
Romarine ApS

Herlev Hovedgade 205, DK-2730 Herlev

Annual Report for 2023

CVR No. 37 12 63 06

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 9/7 2024

Thomas Nielsen
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Romarine ApS 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 and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2023.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Executive Board

Thomas Nielsen
CEO

Board of Directors

Claus Henrik Christiansen
Chairman

Bente Juel Christiansen

Henrik Bernt Sanders

Independent Auditor's report

To the shareholders of Romarine ApS

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2023 and of the results of the Group's and the Parent Company's operations and of consolidated cash flows for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Romarine ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("the Financial Statements").

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 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.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

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

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of 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 Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's report

Auditor's responsibilities for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the 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.

Independent Auditor's report

Hellerup, 9 July 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jacob F Christiansen

State Authorised Public Accountant

mne18628

Kristian Højgaard Carlsen

State Authorised Public Accountant

mne44112

Company information

The Company

Romarine ApS
Herlev Hovedgade 205
2730 Herlev

CVR No: 37 12 63 06

Financial period: 1 January - 31 December

Incorporated: 20 September 2015

Financial year: 8th financial year

Municipality of reg. office: Herlev

Board of Directors

Claus Henrik Christiansen, chairman
Bente Juel Christiansen
Henrik Bernt Sanders

Executive Board

Thomas Nielsen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Group Chart

<u>Company</u>	<u>Residence</u>	<u>Ownership</u>
Romarine ApS	Herlev	
Nordic Bioscience Holding A/S	Herlev	73,928%
Nordic Bioscience A/S	Herlev	100%
KeyBioscience AG	Lugano, CH	100%
Symic OA ApS	Herlev	55,63%
Miramare ApS	Vedbæk	100%
Nordic Sporting Clay ApS	Frederiksberg	59%
Nordic Clays Inc.	Delaware, USA	100%

Financial Highlights

Seen over a 5-year period, the development of the Group is described by the following financial highlights:

	Group				
	2023	2022	2021	2020	2019
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Revenue	208,354	294,161	224,976	421,641	356,836
Gross profit	149,789	244,576	193,103	293,810	280,764
Profit/loss of primary operations	-27,673	44,774	56,941	143,338	123,525
Profit/loss of financial income and expenses	51,578	-316,553	117,408	-20,763	-9,671
Net profit/loss for the year	42,868	-225,683	440,375	753,375	70,817
Balance sheet					
Balance sheet total	1,400,859	1,348,505	1,538,335	1,108,781	570,263
Investment in property, plant and equipment	33,702	5,390	3,962	40,197	29,529
Equity	1,151,795	1,108,742	1,342,469	956,086	199,812
Equity excl. minority interests	1,140,576	1,094,267	1,327,407	931,732	146,914
Ratios					
Solvency ratio	82.2%	82.2%	87.3%	86.2%	35.0%
Net margin	20.6%	-76.7%	195.7%	178.7%	19.9%
Return on equity	3.8%	-18.4%	38.3%	130.4%	50.7%

The financial highlights from 2019 to 2020 have not been restated as a result of changes in accounting policies on the recognition of development projects and revenue in 2022.

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

Management's review

Key activities

The Parent's activities comprise shareholding in subsidiaries that carry out R&D services, diagnostics, and drug development within the pharmaceutical sector.

The R&D service business provides pre-clinical and clinical data analysis in the Nordic Bioscience CLIA/CAP certified lab.

The diagnostics business is based on the unique biomarkers of Nordic Bioscience.

The drug development business has strong drug candidates in both clinical and preclinical development.

Development in the year

The income statement of the Group for 2023 shows a profit of DKK 42,868,032, and at 31 December 2023 the balance sheet of the Group shows a positive equity of DKK 1,151,795,439.

The past year and follow-up on development expectations from last year

The profit/loss for the year is in line with the outlook expressed in the Annual Report for 2022.

Uncertainty relating to recognition and measurement

There has been no uncertainty regarding recognition and measurement in the Annual Report.

Unusual events

The financial position at 31 December 2023 of the Group and the results of the activities and cash flows of the Group for the financial year for 2023 have not been affected by any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

	Note	Group		Parent company	
		2023	2022	2023	2022
		DKK	DKK	DKK	DKK
Revenue		208,354,232	294,160,929	0	0
Production expenses	1	-58,565,119	-51,946,063	0	0
Gross profit		149,789,113	242,214,866	0	0
Development expenditure	1	-112,857,804	-120,526,675	0	0
Administrative expenses	1,2	-66,503,347	-79,275,983	-80,962	-91,982
Operating profit/loss		-29,572,038	42,412,208	-80,962	-91,982
Other operating income		1,899,265	2,361,336	0	0
Profit/loss before financial income and expenses		-27,672,773	44,773,544	-80,962	-91,982
Income from investments in subsidiaries		0	0	-3,187,764	3,189,114
Financial income	3	57,314,254	11,172,657	59,570,530	10,504,619
Financial expenses	4	-5,736,748	-327,725,551	-644,206	-315,247,584
Profit/loss before tax		23,904,733	-271,779,350	55,657,598	-301,645,833
Tax on profit/loss for the year	5	18,963,299	46,096,054	-16,269,281	62,551,786
Net profit/loss for the year	6	42,868,032	-225,683,296	39,388,317	-239,094,047

Balance sheet 31 December

Assets

	Note	Group		Parent company	
		2023	2022	2023	2022
		DKK	DKK	DKK	DKK
Completed development projects		7,972,730	6,791,668	0	0
Acquired patents		7,626,632	7,626,624	0	0
Acquired other similar rights		0	0	0	0
Goodwill		0	8,103,953	0	0
Development projects in progress		0	1,627,708	0	0
Intangible assets	7	15,599,362	24,149,953	0	0
Land and buildings		135,885,669	66,927,864	0	0
Other fixtures and fittings, tools and equipment		20,147,813	9,529,765	0	0
Property, plant and equipment	8	156,033,482	76,457,629	0	0
Investments in subsidiaries	9	0	0	63,918,304	49,740,141
Investments in associates	10	10,000,000	0	10,000,000	0
Receivables from group enterprises		0	0	14,457,974	14,005,180
Deposits		72,000	103,500	0	0
Other receivables		0	62,248,691	0	0
Fixed asset investments		10,072,000	62,352,191	88,376,278	63,745,321
Fixed assets		181,704,844	162,959,773	88,376,278	63,745,321
Raw materials and consumables		26,957,592	29,421,390	0	0
Inventories		26,957,592	29,421,390	0	0

Balance sheet 31 December

Assets

	Note	Group		Parent company	
		2023	2022	2023	2022
		DKK	DKK	DKK	DKK
Trade receivables		21,264,737	38,381,305	0	0
Contract work in progress		1,383,467	309,381	0	0
Receivables from group enterprises		41,811	0	42,444,492	0
Other receivables		13,335,880	4,996,363	7,903,652	3,279,319
Deferred tax asset	11	87,647,298	63,269,620	46,652,538	64,701,138
Corporation tax		11,062,349	9,627,642	0	0
Prepayments	12	1,515,180	485,396	0	0
Receivables		136,250,722	117,069,707	97,000,682	67,980,457
Current asset investments		964,431,092	972,761,267	964,431,092	972,761,267
Cash at bank and in hand		91,514,990	66,293,013	9,196,499	3,574,783
Current assets		1,219,154,396	1,185,545,377	1,070,628,273	1,044,316,507
Assets		1,400,859,240	1,348,505,150	1,159,004,551	1,108,061,828

Balance sheet 31 December

Liabilities and equity

	Note	Group		Parent company	
		2023	2022	2023	2022
		DKK	DKK	DKK	DKK
Share capital		2,167,035	2,167,035	2,167,035	2,167,035
Reserve for development costs		0	0	6,218,729	0
Retained earnings		1,138,408,486	1,092,100,429	1,132,189,757	1,092,100,429
Equity attributable to shareholders of the Parent Company		1,140,575,521	1,094,267,464	1,140,575,521	1,094,267,464
Minority interests		11,219,918	14,474,036	0	0
Equity		1,151,795,439	1,108,741,500	1,140,575,521	1,094,267,464
Mortgage loans		39,829,240	42,197,610	0	0
Deposits		164,346	164,346	0	0
Long-term debt	13	39,993,586	42,361,956	0	0
Mortgage loans	13	2,823,426	3,260,000	0	0
Credit institutions		27,927	0	0	0
Prepayments received from customers		145,948,097	72,840,760	0	0
Trade payables		10,439,381	18,949,353	0	0
Contract work in progress		3,248,095	2,845,266	0	0
Payables to group enterprises		397,945	64,645,552	0	0
Payables to owners and Management		12,770,874	13,726,510	12,770,874	13,726,510
Payables to group enterprises relating to corporation tax		0	0	5,600,156	0
Other payables		32,163,837	19,227,691	58,000	67,854
Deferred income	14	1,250,633	1,906,562	0	0
Short-term debt		209,070,215	197,401,694	18,429,030	13,794,364
Debt		249,063,801	239,763,650	18,429,030	13,794,364
Liabilities and equity		1,400,859,240	1,348,505,150	1,159,004,551	1,108,061,828

Balance sheet 31 December

Liabilities and equity

	Note	Group		Parent company	
		2023	2022	2023	2022
		DKK	DKK	DKK	DKK
Contingent assets, liabilities and other financial obligations	17				
Related parties	18				
Subsequent events	19				
Accounting Policies	20				

Statement of changes in equity

Group

	Share capital	Retained earnings	Equity excl. minority interests	Minority interests	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	2,167,035	1,092,100,429	1,094,267,464	14,474,036	1,108,741,500
Other equity movements	0	6,919,740	6,919,740	225,638	7,145,378
Net profit/loss for the year	0	39,388,317	39,388,317	-3,479,756	35,908,561
Equity at 31 December	2,167,035	1,138,408,486	1,140,575,521	11,219,918	1,151,795,439

Parent company

	Share capital	Reserve for development costs	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	2,167,035	0	1,092,100,429	1,094,267,464
Other equity movements	0	0	6,919,740	6,919,740
Development costs for the year	0	6,218,729	-6,218,729	0
Net profit/loss for the year	0	0	39,388,317	39,388,317
Equity at 31 December	2,167,035	6,218,729	1,132,189,757	1,140,575,521

Cash flow statement 1 January - 31 December

	Note	Group	
		2023	2022
		DKK	DKK
Result of the year		42,868,032	-225,683,296
Adjustments	15	-55,850,220	291,672,404
Change in working capital	16	17,987,343	29,518,013
Cash flow from operations before financial items		5,005,155	95,507,121
Financial income		56,933,010	11,172,657
Financial expenses		-5,096,546	-360,141,361
Cash flows from ordinary activities		56,841,619	-253,461,583
Corporation tax paid		51,979,186	-39,724,591
Cash flows from operating activities		108,820,805	-293,186,174
Purchase of intangible assets		-3,442,264	-15,844,961
Purchase of property, plant and equipment		-90,591,905	-5,151,350
Fixed asset investments made etc		-2,402,858	0
Cash flows from investing activities		-96,437,027	-20,996,311
Repayment of mortgage loans		-2,821,561	-3,124,031
Repayment of other long-term debt		0	164,346
Cash flows from financing activities		-2,821,561	-2,959,685
Change in cash and cash equivalents		9,562,217	-317,142,170
Cash and cash equivalents at 1 January		1,039,054,280	1,350,276,478
Exchange adjustment of current asset investments		7,329,585	5,919,972
Cash and cash equivalents at 31 December		1,055,946,082	1,039,054,280
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		91,514,990	66,293,013
Current asset investments		964,431,092	972,761,267
Cash and cash equivalents at 31 December		1,055,946,082	1,039,054,280

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
1. Staff				
Wages and salaries	97,468,557	96,020,749	0	0
Pensions	7,212,072	6,699,304	0	0
Other social security expenses	601,810	428,618	0	0
Other staff expenses	3,803,598	4,393,474	0	0
	109,086,037	107,542,145	0	0
Including remuneration to the Executive Board and Board of Directors	7,483,282	5,136,372	0	0
Average number of employees	188	172	0	0

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
2. Administrative expenses				
Amortisation of goodwill	11,723,136	32,415,810	0	0
Other expenses	54,780,211	46,860,173	80,962	91,982
	66,503,347	79,275,983	80,962	91,982

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
3. Financial income				
Interest received from group enterprises	0	0	2,770,049	0
Other financial income	56,938,010	11,172,657	56,800,481	10,504,619
Exchange adjustments	376,244	0	0	0
	57,314,254	11,172,657	59,570,530	10,504,619

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
4. Financial expenses				
Impairment losses on financial assets	644,202	1,305,835	644,202	0
Other financial expenses	5,092,546	318,589,236	4	315,247,584
Exchange adjustments, expenses	0	7,830,480	0	0
	5,736,748	327,725,551	644,206	315,247,584

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
5. Income tax expense				
Current tax for the year	-685,072	-1,223,295	0	0
Deferred tax for the year	-23,759,020	-46,964,273	18,048,600	-64,701,138
Adjustment of tax concerning previous years	5,480,793	2,091,514	-1,779,319	2,149,352
	-18,963,299	-46,096,054	16,269,281	-62,551,786

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
6. Profit allocation				
Minority interests' share of net profit/loss of subsidiaries	3,479,715	13,410,751	0	0
Retained earnings	39,388,317	-239,094,047	39,388,317	-239,094,047
	42,868,032	-225,683,296	39,388,317	-239,094,047

Notes to the Financial Statements

7. Intangible fixed assets Group

	Completed development projects	Acquired patents	Acquired other similar rights	Goodwill	Develop- ment projects in progress
	DKK	DKK	DKK	DKK	DKK
Cost at 1 January	12,498,018	82,362,871	74,334,846	162,079,051	93,430,045
Additions for the year	0	422,536	0	0	3,019,728
Transfers for the year	4,647,436	0	0	0	-4,647,436
Cost at 31 December	17,145,454	82,785,407	74,334,846	162,079,051	91,802,337
Impairment losses and amortisation at 1 January	4,078,642	74,736,247	74,334,846	153,975,098	91,802,337
Amortisation for the year	5,094,082	422,528	0	8,103,953	0
Impairment losses and amortisation at 31 December	9,172,724	75,158,775	74,334,846	162,079,051	91,802,337
Carrying amount at 31 December	7,972,730	7,626,632	0	0	0

Completed development projects and development projects in progress include the development of technology which automate various processes within the production of biomarkers. The development projects comprise both external consultancy fees and internal labor costs.

8. Property, plant and equipment Group

	Land and buildings	Other fixtures and fittings, tools and equipment
	DKK	DKK
Cost at 1 January	78,648,937	32,633,819
Net effect from merger and acquisition	56,889,962	0
Additions for the year	17,518,277	16,183,667
Disposals for the year	-251,248	-47,808
Cost at 31 December	152,805,928	48,769,678
Impairment losses and depreciation at 1 January	11,721,073	23,104,055
Net effect from merger and acquisition	3,158,092	0
Depreciation for the year	2,292,342	5,565,618
Impairment and depreciation of sold assets for the year	-251,248	-47,808
Impairment losses and depreciation at 31 December	16,920,259	28,621,865
Carrying amount at 31 December	135,885,669	20,147,813
Amortised over	50 years	3-7 years
Including assets under finance leases amounting to	0	3,325,000

Notes to the Financial Statements

	Parent company	
	2023	2022
	DKK	DKK
9. Investments in subsidiaries		
Cost at 1 January	700,170,414	608,558,248
Additions for the year	43,947,173	0
Transfers for the year	0	91,612,166
Cost at 31 December	744,117,587	700,170,414
Value adjustments at 1 January	-650,430,273	-480,388,705
Net effect from change of accounting policy	0	-44,889,923
Net profit/loss for the year	7,891,301	36,681,325
Dividend to the Parent Company	-32,856,938	-45,178,074
Other equity movements, net	0	2,494,820
Amortisation of goodwill	-11,723,136	-32,415,810
Other adjustments	6,919,763	5,954,661
Reversals for the year of revaluations in previous years	0	-1,076,401
Transfers for the year	0	-91,612,166
Value adjustments at 31 December	-680,199,283	-650,430,273
Carrying amount at 31 December	63,918,304	49,740,141

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership
Nordic Bioscience Holding A/S	Herlev	10,616,384	73,93%
Symic OA ApS	Herlev	404,248	55,63%
Miramare ApS	Vedbæk	700,000	100%

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
10. Investments in associates				
Cost at 1 January	0	0	0	0
Additions for the year	10,000,000	0	10,000,000	0
Cost at 31 December	10,000,000	0	10,000,000	0
Carrying amount at 31 December	10,000,000	0	10,000,000	0

Investments in associates are specified as follows:

Name	Place of registered office	Share capital	Ownership
Spora ApS	København K	47,619	16%

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
11. Deferred tax asset				
Deferred tax asset at 1 January	63,269,620	16,305,347	64,701,138	0
Deferred tax assets, previous year	618,658	0	0	0
Amounts recognised in the income statement for the year	23,759,020	46,964,273	-18,048,600	64,701,138
Deferred tax asset at 31 December	87,647,298	63,269,620	46,652,538	64,701,138

The recognised tax asset comprises of tax loss carry forward. The recognised tax asset is expected to be used within a 1-5 years.

12. Prepayments

Prepayments received from customers consist of payments received in connection with projects in progress and future projects.

Notes to the Financial Statements

Group		Parent company	
2023	2022	2023	2022
DKK	DKK	DKK	DKK

13. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Mortgage loans

After 5 years	28,535,534	0	0	0
Between 1 and 5 years	11,293,706	42,197,610	0	0
Long-term part	39,829,240	42,197,610	0	0
Within 1 year	2,823,426	3,260,000	0	0
	42,652,666	45,457,610	0	0

Deposits

After 5 years	0	0	0	0
Between 1 and 5 years	164,346	164,346	0	0
Long-term part	164,346	164,346	0	0
Within 1 year	0	0	0	0
	164,346	164,346	0	0

14. Deferred income

Deferred income consists of payments received in respect of income in subsequent years.

Group	
2023	2022
DKK	DKK

15. Cash flow statement - Adjustments

Financial income	-57,314,254	-11,172,657
Financial expenses	5,736,748	327,725,551
Depreciation, amortisation and impairment losses, including losses and gains on sales	16,532,662	21,215,564
Tax on profit/loss for the year	-18,963,299	-46,096,054
Other adjustments	-1,842,077	0
	-55,850,220	291,672,404

Notes to the Financial Statements

	Group	
	2023	2022
	DKK	DKK
16. Cash flow statement - Change in working capital		
Change in inventories	2,463,798	-21,806,367
Change in receivables	10,702,650	61,233,962
Change in trade payables, etc	4,820,895	-1,171,551
Other changes in working capital	0	-8,738,031
	17,987,343	29,518,013

17. Contingent assets, liabilities and other financial obligations

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable by the Group amounts to DKK 0. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Group's liability.

18. Related parties

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

No such transactions were carried out in the financial year.

19. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Notes to the Financial Statements

20. Accounting policies

The Annual Report of Romarine ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2023 are presented in DKK.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, Romarine ApS, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Minority interests

Minority interests form part of the Group's total equity. Upon distribution of net profit, net profit is broken down on the share attributable to minority interests and the share attributable to the shareholders of the Parent Company. Minority interests are recognised on the basis of a remeasurement of acquired assets and liabilities to fair value at the time of acquisition of subsidiaries.

Minority interests are recognised at the carrying amounts of the acquired assets and liabilities at the time of acquisition of subsidiaries.

Minority interests are initially measured at their proportionate share of the fair value of the acquired entity's identifiable net assets. In this way, only goodwill related to the Parent Company's share of the entity acquired is recognised.

On subsequent changes to minority interests where the Group retains control of the subsidiary, the consideration is recognised directly in equity.

Notes to the Financial Statements

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

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

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or write-down. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary.

Income statement

Revenue

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

Contract work in progress consists of EU-projects which are included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage of completion method).

Production expenses

Production expenses comprise costs incurred to achieve revenue for the year. Cost comprises raw materials, consumables, direct labour costs and indirect production costs such as maintenance and depreciation, etc, as well as operation, administration and management of factories.

Development expenditure

Development expenditure comprises costs in the form of salaries to staff in the development department as well as depreciation, etc.

Administrative expenses

Administrative expenses comprise expenses incurred for the Entity's administrative functions, including wages and salaries for administrative staff and Management, stationery and office supplies, and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment used for administration of the Entity.

Administrative expenses also include amortisation of goodwill to the extent that goodwill relates to administrative activities.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Group, including gains and losses on the sale of intangible assets and property, plant and equipment.

Notes to the Financial Statements

Income from investments in subsidiaries and associates

The items “Income from investments in subsidiaries” and “Income from investments in associates” in the income statement include the proportionate share of the profit for the year.

Other financial income

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

Other financial expenses

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

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year

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

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

Notes to the Financial Statements

Balance sheet

Intangible fixed assets

Goodwill

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For one amount of goodwill, it has not been possible to estimate useful life reliably, for which reason such useful life has been set at 10 years. For other amounts of goodwill, useful life has been determined based on an assessment of whether the enterprise are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 5 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Development projects

Intellectual property rights etc comprise development projects completed and in progress.

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

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

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 3 years.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised on a straight-line basis over the term of the agreement, but over no more than 20 years. The amortisation of patents and licences begins after regulatory approval has been obtained.

Other intangible fixed assets

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

Property, plant and equipment

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

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

Interest expenses on loans for the financing of the manufacture of property, plant and equipment are included in cost if they relate to the manufacturing period. All other finance costs are recognised in the income statement.

Notes to the Financial Statements

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:

Buildings	50 years
Other fixtures and fittings, tools and equipment	3-7 years

Estimated useful lives and residual values are reassessed annually.

The fixed assets' residual values are determined at nil.

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

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Goodwill, head office buildings and other assets for which a separate value in use cannot be determined as the asset does not on an individual basis generate future cash flows are reviewed for impairment together with the group of assets to which they are attributable.

Investments in subsidiaries and associates

Investments in group enterprises and associates are recognised and measured in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value.

Group enterprises and associates with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to reserve for net revaluation according to the equity method in equity.

Investments in group enterprises and associates are written down to the lower of recoverable amount and carrying amount.

Other fixed asset investments

Other fixed asset investments consist of Receivables from group enterprises, Deposits and other receivables regarding deferred tax assets.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Notes to the Financial Statements

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Contract work in progress

Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a contract in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet under receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts as well as finance costs are recognised in the income statement as incurred.

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Current Asset Investments

Current Asset Investments, which consist of listed bonds and shares, are measured at their fair values at the balance sheet date. Fair value is determined on the basis of the latest quoted market price.

Deferred tax assets and liabilities

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset or the planned settlement of each liability.

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

Tax payable or receivable

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

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Notes to the Financial Statements

Financial liabilities

Loans, such as mortgage loans and loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.

Cash Flow Statement

The cash flow statement shows the Group's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand" and "Current asset investments". "Current asset investments" consist of short-term securities with an insignificant risk of value changes that can readily be turned into cash.

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

Solvency ratio	$\text{Equity at year end} \times 100 / \text{Total assets at year end}$
Net margin	$\text{Profit/loss for the year} \times 100 / \text{Revenue}$
Return on equity	$\text{Net profit for the year} \times 100 / \text{Average equity}$