138	45,405	109,285	74,452
Profit for the year	71,196	78,938	34,520	85,248	57,462
Balance sheet					
Total assets	1,127,606	1,075,589	1,187,758	988,370	754,405
Equity	811,543	723,394	697,002	606,600	505,503
Invested capital	726,840	635,944	534,351	550,325	470,220
Cash flows					
Investment in property, plant and equipment	-72,106	-82,818	-87,512	-99,369	-39,121
Average number of full-time employees	**2,162**	**2,008**	**2,157**	**1,916**	**1,603**
Key ratios					
Gross margin	37.3	35.8	31.2	35.5	40.1
Operating margin	9.2	9.9	5.6	10.2	11.3
Return on invested capital	10.4	12.9	5.9	15.5	12.2
Equity ratio	72.0	67.3	58.7	61.4	67.0
Return on equity	9.3	11.1	5.3	15.3	11.8
Index for net revenue	150	148	147	140	100
Net revenue per employee	480	506	471	505	430

The ratios stated in the list of key figures and ratios have been calculated as follows:

Invested capital:	Intangible fixed assets (ex goodwill) + tangible assets + inventories + receivables + other working current assets - trade payables - other provisions - other long and short term working liabilities
Gross margin:	$\frac{\text{Gross profit x 100}}{\text{Net revenue}}$
Operating margin:	$\frac{\text{Operating profit/loss x 100}}{\text{Net revenue}}$
Return on invested capital:	$\frac{\text{Profit/loss on ordinary activities x 100}}{\text{Average invested capital}}$
Equity ratio:	$\frac{\text{Equity ex. minorities, at year end x 100}}{\text{Total equity and liabilities, at year end}}$

Financial Highlights of the Group

Return on equity:	$\frac{\text{Profit/loss after tax x 100}}{\text{Average equity}}$
Net revenue per employee DKK ('000)	$\frac{\text{Net revenue DKK('000)}}{\text{Average number of full-time employees}}$

Management Commentary

Principal activities

Meneta Holding A/S (hereinafter referred to as 'the company') is the parent company of Meneta Denmark ApS, Meneta Advanced Shim Technology A/S, and Meneta Composite Materials ApS in Denmark, as well as Meneta Automotive Components Private Limited in India – and - Meneta Shanghai Ltd. and Meneta Dalian Ltd., both in China.

The principal activities of the company range from production and sales of a broad portfolio of automotive components to multi-layer sealing materials for both automotive and other select applications.

Besides the principal activities described above, the company generates revenues and profits by carrying out paid noise and vibration tests for a more limited customer base through its branch office, Meneta Holding A/S, situated in Koblenz, Germany.

Aside from the management, the company employs staff within the areas of new technology, engineering, marketing and communications, finance, and IT as well as highly specialized employees to support the various companies within the group on a global basis within business development, marketing, production, and R&D/product design.

Development in activities and financial and economic position

In 2024, the company posted consolidated revenues of DKK 1,037M, (DKK 1,017M in 2023) with a net profit before tax of DKK 88M (DKK 99M in 2023), deriving from the below regional results:

China: total revenues of DKK 191M with a net profit before tax of DKK 39M. (DKK 166M and DKK 35M in 2023).
India: total revenues of DKK 474M with a net profit before tax of DKK 28M. (DKK 446M and 41M in 2023).
Denmark (incl. branch office in Germany): total revenues of DKK 372M with a net profit before tax of DKK 21M. (DKK 405M and 23M in 2023).

Whereas revenues increased by 2% compared with the year before, the profit before tax decreased by 11.3% to DKK 88M (DKK 99M in 2023).

The net result before tax of DKK 88M is considered unsatisfactory.

Throughout the year, the company invested DKK 72M in fixed assets in the various companies within the group to ensure continued scaling and higher future profit levels and successfully grew its equity by more than 12% to DKK 811.5M (DKK 723.4M in 2023).

Profit/loss for the year compared to the expected development

The company projected a year-on-year growth of 11.9% from 2023 to 2024 with a net profit before tax in the region of DKK 105-110M, but only reached a net profit before tax of DKK 88M, mainly attributable to a combination of a drop in steel prices, unforeseen forex losses, and geopolitical challenges, which all had a negative impact on revenue growth as well as overall profitability.

Events after the end of the financial year

To the best of our knowledge, no events have occurred after the end of the financial year of material importance for the financial position of the company in 2024.

Management Commentary

Financial risk
The company does not have separate goals or a separate policy pertaining to financial risk, but seeks throughout the year to monitor asset value, monetary flows, and liabilities on a case-by-case basis.

A considerable part of the company's raw materials is dependent on the price of steel and oil.

Raw materials, sales prices, assets, and liabilities are dependent on the development in a number of currencies. The currency exposure is continuously evaluated, and risk hedging takes place on a case-by-case basis to mitigate net exposure.

As for the vast majority of company sales, there is no big risk for the company as it can rely on natural hedging.

Development Activities
The company's utilized means of development activities have been taken to the profit and loss account.

In the company's management review last year, the company spoke about the development of CO2 friendly software, which was made available to car manufacturers and brake system manufacturers, called the 'Meneta virtual dyno'.

The software is designed to predict noise-test results and essentially identify the most efficient material combination through simulation as opposed to conventional and very energy consuming mechanical brake testing.

During 2024, the company successfully used the software to secure important new projects, which are scheduled to start between 2025 and 2030. The software has been widely accepted within the industry as a true novelty and value-add, and hence the company expects the software to help strengthen the company's overall market position.

Overall, for the year 2025 as well as years to come, the company is focused on continued reduction in the environmental impact of the company's product portfolio. The overall product development remains streamlined to reduce the environmental impact of all products within the company's scope of products, including the elimination of heavy metals.

Future expectations
For the year 2025, the company expects group consolidated revenues to grow by 3% to reach DKK 1,070M with a net profit before tax in the region of DKK 105-115M equal to a growth of 20-30%.

Projections highly depend, however, on currency fluctuation, the geopolitical climate and a rather unpredictable global economy heavily influenced by the new punitive trade tariffs, consequences and impacts of which, are yet to be seen and fully understood – overall, markets seem very volatile.

Management Commentary

Corporate social responsibility (CSR) report and human rights

The company continues to follow its overarching CSR initiatives, including but not limited to its Code of Conduct scheme (https://meneta.dk/wp-content/uploads/CoC-signed.pdf) outlining, e.g., ethical business standards for its employees.

For years, we have been dedicated to co-sponsor initiatives in our local markets that primarily work to help orphaned or under-privileged children. To that end, we have been a long-standing and loyal member of the so-called 'Mangfoldighedscharter' (Diversity Charter) in Denmark through its local entity in Odense, however, the initiative unfortunately came to a stop in the beginning of 2025.

We continue other activities and initiatives that help integration, diversification, and respect for human rights. All Meneta sites and operations are encouraged to co-sponsor charitable events as part of their local involvement.

As for our Indian operation (Meneta Automotive Components Pvt Ltd. – MACL), where the headcount exceeds 1,500 people across three manufacturing plants, the company is involved in numerous charity programs in collaboration with MAT Holdings Inc., including but not limited to supporting orphanages, public health institutions, and public (government) schools.

In fact, since 2016, MACL manufacturing plants have been committed to reinvesting into the communities in which they operate.

MACL's corporate social responsibility philosophy is focused on infrastructure investment in education and health care which is accomplished in two primary ways – (1) direct funding of Aarambh, an after-school tutoring program for underserved youth; (2) contribution into MAT India CSR Association (MICA), an affiliate nonprofit entity which executes the CSR philosophy through direct investments.

Aarambh was created by local university students with a shared vision for improving academic outcomes of students attending nearby government schools, many of whom are children of migrant workers in the industrial community. Aarambh conducts its tutoring program at the nearby campus of the National Institute of Food Technology Entrepreneurship and Management (NIFTEM) where it continues its mission to supplement and support the studies of its disadvantaged students through the instruction and mentorship of NIFTEM university volunteers. The impact of Aarambh's efforts is reflected in the higher average class scores, relative to their peers who do not participate in the tutoring program in addition to the intangible benefits of improved self-esteem and confidence of students.

Observing the invaluable work being done by the volunteer tutors, MACL has supplied requested resources including water purifiers, furniture, stationery, textbooks, healthy snacks, technology, and cold weather clothing in addition to sponsoring special events to boost overall educational development and morale. As a sign of MACL's ongoing commitment to Aarambh, MACL leadership participates in an annual awards ceremony alongside NIFTEM University leadership to acknowledge and recognize student achievement as well as volunteer tutors.

Through MACL's financial partnership with MICA, its mission of bolstering access to quality education and health care infrastructure continues to have a ripple effect throughout its neighboring villages.

Since 2018, MICA has invested over INR 290M to support its infrastructure improvement initiatives, which have benefited students and patients across 25 schools, 5 public health institutions, 2 orphanages, and 2 special needs schools.

The educational infrastructure investments include new filtered water equipment, toilets, classrooms, laboratories, boundary walls and kitchens. Consequently, both student and staff morale have improved which is reflected in a 25% overall increase in school enrollment including a migration of private school students into government schools.

Management Commentary

Corporate social responsibility (CSR) report and human rights (continued)
MICA partnered with the local civil hospital in Sonipat by sponsoring a new Immunology building, specifically for the storage, distribution, and training of vaccinations. This hospital serves a community of 1.65M residents including 349 local villages. Since the infrastructure investment, there has been an increase in infant vaccination to 96% which reflects year over year improvement and exceeds the vaccination average benchmark of 91%. Some examples of common infant vaccinations provided include Hepatitis B, BCG (vaccine for Tuberculosis), and OPV (oral polio vaccine). Moreover, as a result of MICA's intervention, there has been an improvement in the overall maintenance and adherence of cold chain vaccine storage to the recommended temperatures to maximize efficacy and shelf life.

In addition to servicing the community through vaccination initiatives, MICA has also partnered with a local public health clinic that serves 8 villages and delivers over 300 babies annually to build a maternity wing. Construction began at the end of 2024 and is expected to be completed in the first half of 2025. The maternity wing will enable expecting and delivering mothers the opportunity to be seen in a designated area of the clinic away from sick patients, enhancing maternal and fetal safety and privacy. Medical equipment will also be provided including hospital beds, maternity delivery beds, sterilization equipment, parameter monitors, and others.

Environment
As a company, we continue to remain steadfast in our commitment to corporate social responsibility by investing in education and health infrastructure of our largest employee concentration.

Specifically with regards to the environment, the company is aware of the potential impact of its products and production processes. The company regards limiting its environmental impact as an ongoing process, and work is continuously done to reduce the impact.

The company does not have a separate environment policy as such, but adheres strictly to all relevant legislation, rules, and regulations en vigueur in the countries where the company has activities. Also, the company is in the process of obtaining the environmental certification ISO14001 in its Danish production sites during 2024 and 2025.

Throughout 2024 the company continued to focus on raw materials and, in particular, on steel, which remains to be the main raw material component to produce brake components within the company's product portfolio.

Since the beginning of 2024, the company has been able to offer its customers steel with a 70% reduction in CO_2e and the next step will be in 2026, where the company will be able to bring components to its markets manufactured with the use of 100% fossil-free steel.

The company continues to use risk assessment as a guiding principle for obtaining maximum sustainability. This allows us to target our efforts to ensure they will have the most significant impact. The process of working structurally and pro-actively to reduce the total CO_2e from our products is ongoing and not limited to steel, only.

In actual case, the company will be launching a 'green line of shim products' during 2025 as the first shim manufacturer in the world. The new line has a steel carrier, which has a 70% CO_2e reduction along with a CO_2e reduction also in other components.

The company is well underway to meet its goal of an overall CO_2e reduction of 70% by year 2030 and, as in previous years, the company continues to be a dedicated partner of the United Nations Global Compact.

Management Commentary

Corporate social responsibility (CSR) report and human rights (continued)

Anti-Corruption

The company does not have a separate anti-corruption policy as such, but adheres strictly to anti-corruption legislation, rules, and regulations en vigueur in the countries where the company has activities. All staff members receive adequate training in such anti-corruption rules, regulations, and data handling.

As part of the company's overall compliance initiatives and practices, the company has established internal rules designed to maintain high ethical standards based on integrity in everything the company and its staff members do – this on all levels and in all departments.

Since 2021, the company has had a fully digitalized and 100% anonymized 'whistleblower scheme'. 0 incidents have occurred or were reported in 2024.

The scheme is also available internally through the company's quality management system and all staff members are made aware of the whistleblower scheme at the time of onboarding.

Labor

The company does not have a separate labor policy as such, but adheres strictly to the labor laws, legislation, rules, and regulations en vigueur in the countries where the company has activities laid out by regulators in the countries where the company has activities. The company also adheres to the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

The company promotes all employees' rights. These include the rights to uphold the freedom of association, collective bargaining, and other basic rights. We consider forced labor, child labor, and discrimination unacceptable practices, both within the company and among its suppliers.

Data Ethics

We respect and protect the personal rights of customers, employees, and business partners. We do not have a fully developed data ethics policy. However, we protect all personal data, which we process, and we have implemented routines for data protection within group IT guidelines.

Our use of data is responsible and appropriate, which means that we only collect data from reliable sources, and we only use such data for relevant business purposes. Our data ethics principles cover all types of data collected, analyzed, stored, and otherwise processed. We always strive for high data ethics upholding transparency and responsible use of data.

We handle personal data of our employees confidentially and in accordance with GDPR rules and regulations, only for purposes related to their employment.

The company adheres to relevant legislation, rules, and regulations en vigueur in the countries where the company has activities. All relevant staff members receive adequate training in such GDPR regulations - and - GDPR-related data handling, which, however, is limited to primarily person data such as ID-number, personal address and salary information.

In last year's management report, we addressed the issue of implementing the adoption of TISAX certification. TISAX is the abbreviation for 'Trusted Information Security Assessment Exchange'. Delays occurred and we did not manage to obtain the certification in 2024. This will be achieved in 2025 instead.

We also mentioned last year that the company enrolled in the so-called 'SAQ5' program. SAQ stands for 'Sustainable Assessment Questionnaire' (now version 5.0). We are happy to announce that all work was concluded in the first quarter of 2024 – the company's report is uploaded once every quarter, so that the latest version is always available online to relevant stakeholders.

Income Statement 1 January - 31 December

	Note	Group 2024 DKK '000	Group 2023 DKK '000	Parent Company 2024 DKK '000	Parent Company 2023 DKK '000
Net revenue	1	**1,036,821**	**1,016,866**	**47,218**	**40,414**
Other operating income		5,277	3,078	11,237	10,871
Cost of sales		-549,877	-552,867	-196	-86
Other external expenses	2	-105,997	-102,834	-8,670	-8,125
Gross profit/loss		**386,224**	**364,243**	**49,589**	**43,074**
Staff costs	3	-238,798	-217,148	-14,860	-12,047
Depreciation, amortisation and impairment		-52,202	-46,013	-9,354	-9,674
Operating profit		**95,224**	**101,082**	**25,375**	**21,353**
Income from investments in subsidiaries and associates	4	-1,550	1,686	44,654	57,584
Other financial income	5	4,173	6,905	246	324
Other financial expenses	6	-9,914	-10,535	-4,417	-3,685
Profit before tax		**87,933**	**99,138**	**65,858**	**75,576**
Tax on profit/loss for the year	7	-16,737	-20,200	-4,995	-4,111
Profit for the year	8	**71,196**	**78,938**	**60,863**	**71,465**

Balance Sheet at 31 December

Assets

	Note	Group 2024 DKK '000	Group 2023 DKK '000	Parent Company 2024 DKK '000	Parent Company 2023 DKK '000
Land and buildings		216,813	178,064	94,116	100,564
Production plant and machinery		186,061	163,444	50	3,230
Other plant, machinery, tools and equipment		7,935	6,760	273	222
Tangible fixed assets in progress and prepayment		27,822	75,934	704	163
Property, plant and equipment	9	**438,631**	**424,202**	**95,143**	**104,179**
Participating interests in affiliated undertakings		0	0	700,708	617,418
Equity investments in associated enterprises		44,354	44,143	8,674	9,860
Rent deposit and other receivables		2,269	2,139	47	47
Financial non-current assets	10	**46,623**	**46,282**	**709,429**	**627,325**
Non-current assets		**485,254**	**470,484**	**804,572**	**731,504**
Raw materials and consumables		135,613	124,588	0	0
Trade receivables		21,399	34,457	0	0
Finished goods and goods for resale		152,809	111,280	0	0
Inventories		**309,821**	**270,325**	**0**	**0**
Trade receivables		203,038	198,101	1,716	1,108
Receivables from group enterprises		0	0	2,428	8,428
Other receivables		41,887	47,822	1,372	1,871
Receivables corporation tax		0	0	605	492
Prepayments and accrued income	11	3,126	5,970	1,104	1,088
Receivables		**248,051**	**251,893**	**7,225**	**12,987**
Cash and cash equivalents		**84,480**	**82,887**	**1,269**	**2,560**
Current assets		**642,352**	**605,105**	**8,494**	**15,547**
Assets		**1,127,606**	**1,075,589**	**813,066**	**747,051**

Balance Sheet at 31 December

Equity and liabilities	Note	Group 2024 DKK '000	Group 2023 DKK '000	Parent Company 2024 DKK '000	Parent Company 2023 DKK '000
Share capital	12	40,600	40,600	40,600	40,600
Reserve for net revaluation under the equity method		0	0	460,018	400,797
Retained earnings		667,398	589,582	207,375	188,785
Minority shareholders		103,545	93,212	0	0
Equity		**811,543**	**723,394**	**707,993**	**630,182**
Provision for deferred tax	13	1,485	844	0	0
Provisions		**1,485**	**844**	**0**	**0**
Bank loan		35,367	42,079	21,245	24,645
Lease liabilities		24,882	31,358	0	0
Non-current liabilities	14	**60,249**	**73,437**	**21,245**	**24,645**
Bank Loans		3,759	6,460	3,759	6,460
Bank debt		75,774	112,458	4,203	5,374
Lease liabilities		6,483	6,368	0	0
Trade payables		105,490	103,168	1,571	2,145
Payables to group enterprises		0	0	67,610	71,942
Corporation tax		1,418	560	609	0
Other liabilities		61,310	48,900	6,076	6,303
Accruals and deferred income	15	95	0	0	0
Current liabilities		**254,329**	**277,914**	**83,828**	**92,224**
Liabilities		**314,578**	**351,351**	**105,073**	**116,869**
Equity and liabilities		**1,127,606**	**1,075,589**	**813,066**	**747,051**

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Equity

DKK '000	Share capital	Reserve for net revaluation according to equity value method	Retained earnings	Minority shareholders	Total
	Group				
Equity at 1 January 2024	40,600	0	589,582	93,212	723,394
Proposed profit allocation, note 8			60,863	10,333	71,196
Transactions with owners					
Other value adjustments			5		5
Other legal bindings					
Foreign exchange adjustments			17,444		17,444
Other adjustments to equity value			-496		-496
Equity at 31 December 2024	**40,600**	**0**	**667,398**	**103,545**	**811,543**

DKK '000	Share capital	Reserve for net revaluation according to equity value method	Retained earnings	Total
	Parent Company			
Equity at 1 January 2024	40,600	400,797	188,785	630,182
Proposed profit allocation, jf. note 8		59,221	1,642	60,863
Other legal bindings				
Foreign exchange adjustments			17,444	17,444
Other adjustments to equity value			-496	-496
Equity at 31 December 2024	**40,600**	**460,018**	**207,375**	**707,993**

Cash Flow Statement 1 January - 31 December

	Group	
	2024 DKK '000	2023 DKK '000
Profit/loss for the year	71,196	78,938
Depreciation and amortisation, reversed	52,202	46,013
Tax on profit/loss, reversed	16,737	20,200
Other adjustments	16,961	-15,993
Change in inventories	-39,496	-1,028
Change in receivables (ex tax)	3,841	20,467
Change in current liabilities (ex bank, tax, instalments payable and overdraft facility)	-3,001	7,745
Cash flows from operating activity	**118,440**	**156,342**
Purchase of property, plant and equipment	-72,106	-82,331
Sale of property, plant and equipment	5,474	3,556
Purchase of financial assets	-341	0
Other adjustments	0	-1,016
Adjustment cash Formar Brakes India at January 1st	0	-14,656
Cash flows from investing activity	**-66,973**	**-94,447**
Other changes in non-current debt	-13,188	-10,343
Cash flows from financing activity	**-13,188**	**-10,343**
	38,279	**51,552**
Cash and cash equivalents at 1. januar	-29,573	-81,125
Cash and cash equivalents at 31 December31. december	**8,706**	**-29,573**

Notes

	Group		Parent Company	
	2024 DKK '000	2023 DKK '000	2024 DKK '000	2023 DKK '000
1 | Net revenue				
Revenue, Denmark	0	1,174	28,313	16,598
Revenue, Europe	320,223	395,775	0	6,979
Revenue, other countries	716,598	619,917	18,905	16,837
	1,036,821	**1,016,866**	**47,218**	**40,414**
Segment details (geography)				
Revenue, Denmark	0	1,174	28,313	16,598
Revenue, other countries	1,036,821	1,015,692	18,905	23,816
	1,036,821	**1,016,866**	**47,218**	**40,414**
Segment details (activities)				
Production	1,036,821	1,016,866	47,218	40,414
	1,036,821	**1,016,866**	**47,218**	**40,414**

2 | Fee to statutory auditor

Total fee:				
BDO	1,138	1,241	308	339
Auditors of foreign subsidiaries	27	27	0	0
	1,165	**1,268**	**308**	**339**
Specification of fee:				
Statutory audit	736	657	173	173
Other services	429	611	135	166
	1,165	**1,268**	**308**	**339**

Notes

	Group		Parent Company	
	2024 DKK '000	2023 DKK '000	2024 DKK '000	2023 DKK '000
3 | Staff costs				
Average number of full time employees	2,162	2,008	15	15
Wages and salaries	223,076	202,163	12,761	10,268
Pensions	13,237	11,848	1,952	1,633
Social security costs	2,484	3,083	147	146
Other staff costs	1	54	0	0
	238,798	**217,148**	**14,860**	**12,047**

Remuneration of Management is not disclosed according to the exemption provision of section 98 b(3)(2) of the Danish Financial Statements Act.

4 | Income from investments in subsidiaries and associates				
Income from investments in subsidiaries	0	0	46,204	55,898
Income from investments in associates	-1,550	1,686	-1,550	1,686
	-1,550	**1,686**	**44,654**	**57,584**

5 | Other financial income				
Group enterprises	0	0	85	237
Other interest income	4,173	6,905	161	87
	4,173	**6,905**	**246**	**324**

6 | Other financial expenses				
Group enterprises	0	0	3,417	2,397
Other interest expenses	9,914	10,535	1,000	1,288
	9,914	**10,535**	**4,417**	**3,685**

7 | Tax on profit/loss for the year				
Calculated tax on taxable income of the year	16,243	19,100	5,262	4,173
Adjustment of tax for previous years	44	0	44	0
Adjustment of deferred tax	450	1,100	-311	-62
	16,737	**20,200**	**4,995**	**4,111**

Notes

	Group		Parent Company	
	2024 DKK '000	2023 DKK '000	2024 DKK '000	2023 DKK '000
8 | Proposed distribution of profit				
Allocation to reserve for net revaluation according to equity value method	0	0	59,221	47,836
Retained earnings	60,863	71,465	1,642	23,629
Minority interest	10,333	7,473	0	0
	71,196	**78,938**	**60,863**	**71,465**

9 | Property, plant and equipment

	Group	
DKK '000	Land and buildings	Production plants and machinery
Cost at 1 January 2024	261,181	513,464
Exchange adjustment at closing rate	4,196	9,915
Transferred	7,883	-7,883
Additions	49,143	55,177
Disposals	-2,247	-5,098
Cost at 31 December 2024	**320,156**	**565,575**
Depreciation and impairment losses at 1 January 2024	83,117	350,020
Exchange adjustment	975	6,938
Transferred	4,961	-4,961
Reversal of depreciation of assets disposed of	0	-7,475
Depreciation for the year	14,290	34,992
Depreciation and impairment losses at 31 December 2024	**103,343**	**379,514**
Carrying amount at 31 December 2024	**216,813**	**186,061**
Finance lease assets		43,565

Notes

9 | Tangible fixed assets (continued)

DKK '000	Group Other plants, machinery, tools and equipment	Group Tangible fixed assets in progress and prepayment
Cost at 1 January 2024	36,734	75,934
Exchange adjustment at closing rate	-829	2,422
Additions	2,548	12,867
Disposals	-1,169	-63,401
Cost at 31 December 2024	**37,284**	**27,822**
Depreciation and impairment losses at 1 January 2024	28,896	0
Exchange adjustment	-668	
Reversal of depreciation of assets disposed of	-547	
Depreciation for the year	2,843	
Depreciation and impairment losses at 31 December 2024	**30,524**	**0**
Carrying amount at 31 December 2024	**6,760**	**27,822**

Value of recognised assets, excluding revaluation under § 41 (1)

DKK '000	Parent Company Land and buildings	Parent Company Production plants and machinery
Cost at 1 January 2024	157,183	19,331
Exchange adjustment at closing rate	1	8
Transferred	7,883	-7,883
Additions	100	0
Disposals	-473	0
Cost at 31 December 2024	**164,694**	**11,456**
Depreciation and impairment losses at 1 January 2024	56,619	16,101
Exchange adjustment	0	7
Transferred	4,961	-4,961
Depreciation for the year	8,998	259
Depreciation and impairment losses at 31 December 2024	**70,578**	**11,406**
Carrying amount at 31 December 2024	**94,116**	**50**

Notes

9 | Tangible fixed assets (continued)

DKK '000	Parent Company Other plants, machinery, tools and equipment	Parent Company Tangible fixed assets in progress and prepayment
Cost at 1 January 2024	3,072	163
Exchange adjustment at closing rate	0	3
Additions	148	701
Disposals	0	-163
Cost at 31 December 2024	**3,220**	**704**
Depreciation and impairment losses at 1 January 2024	2,850	0
Depreciation for the year	97	
Depreciation and impairment losses at 31 December 2024	**2,947**	**0**
Carrying amount at 31 December 2024	**273**	**704**

10 | Financial non-current assets

DKK '000	Group Equity investments in associated enterprises	Group Rent deposit and other receivables
Cost at 1 January 2024	34,283	2,139
Exchange adjustment at closing rate	1,397	73
Additions	0	57
Disposals	0	0
Cost at 31 December 2024	**35,680**	**2,269**
Revaluation at 1 January 2024	9,860	0
Exchange adjustment	363	0
Profit/loss for the year	-3,794	0
Other adjustments	2,245	0
Revaluation at 31 December 2024	**8,674**	**0**
Carrying amount at 31 December 2024	**44,354**	**2,269**

Notes

10 | Fixed asset investments (continued)

DKK '000	Parent Company: Equity investments in group enterprises	Equity investments in associated enterprises	Rent deposit and other receivables
Cost at 1 January 2024	216,621	0	47
Exchange adjustment at closing rate	4,069	0	0
Additions	20,000	0	0
Cost at 31 December 2024	**240,690**	**0**	**47**
Revaluation at 1 January 2024	400,797	9,860	0
Exchange adjustment	13,012	0	0
Transferred	0	-1,186	0
Profit/loss for the year	46,204	0	0
Other adjustments	5	0	0
Revaluation at 31 December 2024	**460,018**	**8,674**	**0**
Carrying amount at 31 December 2024	**700,708**	**8,674**	**47**

Investments in subsidiaries (DKK '000)

Name and domicil	Equity	Profit/loss for the year	Ownership
Meneta Danmark ApS, Denmark	114,056	236	100 %
Meneta Advance Shims Technology A/S, Denmark	215,719	21,527	52 %
Meneta Automative Components Pvt. Ltd., India	237,408	20,433	100 %
Meneta Shanghai Co. Ltd, China	116,722	16,802	100 %
Meneta Dalian Co. Ltd., China	87,327	17,767	100 %
Meneta Composite Materials ApS, Denmark	33,015	-20,227	100 %

Investments in associates (DKK '000)

Name and domicil	Equity	Profit for the year	Ownership
Fomar Brakes india, India	44,354	-1,549	45,03 %

11 | Prepayments and accrued income

Prepayments comprise prepaid expenses, primarily insurances and membership fees, relating to the next financial year in total DKK '000 3,126 (2023 DKK '000 5,970).

Notes

	2024 DKK '000	2023 DKK '000
12 | Share capital		
Allocation of Share capital:		
Shares, 1,000 units in the denomination of 40,600 DKK	40,600	40,600
	40,600	**40,600**

13 | Provision for deferred tax

The provision for deferred tax is related to differences between the carrying amount and tax value of securities, receivables, intangible and tangible fixed assets, including recognised finance lease contracts.

	Group		Parent Company	
	2024 DKK '000	2023 DKK '000	2024 DKK '000	2023 DKK '000
Deferred tax, beginning of year	848	62	-278	-215
Deferred tax of the year, income statement	450	1,100	-311	-63
Correction tax ealier year	317	-490	0	0
Currency adjustment begining year	-130	176	0	0
Provision of deferred tax at December 31 2024	**1,485**	**848**	**-589**	**-278**

14 | Long-term liabilities

	Group			
DKK '000	31/12 2024 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2023 total liabilities
Bank loan	39,126	3,759	0	53,012
Lease liabilities	31,365	6,483	0	37,726
	70,491	**10,242**	**0**	**90,738**

	Parent Company			
DKK '000	31/12 2024 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2023 total liabilities
Bank loan	25,004	3,759	0	35,578
	25,004	**3,759**	**0**	**35,578**

15 | Accruals and deferred income

Accruals comprise of accrued expenses where the company has not received an invoice but the work has been carried out in 2024 in total DKK'000 95 (2023 DKK '000 0)

Notes

16 | Contingencies, etc.

Contingent liabilities

	Group		Parent Company	
	2024 DKK '000	2023 DKK '000	2024 DKK '000	2023 DKK '000
Guarantee for subsidiaries	116,775	163,824	116,775	163,824

Joint liabilities
The Danish companies of the group is jointly and severally liable for tax on the group's jointly taxed income and for certain possible withholding taxes such as dividend tax and royalty tax, and for the joint registration of VAT.

Tax receivable of the group's jointly taxed income amounts to DKK '000 605 at the Balance Sheet date.

17 | Charges and securities

	Group		Parent Company	
	Carrying amount of assets DKK '000	Nominal value of mortgage or outstanding debt DKK '000	Carrying amount of assets DKK '000	Nominal value of mortgage or outstanding debt DKK '000
Property, plant and machinery, estimated value	212,661	54,316	90,767	19,000
Chattel mortage on inventory and receivables	201,043	40,000	0	0

18 | Related parties

Meneta Holding A/S' related parties include:

Meneta Danmark ApS
Meneta Advanced Shims Technology A/S
Meneta Composite Materials ApS
Meneta Automotive Component Pvt. Ltd., India
Meneta (Shanghai) Co. Ltd., China
Meneta Dalian Co. Ltd., China

Controlling interest
Steve Wang, USA

Other related parties having performed transactions with the Company
The Company's related parties with significant influcence comprise subsidiaries and associates, the Board of Directors, Executive Board and leading employees of such companies as well as closely related family members of these. Related parties also comprise companies in which members of the above group hold significant interest.

Transactions with related parties
The Company did not carry out any material transactions that were not concluded on market conditions. According to section 98c, subsection 7 of the Danish Financial Statements Act information is given only on transactions that were not performed on common market conditions.

Accounting Policies

The Annual Report of Meneta Holding A/S for 2024 has been presented in accordance with the provisions of the Danish large-size Financial Statements Act for enterprises in reporting class C .

The Annual Report is prepared consistently with the accounting principles applied last year.

Consolidated Financial Statements

The Consolidated Financial Statements include the Parent Company Meneta Holding A/S and its subsidiaries in which Meneta Holding A/S directly or indirectly holds more than 50% of the voting rights or in any other way has a controlling influence. Enterprises in which the Group holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence, are considered associates, see the group structure.

The Consolidated Financial Statements consolidate the Financial Statements of the Parent Company and the subsidiaries by combining uniform accounts items. Intercompany income and expenses, shareholdings, intercompany balances and dividend, and realised and unrealised gains and losses arising from transactions between the consolidated enterprises are fully eliminated in the consolidation.

Investments in subsidiary enterprises are set off by the proportional share of the subsidiaries' market value of net assets and liabilities at the acquisition date.

Investments in associates are measured in the balance sheet at the proportional share of the value of the enterprises, calculated under the accounting policies of the Parent Company and eliminating proportionally any unrealised intercompany gains and losses. The proportional share of the results of the associates is recognised in the income statement after elimination of the proportional share of internal gains and losses.

Minority interests

The accounting items of the subsidiaries are recognised in full in the Consolidated Financial Statements. The minority interests' proportional share of the results and equity of the subsidiaries is stated as separate items in the allocation of profit/loss and in individual main items under equity.

Income Statement

Net revenue

Net revenue from sale of merchandise and finished goods is recognised in the income statement if supply and risk transfer to purchaser has taken place before the end of the year. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

Where products with a high degree of individual adjustments are delivered, recognition in net revenue is made as and when the production progresses, the net revenue being equal to the sales value of the work performed for the year (the production method). This method is applied when the total costs and expenses regarding the contract and the degree of completion at the balance sheet date can be reliably assessed, and it is likely that the financial benefits will flow to the Company.

Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other operating income

Other operating income includes items of a secondary nature in relation to the Group's and the Company's activities, including profit from sale of intangible and tangible fixed assets. In addition, profit from sale of intangible and tangible fixed assets as well as business interruption and conflict compensations are included. Compensations are recognised when the income is deemed to be realisable.

Accounting Policies

Other external expenses
Other external expenses include cost of sales, advertising, administration, premises, bad debts, operating lease expenses, etc.

Payments related to operating lease expenses and other lease agreements are recognised in the income statement during the continuance of the contract. The Company's total liability concerning operating and other lease agreements are stated under contingencies, etc.

Staff costs
Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security, etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

Income from investments in subsidiaries and associates
The income statement of the Parent Company recognises the proportional share of the results of each subsidiary after full elimination of intercompany profits/losses and deduction of amortisation of goodwill.

In connection with transfers, potential profits are recognised when the economic rights related to the sold equity interests are transferred, however, at the earliest when the profit has been realised or is regarded as realisable. Moreover, realised losses other than impairments are included where identified.

Financial income and expenses
Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

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

Balance Sheet

Tangible fixed assets
Land and buildings, production plant and machinery, other plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used. As regards self-manufactured assets, the cost price includes cost of materials, components, subcontractors, direct payroll and indirect production costs.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Buildings	5-30 years	0 %
Production plant and machinery	4-10 years	0 %
Other plant, fixtures and equipment	3-10 years	0 %

Accounting Policies

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Lease contracts

Lease contracts relating to tangible fixed assets
for which the Company bears all material risks and benefits attached to the ownership (finance lease, see IAS 17) are recognised as assets in the Balance Sheet. The assets are at the initial recognition measured at the lower of cost stated at fair value and the and present value of the future lease payments. The internal interest rate of the lease contract, or alternatively the Company’s loan interest, is used as discounting factor when calculating the present value. Finance lease assets are hereafter treated as the Group’s and the Company’s other similar tangible fixed assets.

The capitalised residual lease liability is recognised in the balance sheet as a liability and the interest portion of the lease payment is recognised in the income statement over the term of the contract.

Financial non-current assets

Investments in are measured in the Company's balance sheet under the equity method.

Investments in are measured in the balance sheet at the proportional share of the enterprises’ carrying equity value, calculated in accordance with the Parent Company’s accounting policies with deduction or addition of unrealised intercompany profits or losses and with addition or deduction of the residual value of positive or negative goodwill.

The combination method is applied when acquiring enterprises within the Group, where the combination is regarded as completed from the earliest financial period included in the Financial Statements, and by using the carrying amounts of the assets and liabilities acquired.

The difference between the acquisition cost and carrying amounts is recognised directly in equity.

Net revaluation of investments in subsidiaries and associates is transferred under the equity to reserve for net revaluation under the equity value method to the extent that the carrying amount exceeds the acquisition value.

Profit and loss at disposal of investments in subsidiaries and associates are determined as the difference between the net selling price and the carrying amount of the disposed investment at the time of sale, including non-depreciated excess values and goodwill. Profit and loss are recognised in the Income Statement under income from investments.

Subsidiaries and associates with a negative carrying equity value are measured to DKK 0 and any amounts due from these enterprises are written down by the Company's share of the negative equity to the extent that it is deemed to be irrecoverable. If the carrying negative equity value exceeds receivables, the residual amount is recognised under provision for liabilities to the extent that the company's has a legal or actual liability to cover the subsidiaries and associates deficit.

Impairment of fixed assets

The carrying amount of tangible assets together with fixed assets, which are not measured at fair value, is assessed on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the assets are written down to the lower value.

Accounting Policies

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Inventories

Inventories are measured at cost based on weighted average prices. If the net realisable value is lower than cost, the inventories are written down to the lower value.

The cost of merchandise as well as raw materials and consumables is calculated at acquisition price with addition of transportation and similar costs.

The cost of finished goods and work in progress includes cost of raw materials, consumables, direct payroll cost and indirect production cost. Indirect production costs include indirect materials and payroll and maintenance and depreciation of the machines, factory buildings and equipment used in the production process, cost of factory administration and management and capitalised development costs relating to the products.

The net realisable value of inventories is stated at sales price less completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value. The value is reduced by impairment losses to meet expected losses.

Write-off is performed to provide for losses when an objective indication has been assessed to have incurred that a receivable or a portfolio of receivables are impaired. If there is an objective indication that an individual receivable is impaired, the write-off is performed at individual level.

Receivables for which there are no objective indication of impairment at individual level are assessed at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' registered office and credit rating in accordance with the Company's policy for credit risk management. The objective indicators, which are applied for portfolios, are determined based on the historical loss experiences.

Write-off is determined as the difference between the carrying amount of receivables and the present value of the expected cash flows, including realisable value of any received collaterals. The effective interest rate is used as discount rate for the single receivable or portfolio.

Accruals, assets

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on- account scheme. Joint taxation contributions receivable and payable are recognised in the balance sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Accounting Policies

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities
Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the income statement over the term of loan.

Amortised cost of current liabilities usually corresponds to nominal value.

The capitalised residual lease liability on finance lease contracts is also recognised as financial liabilities.

Accruals, liabilities
Accruals recognised as liabilities include payments received regarding income in subsequent years.

Foreign currency translation
Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivables or payables is recognised in the income statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.

Accounting Policies

Cash Flow Statement

With reference to Section 86(4) of the Danish Financial Statements Act, the company has not prepared a cash flow statement. A cash flow statement has been prepared for the Group.

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

Cash flows from operating activities:
Cash flows from operating activities are computed as the results for the year adjusted for non-cash operating items, changes in net working capital and corporation tax paid.

Cash flows from investing activities:
Cash flows from investing activities include payments in connection with purchase and sale of intangible and tangible fixed asset and fixed asset investments.

Cash flows from financing activities:
Cash flows from financing activities include changes in the size or composition of share capital and related costs, and borrowings and repayment of interest-bearing debt and payment of dividend to shareholders.

Cash and cash equivalents:
Cash and cash equivalents include bank overdraft and cash in hand.