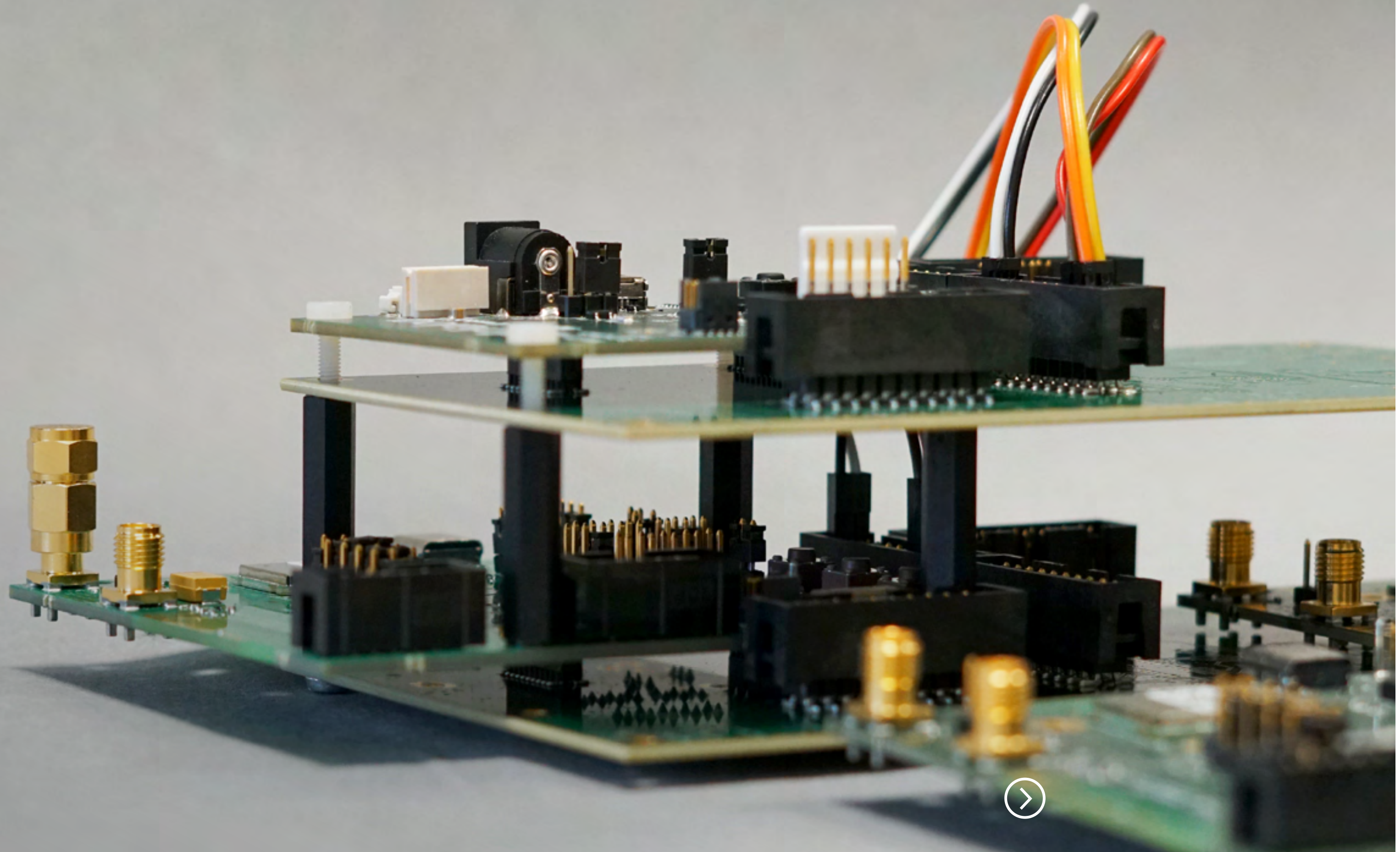
Annual Report 2022/23

1 October 2022 - 30 September 2023

RTX A/S • Stroemmen 6 • DK-9400 Noerresundby • CVR no. 17 00 21 47

RTX



Helping people perform at their best

Wireless communication is an integral part of all our lives. It seamlessly helps us connect and communicate – in our work as well as in our spare time. RTX's purpose is to help people perform at their best by providing our customers with the best possible wireless communications solutions.

Visit our website to learn more about our turn-key solutions

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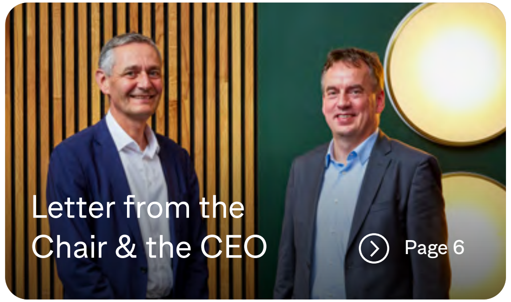

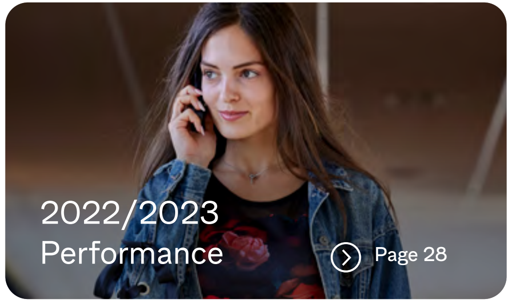

Financial Statements

The long-term financial ambitions of RTX are to realize significant revenue and earnings growth in the coming years.

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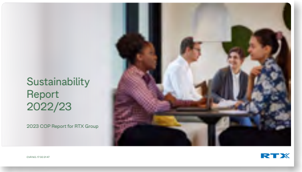
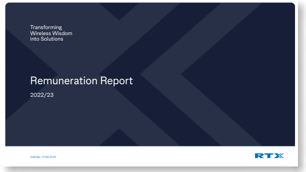
The 2022/23 RTX reporting suite

Sustainability report



Corporate Governance report

Remuneration report



RTX at a Glance

Our purpose is to help people perform at their best. We provide our customers with the best possible wireless communications solutions, allowing their customers to seamlessly connect and communicate.

RTX innovates, designs, and manufactures wireless communication solutions within Enterprise, Healthcare, and ProAudio. Working in close partnership with our customers, we offer customized, 'turn-key', end-to-end solutions with full product lifecycle management designed to make a difference in the market.

Revenue 2022/23

783 DKK million

EBITDA 2022/23

108 DKK million

Avg. full-time employees

299 FTEs

Enterprise

Focusing on making sure all the component systems integrate seamlessly and reliably, we design, develop and manufacture wireless IP telephony products and sub-systems.

527 DKK million in revenue
67% of share group
7% YoY growth

ProAudio

In the world of commercial wireless audio solutions, good business depends on transmitting and receiving high-quality sound reliably so that those listening can hear clearly and comfortably.

186 DKK million in revenue
24% of share group
63% YoY growth

Healthcare

We provide the crucial wireless communication infrastructure that you can embed seamlessly and reliably into a broad spectrum of high-tech medical devices, including multi-parametric patient monitoring.

70 DKK million in revenue
9% of share group
24% YoY growth

2022/23 Highlights

Outlook 2023/24

Financial highlights

Metric	Unit	Value	Change
Revenue	DKKm	783	+ 18%
Gross margin	%	45.8	-0.8 pp
EBITDA	DKKm	108	+ 26%
EBIT	DKKm	68	+ 49%

Sustainability highlights

Metric	Unit	Value	Change
Scope 1 & 2 emissions	CO_2e tons (location-based)	532	-3.6%
Energy consumption	MWh	1,410	-1.5%
Employee absence	%	2.0	-0.5%-points
Board gender diversity	Members elected by AGM (end year)	Female 20%	-1 female

Letter from the Chair and the CEO

Continuing the Positive Development of RTX

Demand increased strongly in 2022/23 and led to record high revenue second year in a row. Contributing to this strong performance is the normalization of past years' industry-wide challenges with component shortages and supply chain constraints. With continued focus on the development of our key accounts and offerings, RTX expects to continue the growth path in the coming years. However, we expect a temporary setback in 2023/24 due to macro-economic uncertainties and high inventory levels at our major customers.

RTX is pleased with our performance in 2022/23. Revenue increased 18% and reached an all-time high of DKK 783 million with very strong demand for RTX products. Earnings improved as well, EBITDA increased by 26% to DKK 108 million and EBIT increased by 49% to DKK 68 million, aided by the growth in revenue. Both revenue and earnings surpassed our expectations for the year.

Strong demand and improved supply chain

RTX experienced strong demand for our products and services in 2022/23. The global supply chain challenges were normalizing during the year, and we experienced shorter lead times of components and material in the end of the year compared to what we have experienced in the previous years. This improvement in combination with the strong demand was the basis for RTX exceeding the original revenue expectations for the year.

Demand in ProAudio for our product-based business was high and explains the good performance in the segment. RTX is no longer doing stand-alone hourly-based engineering services in this segment as outlined in the strategy some years ago. The Enterprise segment was growing as well, with growth coming from RTX's large framework agreement customers – both long-standing and newer framework agreement customers. Healthcare segment demand and revenue also increased in 2022/23 where we, together with our customer, are in a transitioning from old products to a new product generation.

The normalized supply chain has led to a high stock level of products at our customers. This situation in combination with the macro-economic situation have led to a high level of uncertainty, when it comes to near-term demand for products from our customers.

For that reason, we expect revenue in 2023/24 to be back-loaded in the fiscal year and demand not to be on the same level as in 2022/23.

Peter Thostrup
Chair of the Board

Peter Røpke
President & CEO

"I am pleased that RTX has delivered one more year (2022/23) with growth and record high revenue. Looking ahead, I see short-term challenges from high inventory levels at our largest customers caused by the past year's problems in the global electronic industry. However, I still experience strong commitment to RTX and our offerings when I speak to our key customers. Therefore I believe that RTX has an opportunity for further growth in the future beyond 2023/24. Our business model and strategy for generating recurring revenue from the partnerships with our customers, who are global leaders in their respective industries, form a strong foundation for the realization of our ambitions for the coming years."

Peter Røpke, CEO

Growth strategy

The strong growth in 2022/23 has confirmed the belief we have in our strategic direction: We deploy our wireless capabilities to create recurring revenue as an ODM/OEM supplier via long-term framework agreements with our customers in the B2B Enterprise, ProAudio, and Healthcare markets. The result demonstrates the scaling in RTX's strategy, and we were able to grow not only revenue by 18% YoY but also EBITDA by 26% and our EBIT by 49% YoY.

Over the past five years, we have grown revenue organically by 10% per year on average despite the challenges with the global supply chain and macroeconomic situation. In total, this corresponds to 65% growth for the five-year period. Growth in 2022/23 has especially been fuelled by our largest framework agreement customers and these customers continue to invest into joint product development activities with RTX. On top of this we have gained momentum in our ProAudio module business with growth of 63% in 2022/23. Together with our own investments in RTX products and product solutions for our three segments, these development activities create the basis for further growth for RTX.

We are satisfied with the growth in both revenue and earnings in 2022/23. We have seen the gross margin stabilize as the global electronic component market has improved during the year both in terms of lead times and partly in terms of cost. In the second part of the year it has not been necessary to buy expensive components on the spot market as in the previous year.

An important focus area for RTX in the coming years will be to continue ensuring right component costs as the supply-demand balance in the component markets becomes more normal.

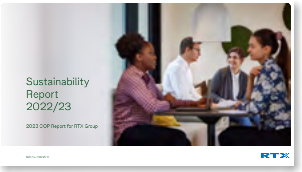
The past years' instability in global electronic supply, where lead times rapidly changed first up to 18 months and then back to a normal level of 3 months, has now led to a situation where inventory levels of products at our large customers are at a high level. We expect, as mentioned before, that order intake from these customers will be moderate in the coming months until inventory levels at our customers have normalized.

However, RTX expects, based on dialogue with our customers and the amount of new product initiatives, that this situation will be temporary, and we still believe in our long-term ambition.

Capital policy and allocation

Due to the strong performance and recovery after some challenging years, RTX revised the capital policy in August 2023.

RTX now targets a net liquidity position (total cash funds plus current securities less any bank debt) of DKK 80-100 million (Note that interim deviations to the target cash level can occur depending on specific growth opportunities or other operational or strategic considerations.).



Read more about our sustainability focus areas and actions in our Sustainability report.

Read more

This empowers the Board to undertake strategic initiatives, including the implementation of dividend and/or share buyback programs. The Board has reached a decision to initiate a share buyback program amounting up to DKK 20 million during the financial year 2023/24, operating within the Safe Harbor Framework.

Acting responsibly

RTX develops and delivers wireless communication solutions that help people perform at their best. In addition to the direct benefits of wireless interconnectivity, such solutions can contribute to a sustainable global development by reducing the need for travel and the need for physical infrastructure such as cables etc. At RTX, we recognize that our impact on people, environment, and communities globally is broader than the direct impact of our wireless solutions. Acting responsibly therefore also means to strive for reducing any potential harm that our operations may cause.

We are committed to the UN Global Compact, which we adopted in 2014, and its principles on human rights, labor, environment, and anti-corruption. During 2022/23, we have taken actions to continue to advance our sustainability agenda with focus on products and people. Products because they are where we have the biggest impact. People, both employees and partners, because they are the most critical in terms of defining and driving improvement efforts.

The separate sustainability report of RTX details these focus areas and our efforts. It includes our materiality assessment, policies for key areas such as environment, human rights, and labor, as well as KPI reporting for key sustainability areas including employee, diversity, and governance related KPIs, energy consumption, and carbon footprint. Our sustainability report also serves as our Communication of Progress for the UN Global Compact. The report can be found at www.rtx.dk/corporate/csr.

Looking ahead to 2023/24 and beyond

For 2023/24 we expect revenue to be impacted by high inventory levels at our customers, combined with the macroeconomic and geopolitical uncertainty. The past years' instability in global electronic supply, where lead times rapidly changed, first up to 18 months and then back to a normal level of 3 months, has now led to a situation where our large customers have high product inventory levels. We expect that order intake from these customers will be moderate in the coming months, until inventory levels at our customers have normalized.

For that reason, we expect 2023/24 revenue to be backloaded in the fiscal year and demand not to be at the same level as in 2022/23. Based on the above assumptions, the outlook for 2023/24 is a revenue of DKK 580-630 million, and EBITDA of DKK 45-60 million and EBIT of DKK 5-20 million.

Based on dialogue with our customers regarding their medium- and long-term demand, along with our development pipeline of new product initiatives, RTX expects that the slower demand forecasted for 2023/24 is a temporary supply chain adjustment until high inventories at our customers have normalized. In November 2023, RTX signed a firm agreement with a large global Healthcare company on a strategic collaboration to bring to market a new generation of wireless infrastructure solutions for the Hospital Healthcare sector This agreement includes terms on intellectual property and sales/distribution channels. Through this strategic partnership, we will accelerate the introduction of new infrastructure products and expect our revenue in the Healthcare segment to grow by 100-200% by 2025-26. It will not affect RTX's outlook for 2023/24, but it is an important milestone towards realizing our long-term ambition.

RTX is a people company, and the good results in the past and our ambitions for the future can only be accomplished by the strong commitment and daily efforts from all our employees. The past year has yet again been challenging with a lot of changes in the business that has made planning and execution difficult – and we express our gratitude to our employees for handling these challenges very well. We also thank our customers and other stakeholders for their cooperation and support during the year.

Peter Thostrup
Chair of the Board

Peter Røpke
President & CEO

Financial Highlights for the Group

Amounts in DKK million	2022/23	2021/22	2020/21	2019/20	2018/19
Income statement items					
Revenue	782.8	663.3	457.2	555.9	560.3
Gross Profit	358.4	309.3	239.1	309.3	316.9
EBITDA	107.5	85.4	37.3	108.2	100.2
EBITDA %	13.7%	12.9%	8.2%	19.5%	17.9%
Operating profit/loss (EBIT)	67.9	45.6	6.1	83.6	86.7
Net financials	-8.7	-3.4	-6.6	-3.4	4.6
Profit/loss before tax	59.2	42.3	-0.6	80.2	91.3
Profit/loss for the year	46.7	33.9	3.6	63.1	71.4
Balance sheet items					
Net liquidity position (1)	137.7	73.8	120.4	194.8	226.7
Total assets	578.1	556.8	485.3	533.6	463.3
Equity	377.7	331.6	288.5	352.2	347.4
Liabilities	201.0	225.2	196.8	181.4	115.8
Other key figures					
Development cost financed by RTX before capitalization	33.2	30.6	42.3	43.8	39.0
Capitalized development cost	13.5	15.8	24.9	28.7	16.8
Depreciation, amortization and impairment	39.6	39.7	31.3	24.6	13.5
Cash flow from operations	97.0	-0.0	44.5	70.6	107.7
Cash flow from investments	-26.7	30.5	9.7	-37.1	-52.4
Investment in property, plant and equipment	10.2	11.4	18.6	7.9	5.4
Increase/decrease in cash and cash equivalents	62.5	24.9	-22.4	-33.7	10.9

(1) Equals total of cash and current asset investments.

Amounts in DKK million	2022/23	2021/22	2020/21	2019/20	2018/19
Key ratios (percentage)					
Growth in net turnover	18.0	45.1	-17.8	-0.8	17.9
Profit margin	8.7	6.9	1.3	15.0	15.5
Return on invested capital	28.7	25.6	10.7	54.1	75.1
Return on equity	13.2	10.9	1.1	18.1	21.6
Equity ratio	65.2	59.6	59.5	66.0	75.0
Employment					
Average number of full-time employees (1)	299	282	286	292	277
Average number of FTE employed directly(1)	267	249	257	264	253
Revenue per employee (DKK '000)	2,618	2,352	1,598	1,904	2,023
Operating profit per employee (DKK '000)	227	162	21	286	313
Shares (number of shares in thousands)					
Average number of shares in distribution	8,200	8,169	8,243	8,376	8,545
Average number of diluted shares	8,195	8,198	8,302	8,503	8,633
Share data (DKK per share at DKK 5)					
Profit/loss for the year (EPS), per share	5.7	4.2	0.4	7.5	8.4
Profit/loss for the year, diluted (DEPS), per share	5,7	4.1	0.4	7.4	8.3
Dividends, per share	-	-	-	2.5	2.5
Equity value, per share	45.9	40.5	35.4	42.2	41.0
Listed price, per share	83.6	115.0	165.0	216.0	164.0

(1) Employees employed in RTX legal entities are defined as "employed directly". Employees employees through service partner in countries where we have no legal entity, comprise the remaining employees.

Note: The Group's financial year runs from 1 October to 30 September. The calculation of the financial highlights is described on page 99.

IFRS 9 and IFRS 15 were implemented in 2018/19. Figures prior to 2019/20 have not been restated to reflect new accounting policy IFRS 16, implemented in 2019/20.

Business & Strategy

Our Growth Strategy
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Enterprise
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Our Growth Strategy

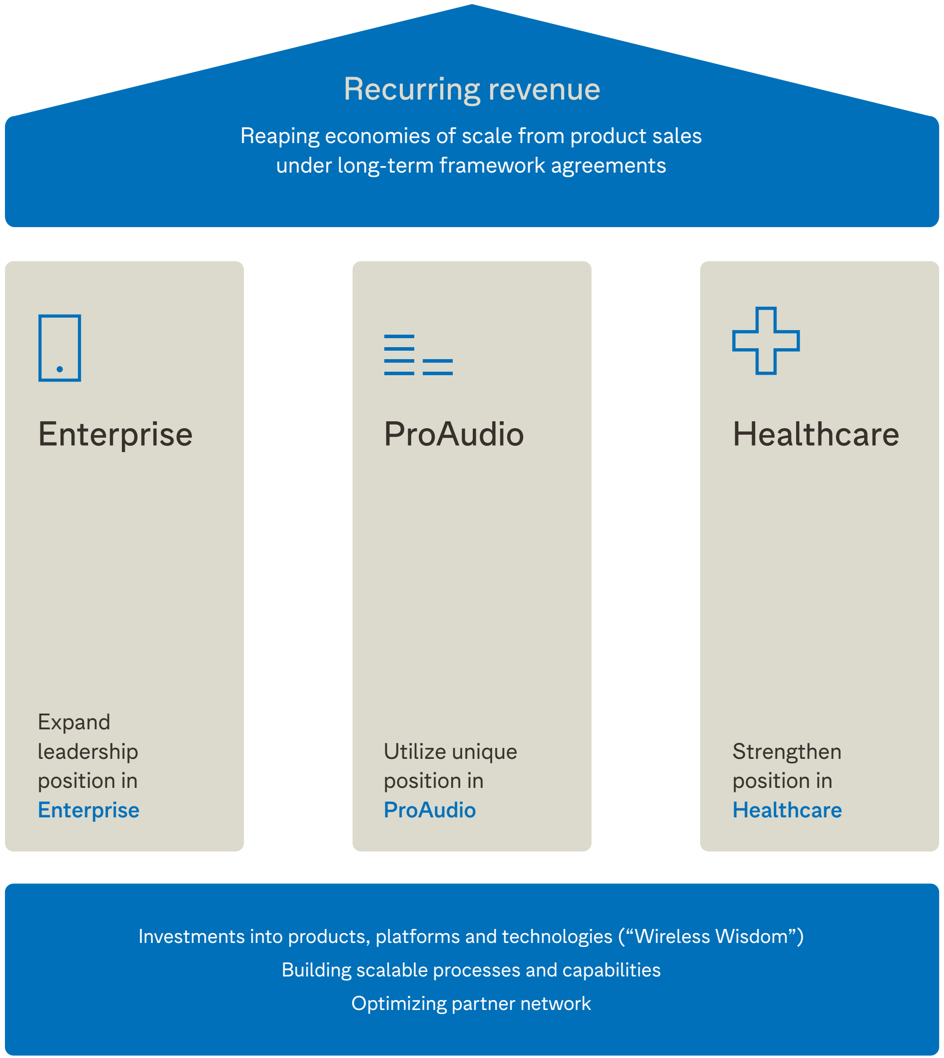
Deploying our *Wireless Wisdom* across multiple attractive B2B markets in an ODM/OEM model to secure profitable growth via increased recurring revenue and scalability.

RTX continues to target long-term profitable growth, as we deploy our wireless capabilities to generate recurring revenue from long-term framework agreements with globally recognized B2B customers in three attractive market segments: Enterprise, ProAudio and Healthcare.

Across segments, we will continuously invest into products and product platforms, both together with customers and through strategic investments funded by RTX. We aim at developing product- and system solutions with a long lifecycle to exploit the full potential in current long-term framework agreements as well as entering into new customer agreements. Ramping up existing long-term framework agreements will be an important growth driver.

We will build on our uniform business model and go-to-market approach to further reap economies of scale. Focus will be on establishing robust and scalable processes across RTX as well as consolidating our technological capabilities and continuously upgrade these.

Finally, we will continue to optimize our supplier network and strengthen the value chain to further capitalize on our growth.



Global Industry Structure

Multiple horizontal layers

Brand	Branded company
Development	OEM: Original equipment manufacture ODM: Original design manufacture
Manufacturing	EMS: Electronics manufacture service
Technology	Semicondutor company

In the ever-evolving technology landscape, different types of companies are contributing via different layers, depending on their role and function in the global industry structure. As a solutions provider, RTX operates mainly in the spectrum of development as an ODM/OEM.

In close collaboration with our partners, EMSs and customers, RTX operates in development as an ODM/OEM, but with overlapping paths to the layers of manufacturing and brand. In this spectrum of layers, we serve as a solution provider of wireless technology to our customers, by providing a range of services; including product customization, technology integration, and end-to-end solutions encompassing full product lifecycle management. Through long-term partnerships we seamlessly align with our customers' development processes and operations.

As a pure-play solutions provider, we refrain from directly marketing and selling RTX products and solutions to end-users. Our primary focus revolves around serving as an ODM/OEM for our customers and as a true partner we tie our earnings to our customers' market success. Working in close partnerships with our customers, we develop unique products and solutions that can make a significant impact in their markets.

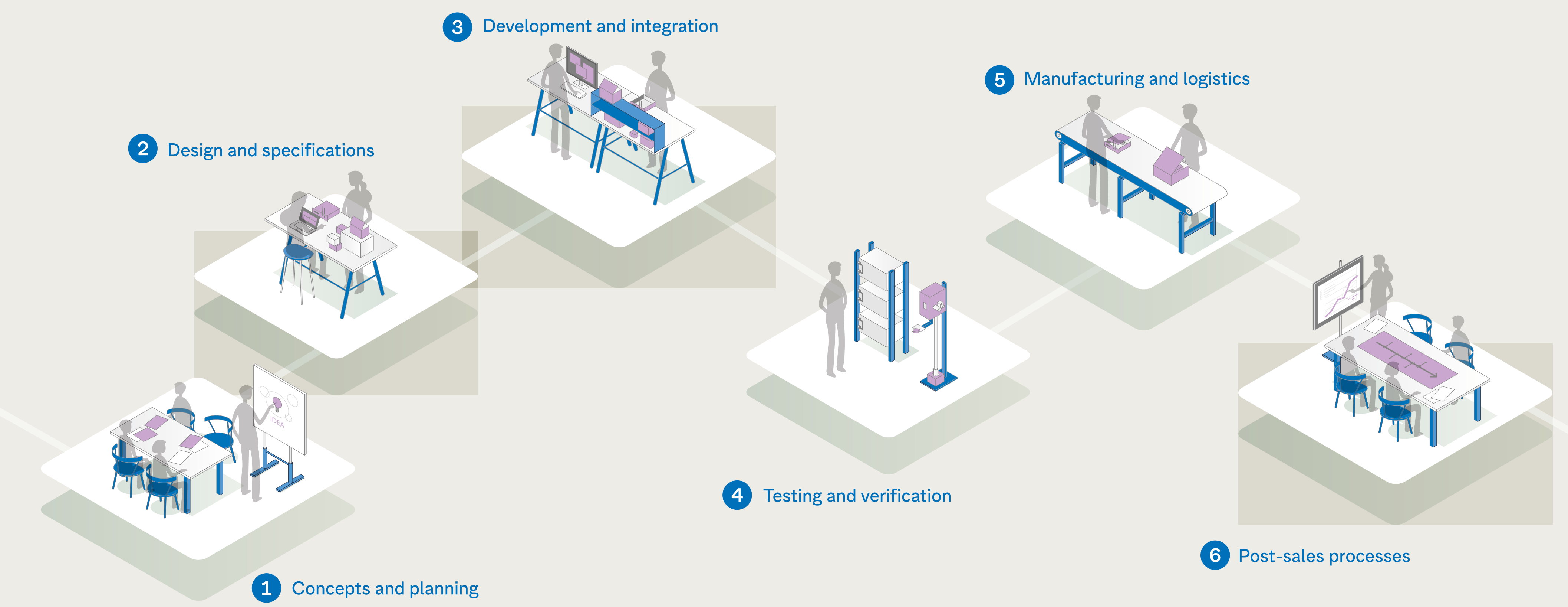
Our Customer Partnerships

RTX's wireless solutions enable our B2B customers to market reliable, secure, and scalable systems with seamless integration to meet their specific communication and monitoring needs and respond to market demands. We do this across three attractive market segments: Enterprise, ProAudio, and Healthcare.

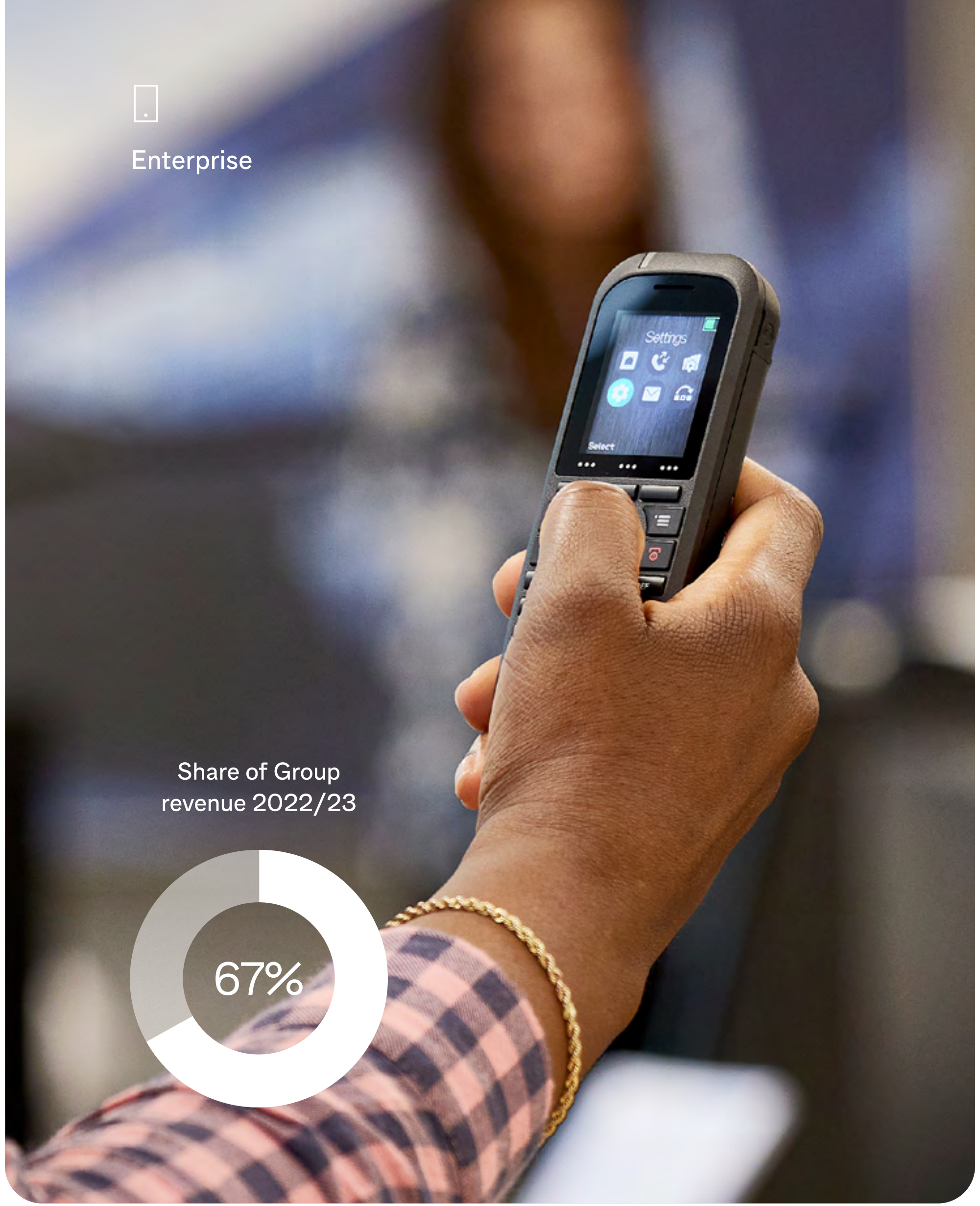
Our Enterprise systems deliver modular and scalable solutions for communication devices, ensuring reliable wireless connectivity and additional features developed to enterprises of varying sizes. Our ProAudio systems, built on our RTX communication modules, enable multiple device connections in a variety of environments, intelligently adapting to changing conditions to consistently maintain clear audio with minimal latency. Our Healthcare systems support patient monitoring, ensuring concurrent measurement of various health parameters, secure data handling, and ultimately enhancing the quality of patient care.

We have a mission to help our customers make a difference in their markets. Our extensive knowledge in wireless technology and our comprehensive and scalable end-to-end solutions distinguishes us from competitors. This positioning allows us to provide customized products and systems helping our customers perform at their best, by empowering them to make a significant impact within their respective markets.

How we work



3 Development and integration
2 Design and specifications
5 Manufacturing and logistics
1 Concepts and planning
4 Testing and verification
6 Post-sales processes
IDEA



Enterprise

Our business

In Enterprise, we help our B2B customers, primarily large global players, provide better wireless communication solutions for their customers. The solutions are used in places like retail operations, healthcare facilities, warehouses, offices, call centers, and public buildings, and in even the most demanding commercial and industrial environments where equipment certified as explosion-proof and water-proof is crucial.

Focusing on making sure all the component systems integrate seamlessly and reliably, we design, develop, and manufacture wireless IP telephony products and sub-systems that include headsets, handsets, base stations, repeaters, location beacons, and advanced cloud-based tools.

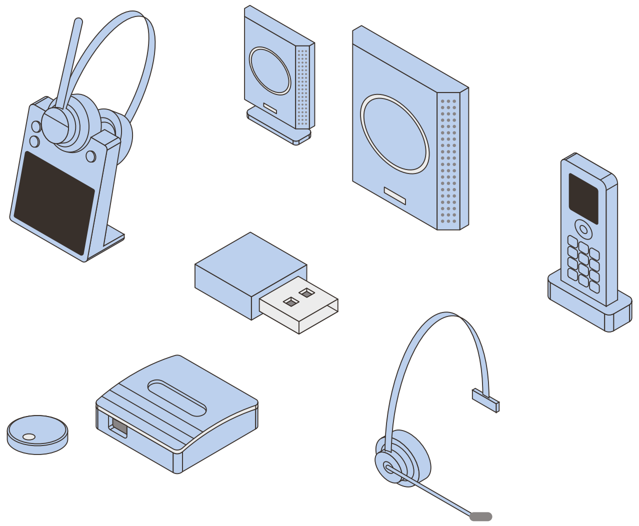
We provide the know-how, services, and specialist capabilities that help our customers win contracts for forward-thinking enterprise wireless communication installations: Scalable to changing requirements, connections with very high stability, high audio quality everywhere, and easy integration with other systems and hardware.

Market trends

Within the global enterprise communications market more and more businesses are moving enterprise telephony to the cloud to enable digital transformation, greater agility, and better support of distributed workforce. This transition often prompts organizations to refresh their existing endpoints and thus drives a demand for new endpoints - especially handsets and headsets which are replacing the more traditional corded desktop phones. There is also an ongoing consolidation in the manufacturing of handsets which RTX continues to both drive and benefit from. This consolidation is driven by increased outsourcing of handset development and production, especially to pure play ODM/OEM providers like RTX. In 2022, RTX remained the largest manufacturer of multi-cellular handsets globally, according to MZA Ltd., with a share of 20%.

The total global professional market for wireless handsets is, according to Frost & Sullivan, estimated at USD 900 million or 4 million units annually. DECT technology handsets constitute more than 3 million units and are expected to grow 2% p.a. from 2022 to 2025 driven by its mobile nature, superior performance, and cost effectiveness. RTX is experiencing additional demand upside in DECT, primarily from large players in the USA

Enterprise



Communication systems for any requirements

RTX Enterprise systems are modular, scalable solutions that provide reliable, high-quality audio connections for communication devices in various industries. The devices used by the individual, such as handsets and headsets, connect via a wireless link to USB dongles or base stations within the building or area where the individuals are operating. Repeaters linked to base stations extend the range for the individual's operational area – even outside. This eliminates poor audio or calls dropping out when people move around and ensure people can perform at their best by staying connected everywhere. The systems include other additional features, such as location detection of devices, unique safety- and alarm features, as well as cloud-based deployment and device management tools. Enterprise systems are ideal for all sizes of enterprises. Systems can ensure reliable coverage for 20 to 15,000+ users, making the system and its capabilities easily scalable to meet customers' exact needs.

market, an enterprise market which traditionally has been focused on Wi-Fi/VoWLAN handsets. The total global wireless professional headsets market is, by Frost & Sullivan, estimated at more than USD 1 billion or 10 million headsets annually with growth expectation of 12% p.a. from 2022 to 2026.

2022/23 highlights

During 2022/23, we accelerated the ramp-up of product deliveries under the two newest major Enterprise framework agreements. Both customers are leading global brands with solid sales channels; including the wireless headset area. We also signed up new customers with sales channels in wireless headsets and in the SME market. Additionally, we experienced strong demand in the traditional enterprise communications market, e.g., handsets and base stations. RTX also continued the development of its own financed product ranges, e.g., new versions of handsets and base stations, as well as our cloud-based deployment and device management tools, where we continued to add customers in the pilot phase.

RTX's Enterprise segment growth in 2022/23 was due to strong demand for RTX products and solutions in the segment, and was especially driven by growth among the large framework agreement customers.

Enterprise growth strategy

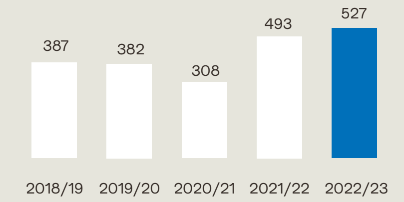
RTX aims to expand its leadership position in Enterprise products and solutions by continuing to gain share and drive market consolidation.

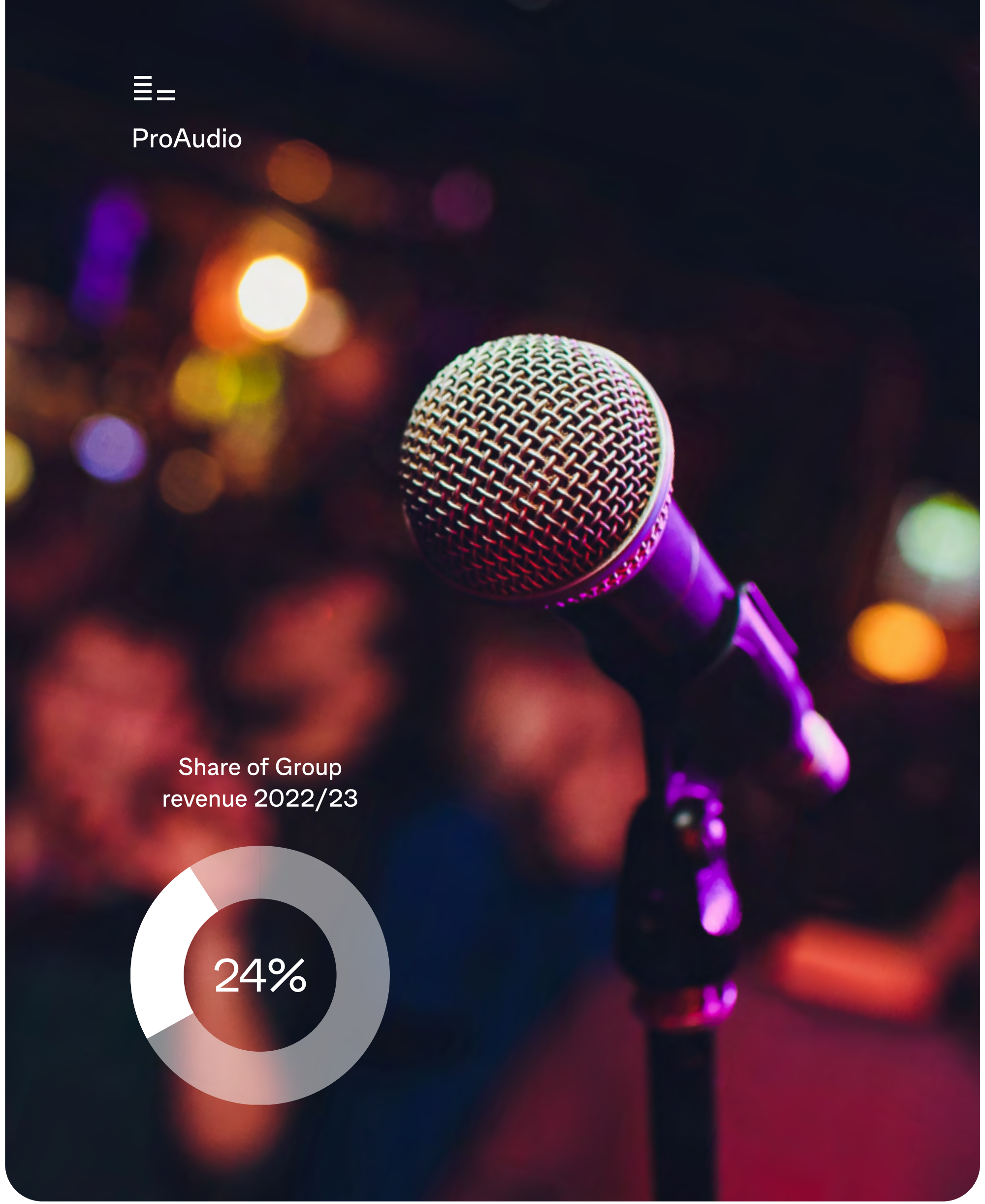
Our pure play model ensures our ODM/OEM customers, that they will not experience channel conflicts with RTX branded products and solutions in the market. Via this model, and with focus on system integration as competitive advantage, we benefit from customer outsourcing of products and solutions, which ensures recurring revenue via long-term framework agreements with large global customers. The unique system integration across RTX products in the enterprise space, supported by our cloud-based deployment and device management tools, benefits our customers and their end users and facilitates increasing share-of-wallet for RTX.

Important drivers in the coming years will be continued ramping of the partnerships associated with the major Enterprise framework agreements.

5-year Enterprise revenue

DKK million





ProAudio

Our business

In ProAudio we help our B2B customers design, develop, and manufacture wireless audio solutions, with products ranging from modules, to circuit boards, and to full ODM products; all featuring RTX software. Examples of final products and solutions include connectivity of microphones or instruments; conference systems; content creation solutions; intercom systems for restaurants, construction sites, or more complex systems for TV productions or large sporting events etc.; wireless gaming headsets, controllers, mice, keyboards etc.

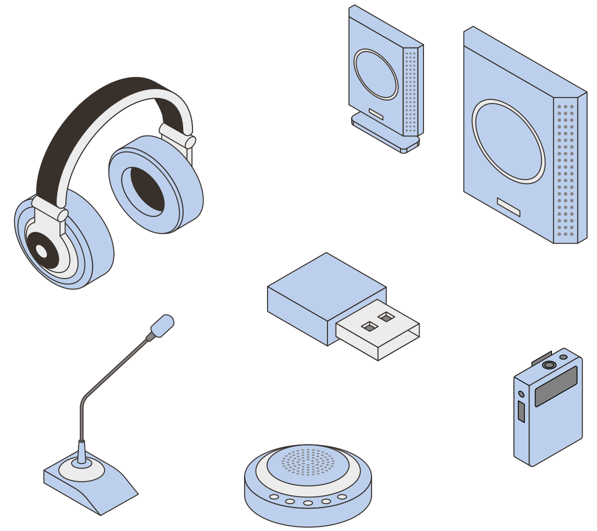
When customers need the optimal sound quality in products for professional environments, our unique capabilities help them raise the bar via resilient wireless connectivity, low latency, high capacity, zero-distortion high quality audio, and patented methods for coping with harsh environments. Building on our proven platforms – e.g., Sheerlink™ and TeamEngage™ – and associated modules, we enable customers in getting attractive professional audio solutions to market faster, with less hassle, and at a lower investment. RTX makes it easy for our customers to provide unique quality and professional-grade wireless audio devices for their customers.

Market trends

The professional audio solutions market is ever-expanding and relatively fragmented. New application areas emerge, and existing ones convert to modern digital wireless – driven, in part, by a general desire for mobility and wireless connectivity. Our platform driven approach enables us to provide broad coverage of this attractive market with a few select, but well defined, hardware modules and software assets. Additionally, there is a strong match between our platforms and key industry trends – desire for more capacity (number of users and audio channels), automatic configuration, and ease of use; all features we can help address via our platforms.

Across the RTX ProAudio application areas there are sizable and growing wireless shares. Arizton Advisory & Intelligence estimates annual global sales of professional wireless microphones at more than 2 million units and on top of this comes growth opportunity from instruments, DJ products etc. where wireless transmission also is relevant. The global intercom market is estimated at approximately USD 6 billion of which more than half is wireless.

ProAudio



Connecting audio devices in any environment

RTX ProAudio systems provide audio solutions for connecting multiple devices at once in a wide range of environments. Based on RTX modules, the systems provide a robust connection with low latency that can intelligently adapt to the environment. The technology within the modules ensures clear audio without connection interference and dropouts. The RTX modules are incorporated into customers' products creating a system of devices connected via wireless links. The combination of products and number of devices can variate depending on the specific setting from two devices to a base station, such as microphones on a stage, up to 10 devices group-connected creating an ideal communication setup for example for firefighters. The small size of the modules makes very compact product solutions possible, so devices can be small enough to fit the mobility and freedom in movement, the user needs to perform in the best way.

2022/23 highlights

In 2022/23, we finalized implementation of our ProAudio productization strategy. The aim, of this multi-year effort, was to transition from non-recurring revenue to recurring revenue via product platforms – e.g., Sheerlink™ and TeamEngage™ – and associated modules as well as full products for the professional audio market. With recurring revenue above 90% of total revenue, we have successfully concluded this effort. During the year, we continued expanding the module business, both via onboarding of new customers and via ramp-up of existing customers. To support future growth, we have also further enhanced the offering via development of additional functionality and improved ease of integration for customers. During the year we also accelerated delivery of full products. This was partly due to strong demand for products related to live events after the COVID-19 pandemic and partly due to the ramp-up of product launched last year by a major ProAudio framework agreement customer – a large international group and a leading brand in the professional audio space.

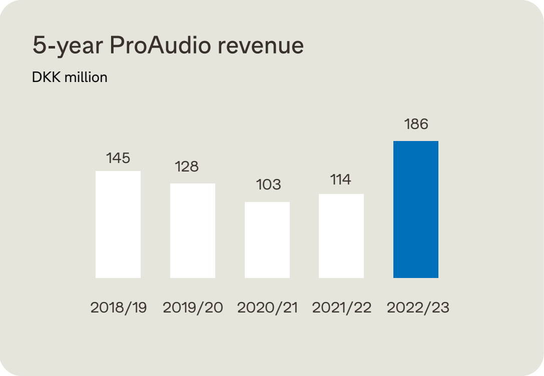
RTX's ProAudio segment saw significant growth in 2022/23, driven by strong demand from our key customers, who are delivering specialized products to the ProAudio market.

ProAudio growth strategy

In ProAudio we want to lead the transition to digital wireless in professional audio markets and leverage our unique technology into recurring revenue.

This is being accomplished by refining and productizing our existing technology base into flexible product platforms – e.g., Sheerlink™ and TeamEngage™ – with dedicated RTX modules and select full product custom ODM/OEM. For RTX customers this modular and flexible platform approach results in attractive value propositions, namely short time to market and attractive cost of entry. For RTX this results in increased scalability through recurring revenue via framework agreements.

An important driver in the coming years will be continued ramping of our major ProAudio framework agreement as well as continued market expansion with our Sheerlink™ and TeamEngage™ platforms and modules.



Healthcare

Our business

In Healthcare we help our B2B customers build wireless technology into modern healthcare services. We make it easy for RTX customers to provide better patient monitoring solutions and devices for their customers, by providing the wireless communication infrastructure which they can embed seamlessly and reliably into patient monitoring and other high-tech medical devices.

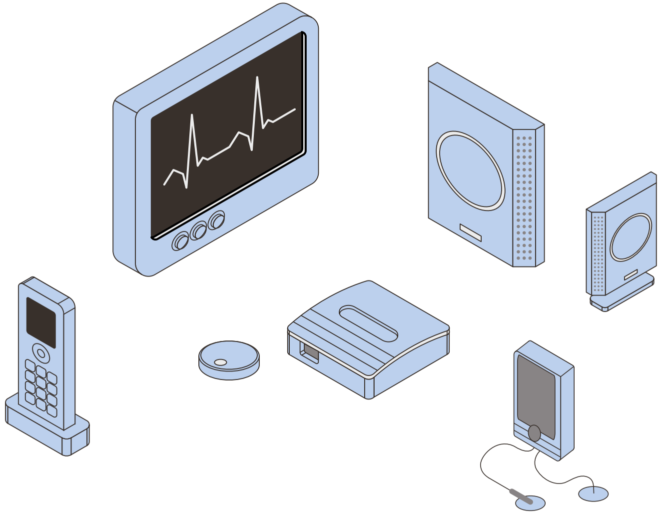
In corporation with customers, the RTX technology platform enables plug-and-play delivery of infrastructure access points, repeaters, and modules to embed within the full solutions offered by our customers and in endpoints such as patient-worn devices and near-patient monitors. The wireless solutions, that RTX provides, are designed, manufactured, assembled, and delivered as compatible, standards-compliant modules that customers can quickly and easily integrate into their own products and systems. As a result, we help customers get commercially and technically attractive healthcare solutions to market faster.

Market trends

In Healthcare it is crucial to know exactly what is happening with each patient – and to be informed as soon as the patient's condition changes. Better awareness and more reliable data about a patient's condition pave the way to more cost-effective deployment of healthcare resources, as well as more effective care. Those using healthcare technology in these markets often depend heavily on the wireless transfer of key data about patients, pulled in from increasing numbers of devices, monitoring sensors and other appropriate data points. Modern healthcare technology opens up new opportunities for patient mobility and independence, and for hospital patient monitoring as well as treatment.

IHS Markit estimates the continuous patient monitoring market at 1.8 million in units and more than USD 4 billion in value. The market includes both centralized systems, used in critical care settings in hospitals, and decentralized systems, used for post-acute bedside, ambulatory, home patient, or small and field hospital installation, and both are expected to grow. While Healthcare is a relatively recession-proof market, one need to remember that it also is a very conservative business, with products living for a decade or more. This makes introduction of new products a lengthy process, but once a foothold is established, it of course also serves as a source of stable revenue.

Healthcare



Ensuring effective critical patient care

RTX Healthcare systems constitute an infrastructure of access points, repeaters, and modules to integrate within devices such as patient-worn devices and near-patient monitors. The system is based on a technology that supports secure handling of data to provide enhanced reliable connections and reduce downtime in hospitals and other healthcare settings. By allowing concurrent measurement over a single connection, the system provides a wireless connection handling data types such as; heart rate, blood pressure, body temperature, and ECG, as well as side-channel information, such as signal strength, battery levels, etc., at the same time. The system is ideal for effective patient monitoring in all aspects of healthcare. As healthcare staff is provided with patient data at all times, the individuals can act on alarms and oversee the patient to secure effective care.

2022/23 highlights

During 2022/23, we continued, in close cooperation with existing RTX customers, development on a new wireless product solution aimed at increasing the ease of installation of wireless monitoring systems for healthcare. We plan to launch this in 2024, but given the nature of the Healthcare market, we don't expect revenue impact from these investments until 2025. As planned, we also continued the ongoing development activities on the next generation of the full ODM product, a wireless transmission product, in close collaboration with our long-term global blue-chip healthcare customer.

RTX's Healthcare segment growth in 2022/23 was primarily impacted by income on development of the new product portfolio.

Healthcare growth strategy

RTX aims to expand our existing Healthcare business, currently focused on wireless solutions for centralized continuous patient monitoring, by both broadening and deepening our offerings and presence in continuous patient monitoring.

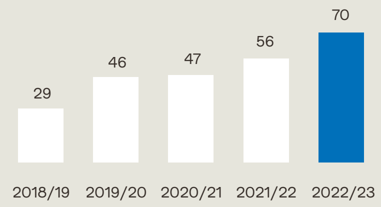
This is to be accomplished by focusing on three different but interrelated dimensions:

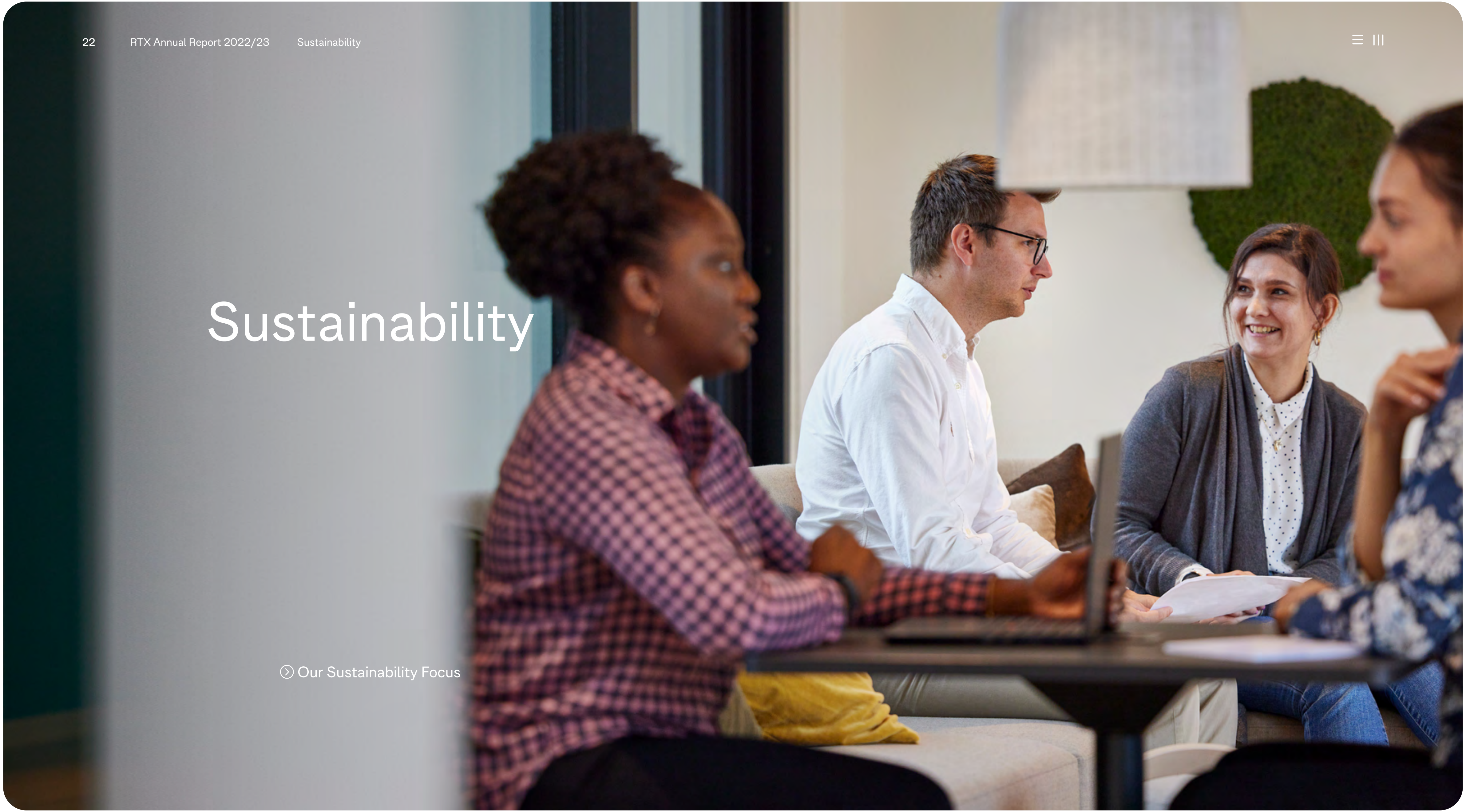
- Continued expansion of our existing centralized continuous patient monitoring business, including increased share-of-wallet with our long-term blue-chip healthcare customer.
- Expanding share of value chain via broadened portfolio and increased production of sub-assemblies and infrastructure.
- Expansion into decentralized continuous patient monitoring.

In November 2023, RTX signed a firm agreement with a large global Healthcare company on a strategic collaboration to bring to market a new generation of wireless infrastructure solutions for the Hospital Healthcare sector This agreement includes terms on intellectual property and sales/distribution channels. Through this strategic partnership, we will accelerate the introduction of new infrastructure products and expect our revenue in the Healthcare segment to grow by 100-200% by 2025-26. It will not affect RTX's outlook for 2023/24, but it is an important milestone towards realizing our long-term ambition.

5-year Healthcare revenue

DKK million





Sustainability

Our Sustainability Focus

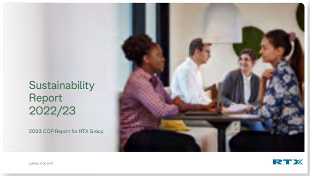
Our Sustainability Focus

At RTX, we strive to act responsibly in all we do, and by doing so we want to contribute to a sustainable future for our society. We base our approach on our commitment to the ten principles of the UN Global Compact and assessment of where and how we can make the largest difference.

RTX develops and delivers wireless communication solutions that help people perform at their best. In addition to the direct benefits of wireless interconnectivity, such solutions can contribute to a sustainable global development by reducing the need for travel and the need for physical infrastructure such as cables etc.

We recognize that our impact on people, environment, and communities across the globe is broader than the direct impact of our wireless solutions. We therefore constantly strive for reducing any potential harm, while at the same time considering the needs and requirements of our stakeholders.

During 2022/23, we have taken actions to continue to advance our sustainability agenda with focus on products and people. Products because they are where we have the biggest impact. People, both employees and partners, because they are the most critical in terms of defining and driving improvement efforts.



Further reading
Our separate Sustainability report, which also serves as our Communication on Progress (COP) and which reports in compliance with sections 99a, 99b, 107d of the Danish Financial Statements Act, can be downloaded from RTX's website: www.rtx.dk/corporate/csr

Read more

Key sustainability measures

KPI	Unit	2022/23	2021/22	2020/21
Environment data				
Energy consumption (absolute)	MWh	1,410	1,431	1,430
Energy consumption (relative)	MWh/average FTE	4.7	5.1	5.0
Scope 1 carbon emissions (absolute)[1]	CO_2e tons	24	27	23
Scope 2 carbon emissions (location-based, absolute)[1]	CO_2e tons	508	524	520
Scope 2 carbon emissions (market-based, absolute)[1]	CO_2e tons	642	648	678
Scope 1 and 2 carbon emissions (relative)[1]	CO_2e tons/average FTE	1.8	2.0	1.9
Social data				
Full-time workforce	average FTE	299	282	286
Employee absence ratio	%	2.0	2.5	1.1
Employee turnover ratio	%	8.5	13.6	13.6
Women as share of all employees	%	18	20	17
Women as share of Group Executive Management	%	17	0	0
Governance data				
Whistleblower reports	no.	0	0	0
Women as share of Board of Directors (elected by AGM)	%	20	33	0
Attendance at ordinary board meetings	%	97	98	98
Attendance at extraordinary board meetings	%	83	88	100

[1] CO_2e measured for 2022, 2021, and 2020 respectively

Our approach to sustainability

The starting point for our sustainability approach and efforts is twofold. One is our commitment to the UN Global Compact, of which we have been a member since 2014, and its principles on human rights, labor, environment, and anti-corruption. Two is our materiality assessment of which sustainability issues and risks are most material to RTX and to our stakeholders. The assessment of materiality for RTX and our stakeholders forms the basis for defining our policies, actions, and risk management for sustainability.

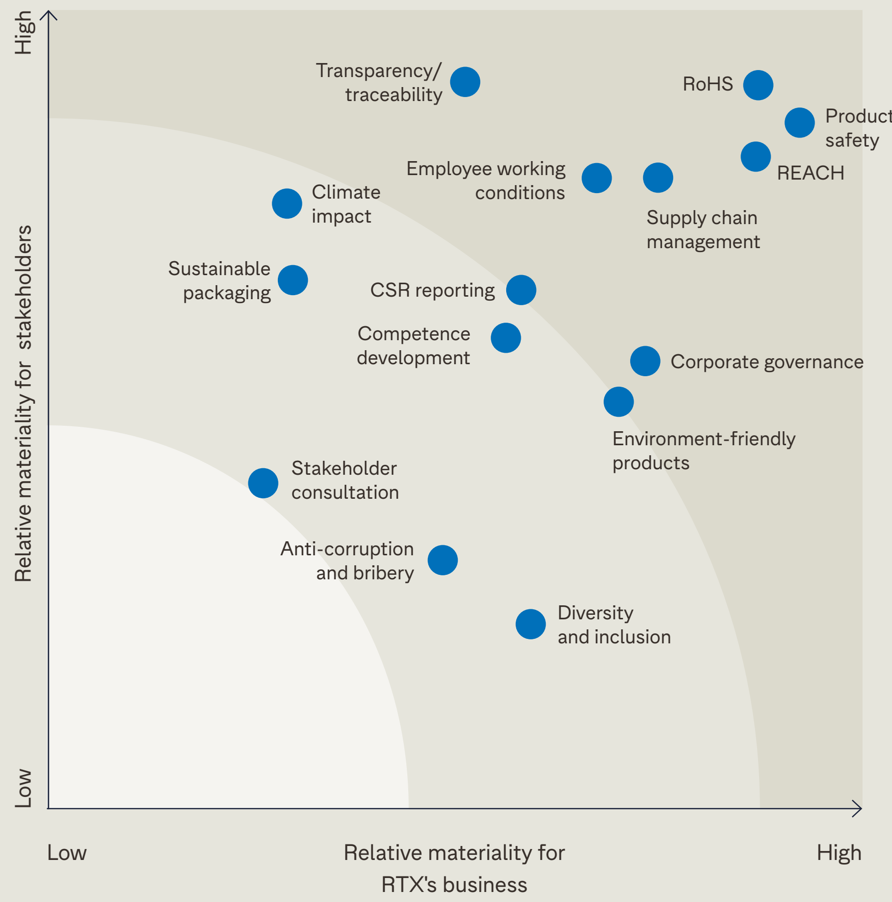
Our material stakeholders include our partners on both the customer- and supplier side. Our customers in all business segments, Enterprise, ProAudio, and Health-care, have a large impact on our priorities on sustainability engagement. We support their sustainability targets and expect to integrate them into our own targets within the coming years. We actively seek dialogue with our customers in order to understand the potential to reduce the footprint of our customers' products, both in the design, development, production, use, and life extending phase. Our suppliers are mainly EMSs, and we have selected EMS partners, who act globally and have defined clear and ambitious sustainability targets, which they report on periodically. Other material stakeholders include our employees and shareholders. We have several other stakeholders, but their impact on our business is more indirect and less tangible and thus not our primary consideration in terms of the materiality assessment.

In our materiality assessment, we have identified issues, where RTX has a significant impact or significant risk of impact on sustainability. We map the issues according to their importance for our key stakeholders and their influence on RTX business. The sustainability risks and issues identified are evaluated with respect to the potential or actual impact on our business in the near to medium term. The result is shown in our materiality matrix for RTX, as depicted here. The materiality matrix is updated every three years or if large changes occur. Next update is in 2024.

In our annual sustainability report for 2022/23 (which also serves as our COP report for 2023), we describe the actions and due diligence approach taken on the sustainability risks and the issues most important to RTX - including index mapping to the UN Global Compact principles and UN Sustainable Development Goals (SDGs).

Our approach to sustainability is integrated into how we do business and is described in our policies and guidelines, including our staff policy, supplier code of conduct, remuneration policy, whistleblower reporting program, tax policy, etc. Also, in order to follow-up on our sustainability approach and to institute corrective actions and further improvements where needed, we measure and report on a selection of KPIs related to the environment, social, and governance areas. This includes measurement of our carbon emissions according to the Greenhouse Gas Protocol and reporting to the Carbon Disclosure Project (CDP).

Materiality matrix for RTX Group



Focus areas and activities

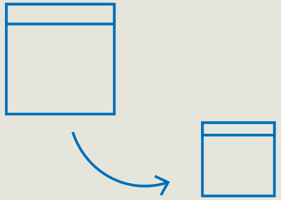
During 2022/23, we have taken various actions to continue advancing our sustainability agenda on both environment, social, and governance issues. We do this in collaboration with large multinational customers and suppliers, who set ambitious sustainability goals. This past year, we have conducted several interviews with key customers to better understand their sustainability priorities. This proactive approach was welcomed by our customers. We will continue to work closely with these partners, firstly to strengthen knowledge sharing, gather data, and establish a reporting baseline, and secondly to set common goals and improvement targets. Our aim is to always act responsibly and proactively help build a better future.

Environment: We have continued our focus on use of resources and climate impact. Our energy consumption has decreased in both absolute and relative terms, and the same is true for our scope 1 and 2 carbon emissions. We have set a 10% reduction target for next year's carbon emissions from electricity. Our district heating supplier in Denmark, our primary scope 2 driver, is on a transition from coal to green energy and is expected to be fully transitioned by 2028. We have also continued our focus on sustainability when developing products and services. With millions of products shipped globally on an annual basis, it is via the products that RTX has the largest opportunity to make a positive difference on the sustainability front. We have therefore initiated life cycle assessment of one of our key products to assess its carbon footprint and understand where we can make the most significant impact in cooperation with our customers and suppliers. We are also preparing for the coming updated EU ecodesign directive, which will strengthen focus on increased environmental friendliness and circularity of products. In collaboration with our customer Alcatel-Lucent Enterprise, we have applied ecodesign principles and implemented multiple improvements in their next generation base station. Together with our partners, we have also continued our work on making our packaging more sustainable, and in fall of 2023 we will, with our partners, introduce an ambition for 'zero plastic' in packaging.

Social: As a highly knowledge-based company, employee satisfaction and employee development are critical to success and key parameters are showing a positive trend for 2022/23. The annual satisfaction survey confirmed that RTX employees remain highly motivated and committed. Employee absence improved and is now again below our target KPI of 2.5%. Our employee turnover was 8.5%, which is a clear improvement compared to the past couple of years (13.6%), years which were marked by heated job markets, not least for engineers. Despite this improvement, we continue our focus on the well-being of our employees and on the development of leadership competences throughout the organization. On the diversity front, the percentage of female employees in the Group decreased by 2%-points to 18% while the share of female members of Group Executive Management has increased to 17%. Per our materiality assessment, product safety and supply chain management are both highly material issues and risks for RTX. We have our Code of Conduct for suppliers and other supply chain specific requirements, including REACH, RoHS, conflict minerals, and further requirements as risk management measures. Hence, robust management processes have been set up to ensure compliance by RTX Group and its suppliers, thereby addressing the most common risks associated with supply chain and product safety. During this past year, we have finalized our new 'One RTX' supplier qualification and management processes, which included an update of our supplier audit checklist to meet coming compliance requirements and our sustainability ambitions. Additionally, we have strengthened our cyber security focus.

Governance: RTX has a corporate governance policy. We prepare annual reporting on our compliance in line with the recommendations on corporate governance. We have zero tolerance towards corruption and bribery and have a whistleblower reporting system in place. There is no history of incidents involving RTX, and no incidents were reported through the whistleblower system in 2022/23. The female share of board members, elected by the annual general meeting (AGM), decreased from 33% to 20%, but we retain our ambition to increase this number to at least 40% by 2026.

Focus on ecodesign principles in collaboration with Alcatel-Lucent Enterprise



>30%

reduction of the product weight.

>80%

reduction in the volume of the product package transported.

Focus areas for next year

Environment

Scope 2: Ensure a 10% reduction in our carbon emissions (tons CO_2e) from electricity, compared to the previous year.

Scope 3: Initiate scope 3 assessment with our partners – including both supply chain, customers, and third-party support – an important milestone as this assessment will be the basis for future carbon reduction targets.

Life cycle assessment (LCA): Expand the LCA concept across more products and product categories and longer term incorporate LCA models proactively by making them an integral part of our product development process and ecodesign assessments.

Ecodesign: Continuous implementation of ecodesign principles into our product development processes and future products.

Partner engagement: Continue to engage with our partners, both customers and suppliers, to ensure sufficient knowledge sharing and collaboration to push forward the environmental sustainability agenda.

Social

Absence ratio: Group level KPI of 2.5% or below, reflecting healthy work environment.

Competence development: Implement and operationalize new 'annual employee development dialogue' processes and software tool to better support competence development and performance-based culture.

Cyber security: Continuous implementation of cyber security measures and controls, to our product development processes and corporate processes, to ensure cyber security in RTX products and organization.

Product safety and compliance: Regulatory landscape is ever evolving and shall be continuously monitored to ensure products are also safe and compliant in the future.

Supply chain management: Continue to monitor and evolve management of our supply chain to ensure compliance with our RTX Supplier Code of Conduct and the UN Global Compact principles, that it is based upon, including both human rights, labor, environment, and anti-coruption.

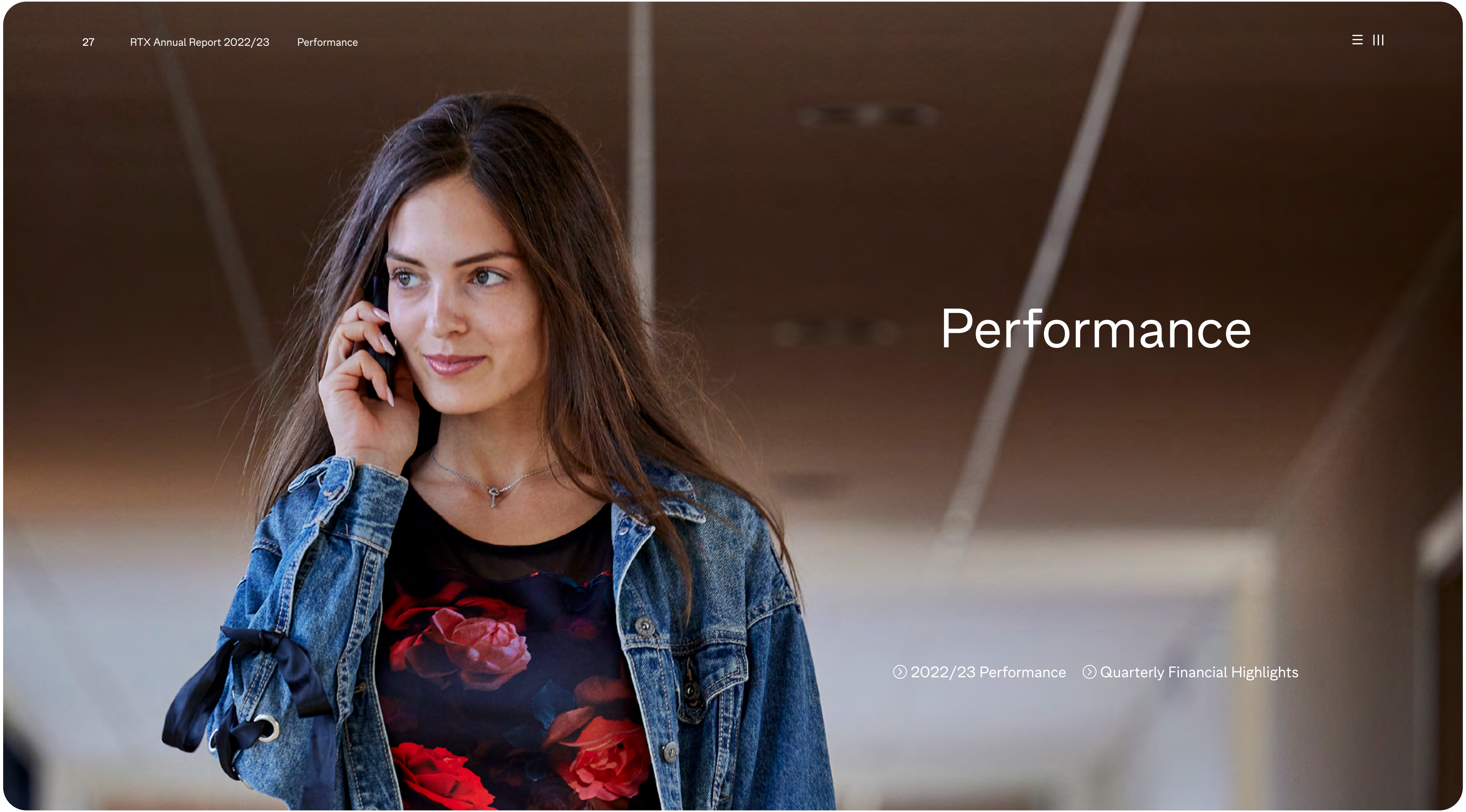
Governance

Female board members: Share of female board members elected by the annual general assembly, should increase to at least 40% by 2026.

Corporate governance: Continue to comply with all the recommendations in the 'Recommendations on Corporate Governance' from the Committee on Corporate Governance in Denmark.

Auditors: Election of new auditors for RTX at the Annual General Meeting 2024, as the current auditors cannot continue due to requirement for rotation.

Anti-corruption: Continue to promote our zero tolerance towards corruption and bribery, both internally and with suppliers, and to monitor our whistleblower reporting system.



Performance

2022/23 Performance Quarterly Financial Highlights

2022/23 Performance

Demand increased strongly in 2022/23 and led to record high revenue second year in a row. An increase in revenue of 18%, EBITDA increase of 26% and EBIT growth of 49%, show the profitability in scaling the business of RTX.

Revenue

The RTX Group revenue increased by 18% and reached an all time high of DKK 783 million in 2022/23 (2021/22: DKK 663 million). The average exchange rate realized on US dollar was close to 2021/22, and therefore has no significant impact when comparing to last year.

RTX experienced strong demand for our products and services in all three segments in 2022/23. From the start of the year, the order book was strong and we have been able to deliver, as we had secured key components. The global supply chain challenges normalized throughout the year, and we experienced shorter lead times of components and material in the end of the year compared to what we have experienced in the previous years.

RTX revenue in the Enterprise segment amounted to DKK 527 million and increased by 7% compared to last year (2021/22: DKK 493 million). The growth is due to strong demand for RTX products and solutions in the segment and is especially driven by growth among the large framework agreement customers.

In the ProAudio segment, RTX posted revenue of DKK 186 million – an increase of 63% (2021/22: DKK 114 million). The significant growth is a reflection of strong demand from our key customers, who are delivering specialized products to the ProAudio market.

Healthcare revenue increased by 24% to DKK 70 million in 2022/23 (2021/22: DKK 56 million). The growth is primarily impacted by income on development of the new product portfolio.

Revenue growth

Revenue >18% in 2022/23

Revenue 2022/23

Enterprise (DKK)

527 million

ProAudio (DKK)

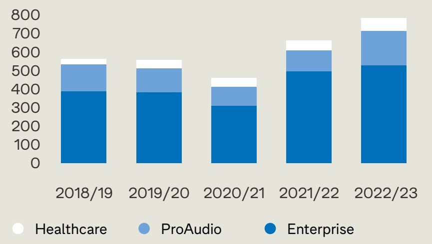
186 million

Healthcare (DKK)

70 million

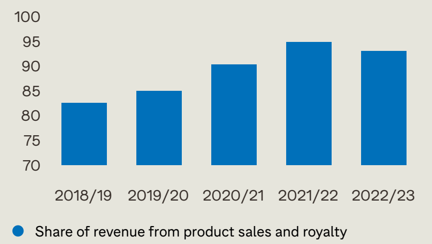
Revenue by segment

DKK million



Recurring revenue streams, products and royalty

% of total revenue



Gross profit

Driven by the higher revenue in 2022/23, the gross profit of RTX increased to DKK 358 million (2020/21: DKK 309 million). The gross margin in 2022/23 was 45.8% compared to 46.6% in the previous financial year. The gross margin development is impacted by a different mix of products and a stable share of revenue from engineering services, which is as planned given the Group's strategy to focus on generating recurring revenue from product sales.

Further, the margin is impacted by the aftermath of a tight component market on especially semiconductors but also on other electronics components. The availability of components normalized during the year, but the price level has yet to fully normalize.

Capacity costs

Capacity costs (staff costs and other external expenses) amounted to DKK 264 million in 2022/23 – an increase from DKK 240 million in 2021/22. The variance arising primarily from increase in staff and use of external consultants.

The average number of employees of 299 in 2022/23 was slightly higher than 282 in 2021/22. By 30 September 2023 198 were employed in Denmark (September 2022: 194) and 100 were employed internationally (September 2022: 100). Employee bonus will be granted in 2022/23 as financial performance surpassed the target.

External costs for development work assisted by hired-in consultants (as freelancers or via outsourcing to e.g. Eastern Europe) increased in 2022/23 particularly related to quality testing.

EBITDA 2022/23

(DKK)

108 million

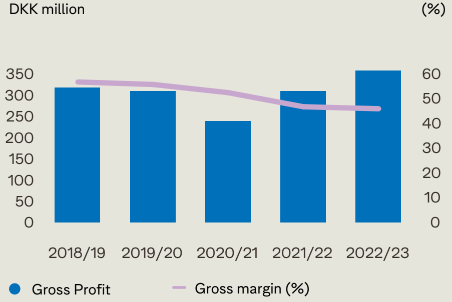
Capitalized development projects, depreciation and amortization

During 2022/23, RTX has continued to invest in the development of product platforms and solutions for the various segments – including, for instance, cloud-based deployment and administration tools, ProAudio product platforms, updated Enterprise handsets and product development for the Healthcare segment. Development costs of DKK 14 million were capitalized in 2022/23 compared to DKK 16 million in 2021/22. The level of capitalized development costs in 2022/23 is slightly lower than last year, due to the fact that a part of the development work is being assisted by external consultants (instead of inhouse resources).

The level of R&D costs reflects RTX's strategy to create increased recurring revenue by turning the Group's wireless and audio capabilities into products and product

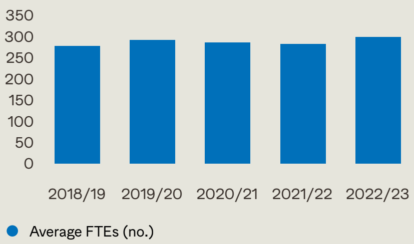
Gross profit

DKK million



Employees

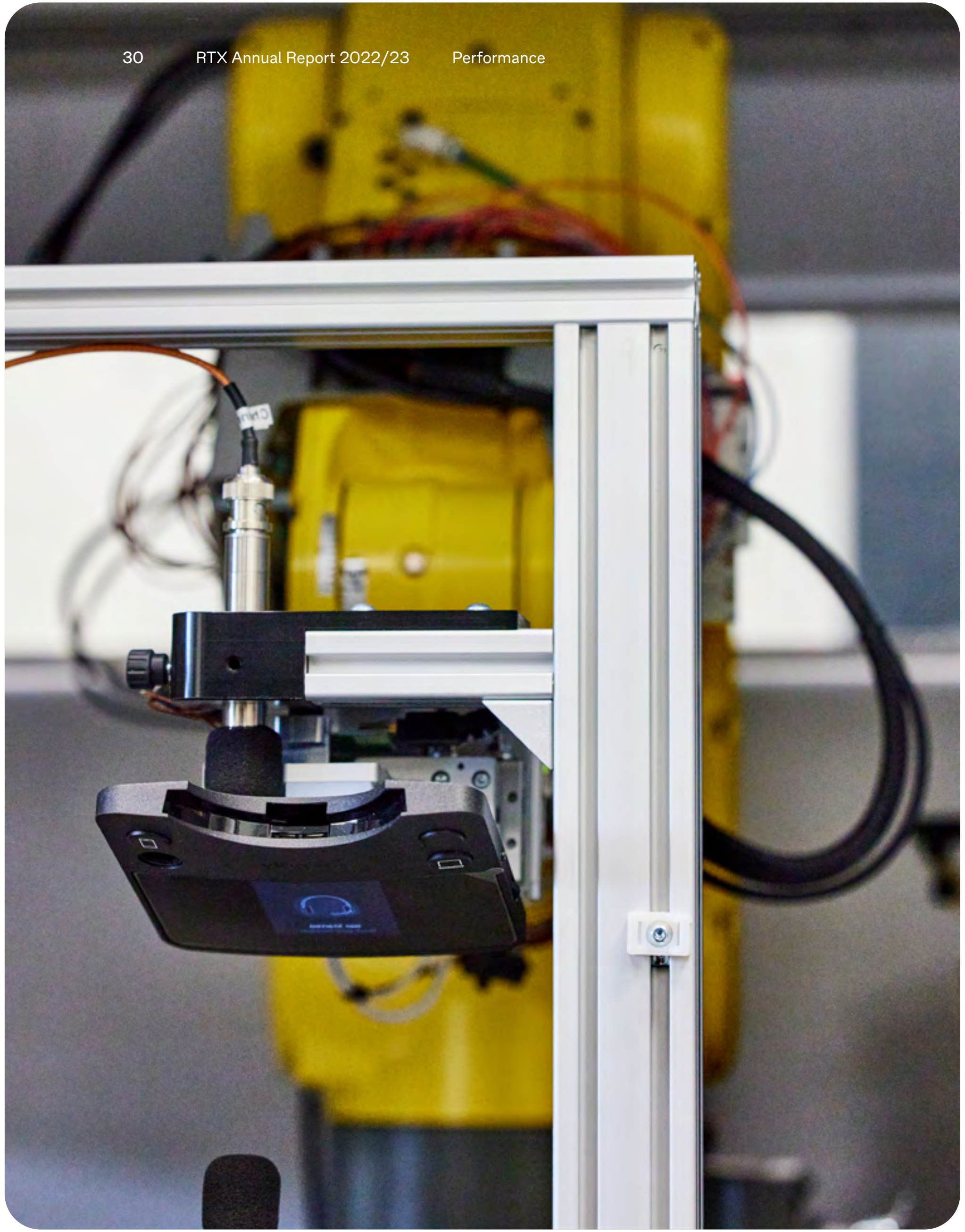
FTEs



Financial expectations and results 2022/23

DKK million

	Realized	Original guidance 29 Nov 2022
Revenue	783	700-760
EBITDA	108	85-105
EBIT	68	45-65



platforms. In line with this strategy, depreciation, amortization, and impairment, as expected, is on par with last year at DKK 40 million.

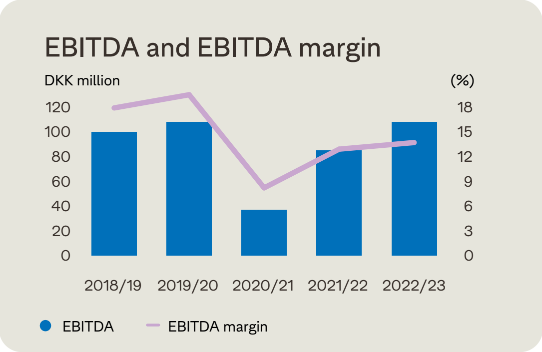
Operating profits – EBITDA and EBIT

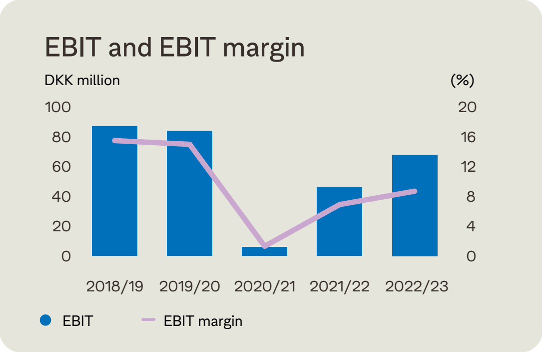
RTX earnings increased substantially in 2022/23 driven by the revenue growth. EBITDA increased by 26% to DKK 108 million (2021/22: DKK 85 million) corresponding to an EBITDA margin of 13.7% (2021/22: 12.9%). EBIT increased by 49% to DKK 68 million (2021/22: DKK 46 million).

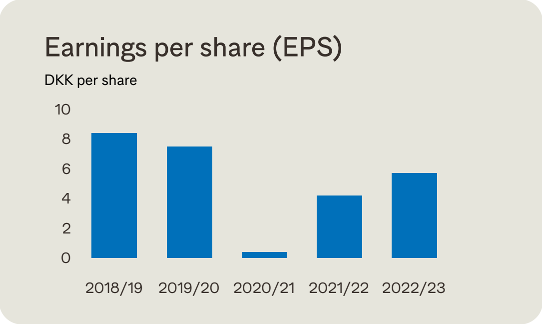
Financial items, tax, net profit, and EPS

Net financials amounted to an expense of DKK 9 million in 2022/23 compared to an expense of DKK 3 million in 2021/22. The net expense was primarily caused by the exchange rate variance in USD/DKK.

Given the net financials and taxes recognized, net profit after tax amounted to DKK 47 million (2021/22: DKK 34 million). Earnings per Share (EPS) increased to DKK 5.7 in 2022/23 compared to DKK 4.2 last year.







Cash flow

Cash flow from operations (CFFO) in 2022/23 were impacted by a decrease in working capital. Inventory increased during the first nine months and hereafter decreased as supply situation began to normalize, reaching the same level at the end of the year as it started. Receivables fell primarily due to variance in revenue distribution in the last quarter. Payables fell towards the end of the period, as compontent inventory was used. The higher earnings generated a positive impact of DKK 68 million. The operating cash flows generated were partially re-invested into future growth, via investments in capitalized development projects and fixed assets for a total amount of DKK 27 million (2021/22: DKK 30 million).

Assets, equity, and liabilities

The total assets of RTX amounted to DKK 578 million at the end of 2022/23 (2021/22: DKK 557 million). Receivables are lower than last year and inventories are at the same level. The Group’s total net liquidity position (total cash funds plus current securities less bank debt) increased to DKK 138 million at the end of 2022/23 (2021/22: DKK 74 million), positively impacted by the earnings in 2022/23 and negatively impacted by investments into development projects and fixed assets.

At the end of 2022/23, total equity was DKK 377 million (2021/22: DKK 332 million) corresponding to an equity ratio of 65.2% (2021/22: 59.6%). RTX thus continues to have a strong balance sheet and a strong cash position. Trade payables are lower than last year, due to the increased use of components from our inventory. Other payables are lower due to additional payments of salary related taxes etc.

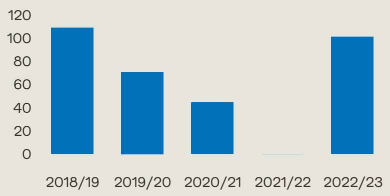
The Group’s return on invested capital (ROIC) increased in 2022/23 to 29%, compared to 26% in 2021/22, due to the higher earnings.

Parent company

The comments above relates to the development and performance of the Group. The development and performance of the parent company, RTX A/S, are in all material aspects similar to the descriptions for the Group.

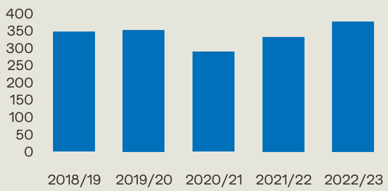
Cash flow from operations (CFFO)

DKK million



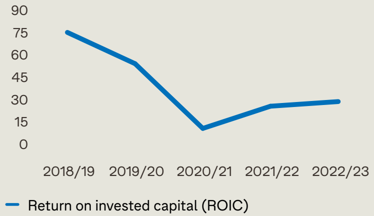
Equity

DKK million



Return on invested capital (ROIC)

%



Quarterly Financial Highlights

Amounts in DKK million	2022/23 Q1	2022/23 Q2	2022/23 Q3	2022/23 Q4	2022/23 Full year	2021/22 Q1	2021/22 Q2	2021/22 Q3	2021/22 Q4	2021/22 Full year
Income statement items										
Revenue	207.5	180.0	169.9	225.4	782.8	126.4	134.3	164.8	237.8	663.3
Gross Profit	101.5	74.2	81.9	100.8	358.4	60.3	67.0	71.9	110.1	309.3
EBITDA	42.0	7.8	14.3	43.4	107.5	5.0	11.7	16.1	52.6	85.4
EBITDA %	20.2%	4.3%	8.4%	19.3%	13.7%	4.0%	8.7%	9.7%	22.1%	12.9%
Operating profit/loss (EBIT)	32.3	-1.9	4.4	33.1	67.9	-4.8	1.7	5.9	42.8	45.6
Net financials	-9.8	-1.8	-0.5	3.4	-8.7	0.7	-4.4	-4.1	4.4	-3.4
Profit/loss before tax	22.5	-3.7	3.9	36,5	59.2	-4.1	-2.7	1.8	47.3	42.3
Profit/loss for the year	17.5	-2.9	3.1	29.0	46.7	-3.2	-2.3	1.4	38.0	33.9
Segment information										
Enterprise revenue	154.8	115.7	107.3	149.3	527.1	89.8	84.0	131.3	188.0	493.1
ProAudio revenue	38.6	52.8	33.7	60.9	186.0	25.6	35.2	22.6	30.7	114.1
Healthcare revenue	14.1	11.5	28.9	15.2	69.7	11.1	15.1	10.8	19.1	56.1
Balance sheet items										
Cash and current asset investments	91.5	96.3	91.6	137.7	137.7	128.6	118.3	104.2	73.8	73.8
Total assets	556.8	547.0	560.5	578.1	578.1	475.3	471.7	512.7	556.8	556.8
Equity	349.2	346.5	350.0	377.1	377.1	287.6	286.8	290.9	331.6	331.6
Liabilities	207.6	200.5	210.5	201.0	201.0	187.8	185.0	221.9	225.2	225.2
Cash flow items										
Cash flow from operations	22.1	14.5	6.7	53.7	97.0	14.3	6.6	-0.2	-20.7	-0.0
Paid dividend	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Acquisition of treasury shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Q4 2022/23 – strong fourth quarter to end the financial year

RTX revenue for the fourth quarter of the financial year reached DKK 225 million and thus the best performing quarter of the year (Q4 2021/22: DKK 238 million).

FX corrected revenue growth in Q4 was 2% compared to last year. The revenue growth in Q4 was driven by strong sales in the ProAudio segment compared to last year and good performance in Enterprise and Healthcare segments.

Our large customers have received high quantity deliveries during the quarter, which has impacted the revenue positively. As we have large customers with few yearly shipments of products, the timing of a shipment impacts quarterly results.

The gross margin in Q4 2022/23 amounted to 44.9% compared to 46.3% in Q4 last year due to a variation in product mix delivered to customers.

Capacity costs in Q4 amounted to DKK 62.7 million compared to DKK 61.1million in Q4 2021/22 with minor variances on travel costs and cost for external assistance.

With the higher revenue and lower gross margin, EBITDA reached DKK 43.4 million in Q4 2022/23 (Q4 2021/22: DKK 52.6 million). EBIT amounted to DKK 33.1 million in Q4 (Q4 2021/22 DKK 42.8 million).

Outlook & Ambitions

Outlook 2023/24 Long-Term Financial Ambitions

Outlook 2023/24

RTX expects to continue the growth path in the coming years, focusing on the development of our key accounts, new solutions, and partnerships. The strong result for 2022/23, the high inventory at our customers, and the normalised lead time from 18 to 3 months, impact our expectations for 2023/24. Therefore, the demand in 2023/24 is expected to be lower than for 2022/23. We maintain our long-term ambition and expect our customers' inventory levels to normalise during the first two to three quarters.

Revenue outlook

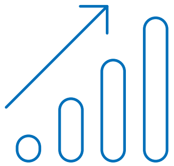
During the component crises, our customers proactively increased their stock levels to ensure they could meet demand from their customers. The global electronic supply chain's instability in recent years led to significant fluctuations in lead times, initially extending up to 18 months and then returning to a more typical 3-month duration. This fluctuation resulted in inventory build-up both at RTX and among our customers.

As a consequence, we anticipate that order intake will be moderate in the upcoming months until our customers' inventory levels stabilize. This, in turn, will impact revenue expectations for the fiscal year 2023/24. Therefore, we expect revenue in 2023/24 to be back-loaded, with demand not reaching the same levels as experienced in 2022/23.

However, RTX expects, based on dialogue with our customers and the amount of new product initiatives, that this situation will be temporary, and we still believe in our long-term ambition.

The main uncertainty for the year will be the impact of macroeconomic volatility and customer inventory replenishment. The revenue expectation is based on and subject to the following four main assumptions:

- Macroeconomic uncertainty is assumed to be high in the outlook for 2023/24 and will lead to a temporary decrease in customer demand 2023/24



Revenue

580-630 DKKm

Outlook for 2023/24.

Forward-looking statements

This Annual Report includes forward-looking statements on various matters such as future product development, future expected revenue and earnings as well as future strategies and potential business expansion. Such statements are subject to risks and uncertainties as various factors, many of which are outside the control of RTX, may cause the actual development and results to differ materially from the expectations expressed directly or indirectly in this Annual Report. Such factors include, but are not limited to, economic and geopolitical conditions and developments, changes in demand for RTX's products and services, competition, technological changes, fluctuations in currencies and interest rates, component availability and fluctuations in sub-contractor supplies as well as legislative and/or regulatory changes.

- No material changes in competitive situation, market landscape, etc.
- RTX revenue driven by a combination of product sales to existing customers and ramp up of new products to both existing and new customers.
- Average currency exchange rates against DKK, especially USD/DKK, is expected to increase slightly compared to current level (11 November 2023)

Based on the above assumptions, the revenue outlook for 2023/24 is DKK 580 - 630 million.

Earnings outlook

EBITDA is expected to be impacted by the revenue level combined with focus on capacity costs, still securing our long term ambition for growth. The outlook is based on the revenue outlook above, and subject to the same assumptions as the revenue outlook, with the addition of the following assumptions:

- Component and logistic costs are expected to have limited overall impact as the supply situation is normalizing. We continue to focus on cost optimisation
- Capacity costs are expected to be impacted by inflationary pressures.

Based on the above assumptions, the EBITDA outlook for 2023/24 is DKK 45 - 60 million.

Main sensitivities

While different outcomes, on one or more of the assumptions stated for the outlook for 2023/24, can cause the actual financial results of RTX to differ from the outlook, the outlook is subject to unusually high uncertainty related to the macroeconomic conditions and the high inventory levels at key customers. Secondly, the USD/DKK exchange rate can impact the actual results in 2023/24, as the majority of the sales are in USD.

EBITDA
45-60
DKKm

Outlook for 2023/24

Outlook 2023/24

DKK million

	Actual 2022/23	Outlook 2023/24
Revenue	783	580-630
EBITDA	108	45-60
EBIT	68	5-20

FX (USD) sensitivity

Average USD/DKK rate 2022/23	6.98
USD/DKK rate (1 Nov 2023)	7.05
Impact of 5% USD/DKK rate increase on	
Revenue	DKK 27 to 29 million
EBITDA and EBIT	DKK 13 to 14 million

Long-Term Financial Ambitions

The growth strategy of RTX is expected to lead to continued profitable growth. RTX sets the long-term financial ambitions to reach revenue above 1 billion DKK and EBITDA margin > 16% by the financial year 2025/26.

Long-term financial ambitions

As a part of the annual strategy process, RTX revisits the long-term strategic ambitions, in light of both the macroeconomic environment and the results obtaining the projections for market development. The long-term ambition was updated in August 2023, and going forward, the long-term ambition is looking three years out, setting direction and focus for both short- and long-term initiatives in RTX.

Revenue above 1 billion DKK in 2025/26

The ambition is to grow revenue in all three business segments, by building on partnerships, with current and new customers, and providing quality products in selected B2B target markets. The Healthcare segment has particular focus, and the timing and market-penetration of these product solutions, are expected to be important for RTX long-term development.

EBITDA margin above 16% in 2025/26

The scalability in RTX's business model leverages on increased recurring revenue, with limited increase in capacity costs. By working platform based and in specialized markets, we expect to be able to reach an EBITDA margin above 16% in 2025/26.

Current status

With realized revenue in 2022/23 of DKK 783 million, the ambitions for 2025/26 corresponds to an average annual revenue growth rate of approximately 10%.

Organic revenue growth

Revenue
>1 billion DKK
in 2025/26

Profitability

EBITDA margin
>16 %
in 2025/26

Assumptions

The long-term financial ambitions are based on constant currencies with the ambitions being especially sensitive to the USD/DKK exchange rate. They are also based on a stable macroeconomic and geopolitical climate, where major developments may impact the ambitions. Specifically, it is expected that potential recessions and channel stocking at customers, will not have a large impact on customer demand in 2025/26. The ambitions are also based on component costs returning to their normalized long-term trend lines.

Governance

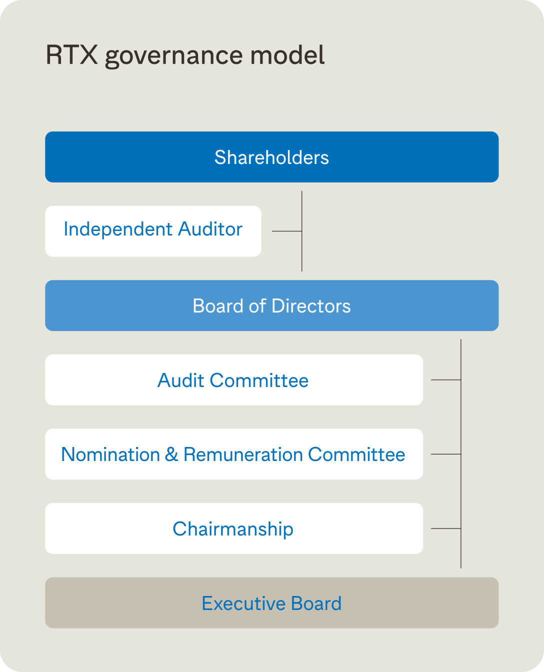
Corporate Governance

Ensuring the active, transparent and accountable management of RTX as well as compliance with applicable legislation, rules and recommendations.

Governance model

RTX's corporate governance framework is based on a two-tier system in which the Board of Directors and Group Executive Management together form the governing body of RTX but have two distinct roles. The ultimate authority over the company rests with the shareholders at the annual general meeting. Rules and deadlines applying to annual general meetings are stipulated in the Articles of Association of RTX, which are available at www.rtx.dk.

The Board of Directors appoints and controls the Executive Board and Group Executive Management and defines the overall strategy and objectives in close collaboration with Group Executive Management. The Executive Board and Group Executive Management are responsible for the operational and tactical management of the company, for ensuring progress on the outlined strategic direction, for daily risk management and for ensuring compliance with relevant legislation and procedures as well as for submitting reports on performance, strategy and budget suggestions etc. to the Board of Directors. At present, the Executive Board consists of two members and Group Executive Management consists of six members (including the Executive Board).



Find more information on the Board of Directors and the Executive Management on our website: www.rtx.dk

Read more

Composition of Board of Directors

The Board of Directors consists of four to six members, which are elected at the annual general meeting, and two to three employee representatives. Shareholder-elected members are elected individually and for terms of one year and may stand for re-election. The number of board members and the composition of the board, in terms of professional experience and relevant competencies is considered by the Chair and Deputy Chair as well as by the full Board of Directors on an ongoing basis and is considered to be appropriate. The competencies of the members of the Board of Directors cover, among others, general international management as well as business development, sales, operations, technology, R&D and financial management in a variety of industries relevant to RTX.

At the beginning of 2022/23, the board consisted of 6 general assembly elected members and 3 employee representatives. In March 2023, general assembly elected member, Katja Millard, resigned, due to a conflict of interest.

Pursuant to the Danish Companies Act, three additional board members are elected by the employees for a term of four years with the latest election held in

January 2023. The employee representatives serving on the board hold the same rights and obligations as the shareholder-elected members.

During the fall of 2023, the Chair of the Board of Directors together with external experts have conducted an evaluation of the work, cooperation, leadership, composition etc in the Board of Directors.

The evaluation showed that the board members are considered professional, committed, and eager to offer their knowledge and experiences. For the board to add even more value, it will, in the future, focus on leveraging board seats better by distributing the committee work to more members, revisiting the board composition, and continue securing that the board has the right balance between time spent on strategic issues and operational matters. The Board of Directors follows this up annually with internal evaluations and after each regular board meeting time is set aside for the Board of Directors to have a discussion solely among themselves.

Board meetings

At least four ordinary board meetings are held per year. In 2022/23, seven ordinary board meetings were held and one extraordinary board meeting. Extraordinary board meetings are held according to need. In 2022/23, a total of 8 board meetings were held. The attendance of board members at board meetings in 2022/23 was 97% of full attendance at ordinary board meetings and 83% of full attendance at extraordinary board meetings. One of the board meetings is the annual strategy seminar where the Board of Directors has in-depth discussions of and approves the strategic direction and actions, both for RTX's target market segments and for the enabling functional areas within RTX, based on presentations by Group Executive Management.

Board of Directors 2022/23 focus areas

Business and Strategy

- Review, discuss and approve the Company's strategy plans
- Monitor and discuss market developments
- Component scarcity and supply chain challenges
- Monitor macroeconomic impact (e.g. inflation)
- Financial performance, reporting and budgets
- Capital structure and distributions to shareholders

Governance and Remuneration

- Risk management and internal controls
- Selection of and dialogue with external auditor
- Evaluating work in the board and in executive management
- Onboarding new board members
- Executive remuneration and incentive programs
- Review, discuss and approve governance policies

Board committees

The Audit Committee of RTX operates according to its terms of reference approved by the Board of Directors and refers to the Board of Directors. Four Audit Committee meetings are held per year and the committee consists of three members. The main tasks of the Audit Committee are to supervise financial reporting, accounting policies and estimates, internal controls, risk management, overseeing any whistleblower reports, external audit and to recommend to the Board of Directors the approval of financial statements and the appointment of external auditors. During the year, the Audit Committee additionally focused specifically on Sustainability reporting, IT and cyber security and risks, updated policies, onboarding CFO and preparation for election of new auditors for the coming financial year as required by regulation. In 2022/23, there have been no incidents reported to RTX's whistleblower system.

The Nomination & Remuneration Committee refers to the Board of Directors. The Nomination and Remuneration Committee consists of two members. The main tasks of the committee include succession planning at the Board of Directors and Group Executive Management levels, suggesting appropriate management remuneration and incentive programs and planning the evaluation process of the Board of Directors.

Recommendations on corporate governance

In general, RTX complies with the Danish Recommendations on Corporate Governance. The recommendations applicable for the financial year 2022/23 were issued on 2 December 2020, and it is the first RTX reporting period for which these newest recommendations are applicable.

In 2022/23, RTX complies with all of the 40 recommendations of the Danish Committee on Corporate Governance. In connection with the annual report, RTX publishes the statutory report on corporate governance, cf. section 107b of the Danish Financial Statements Act. The full statutory report is available at: www.rtx.dk/CorporateGovernance.

RTX compliance with Danish recommendations on corporate governance

Complies with recommendation	40
Does not comply with recommendation	0

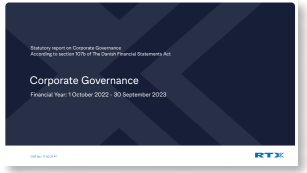
Remuneration

Remuneration of the Board of Directors and the Executive Board is carried out in accordance with the RTX Remuneration Policy as adopted at the Annual General Meeting in 2023. As stated in the Remuneration Policy, the overall objectives of the policy are to attract, motivate and retain qualified members of management; to ensure alignment of interests between management, company and shareholders; and to promote long-term value creation in RTX and support RTX's business strategy. To align interests for RTX's shareholders and management, and to meet both short-term and long-term goals, the policy further defines appropriate limits on incentive programs and longer-term share-based remuneration programmes for management. The policy is available at RTX's website at www.rtx.dk/RemunerationPolicy.

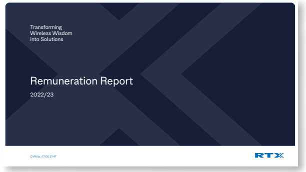
Remuneration of the Board of Directors and the Executive Board is reported in the separate RTX Remuneration Report for 2022/23 prepared and published in accordance with section 139b of the Danish Companies Act. The report details remuneration of the Board of Directors and the Executive Board. It also explains the structure and performance criteria of incentive programs. The Remuneration Report is available at RTX's website at www.rtx.dk/RemunerationReport. At the Annual General Meeting in 2023, the Remuneration Report for 2021/22 was presented and approved in an advisory vote. For details on the accounting treatment of remuneration for the Board of Directors and the Executive Board see note 2.4 later in this annual report.

Further reading
Our separate reports on Corporate Governance and Remuneration are available from RTX's website:

Corporate Governance Report



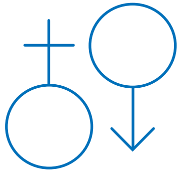
Remuneration Report



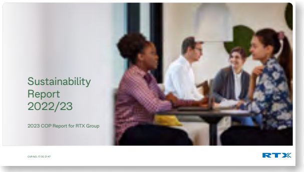
Diversity

It is the objective of RTX to attract and retain highly qualified and motivated employees, and RTX strives to have a reasonable split between male and female candidates and employees, even though we operate in an industry with a very high share of male candidates. RTX encourages female and international applicants to apply for vacant positions. RTX has an objective of minimum 40% as the proportion of the under-represented gender (currently women) of the total shareholder-elected members on the Board of Directors by 2026. Beginning of 2022/23, 33% (2 of 6) shareholder-elected members of the Board of Directors are female. As one had to resign, due to conflict of interest, the share fell to 20% (1 of 5) at the end of 2022/23..

For further information regarding RTX's policy and objectives on diversity and for our report pursuant to sections 99b (target for gender distribution) and 107d (diversity) of the Danish Financial Statements Act, please refer to our CSR and ESG report, which is available for download at www.rtx.dk/corporate/csr.



Beginning 2022/23, the female share of members on the RTX Board of Directors elected by the annual general meeting was 33% (2 of 6). Due to conflict of interest one member had to resign and at the end of 2022/23 the share decreased to 20% (1 of 5). The target remains to reach 40% by 2026.



Read more about our diversity policy and targets in our Sustainability Report.

Read more

Data ethics

Statement on data ethics, cf. Section 99d of the Danish Financial Statements Act.

During 2021/22, RTX adopted a Data Ethics Policy, which was reviewed in 2022/23 without leading to any changes. The purpose of this new Data Ethics Policy is to describe the principles under which RTX works with ethical use of data and new technology as well as to raise awareness of our data ethical principles. Our Data Ethics Policy is available at RTX's website at www.rtx.dk/DataEthicsPolicy.

RTX uses data related to employees, customers, suppliers, and visitors to our website and it includes both personal and non-personal data. Our data ethics principles are based on security, transparency and responsibility. During the year, RTX has upgraded its IT security infrastructure and has updated employees' understanding of potential cyber security threats in order to strive to maintain a high level of IT security to protect confidential information and personal data handled by RTX against unauthorized use and publication. Also, RTX strives to act responsibly by considering whether any collection and processing of data is warranted and legitimate and ensuring that it does not violate fundamental privacy or other rights. Further, RTX does not sell any data to any third parties.

RTX will periodically review and revise our data ethics principles to reflect evolving technologies, regulatory requirements, stakeholder expectations and based on an understanding of the risks and benefits to individuals and society from the use and processing of data.

Risk Management

Identifying, monitoring and mitigating risks are key parts of RTX's governance model, and the latest years have seen the emergence of a variety of risks, component scarcity and recovery, as well as macroeconomic and geopolitical instability.

RTX operates as an international provider of technological ODM/OEM products and solutions and is therefore exposed to various risks inherent to our business operations. Managing these risks is an integrated part of our management activities.

At RTX, risks are defined as "an occurrence caused by external or internal events which hinders us in meeting our objectives". The risk management approach is based on risk identification and assessment followed by defining mitigating actions and implementing those mitigating actions which are deemed relevant and attractive. Mitigating actions are planned and conducted to decrease the likelihood of a risk occurring and/or to decrease the impact of a risk if occurring.

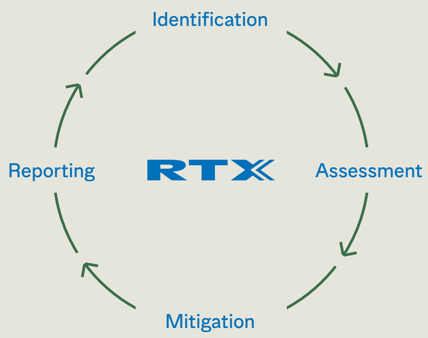
Group Executive Management is responsible for reviewing the overall risk exposure of RTX on an ongoing basis. Once risks have been identified, assessed and mitigating actions defined, executive management evaluates the risk exposure to ensure that appropriate plans are in place. The Board of Directors is ultimately responsible for risk management, and it has appointed the Audit Committee to supervise the risk profile evaluation on a quarterly basis. Significant risks are reported to the Board of Directors at least on a quarterly basis. During 2022/23, risks stemming from the global component and supply chain challenges as well as from the significant geopolitical and macroeconomic uncertainty have been in particular focus in this process.

RTX takes out statutory insurances as well as the insurances deemed to be relevant in order to eliminate or reduce unwanted and insurable risks. At regular intervals, RTX conducts a review of the insurances and their coverage in cooperation with external advisers. The Group's insurances are reviewed periodically by the Audit Committee.

For an overview of financial risks and RTX's handling of such refer to note 5.6 to the financial statements in this annual report.

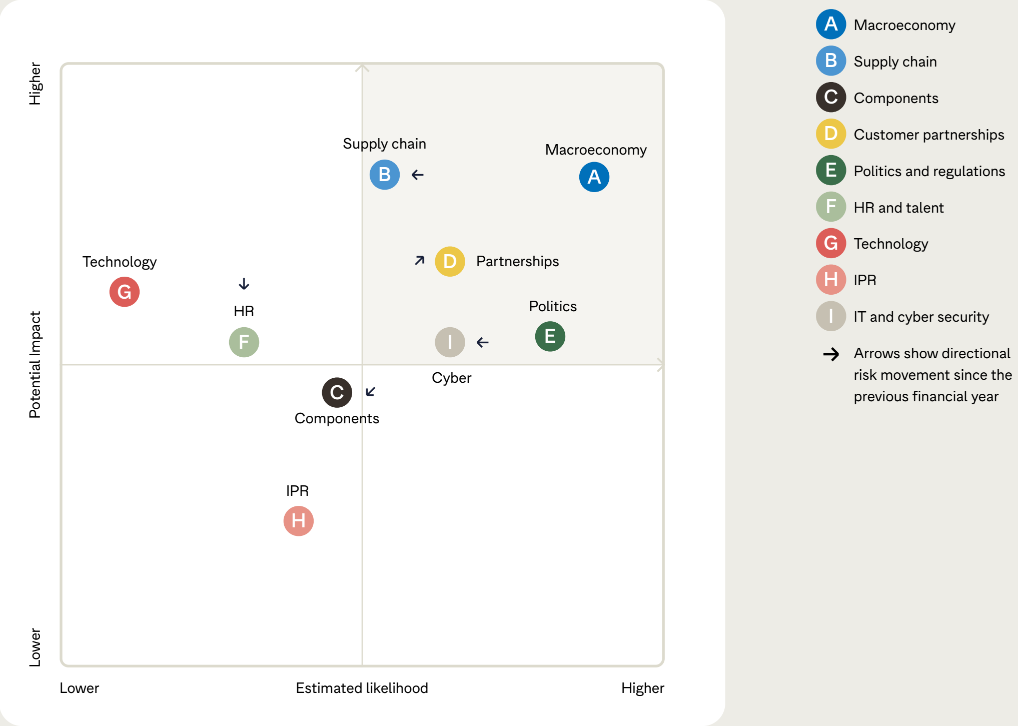
The risk management process

The risk management process at RTX includes the interlinked processes of risk identification, assessment and mitigation managed by Group Executive Management and reported to and supervised by the Board of Directors.



Risk heat map

Risks are assessed using a two-dimensional risk matrix – estimating the impact on RTX earnings and “license to operate” and the estimated likelihood of a risk materializing.



A Macroeconomy

Risk description

Macroeconomic uncertainty and adverse economic conditions with low rates of economic growth may lead to a reduced demand from end users and thereby from RTX’s customers thus impacting the activity level and financial results of RTX.

Fluctuations in currency exchange rates – especially USD/DKK exchange rate – impact RTX revenue and operating profits measured in DKK. Given the high solidity and the liquidity position RTX does not have risk related to external providers of interest-bearing debt.

Mitigation

To safeguard against the potential impact of low economic growth rates, RTX has, over the past years, enlarged its customer base – e.g. through further long-term framework agreements – to increase the likelihood of an underlying growth in RTX’s activity level regardless of any lower economic growth. Also, RTX operates in different industrial sectors/segments to reduce the exposure to any one sector. While the strong and enlarged customer relationships through framework agreements create significant growth opportunities for RTX, we have maintained a cautious approach to our capacity cost base in light of the macroeconomic uncertainty in 2023 (inflation and recession risk).

Regarding foreign exchange risk, RTX’s trading and currency policy with customers and suppliers is, to the greatest possible extent, to attempt to match the currencies of its purchase and sales. If deemed appropriate, RTX may enter into transactions for the purpose of reducing net currency exposures. During 2022/23, RTX has continued to hedge part of the future (expected) net inflow of USD to reduce such exposure.

Risk assessment 2022/23

Likelihood: High / Impact: High

During 2022/23, RTX was positively impacted by the demand rebound after COVID-19 and component shortage. However, the high inflation in many countries and the risk of recession creates high uncertainty regarding the global demand levels in the near future. Thus the global uncertainty seems to be shifting from a supply uncertainty to a demand uncertainty. The USD has decreased since the beginning of 2022/23 which has had a negative impact on RTX financials compared to expectations.

B Supply chain

Risk description

The Group's production is handled by suppliers (contract manufacturers), which are located both in Asia and Europe with the majority of sourced volume from Asia. The Group depends on the ability of these suppliers to produce and supply the planned volume at the agreed time and quality and thus significant fluctuations in revenue and gross profit may arise if some suppliers fail to supply as agreed.

Mitigation

RTX is in ongoing close contact with its suppliers in order to plan and monitor supplies, quality assurance systems and production. To reduce our reliance on any single supplier, RTX operates with more than one supplier where possible, while in other cases it may be necessary to reduce the delivery uncertainty with a buffer inventory.

A 12-month rolling forecast is managed by RTX from customers through RTX to suppliers, which increases the ability of suppliers to plan operations in order to meet RTX's demand.

RTX cooperates with major contract manufacturers that operate multiple factories across countries and continents, which means that production can be transferred from one factory to another should one of the sites temporarily be out of operation for a prolonged period.

Risk assessment 2022/23

Likelihood: Medium / Impact: High

The significant disruptions to the global flow of goods seen in the previous years, have normalised towards the end of 2022/23. The supply situation with component scarcity in the global electronics industry normalised towards the second half of the year. There are still few constraints in component availability, and electronics component prices remain high, but overall the component availability is approaching a normalized level.

RTX's Supply Chain organization has continued to work even closer with its suppliers in 2022/23 to always have a detailed overview of the delivery situation and assist the supply base in improving the situation where possible.

C Components

Risk description

Increasing component lead times and temporary allocation of components (i.e. component suppliers not fulfilling the full demand) may impact revenue, gross profits and gross margins – especially via postponements (and only to a lesser degree cancellations). The issue has historically been pertinent for certain electronics components from time to time.

Mitigation

RTX has a well-established 12-month rolling forecast process in place, from customers via RTX to its manufacturing partners. This has ensured a long planning horizon for components and production, and thereby has, to the extent possible, de-risked component allocation to secure that components are received on time.

When necessary, the RTX Supply Chain organization works, closely and directly with suppliers of components (by-passing, but in agreement, with our manufacturing partners) to increase allocations of components. This involves making spot buys to fill short-term gaps while working with suppliers to ensure allocation and prioritization. Further, component buffer stocks may be built where possible and attractive to ensure availability of key components.

Risk assessment 2022/23

Likelihood: Medium / Impact: Medium

Lead time for many electronics components has normalised during 2022/23. The extraordinary component stock build up during the component crisis, has started to decreased towards the end of the financial year, as supply situation normalises. .

D Customer partnerships

Risk description

A significant part of RTX's business is based on long-term partnerships with leading international companies in the market segments where RTX operates. The cooperation with these customers is based on long-term framework agreements, and RTX's products are an integrated part of these customers' solutions and offerings.

The company's top three customers represent 50% of 2022/23 revenue. It would have a considerable impact on RTX's organizational setup as well as its financial performance, if key customers – for any given reason – face financial challenges, if RTX and a given customer are not able to be successful together or if the market situation were to significantly change.

Mitigation

Considerable resources have been invested in the technical integration of RTX's technology and products into the customers' solutions and replacing RTX would accordingly trigger substantial switching cost for the customers.

Also, RTX is expanding the base of significant customers through additional framework agreements as announced over the past years which will reduce RTX's reliance on individual customers.

In general, RTX's large customers are large and well-reputed international companies. To further mitigate financial consequences from any possible customer specific occurrences, RTX takes out credit insurance on customers to the extent possible.

Risk assessment 2022/23

Likelihood: High / Impact: High

RTX's largest customers have had a high purchase during 2022/23 and they currently experience channel stocking. If these customers experience challenges in their demand is will thus have a significant impact on RTX.

E Politics and regulations

Risk description

International trade barriers out of protectionism or for other reason could influence the ability of RTX to export products from certain countries to e.g. the US. Further, geopolitical disturbances can have an indirect effect on economic growth (see risk section on "Macroeconomy") or could impact RTX's ability to utilize supply chains in certain countries.

Also, RTX is subject to product safety regulations such as e.g. REACH and RoHS and failure to comply with these may harm RTX's reputation and license to operate.

Mitigation

RTX is engaging with several internationally oriented suppliers with operations across multiple countries and continents, which provides an agile setup in case of significant trade barriers or geopolitical disturbances.

RTX operates in different industrial sectors/segments to reduce the exposure to any one sector.

Regarding product safety, RTX's management system, supplier agreements and compliance frameworks are designed to deal with customer and regulatory requirements. The management system is subject to both internal and external reviews and audits.

Risk assessment 2022/23

Likelihood: High / Impact: Medium

The geopolitical instability in the world has increased with the Russian invasion of Ukraine in 2022 and the war between Israel and Hamas which started in October 2023. Potential consequences of the increased geopolitical instability may spill over to other areas or have an impact on the global electronics production, and can thus pose an indirect risk also to RTX.

F HR and talent

Risk description

RTX is a knowledge intensive company and to develop innovative products and solutions and to ensure our competitive position, it is essential to attract, develop and retain the right talent. Failure to do so may ultimately hinder RTX's ability to successfully execute our strategy and thereby reduce our competitiveness.

Mitigation

RTX's goal is to be an attractive workplace. This is achieved e.g. through attractive working conditions, employee and manager development dialogue, employee satisfaction surveys, social gatherings and incentive programs.

RTX maintains close cooperation with leading universities close to RTX knowledge hubs both regarding student assignments, PH.D dissertations and regarding recruiting.

RTX monitors employee turnover and retention on an ongoing basis.

Risk assessment 2022/23

Likelihood: Low / Impact: Medium

After some years with high employee turnover in many industries all over the world, we see a normalisation during the past 2 years. During 2022/23 RTX has been able to obtain a high retention and attract skilled employees.

G Technology

Risk description

A significant part of RTX's business is based on its unique knowledge within advanced wireless radio systems. Therefore, technological changes may affect future business opportunities for RTX.

A revolution of the wireless communication standards and competence platforms, which RTX currently incorporates into its products and solutions, may lead to lost business opportunities, especially longer term.

Mitigation

Through close relationships with leading international customers, RTX has a solid understanding of the customers' future product development plans. The close relations enable RTX to predict and react to changes in technologies requested by the customers on an ongoing basis.

Via innovation projects, RTX develops the technological competencies that will enable RTX to offer products and solutions based on a wider range of technological opportunities. This reduces the dependence on single technologies. RTX's corporate technology office works on this continuously and also team up with leading research institutions for specific innovation projects.

Further, RTX monitors and impacts technological standards through active participation in highly reputed industry organizations worldwide.

Risk assessment 2022/23

Likelihood: Low / Impact: Medium

The CTO Office of RTX scouts emerging technologies and evaluates technologies with potential implications (opportunities or threats) for RTX especially within wireless and audio platforms and protocols.

H IPR

Risk description

Operating in a highly IPR protected industry, RTX's freedom of action may from time to time be limited by patents from third parties. Further, RTX holds and has applied for patents within selected key areas.

There may be a risk that RTX inadvertently infringes on third party rights. Further, RTX's practices for protecting the company's intellectual property rights may be inadequate so that competitors may develop similar technologies. This can lead to loss of business opportunities for RTX.

Mitigation

The company's model for development projects includes a review of the project to assess if there is a risk that RTX may infringe on or is limited by third party rights. It is also a formal point of our project model that the project is considered for relevant patents.

RTX has competences within design, development and manufacturing of wireless solutions and combinations of wireless technologies. The number of wireless technologies, that RTX has competences within, are expanded over time to avoid dependency on a single technology.

RTX is a member of ETSI (European Telecommunications Standards Institute) and other technology forums. Such memberships ensure that RTX stays up to date on relevant issues in the industry, including e.g. frequency bands, that may affect RTX's business or infringe on third party rights.

Risk assessment 2022/23

Likelihood: Low / Impact: Low

RTX CTO Office has continued its increased focus on screening for potential IPR infringements and screening for potential opportunities for taking out relevant patents and the number of patent applications made by RTX is increasing.

I IT and cyber security

Risk description

RTX's business depends to a large and increasing extent on reliable and secure IT systems. Severe breaches of IT security or system outages may have a negative effect on RTX's knowledge base, reputation and/or competitive position, and thus may cause financial losses, lost business opportunities or lack of ability to meet contractual obligations.

Mitigation

While these risks cannot be fully eradicated, RTX is continuously working to reduce the risks via regular adjustments of technical security controls and guidelines and policies for IT security. This is done centrally from corporate IT rolling out centrally managed solutions to reduce the number of applications in use. This allows for central management of platforms, master data and security functions, where possible.

Additionally, RTX conducts internal employee awareness campaigns regarding IT security. The Group also assesses and tests the IT infrastructure and security level in collaboration with external experts from time to time.

The outsourcing of RTX's production to a number of different suppliers also in the short-term protects delivery performance in case of shorter duration unavailability of IT service at RTX.

Risk assessment 2022/23

Likelihood: Medium / Impact: High

Globally, the number of cyber security attacks continues to be very high and the risk of IT security breaches thus remains significant. RTX has continued to implement IT infrastructure upgrades to increase the resilience of our systems and have mandatory cyber security training for all personnel.

Capital Structure and Allocation

Maintaining flexibility to invest into growth opportunities, displaying robustness for long-term framework agreements and optimizing return for shareholders.

Capital allocation policy principles

The guiding principle for the policy on capital allocation and structure of RTX is to: (i) maintain sufficient financial flexibility to realize RTX's strategic objectives, including investments into growth opportunities as well as balance sheet robustness needed for long-term framework agreements, which is needed to support operations. At the same time (ii) ensuring a financial structure maximizing the return for our shareholders. Thereby, any excess capital after the funding of growth opportunities and after ensuring such robustness, should be returned to shareholders.

Subject to the guiding principle for the capital structure, RTX aims to pay out a dividend corresponding to approximately 25-35% of the annual net results (i.e. profit for the year after tax) and will initiate share buy-back programs when deemed appropriate and contingent upon authorization granted by the shareholders. RTX strives to maintain a reasonable balance between distributions to shareholders via dividends and via share buy-back programs, however modifications to the capital structure will primarily be done via share buy-backs. Depending on the growth opportunities at hand or other operational or strategic considerations, RTX may deviate from the above payout ratio in a specific year.

Updated capital policy

Due to the strong performance and recovery after some challenging years, we revised the capital policy in August 2023.
RTX now targets a net liquidity position (total cash funds plus current securities less any bank debt) of DKK 80-100 million. (note that interim deviations to the target cash level can occur depending on specific growth opportunities or other operational or strategic considerations.)

At the end of 2022/23, RTX has a net liquidity position of DKK 138 million.

Dividends

Historically, RTX has paid out significant distributions to shareholders through dividends and share buy-back programs. Given the previous capital policy and financial performance, no dividends has been paid out the past 2 years.

To proceed with caution in light of the macroeconomic uncertainty, the Board of Directors will recommend to the Annual General Meeting in January 2024 that no dividends be distributed based on the financial year 2022/23.

Share buy-back

In August 2023, RTX announced a revised capital policy, lowering the threshold for initiating share buy back or dividend initiatives. This empowers the Board to undertake strategic initiatives, including the implementation of dividend and/or share buyback programs. The Board has reached a decision to initiate a share buy-back program amounting up to DKK 20 million during the financial year 2023/24, operating within the Safe Harbor Framework.

Distribution to shareholders

	2022/23	2021/22	2020/21	2019/20	2018/19
Dividends per share (DKK)	0.00*	0.00	0.00	2.50	2.5
Dividends, total (DKK million)	0.0*	0.0	0.0	20.7	21.0
Pay-out ratio (%)	0.0%*	0.0%	0.0%	32.8%	29.4%
Share buy-back (DKK million)	0.0	0.0	50.0	40.6	27.2

* Based on recommended dividend

The RTX Share

Despite better than expected financial performance of RTX, the share price decreased over 2022/23 in a difficult general stock market.

The share

RTX shares were priced at DKK 83.6 per share at the end of the financial year at 30 September 2023, corresponding to a market capitalization of DKK 708 million. The stock market in general has been declining in 2023 and the RTX share has seen the same development. Despite an ambitious growth and delivery on financial ambitions, the RTX share price has decreased by 26% during 2022/23 while the Nasdaq Copenhagen mid-cap index (OMXCMCGI), which includes the RTX share, increased by 25% over the same period.

The share capital of RTX is comprised of 8,467,838 shares.

Share capital and treasury shares

As of 30 September 2023, RTX's share capital had a nominal value of DKK 42,339,190 comprising 8,467,838 shares each with a nominal value of DKK 5. All shares carry equal rights and they are not divided

The RTX Share

Stock Exchange
Nasdaq Copenhagen A/S

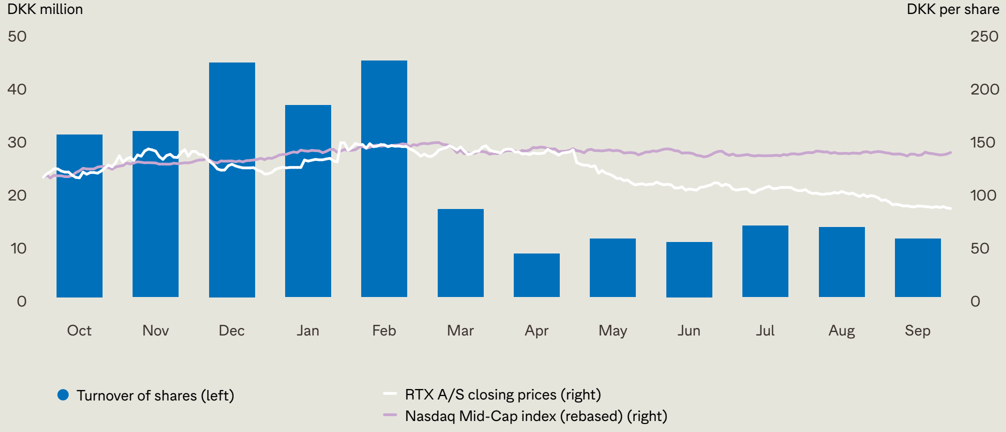
ISIN Code
DK0010267129

Index
Mid-Cap (OMXCMCGI)

Restriction in voting rights
None

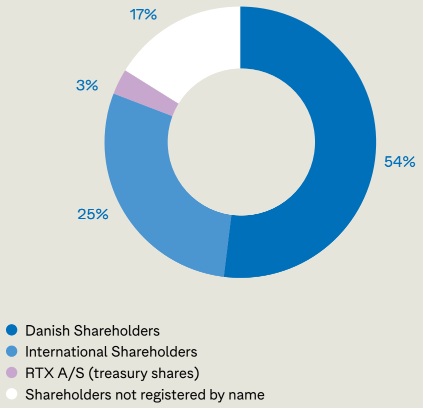
	30 Sep. 2023	30 Sep. 2022
Share price (DKK per share)	83.6	115
Market capitalization (DKK million)	713	974
Average daily turnover (DKK million)	0.6	1.1
Shares issued (no.)	8,467,838	8,467,838
Treasury shares (no.)	258,528	284,924
Earnings per share (DKK)	5.7	4.2
Price/earnings	14.7	27.7

Share price development and trading activity 2022/23



Shareholder composition 30 September 2023

% of shares



into classes. RTX holds a total of 258.528 treasury shares corresponding to 3.1% of the share capital. The treasury shares are held to fulfil obligations arising from share-based incentive programs to management and key employees as well as to adjust the capital structure from time to time.

Shareholder composition

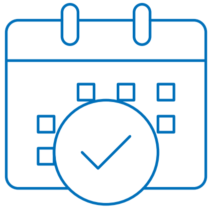
At 30 September 2023, RTX had more than 4,600 shareholders registered by name, including custodian banks, constituting approximately 84% of the company's share capital. According to registered addresses, the majority of shareholders are based in Denmark, but with a sizeable share of shareholders being based internationally. Approximately 57% of the share capital was held or managed by the 25 largest shareholders registered by name.

In accordance with section 55 of the Danish Companies Act, the following investors have reported holdings of more than 5% of RTX's share capital:

- Jens Hansen: 8.0%
- Fundamental Invest Stock Pick and related Fundamental Invest Stock Pick II Acc: 8.4%
- ATP: 6.8%
- Jens Toftgaard Petersen: 5.3%

Authorizations granted to the Board of Directors

At the 2023 Annual General Meeting, the Board of Directors was granted the right to authorize the Company to acquire treasury shares for a nominal value of DKK 4,233,919 (equivalent to approximately 10% of the Company's share capital at the time of the authorization) during the period until 25 January 2028. The Company's holding of treasury shares after the acquisition must not exceed 10% of the share capital



Financial Calendar

25 January 2024
Annual General Meeting
Deadline to submit proposals for items on the agenda is 13 December 2023

25 January 2024
Interim report Q1 2023/24

7 May 2024
Interim report Q2 2023/24

28 August 2024
Interim report Q3 2023/24

28 November 2024
Annual report 2023/24

from time to time, while the acquisition price must not deviate by more than 10% from the share price at Nasdaq Copenhagen at the time of the acquisition.

At the Extraordinary General Meeting the 10th of March 2023, the Board of Directors was authorized to increase the Company's share capital in one or more issues of new shares up to a maximum of nominal value of DKK 8,467.838 without pre-emption rights for the Company's existing shareholders. The right may not be utilized for an amount exceeding 20% of the outstanding share capital at the time of the exercise of the authorization. The authorization is valid until 25 January 2028.

Investor relations

RTX aims to maintain an open dialogue with investors and analysists about the company's business model, strategic priorities and financial performance. RTX further aims to ensure equal, timely and adequate information for all investors by publishing company announcements in Danish and English on the RTX website and by release to Nasdaq Copenhagen. In addition to financial reports and other company announcements, RTX's Executive Board uses investor meetings, roadshows and conference calls as the primary channels when communicating with stakeholders.

RTX's website provides information about analyst coverage and access to investor-related materials etc.

Board of Directors and Executive Board

Board of Directors





	Peter Thostrup Chair	Jesper Mailind Deputy Chair	Ellen Andersen Board member	Henrik Schimmell Board member	Lars Christian Tofft Board member
Title	Professional board member	Professional board member	Professional board member	Professional board member	Senior Advisor Professional Board Member
Education	M.Sc. Economics and Finance, 1987. MBA, 1986.	Graduate Diploma in Business Administration, 1982. MBA, 1984.	Executive education at IMD, INSEAD and LBS 2007-2015. Graduate Diploma BA 2004. IT Development and BA 1987.	Ph.D. from Danish Technical University, 1992. M.Sc. in Electrical Engineering, 1986.	M.Sc. in Business Administration and Business Law, 1990. Executive education at INSEAD, Colombia University and Boston University.
Directorships	Chair of the boards of directors of Holmris B8 A/S, Power Stow A/S, Transmedica A/S and Kongsberg Automotive ASA; Member of the board of directors of A/S Th. Wessel & Vett, Magasin du Nord	Chair of the board of directors of Aidian Oy; Member of the boards of directors of Leo Pharma A/S; Etac AB and Contour Design A/S		Chair of the board of directors of LRE Medical.	
Competencies	In-depth knowledge of finance, corporate governance in listed companies, management experience from international technology and consumer firms. General and solid board experience.	General management and transition management from global industries including life science, medtech, diagnostics, technology and manufacturing.	International management experience within IT, IoT and digital development from large global and listed companies. Substantial experience in managing large development teams across multiple international locations.	General management within medical device/diagnostics and hearing instrument industries. Additionally, competencies within strategic planning, lean business operations, M&A and process development.	General management with specialty in sales & marketing, transformation and digitalization. International experience from global market leader in the ICT space. Specific technology expertise in 4G/5G technology, Internet of Things (IoT) and AI.
Committees	Member of the Audit Committee and Chair of the Nomination & Remuneration Committee	Member of the Audit Committee and of the Nomination & Remuneration Committee		Chair of the Audit Committee	
Meeting attendance	Ordinary: 6 of 6 Extraordinary: 1 of 1	Ordinary: 5 of 6 Extraordinary: 0 of 1	Ordinary: 6 of 6 Extraordinary: 1 of 1	Ordinary: 6 of 6 Extraordinary: 1 of 1	Ordinary: 6 of 6 Extraordinary: 1 of 1
Elected period	Since 2009	2009-2009 and since 2013	Since 2022	Since 2019	Since 2017
Considered independent	No (due to duration of elected term)	Yes	Yes	Yes	Yes
Nationality	Danish	Danish	Danish	Danish	Danish
Year of birth & gender	1960, male	1956, male	1967, female	1962, male	1966, male

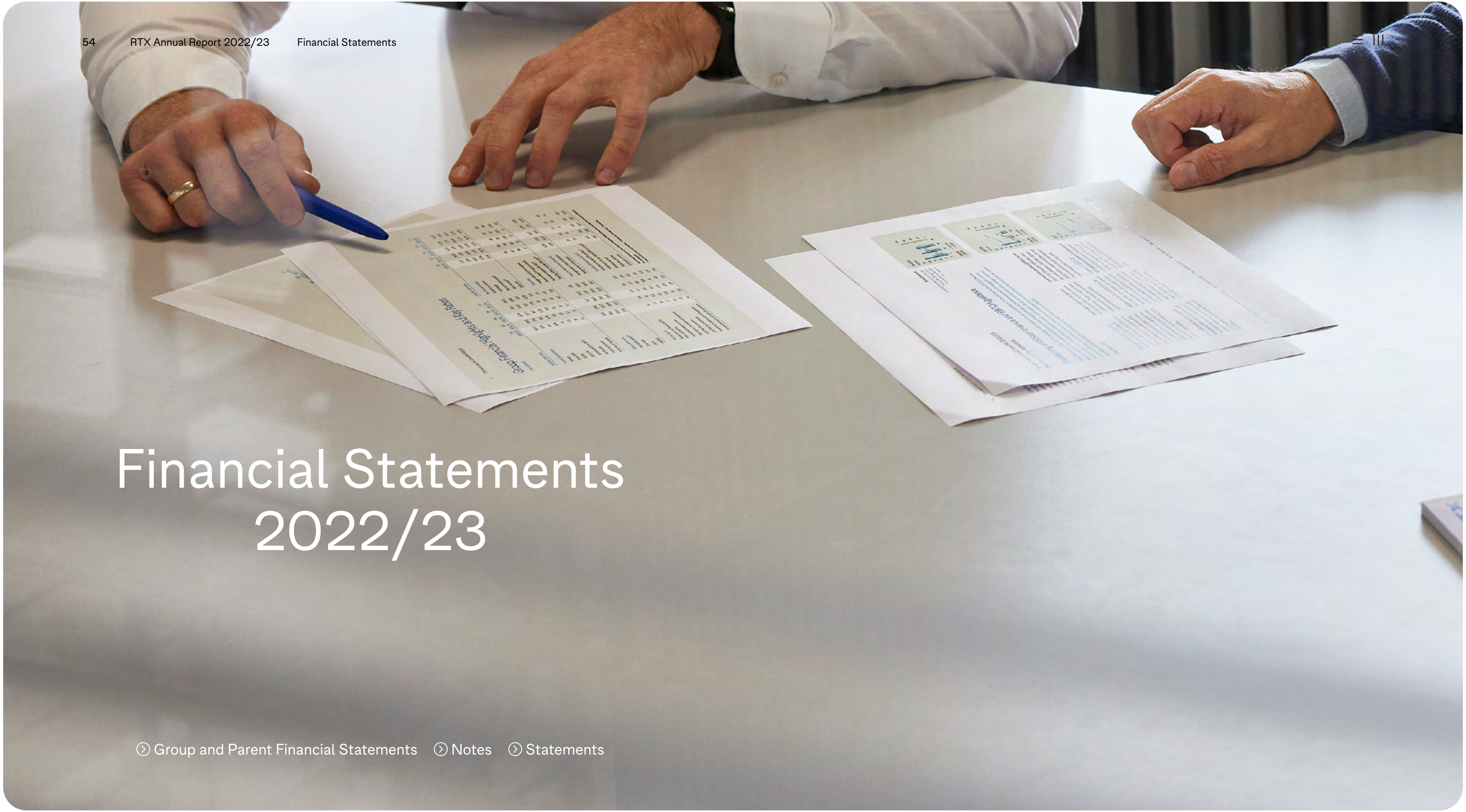
Board members elected by the employees



	Camilla Sembach Munk Board member	Kevin Harritsø Board member	Kurt Heick Rasmussen Board member
Title	Project Engineer, RTX A/S	Team Lead, RTX A/S	Senior Project Manager, RTX A/S
Education	M.Sc. in Wireless Communications Systems, 2016.	M.Sc. in Electrical Engineering 2009.	B.Sc. in Engineering, 2000. Graduate Diploma in Business Administration, 2009.
Directorships			
Meeting attendance	Ordinary: 4 of 4 Extraordinary: 1 of 1	Ordinary: 6 of 6 Extraordinary: 1 of 1	Ordinary: 6 of 6 Extraordinary: 1 of 1
Elected/appointed period	Since 2023	Since 2019	Since 2015
Term of office expires	2027	2027	2027
Nationality	Danish	Danish	Danish
Year of birth and gender	1989, female	1984, male	1974, male

Executive Board


	Peter Røpke	Mille Tram Lux
Title	President and CEO	CFO
Education	M.Sc. in Electrical, Electronics and Communications Engineering, 1992.	BA in Finance & Accounting, 2000. Graduate Diploma in Accounting, 2005.
Directorships	Member of the board of directors of DEIF A/S.	Chair of the boards of directors of Scandinavian Medical Solutions A/S; member of the board of directors of Seluxit A/S
Meeting attendance		
Elected/appointed period	Since 2016	Since 2023
Term of office expires		
Nationality	Danish	Danish
Year of birth and gender	1966, male	1975, female



Financial Statements 2022/23

Group and Parent Financial Statements · Notes · Statements

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Income Statement

		Group		Parent	
Amounts in DKK '000	Note	2022/23	2021/22	2022/23	2021/22
Revenue	2.1 - 2.2	782,777	663,289	782.777	663,289
Value of own work capitalized	2.5	13,525	15,759	13,525	15,759
Cost of sales	2.3	-424,346	-354,037	-424,346	-354,037
Other external expenses	2.5 - 2.6	-72,419	-62,376	-114,383	-102,457
Staff costs	2.4 - 2.5	-192,013	-177,280	-156,262	-142,923
Operating profit/loss before depreciation and amortization (EBITDA)		107,524	85,355	101,311	79,631
Depreciation, amortization and impairment	3.1 - 3.3	-39,628	-39,714	-36,680	-37,283
Operating profit/loss (EBIT)		67,896	45,641	64,631	42,348
Financial income	2.7	3,840	13,480	4,769	15,319
Financial expenses	2.7	-12,569	-16,846	-14,222	-17,353
Profit/loss before tax		59,167	42,275	55,178	40,314
Tax on profit/loss	2.9	-12,452	-8,359	-12,027	-7,848
Profit/loss for the year		46,715	33,916	43,151	32,466
Earnings per share					
Earnings per share (DKK)	5.4	5.7	4.2		
Earnings per share, diluted (DKK)	5.4	5.7	4.1		
Attributable to:					
Shareholders of the parent		46,715	33,916		
		46,715	33,916		

Statement of Comprehensive Income

	Group		Parent	
Amounts in DKK '000	2022/23	2021/22	2022/23	2021/22
Profit/loss for the year	46,715	33,916	43,151	32,466
Items that can be reclassified subsequently to the income statement				
Exchange rate adjustments of foreign subsidiaries	-3,289	6,168	-	-
Fair value adjustment relating to hedging instruments	1,852	-4,904	1,852	-4,904
Tax on hedging instruments	-407	1,079	-407	1,079
Fair value of hedging instruments reclassified to the income statement	-27	2,965	-27	2,965
Tax on hedging instruments reclassified	6	-652	6	-652
Other comprehensive income, net of tax	-1,865	4,656	1,424	-1,512
Comprehensive income for the year	44,850	38,572	44,575	30,954
Attributable to:				
Shareholders of the parent	44,850	38,572		
	44,850	38,572		

Balance Sheet 30 September

Amounts in DKK '000	Note	Group 2022/23	Group 2021/22	Parent 2022/23	Parent 2021/22
Assets					
Own completed development projects	3.1	27,356	38,734	27,356	38,734
Own development projects in progress	3.1	19,714	16,896	19,714	16,896
Software	3.1	1,015	-	1,015	-
Goodwill	3.1	7,797	7,797	-	-
Intangible assets		55,882	63,427	48,085	55,630
Right-of-use assets (lease assets)	3.2	51,155	54,384	49,152	49,154
Plant and machinery	3.3	20,285	16,724	20,285	16,724
Other fixtures, tools and equipment	3.3	4,165	4,575	3,926	4,377
Leasehold improvements	3.3	10,665	11,273	10,665	11,273
Tangible assets		86,270	86,956	84,028	81,528
Investments in subsidiaries	3.4	-	-	39,206	39,078
Deposits	3.5	6,757	6,817	5,925	5,923
Deferred tax assets	2.9	2,161	2,151	-	-
Other non-current assets		8,918	8,968	45,131	45,001
Total non-current assets		151,070	159,351	177,244	182,159
Inventories	4.1	102,167	102,494	102,167	102,494
Trade receivables	4.2	168,343	195,485	168,343	195,485
Contract development projects in progress	4.3	4,819	8,037	4,819	8,037
Other receivables		8,464	13,103	7,931	12,525
Prepaid expenses		5,526	4,545	4,997	3,836
Receivables	5.6	187,152	221,170	186,090	219,883
Current asset investments in the trading portfolio	5.1	31,029	30,083	31,029	30,083
Current asset investments	5.1	31,029	30,083	31,029	30,083
Cash at bank and in hand		106,671	43,725	102,690	41,054
Total current assets		427,019	397,472	421,976	393,514
Total assets		578,089	556,823	599,220	575,673

Amounts in DKK '000	Note	Group 2022/23	Group 2021/22	Parent 2022/23	Parent 2021/22
Equity and liabilities					
Share capital	5.2	42,339	42,339	42,339	42,339
Share premium account		170,439	170,439	170,439	170,439
Currency adjustments		8,851	12,140	-	-
Cash flow hedging		-293	-1,717	-293	-1,717
Reserve related to development costs		-	-	36,715	43,391
Retained earnings		155,769	108,439	115,694	65,239
Equity		377,105	331,640	364,894	319,691
Lease liabilities	5.6	49,517	52,896	49,517	49,598
Deferred tax liabilities	2.9	6,154	3,347	6,154	3,347
Provisions	4.4	1,389	1,855	1,389	1,855
Other payables	4.5	724	13,389	724	13,389
Non-current liabilities		57,784	71,487	57,784	68,189
Lease liabilities	5.6	6,896	6,300	4,777	4,196
Prepayments received from customers		16,113	8,169	16,113	8,169
Trade payables		57,599	80,517	57,307	80,034
Contract development projects in progress	4.3	3,817	7,515	3,817	7,515
Payables to subsidiaries		-	-	44,553	45,909
Income taxes	2.9	17,779	11,049	17,566	10,766
Provisions	4.4	2,716	1,793	2,716	1,793
Other payables	2.8; 4.5	38,280	38,353	29,693	29,411
Current liabilities		143,200	153,696	176,542	187,793
Total liabilities		200,984	225,183	234,326	255,982
Total equity and liabilities		578,089	556,823	599,220	575,673

Equity Statement for the Group

Amounts in DKK '000	Share capital	Share premium	Currency adjust-ments	Cash flow hedging	Retained earnings	Total
Equity at 1 October 2021	43,214	203,714	5,972	-205	35,838	288,533
Profit/loss for the year	-	-	-	-	33,916	33,916
Exchange rate adjustments of foreign subsidiaries	-	-	6,168	-	-	6,168
Fair value adjustment relating to hedging instruments	-	-	-	-4,904	-	-4,904
Tax on hedging instruments	-	-	-	1,079	-	1,079
Fair value of hedging instruments reclas-sified to the income statement	-	-	-	2,965	-	2,965
Tax on hedging instruments reclassified	-	-	-	-652	-	-652
Other comprehensive income, net of tax	-	-	6,168	-1,512	-	4,656
Comprehensive income for the year	-	-	6,168	-1,512	33,916	38,572
Share-based remuneration	-	-	-	-	4,865	4,865
Current tax on equity transactions	-	-	-	-	1,302	1,302
Deferred tax on equity transactions	-	-	-	-	-1,612	-1,612
Annulment of treasury shares	-875	-33,275	-	-	34,130	-20
Other transactions	-875	-33,275	-	-	38,685	4,535
Equity at 30 September 2022	42,339	170,439	12,140	-1,717	108,439	331,640

Amounts in DKK '000	Share capital	Share premium	Currency adjust-ments	Cash flow hedging	Retained earnings	Total
Equity at 1 October 2022	42,339	170,439	12,140	-1,717	108,439	331,640
Profit/loss for the year	-	-	-	-	46,715	46,715
Exchange rate adj. of foreign subsidiaries	-	-	-3,289	-	-	-3,289
Fair value adjustment relating to hedging instruments	-	-	-	1,852	-	1,852
Tax on hedging instruments	-	-	-	-407	-	-407
Fair value of hedging instruments reclas-sified to the income statement	-	-	-	-27	-	-27
Tax on hedging instruments reclassified	-	-	-	6	-	6
Other comprehensive income, net of tax	-	-	-3,289	1,424	-	-1,865
Comprehensive income for the year	-	-	-3,289	1,424	46,715	44,850
Share-based remuneration	-	-	-	-	689	689
Current tax on equity transactions	-	-	-	-	642	642
Deferred tax on equity transactions	-	-	-	-	-716	-716
Other transactions	-	-	-	-	615	615
Equity at 30 September 2023	42,339	170,439	8,851	-293	155,769	377,105

Equity Statement for the Parent

Amounts in DKK '000	Share capital	Share premium	Cash flow hedging	Reserve related to deve-lopment costs [1]	Retained earnings	Total
Equity at 1 October 2021	43,214	203,714	-205	48,511	-11,118	284,116
Profit/loss for the year	-	-	-	-	32,466	32,466
Fair value adjustment relating to hedging instruments	-	-	-4,904	-	-	-4,904
Tax on hedging instruments	-	-	1,079	-	-	1,079
Fair value of hedging instruments reclas-sified to the income statement	-	-	2,965	-	-	2,965
Tax on hedging instruments reclassified	-	-	-652	-	-	-652
Other comprehensive income, net of tax	-	-	-1,512	-	-	-1,512
Comprehensive income for the year	-	-	-1,512	-	32,466	30,954
Share-based remuneration	-	-	-	-	4,865	4,865
Current tax on equity transactions	-	-	-	-	1,302	1,302
Deferred tax on equity transactions	-	-	-	-	-1,526	-1,526
Annulment of treasury shares	-875	-33,275	-	-	34,130	-20
Development costs, net of tax	-	-	-	-5,120	5,120	-
Other transactions	-875	-33,275	-	-5,120	43,891	4,621
Equity at 30 September 2022	42,339	170,439	-1,717	43,391	65,239	319,691

[1] In accordance with the Danish Financial Statements Act a reserve equivalent to the capitalized development costs net of tax is recognized in equity. The reserve is reduced as the capitalized development costs are depreciated.

Amounts in DKK '000	Share capital	Share premium	Cash flow hedging	Reserve related to deve-lopment costs [1]	Retained earnings	Total
Equity at 1 October 2022	42,339	170,439	-1,717	43,391	65,239	319,691
Profit/loss for the year	-	-	-	-	43,151	43,151
Fair value adjustment relating to hedging instruments	-	-	1,852	-	-	1,852
Tax on hedging instruments	-	-	-407	-	-	-407
Fair value of hedging instruments reclas-sified to the income statement	-	-	-27	-	-	-27
Tax on hedging instruments reclassified	-	-	6	-	-	6
Other comprehensive income, net of tax	-	-	1,424	-	-	1,424
Comprehensive income for the year	-	-	1,424	-	-	44,575
Share-based remuneration	-	-	-	-	689	689
Current tax on equity transactions	-	-	-	-	642	642
Deferred tax on equity transactions	-	-	-	-	-703	-703
Annulment of treasury shares	-	-	-	-	-	-
Development costs, net of tax	-	-	-	-6,676	6,676	-
Other transactions	-	-	-	-6,676	7,304	628
Equity at 30 September 2023	42,339	170,439	-293	36,715	115,694	364,894

[1] In accordance with the Danish Financial Statements Act a reserve equivalent to the capitalized development costs net of tax is recognized in equity. The reserve is reduced as the capitalized development costs are depreciated.

Cash Flow Statement

		Group		Parent	
Amounts in DKK '000	Note	2022/23	2021/22	2022/23	2021/22
Operating profit/loss (EBIT)		67,896	45,641	64,631	42,348
Reversal of items with no effects on cash flow					
Depreciation, amortization and impairment		39,628	39,714	36,680	37,283
Other items with no effects on cash flow	6.2	-9,903	15,051	-7,091	8,766
Change in working capital					
Change in inventories		8,243	-73,498	8,243	-73,498
Change in receivables		35,891	-55,579	35,264	-55,411
Change in trade payables, etc.		-31,410	22,361	-32,220	30,504
Cash flow from operating activities		110,345	-6,310	105,507	-10,008
Financial income received		2,991	13,968	2,983	14,130
Financial expenses paid		-12,944	-6,962	-13,840	-7,469
Income taxes paid	2.9	-3,400	-724	-2,481	322
Cash flow from operations		96,992	-28	92,169	-3,025
Investments in own development projects		-15,442	-19,064	-15,442	-19,064
Acquisition of intantible assets		-1,040	-	-1,040	-
Acquisition of property, plant and equipment		-10,236	-11,415	-10,045	-11,262
Deposits on leaseholds		60	19	-2	159
Acquisition / sale of current asset investments in the trading portfolio, net		-97	60,985	-946	60,985
Dividends from subsidiaries		-	-	937	1,566
Sale of tangible assets		49	24	49	24
Cash flow from investments		-26,706	30,549	-26,489	32,408

		Group		Parent	
Amounts in DKK '000	Note	2022/23	2021/22	2022/23	2021/22
Repayment of lease liabilities	5.6	-7,822	-5,660	-4,539	-4,131
Acquisition of treasury shares	5.3	-	-	-	-
Paid dividend	5.5	-	-	-	-
Cash flow from financing activities		-7,822	-5,660	-4,539	-4,131
Increase/decrease in cash and cash equivalents		62,464	24,861	61,141	25,252
Exchange rate adjustments on cash		482	-597	495	-617
Cash and cash equivalents at 1 October		43,725	19,461	41,054	16,419
Cash and cash equivalents at 30 September		106,671	43,725	102,690	41,054
Cash and cash equivalents at 30 September are composed as follows:					
Cash at bank and in hand		106,671	43,725	102,690	41,054
Cash and cash equivalents at 30 September		106,671	43,725	102,690	41,054

Section 1
Basis of Preparation

NOTES

Notes

1.1 Basis of preparation and changes in accounting principles

RTX A/S is a Danish public limited company. The annual report of RTX for 2022/23, including both the consolidated financial statements and the Parent financial statements, is presented in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies, with reference to the disclosure requirements of listed companies from Nasdaq Copenhagen A/S and the Danish Executive Order on IFRS Adoption issued in accordance with the Danish Financial Statements Act.

The consolidated financial statements and the separate financial statements are presented in DKK, which is the presentation currency for the Group's activities and the functional currency for the Parent Company. The annual report is based on historical cost prices, except items where IFRS require measurement at fair value. Except for the implementation of new and amended standards as described below, the accounting policies have been applied consistently in the preparation of the consolidated financial statements for all the years presented.

The Board of Directors considered and approved the 2022/23 Annual Report of RTX on 30 November 2023, and it will be submitted to the shareholders of RTX A/S for approval at the Annual General Meeting on 24 January 2024.

Group financial statement

The consolidated financial statement includes the Parent Company, RTX A/S, and the entities (subsidiaries) controlled by the Parent. The Parent Company is considered to have control when it directly or indirectly holds more than 50% of the voting rights or otherwise controls or actually exercises control.

RTX A/S and its subsidiaries are collectively referred to as the Group.

Consolidation principles

The consolidated financial statements are prepared on the basis of financial statements of the Parent Company and its subsidiaries by combining accounting items of a uniform nature, with subsequent elimination of intercompany income and expenses, shareholdings, intercompany balances, dividends as well as unrealized profit and losses on transactions between the consolidated entities in the Group. The accounts used for consolidation are prepared in accordance with the Group's accounting principles.

1.1 Basis of preparation and changes in accounting principles (continued)

Acquisitions of subsidiaries

On acquisition of subsidiaries the acquisition method is applied whereby the acquired identifiable assets, liabilities and contingent liabilities are recognized and measured at fair value. Newly acquired subsidiaries are consolidated from the date of acquisition. The acquisition date is the date on which control of the subsidiary is effectively transferred. Sold or liquidated subsidiaries are recognized in income until the sale or liquidation. The date of sale is the date on which control of the subsidiary is effectively transferred to a third party. Transaction costs are recognized as operating costs as they incur.

Foreign currency

The financial statement items for each of the Group's subsidiaries are measured in the currency used in the country of which the subsidiary operates, while the functional currency of the Parent Company is Danish kroner (DKK). The consolidated financial statement of the Group is presented in Danish kroner (DKK).

Transactions in currencies different of the functional currency in the Parent Company (DKK), are translated into the functional currency at the exchange rate of the transaction date.

Monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the closing rate. Exchange rate differences between the transaction date and the date of payment, the balance sheet date respectively, are recognized in the income statement as financial items.

On recognition in the consolidated financial statements of entities that report in a functional currency other than Danish kroner (DKK), income statements are translated at average exchange rates for the months. Balance sheet items are translated at the closing exchange rates. Goodwill is considered to belong to the acquired entity and translated at the closing rate at the balance sheet date.

Exchange rate differences between foreign subsidiaries' balance sheet items and income statement items are recognized in other comprehensive income. Similarly, exchange rate differences arising as a result of changes made directly in the foreign subsidiaries' equity are also recognized in other comprehensive income. Other foreign exchange rate gains and losses are recognized in the income statement under financial items.

The effect of amendments to existing standards

IASB has published a number of amendments to existing standards and interpretations in effect for the financial year 2022/23. None of the amended accounting standards and interpretations have had significant impact on recognition, measurement or disclosure in the consolidated financial statements of 2022/23.

New accounting standards not yet adopted

New and revised accounting standards and interpretations issued by IASB in effect for fiscal years commencing on 1 January 2023 or later have not been incorporated in the financial statements. None of the new standards or interpretations are expected to have a significant impact on the financial statements of RTX.

1.2 Uncertainties and estimates

The Group's accounting policy described in the following notes requires that Management makes assessments and estimates and outlines the assumptions for the financial value of assets and liabilities that cannot be concluded from other sources. Several financial statement items cannot be measured with certainty but only be estimated. Such estimates comprise assessments made on the basis of the latest information available at the time of the financial reporting. The estimates and assumptions are evaluated on an ongoing basis. Changes to the accounting estimates are included in the financial period in which the changes take place, and in future financial periods in the event that the changes have effect both in the actual period and future financial periods. The most significant estimates and assessments are introduced below.

Material accounting estimates

In relation to the practical application of the accounting policies described, Management performs material accounting estimates and assessments which may have a significant impact on the annual report's assets and liabilities at the balance sheet date. Management bases its estimates on historical experiences as well as assumptions which are assessed as being reasonable under the given circumstances. The result thereof forms the basis for the reported carrying amounts of assets and liabilities as well as the reported income and expenses which are not directly disclosed in other documentation. The realized results may deviate from these estimates recognized at the balance sheet date. The following accounting estimates are likely to be significant for the Group and the Parent Company's financial report.

Recognition of contract development projects

Contracts with customer financed development giving the customers full or partial exclusivity for the outcome are classified as development projects with customer financing being recognized in line with the finalization for the project. The percentage of completion method is the basis for the ongoing recognition of revenue in the Company's use of the production method for contracts and determined by the ratio between the Company's used resources (primarily internal engineering/development time and secondarily any external costs) compared to latest total estimate of required resources. The percentage of completion is estimated on an ongoing basis by the responsible employees, and Management carefully follows the development and adjusts the estimates if deemed necessary. The revenue from contract development projects in progress at others' expense amounts to DKK 52.4 million in 2022/23 (2021/22: DKK 33.0 million).

Capitalized (own) development projects

Development costs are generally recognized as expenses in the income statement when incurred. In cases where it is likely that the development projects financed by RTX will be marketed in the form of new products with likely revenue over time, and where development projects are clearly defined (including establishment of technical and commercial project plans), the development costs are capitalized and recognized as an asset. The product's lifetime is estimated when development costs are capitalized. Management has assessed that the lifetime of a typical RTX product is three years, which is therefore the typical amortization period. In the balance sheet the development projects amount to DKK 47.1 million as at 30 September 2023 (DKK 55.6 million as at 30 September 2022).

Section 2
Results for the Year

NOTES

2.1 Segment information

In accordance with internal reporting, RTX reports on the three target markets segments; Enterprise, ProAudio and Healthcare. Costs are reported by allocating costs directly attributable to the three reportable market segments whereas common functions costs etc. (primarily other external expenses, staff costs and depreciations related to IT, finance, overall management, joint facilities, joint technology projects, and supply chain management) are reported as non-allocated in accordance with internal reporting.

For a presentation of the events within the segments in the financial year and the development compared to 2021/22, please refer to the Management Review.

Information relating to the Group's segments:

Amounts in DKK '000	Enterprise	ProAudio	Healthcare	Non-allocated	Group
2022/23					
Revenue	527,061	186,070	69,646	-	782,777
EBITDA	160,811	70,469	29,928	-153,684	107,524
EBIT	141,162	64,466	29,388	-167,120	67,896
2021/22					
Revenue	493,141	114,056	56,092	-	663,289
EBITDA	173,128	47,776	8,886	-144,435	85,355
EBIT	153,161	40,194	8,014	-155,728	45,641

2.1 Segment information (continued)

Management comments

In the financial year 2022/23 two customers in Enterprise each represent a revenue higher than 10% of Group revenue. The largest customer in 2022/23 represents 22.0% (2021/22: 24.6%) of revenue, the second largest 2022/23 customer represents 14.2% (2021/22: 17.2%).

The Group's revenue from customers is specified below.

	Group		Parent	
Amounts in DKK '000	**2022/23**	**2021/22**	**2022/23**	**2021/22**
Denmark	12,370	4,016	12,370	4,016
France	116,908	168,999	116,908	168,999
Germany	86,215	63,109	86,215	63,109
Other Europe	98,945	98,869	98,945	98,869
USA	261,330	139,635	261,330	139,635
Hong Kong	93,546	114,277	93,546	114,277
Other Asia and Pacific	110,413	68,219	110,413	68,219
Other	3,050	6,165	3,050	6,165
Total	782,777	663,289	782,777	663,289

Revenue distributed to geographic area according to the geographical location of the customer entity being invoiced.

As posted in the balance sheet, all significant assets in the Group are owned by the Parent Company in Denmark and the majority hereof is located in Denmark.

2.2 Revenue

Accounting policies

Revenue comprises sale of products, development projects and royalties etc. attributable to the fiscal year. Revenue is calculated net of VAT, duties, etc. collected on behalf of a third party.

Revenue from sale of products is recognized at the point in time when transfer of control to the customer has taken place.

Revenue from development projects at the expense of customers and services are recognized over time as the projects are performed according to the percentage of completion method and as agreed services are delivered. Usually, the percentage of completion is estimated as the ratio between the company's used resources compared to latest total estimate of required resources. Contract costs are expensed when incurred.

The transaction price of a development contract is measured at the expected consideration the Group will be entitled to and allocated to the performance obligations of the contract. If the outcome of a development project in progress cannot be estimated reliably, revenue is recognized equivalent to the incurred project costs in the period to the extent that it is probable that these costs will be recovered.

Royalty and license fees are recognized as revenue in the period they concern. If the income depends on future events including the customers' sale of the products containing the technology developed by RTX, the royalty is recognized in the income statement after this event.

If an arrangement contains multiple deliverables, these are divided into separate deliveries addressed individually to the extent that they have been separately quoted, that the promise to transfer the good or service under each deliverable is distinct within the contract, that the customer can benefit from each deliverable on its own and that the fair value of each deliverable can be measured reliably.

Costs of securing contracts are recognized in the income statement when incurred.

2.2 Revenue (continued)

Revenue by type of income:

	Group		Parent	
Amounts in DKK '000	**2022/23**	**2021/22**	**2022/23**	**2021/22**
Products, etc.	718,202	612,930	718,202	612,930
Development projects	52,441	32,971	52,441	32,971
Royalty and license fees	11,535	16,613	11,535	16,613
Other services	599	775	599	775
Total	782,777	663,289	782,777	663,289

Management comments

Revenue mainly arises from sale of products, development projects as well as from royalties and license fees. A contract for a development project is typically followed by a supply agreement for the products developed or a royalty agreement.

The sale of products comprises sale of ODM/OEM products and customized modules at fixed prices. Sale of products normally constitutes one performance obligation and revenue is recognized at the point in time when transfer of control occurs. RTX is usually entitled to payment at delivery which in the majority of cases coincide with transfer of control.

Development projects carried out at the expense of customers are predominantly characterized by a fixed price contract and a duration less than two years. A development project is usually considered a single performance obligation as different elements of the contract are interdependent in most cases. Revenue is recognized over time applying the percentage of completion method based on the ratio between the Company's used resources (primarily internal engineering/development time and secondarily any external costs) compared to latest total estimate of required resources. Upon contract signature, RTX is often entitled to a down payment from the customer. The remaining contract amount is invoiced and becomes due at completion of defined milestones as the project progresses.

Royalties are generated by licenses of intellectual property granted to customers. The majority of royalties are recognized in the period the customer report them as they are sales-based and occur after all performance obligations have been satisfied. Royalties from a license granted without a sales-based element are recognized when the customer is provided with access to the intellectual property. Entitlement to payment for royalties usually follows the revenue recognition. Licenses that are granted for a period of time against a fixed fee for that period are recognized over time proportionally over the period.

The Group uses standard forward contracts to partially or fully hedge expected net USD cash in flow. Hedging had a net effect of DKK 0.0 million on recognized revenue in 2022/23 (2021/22: negative net effect of DKK 3.0 million).

2.3 Cost of sales

Accounting policies

Cost of sales comprises cost paid in order to generate revenue in the financial year, including consumables, freight, customs and write-downs on inventories.

	Group			Parent
Amounts in DKK '000	**2022/23**	**2021/22**	**2022/23**	**2021/22**
Direct cost of sales	418,951	332,109	418,951	332,109
Write-down on inventories	-7,916	3,375	-7,916	3,375
Other sales related costs	13,311	18,553	13,311	18,553
Total	424,346	354,037	424,346	354,037

Other sales related costs include freight, warranties, commissions, quality assurance etc.

2.4 Staff costs and remuneration

Accounting policies

Staff costs comprise wages and salaries, share-based remuneration as well as social security costs, pension contributions etc. for the company's management and staff. Employees employed in RTX legal entities are defined as "employed directly". Employees employees through service partner in countries where we have no legal entity, comprise the remaining employees.

Share-based incentive schemes in the form of restricted share rights (RSU and Accelerated RSU), where the employees are awarded shares in the Parent (equity-settled share-based payment scheme), are measured at fair value of the rights at the time of issue and are recognized in the income statement under staff costs for the period during which the employees achieve final right to the shares. The setoff entry is recognized directly in equity.

On initial recognition of the restricted share rights, an estimate is made regarding the number of rights for which the employees are expected to acquire final right. Subsequently, adjustments are made for changes to this estimate whereby final recognition of the cost corresponds to the actual number of acquired rights to shares.

The fair value of the restricted share rights is computed by using the Black & Scholes model for valuation of European call options with the parameters shown overleaf.

	Group		Parent	
Amounts in DKK '000	2022/23	2021/22	2022/23	2021/22
Remuneration of the Board of Directors	2,763	2,483	2,763	2,483
Wages and salaries	176,304	159,781	142,087	126,644
Defined contribution pension plans	10,942	10,027	9,759	8,893
Other social security costs, etc.	2,465	2,164	2,108	1,771
Public grants related to staff costs	-1,091	-2,103	-958	-822
Staff costs before share-based remuneration	191,383	172,352	155,759	138,969
Share-based remuneration	630	4,928	503	3,954
Total	192,013	177,280	156,262	142,923
Number of full-time employees at 30 September	298	294	198	194
Average number of full-time employees	299	282	199	181
Average number of full-time employees employed directly	267	249	199	181

Management comments

Public grants related to staff costs

The Group has received wages compensation of DKK 0.0 million in 2022/23 (DKK 1.4 million in 2021/22) as part of a public COVID-19 support package in Hong Kong related to the Group entity RTX Hong Kong Ltd. Other public grants cover customary wages compensation.

2.4 Staff costs and remuneration (continued)

The Group has entered into defined contribution pension plans
The Group finances defined contribution plans through regular payments to independent pension and insurance companies, which are responsible for the pension obligations. After payment of pension contributions to defined contribution plans, the Group has no further pension obligations to current or former employees with regard to future developments in interest rates, inflation, mortality, disability, etc. in respect of the amount eventually to be paid to the employee.

Remuneration to the Board of Directors, the Executive Board and other key management:

	2022/23			2021/22		
Amounts in DKK '000	Board of directors	Executive Board	Other key management	Board of directors	Executive Board	Other key management
Group						
Wages, salaries and fees	2,763	6,763	8,048	2,483	5,848	7,997
Bonus	-	2,768	1,808	-	1,164	1,808
Pensions	-	143	302	-	144	331
Total	2,763	9,674	10,158	2,483	7,156	10,136
Share-based remuneration	-	-17	238	-	1,472	1,162
Total remuneration	2,763	9,657	10,396	2,483	8,628	11,298
Parent						
Wages, salaries and fees	2,763	6,763	5,026	2,483	5,848	4,475
Bonus	-	2,768	1,715	-	1,164	948
Pensions	-	143	302	-	144	331
Total	2,763	9,674	7,043	2,483	7,156	5,754
Share-based remuneration	-	-17	324	-	1,472	577
Total remuneration	2,763	9,657	7,367	2,483	8,628	6,331

Management comments

On dismissal by the company, the Executive Board shall be entitled to salary in the period of notice and severance pay totaling up to 12 months' salary and incentive pay, equivalent to DKK 8.2 million (DKK 7.3 million in 2021/22).

The remuneration for each member of the Board of Directors is as follows:

	Group	
Amounts in DKK '000	2022/23	2021/22
Peter Thostrup, Chair	675	600
Jesper Mailind, Deputy Chair	450	400
Lars Christian Tofft	225	200
Henrik Schimmell, Chair of Audit Committee (from 27 Jan 2022)	400	300
Ellen Andersen (from 27 Jan 2022)	225	133
Katja Haukohl Millard (from 27 Jan 2022)	113	133
Christian Engsted (until 27 Jan 2022), Chair of the Audit Committee	-	117
Kurt Heick Rasmussen employee representative	225	200
Kevin Harritsø, employee representative	225	200
Camilla Munk, employee representative (from 26 Jan 2023)	150	-
Flemming Vendbjerg Andersen, employee representative (until 26 Jan 2023)	75	200
Total	2,763	2,483

Management comments

RSU program:
The Board of Directors at RTX has in 2020/21, 2021/22 and 2022/23 granted restricted share units (RSU) to management as well as key employees as part of the Company's long-term incentive program. The granted restricted share units are earned and matured over a three-year period and cannot vest before the Annual General Meetings in January 2024, January 2025 and January 2026 respectively. Once vested, the employees can freely dispose of the shares.

2.4 Staff costs and remuneration (continued)

The grant is conditioned by defined targets for share price and EBITDA achieved in the three years' mature period as well as requirements on employment. If the restrictions for the RSU's are fulfilled, they are finally transferred at a price of DKK 0.

The grant is in accordance with the company's Remuneration Policy. Besides the Executive Board and five other key management employees, 50 key employees have been granted restricted stock units in 2022/23 under the same terms as the terms for the Executive Board. The total number of RSU's is covered by the treasury shares of RTX A/S.

Due to the weaker financial performance in 2020/21 and declining share price in 2022/23, the number of Restricted Share Units (RSUs) outstanding for the RSU programs issued in 2020/21 was reduced (lapsed) for all participants. No such lapsing occurred based on the financial performance in 2021/22.

Fair value of RSU's, conditions:

	RSUs granted in		
	2022/23	2021/22	2020/21
Vesting period	Feb 2023 - Jan2026	Feb 2022 - Jan 2025	Feb 2021 - Jan 2024
Price per share	145.8	174.4	201.0
Volatility	0.58	0.56	0.50
Expected dividend	0.83%	0.69%	1.20%
Risk-free interest rate	2.52%	-0.44%	-1.40%
The expected maturity	3 years	3 years	3 years
Fair value (Black-Scholes) per RSU is calculated to	137.38	107.45	136.18

Number of RSU's in RTX A/S:

	Executive Board	Other key manage-ment	Other employees	Total
Granted in 2019/20	9,870	8,039	18,225	36,134
Granted in 2020/21	13,712	11,978	24,400	50,090
Granted in 2021/22	18,605	15,261	33,400	67,266
Granted in 2022/23	8,316	11,388	25,750	45,454
Granted as per September 30 2023	50,503	46,666	101,775	198,944
Regulations - ceased employments 2019/20	-	-	-	-
Regulations - ceased employments / lapsed 2020/21	-3,538	-3,003	-7,647	-14,188
Regulations - ceased employments 2021/22	-	-2,436	-14,303	-16,739
Regulations - ceased employments / lapsed 2022/23	-15,369	-9,588	-19,996	-44,953
RSU's vested in 2022/23	-8,389	-6,833	-11,174	-26,396
Outstanding as per September 30 2023	23,207	24,806	48,655	96,668

Management comments

Accelerated RSU program:
The Board of Directors at RTX has in 2020/21 and 2021/22 granted accelerated restricted share units (Accel-erated RSU) to group executive management in addition to the regular RSU programs as part of the Company's long-term incentive program. The granted restricted share units are earned and matured over a three-year period and cannot vest before the Annual General Meeting in January 2025. Once vested, the employees can freely dispose of the shares.

The grant is conditioned by defined highly ambitious targets for revenue, EBITDA and share price achieved in year two or three of the vesting period as well as requirements on employment. If the restrictions for the RSU's are fulfilled, they are finally transferred at a price of DKK 0. The fair value of the Accelerated RSU's according to IFRS

2.4 Staff costs and remuneration (continued)

2 (i.e. the basis for any cost recognition if applicable) are (per Accelerated RSU) DKK 149.67 (2020/21 program) and DKK 114.54 (2021/22 program) based on the parameters in the fair value calculation as shown below. If adjusting for the reduced probability of vesting due to the highly ambitious targets the fair value (Black Scholes) of each Accelerated RSU when granted was calculated to DKK 34.45 (2020/21 program) and DKK 72.33 (2021/22 program). The Accelerated RSU programs granted in 2019/20 and 2020/21 have lapsed due to the highly ambitious financial targets not having been fulfilled. The Accelerated RSU program granted in 2021/22 is currently considered more likely not to vest. Therefore, no cost has been expensed to profit and loss regarding these remuneration programs in 2022/23.

The grant last year is in accordance with the company's Remuneration Policy. Besides the Executive Board, six other key management employees have been granted Accelerated restricted stock units in 2021/22 under the same terms as the terms for the Executive Board. No accelerated restricted stock units was granted in 2022/23. The total number of RSU's is covered by the treasury shares of RTX A/S.

Fair value of Accelerated RSUs, conditions:

	Accelerated RSUs granted in		
	2022/23	2021/22	2020/21
Vesting period	n/a	Feb 2022 - Jan 2025	Feb 2021 - Jan 2023
Price per share	n/a	174.4	201.0
Volatility	n/a	0.56	0.46
Expected dividend	n/a	0.69%	1.20%
Risk-free interest rate	n/a	-0.44%	-0.77%
Adjustment for likelihood of achievement (at award)	n/a	-34%	-77%
The expected maturity	n/a	3 years	2 years
Fair value (Black-Scholes) per RSU at award	n/a	72.33	34.45
Fair value (IFRS 2) per RSU at cost recognition if applicable	n/a	114.54	149.67

Number of Accelerated RSU's in the Group:

	Executive Board	Other key management	Other employees	Total
Granted in 2021/22	33,169	20,943	-	54,112
Granted in 2022/23	-	-	-	-
Granted as per September 30 2023	33,169	20,943	-	54,112
Regulations - ceased employments / lapsed 2022/23	-5,517	-2,420	-	-7,937
Outstanding as per September 30 2023	27,652	18,523	-	46,175

The below amounts have been expensed concerning share-based remuneration:

	Group		Parent	
Amounts in DKK '000	2022/23	2021/22	2022/23	2021/22
RSU programs	630	4,928	503	3,954
Accelerated RSU programs	-	-	-	-
Share-based remuneration posted as staff costs	630	4,928	503	3,954

2.5 Development costs

	Group		Parent	
Amounts in DKK '000	2022/23	2021/22	2022/23	2021/22
Research and development cost incurred before capitalization	33,177	30,568	33,177	30,568
Value of own work capitalized	-11,789	-12,401	-11,789	-12,401
Total amortization and impairment on own development projects	24,002	25,627	24,002	25,627
Development cost recognized in the profit and loss account	45,390	43,794	45,390	43,794
Research and development costs are recognized as follows:				
Other external expenses	6,028	1,849	6,028	1,849
Staff costs	27,149	28,719	27,149	28,719
Value of own work capitalized	-11,789	-12,401	-11,789	-12,401
Amortization on development projects	24,002	25,627	24,002	25,627
Total	45,390	43,794	45,390	43,794

Management comments

Total value of own work capitalized of DKK 13.5 million in 2022/23 according to the income statement includes own tangible assets of DKK 1.7 million.

2.6 Fees to auditors elected at the annual general meeting

	Group		Parent	
Amounts in DKK '000	2022/23	2021/22	2022/23	2021/22
Total fees to Deloitte can be specified as follows:				
Statutory audit	600	600	600	600
Other auditing and assurance services	764	205	661	100
Tax advisory services	4	48	4	48
Total	1,367	853	1,264	748

Management comments

Fee for services other than statutory audit of the financial statements provided by Deloitte to the RTX Group amounts to DKK 0.8 million in 2022/23 mainly consisting of fees related to advice on tax matters regarding taxable income, remuneration report, ESEF filing, and other general accounting advice.

2.7 Financial income and expenses

Accounting policies

These items comprise interest income and expenses, the interests on lease liabilities recognized in accordance with IFRS 16, fair value adjustments of investments in trading portfolio (current asset investments), foreign exchange gains and losses on receivables, liabilities and transactions in foreign currency, amortization premium/allowance on financial assets and liabilities as well as tax surcharge and repayment under the Danish Tax Prepayment Scheme.

Interest income and interest expenses are accrued based on the principal sum and the effective interest rate. Dividends from investments in other securities and equity investments are recognized when the right to the dividends has been finally obtained.

	Group		Parent	
Amounts in DKK '000	2022/23	2021/22	2022/23	2021/22
Financial income				
Exchange rate gain (net)	-	9,502	-	9,775
Dividends from subsidiaries	-	-	937	1,566
Fair value adjustments of investments (net)	849	-	849	-
Gain on hedging instruments (net)	1,094	-	1,094	-
Other financial income	1,897	3,978	1,889	3,978
Total financial income	3,840	13,480	4,769	15,319
Financial expenses				
Interest costs to subsidiaries	-	-	1,924	721
Exchange rate losses (net)	8,673	-	8,560	-
Fair value adjustments of investments in trading portfolio	-	9,884	-	9,884
Loss on hedging instruments (net)	-	3,793	-	3,793
Financing element, IFRS 16	2,448	2,387	2,311	2,190
Other financial costs	1,448	782	1,427	765
Total financial expenses	12,569	16,846	14,222	17,353

Management comments

Amount disclosed as dividends from subsidiaries covers recharge of RSU cost for subsidiaries' part of the programs.

2.8 Derivatives

Accounting policies

Derivatives are measured at fair value and recognized as other current receivables or other current liabilities, respectively.

Fair value changes of derivatives which are classified as and qualifies for recognition as cash flow hedges are recognized in other comprehensive income. When the hedged item is realized, accumulated gain or loss on the hedge transaction is transferred from other comprehensive income and recognized together with the hedged item.

Fair value changes of derivatives which are classified as and qualifies for fair value hedges are recognized in the income statement together with the changes in value of the hedged assets or liabilities.

Any derivatives that do not qualify as hedging are recognized as financial items in the income statement.

The Group uses standard forward contracts to partially or fully hedge expected net USD cash in flow.

Management comments

The Group uses commercial hedge transactions to hedge foreign currency exposure related to expected net USD in-flow against DKK. Hedging is carried out using standard forward contracts.

At 30 September 2023 open hedging contracts of USD 3.5 million (30 September 2022: USD 8.6 million) are recognized in other current liabilities at a negative fair value of DKK 0.8 million (2021/22: negative fair value of DKK 4.8 million). The 32 open contracts mature gradually over twelve months from the balance sheet date with 60%, 29% and 11% of the total amount hedged maturing in Q1, Q2 and Q3 of FY 2023/24 respectively.

2.9 Income taxes

Accounting policies

Tax for the year consisting of current tax for the year and changes in deferred tax, is recognized in the income statement by the portion attributable to the profit/loss for the year and classified directly as equity by the portion attributable to entries directly on equity.

The current tax payable or receivable is recognized in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax. When calculating the current tax for the year, the tax rates in effect at the balance sheet date are used.

Deferred tax is recognized applying the liability method on all temporary differences between the carrying amount and tax based value of assets and liabilities.

Deferred tax is calculated based on the planned use of each asset or the planned winding-up of each liability, respectively. Deferred tax is measured by using the tax rates and tax rules of the respective countries which are expected to apply when deferred tax is expected to be released as current tax.

Deferred tax assets, including the tax base of tax loss carry-forwards, are recognized in the balance sheet at their estimated realizable value, either as a set-off against deferred tax liabilities or as net tax assets for set-off in future positive taxable income. At each balance sheet date, it is reassessed whether sufficient taxable income is likely to occur in the future for the deferred tax asset to be used.

Management comments

The 2021/22 adjustment concerning previous years primarily relates to the temporarily increased tax deductibles for development costs according to the Danish tax code.

	Group		Parent	
Amounts in DKK '000	2022/23	2021/22	2022/23	2021/22
Tax on profit/loss for the year				
Current tax on profit/loss for the year	-10,450	-12,733	-9,803	-12,210
Change in deferred tax	-1,926	5,002	-2,105	5,014
Adjustment concerning previous years				
Current tax	-113	-883	-119	-398
Deferred tax	37	255	-	-254
Total	-12,452	-8,359	-12,027	-7,848
Reconciliation of the effective tax percentage				
Result before tax	59,167	42,275	55,178	40,314
Calculated tax at a tax percentage of 22.0%	-13,017	-9,301	-12,139	-8,869
Effect of different tax percentages for foreign companies	337	251	-	-
Tax value of not tax-deductible costs/taxable income	152	1,319	-7	1,673
Adjustment concerning previous years	76	-628	119	-652
	-12,452	-8,359	-12,027	-7,848
Effective tax percentage (%)	21,0%	19.8%	21,8%	19.5%

2.9 Income taxes (continued)

	Group		Parent	
Amounts in DKK '000	2022/23	2021/22	2022/23	2021/22
Tax paid/received during the year	3,400	724	2,481	-322
Income taxes, net				
Income taxes on 1 October, net	-11,049	402	-10,766	435
Current tax on profit/loss for the year	-10,450	-12,733	-9,803	-12,210
Tax paid during the year				
Current year	2,225	477	1,532	6
Previous years, net	1,636	-16	1,636	-327
Adjustment of current tax concerning previous years, net	-399	-883	-405	-398
Current tax of changes in equity	240	1,728	240	1,728
Exchange rate adjustments	18	-24	-	-
Income taxes at 30 September, net	-17,779	-11,049	-17,566	-10,766
Which can be specified as follows:				
Income tax payable	-17,779	-11,049	-17,566	-10,766
Total	-17,779	-11,049	-17,566	-10,766

	Group		Parent	
Amounts in DKK '000	2022/23	2021/22	2022/23	2021/22
Deferred Tax				
Deferred tax, net at 1 October	-1,196	-5,129	-3,347	-6,581
Adjustment of deferred tax concerning previous years	37	255	-	-254
Foreign exchange adjustment	-185	286	-	-
Change in deferred tax on profit/loss for the year	-1,933	5,002	-2,105	5,014
Change in deferred tax on equity for the year	-716	-1,610	-702	-1,526
Deferred tax, net at 30 September	-3,993	-1,196	-6,154	-3,347
Specification of deferred tax:				
Intangible assets	-10,356	-12,239	-10,356	-12,239
Plant, equipment and leasehold improvements	1,725	2,791	1,629	2,642
Inventories	914	2,032	914	2,032
Receivables	238	2,260	238	2,260
Non-current liabilities	1,813	1,655	903	802
Share-based remuneration	1,673	2,305	518	1,156
Total	-3,993	-1,196	-6,154	-3,347
Which can be specified as follows:				
Deferred tax assets	2,161	2,151	-	-
Deferred tax liability	-6,154	-3,347	-6,154	-3,347
Total	-3,993	-1,196	-6,154	-3,347

Section 3
Invested Capital

NOTES

3.1 Intangible assets

Accounting policies

Own completed development projects and projects in progress

Development projects financed by RTX are recognized as intangible assets to the extent that it is likely that the product will generate future financial benefits for the Group, and the development costs associated with each asset can be measured reliably.

Development projects are measured initially at cost. The cost of development projects comprises costs directly attributable to the development projects.

Completed development projects are amortized over the expected lifetime. The amortization period is usually three years. For development projects protected by intellectual property rights, the maximum amortization period is the remaining term of the rights.

Ongoing development projects recognized in the balance sheet are not amortized, but tested at least annually for impairment.

Software

Software are measured initially at cost and afterwards amortized over the expected lifetime. The amortization period is usually three years.

Goodwill

Goodwill arisen in relation to business combinations is recognized and measured initially as the difference between the cost of the acquisition and the fair value of the acquired assets, liabilities and contingent liabilities.

On recognition of goodwill the amount is allocated, at the time of acquisition, to the cash-generating units which are expected to obtain financial advantages from the acquisition. The determination of cash-generating units follows the management structure, internal financial management and financial reporting in the Group.

Goodwill is not amortized, but the carrying amount is tested for impairment at least once a year and more frequently if indications of impairment exist. If the carrying amount of an asset exceeds its recoverable amount, it is written down to its recoverable amount.

3.1 Intangible assets (continued)

The carrying amount of goodwill is allocated as follows to the respective cash-generating units:

	Group	
Amounts in DKK '000	2022/23	2021/22
Enterprise	7,797	7,797

As the cash generating activities of the business acquired with RTX Hong Kong Ltd. are integrated into the Enterprise segment, it has been determined that the carrying amount of goodwill is allocated to the Enterprise segment as the cash-generating unit.

The recoverable amounts for the individual cash-generating units to which the goodwill amounts have been allocated are calculated on the units' present value of expected cash flows.

Other intangible assets

Other intangible assets are regarded as having determinable useful lives over which the assets are amortized.

	Group				
Amounts in DKK '000	Own completed development projects	Own development projects in progress	Acquired license rights	Software	Goodwill
Cost at 1 October 2021	89,494	12,642	6,763	-	8,269
Internal additions	-	19,064	-	-	-
Transfer at completion	14,810	-14,810	-	-	-
Disposals	-	-	-3,165	-	-
Cost at 30 September 2022	104,304	16,896	3,598	-	8,269
Amortization and impairment at 1 October 2021	-39,943	-	-6,763	-	-472
Amortization for the year	-25,627	-	-	-	-
Reversal relating to disposals	-	-	3,165	-	-
Amortization and impairment at 30 September 2022	-65,570	-	-3,598	-	-472
Carrying amount at 30 September 2022	38,734	16,896	-	-	7,797
Cost at 1 October 2022	104,304	16,896	3,598	-	8,269
Internal additions	-	15,442	-	-	-
External additions	-	-	-	1,040	-
Transfer at completion	12,624	-12,624	-	-	-
Disposals	-		-	-	-
Cost at 30 September 2023	116,928	19,714	3,598	1,040	8,269
Amortization and impairment at 1 October 2022	-65,570	-	-3,598	-	-472
Amortization for the year	-24,002	-	-	-25	-
Reversal relating to disposals	-	-	-	-	-
Amortization and impairment at 30 September 2023	-89,572	-	-3,598	-25	-472
Carrying amount at 30 September 2023	27,356	19,714	-	1,015	7,797

Group and Parent figures are the same except for goodwill which only relates to Group.

3.1 Intangible assets (continued)

Uncertainties and estimates

For calculating the recoverable amount of the cash generating units and own development projects, Management's latest budgets and strategy plans for the coming three years are used. These are the inputs for estimating cash flows from the assets over their expected lifetime, and the cash flows are used in net present value calculations to determine the recoverable amount. Management estimates that changes that are likely to occur to the assumptions will not cause the financial value of goodwill or development projects to exceed the recoverable amount. Major uncertainties in this connection are associated with the determination of the discount rate and growth rates as well as expected changes in sales prices and production costs in the budget periods.

The determined discount rate reflects market evaluations of the time value of money, reflected in risk free interest and the specific risks connected to the individual cash-generating unit or own development project. The pre-tax discount rate used in the calculation of recoverable amount is 14.6% (in 2021/22: 13.5%).

The determined growth rates are based on approved budgets, internal strategy plans and forecast for the coming three years. Estimated changes in selling prices and production costs are based on historical experiences as well as expectations for future changes in the market. The prognoses are based on a specific business evaluation of the expected sales prices and production costs. The changes in sales prices and costs are individually assessed and are substantially similar to the ones used in the calculations in 2021/22.

Management comments

No impairment loss has been recognized in the income statement for 2022/23 (2021/22: no impairment loss). No impairments have been reversed in 2022/23 and in 2021/22.

3.2 Leases

Accounting policies

Right-of-use assets and lease liabilities arising from a lease contract are recognized at the lease commencement date. The right-of-use asset is initially measured at a cost equal to the corresponding lease liability adjusted for any initial direct costs and restoration costs. The lease liability is measured at the present value of the future lease payments discounted using an appropriate RTX incremental borrowing rate.

In determining the lease term, extension or termination options are included if exercise of the options are considered reasonably certain. Service components separable from leasing components are excluded from the lease liability. Low value leases and leases with a lease term of 12 months or less are not recognized as a right-of-use asset and lease liability, but expensed on a straight-line basis in profit or loss.

At subsequent measurement, the right-of-use assets are measured at cost less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The right-of-use assets are depreciated following a straight-line basis over the term of the lease contract. The lease liabilities are measured at amortized cost adjusted for any remeasurements or modifications to the contract.

3.2 Leases (continued)

	Group	
Amounts in DKK '000	Buildings	Other fixtures, tools and equipment
Cost at 1 October 2021	65,005	1,511
Foreign exchange adjustments	959	-
Disposals	-	-244
Additions	3,350	110
Cost at 30 September 2022	69,314	1,377
Depreciation and impairment at 1 October 2021	-8,387	-668
Foreign exchange adjustments	-88	-
Depreciation for the year	-6,933	-475
Reversal relating to disposals	-	244
Depreciation and impairment at 30 September 2022	-15,408	-899
Carrying amount at 30 September 2022	53,906	478
Cost at 1 October 2022	69,314	1,377
Foreign exchange adjustments	-392	-
Disposals	-	-292
Additions	4,369	882
Cost at 30 September 2023	73,291	1,967
Depreciation and impairment at 1 October 2022	-15,408	-899
Foreign exchange adjustments	-	-
Depreciation for the year	-7,567	-472
Reversal relating to disposals	-	243
Depreciation and impairment at 30 September 2023	-22,975	-1,128
Carrying amount at 30 September 2023	50,316	839

	Parent	
Amounts in DKK '000	Buildings	Other fixtures, tools and equipment
Cost at 1 October 2021	59,636	1,511
Disposals	-	-244
Additions	1,330	110
Cost at 30 September 2022	60,966	1,377
Depreciation and impairment at 1 October 2021	-7,887	-668
Reversal relating to disposals	-	244
Depreciation for the year	-4,403	-475
Depreciation and impairment at 30 September 2022	-12,290	-899
Carrying amount at 30 September 2022	48,676	478
Cost at 1 October 2022	60,966	1,377
Disposals	-	-292
Additions	4,369	882
Cost at 30 September 2023	65,335	1,967
Depreciation and impairment at 1 October 2022	-12,290	-899
Reversal relating to disposals	-	243
Depreciation for the year	-4.732	-472
Depreciation and impairment at 30 September 2023	-17,022	-1,128
Carrying amount at 30 September 2023	48,313	839

3.2 Leases (continued)

Uncertainties and estimates

In accounting for lease contracts, Management's assessments are applied in determining the lease term, the likely use of extension or termination options and the incremental borrowing rate.

Management comments

Right-of-use assets mainly relate to lease contracts on buildings. The additions for 2022/23 mainly relates to recalculation of lease of office buildings in Denmark (rent adjustment) and new lease contract regarding building in Hong Kong.

	Group		Parent	
Amounts in DKK '000	**2022/23**	**2021/22**	**2022/23**	**2021/22**
Expenses relating to short term leases	347	139	347	139
Expenses relating to leases of low-value assets	107	106	62	61
Financing element of lease liabilities	2,448	2,387	2,311	2,190
Total cash outflow on lease arrangements	10,270	8,047	6,850	6,321

3.3 Tangible assets

Accounting policies

Plant and equipment are measured at cost less accumulated depreciation and impairment losses. 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:

Plant and machinery	4 to 10 years
Other fixtures and fittings, tools and equipment, including IT equipment	3 to 7 years
Leasehold improvements	Lease period

Depreciation methods, useful lives and residual amounts are reassessed annually. Plant and equipment are written down to the lower of recoverable amount and carrying amount.

3.3 Tangible assets (continued)

	Group		
Amounts in DKK '000	Plant and machinery	Other fixtures, tools and equipment	Leasehold improvements
Cost at 1 October 2021	38,737	24,214	14,684
Foreign exchange adjustments	-	431	179
Additions	1,119	2,711	885
Internal additions	6,700	-	-
Disposals	-274	-138	-
Cost at 30 September 2022	46,282	27,218	15,748
Depreciation and impairment at 1 October 2021	-26,432	-20,057	-2,844
Foreign exchange adjustments	-	-408	-175
Depreciation for the year	-3,126	-2,305	-1,456
Reversal relating to disposals	-	127	-
Depreciation and impairment at 30 September 2022	-29,558	-22,643	-4,475
Carrying amount at 30 September 2022	16,724	4,575	11,273
Cost at 1 October 2022	46,282	27,218	15,748
Foreign exchange adjustments	-	-212	-89
Additions	5,153	1,994	900
Internal additions	2,189	-	-
Disposals	-12,832	-10,928	-
Cost at 30 September 2023	40,792	18,072	16,559
Depreciation and impairment at 1 October 2022	-29,558	-22,643	-4,475
Foreign exchange adjustments	-	183	89
Depreciation for the year	-3,781	-2,375	-1,508
Reversal relating to disposals	12,832	10,928	-
Depreciation and impairment at 30 September 2023	-20,507	-13,907	-5,894
Carrying amount at 30 September 2023	20,285	4,165	10,665

	Parent		
Amounts in DKK '000	Plant and machinery	Other fixtures, tools and equipment	Leasehold improvements
Cost at 1 October 2021	38,737	21,809	13,681
Additions	1,119	2,558	885
Internal additions	6,700	-	-
Disposals	-274	-138	-
Cost at 30 September 2022	46,282	24,229	14,566
Depreciation and impairment at 1 October 2021	-26,432	-17,780	-1,867
Depreciation for the year	-3,126	-2,199	-1,426
Reversal relating to disposals	-	127	-
Depreciation and impairment at 30 September 2022	-29,558	-19,852	-3,293
Carrying amount at 30 September 2022	16,724	4,377	11,273
Cost at 1 October 2022	46,282	24,229	14,566
Additions	5,153	1,803	900
Internal additions	2,189	-	-
Disposals	-12,832	-10,928	-
Cost at 30 September 2023	40,792	15,104	15,466
Depreciation and impairment at 1 October 2022	-29,558	-19,852	-3,293
Depreciation for the year	-3,781	-2,254	-1,508
Reversal relating to disposals	12,832	10,928	-
Depreciation and impairment at 30 September 2023	-20,507	-11,178	-4,801
Carrying amount at 30 September 2023	20,285	3,926	10,665

3.4 Investments in subsidiaries

Accounting policies

Investments in subsidiaries are measured at cost or a lower recoverable amount.

Amounts in DKK '000	Parent 2022/23	Parent 2021/22
Cost at 1 October	39,078	38,167
Additions	128	911
Cost at 30 September	39,206	39,078
Value adjustment at 1 October	-	-
Value adjustment at 30 September	-	-
Carrying amount at 30 September	39,206	39,078

Management comments

Additions to investment in subsidiaries are capital contributions due to Group RSU programs covering employees in the subsidiaries.

Investments in subsidiaries comprise the following entities at 30 September 2022:

Name and registered office	Nominal share capital	Owner-ship	Equity DKK '000	Profit for the year DKK '000
RTX America, Inc., USA	T.USD 500	100%	6,225	533
RTX Hong Kong Ltd., Hong Kong	T.HKD 23,325	100%	37,395	3,970
Total			43,620	4,503

Subsidiaries' addresses and time for establishment:
RTX America, Inc., San Diego, California, USA, established in March 2004.
RTX Hong Kong Ltd., Hong Kong, acquired in January 2006.

3.5 Deposits

Accounting policies

Deposits are measured at cost. Deposits are not depreciated.

	Group		Parent	
Amounts in DKK '000	2022/23	2021/22	2022/23	2021/22
Rent and other deposits				
Cost at 1 October	6,817	6,836	5,923	6,082
Exchange rate adjustments	-68	135	-	-
Additions for the year	12	282	2	102
Disposals for the year	-4	-436	-	-261
Cost at 30 September	6,757	6,817	5,925	5,923
Carrying amount at 30 September	6,757	6,817	5,925	5,923

Section 4 Working Capital

NOTES

4.1 Inventories

Accounting policies

Inventories are measured at cost using the FIFO method, or net realizable value if this is lower. The net realizable value of inventories is calculated as the estimated selling price less costs of completion and necessary sales costs.

	Group		Parent	
Amounts in DKK '000	2022/23	2021/22	2022/23	2021/22
Raw materials and consumables	90,863	63,530	90,863	63,530
Finished goods	11,304	38,964	11,304	38,964
Total inventories	102,167	102,494	102,167	102,494
Write-down of inventories for the year	-7,916	3,375	-7,916	3,375

4.2 Trade receivables

Accounting policies

Receivables comprise trade receivables, receivables from project contracts as well as other receivables. Receivables are financial assets with fixed or determinable payments which are not listed at an active market and which are not derivatives.

On initial recognition, receivables are measured at fair value and subsequently at amortized cost less allowance for receivables not expected recovered. Allowances for receivables not expected recovered are recognized in the income statement as other external expenses. The expected credit loss approach was applied for receivables other than trade receivables.

4.2 Trade receivables (continued)

RTX applies the simplified expected credit loss approach of IFRS 9 whereby an expected loss allowance is created upon initial recognition of a receivable. The loss model used for determining the expected loss allowance is based on historic information and consider forward looking inputs. In the loss model, receivables are grouped using credit risk characteristics like obtained credit insurance, customer bankruptcy etc. and days past due in determining the allowance. Subsequent to initial recognition, receivables are assessed individually in the event that specific indicators point to further allowance for bad debts or other situations were a receivable is not expected recovered.

	Group		Parent	
Amounts in DKK '000	2022/23	2021/22	2022/23	2021/22
Receivables, gross	169,698	198,710	169,698	198,710
Provision for expected losses	-1,355	-3,225	-1,355	-3,225
Carrying amount at 30 September	168,343	195,485	168,343	195,485
Provision for the year	-1,870	2,239	-1,870	2,239
Provisions account at 1 October	3,225	986	3,225	986
Losses recorded for the year	-	-	-	-
Reversed provisions	-2,699	-	-2,699	-
Provisions for expected losses for the year	829	2,239	829	2,239
Provisions account at 30 September	1,355	3,225	1,355	3,225

The Group and Parent company have no overdue trade receivables for which no write-down is recognized, with the exception of receivables where sufficient collateral have been attained.

Uncertainties and estimates

The Group's credit risks related to trade receivables are assessed on an ongoing basis.

It is RTX's experience that at times the credit risk is relatively high, as a substantial part of the outstanding amounts often can be related to a relatively small number of partners and customers.

Management comments

For sale on credit RTX makes use of credit evaluations, credit insurance and bank guarantees to secure the debts. On the date of the balance sheet, approximately 50% (2021/22: 46%) of the company's outstanding debts is secured through credit insurance.

In general, RTX has experienced limited risk of loss on accounts receivables. During the past 5 years only three cases resulted in a loss being recorded and for a total cost equal to less than 0.1% of revenue in the five-year period. Calculated provision for the expected credit loss showed an insignificant difference to already recorded provisions.

Bad debts provision for the year primarily relates to receivables due between 90 and 120 days. Please refer to note 5.6 for a list of the outstanding debts sorted by maturity. RTX is closely monitoring any effects from COVID-19 and the current macroeconomic uncertainty on customers' ability to pay, however only limited negative impact has been observed as of 30 September 2023.

4.3 Contract development projects in progress

Accounting policies

Contract development projects are measured at selling price of the work performed at the balance sheet date (percentage of completion) less on account invoicing.

The selling price is measured based on the percentage of completion on the balance sheet date and the total estimated revenue (total selling price at completion) from each development project. Usually, the percentage of completion is estimated as the ratio between the company's used resources compared to latest total estimate of required resources.

Project costs are recognized as expenses in the income statement when incurred.

If the outcome of a development project cannot be estimated reliably, the development project is measured at costs incurred to the extent these can be recovered.

When total project costs are likely to exceed total project income for a development project, the expected loss is immediately recognized as costs.

The individual development project in progress is recognized in the balance sheet under receivables or liabilities, depending on whether net value is a receivable or a liability.

	Group		Parent	
Amounts in DKK '000	2022/23	2021/22	2022/23	2021/22
Construction cost plus recognized profit to date	19,290	47,625	19,290	47,625
Invoiced on account	-18,288	-47,103	-18,288	-47,103
Contract development projects in progress, net	1,002	522	1,002	522
Which are recognized in the balance sheet as follows:				
Receivables	4,819	8,037	4,819	8,037
Current liabilities	-3,817	-7,515	-3,817	-7,515
Contract development projects in progress, net	1,002	522	1,002	522
Total sales value of uncompleted contracts	26,628	77,273	26,628	77,273
Sales value hereof of performed work recognized as income	-19,290	-47,625	-19,290	-47,625
Sales value of non-performed work	7,338	29,648	7,338	29,648
Sales value of non-performed work at the balance sheet date in % of total volume of orders, etc	28%	38%	28%	38%

Revenue recognized that was included in the contract liability balance at the beginning of 2022/23: DKK 1.2 million (2021/22: DKK 1.7 million).

The 28% share of total volume of orders that is non-performed at the balance sheet date is expected to be realized as revenue within 12 months from the balance sheet date.

4.4 Provisions

Accounting policies

Provisions are recognized when the Group has a legal or constructive obligation as a result of events in this or previous financial years, and repayment of the liability is likely to result in an outflow of the Group's financial resources.

Provisions are measured as the best estimate of costs expected for the obligation to be settled on the balance sheet date.

Warranty obligations comprise commitments to remedy defects and deficiencies on goods sold within the warranty period. The liabilities are based on historical experiences.

Provisions on dismissed employees are recognized at the date of the employee's dismissal and are measured as the amount of the salary paid to the employees without any demand for services in return.

	Group		Parent	
Amounts in DKK '000	**2022/23**	**2021/22**	**2022/23**	**2021/22**
Provision for warranty obligations				
Provisions at 1 October	3,161	2,880	3,161	2,880
Provisions made during the year	-1,772	1,856	-1,772	1,856
Provisions used during the year	2,716	-1,575	2,716	-1,575
Provisions at 30 September	4,105	3,161	4,105	3,161
Provisions for other obligations				
Provisions at 1 October	487	178	487	178
Provisions made during the year	547	487	547	487
Provisions used during the year	-1,034	-178	-1,034	-178
Provisions at 30 September	0	487	0	487
Total provisions at 30 September	4,105	3,648	4,105	3,648
Provisions are recognized in the balance sheet as follows:				
Current liabilities (less than 1 year)	2,716	1,793	2,716	1,793
Non-current liabilities (between 1 and 2 years)	1,389	1,855	1,389	1,855
Total	4,105	3,648	4,105	3,648

4.4 Provisions (continued)

Uncertainties and estimates

The warranty obligations are prepared based on previous years' experience. The expenses are expected to be paid in the period 1 October 2023 – 30 September 2025 (2021/22: 1 October 2022 – 30 September 2024).

Management comments

The warranty obligations concern estimated return obligations for any faulty products. The warranty period can be up to two years. Other obligations are primarily related to obligations for employees dismissed and disemployed.

4.5 Other payables

	Group		Parent	
Amounts in DKK '000	2022/23	2021/22	2022/23	2021/22
Wages and salaries, personal income taxes, social security costs, holiday pay, etc.	30,219	27,767	23,658	20,935
Holiday allowance, etc.	5,825	5,495	4,224	3,803
Other costs payable	2,236	5,091	1,811	4,673
Current liabilities	38,280	38,353	29,693	29,411
Holiday allowance	-	13,389	-	13,389
Other costs payable	724	-	724	-
Non-current liabilities	724	13,389	724	13,389
Total	39,004	51,742	30,417	42,800

Management comments

Carrying amount of due items concerning wages and salaries, personal income taxes, social security costs, holiday pay etc. and other expenses due etc. equals the fair value of the liabilities.

The holiday allowance obligations represent the Group's obligations to pay salary during holiday periods which the employees have earned the right to hold in subsequent financial years at the balance sheet date.

Section 5 Capital Structure and Financing

NOTES

5.1 Current asset investments

Accounting policies

The Group's portfolio of current asset investments is managed and evaluated on a fair value basis as reflected in the internal information provided to management. The portfolio is measured at fair value through profit and loss as required by IFRS 9 for a business model with these characteristics.

Current assets in the trading portfolio

The Group's available funds are invested via mutual funds in Danish bonds with a solid credit rating with low risk with the purpose to support environmental and social characteristics. RTX has engaged Danske Bank to provide active investment management of the Group's portfolio of securities.

5.1 Current asset investments (continued)

	Group		Parent	
Amounts in DKK '000	2022/23	2021/22	2022/23	2021/22
Cost at 1 October	34,701	102,680	34,701	102,680
Additions for the year	97	724	97	724
Disposals for the year	-	-68,703	-	-68,703
Cost at 30 September	34,798	34,701	34,798	34,701
Value adjustment at 1 October	-4,618	-1,728	-4,618	-1,728
Value adjustments for the year	849	-9,884	849	-9,884
Disposals for the year	-	6,994	-	6,994
Value adjustment at 30 September	-3,769	-4,618	-3,769	-4,618
Carrying amount at 30 September	31,029	30,083	31,029	30,083
The underlying bonds invested in via mutual funds have the below characteristics:				
Average expected maturity of (years)	4.4	4.3	4.4	4.3
Average effective rate of interest of	4.2%	3.8%	4.2%	3.8%
Bonds are expected to be redeemed within the following periods from the balance sheet date:				
Less than one year	4,034	1,805	4,034	1,805
Between one and three years	10,240	14,741	10,240	14,741
Between three and five years	4,965	1,504	4,965	1,504
After five years	11,790	12,033	11,790	12,033
Total	31,029	30,083	31,029	30,083

5.2 Share capital

The share capital of DKK 42,339,190 (2021/22: 42,339,190) consists of 8,467,838 (2021/22: 8,467,838) shares of DKK 5.

The Group holds 258,528 treasury shares at 30 September 2023 (284,924 shares at 30 September 2022).

There are no shares with special rights.

	Parent	
Amounts in DKK '000	2022/23	2021/22
Development in share capital:		
Share capital at 1 October	42,339	43,214
Annulment of treasury shares	-	-875
Share capital at 30 September	42,339	42,339
Number of shares at DKK 5 at 30 September	8,467,838	8,467,838

5.3 Treasury shares

Accounting policies

Acquisition and selling prices of treasury shares as well as dividends on these are recognized directly as equity under retained earnings.

	Parent			
Amounts in DKK '000	Nominal value	Number of shares at DKK 5	% of share capital	Trans-action price
2022/23				
Shareholding at 1 October 2022	1,425	284,924	3.4%	55,204
Disposal treasury shares	-132	-26,396	-0.3%	-4,962
Annulment of treasury shares	-	-	0.0%	-
Shareholding at 30 September 2023	**1,293**	**258,528**	**3.1%**	**50,242**
Fair value of shareholding at 30 September 2023, DKK '000		21,613		
2021/22				
Shareholding at 1 October 2021	2,515	502,906	5.8%	96,455
Disposal treasury shares	-215	-42,982	-0.5%	-7,121
Annulment of treasury shares	-875	-175,000	-2.0%	-34,130
Shareholding at 30 September 2022	**1,425**	**284,924**	**3.4%**	**55,204**
Fair value of shareholding at 30 September 2022, DKK '000		32,766		

5.4 Earnings per share

The calculation of earnings per share is based on the following:

	Group	
Amounts in DKK '000	2022/23	2021/22
1,000 shares		
Average number of shares	8,468	8,558
Average number of treasury shares	-268	-389
Average number of shares in circulation	8,200	8,169
Average diluted effect on outstanding RSU	-5	29
Average diluted number of shares	**8,195**	**8,198**
Profit/loss for the year in DKK '000	**46,715**	**33,916**
Earnings per share (DKK)	5,7	4.2
Diluted earnings per share (DKK)	5,7	4.1

5.5 Dividend

No dividends will be recommended for financial year 2022/23 (2021/22: no dividend). RTX did not pay dividends during 2022/23 (2021/22: No dividends paid).

Dividends for the shareholders in RTX have no tax related consequences to RTX A/S.

5.6 Financial risks and financial instruments

Categories of financial instruments

	Group		Parent	
Amounts in DKK '000	2022/23	2021/22	2022/23	2021/22
Trade receivables	168,343	195,485	168,343	195,485
Other receivables	13,990	17,648	12,928	16,361
Cash at bank and in hand	106,671	43,725	102,690	41,054
Total receivables and cash measured at amortized cost	289,004	256,858	283,961	252,900
Current asset investments	31,029	30,083	31,029	30,083
Financial assets at fair value through income statement	31,029	30,083	31,029	30,083
Lease liabilities	56,413	59,196	54,294	53,794
Payables to subsidiaries	-	-	44,553	45,909
Trade payables	57,599	80,517	57,307	80,034
Other payables	38,242	46,984	29,655	38,042
Financial liabilities measured at amortized cost	152,254	186,697	185,809	217,779
Financial instruments (hedging)	762	4,758	762	4,758
Financial liabilities at fair value through other comprehensive income	762	4,758	762	4,758

Management comments

Financial risk management policy

As a consequence of its operations, investments and financing, RTX is primarily exposed to changes in exchange rates and the level of interest. The Parent manages the Group's financial risks and coordinates the Group's cash management including financing and investment of surplus liquidity. The Group can use derivatives to some extent. It is the Group's policy not to conduct active speculation in financial risks, but only hedge future net cash flows

The Group's financial management is directed towards management and reduction of financial risks which is a direct consequence of the Group's operations, investments and financing. The objective is that the Group's financial management will contribute to increasing the predictability of the financial performance, including reducing the impact of foreign exchange rate fluctuations on the income statement.

Liquidity risks

The Group ensures sufficient cash resources through cash flow monitoring and control as well as through the Group's portfolio of current asset investments.

In order to reduce the risk on deposits, RTX only places deposits in banks with a high credit worthiness and investments in short-term bonds. Bank deposits carry a floating rate.

The liquidity reserve in the Group is composed as follows:

	Group		Parent	
Amounts in DKK '000	2022/23	2021/22	2022/23	2021/22
Current asset investments in the trading portfolio	31,029	30,083	31,029	30,083
Cash at bank and in hand	106,671	43,725	102,690	41,054
Total	137,700	73,808	133,719	71,137

5.6 Financial risks and financial instruments (continued)

The maturity dates on financial liabilities are specified below. Other than the carrying amounts, the specified amounts represent the amounts due including interests etc.

	Group				
Amounts in DKK '000	Carrying amount	Total cash flow, including interest	Within one year	Between one and five years	After five years
Lease liabilities	56,413	68,747	9,174	26,724	32,848
Trade payables	57,599	57,599	57,599	-	-
Other payables	39,004	39,004	38,280	724	-
Total	153,016	165,350	105,053	26,475	32,848

	Parent				
Amounts in DKK '000	Carrying amount	Total cash flow, including interest	Within one year	Between one and five years	After five years
Lease liabilities	54,294	66,599	7,026	26,724	32,848
Trade payables	57,307	57,307	57,307	-	-
Other payables	30,417	30,417	29,693	724	-
Total	142,018	154,323	94,026	27,448	32,848

Management comments

Credit risks

The Group's primary credit risk is related to trade receivables. The Group's credit risks are assessed on an ongoing basis concerning the trade receivables. By experience, a relatively large credit risk may occur from time to time as a large part of receivables often relates to a relatively small number of counterparties and customers.

The level of risk related to the trade receivables is highly correlated with the financial status of the debtor. RTX uses credit insurance to the extent possible to secure the outstanding amounts. RTX has two significant trade debtors responsible for 16% and 27% of total accounts receivables (2021/22: one single trade debtor responsible for 18%), for whom it has not been possible to obtain credit insurance. These debtors has been a close partner to RTX for a number of years and has a solid payment history which has until date not resulted in any losses.

Trade receivables not written down can be specified as follows:

	Group		Parent	
Amounts in DKK '000	2022/23	2021/22	2022/23	2021/22
Amounts not due	141,904	184,430	141,904	184,430
Amounts due with up to 30 days	23,045	7,204	23,045	7,204
Due between 30 and 60 days	1,191	1,693	1,191	1,693
Due between 60 and 90 days	705	-	705	-
Due between 90 and 120 days	1,498	931	1,498	931
Due with more than 120 days	-	1,227	-	1,227
Total	168,343	195,485	168,343	195,485

Approx. 50% (2021/22: 46%) of the company's receivables are secured by credit insurance on the balance sheet date. Provisions for loss on trade receivables are specified in note 4.2. Approx. 77% of amounts due at the balance sheet date have been collected during October and November 2023 (2021/22: 75%).

5.6 Financial risks and financial instruments (continued)

Management comments

Currency risks

The Group is exposed to exchange rate fluctuations as the individual Group entities make investments, conduct purchase and sales transactions and have receivables and payables in foreign currencies. The Group's revenue to customers outside Denmark has been more than 98% of total revenue over the past several years. Moreover, the majority of the Group's purchase of products etc. from sub-suppliers is paid in foreign currencies.

The Group can enter into commercial hedging transactions, to the extent considered appropriate, to lower any currency exposure. In 2022/23 the Group used commercial hedging transactions to lower the foreign currency risk of expected net USD in-flow against DKK.

The sensitivity – the hypothetical effect om result of the year (and on equity) before tax – for the various currencies are calculated as the net position multiplied by the expected change in currency exchange rates.

Specification of the Group's risks in foreign currencies:

							Sensitivity	
Amounts in DKK '000	Cash and current asset investments	Receivables	Liabilities	Hedging	Net position	Expected change in currency exchange rate	Hypothetical effect on result of the year before tax	Hypothetical effect before tax on equity
Group								
EUR	447	3,848	-125	-	4,170	1%	42	42
USD	102,908	175,756	-56,505	-24,637	197,522	10%	19,752	19,752
Other	1,031	-	-10,867	-	-9,836	5%	-492	-492
Total at 30 September 2023	104,386	179,604	-67,497	-24,637	191,856			
EUR	723	4,004	31	-	4,758	1%	48	48
USD	34,565	205,279	-82,040	-65,225	92,579	10%	9,258	9,258
Other	1,441	-	-14,289	-	-12,828	5%	-642	-642
Total at 30 September 2022	36,729	209,283	-96,298	-65,225	84,489			

Specification of the Parent's risks in foreign currencies:

Parent								
EUR	278	3,848	-125	-	4,001	1%	40	40
USD	100,120	175,756	-57,361	-24,637	193,878	10%	19,388	19,388
HKD	-	-	-42,801	-	-42,801	105	-4,280	-4,280
Other	6	-	-49	-	-43	55	-2	-2
Total at 30 September 2023	100,404	179,604	-100,336	-24,637	155,035			
EUR	554	4,004	31	-	4,589	1%	46	46
USD	33,495	205,279	-82,682	-65,225	90,867	10%	9,087	9,087
HKD	-	-	-44,015	-	-44,015	10%	-4,402	-4,402
Other	9	-	20	-	29	5%	1	1
Total at 30 September 2022	34,058	209,283	-126,646	-65,225	51,470			

5.6 Financial risks and financial instruments (continued)

Management comments

Interest rate risk
The Group is primarily exposed to interest rate risks through interest-bearing assets and liabilities. The overall objective of controlling the interest rate risk is to reduce the negative impacts of interest rate fluctuations on earnings and the balance sheet.

The Group is only directly exposed to interest rate risks on bank deposits and indirectly on excess liquidity invested in short term liquid bonds in DKK with a strong credit rating. Please refer to note 5.1 on current asset investments.

Uncertainties and estimates

Fluctuations in the interest rate level affect the Group's bond portfolios and bank deposits. An increase in the interest rate level of 1% point per annum compared to the interest rate level at the balance sheet date will expectedly have a positve impact of DKK 1.1 million (30 September 2022: positive impact of DKK 0.2 million) before tax on the Group's income statement and equity. The calculation is based on a) the Group's cash position multiplied by the increased interest rate assumed and b) the effect of the assumed interest rate increase on the fair value of the current asset investments as calculated by the Company's bank which manages the investment portfolio.

A decline in the interest rate level will expectedly have a larger positive impact on the income statement and equity.

Management comments

Capital structure
The Group's capital structure is characterized by a considerable equity share. The business conditions for RTX A/S are characterized by a high degree of uncertainty, which requires a substantial equity, among other things to implement large and long-term development projects at the Group's own expense, for instance in connection with the set-up of technology platforms or by cultivating new business areas and markets. RTX now targets a net liquidity position of DKK 80-100 million, according to the Capital Policy, revised August 2023

The Group's equity share amounted to 62.2% at the end of the financial year 2022/23 compared to 59.6% in 2021/22.

Management comments

Financial gearing
The Company's Board of Directors reviews the Group's capital structure in connection with the announcements of interim reports and annual reports. As part of these reviews, the Board of Directors reviews the Group's cost of capital and the risks related to the various types of capital.

The financial gearing in the Group, calculated as the ratio of interest-bearing net debt to equity, can be calculated at the balance sheet date as follows:

	Group					
Amounts in DKK '000	Beginning of year	Cash flow	Currency effects	Lease interests	Additions and disposals	End of year
Lease liabilities	59,196	-10,270	-212	2,448	5,251	56,413
Current asset investments in the trading portfolio	-30,083					-31,029
Cash at bank and in hand	-43,725					-106,671
Interest-bearing net debt	-14,612					-81,287
Equity	331,640					377,105
Financial gearing	-0.04					-0.22

Compliance with loan agreement terms
The Group has not neglected or been in breach of loan agreements in the financial year or the comparative year.

5.6 Financial risks and financial instruments (continued)

Fair value hierarchy for financial instruments

The below indicates the classification of the financial instruments divided in accordance with the fair value hierarchy:

- Listed prices in an active market for the same type of instrument (level 1)
- Listed prices in an active market for similar assets or liabilities or other valuation methods, where all significant input is based on observable market data (level 2)
- Valuation methods, where any significant input is not based on observable market data (level 3)

	Group			
Amounts in DKK '000	Level 1	Level 2	Level 3	Total
Financial instruments (hedging), liability	-	-762	-	-762
Bonds listed on the stock exchange, in the trading portfolio	31,029	-	-	31,029
Financial net assets at fair value at 30 September 2023	31,029	-762	-	30,267
Financial instruments (hedging), liability	-	-4,758	-	-4,758
Bonds listed on the stock exchange, in the trading portfolio	30,083	-	-	30,083
Financial net assets at fair value at 30 September 2022	30,083	-4,758	-	25,325

Financial hedging instruments comprise standard foreign exchange forward contracts. The calculation of fair value for these standard hedging instruments are made by the Company's bank with the USD/DKK spot vs. forward exchange rate as the main elements affecting the fair value of the contracts.

Section 6 Other Disclosure Requirements

NOTES

6.1 Contingent liabilities, collateral and contractual obligations

Accounting policies

Contingent liabilities

The Group has not incurred any guarantee commitments and has not undertaken any warranty and supply obligations other than the obligations and guarantees relating to the services and products developed by the Group.

In 2022/23, RTX A/S has not provided payment guarantees etc. which was also the case in 2021/22.

Contractual obligations

As part of the Group's business the usual customer and supplier agreements etc. have been concluded, letters of intent have been issued to cooperative partners, and moreover, agreements have been entered into on normal business terms.

6.2 Other items with no effects on cash flow

	Group		Parent	
Amounts in DKK '000	2022/23	2021/22	2022/23	2021/22
Change in write-down to net realizable value of current assets	-7,964	3,767	-7,964	3,767
Change in provisions	457	590	457	590
Share-based remuneration	688	4,866	560	3,955
Unrealized exchange rate adjustments etc.	-3,084	5,828	-95	454
Total	-9,903	15,051	-7,042	8,766

6.3 Related parties

Transactions between related parties

Related parties with significant interest in RTX include the company's Board of Directors, Executive Board and other key management as well as these persons' related nearest family members. In addition, related parties comprise Group entities. An overview of Group entities is disclosed in note 3.4.

Board of Directors and Executive Board

Management's remuneration and share-based remuneration are stated in note 2.4. Four members of the Board of Directors (the employee representatives) are employed in RTX A/S and for their employment they receive a salary equivalent to their position on market-based terms. In 2022/23 the amount totaled DKK 2.2 million (2021/22: DKK 2.3 million).

Subsidiaries

In 2022/23 trade etc. between RTX A/S and related parties amounted to DKK 57.1 million (2021/22: DKK 54.1 million). There have been no transactions between the subsidiaries in 2022/23.

6.3 Related parties (continued)

Transactions with subsidiaries have comprised the following:

	Subsidiaries	
Amounts in DKK '000	2022/23	2021/22
Purchase of services from subsidiaries	57,146	54,149
Received dividends from subsidiaries (recharge of RSU costs)	937	1,566
Interest costs for subsidiaries	1,924	721
Payables to subsidiaries	44,553	45,909

Transactions with subsidiaries are eliminated in the consolidated financial statements in accordance with the applied accounting policies.

In addition, intra-Group balances with subsidiaries comprise intra-Group loans as well as ordinary business balances regarding purchase and sale of services. Purchase and sale of services from related parties are made on net 30 days.

During the year no transactions were performed between RTX and the Board of Directors, Executive Board, other key management, large shareholders or other related parties, apart from payment of normal management remuneration as disclosed in note 2.4.

6.4 Events after the balance sheet date

No material events with effect for the annual report have occurred after the balance sheet date.

6.5 Accounting principles applied

Accounting policies

In addition to the descriptions in Notes 1.1 - 6.4, the accounting principles are as described below.

Income statement

Other external costs

Other external costs include costs for premises, marketing and sales, administration, loss of debtors, etc. Other external costs also include external costs of development for own financed projects that does not meet the criteria for capitalization.

Balance sheet

Impairment of tangible and intangible assets and capital shares in subsidiaries

The carrying values of tangible and intangible assets with definite life-time, as well as the Parent Company's capital shares in subsidiaries, are reviewed at the balance sheet date to determine whether there are indications of impairment. If there are indications of impairment, the recoverable value is estimated in order to establish the need for any write-down and the extent thereof. For ongoing development projects and goodwill, the recoverable value is estimated annually, regardless of whether there are indications of impairment.

If the individual assets do not generate cash flows independently of other assets, the recoverable amount is estimated for the smallest cash-generating unit to which the asset belongs.

The recoverable amount is the higher of an asset's fair value less sales costs and capital value. The recoverable amount is determined as the present value of the discounted future net cash flow from the activities goodwill relates to. In calculating the present value, the discount rate applied reflects a risk-free rate added an asset specific risk premium.

If the recoverable value is estimated to be less than the carrying amount, the recoverable amount is used. Impairment losses are recognized in the income statement.

On any subsequent reversal of impairments, the carrying value is increased to the adjusted estimate of the recoverable amount. However, this cannot exceed the carrying amount that the asset would have had in case of a non-impairment. Impairment of goodwill is not reversed.

Other financial liabilities

Other financial liabilities, including bank loans, trade payables and payables to public authorities, etc., are initially measured at fair value, corresponding to the proceeds received net of any transaction costs. Liabilities are subsequently measured at amortized cost using the effective interest method, whereby the difference between the proceeds and the nominal value is recognized as financial costs over the term of the loan.

Cash flow statement

The cash flow statement is prepared using the indirect method divided into operating, investing and financing activities and the impact of how these cash flows have affected the cash position for the year. Cash flows from operations are calculated as net operating profit adjusted for non-cash operating items and changes in working capital, less net financial income and expenses and the financial corporation tax.

Cash flows from investing activities include payments in connection with acquisition and divestment of companies and financial assets as well as acquisition, development, improvement and sale of intangible and tangible assets.

Cash flows from financing activities comprise changes in the Parent Company's share capital and related costs as well as the raising and repayment of loans, repayment of interest-bearing debt and lease liabilities, acquisition and disposal of treasury shares and payment of dividends.

Cash and cash equivalents comprise cash.

Ratio definitions and calculation formulae

Earnings per Share (EPS) and Diluted Earnings per Share (DEPS) are calculated in accordance with IAS 33.

The other ratios have been calculated in accordance with the latest version of "Recommendations & Financial Ratios" issued by the Danish Society of Financial Analysts, unless otherwise indicated.

Operating profit/loss [1]	Profit/loss before financial income and expenses	
Growth in net turnover [1] [2]	(Revenue in year n - revenue in year n - 1) * 100	Revenue in year n – 1
Profit margin [1]	Operating profit/loss * 100	Revenue
Return on invested capital (ROIC including goodwill) [1]	Operating profit/loss before amortization (EBITA) * 100	Average invested capital including goodwill
Return on equity	Profit/loss from ordinary activities after tax * 100	Average equity
Equity ratio [2]	Equity at year-end * 100	Total assets at year-end
Revenue per employee [2]	Revenue	Average number of full-time employees
Operating profit per employee [2]	Operating profit/loss	Average number of full-time employees
Earnings per share (EPS)	Profit/loss from ordinary activities after tax	Average number of shares in circulation each at a nominal value of DKK 5
Diluted earnings per share (DEPS)	Profit/loss from ordinary activities after tax	Average number of diluted shares each at a nominal value of DKK 5
Equity value per share [2]	Equity at year-end	Number of shares in circulation at year-end
Dividends per share	Total dividends paid	Average number of issued shares each at a nominal value of DKK 5

[1] Key ratios have been calculated on the basis of items comprising the Group's continuing operations.
[2] Not defined by the Danish Association of Financial Analysts.
Computation of earnings per share and diluted earnings per share is specified in note 5.4.

Statements

Management's Statement Independent Auditor's Report

Management's Statement

The Board of Directors and the Executive Board have today considered and approved the annual report of RTX A/S for the financial year 1 October 2022 - 30 September 2023.

The annual report is prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 30 September 2023 and of the results of their operations and cash flows for the financial year 1 October 2022 - 30 September 2023.

In our opinion, the annual report of RTX A/S for the financial year 1 October to 30 September with the file name RTX-2023-09-30-en.zip is prepared, in all material respects, in compliance with the ESEF Regulation.

In our opinion, the management commentary contains a fair review of the development of the Group's and the Parent's business and financial matters, the results for the year and of the Parent's financial position and the financial position as a whole of the entities included in the consolidated financial statements, together with a description of the most significant principal risks and elements of uncertainties facing the Group and the Parent.

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

Noerresundby, 30 November 2023

Executive Board

Peter Røpke
President and CEO

Mille Tram Lux
CFO

Board of Directors

Peter Thostrup
Chair of the Board

Jesper Mailind
Deputy Chair

Lars Christian Tofft

Henrik Schimmell

Ellen Andersen

Kurt Heick Rasmussen
Employee Representative

Camilla Munk
Employee Representative

Kevin Harritsø
Employee Representative

Independent Auditor's Report

To the shareholders of RTX A/S

Report on the consolidated financial statements and the parent financial statements

Opinion

We have audited the consolidated financial statements and the parent financial statements of RTX A/S for the financial year 01.10.2022 - 30.09.2023, which comprise the income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies, for the Group as well as for the Parent. The consolidated financial statements and the parent financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 30.09.2023, and of the results of their operations and cash flows for the financial year 01.10.2022 - 30.09.2023 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

Our opinion is consistent with our audit book comments issued to the Audit Committee and the Board of Directors.

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 financial statements" section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, we have not provided any prohibited non-audit services as referred to in Article 5(1) of Regulation (EU) No 537/2014.

After RTX A/S was listed on Nasdaq Copenhagen in June 2000, we were appointed auditors at the annual general meeting held on 26 February 2001. We have been reappointed annually by decision of the general meeting for a total contiguous engagement period of 23 years up to and including the financial year 2022/23.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements and the parent financial statements for the financial year 01.10.2022 - 30.09.2023. These matters were addressed in the context of our audit of the consolidated financial statements and the parent financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

RECOGNITION OF REVENUE

Recognition of revenue is complex due to the volume of transactions and the variety of revenue streams within the different segments.

We focused on this area due to the high value of transactions that occur close to year-end and the potential impact of the cut-off date of these transactions on the consolidated financial statements.

Therefore we consider this a key audit matter. For further information on revenue recognition refer to note 2.2 in the consolidated financial statements.

HOW THE MATTER WAS ADDRESSED IN OUR AUDIT
Based on our risk assessment we have assessed and tested the relevant internal controls for cut-off on revenue recognized.

In addition, we performed sample testing of revenue recognized around the balance sheet date and credit notes after the balance sheet date to test the cut-off, accuracy and completeness of revenue recognition for the year.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent 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 under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent 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 the management commentary.

Management's responsibilities for the consolidated financial statements and the parent financial statements

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

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Parent'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 consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Group or the Entity 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 financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 these parent financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent 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'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 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'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 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 Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and, where applicable, safeguards put in place and measures taken to eliminate threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements and the parent financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on compliance with the ESEF Regulation

As part of our audit of the consolidated financial statements and the parent financial statements of RTX A/S we performed procedures to express an opinion on whether the annual report for the financial year 01.10.2022- 30.09.2023, with the file name RTX-2023-09-30-en.zip, is prepared, in all material respects, in compliance with the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation), which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements including notes.

Management is responsible for preparing an annual report that complies with the ESEF Regulation. This responsibility includes:

- The preparing of the annual report in XHTML format;
- The selection and application of appropriate iXBRL tags, including extensions to the ESEF taxonomy and the anchoring thereof to elements in the taxonomy, for financial information required to be tagged using judgement where necessary;
- Ensuring consistency between iXBRL tagged data and the consolidated financial statements presented in human readable format; and
- For such internal control as Management determines necessary to enable the preparation of an annual report that is compliant with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance on whether the annual report is prepared, in all material respects, in compliance with the ESEF Regulation based on the evidence we have obtained, and to issue a report that includes our opinion. The nature, timing and extent of procedures selected depend on the auditor's judgement, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulation, whether due to fraud or error. The procedures include:

- Testing whether the annual report is prepared in XHTML format;
- Obtaining an understanding of the company's iXBRL tagging process and of internal control over the tagging process;
- Evaluating the completeness of the iXBRL tagging of the consolidated financial statements including notes;
- Evaluating the appropriateness of the company's use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements where no suitable element in the ESEF taxonomy has been identified;
- Evaluating the use of anchoring of extension elements to elements in the ESEF taxonomy; and
- Reconciling the iXBRL tagged data with the audited consolidated financial statements.

In our opinion, the annual report of RTX A/S for the financial year 01.10.2022 - 30.09.2023, with the file name RTX-2023-09-30-en.zip, is prepared, in all material respects, in compliance with the ESEF Regulation.

Aarhus, 30 November 2023

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Henrik Vedel	Jakob Olesen
State-Authorised	State-Authorised
Public Accountant	Public Accountant
MNE no mne10052	MNE no mne34492

We aim to strengthen our customers' competitiveness by delivering 'turn-key' customized solutions that make a difference in the market.

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