

# Dant herm Group A/ S

Marienlystvej 65, 7800 Skive

CVR no. 30 53 79 39

## Annual report 2023

Approved at the Company's annual general meeting on 19 July 2024

Chair of the meeting:

.....  
Thomas Gjøl-Trønning

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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 Dantherm Group A/S for the financial year 1 January - 31 December 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 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 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.

Skive, 19 July 2024  
Executive Board:

.....  
Bjarke Brøns

Board of Directors:

.....  
Torben Duer  
Chairman

.....  
Bjarke Brøns

.....  
Jakob Bonde Jessen

.....  
Stefan Liedtke

## Independent auditor's report

### To the shareholders of Dantherm Group A/S

#### Opinion

We have audited the financial statements of Dantherm Group A/S for the financial year 1 January - 31 December 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 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 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.

## Independent auditor's report

- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the 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, 19 July 2024  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

Steen Skorstengaard  
State Authorised Public Accountant  
mne19709

Lone Nørgaard Eskildsen  
State Authorised Public Accountant  
mne32085

## Management's review

### Company details

Name	Dantherm Group A/S
Address, Postal code, City	Marienlystvej 65, 7800 Skive
CVR no.	30 53 79 39
Established	1 March 1900
Registered office	Skive kommune
Financial year	1 January - 31 December
Website	<a href="http://www.danthermgroup.com">www.danthermgroup.com</a>
Telephone	+45 96 14 37 00
Board of Directors	Torben Duer, Chairman Bjarke Brøns Jakob Bonde Jessen Stefan Liedtke
Executive Board	Bjarke Brøns
Auditors	EY Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark

## Management's review

### Business review

Dantherm is a leading provider of climate control products and solutions. The group companies have more than 60 years of experience in designing and manufacturing high-quality and energy-efficient solutions for heating, cooling, dehumidification and ventilation, and offers a wide product range of both mobile and installed products with many different applications covering a large number of market sectors. The Dantherm Group is headquartered in Skive, Denmark and has subsidiaries in Norway, Sweden, the United Kingdom, Germany, France, Switzerland, Italy, Spain, Poland, Russia and China.

### Financial review

Dantherm Group A/S is owned 100% by Dantherm Group Holding II A/S, which was established in 2021, when Dantherm was sold from the Swedish private equity fund Procuritas to the German private equity fund Deutsche Beteiligungs AG (DBAG).

Dantherm Group Holding II A/S is owned 100% by Dantherm Group Holding I ApS. A combined group result is presented at the level of Dantherm Group Holding I ApS.

There has been no new acquisitions done in 2022 and 2023 within Dantherm Group A/S-level.

The net profit for the year was DKK 68,4 m in 2023 against a net profit of DKK 61,1 m in 2022. The profit has been negatively impacted by non-recurring costs and integration costs of DKK 31,9 m and was negatively impacted in 2022 by DKK 21,8 m.

Management considers the result to be satisfactory, as the result for the year has been improved compared to 2022.

### Events after the balance sheet date

The debt structure is subject to general conditions as well as financial covenants that is tested quarterly. The company comply with all financial covenants for 2023 but failed the covenant test for Q1 and Q2 2024. This has been remediated by a waiver from the lenders and an equity cure guaranteed by the shareholders.

## Financial statements 1 January - 31 December

### Income statement

Note	DKK'000	2023	2022
	<b>Gross profit</b>	4,179	224
4	Staff costs	-1,542	-1,401
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-1,177	-701
	Other operating expenses	-3,902	-3,066
	<b>Profit/ loss before net financials</b>	-2,442	-4,944
	Income from investments in group enterprises	89,717	90,512
5	Financial income	16,383	9,575
6	Financial expenses	-37,696	-37,931
	<b>Profit before tax</b>	65,962	57,212
7	Tax for the year	2,472	3,868
	<b>Profit for the year</b>	68,434	61,080
	<b>Recommended appropriation of profit</b>		
	Proposed dividend recognised under equity	204,481	26,468
	Net revaluation reserve according to the equity method	89,566	77,916
	Other reserves	0	7,488
	Retained earnings/ accumulated loss	-225,613	-50,792
		68,434	61,080



## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK'000	2023	2022
	<b>ASSETS</b>		
	<b>Fixed assets</b>		
8	<b>Intangible assets</b>		
	Completed development projects	8,651	1,756
	Goodwill	1,229	1,229
	Development projects in progress and prepayments for intangible assets	19,197	7,844
		<u>29,077</u>	<u>10,829</u>
9	<b>Investments</b>		
	Investments in group enterprises	737,458	773,743
	Receivables from associates	213,289	184,041
		<u>950,747</u>	<u>957,784</u>
	<b>Total fixed assets</b>	<u>979,824</u>	<u>968,613</u>
	<b>Non-fixed assets</b>		
	<b>Receivables</b>		
	Receivables from group enterprises	10,934	13,973
10	Deferred tax assets	8,896	12,740
	Corporation tax receivable	0	4,140
	Joint taxation contribution receivable	9,018	2,702
	Other receivables	2,635	3,050
	Prepayments	0	425
		<u>31,483</u>	<u>37,030</u>
	<b>Cash</b>	<u>1,558</u>	<u>676</u>
	<b>Total non-fixed assets</b>	<u>33,041</u>	<u>37,706</u>
	<b>TOTAL ASSETS</b>	<u>1,012,865</u>	<u>1,006,319</u>

## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK'000	2023	2022
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
11	Share capital	1,000	1,000
	Net revaluation reserve according to the equity method	162,955	207,796
	Reserve for development costs	7,488	7,488
	Retained earnings	29,578	107,959
	Dividend proposed	204,481	26,468
	<b>Total equity</b>	<b>405,502</b>	<b>350,711</b>
	<b>Liabilities other than provisions</b>		
12	<b>Non-current liabilities other than provisions</b>		
	Other payables	0	3,804
		0	3,804
	<b>Current liabilities other than provisions</b>		
12	Short-term part of long-term liabilities other than provisions	3,813	0
	Trade payables	8,133	2,960
	Payables to group enterprises	594,142	647,057
	Other payables	1,275	1,787
		607,363	651,804
	<b>Total liabilities other than provisions</b>	<b>607,363</b>	<b>655,608</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,012,865</b>	<b>1,006,319</b>

- 1 Accounting policies
- 2 Events after the balance sheet date
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- 13 Contractual obligations and contingencies, etc.
- 14 Security and collateral
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## Financial statements 1 January - 31 December

### Statement of changes in equity

DKK'000	Share capital	Net revaluation reserve according to the equity method	Reserve for development costs	Retained earnings	Dividend proposed	Total
Equity at 1 January 2022	1,000	127,669	0	158,751	0	287,420
Transfer through appropriation of profit	0	77,916	7,488	-50,792	26,468	61,080
Adjustment of investments through foreign exchange adjustments	0	2,211	0	0	0	2,211
<b>Equity at 1 January 2023</b>	<b>1,000</b>	<b>207,796</b>	<b>7,488</b>	<b>107,959</b>	<b>26,468</b>	<b>350,711</b>
Transfer through appropriation of profit	0	89,566	0	-225,613	204,481	68,434
Adjustment of investments through foreign exchange adjustments	0	5,179	0	0	0	5,179
Other value adjustments of equity	0	7,646	0	0	0	7,646
Distributed dividend from group enterprises	0	-147,232	0	147,232	0	0
Dividend distributed	0	0	0	0	-26,468	-26,468
<b>Equity at 31 December 2023</b>	<b>1,000</b>	<b>162,955</b>	<b>7,488</b>	<b>29,578</b>	<b>204,481</b>	<b>405,502</b>

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Dantherm Group A/S for 2023 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.

In accordance with section 112(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements. The financial statements of Dantherm Group A/S are included in the consolidated financial statements of Dantherm Group Holding I ApS, Skive, Denmark, (reg. no. 42608335).

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

#### Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

#### External business combinations

Recently acquired entities are recognised in the consolidated financial statements from the date of acquisition. Entities sold or otherwise disposed of are recognised up to the date of disposal. Comparative figures are not restated to reflect newly acquired entities. Discontinued operations are presented separately, see below.

The date of acquisition is the date when the group actually obtains control of the acquiree.

The acquisition method is applied to the acquisition of new entities of which the group obtains control. The acquirees' identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax related to the revaluations is recognised.

Positive differences (goodwill) between, on the one hand, the consideration for the acquiree, the value of non-controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill under "Intangible assets". Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of the economic life of the asset.

Negative differences (negative goodwill) are recognised in the income statement at the date of acquisition.

Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a functional currency different from the presentation currency used in the consolidated financial statements are accounted for as assets and liabilities belonging to the foreign entity and are, on initial recognition, translated into the foreign entity's functional currency using the exchange rate at the transaction date.

The consideration paid for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the consideration is contingent on future events or compliance with agreed terms, such part of the consideration is recognised at fair value at the date of acquisition. Subsequent adjustments of contingent considerations are recognised in the income statement.

Expenses incurred to acquire entities are recognised in the income statement in the year in which they are incurred.

Where, at the date of acquisition, the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the consideration is associated with uncertainty, initial recognition will take place on the basis of provisional amounts. If it turns out subsequently that the identification or measurement of the consideration transferred, acquired assets, liabilities or contingent liabilities was incorrect on initial recognition, the statement will be adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Hereafter, any adjustments are recognised as misstatements.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

Gains or losses from disposal of group entities which result in loss of control are calculated as the difference between, on the one hand, the fair value of the selling price less selling expenses and, on the other hand, the carrying amount of net assets.

#### Intra-group business combinations

The book value method is applied to business combinations such as acquisition and disposal of investments, mergers, demergers, contributions of assets and share conversions, etc. in which entities controlled by the parent company are involved, provided that the combination is considered completed at the time of acquisition without any restatement of comparative figures. Differences between the agreed consideration and the carrying amount of the acquiree are recognised directly in equity.

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

#### *Foreign group entities*

Foreign group entities and associates are considered separate entities. Items in such entities' income statements are translated at an average exchange rate for the month, and balance sheet items are translated at closing rates. Foreign exchange differences arising on translation of the opening equity of foreign group entities to closing rates and on translation of the income statements from average exchange rates to closing rates are taken directly to equity.

### Income statement

#### Gross profit

The items revenue and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

#### Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

#### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

#### Amortisation

The item comprises amortisation of intangible assets.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

The basis of amortisation/depreciation, which is calculated as cost less any residual value, is amortised/depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Completed development projects	3-5 years
Goodwill	20 years

#### Other operating expenses

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

#### Profit/loss from investments in group entities

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In group entities, the full elimination of internal profit and loss is carried out without regard to ownership shares.

#### 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.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

#### Balance sheet

##### Intangible assets

Development costs comprise expenses, salaries and amortisation directly or indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are identifiable and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life.

Patents and licences are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight line basis over the remaining term of the patent, and licences are amortised over the term of the licence.

#### Investments in group entities

Equity investments in group entities are measured according to the equity method.

On initial recognition, equity investments in group entities are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in group entities measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Gains and losses on disposal of group entities and associates are made up as the difference between the sales price and the carrying amount of net assets at the date of disposal including non-amortised goodwill and anticipated costs of disposal. Gains or losses are recognised in the income statement as financial income or financial expenses.

#### Impairment of fixed assets

The carrying amount of intangible assets and investments in group entities is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

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

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

#### 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.

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.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

#### Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

#### Cash

Cash includes deposits in bank accounts as well as operating cash.

#### Equity

##### *Reserve for net revaluation according to the equity method*

The net revaluation reserve according to the equity method includes net revaluations of investments in group entities and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

##### *Reserve for development costs*

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

##### *Translation reserve*

The translation reserve comprises the share of foreign exchange differences arising on translation of financial statements of entities that have a functional currency other than DKK, foreign exchange adjustments of assets and liabilities considered part of the Company's net investments in such entities and foreign exchange adjustments regarding hedging transactions that hedge the Company's net investments in such entities. The reserve is dissolved on the sale of foreign entities or if the conditions for effective hedging no longer exist. When equity investments in group entities and associates in the parent company financial statements are subject to the limitation requirement in the net revaluation reserve according to the equity method, foreign exchange adjustments will be included in this equity reserve instead.

##### *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".

#### Income taxes

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.



## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

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.

#### Special items

Special items include significant income and expenses that are of a special nature in relation to the company's and the group's revenue-generating operating activities. Special items may include costs for large-scale process restructuring and fundamental structural adjustments, as well as any associated divestment gains and losses, which are significant over time. Special items also include other significant amounts of a one-off nature which, in the management's assessment, are not part of the company's and the group's primary operations and which are not assumed to be recurring.

#### 2 Events after the balance sheet date

The debt structure is subject to general conditions as well as financial covenants that is tested quarterly. The company comply with all financial covenants for 2023 but failed the covenant test for Q1 and Q2 2024. This has been remediated by a waiver from the lenders and an equity cure guaranteed by the shareholders.

#### 3 Special items

DKK'000	2023	2022
<b>Expenses</b>		
Integration cost	-3,487	-3,066
Acquisition costs	-415	0
	<u>-3,902</u>	<u>-3,066</u>

#### Special items are recognised in the below items of the financial statements

Other operating expenses	<u>-3,902</u>	<u>-3,066</u>
<b>Net loss on special items</b>	<u>-3,902</u>	<u>-3,066</u>

#### 4 Staff costs

Wages/salaries	1,326	1,387
Pensions	152	147
Other social security costs	33	16
Other staff costs	31	-149
	<u>1,542</u>	<u>1,401</u>

	2023	2022
Average number of full-time employees	<u>2</u>	<u>2</u>

Total remuneration to Management: t.DKK 5,695 (2022: t.DKK 3,704)

## Financial statements 1 January - 31 December

### Notes to the financial statements

<b>5 Financial income</b>				
Interest receivable, group entities			14,700	9,516
Other interest income			1,683	59
			<u>16,383</u>	<u>9,575</u>
<b>6 Financial expenses</b>				
Interest expenses, group entities			35,659	36,603
Other interest expenses			19	1,139
Other financial expenses			2,018	189
			<u>37,696</u>	<u>37,931</u>
<b>7 Tax for the year</b>				
Estimated tax charge for the year			-6,316	-2,702
Deferred tax adjustments in the year			3,844	-1,872
Tax adjustments, prior years			0	706
			<u>-2,472</u>	<u>-3,868</u>
<b>8 Intangible assets</b>				
			<b>Development projects in progress and prepayments for intangible assets</b>	
<b>DKK'000</b>	<b>Completed development projects</b>	<b>Goodwill</b>		<b>Total</b>
Cost at 1 January 2023	2,688	1,229	7,844	11,761
Additions	0	0	19,425	19,425
Transferred	8,072	0	-8,072	0
Cost at 31 December 2023	<u>10,760</u>	<u>1,229</u>	<u>19,197</u>	<u>31,186</u>
Impairment losses and amortisation at 1 January 2023	932	0	0	932
Amortisation for the year	<u>1,177</u>	<u>0</u>	<u>0</u>	<u>1,177</u>
Impairment losses and amortisation at 31 December 2023	<u>2,109</u>	<u>0</u>	<u>0</u>	<u>2,109</u>
<b>Carrying amount at 31 December 2023</b>	<u><u>8,651</u></u>	<u><u>1,229</u></u>	<u><u>19,197</u></u>	<u><u>29,077</u></u>

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 9 Investments

DKK'000	Investments in group enterprises	Receivables from associates	Total
Cost at 1 January 2023	565,947	184,041	749,988
Foreign exchange adjustments	-20	0	-20
Additions	8,576	71,377	79,953
Disposals	0	-42,129	-42,129
Cost at 31 December 2023	574,503	213,289	787,792
Value adjustments at 1 January 2023	207,796	0	207,796
Foreign exchange adjustments	5,027	0	5,027
Dividend received	-147,232	0	-147,232
Profit/loss for the year	89,718	0	89,718
Changes in equity	7,646	0	7,646
Value adjustments at 31 December 2023	162,955	0	162,955
<b>Carrying amount at 31 December 2023</b>	<b>737,458</b>	<b>213,289</b>	<b>950,747</b>

#### Group entities

Name	Legal form	Domicile	Interest
Dantherm Denmark A/S	A/S	Skive, Danmark	100.00%
Dantherm Group AS	AS	Norge	100.00%
Dantherm Group Limited	Ltd	Storbritanni en	100.00%
Dantherm GmbH	GmbH	Norderstedt, Tyskland	100.00%
Dantherm Group AB	AB	Norrköping, Sverige	100.00%
Dantherm Group S.p.A	S.p.A	Verona, Italien	100.00%
Dantherm Group SAS	SAS	Lyon, Frankrig	100.00%
Dantherm Group AG	AG	Baden, Schweiz	100.00%
Dantherm Group Desiccant AB	AB	Norrköping, Sverige	100.00%

#### 10 Deferred tax assets

As of 31 December 2023, the Company has recognised deferred tax assets totalling DKK 8.9 million. The deferred tax asset is composed of recoverable losses and unused tax deductions in the form of temporal differences.

Based on the budgets 2024-2028, management has assessed it likely that future taxable income will be available in which unused tax losses and unused tax deductions can be utilized.

#### 11 Share capital

Analysis of the share capital:

1,000 A shares of DKK 1,000.00 nominal value each	1,000	1,000
	1,000	1,000

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 12 Non-current liabilities other than provisions

DKK'000	Total debt at 31/12 2023	Short-term portion	Long-term portion	Outstanding debt after 5 years
Other payables	3,813	3,813	0	0
	3,813	3,813	0	0

#### 13 Contractual obligations and contingencies, etc.

The Company is jointly taxed with its parent, Dantherm Group Holding I ApS, which acts as management company, and other Danish group entities. The Company is jointly and severally with other jointly taxed group entities for payment of income taxes and withholding taxes falling due for payment in the group of jointly taxed entities.

##### Other financial obligations

Other rent and lease liabilities:

Rent and lease liabilities	300	20
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#### 14 Security and collateral

The company participate in as obligor in the Group's financing facility.

The Group has a total credit facility amounting to EUR 320 millions (DKK 2,385 million) as per December 31, 2023, whereas EUR 40 millions (DKK 298 million) are the credit facilities to finance the operations.

The credit facilities are subject to the following collaterals and pledges:

- ▶ Irrevocably and unconditional jointly and severally guarantee for any payments, however limited with the limitation under the Danish Company Act, section 206 to 212 regarding unlawful financial assistance.
- ▶ Granted security by all shares held in Dantherm Denmark A/S, Dantherm Group AG, Dantherm GmbH, Dantherm Group SAS, Dantherm Group S.P.A., Dantherm sp.z o.o., intercompany loans and bank accounts.
- ▶ Floating charge issued by Dantherm Denmark A/S amounting to 75 mio DKK. The total carrying amount of these assets is DKK 279 mio and can be specified as debtors with a carrying value at 31 December 2023 of DKK 35 million, inventories with a carrying value at 31 December 2023 of DKK 143 million, intangible assets with a carrying value at 31 December 2023 of DKK 32 million and tangible assets with a carrying value at 31 December 2023 of DKK 69 million.

The debt structure is subject to general conditions as well as financial covenants that is tested quarterly. The company comply with all financial covenants for 2023 but failed the covenant test for Q1 and Q2 2024. This has been remediated by a waiver from the lenders and an equity cure guaranteed by the shareholders.

The company has issued an unconditional jointly and severally guarantee for Dantherm Group Ltd.

Guarantee commitments consist of a guarantee provided in respect of third party commitments. The guarantee commitment is maximally tDKK 10.509.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 15 Related parties

##### Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
Dantherm Group Holding I ApS	Skive, Denmark	CVR no 42 60 83 35

##### Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

<u>Name</u>	<u>Domicile</u>
Polar Fox International SARL B 265902	Luxemborg

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<p><b>Jakob Bonde Jessen</b> <b>Board of Directors</b> On behalf of: Dantherm Group A/S Serial number: bb16fd54-94b7-491f-b169-a0d22bd51ab5 IP: 83.49.xxx.xxx 2024-07-19 15:46:17 UTC</p> <p>Mit  </p>	<p><b>Stefan Liedtke</b> <b>Board of Directors</b> On behalf of: Dantherm Group A/S Serial number: stefan.liedtke@danthermgroup.com IP: 5.146.xxx.xxx 2024-07-19 18:01:49 UTC</p> <p></p>
<p><b>Torben Duer</b> <b>Chairman of the Board</b> On behalf of: Dantherm Group A/S Serial number: 0e05fefc-0433-4ee2-9ab9-f4a108c8d3ad IP: 212.112.xxx.xxx 2024-07-20 05:37:16 UTC</p> <p>Mit  </p>	<p><b>Steen Skorstengaard</b> <b>EY Godkendt Revisionspartnerselskab CVR: 30700228</b> <b>State Authorised Public Accountant</b> On behalf of: EY Godkendt Revisionspartnerselskab Serial number: 46c3b475-55f1-4e18-bb1d-e4a1d2024657 IP: 194.239.xxx.xxx 2024-07-20 05:54:55 UTC</p> <p>Mit  </p>

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## Lone Nørgaard Eskildsen

EY Godkendt Revisionspartnerselskab CVR: 30700228

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: c716d8d8-6538-4f61-be2f-1f10c5cbb305

IP: 5.33.xxx.xxx

2024-07-20 06:36:10 UTC



## Thomas Korfix Gjøl-Trønning

Chairman

On behalf of: Dantherm Group A/S

Serial number: aa497ec6-bc65-499f-9ff1-4c14bebbcf9

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