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GPP InvestCo ApS

Ehlersvej 11, 2900 Hellerup

Company reg. no. 39 40 30 80

Annual report

1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 25 June 2024.

Hans Morten Bligaard
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the executive board has presented the annual report of GPP InvestCo ApS for the financial year 1 January - 31 December 2023.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies appropriate and, in our opinion, the consolidated financial statements and the financial statements provide a fair presentation of the assets, equity and liabilities, and the financial position, consolidated and for the company, respectively, at 31 December 2023, and of the result of the activities, consolidated and of the company, respectively, during the financial year 1 January – 31 December 2023.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved at the Annual General Meeting.

Hellerup, 25 June 2024

Executive board

Hans Morten Bligaard

Hiten Ramniklal Shah

Independent auditor's report

To the Shareholder of GPP InvestCo ApS

Opinion

We have audited the consolidated financial statements and the parent company financial statements of GPP InvestCo ApS for the financial year 1 January to 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes for both the Group the Parent Company, as well as consolidated statement of cash flows. The consolidated financial statements and the parent company financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2023, and of the results of the Group and the Company's operations as well as the consolidated cash flows 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 Consolidated Financial Statements and the Parent Company Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (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.

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

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

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

Independent auditor's report

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

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

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

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

Independent auditor's report

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

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the consolidated financial statements and the parent company 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 consolidated financial statements and the parent company financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the consolidated financial statements and the parent company financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that 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 Management's Review.

Copenhagen, 25 June 2024

Grant Thornton

Certified Public Accountants
Company reg. no. 34 20 99 36

Jacob Helly Juell-Hansen

State Authorised Public Accountant
mne36169

Company information

The company

GPP InvestCo ApS
Ehlersvej 11
2900 Hellerup

Company reg. no. 39 40 30 80
Established: 9 March 2018
Domicile: Hellerup
Financial year: 1 January 2023 - 31 December 2023

Executive board

Hans Morten Bligaard
Hiten Ramniklal Shah

Auditors

Grant Thornton, Godkendt Revisionspartnerselskab
Stockholmsgade 45
2100 København Ø

Consolidated financial highlights

DKK in thousands.	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Income statement:					
Profit from operating activities	18.754	21.990	8.688	4.282	6.431
Net financials	-2.943	-1.468	-5.145	15.609	-3.988
Net profit or loss	12.659	16.558	2.542	16.580	742
Statement of financial position:					
Balance sheet sum	136.281	165.119	163.328	182.217	181.997
Equity	44.031	42.407	26.487	44.307	25.593
Cash flows:					
Operating activities	12.442	9.925	13.656	33.538	10.165
Investing activities	-8.149	-6.854	-766	-4.910	-10.391
Financing activities	-4.328	-16.660	-34.231	-4.813	2.708
Total cash flows	-35	-13.589	-21.341	23.815	2.482
Employees:					
Average number of full-time employees	197	187	177	175	191
Key figures in %:					
Acid test ratio	115,4	109,4	104,8	188,4	195,7
Equity share	32,3	25,7	16,2	24,3	14,1
Return on equity	29,6	48,1	7,2	47,4	2,9

Calculations of key figures and ratios do, in all material respects, follow the recommendations of the Danish Association of Finance Analysts, only in a few respects deviating from the recommendations.

The key figures and ratios shown in the statement of financial highlights have been calculated as follows:

Acid test ratio
$$\frac{\text{Current assets} \times 100}{\text{Short term liabilities other than provisions}}$$

Solvency ratio
$$\frac{\text{Equity, closing balance} \times 100}{\text{Total assets, closing balance}}$$

Return on equity
$$\frac{\text{Net profit or loss for the year} \times 100}{\text{Average equity}}$$

Management's review

The principal activities of the group

The purpose of the company is to own controlling interests in other non-financial corporations and other related companies.

Concerning the group business consists of two divisions:

- INDUSTRY - system solutions for pneumatic conveying and handling of process material in the plastic, paper and packaging industries
- GRAIN - grain handling equipment

GPP InvestCo ApS is owned by Green Park Partners, a UK based principal investment firm, who acquired the business in 2018. GPP InvestCo ApS was incorporated in March 2018 and made operational as per 1st June 2018.

Development in activities and financial matters

The gross profit for the group for the year totals TDKK 146.126 against TDKK 142.926 last year.

The year 2023 was a mix of post-pandemic recovery and at the same time volatility affected by continued geopolitical tensions. Inflation and commodity prices began to normalize after peak levels in 2022 and global supply chain returned to normal operations. However, continued high interest and sluggish growth in many of our key markets led to a challenging market situation with lower market demand.

Kongsild Industries announced in 2023 the acquisition of Matho Konstruktion & Maschinenbau, a prominent German manufacturer specializing in industrial pneumatic conveying. The acquisition marks an important milestone in the company's growth strategy and commitment to providing innovative and sustainable solutions for industrial applications. With this strategic move, the group strengthens its position as a key player in the industrial pneumatic conveying market.

Expected developments

The challenging business environment has continued in 2024, recovery is at slower pace than anticipated. Interest rates are expected to decrease in the second half of 2024 paving the way for higher growth and demand. However, the geopolitical situation continues to be unpredictable and uncertainty remains high. The management expects the business to have a moderate expansion in 2024 and forecasts a stable financial position of the company for 2024.

Events occurring after the end of the financial year

The year 2024 has started with activity and sales according to plan. Interest rates remains at a high level and businesses are cautious. The group continues to focus on working capital to ensure ongoing investments and a secure financial base.

Accounting policies

The annual report for GPP InvestCo ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (medium sized enterprises).

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Change in accounting estimates

To better reflect the expected liability in relation to warranties, management has made an updated assessment based on incurred warranty costs for 2018 – Q1 2024.

The new estimate makes a fairer presentation of the expected warranty liability related to products sold.

This change in accounting estimates, has had the following impact on the fiscal year 2023:

Gross profit + 5.223 TDKK

Tax on net profit or loss for the year - 1.149 TDKK

Net profit for the year + 4.074

Equity + 4.074 TDKK

Balance sheet – 0 TDKK

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Group enterprises abroad, associates, and equity investments are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve in the Consolidated Financial Statement. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity.

Accounting policies

When recognising foreign group enterprises which are integral units, the monetary items are translated using the closing rate. Non-monetary items are translated using the exchange rate prevailing at the time of acquisition or at the time of the subsequent revaluation or write-down for impairment of the asset. Income statement items are translated using the exchange rate prevailing at the date of the transaction. However, items in the income statement derived from non-monetary items are translated using historical prices.

The consolidated financial statements

The consolidated income statements comprise the parent company GPP InvestCo ApS and those group enterprises of which GPP InvestCo ApS directly or indirectly owns more than 50 % of the voting rights or in other ways exercise control.

Consolidation policies

The consolidated financial statements have been prepared as a summary of the parent company's and the group enterprises' financial statements by adding together uniform accounting records calculated in accordance with the group's accounting policies.

Investments in group enterprises are eliminated by the proportionate share of the group enterprises' fair value of net assets and liabilities at the acquisition date.

Income statement

Gross profit

Gross profit comprises revenue, production costs, and other operating income.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Production costs include the manufacturing and procurement costs incurred to achieve the revenue for the year. Direct and indirect manufacturing costs are recognized, including costs for raw materials and consumables, wages and salaries, energy consumption, maintenance, leasing and depreciation on production facilities, with adjustments for changes in finished goods inventories and work in progress.

Furthermore, production costs comprise research costs, development costs which do not meet the criteria for capitalisation, and amortisation of capitalised development costs.

Distribution costs

Distribution costs comprise costs incurred for the distribution of goods sold during the year and for sales campaigns carried out during the year. Also, costs concerning sales staff, advertising and exhibitions costs, and amortisations.

Accounting policies

Administration costs

Administration costs comprise costs incurred during the year concerning management and administration, including costs concerning administrative staff, the executive board, office premises, stationery and office supplies, and depreciations.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets.

Other operating costs

Other operating costs comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets. Furthermore, this item comprises received subsidies, damages, and compensation due to the coronavirus situation.

Research and development costs

Research and development costs comprise costs, salaries, and wages and depreciation directly or indirectly attributable to the company's research and development activities.

Research costs are recognised in the income statement in the year incurred. Clearly defined and identifiable development projects are recognised as intangible assets provided that they are proven to be technically practicable, that sufficient resources and a potential market or development opportunity exist, and insofar as the intention is to produce, market or utilise the project. Furthermore, there must be a proven correlation between the costs incurred and future earnings. However, lack of official approvals, customer approvals, and other uncertainties will often imply that the requirements for recognition as assets are not met and that development costs are charged to the income statement as incurred.

Financial income and expenses

Interest and other costs concerning loans to finance the production of intangible assets and property, plant and equipment, and relating to production periods are not recognised in the cost of non-current assets.

Results from investment in subsidiarie

Dividend from investment in subsidiarie is recognised in the financial year in which the dividend is declared.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Accounting policies

The parent and the Danish group enterprises are subject to Danish rules on compulsory joint taxation of Danish group enterprises. The parent acts as an administration company in relation to the joint taxation. This means that the total Danish income tax payable by the Danish group companies is paid to the tax authorities by the company.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Development projects

Clearly defined and identifiable development projects are recognised as intangible assets provided that they are proven to be technically practicable, that sufficient resources and a potential market or development opportunity exist, and insofar as the intention is to produce, market or utilise the project. is, however, a condition that the cost can be reliably calculated and that a sufficiently high degree of certainty indicates that future earnings will cover the costs of production, sales, and administration. Other development costs are recognised in the income statement concurrently with their realisation.

After completion of the development work, capitalised costs are amortised on a straight-line basis over the estimated useful economic life. The amortisation period is set at 4-7 years.

Profit and loss from the sale of development projects, patents, and licenses are measured as the difference between the sales price less sales costs and the carrying amount at the time of sale. Profit or loss are recognised in the income statement as other operating income or other operating expenses, respectively.

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation. Given that it is impossible to make a reliable estimate of the useful life, the amortisation period is set at 10 years.

Plant and machinery

Plant and machinery are measured at cost less accrued depreciation and write-down for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

Accounting policies

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Plant and machinery	5-10 years	0-20 %
Other fixtures and fittings, tools and equipment	3-5 years	0-20 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

As regards self-constructed assets, the cost comprises direct costs for materials, components, deliveries from subsuppliers and payroll costs.

Leases

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The group's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investment in subsidiaries are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Accounting policies

Investments

Investments in Group enterprises

Investments in Group enterprises is measured at cost. If the recoverable amount is lower than the cost, writedown for impairment is done to match this lower value.

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Inventories

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

Costs of manufactured goods and work in progress comprise the cost of raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance and depreciation of machinery, factory buildings, and equipment used in the production process, and costs for factory administration and factory management. Borrowing expenses are not recognised in cost.

The net realisable value for inventories is recognised as the estimated selling price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value. In order to meet expected losses, impairment takes place at the net realisable value.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

As administration company, GPP InvestCo ApS is liable to the tax authorities for the subsidiaries' corporate income taxes.

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Accounting policies

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Tax receivables from group enterprises" or "Income tax payable to group enterprises"

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Provisions

Provisions comprise expected costs of warranty commitments. Provisions are recognised when the group has a legal or actual commitment resulting from a previously occurred event and when it is probable that the settlement of the liability will result in consumption of the financial resources of the group.

If the settlement of the commitment is expected to take place in some remote future, provisions are measured at the net realisable value or at fair value.

Warranty commitments comprise commitments to repair work being carried out within the warranty period of 15 years. The provisions are measured at the net realisable value and recognised on the basis of experience with warranty work. If provisions have an expected due date later than 1 year from the reporting date, they are discounted at the average bond interest.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Accruals and deferred income

Payments received concerning future income are recognised under accruals and deferred income.

Accounting policies

Statement of cash flows

The cash flow statement shows the cash flows for the year, divided in cash flows deriving from operating activities, investment activities and financing activities, respectively, the changes in the liabilities, and cash and cash equivalents at the beginning and the end of the year, respectively.

The effect on cash flows derived from the acquisition and sale of enterprises appears separately under cash flows from investment activities. In the statement of cash flows, cash flows derived from acquirees are recognised as of the date of acquisition, and cash flows derived from sold enterprises are recognised until the date of sale.

Cash flows from operating activities

Cash flows from operating activities are calculated as the group's share of the profit adjusted for non-cash operating items, changes in the working capital, and corporate income tax paid. Dividend income from equity investments are recognised under "Interest income and dividend received".

Cash flows from investment activities

Cash flows from investment activities comprise payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible assets, property, plant, and equipment, and investments, respectively.

Cash flows from financing activities

Cash flows from financing activities include changes in the size or the composition of the group's share capital and costs attached to it, as well as raising loans, repayments of interest-bearing payables and payment of dividend to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand with deduction of short-term bank debts and short-term securities with a maturity less than 3 months that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

Income statement 1 January - 31 December

DKK thousand.

Note	Group		Parent	
	2023	2022	2023	2022
Gross profit	146.126	142.926	0	-1
Distribution costs	-24.640	-24.124	0	0
Administration costs	-101.092	-94.796	-124	-119
Other operating expenses	-291	-47	0	0
Research and development costs	-1.349	-1.969	0	0
Operating profit	18.754	21.990	-124	-120
Income from equity investment in subsidiary	0	0	11.000	0
Other financial income from group enterprises	200	0	200	0
Other financial income	119	111	0	0
2 Other financial expenses	-3.262	-1.579	0	-1
Financing, net	-2.943	-1.468	11.200	-1
Pre-tax net profit or loss	15.811	20.522	11.076	-121
3 Tax on net profit or loss for the year	-3.026	-3.964	40	5
4 Net profit or loss for the year	12.785	16.558	11.116	-116

Balance sheet at 31 December

DKK thousand.

Note	Group		Parent		
	2023	2022	2023	2022	
Assets					
Non-current assets					
5	Completed development projects, including patents and similar rights arising from development projects	10.727	13.243	0	0
6	Acquired concessions, patents, licenses, trademarks, and similar rights	3.875	0	0	0
7	Goodwill	21.274	26.049	0	0
8	Development projects	8.167	3.344	0	0
	Total intangible assets	44.043	42.636	0	0
9	Plant and machinery	10.499	12.333	0	0
10	Other operating assets	993	945	0	0
	Total property, plant, and equipment	11.492	13.278	0	0
11	Investment in group enterprise	0	0	27.050	27.050
12	Deposits	1.618	2.295	0	0
	Total investments	1.618	2.295	27.050	27.050
	Total non-current assets	57.153	58.209	27.050	27.050
Current assets					
	Raw materials and consumables	45.181	50.744	0	0
	Total inventories	45.181	50.744	0	0
	Trade receivables	26.023	37.708	0	0
	Receivables from group enterprises	122	409	5.977	12
	Tax receivables from group enterprises	289	0	1.026	518
	Other receivables	62	10.563	0	0
	Total receivables	26.496	48.680	7.003	530
	Cash and cash equivalents	7.451	7.486	4	48
	Total current assets	79.128	106.910	7.007	578
	Total assets	136.281	165.119	34.057	27.628

Balance sheet at 31 December

DKK thousand.

Note	Group		Parent	
	2023	2022	2023	2022
Equity and liabilities				
Equity				
Contributed capital	57	57	57	57
Retained earnings	43.974	42.350	26.669	15.553
Proposed dividend for the financial year	0	0	0	11.000
Total equity	44.031	42.407	26.726	26.610
Provisions				
13 Provisions for pensions and similar obligations	1.868	2.058	0	0
14 Provisions for deferred tax	8.405	6.751	0	0
15 Other provisions	2.298	9.749	0	0
Total provisions	12.571	18.558	0	0
Liabilities other than provisions				
16 Bank loans	11.130	0	0	0
Other payables	0	6.456	0	0
Total long term liabilities other than provisions	11.130	6.456	0	0

Balance sheet at 31 December

DKK thousand.

		Group		Parent	
		2023	2022	2023	2022
Equity and liabilities					
<u>Note</u>					
	Current portion of long term liabilities	5.000	24.305	0	0
	Prepayments received from customers	8.311	19.464	0	0
	Trade payables	21.194	24.867	123	118
	Payables to group enterprises	6.004	198	6.326	412
	Income tax payable	901	1.277	229	0
	Income tax payable to group enterprises	516	0	653	488
	Other payables	23.846	21.771	0	0
17	Accruals and deferred income	2.777	5.816	0	0
	Total short term liabilities other than provisions	68.549	97.698	7.331	1.018
	Total liabilities other than provisions	79.679	104.154	7.331	1.018
	Total equity and liabilities	136.281	165.119	34.057	27.628

1 Employee issues**18 Contingencies****19 Related parties**

Consolidated statement of changes in equity

DKK thousand.

	Contributed capital	Retained earnings	Total
Equity 1 2023	57	42.350	42.407
Retained earnings for the year	0	12.784	12.784
Distributed dividends	0	-11.000	-11.000
Exchange rate adjustments equity prior year	0	-160	-160
	57	43.974	44.031

Statement of changes in equity of the parent

DKK thousand.

	Contributed capital	Retained earnings	Proposed dividend for the financial year	Total
Equity 1 January 2023	57	15.553	11.000	26.610
Distributed dividend	0	0	-11.000	-11.000
Retained earnings for the year	0	11.116	0	11.116
	57	26.669	0	26.726

Statement of cash flows 1 January - 31 December

DKK thousand.

Note	Group	
	2023	2022
Net profit or loss for the year	12.785	16.558
20 Adjustments	7.433	15.028
21 Change in working capital	-1.604	-17.982
Cash flows from operating activities before net financials	18.614	13.604
Interest received, etc.	117	111
Interest paid, etc.	-3.262	-1.579
Cash flows from ordinary activities	15.469	12.136
Income tax paid	-3.027	-2.211
Cash flows from operating activities	12.442	9.925
Purchase of intangible assets	-8.699	-3.344
Purchase of property, plant, and equipment	-127	-3.510
Purchase of fixed asset investments	677	0
Cash flows from investment activities	-8.149	-6.854
Repayments of long-term payables	-4.328	-16.660
Cash flows from investment activities	-4.328	-16.660
Change in cash and cash equivalents	-35	-13.589
Cash and cash equivalents at 1 January 2023	7.486	21.075
Cash and cash equivalents at 31 December 2023	7.451	7.486
Cash and cash equivalents		
Cash and cash equivalents	7.451	7.486
Cash and cash equivalents at 31 December 2023	7.451	7.486

Notes

DKK thousand.

	Group		Parent	
	2023	2022	2023	2022
1. Employee issues				
Salaries and wages	95.534	77.319	0	0
Pension costs	12.318	10.040	0	0
Other costs for social security	1.454	1.964	0	0
Other staff costs	727	394	0	0
	110.033	89.717	0	0
Average number of employees	197	187	0	0
2. Other financial expenses				
Other financial costs	3.262	1.579	0	1
	3.262	1.579	0	1
3. Tax on net profit or loss for the year				
Tax on net profit or loss for the year	1.156	1.559	-40	-31
Adjustment of deferred tax for the year	1.654	2.424	0	0
Adjustment of tax for previous years	216	-19	0	26
	3.026	3.964	-40	-5
4. Proposed distribution of net profit				
Dividend for the financial year			0	11.000
Transferred to retained earnings			11.116	0
Allocated from retained earnings			0	-11.116
Total allocations and transfers			11.116	-116

Notes

DKK thousand.

	Group		Parent	
	31/12 2023	31/12 2022	31/12 2023	31/12 2022
5. Completed development projects, including patents and similar rights arising from development projects				
Cost 1 January 2023	24.551	24.551	0	0
Cost 31 December 2023	24.551	24.551	0	0
Amortisation and write-down 1 January 2023	-11.308	-8.399	0	0
Amortisation and depreciation for the year	-2.516	-2.909	0	0
Amortisation and write-down 31 December 2023	-13.824	-11.308	0	0
Carrying amount, 31 December 2023	10.727	13.243	0	0

Completed development projects comprise products developed for sale.

The projects was completed and put into service in the period 2012-2023 and are all depreciated over a period of 10 years.

Management has not identified indications of impairment relative to the carrying amount.

6. Acquired concessions, patents, licenses, trademarks, and similar rights				
Additions during the year	3.875	0	0	0
Cost 31 December 2023	3.875	0	0	0
Carrying amount, 31 December 2023	3.875	0	0	0

Notes

DKK thousand.

	Group		Parent	
	31/12 2023	31/12 2022	31/12 2023	31/12 2022
7. Goodwill				
Cost 1 January 2023	<u>47.751</u>	<u>47.751</u>	<u>0</u>	<u>0</u>
Cost 31 December 2023	<u>47.751</u>	<u>47.751</u>	<u>0</u>	<u>0</u>
Amortisation and writedown 1 January 2023	-21.702	-16.927	0	0
Amortisation and depreciation for the year	<u>-4.775</u>	<u>-4.775</u>	<u>0</u>	<u>0</u>
Amortisation and writedown 31 December 2023	<u>-26.477</u>	<u>-21.702</u>	<u>0</u>	<u>0</u>
Carrying amount, 31 December 2023	<u>21.274</u>	<u>26.049</u>	<u>0</u>	<u>0</u>
8. Development projects				
Cost 1 January 2023	3.344	0	0	0
Additions during the year	<u>4.823</u>	<u>3.344</u>	<u>0</u>	<u>0</u>
Cost 31 December 2023	<u>8.167</u>	<u>3.344</u>	<u>0</u>	<u>0</u>
Carrying amount, 31 December 2023	<u>8.167</u>	<u>3.344</u>	<u>0</u>	<u>0</u>

Development projects in progress comprise development of products meant for sale.

Management has not identified indications of impairment relative to the carrying amount.

Notes

DKK thousand.

	Group		Parent	
	31/12 2023	31/12 2022	31/12 2023	31/12 2022
9. Plant and machinery				
Cost 1 January 2023	18.108	14.598	0	0
Additions during the year	<u>0</u>	<u>3.510</u>	<u>0</u>	<u>0</u>
Cost 31 December 2023	<u>18.108</u>	<u>18.108</u>	<u>0</u>	<u>0</u>
Depreciation and writedown 1 January 2023	-5.775	-4.434	0	0
Amortisation and depreciation for the year	<u>-1.834</u>	<u>-1.341</u>	<u>0</u>	<u>0</u>
Depreciation and writedown 31 December 2023	<u>-7.609</u>	<u>-5.775</u>	<u>0</u>	<u>0</u>
Carrying amount, 31 December 2023	<u>10.499</u>	<u>12.333</u>	<u>0</u>	<u>0</u>
10. Other operating assets				
Cost 1 January 2023	4.657	4.506	0	0
Additions during the year	<u>127</u>	<u>151</u>	<u>0</u>	<u>0</u>
Cost 31 December 2023	<u>4.784</u>	<u>4.657</u>	<u>0</u>	<u>0</u>
Amortisation and writedown 1 January 2023	-3.712	-3.065	0	0
Translation at the exchange rate at the balance sheet date 31 December 2023	0	128	0	0
Amortisation and depreciation for the year	<u>-79</u>	<u>-775</u>	<u>0</u>	<u>0</u>
Amortisation and writedown 31 December 2023	<u>-3.791</u>	<u>-3.712</u>	<u>0</u>	<u>0</u>
Carrying amount, 31 December 2023	<u>993</u>	<u>945</u>	<u>0</u>	<u>0</u>

Notes

DKK thousand.

	Group		Parent	
	31/12 2023	31/12 2022	31/12 2023	31/12 2022
11. Investment in group enterprise				
Cost 1 January 2023	<u>0</u>	<u>0</u>	<u>27.050</u>	<u>27.050</u>
Carrying amount, 31 December 2023	<u>0</u>	<u>0</u>	<u>27.050</u>	<u>27.050</u>

Financial highlights for the enterprise according to the latest approved annual report

	Equity interest	Equity	Results for the year
GPP HoldCo ApS, Hellerup	100 %	<u>106.642</u>	<u>13.622</u>
		<u>106.642</u>	<u>13.622</u>

	Group		Parent	
	31/12 2023	31/12 2022	31/12 2023	31/12 2022
12. Deposits				
Cost 1 January 2023	2.295	2.305	0	0
Additions during the year	0	25	0	0
Disposals during the year	<u>-677</u>	<u>-35</u>	<u>0</u>	<u>0</u>
Cost 31 December 2023	<u>1.618</u>	<u>2.295</u>	<u>0</u>	<u>0</u>
Carrying amount, 31 December 2023	<u>1.618</u>	<u>2.295</u>	<u>0</u>	<u>0</u>

13. Provisions for pensions and similar obligations

Provisions for pension obligations and similar obligations	<u>1.868</u>	<u>2.058</u>	<u>0</u>	<u>0</u>
	<u>1.868</u>	<u>2.058</u>	<u>0</u>	<u>0</u>

Notes

DKK thousand.

	Group		Parent	
	31/12 2023	31/12 2022	31/12 2023	31/12 2022
14. Provisions for deferred tax				
Provisions for deferred tax 1 January 2023	6.751	4.329	0	0
Deferred tax relating to the net profit or loss for the year	<u>1.654</u>	<u>2.422</u>	<u>0</u>	<u>0</u>
	<u>8.405</u>	<u>6.751</u>	<u>0</u>	<u>0</u>
15. Other provisions				
Other provisions 1 January 2023	9.749	9.407	0	0
Change in other provisions for the year	<u>-7.451</u>	<u>342</u>	<u>0</u>	<u>0</u>
	<u>2.298</u>	<u>9.749</u>	<u>0</u>	<u>0</u>
16. Bank loans				
Total bank loans	16.130	24.305	0	0
Share of amount due within 1 year	<u>-5.000</u>	<u>-24.305</u>	<u>0</u>	<u>0</u>
	<u>11.130</u>	<u>0</u>	<u>0</u>	<u>0</u>
17. Accruals and deferred income				
Accruals and deferred income	<u>2.777</u>	<u>5.816</u>	<u>0</u>	<u>0</u>
	<u>2.777</u>	<u>5.816</u>	<u>0</u>	<u>0</u>

Notes

DKK thousand.

18. Contingencies

Contingent liabilities

Lease liabilities

The Group have entered into operational leasing contracts. The leasing contracts have between 3 and 63 months left to run, and the outstanding leasing payment is TDKK 6.556.

The Group have entered into business lease agreement concerning rent of the premises. The lease agreements have between 1 and 111 month left to run. The outstanding leasing payment for rent of premises is TDKK 21.387.

The Group have provided a floating charge in favor of Nykredit Bank A/S of 15.000 TDKK. The floating charge covers intangible assets, property, plant and equipment, trade receivables and inventories.

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.

Notes

DKK thousand.

19. Related parties

Controlling interest

GPP KI Denmark Ltd.
66 North Side
London SW18 2SH

Majority shareholder

Transactions

The company has no related party transactions in the financial year.

	Group 2023	2022
	<u>2023</u>	<u>2022</u>
20. Adjustments		
Depreciation, amortisation, and impairment	9.204	9.800
Income from equity investment in subsidiary	0	0
Other financial income	-119	-111
Other financial expenses	3.262	1.579
Tax on net profit or loss for the year	1.156	1.559
Deferred tax	1.654	2.424
Other provisions	-7.451	84
Other adjustments	-273	-307
	<u>7.433</u>	<u>15.028</u>
21. Change in working capital		
Change in inventories	5.563	-3.570
Change in receivables	22.186	-14.487
Change in trade payables and other payables	-29.353	75
	<u>-1.604</u>	<u>-17.982</u>