

Eurowater Holding A/S

Ved Vigen 28, 2400 København NV

CVR no. 27 06 91 50

Annual report

for the year 1 November 2022 - 31 October 2023

Approved at the Company's annual general meeting on 26 January 2024

Chair of the meeting:

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Eurowater Holding A/S for the financial year 1 November 2022 - 31 October 2023.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 October 2023 and of the results of the Company's operations for the financial year 1 November 2022 - 31 October 2023.

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

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

København, 26 January 2024
Executive Board:

.....
Kurt Hufnagl

Board of Directors:

.....
Kurt Hufnagl

.....
Torben Buhl

.....
Harto Kalevi Viiala

Independent auditor's report

To the shareholders of Euowater Holding A/S

Opinion

We have audited the financial statements of Euowater Holding A/S for the financial year 1 November 2022 - 31 October 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 October 2023 and of the results of the Company's operations for the financial year 1 November 2022 - 31 October 2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Aarhus, 26 January 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Jonas Busk
State Authorised Public Accountant
mne42771

Management's review

Company details

Name	Euowater Holding A/S
Address, Postal code, City	Ved Vigen 28, 2400 København NV
CVR no.	27 06 91 50
Established	5 March 2003
Registered office	København
Financial year	1 November 2022 - 31 October 2023
Board of Directors	Kurt Hufnagl Torben Buhl Harto Kalevi Viiala
Executive Board	Kurt Hufnagl
Auditors	EY Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark

Management commentary

Business review

The objective of Euowater Holding A/S is to invest in other companies as well as any related activities at the discretion of the Board of Directors.

Financial review

The income statement for 2022/23 shows a loss of DKK 40,470 thousand against a loss of DKK 326 thousand last year, and the balance sheet at 31 October 2023 shows equity of DKK 66,285 thousand.

The financial statement is impacted by the final calculation of the sales sum of the shares in Silhorko-Euowater A/S.

Reference is made to note 2 for more details.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 November 2022 - 31 October 2023

Income statement

Note	DKK'000	2022/23	2021/22
	Other external expenses	-189	-139
	Gross profit	-189	-139
	Income from investments in group enterprises	-41,631	0
3	Financial income	1,353	39
	Financial expenses	-3	-226
	Profit/loss for the year	-40,470	-326
	Recommended appropriation of profit/loss		
	Proposed dividend recognised under equity	51,800	0
	Extraordinary dividend distributed in the year	42,000	0
	Retained earnings/accumulated loss	-134,270	-326
		-40,470	-326

Financial statements 1 November 2022 - 31 October 2023

Balance sheet

Note	DKK'000	2022/23	2021/22
	ASSETS		
	Non-fixed assets		
	Receivables		
	Corporation tax receivable	370	0
	Other receivables	1,889	88,000
	Deferred income	0	40
		<u>2,259</u>	<u>88,040</u>
	Cash	64,090	60,766
	Total non-fixed assets	<u>66,349</u>	<u>148,806</u>
	TOTAL ASSETS	<u>66,349</u>	<u>148,806</u>
	EQUITY AND LIABILITIES		
	Equity		
4	Share capital	14,000	14,000
	Retained earnings	485	134,755
	Dividend proposed	51,800	0
	Total equity	<u>66,285</u>	<u>148,755</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	64	51
		<u>64</u>	<u>51</u>
	Total liabilities other than provisions	<u>64</u>	<u>51</u>
	TOTAL EQUITY AND LIABILITIES	<u>66,349</u>	<u>148,806</u>

- 1 Accounting policies
- 2 Special items
- 5 Contractual obligations and contingencies, etc.
- 6 Security and collateral

Financial statements 1 November 2022 - 31 October 2023

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Dividend proposed	Total
Equity at 1 November 2021	14,000	135,081	50,000	199,081
Transfer through appropriation of loss	0	-326	0	-326
Dividend distributed	0	0	-50,000	-50,000
Equity at 1 November 2022	14,000	134,755	0	148,755
Transfer through appropriation of loss	0	-92,270	51,800	-40,470
Extraordinary dividend distributed in the year	0	-42,000	0	-42,000
Equity at 31 October 2023	14,000	485	51,800	66,285

Financial statements 1 November 2022 - 31 October 2023

Notes to the financial statements

1 Accounting policies

The annual report of Eurowater Holding A/S for 2022/23 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

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

Income statement

Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to administration etc.

Profit/loss from investments in group entities

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

Gains and losses on disposal of subsidiaries are made up as the difference between the sales price and the carrying amount of net assets at the date of disposal. Gains or losses are recognised in the income statement as income/loss from investments in group enterprises.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Balance sheet

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables. Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Financial statements 1 November 2022 - 31 October 2023

Notes to the financial statements

1 Accounting policies (continued)

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Corporation tax and deferred tax

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Financial statements 1 November 2022 - 31 October 2023

Notes to the financial statements

2 Special items

In the financial year 2019/20 Eurowater Holding A/S entered into an agreement of selling 100 % of the shares in Silhorko-Eurowater A/S. Closing of the transaction was in line with the Share Purchase Agreement effectuated at 30 October 2020. In the financial year 2022/23 the final sales sum has been calculated.

DKK'000	<u>2022/23</u>	<u>2021/22</u>
Expenses		
Adjustment to earn-out receivable	-41,217	0
Adjustment to sales sum due to finalisation of tax effect of the transaction	334	0
Payment to non-controlling owners in the Silhorko-Eurowater Group	-748	0
	<u>-41,631</u>	<u>0</u>
Special items are recognised in the below items of the financial statements		
Income from investments in group enterprises	-41,631	0
Net profit/loss on special items	<u>-41,631</u>	<u>0</u>

3 Financial income

Other financial income	1,353	39
	<u>1,353</u>	<u>39</u>

4 Share capital

The Company's share capital has remained DKK 14,000 thousand in the past year.

5 Contractual obligations and contingencies, etc.

Other contingent liabilities

In the financial year 2019/20 Eurowater Holding A/S entered into an agreement of selling 100 % of the shares in Silhorko-Eurowater A/S. Closing of the transaction was in line with the Share Purchase Agreement effectuated at 30 October 2020.

The Share Purchase Agreement includes normal liabilities. The liabilities is not expected to cause any payments.

As management company, the Company was until 30 October 2020 jointly taxed with other Danish group entities in the Silhorko Eurowater A/S group and is jointly and severally with other jointly taxed group entities for payment of income taxes until 30 October 2020, as well as withholding taxes on interest.

6 Security and collateral

The Company has not provided any security or other collateral in assets at 31 October 2023.

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"By my signature I confirm all dates and content in this document."

KURT LUDWIG HUFNAGL

Client Signer

On behalf of: Eurowater Hodling A/S

Serial number: 84f53304-a037-4636-ae8b-6a5120885d9d

IP: 77.233.xxx.xxx

2024-01-26 08:23:14 UTC



Torben Buhl

Client Signer

On behalf of: Eurowater Hodling A/S

Serial number: 1a775fb1-dadf-4959-a5db-79162559e038

IP: 77.233.xxx.xxx

2024-01-26 09:30:43 UTC



HARTO VIIALA

Client Signer

On behalf of: Eurowater Hodling A/S

Serial number: fi_tupas:opbank:oPzbHby0abz_-

51ve39aUMMFyEqCnEcosYGz33INM8=

IP: 193.65.xxx.xxx

2024-01-26 14:57:54 UTC



Torben Buhl

Client Signer

On behalf of: Eurowater Hodling A/S

Serial number: 1a775fb1-dadf-4959-a5db-79162559e038

IP: 77.233.xxx.xxx

2024-01-27 08:31:45 UTC



Jonas Busk Tangsgaard

EY Godkendt Revisionspartnerselskab CVR: 30700228

EY Signer

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: c967be5a-15c6-4d3a-912f-bb032c82586e

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